



YOUTH JOB CREATION

May 2, 2013

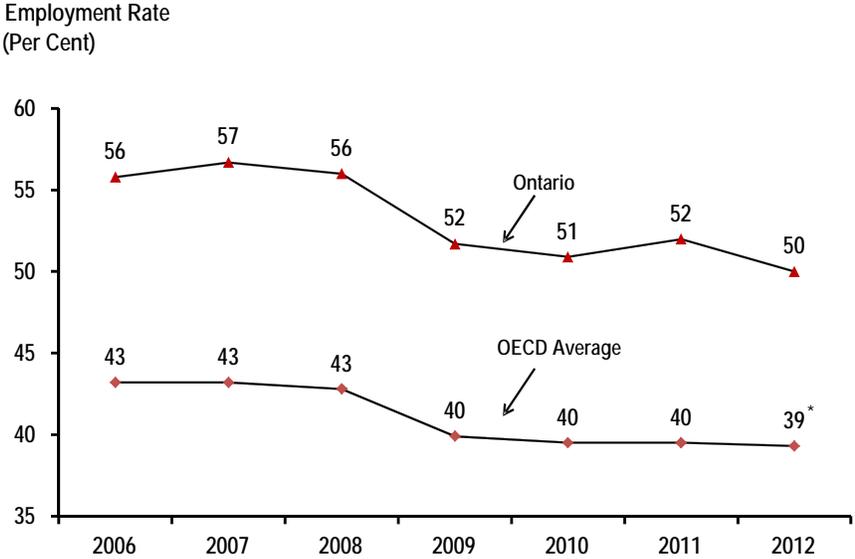
Ontario's economic performance is stronger when everyone has the opportunity to be gainfully employed, to participate in the life of their communities and to contribute to the prosperity of the province.

Ontario has created almost 400,000 jobs since June 2009, recovering all the jobs lost during the recession. The pace of job creation in Ontario since June 2009 is ahead of the Organisation for Economic Co-operation and Development (OECD) average and that of the United States. Ontario's strong economic fundamentals, as well as government actions, have helped its economy recover from the global recession.

But despite these job gains, Ontario's youth face persistently high unemployment. The employment rate of youth (the proportion of the population aged 15 to 24 with jobs) has also remained well below its pre-recession levels, largely because youth shouldered the brunt of job losses during the downturn. In 2012, the youth employment rate stood at 50 per cent, compared to 57 per cent in 2007.

While government investments have minimized the severity of the economic downturn and helped to ensure that Ontario's youth fared much better than their counterparts in most OECD countries, youth unemployment is still unacceptably high.

Youth (15 to 24 years) Employment Rate:2006-12

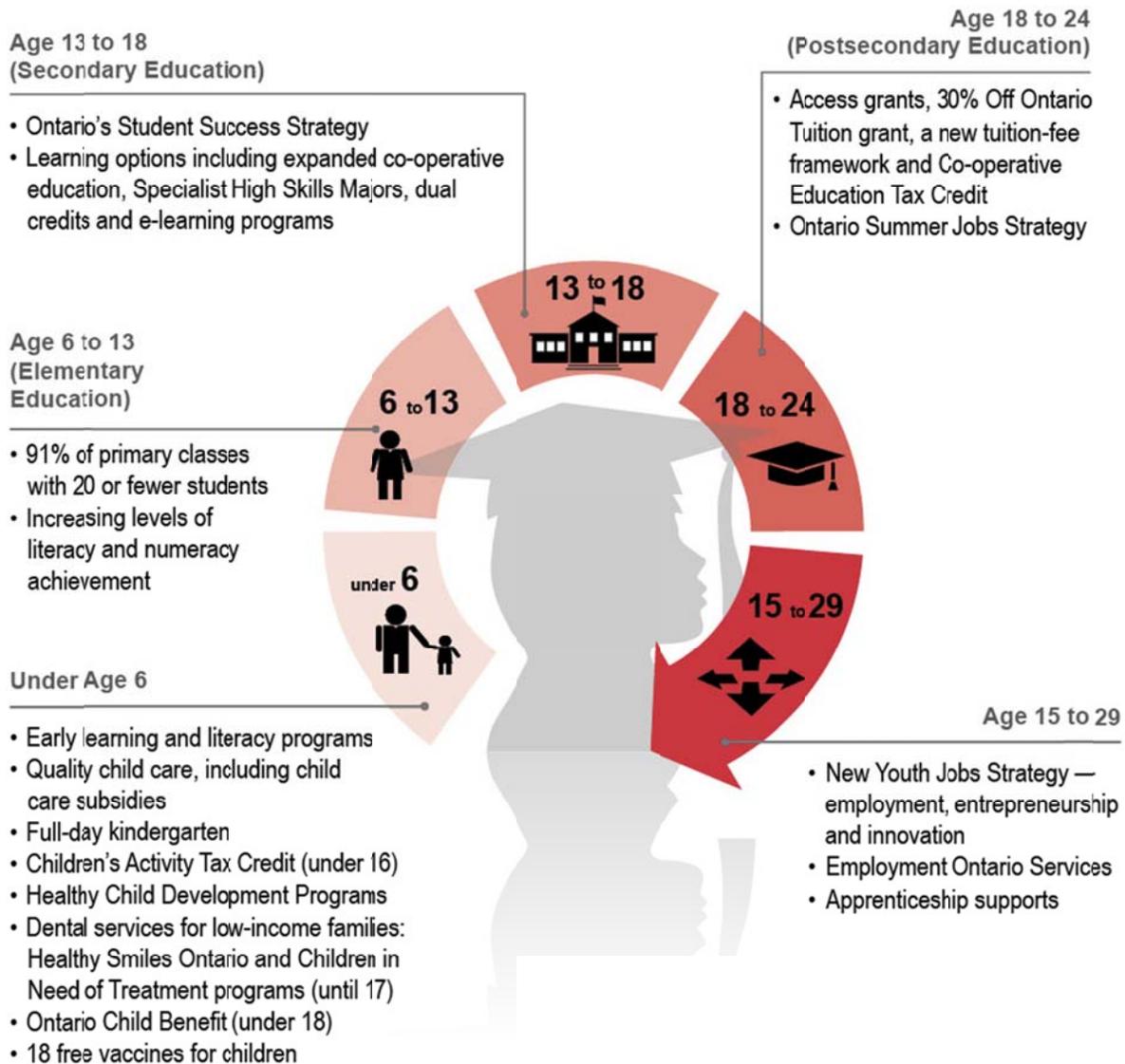


*Note: 2012 number is an OECD estimate.
Source: Statistics Canada, Labour Force Survey and OECD.

Studies show that spells of youth unemployment can have long-term social and economic consequences. These experiences can lead to youth facing persistently lower wages and a higher likelihood of becoming unemployed later in life. Therefore, it is critical that governments and employers work together to pave the way for a brighter future for Ontario youth.

The government supports Ontario's young people through programs and services from world-class schools to programs that help them move into employment.

Support for everyone from Early Years to Adulthood



Recognizing the need to provide even more opportunities for Ontario's youth, the government is proposing a comprehensive Youth Jobs Strategy, providing an investment of \$295 million over two years. The strategy would support the following initiatives that would promote employment opportunities, entrepreneurship and innovation for youth in Ontario:

Ontario Youth Employment Fund

The government is proposing a Youth Employment Fund of \$195 million over two years to create employment opportunities for 25,000 youth in Ontario. The province would provide hiring incentives to employers to offer young people in all regions of the province an entry point to long-term employment. Youth who participate in the program would learn life and work skills while earning income. It would also help employers better tap the youth talent available in the province.

The Fund would use Employment Ontario's network of employment and training services and the support of the employer community across Ontario to find appropriate job placements that meet the diverse needs of Ontario's youth.

Employment opportunities would be available across Ontario, with an added focus on areas with high youth unemployment, including at-risk youth (e.g., youth leaving care, youth receiving social assistance), Aboriginal youth, recent immigrants and visible minority youth, and youth in rural and northern communities. This investment would improve youth outcomes today by providing employment opportunities, while supporting Ontario's future economic growth as youth are equipped with the skills to succeed going forward.

Ontario Youth Entrepreneurship Fund

Creating new businesses is an important part of Ontario's economic future. To help ensure that Ontario's next generation of entrepreneurs is strong, confident and ready to compete at home and abroad, the government is proposing an Ontario Youth Entrepreneurship Fund of \$45 million over two years, generating nearly 6,000 mentorship and job opportunities.

The fund would focus on three priority areas:

Mentorship: ensuring young entrepreneurs are connected to experienced entrepreneur mentors who provide coaching, business strategy and "go to" market advice that substantially increase the long-term success of a startup company.

Seed-stage capital: financing a company is often the biggest barrier to getting started. The fund would offer small loans, seed capital and other grants to lower this barrier. The seed-stage capital would be provided to Accelerator Hubs that would partner with investors to support young entrepreneurs with their startup companies.

High school entrepreneurship outreach: funding over two years to entrepreneurship-focused organizations that would support outreach and provide tools to students through classroom presentations, conferences and experiential learning. Successful business owners would also serve as mentors to help strengthen the next generation of business leaders.

These targeted investments would support young entrepreneurs across the province, as they work to build their careers, turning them from job seekers into job creators. The province would use the Ontario Network of Excellence and Small Business Enterprise Centres to ensure that this fund is implemented as quickly as possible.

To help Ontario's young entrepreneurs, the government will allow graduates choosing to start a business in Ontario to defer paying off Ontario Student Assistance Program (OSAP) loans and payment of interest until one full year after completing postsecondary education, rather than the standard six-month grace period.

Ontario Youth Innovation Fund

Ontario's academic institutions provide students with 21st-century skills to succeed in the modern economy. These talented students, however, need more opportunities to enter the knowledge-based workforce and make positive contributions to the province's innovation economy.

Ontario would invest \$10 million over two years to provide exceptional post-doctoral fellows with skills and experience to lead and manage industrial research, development and commercialization efforts, resulting in rapid commercialization of research and a boost to economic activity. This investment would flow through Ontario Centres of Excellence, which offer established infrastructure, and should leverage \$40 million from industry. This new investment would build on the success of Mitacs, which has created 1,650 internships for graduate students and 111 post-doctoral fellowships in Ontario, since 2008.

The government would also provide \$20 million over two years for the On Campus Accelerator Centres that would facilitate development of entrepreneurial activity in Ontario's universities and colleges. This investment would build on existing centres like Ryerson's Digital Media Zone, University of Toronto's Impact Centre, Nipissing University's Student Development Fund, Experience Entrepreneurship at Conestoga College and the VeloCity Program at the University of Waterloo, where successful, new innovative companies are being developed and getting products to the market.

Business-Labour Connectivity and Training Fund

In recognition of the need for better coordination among business, labour, educators and youth to identify and solve talent development issues, the government is proposing \$25 million over two years to support creative new pilot initiatives. This funding would support youth-focused training programs that strengthen innovation and collaboration skills, as well as initiatives from business groups.

The government will consult with youth, young professionals and community partners on designing the strategy, including consulting with the Premier's Council on Youth Opportunities.

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