

**Ministry of Training,
Colleges and Universities**

Minister

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Queen's Park
Toronto ON M7A 1L2

**Ministère de la Formation
et des Collèges et Universités**

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Toronto ON M7A 1L2



June 13, 2013

The Honourable Diane Finley
Minister of Human Resources and Skills Development
House of Commons
Confederation Building
Ottawa ON K1A 0A6

Dear Minister Finley,

Our governments have worked in partnership to help people in Ontario develop new skills and find employment. We have made services available to thousands of people across the province to address their needs and the requirements of their communities; but there is more to be done.

Like you, we welcome the opportunity to discuss approaches to existing labour market agreements that will more fully involve employers, workers, and educators, to identify and address training and skills issues.

Just recently passed, our government's 2013 Budget – A Prosperous and Fair Ontario – focuses on job creation and growing the Ontario economy and helping people in their everyday lives. Improving labour market participation of all segments of society is vital to increase the supply of available workers and enhance the province's long-term economic potential. A number of vulnerable groups have more difficulty in entering the workforce. Measures in our budget also help remove some of the barriers that some people face.

Ontario's 2013 Budget also recognizes that we must support our youth, which is one of the groups with the highest unemployment rate. Our Youth Jobs Strategy will focus on integrating more youth in the workforce and connect businesses, labour, educators and youth to identify and solve skills development issues.

Ontario's economic success depends on ensuring all Canadians are able to participate in the labour market. Together, we have made significant investments in creating a more integrated employment and training program that serves clients ranging from our most vulnerable Canadians in need of literacy and basic training to fill positions that already exist to those who need to upgrade their skills to find their next job, and we have achieved strong results. Ontario needs to build further on these achievements. This is why we need maximum flexibility to address the diverse needs of our labour market, especially those Canadians who require more intense support to develop job-ready skills to get back to work.

As it's currently proposed, the Canada Job Grant could represent a \$232 million reduction in funding available for Ontario's existing programs — \$116 million in federal funding and \$116 million in Ontario matching dollars.

Paying for the Canada Job Grant by cutting from the fund used to serve the most vulnerable workers would take necessary funding and services away from those workers who need it most. Last year, Ontario used the \$194 million in federal funding for vulnerable workers to serve roughly 250,000 Ontarians, including Aboriginal people, youth, immigrants, those who have been out of work long-term, persons with disabilities and social assistance recipients. Funding the Canada Job Grant instead of these programs would put many of these Ontarians at risk.

Canada has significant regional differences, and a one-size-fits-all job grant will not have the flexibility to serve the diversity of Ontario's economy and employment needs.

Ontario requires a strong federal partner to make sure our workers are equipped to succeed in the face of long-term structural economic shifts, and slow growth in the global economy. We share the goal of job creation; wanting to help more Ontarians find work and helping our employers find the people with the skills they need to compete.

It benefits our economy and our citizens when we help all people get the skills they need to find work and achieve their goals. Ontario is ready to enter into negotiations, provided the federal government shares our commitment to ensure that our most vulnerable out of work Ontarians have access to the vital training services they need to succeed and that we can help them in their everyday lives.

Sincerely,

A handwritten signature in black ink, appearing to read "Brad Duguid". The signature is written in a cursive, flowing style with a prominent initial "B" and a distinct "D".

Brad Duguid
Minister