

JUMPstart
Giving Business A Youthful Advantage

Government
of Ontario

 Ontario

JUMP*start*
**Giving Business a
Youthful Advantage**

Government of Ontario



General enquiries regarding policy in
*JUMPstart - Giving Business a Youthful
Advantage* should be directed to:

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JUMPstart — Getting Started, Getting Training, Getting Jobs

Over the Next Three Years

	Job Experience*		Counselling and Other Services	
	\$ Millions	Number	\$ Millions	Number
	New JUMPstart Investment			
<u>Getting Started:</u>				
▶ Employment Counselling	3.6	5,850	4.4	16,650
▶ Business Loans and Advice	6.9	2,880		
▶ Employer Strategies	6.0	2,400		
<u>Getting Training:</u>				
▶ Apprenticeships	5.8	5,010	5.6	7,600
▶ Co-op Education	0.5	12,000		
<u>Getting Jobs:</u>				
▶ FUTURES	123.8	17,295		
▶ jobsOntario Training	103.6	12,200		
▶ Work in not-for-profit community agencies	30.1	4,980		
▶ Environmental Youth Corps	6.0	3,000		
▶ NORTOP	3.6	1,005		
Total for New JUMPstart investment	289.9	66,620	10.0	24,250
Ongoing Investment in Current Youth				
Employment Programs	570.0	240,000	120.0	105,000
Total JUMPstart investment	859.9	306,620	130.0	129,250

* Jobs or work experience range from eight weeks to one year in duration.

INVESTING IN A NEW GENERATION

Ontario's young people are the strength of our future labour force. They bring new ideas, new skills and high energy to the workforce. Ontario needs young workers to help our economy grow and adapt to global change.

Thousands of jobs are being created in Ontario today — employers created 137,000 full-time jobs over the past year. While workers over age 25 have regained and surpassed their pre-recession employment levels, young people have not.

Young people looking for their first job have always had a hard time because they have no work experience to show employers that they can do the job. That is a key reason why young people are not benefiting as much as they should from Ontario's strong economic growth. In today's complex and changing job market, it is also difficult for young people to know where the jobs are and what skills they require.

Investing in jobs and people has been this Government's top priority throughout the recession and into the recovery. Getting youth off to a good start in the labour force will pay economic and social dividends many years into the future. That's why we have helped tens of thousands of young people get their first work experience over the past four years. That's why we have worked with business and labour to increase opportunities for training and employment for young Ontarians.

And that's why we are launching **JUMPstart** on September 1. Over the next three years, **JUMPstart** will give on-the-job experience to 66,000 more young people. Another 24,000 will get employment counselling and other services to help them find jobs. **JUMPstart** will help young people get started, get training and get jobs. To assist these 90,000 young people, **JUMPstart** will:

- ◆ expand and improve what's working well — like co-op education and school-work apprenticeships that ease the transition from school to work;

JUMPstart

- ◆ add new initiatives where there are gaps — like **FUTURES** for graduates who have diplomas or degrees but can't break into the job market;
- ◆ make it easier for young people and employers to get information and services through one-stop access; and
- ◆ get almost 25,000 young people off welfare and into the workforce, and help other youth with special labour market needs get on-the-job experience.

All the **JUMPstart** initiatives, whether they are providing job market information or training opportunities or work experience, are directed to one goal — helping young people get jobs.

JUMPstart will consolidate all provincial youth employment programs and provide an extra investment of \$300 million over the next three years. That will bring Ontario's investment in its youth programs to \$1 billion — helping more than 400,000 young Ontarians get on-the-job experience and other employment supports over the next three years.

JUMPstart is the largest and most comprehensive youth training and employment initiative of any province in Canada — and the largest youth initiative ever undertaken by Ontario.

It is unique in North America in that it will be directed by a partnership of employers, unions, communities and government through the Ontario Training and Adjustment Board (OTAB). OTAB will ensure that the program is efficient and that the information, training and work experience provided are relevant to today's labour market needs and to today's young people.

BUILDING ON OUR RECORD

Investing in Jobs and Training

This Government has invested in the education and skills of Ontarians of all ages. More than 450,000 young people have participated in Ontario's employment and training programs since 1990-91, including some 50,000 youth apprentices. Over that period, the Government has increased its annual investment in these programs by 50 per cent.

Last year alone, the Government invested almost \$230 million to provide on-the-job experience to over 80,000 young people and provide another 35,000 with employment counselling and other supports.

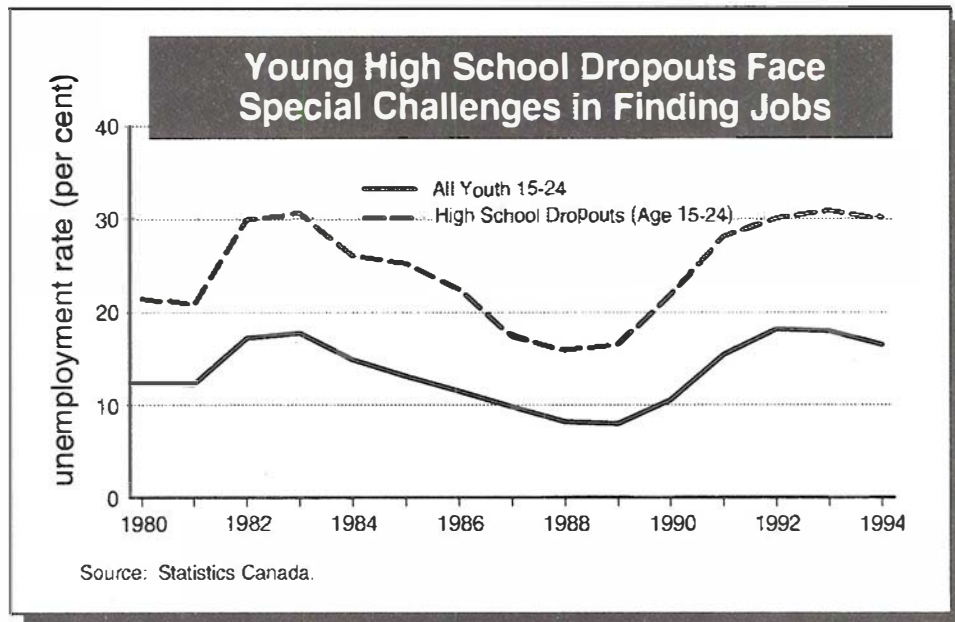
Working in partnership with the private sector, the Government has already taken action to improve and refocus some of Ontario's youth programs. For example, when it became clear that youth in some communities were facing extra barriers to getting jobs, the Government introduced the **jobsOntario Youth** program in four communities in 1992. More recently, the Government launched **jobsOntario Summer Employment**, which expands and coordinates summer job programs for youth.

About 20 per cent of the unemployed Ontarians who have obtained jobs through **jobsOntario Training** have been young people. This innovative program will have created more than 90,000 job opportunities by the end of 1995-96. These jobs are with private-sector employers, who provide these new workers and other employees with significant on-the-job training. And as trainees become more productive, they contribute directly to the financial success of their firms.

Education: Making the Transition from School to Work

We are also ensuring that young people have the educational foundation to make an effective transition to the world of work.

The new economy requires higher levels of education. Most of the new jobs being created in the 1990s require at least a high school diploma, and many require college or university education.



Young Ontarians are better educated than ever before. Our elementary and secondary schools are educating almost 1.9 million students, 7 per cent more than in 1990, and enrolment in our colleges and universities is over 360,000, up 13 per cent since 1990.

More young people are staying in school — the drop-out rate has declined dramatically from almost 20 per cent in 1980 to just over 9 per cent in 1994.

One of the challenges for students that has been identified by young people, parents, teachers, the Royal Commission on Learning and the Ontario Premier’s Council, is the crucial transition from school to work.

The Government is engaged in a sweeping reform of the school system. A priority of the reform is easing the school-to-work transition by ensuring that students and teachers have up-to-date information about the skills that employers demand. At the same time, we are encouraging school boards to reach out to bring the community, including parents and employers, into the schools.

The Federal Withdrawal

While Ontario is increasing its investment in jobs and training for our young people — despite fiscal pressures — the federal government is cutting back on investing in the labour force. Rather than strengthening the skills of workers and helping to create jobs, the recent federal budget cuts jobs. It will cost the Ontario economy 90,000 jobs over the next three years.

Cuts in jobs and training programs in the federal Department of Human Resources Development will total \$600 million in 1995-96 and \$1.1 billion in each of 1996-97 and 1997-98. These cuts will affect training dollars for social assistance recipients and others not eligible for Unemployment Insurance (U.I.), and will reduce federal staff involved in employment and U.I.-related services in Ontario by 1,100 over the next two years. New federal cuts to U.I. will take \$700 million out of the system in 1996-97 — \$500 million from benefits.

The cumulative impact of these federal cuts will inevitably hurt young people's chances of finding job opportunities and training placements. In some cases, the cuts are aimed directly at young people — for example, the federal commitment to Youth Service Canada is being reduced.

And the current federal government is continuing to treat Ontarians unfairly in the area of training. Ontario represents 38 per cent of the national workforce, yet it receives only 27 per cent of federal training dollars. If that unfairness had been corrected last year, Ontarians would have received \$360 million worth of additional training.

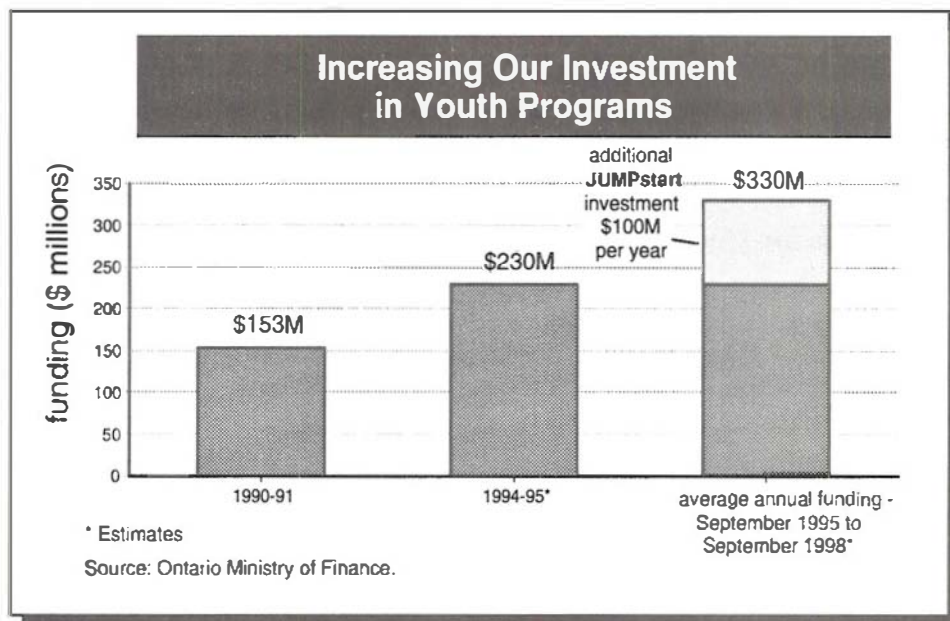
IMPROVING PROSPECTS FOR YOUTH EMPLOYMENT

Over the last few months, Premier Bob Rae and other members of the Government have been talking with young people, parents, employers, union members, educators, youth counsellors, community leaders, and others who are concerned about the future prospects for young Ontarians. Finance Minister Floyd Laughren

JUMPstart

also talked to Ontarians about youth and the economy in his pre-budget consultations across the province.

Ontarians told us that we need to expand our efforts to help young people get started, get training and get jobs. Over the next three years, **JUMPstart** will provide 66,000 young people with on-the-job experience and another 24,000 with counselling and other services to help them get a job.



Youth unemployment has been declining since 1992, as the economy recovers, but it is still higher than for the rest of the workforce. The jobless rate for youth under 25 so far this year has averaged almost 15 per cent. Many young people, including those who have a community college diploma or a university degree, are having difficulty getting a foothold in the job market. **JUMPstart** will help more of these young people get on-the-job experience.

Too many young people are on welfare. There are 135,000 social assistance cases headed by youths aged 16 to 24. That is 20 per cent of the total social assistance caseload. Close to half these young people are unemployed but could work; nearly one-third are sole-support parents.

Youth on social assistance may have a range of special needs. Some may have dropped out of school early and may lack basic

literacy and other skills required to obtain even entry-level jobs. Others may have basic skills, but lack the specific work skills needed in today's job market. Sole-support parents on welfare may need additional supports such as child care and transportation.

JUMPstart will target almost 40 per cent of the new job placements being created over the next three years to help young people get off welfare and into the workforce. This investment will not only help those young Ontarians and their dependants, it will also generate long-term savings to the taxpayer by reducing the cost of social assistance.

JUMPstart includes a range of initiatives that provide opportunities in three broad areas: getting started, getting training and getting jobs.

Getting Started

To get started in the labour market, most young people need information: Where are the jobs? What training opportunities are available? What do I have to do to qualify? Where do I get help? Employers who want information on getting involved in youth employment programs also require easy access to information.

- ◆ **JUMPstart** will expand OTAB's 1-800 Hotline service for youth. It will use the newly launched Canada-Ontario Business Service Centre 1-800 Hotline to provide information to employers. One-stop telephone access will be especially helpful for youth in rural and remote areas. OTAB will use new technology to link all deliverers of youth employment programs.
- ◆ An extra \$6 million from **JUMPstart** will enable Ontario's 72 youth employment-counselling centres to provide more job information, career counselling and referral services to an additional 16,000 young people, especially disadvantaged youth. And four more centres will be opened to assist young people in rural communities.

Self-employment is one of the fastest-growing areas of the economy, and is expected to generate an increasing share of jobs in the future. But young entrepreneurs with good ideas often have trouble convincing a bank to give them that crucial start-up loan.

JUMPstart

Through the Youth Ventures program, the Ontario government provides young people with loan guarantees of up to \$7,500 to get them started on their own small businesses.

- ◆ **JUMPstart** will expand Youth Ventures by providing 1,800 additional loans over the next three years. This expansion is expected to generate close to 3,000 new jobs for youth. As part of this initiative, the Government and employers will help youth to develop networks of mentors who can help them achieve success in their new business enterprises.

Sectoral strategies have proven immensely successful in finding new creative solutions to challenges facing firms in key areas of our economy. We need to build on existing partnerships with business and labour to create new opportunities for young people to work in the private sector.

- ◆ A new sector-based incentive fund under **JUMPstart** will provide \$6 million over the next three years for up to 20 business sectors to develop innovative youth employment strategies including stay-in-school initiatives, youth internships and traineeships. This initiative will encourage the private sector to put its resources, both human and financial, into new strategies for youth. It is expected to create about 2,400 jobs.

Getting Training

Work-related training is often key to getting and keeping a first job.

Apprenticeship is a growing training area for youth. In 1994, 55 per cent of new apprentices were under age 25. Part of the credit for increased participation is due to Youth Access projects, which encourage youth to consider apprenticeship and help them get placements with employers. Some Youth Access workers go into the schools to explain to students and teachers how apprenticeship works. In addition, the Ontario Youth Apprenticeship Program, formerly the Secondary School Workplace Apprenticeship Program, has made it possible for

students to continue their high school education while working part-time as an apprentice.

- ◆ **JUMPstart** will add 15 new Youth Access projects. It will also develop innovative new apprenticeship programs and delivery models that address youth needs for participation and success in apprenticeship. Some of the new trade areas to be explored include financial services, computing and health care.
- ◆ **JUMPstart** will provide an additional \$5.7 million for the Ontario Youth Apprenticeship Program to create more than 4,700 new positions for school-work apprenticeships over three years.

One way of bridging the transition from school to work is to get on-the-job work experience while still studying. Programs that combine classroom learning with on-the-job work experience have proven valuable in helping students move into jobs with good prospects. Co-op education programs are among the most successful and popular with students and employers.

- ◆ **JUMPstart** will create 12,000 extra positions in co-op education programs over the next three years.

Convincing an employer that you have the skills that the business needs is hard if you don't have some proof of the skills that you have acquired. Skills acquired on the job usually don't come with a diploma.

- ◆ **JUMPstart** will help youth to document and transfer the skills they acquire in all Ontario youth programs through a standardized Skills Acquisition Certificate, developed in cooperation with employers.

Getting Jobs

What young people looking for work want most is a job — especially a good job that will help them start a career. So **JUMPstart** concentrates most of its funding in the area of work experience.

One of Ontario's best-known programs for youth is FUTURES, which provides youth with pre-employment preparation and work experience placements, as well as support in returning to school

JUMPstart

where appropriate. FUTURES works closely with employers, particularly small businesses, in getting people that first job. Demand for the program has always exceeded its resources.

High school and university graduates are more successful in the labour market than other youth, but their lack of experience means that they still have a harder time finding work than adults over 25 with comparable education.

- ◆ **JUMPstart** will invest an extra \$124 million in FUTURES over three years.
- ◆ It will extend the average length of work experience for all 29,000 FUTURES participants from 10 weeks to 16 weeks.
- ◆ It will provide work experience for more than 4,200 young people who are on welfare.
- ◆ It will create opportunities for graduates of high school, college and university. FUTURES for Grads will give employers an hourly wage subsidy of \$4 up to a maximum of \$2,000. Youth participants will be eligible for a training credit or voucher for up to \$2,000 of advanced skills upgrading. Over 13,000 graduates will receive employment planning, work experience and career training.

In partnership with private-sector employers, **jobsOntario Training** has successfully placed thousands of young people in full-time, permanent jobs in the private sector. Nearly half of the job opportunities created through **jobsOntario Training** are going to people who were formerly on welfare.

- ◆ **JUMPstart** will invest an additional \$104 million in **jobsOntario Training** to provide jobs and training for 12,200 additional youth over the next three years. Half of these youth will be social assistance recipients. Welfare recipients may also receive help with child care and transportation costs to help them participate.

The Social Service Employment Program provides work placements for social assistance recipients for up to one year in not-for-profit community agencies. With a year's experience behind them, these workers have a much better chance of getting long-term employment. The Summer and Part-Time Experience

Program provides part-time jobs for students on social assistance. Some of these young people may be in families where their parents are on welfare.

- ◆ These two programs will receive an additional \$30 million over three years to help more young people get off social assistance and into the workforce. Two thousand more year-long placements in community agencies will be made available.

The Environmental Youth Corps provides youth with three-month work placements in environmental organizations in the non-profit sector. Youth in Northern Ontario get work placement opportunities through the Ontario Northern Training Opportunities Program.

- ◆ **JUMPstart** will expand both programs. The Environmental Youth Corps will receive an additional \$6 million to provide 3,000 more youth with placements in private-sector green industries. Increased funding of \$3.6 million over three years will provide about 1,000 northern youth, particularly First Nations young people, with work-experience placements in the private sector.

AN INVESTMENT THAT WILL PAY OFF

This investment in youth through **JUMPstart** will pay off for all Ontarians.

Helping youth get their first job will help to assure a flow of skilled and productive young workers into the workforce to produce the goods and services of the Ontario economy — and to help Ontario businesses become more competitive.

It will reduce social assistance costs by getting almost 25,000 young people into jobs that will keep them off welfare. The average cost of supporting a young person or young family on social assistance is almost \$9,000 a year. That means we could avoid up to \$225 million in social assistance costs if each of these young people stays in a job placement for a year. **JUMPstart** will also give them the experience they need to stay employed.

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Government investment of \$300 million over three years will also lever at least that much in private-sector investment. In **jobsOntario Training**, for example, employers pay the young person's wage. Employers also cover most of the costs of training apprentices.

Investing in young people — at a time when they are first acquiring attachments to work and community — will help them gain the confidence, self-reliance and self-esteem they need to become not only good workers and entrepreneurs, but also good citizens.

A VOICE FOR YOUTH

Young people need to have a voice in decisions that affect them. They will be an important partner in **JUMPstart**. There will be a province-wide conference to let young people participate directly in shaping youth services at the provincial and local level. It will also allow those who provide youth services to share information about what's working and how they can start initiatives in their communities.

This youth employment conference will be held before the launch of **JUMPstart** on September 1. Some of the programs in **JUMPstart** are already in operation — they will be fully expanded by the fall. And by then the new initiatives will be ready to go.

For information on **JUMPstart** and all other provincial youth programs, young people should call:

**The JUMPstart YOUTH HOTLINE at
1-800-387-0777.**

Employers interested in providing opportunities for Ontario's young people should call:

**The JUMPstart BUSINESS HOTLINE
at 1-800-567-2345.**
