

January 19, 2018

The Honourable Charles Sousa
Minister of Finance
c/o Budget Secretariat
Frost Building North, 3rd Floor
95 Grosvenor Street
Toronto, ON
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Kickstart the Careers of the Next Generation of Ontario Engineers: OSPE's Submission to Ontario's 2018 Budget

Dear Minister Sousa,

Ontario is home to more than 85,000 Professional Engineers and 250,000 Engineering Graduates. That's one of the largest concentrations of engineering expertise in the world, and the largest concentration of engineering expertise in Canada. OSPE stands as their advocacy body, as the voice of the engineering community in Ontario.

OSPE is the voice of engineering graduates who come to us looking for help. Their stories exemplify the challenges and opportunities facing Ontario's engineering graduates today. Thousands of engineering graduates across Ontario – young, diverse, and talented individuals who have the tools to succeed but need help getting their first engineering job.

They need someone to invest in them. Someone to give them a shot.

That is why OSPE is calling on the Government of Ontario to invest in these people, to give engineering talent a shot, and to help thousands of graduates get that first engineering job.

OUR ASK:

OSPE hereby requests that Ontario's 2018 Budget include the expansion of the Career Ready Fund and the Career Kickstart Strategy in concert with the creation of targeted funding to strategically support engineering employment in Ontario.

BACKGROUND:

Ontario is home to over 250,000 engineering degree-holders – and their ranks are growing. This spring a record number of engineering graduates will get their degrees, surpassing the record set the year prior, and the one set the year before that.

Looking to the years ahead, Ontario's recent investment aimed at increasing the number of Science, Technology, Engineering, and Mathematics (STEM) students in Ontario's colleges and universities will create an even larger pool of engineering graduates entering the job market.

The concerning reality is that Ontario's engineering graduates are disproportionately underemployed and unemployed when compared to other jurisdictions and professions. In fact, research indicates that of employed engineering degree-holders, more than 33 per cent of their positions do not require *any* form of post-secondary degree — period.

To be clear, OSPE applauds Ontario's vision for excellence in post-secondary education and the creation of supports, pathways, and unprecedented access to said education.

Our concern is rooted in basic economics – namely, that increasing the supply of engineering graduates without making adequate investments to increase *demand* for engineering graduates will cause a double-impact that policy makers must be made aware of.

The first implication is related to cost.

The underemployment of engineering graduates undermines the return on public and individual investments in post-secondary education. When these individuals are unemployed, or take on positions that do not fully utilize their engineering education, it means a zero or diminished return on public and individual investment for their education.

We want these people building, innovating, and doing.

The second implication is that the underemployment of engineering graduates limits economic growth across nearly all major sectors of this province.

This restricts the realization of Ontario's vast competitive advantage – namely, our homegrown, engineering talent. We need to support our best and brightest by aiding their transition into the workforce so that they can create wealth and jobs here in Ontario, not elsewhere.

So, how do we address this situation and what's in it for Ontario?

Connected to engineering employers, post-secondary institutions, and engineering graduates, OSPE is uniquely positioned to understand the complexity of this challenge and offer solutions.

Paradoxically, across all industries, businesses are actively seeking job-ready applicants to fill engineering positions.

In fact, the Conference Board of Canada estimates that the unfulfilled demand for engineering graduates in Ontario directly costs our provincial economy billions of dollars each year. Anecdotally, OSPE's own job board and industry employment events are routinely at capacity for firms seeking engineering talent.

Therefore, we know there are a lot of underemployed or unemployed engineering degree holders and at the same time industry is telling us that demand for qualified engineering graduates is high and growing.

The key word is job-ready.

The skills gap is real, and it exists between the knowledge our graduates acquire at school and the abilities modern industries demand of their highly-skilled employees.

Specifically, engineering employers are looking for candidates with one to three years of work experience and the demand for these people is immense.

So, if firms want to hire job-ready candidates with experience, how can recent engineering graduates get hired?

This is where the role of the provincial government as a connector and facilitator is vital. Even talented engineering graduates can take days, weeks, and sometimes months to properly onboard at a new job before they start producing significant results.

For engineering employers, the time and investment required to train and onboard a new hire is expensive, and, in a competitive marketplace, managers know they could be investing in someone who may eventually leave or be lured away by another firm.

The lynchpin to this issue is finding a way to reduce the cost employers face in hiring recent graduates, and to incentivize employers to take on and coach new hires.

OSPE believes that expanding the Career Ready Fund and the Career Kickstart Strategy, in combination with earmarking funds to specifically support engineering positions, can accomplish both interests: enabling and encouraging employers to take on engineering talent and enhance their businesses.

CONCLUSION:

Investments in engineering talent creates direct and indirect jobs, wealth, and an impressive culture of entrepreneurship that benefits all Ontarians.

By growing and sustaining the Career Ready Fund and the Career Kickstart Strategy with targeted investments to support engineering employment, Ontario will further unlock the massive economic potential of growth communities all across our province – capitalizing on our province’s greatest resource: our highly-skilled workforce.

The Government of Ontario has an important role to play in encouraging and incentivizing the first connection between engineering graduates and employers.

For recent engineering graduates in communities across our province, Ontario’s 2018 Budget is an opportunity to give these talented people a shot at their first job and help launch the next generation of engineering careers.

On behalf of the engineering community in Ontario, thank you for providing OSPE with the opportunity to deliver an in-person presentation to the Standing Committee on Finance and Economic Affairs in Kitchener-Waterloo.

For questions or comments regarding this submission, please contact Patrick Sackville, Lead, Policy and Government Relations at patrick@ospe.on.ca or (416) 223-9961 ext. 225.

Sincerely,



Jonathan Hack, P.Eng., MBA
President and Chair

Ontario Society of Professional Engineers



Sandro Perruzza
Chief Executive Officer

Ontario Society of Professional Engineers

Cc: The Honourable Mitzie Hunter, Minister of Advanced Education and Skills Development
The Honourable Steven Del Duca, Minister of Economic Development and Growth
The Honourable Kevin Flynn, Minister of Labour
The Honourable Jeff Leal, Minister Responsible for Small Business
The Honourable Harinder Malhi, Minister of the Status of Women
The Honourable Kathryn McGarry, Minister of Transportation
The Honourable Eleanor McMahon, President of the Treasury Board
The Honourable Reza Moridi, Minister of Research, Innovation and Science
The Honourable Indira Naidoo-Harris, Minister of Education
The Honourable Kathleen Wynne, Premier of Ontario

About the Ontario Society of Professional Engineers (OSPE)

The Ontario Society of Professional Engineers (OSPE) is the voice of the engineering community in Ontario. Ontario is home to over 80,000 professional engineers and over 250,000 engineering graduates who contribute to the most strategic sectors of Ontario's economy.

Engineers are trained, innovative problem solvers who develop solutions by considering costs and benefits, sustainability, public safety, and the complete lifecycle and integration of projects. Engineers are on the frontlines of developing, safeguarding, and maximizing Ontario's investments and are key stakeholders for all levels of government.

OSPE was formed in 2000 after members of Professional Engineers Ontario (PEO) voted to separate regulatory and advocacy functions into two distinct organizations.