

Intelligence MEMOS



From: Parisa Mahboubi
To: Canadian Youth
Date: August 19, 2022
Re: CANADIAN YOUTH FACED A DOUBLE HIT FROM PANDEMIC

Today's labour market is tight and the kids aren't alright. During the pandemic, young Canadians experienced education and work disruptions that led to income losses, high unemployment and likely learning losses. Although the record high youth unemployment rates have recently been replaced by record low unemployment rates, the COVID-19 impacts and recovery have been uneven. As we look ahead, policymakers need to address concerns over education and career "scarring" – long-lasting negative impacts on youth.

Prior to the pandemic's onset in February 2020, the youth unemployment rate (15-24 year-olds) was a relatively low 10.6 percent. By May 2020, it had shot up to a sky-high 28.8 percent, due to youth overrepresentation in the hardest hit industries: accommodation and food services, wholesale and retail trade, and information, culture and recreation. While the COVID-19 recession was the deepest on record, it was also the shortest, and youth unemployment rapidly recovered, dropping down to 9.2 percent in June in 2022.

While the overall rapid recovery in youth unemployment is promising, there are still reasons for concern.

First, the recovery has been [uneven](#) and certain groups such as [some visible minorities](#) and [low-educated](#), non-student youth still face high unemployment rates despite this tight labour market with high job vacancies across all sectors. This points to a need for targeted support and policy interventions.

Second, youth labor force participation and employment ages 20-24 are still lower than before the pandemic, principally due to slower recovery among men. It is not surprising to see a different story between the unemployment rate and the labour force participation rate. Young individuals may get discouraged and exit the labour market when they are unable to easily find employment, or have no incentives to search for a job instead deciding to attend school. For example, Quebec is the province with the lowest youth unemployment rates, but it has also made the least progress toward recovery in its labour force participation.

Third, prospects for young Canadians have worsened due to educational disruptions affecting learning. These disruptions include school closures to in-person learning, inconsistent learning settings, low attendance rates and classroom engagement, and a lack of preparedness for emergency remote digital learning and inequitable access to educational technologies and resources.

While there is a scarcity of timely education data in Canada to assess the direct educational impacts of the pandemic on young Canadians – partially due to the suspension of student assessments during the pandemic – past evidence on the effects of education disruptions and the use of online instruction and early international evidence on the educational impact of pandemic point to potential learning losses during the pandemic. In general, there is a consensus that the amount and quality of learning since the pandemic-induced disruption have been substandard. Although students were able to switch to remote learning during in-person school closures, existing evidence shows that emergency remote digital learning can only help mitigate between [15 percent and 60 percent](#) of learning losses.

The learning losses are expected to be particularly significant for low-income and disadvantaged students and those students who experienced more frequent and more prolonged school closures. If they are not addressed, learning losses can lead to future poor educational outcomes –education scarring – and consequently have major and life-long effects on individuals' employment, productivity and earning outcomes.

To support youth during the recovery and alleviate potential negative long-term effects, Canada has already taken various actions. For example, the federal government has introduced [a recovery plan](#) to support the creation of new work-integrated training opportunities and short-term, subsidized, high-quality jobs for youth. They also announced their [2022 plan](#) to modernize the labour-market agreements with provinces to support workers' retraining and to support an employment strategy for persons with disabilities to increase participation and employment.

Moreover, [provincial governments](#) have introduced recovery plans to address students' needs. These plans include online tutoring support. However, it is doubtful they will be as effective as in-person tutoring, and resources and investments are not well-targeted to address gaps and inequalities. Provinces should increase support and funding to expand summer school and offer in-person tutoring during and after school for K-12 students, while ensuring students, particularly those from disadvantaged backgrounds and the communities most affected, receive the supports they need to make up for learning losses.

With the impact of and recovery from the pandemic so uneven among youth, it is critical to ensure a targeted set of policies. Subsidized employment and training must be available to youth who are low educated, low income and/or not in education and employment altogether. Targeted employment services (counselling and job search assistance) that help encourage greater participation and ease the transition into employment and better jobs for young Canadians who still face difficulties finding employment will help too.

Strong, targeted programs are required. The kids deserve nothing less.

Parisa Mahboubi is a Senior Policy Analyst at the C.D. Howe Institute.

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