



**Future
Skills
Centre**

Centre des
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Project Insights Report

BOLD: Better Outcomes for Laid Off Displaced Workers



PARTNERS

Canadian Skills Training Ontario
& Employment Coalition



LOCATIONS



INVESTMENT

\$650,897.20



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CONTRIBUTORS

Alex Stephens

► The Issue

The Better Outcomes for Laid Off Displaced Workers (BOLD) project originally planned to test a new approach to workforce adjustment, i.e., the process that is put in place to provide workers with career support and training when a major layoff or company downsizing occurs. The Canadian Skills Training and Employment Coalition (CSTEC) saw an opportunity to pilot the *layoff aversion model*, a service-intensive, early-intervention approach that has seen good results in the United States.

Evidence from a number of interventions assisting laid off or otherwise displaced workers suggests that traditional workforce adjustment (including lengthy training) is no longer achieving the same results it once used to. This is due to the accelerating pace of change due to automation, other technological change, and globalization. Landmark research also indicates that layoffs have a worse impact on firm performance than was previously imagined. Evidence from the United States, however, suggests that these two problems can be addressed by intervening before a major layoff happens, using a “layoff aversion strategy.” This approach has been piloted and permanently adopted in four U.S. states, and policymakers in 12 other states are scaling up by expanding this rapid response model.

KEY INSIGHTS

- 1 Delivering short courses with certification may explain the project's high retention and completion rates. Better individual intake assessments would have further ensured a good match between the worker's needs and the training provided.
- 2 Frontline staff are important in connecting the client to supports outside of what is provided by the program. Good program and client outcomes may depend on frontline staff brokering support from outside the program to ensure participant retention.
- 3 Although the pandemic prevented implementation of a key component, the project assisted 107 displaced workers, of whom 85% completed training.



What We Investigated

The BOLD project proposed to test a layoff aversion model that, in the United States, delivered better outcomes than traditional worker adjustment interventions. This new American model intervenes early and intensively in workplaces that are known to be at risk of layoffs, downsizing or relocation.

The model could not be piloted because of the pandemic. Instead, the project coordinators redesigned the pilot to attempt an alternative to traditional adjustment in which project leaders coordinated shorter-term training leading to industry-recognized credentials was provided in addition to traditional adjustment services; this replaced longer training programs. The short-training approach has been shown in some sectors to provide better outcomes for workers—particularly racialized workers and those without a postsecondary credential—by attenuating impacts on earnings.

✔ What We're Learning

CSTEC wanted to replicate the layoff aversion model used in the United States in Canada using a four-site pilot involving 200 workers. Due to the pandemic, CSTEC was not able to implement the project. Instead, the organization delivered a modified traditional adjustment service in which they offered short-term training leading to certificates.

The project served 107 displaced manufacturing and steel workers in the Greater Toronto Area. Very soon after commencement, the project moved online as a result of the pandemic (although 38% of the workers did the training in person).

CSTEC felt that the 94% retention and 85% completion rates for the training were strong in comparison to rates associated with other interventions in similar contexts. More details are required to understand various aspects of this benchmarking.

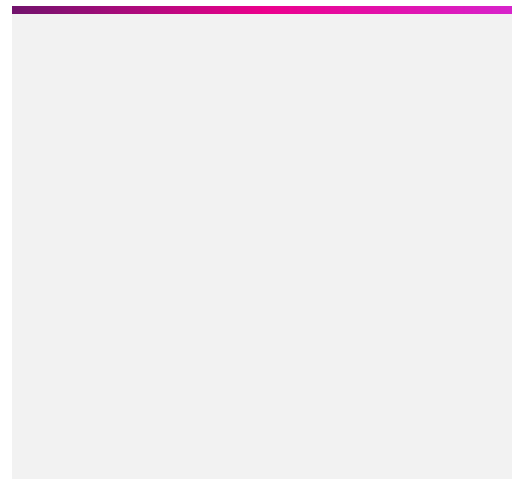
Information on employment outcomes was not complete by the time the evaluation was carried out. However, 29 of the 107 participants completed surveys after taking the program, and at that time, 37% reported they were still looking for work, while 53% had found either part- or full-time work (although there is no evidence to suggest there would have been a different result without the pilot). Eighty-six percent felt that the training received would help them find work. Anecdotal reports indicate that the Job Action Centre—the site of the project—received expressions of interest from other workers who had heard about the pilot.

When staff spent more time and resources on individual intake assessments, workers had better results. Workers who chose popular training options (e.g., forklift operation) did not enjoy long job tenure if the job did not fit their skills and disposition profile.

★ Why It Matters

Helping workers adjust to economic downturns and associated layoffs is a key policy priority. When major layoffs occur, governments provide significant funding—including through the Employment Insurance program—to provide adjustment services such as training to re-skill or upskill, job search support and career planning.

Policymakers should naturally take a keen interest in interventions that reduce the time to re-employment or that minimize depressed earnings.



As noted earlier, recent research in the United States suggests that the traditional, lengthy approach to workforce adjustment may no longer be delivering good results for workers. This may be due to the accelerating pace of labour market disruptions in advanced economies and the duration of traditional adjustment services. Piloting alternative approaches to workforce adjustment, where support can be put in place even before a layoff happens, can confer significant benefits not only on affected workers but also the company and local community.



**State of Skills:
Better Labour Market Transitions
for Mid-Career Workers**

To improve the mobility of mid-career workers, training programs should experiment to address barriers including through shorter training times, use of online and hybrid learning and targeting training to fill skill gaps.

[Read Thematic Report](#)

Have questions about our work? Do you need access to a report in English or French? Please contact communications@fsc-ccf.ca.

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