



 State of Skills Report

Better Labour Market Transitions for Mid-Career Workers



LOCATIONS

Across Canada



PUBLISHED

May 2023



CONTRIBUTORS

Alex Stephens,
Associate Director of Research & Evaluation at FSC

How to Cite This Report

Stephens, A. (2023). *Better Labour Market Transitions for Mid-Career Workers*. Future Skills Centre.
<https://doi.org/10.58068/yyz7-9675>

KEY INSIGHTS

- 1 Many mid-career workers suffer from a lack of self-confidence, discouragement, mistrust in the education system and doubts about the value of their work experience. This can be overcome through an awareness of these socio-emotional factors, individualized attention and a commitment to addressing equity.
- 2 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.
- 3 Online learning is well-suited to the needs of mid-career workers, but only where digital literacy is addressed by integrating the facilitated use of learning technology into upskilling and reskilling programs.
- 4 Intervening early, before layoffs and displacements occur, offers the best opportunity to help mid-career workers upskill or reskill while avoiding layoff costs. This would take a substantial investment on a scale that can address the anticipated labour market disruptions ahead.

▶ The Issue

The future labour market will be a tumultuous one, as it will be shaped in part by a transition to a “net-zero carbon” economy, an increasing pace of workplace technological change, globalization and other forces. Canadian workers will face rapid shifts in labour and skills demand between sectors, and pressure to upgrade their knowledge and skills.

Some segments of the workforce will be more affected by these changes, including mid-career workers who often face barriers to training and career guidance. Cost and time barriers for this group can prevent them from keeping up with shifting skills demand. The results are longer periods of unemployment, reduced lifetime income and disruption of family life. Discouragement leading to involuntary early retirement or separation from the labour market exacerbates shortages of experienced and qualified labour.

Such problems point to long standing under-investment in aspects of skills development in Canada. Employer investment in training in Canada lags behind that of the United States and other advanced industrialized economies, and may even be declining. Policy frameworks tend to provide support only once workers have been displaced rather than anticipating and intervening before they suffer layoffs. Inequities in access to education and training, career development and other supports leave people from equity-deserving groups further disadvantaged. Despite decades of research, advocacy, and policy debate, a culture of lifelong learning has not yet taken root.

Mid-career worker profiles

Mid-career workers facing imminent unemployment and a possible search for a line of work in another industry often find it difficult to smoothly navigate the transition to a new job. Faced with job or seniority loss or a need to start over again if the industry or occupation they work in is in decline, many mid-career workers face downward mobility. Moving away for a new job can also be a difficult decision if it means uprooting home and family.

Reskilling (training for a new job) and upskilling (keeping up with increasingly demanding job skills requirements) are often seen as solutions for the mid-career worker facing redundancy or layoff, but the amount of training required may be a deterrent. Family obligations and the need to maintain an income make participating in lengthy retraining difficult, especially if the worker has to bear the costs. The alternative can be deskilling into a lower paying job.

Workers thinking of paying for their own training have to weigh the investment against income lost during training, competing demands on time, and the working years available to see a return on that investment. That's assuming the worker has had access to good career information and has made the right training and job search choices in the first place.

The problem is just as pressing for workers who need to reskill in the face of possible skills obsolescence. This can happen in workplaces where the accelerating transition to new workplace technologies requires that workers have a solid foundation in digital skills to use technologies more complex than operating a mobile device or a basic office software package.

Because of their years of job tenure, many mid-career workers have not had to think about the job search process such as updating a resume and consulting job search resources. They have not had an opportunity to engage in career planning unless it is provided as part of human resources development services in their workplace.

Social and psychological factors also affect preparedness to train or navigate the career path. As they age, some workers face skills loss. Others struggle with underlying literacy issues, including numeracy and digital literacy, which may leave them unprepared to hold on to jobs with increasing skill requirements, and create a stigma that may prevent them from seeking support. Workers may be deterred from participating in further education or training due to lack of self-confidence or negative experiences with the education system, including systemic discrimination and bias. They often underestimate or undervalue their knowledge and experience, making it more difficult to take full advantage of career development opportunities.

Supporting displaced mid-career workers requires a clear understanding of the barriers and difficulties they face, and it should also seek to build on highly valued skills developed through years of work and life experience. Interpersonal skills, communications, teamwork, interacting with clients, leadership and an ability to engage in self-directed learning build through years in the labour market are transferable skills.

What We Investigated

Canada offers mid-career workers few training opportunities. At FSC, we believe testing new approaches that can be scaled to meet these needs is imperative. We are supporting initiatives across the country to help partners better serve the needs of mid-career workers by testing new training and career support approaches that respond to the needs, barriers and challenges they face. This involves:

- Facilitating stronger partnerships between employers, post-secondary institutions and other actors in the skills ecosystem
- Supporting initiatives that work upstream to anticipate solutions to displacement
- Developing better labour market information to support career planning and guidance
- Listening to our partners who work closely with underrepresented groups to address systemic inequities.

FSC-funded programs worked with oil and gas workers (many with advanced post-secondary education) transitioning to the IT sector, mid-career women in different work and life situations, persons with disabilities, displaced Indigenous and racialized retail workers, and many other groups. Along the way, programs addressed the needs of people with different levels of education, socio-economic status and professional and cultural backgrounds.

What We're Learning

Integrate confidence-building

Many FSC partners emphasized the importance of supporting mid-career workers in gaining or regaining self-confidence to facilitate their participation in training or career guidance. Several projects provided support and facilitation from career professionals, case workers and counsellors who could recognize self-confidence issues and stigmas related to learning and education, and worked with clients to overcome them. Workers were able to take a more positive view of their experience and qualifications and to overcome their reticence about learning, improving their participation in learning and thinking about new jobs and industries in which their skills could be applied.

Several FSC-funded projects confirmed the link between wraparound services and positive program outcomes. Individualized attention, engagement of delivery partners and bundled services were offered to clients, including initial assessment, training, mentoring and coaching, job search and referral, career advising and other personal and social support.

Programs for mid-career workers must address cost and time barriers

Cost and time are significant barriers to reskilling or upskilling, especially for workers still in their jobs. Support programs must target these barriers, often with a suite of supports. FSC-funded projects did this by removing financial obstacles, for example by providing free training and career development support or by making participation easier to fit into people's existing responsibilities and commitments outside work. This included distance learning, shorter training or training focused on filling gaps.

Short-term training can be sufficient to prepare workers to transition to new jobs. The key is to develop good intake and assessment to ensure participants are involved in the right kind of short-term training, including training that can be tailored to pinpoint specific skills gaps. This may require more active support from career development professionals or other specialists.

FSC-funded projects were aware of and addressed the fact that time and cost represent greater barriers for people from different groups due to inequality, exclusion and discrimination, and women have an unequal burden of caregiving. Compromised access to education and discrimination in employment affect readiness to reskill or upskill and can significantly raise the cost of missing work to participate in continuing education and training. Wraparound services are needed to address multiple and intersecting barriers. Program design can better meet needs by involving end-users in identifying problems, developing solutions and designing programs.

Online learning is well-suited to mid-career workers, but digital literacy must be addressed

Many projects made a rapid switch to online communication and learning platforms as a result of the COVID-19 pandemic. Learners and teachers generally consider online learning to be less effective than face-to-face learning, but it is a useful learning option for mid-career workers for whom flexibility of location and scheduling are important. Asynchronous online learning may be also well-suited to mid-career workers with self-directed learning skills.

Learners with low-level digital literacy have different needs. Several initiatives took this into account and designed online learning with a view to making platforms more accessible while at the same time helping learners build digital literacy skills. Recognizing that a digital divide exists in Canada, some interventions took into account barriers to accessing technology by providing access to the internet or devices.

Why It Matters

With accelerating technological change and the need to move more decisively toward a net-zero carbon future, now is the time to test approaches and draw insights about how to enhance the labour market mobility of mid-career workers.

For workers needing to reskill, interventions that build digital skills and address digital barriers are important given the growing demand for such skills. A lack of support for on-the-job upskilling may leave existing workers with skills that fall behind the pace of digital technology adoption. Those facing displacement, even those working in IT-dependent jobs or industries, may find the digital skills requirements of new jobs do not match their current skills. Addressing digital literacy and digital skills development has become essential in interventions to support mid-career workers.

Short bursts of training can be highly effective for mid-career workers wishing to reskill or upskill. Good initial assessments of skills and experience help to target training more effectively, recognize and validate existing transferable skills and provide appropriate career guidance. As with other groups of workers, wraparound services have been effective in achieving positive results.

Some FSC-funded projects working with mid-career workers at risk of displacement intervened before layoffs or other potential displacements occurred. This differs from typical workforce adjustment processes or active labour market programs that only come into play when a layoff has occurred. These projects showed it is feasible to implement such approaches. However, implementation at a scale that can cope with the economic transformations to come would require a degree of co-ordination and resources not yet available.

► What's Next

Longer-term comparative studies are needed to further consolidate these insights, and over the coming months more FSC-funded projects will build the evidence base supporting them. It is clear that offering the full range of support can be costly, especially as good outcomes depend on providing a bundle of services, or wraparounds. One-on-one attention from case workers or specialists represents an additional program cost, but some efficiencies are possible if one-on-one support and good initial assessment allow support staff to pinpoint training and counselling needs.

Projects in this Report

Career Moves: Transition to a New Tomorrow, Norquest College

Skilled Jobs & Career Pathways for Mid-Career Workers through Work-Based Learning, Work Based Learning Consortium

EDGE UP (Energy to Digital Growth Education & Upskilling Project), Calgary Economic Development

CLIMB, Northern Lights College

Synergy: Workforce Development for Women to Succeed, YWCA

ABC Skills Hub, ABC Life Literacy

BOLD: Better Outcomes in Layoffs and Downsizing, Canadian Skills Training & Employment Coalition

Building the Skills of the Trucking Industry for the Future Using Innovative Technology, Trucking Human Resources Sector Council Atlantic

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

Funded by the
Government of Canada's
Future Skills Program

| **Canada** 

This report was produced based on projects funded by the Future Skills Centre (FSC), with financial support from the Government of Canada. The opinions and interpretations in this publication are those of the author(s) and do not necessarily reflect those of the Government of Canada.

