



Labour Market Development

LMD Information Bulletin

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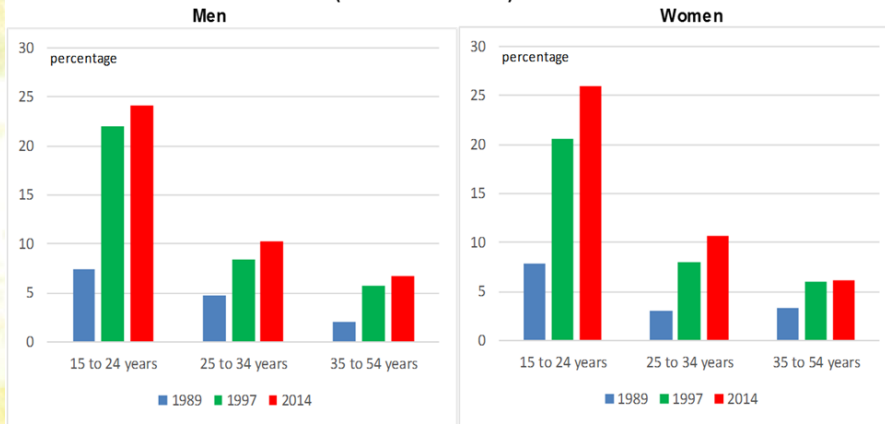
Dialogue on the Future of Indigenous Labour Market Programming

In September, the Native Women's Association of Canada and other ASETS holders from across Canada came together to discuss the future of the Aboriginal Skills and Employment Training Strategy (ASETS). The meeting was attended by a number of Employment and Social Development Canada (ESDC) officials, including the Honourable Maryanne Mihychuk.

Missed out on our previous bulletins? Visit www.nwac.ca to access our complete archive.

Youth Employment

Percentage of full-time employees working in temporary jobs, 1989 to 2014
(students excluded)



Sources: Updated from *Insights on Canadian Society*, 75-006-X, July 2013; 1989 General Social Survey; Labour Force Survey.

From the early 1980s to the early 1990s, full-time male employees aged 17 to 24 saw their median real hourly wages drop by roughly 15%, while women in the same age group experienced a 10% decline. From the early 1990s to 2004, their median pay rates did not rise.

Recently, Statistics Canada released a report that looked at the changes in the youth labour market from 1976 to 2015. While youth unemployment levels have been relatively comparable over the past four decades, what has changed is the proportion of youth employed in full-time or permanent jobs.

The decline in full-time employment among youth has been widespread and substantial. Gone are the days of graduating, getting a job and retiring 40 years later with the golden watch.

Many can only find temporary and/or part-time employment, making the concept of 'job churn' the new normal. For many youth with short term contracts, it means you are always on the prowl for the next job as you are unsure if your current job will be continued or renewed. Temporary employment is not a new problem and as you can see from the above chart, it is not unique to youth. While more youth became increasingly employed in part-time and temporary jobs, those employed full-time saw their wages vary substantially over the last four decades.

During the period 2004 to 2009, median real hourly wages grew significantly as the economy was stimulated and there was intense activity.

However, these wage gains did not fully offset the wage losses experienced during the 1980s. The net result was that by 2015, young full-time male employees had median wages that were about 10% lower than those of their counterparts in the early 1980s. For females, the difference was 3%.

With an economy experiencing significant setbacks and many employers increasing staffing at slower paces, it is becoming increasingly apparent that many youth are facing futures that may feel like the deck is stacked against them. Current federal statistics project that over the next decade there will be almost six million job openings in the labour force.

The data show officials estimate there will be 5.8 million projected job-seekers, including just over five million coming out of school. Whether these jobs will allow young people to gain meaningful experience will remain to be seen.

FAST FACT: Aboriginal youth aged 15 to 24 represented 18.2% of the total Aboriginal population, and 5.9% of all youth in Canada. Non-Aboriginal youth accounted for 12.9% of the total non-Aboriginal population.

The Canada Learning Bond: Money for your Child's Future!



If you are a parent who is planning to save for your child's education after high school, the Canada Learning Bond is a good place to start. The Canada Learning Bond (CLB) is a grant offered by the Government of Canada to help parents start saving for their child's future. Introduced in 2004, the grant encourages families to use a Registered Education Savings Plan (RESP) to save money for their child's post-secondary education.

Once the child begins post-secondary school, the grant can be used to pay for their studies. Applicable costs include full-time or part-time studies in:

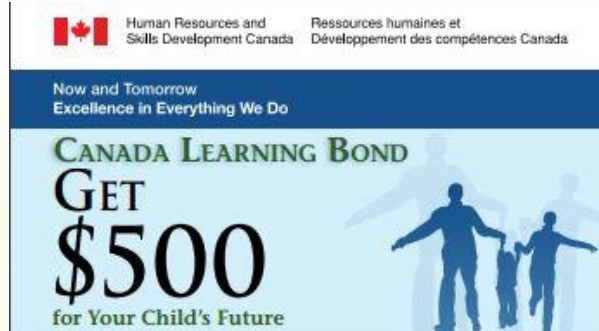
- University;
- College;
- Trade schools; or
- Apprenticeships.

Once your child is approved to receive the CLB, you will receive \$500 to immediately add to their RESP. After that, every year another \$100 will be added by the Government of Canada up to a maximum of \$2,000! The grant can only be deposited into an RESP account, but you don't have to contribute any of your own money to be eligible.

Is Your Child Eligible?

In order to receive the Canada Learning Bond, the child must meet a few criteria. The child's family must receive the National Child Benefit Supplement from the Canada Child Tax Benefit, and:

- have been born after December 31, 2003;
- have a birth certificate;
- have a Social Insurance Number (SIN);
- be a beneficiary under a Registered Education Savings Plan (RESP); and
- reside in Canada.



How much could you receive?

By applying for the CLB, your child could receive up to \$2,000 for their Registered Education Savings Plan (RESP). The CLB can be paired with the Canada Education Savings Grant for even more money to invest in your child's education!

The money you get for your child could include:

- \$25 to help cover the cost of opening the RESP;
- \$500 to add to the RESP immediately, to help you start saving early; and
- An extra \$100 each year until the calendar year your child turns 15, as long as you continue to receive the National Child Benefit Supplement.

To learn more about the Canada Learning Bond, visit:

http://www.esdc.gc.ca/en/reports/cslp_cesp/clb/index.page#h2.2

Using Your Credit Wisely

Credit is one of the most common forms of payment we use in our day-to-day life. You may have used credit to pay for a car, finance your education, or purchase a home. More prevalent than all of these is the credit card. Yet, despite its popularity, many people do not know how to use their cards without accumulating more debt than they can handle. Here are some tips and tricks on how to use your credit cards wisely to avoid being buried in interest fees.

Charge Only What You Can Afford

Credit is a tool. Like any tool, it's how it's used that matters. Don't use your credit to spend beyond your means, because you will have to pay it back later, with interest.

Don't Miss Payments

There are a lot of repercussions if a credit card payment is missed. Some banks may charge late fees if you don't make the minimum payment every month. Neglecting to make payments on your credit card may also cause your credit score to drop, which will affect your chances of qualifying for loans in the future. One strategy to avoid a late payment on your bill is to set up automatic bill pay. You should make sure that you set the automatic payment to pay your statement balance, not the minimum payment.

Try To Pay Your Balance in Full

If possible, pay your credit card balance in full every month. This ensures that you won't accumulate interest fees and protects your credit score. Having the ability to pay the balance in full also shows that you are not spending beyond your means.



What's The Best Way To Pay Down My Debt?

Sometimes, credit debt sneaks up on you. When you find yourself with a large amount of debt, it's important to address it with a plan for repayment. Here are a few strategies to help you pay your credit debt off:

The Avalanche Method

Using this method, debts are paid down in order of interest rate, starting with the highest interest rate. This is the financially optimal method of paying down debt because you will pay less money overall compared to the snowball method.

The Snowball Method

Using this method, your debt is paid down in order of balance size, starting with the smallest. Paying off small debts first may give you a psychological boost and improve your cash flow situation, as paid off debts free up minimum payments. The downside is that larger loans (that may be at higher interest rates) are left unpaid for longer, costing you more in the long run.

Need more information? Check out: [Financial Consumer Agency of Canada - Debt Management](#)

ASETS Update

You may have heard that the Aboriginal Skills and Employment Training Strategy (ASETS) was set to expire in March 2017. The Federal Government has been consulting with ASETS holders on the future of Indigenous labour market programming, with stakeholders eagerly awaiting the announcement of either another five year program, or a one year extension. This year, at the Assembly of First Nations Special Chiefs Assembly, the Honourable Maryanne Mihychuk, Minister of Employment, Workforce Development, and Labour, announced unofficially that the strategy would receive a one year extension. While her statement has not been confirmed by Employment and Social Development Canada (ESDC), ASETS holders can breathe a sigh of relief as there seems to be intentions to keep the program running.

Stay tuned for the second issue of volume #3!

Have an idea or concept for our newsletter? Let us know! Submit your ideas via e-mail to:

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Canada 

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