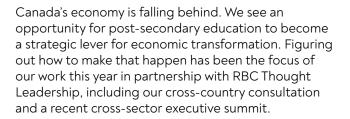
THOUGHT LEADERSHIP



CANADA'S ECONOMY NEEDS SYSTEMS THAT DELIVER

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Here's what we've figured out so far: To grow our economy, we need to design for scale and make it structurally possible for companies and post-secondary institutions to move faster, with more flexibility, autonomy, and fewer legacy constraints. Otherwise, we're asking our workforce, innovation systems, and institutions to operate at 2030 speeds on 1990s infrastructure. It won't work.

We have a short window to make the shift. Without bold, coordinated action across government, industry, and post-secondary education, we risk becoming economically irrelevant.

CANADA'S SYSTEMIC WEAKNESSES

Today, Canadian companies are struggling to find skilled workers, while thousands of youth and job seekers struggle to find relevant opportunities. Employers say they're ready to adopt AI, but only 12 percent have done so. Canadian companies still consistently underinvest in employee training compared to international peers, placing the burden of skills development almost entirely on individuals and public institutions.



Post-secondary institutions are ready to retool, but they're constrained, not only by a lack of clear labour market signals, but by persistent financial instability and workforce models that are slow to evolve. Programs can't easily be stood up, adjusted, or wound down. Faculty structures, governance systems, and funding mechanisms often reinforce the status quo, even as R&D demands shift and the labour market changes around them.

It's a pattern we see across the economy: institutions built for stability struggling to deliver speed. The same dynamics play out in how we fund, train, and buy. Some of our best innovations never make it past the pilot stage, not because they aren't viable, but because procurement systems are too slow, too fragmented, and too focused on process over outcomes.

Canada is often celebrated as a nation of small and mediumsized enterprises (SMEs). But that strength can also be a structural weakness when it comes to national coordination. It's hard to mobilize thousands of SMEs, each with its own timelines, priorities, capacities, and risk appetites, at the pace and scale major transitions require.

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A NEW COALITION IS FORMING-AND IT'S READY TO BUILD NEW SYSTEMS

We're forming a new cross-sector coalition, one that's committed to building the systems our economy needs. That starts with action from Canada's largest employers and leading post-secondary institutions.

Why large employers? These are the firms with the reach to shift markets, the visibility to forecast demand, and the capacity to scale what works. When they move, others follow. And they bring their customers and supply chains with them. How can they step more fully into their role as mobilizers and multipliers: investing, hiring, training, and procuring in ways that pull their ecosystems forward?

Post-secondary institutions have an equally critical role to play. They can embed AI literacy across disciplines within two years, roll out flexible, competency-based credentials that reflect what learners can do—not just where they studied—and guarantee work-integrated learning for every student. Many are already working with Indigenous partners to co-develop rapid training programs, especially in communities near major infrastructure and energy projects.

All organizations—including governments—need to be planning how they can integrate Al into core business operations. They should target 25 percent productivity gains within two years, prioritize buying Canadian technology over waiting for U.S. validation, and work together on long-term project forecasts to align talent pipelines to real demand.

These aren't abstract goals: they're entirely within reach. But without the right policy infrastructure, they won't scale. We need execution frameworks that match the ambition already taking root across systems.

WHAT GOVERNMENTS NEED TO DO DIFFERENTLY

Too often, we respond to structural problems with one-off pilots, expensive tech platforms, or another advocacy push. It's time to shift from fragmented fixes to systemic execution. Fix the signal failure on talent. Every post-secondary institution—college, polytechnic, or university—has always been in the business of preparing people for work, whether they say it out loud or not. But our systems haven't fully caught up to that reality. Signals are weak. Pathways are murky.

Governments can help rebuild post-secondary systems by getting the incentives and infrastructure right. That starts with differentiating our post-secondary systems. It means reopening international student and work pathways, using housing-linked caps to protect public confidence, and introducing tax incentives that reward Canadian STEM graduates who stay and contribute. It requires fast-tracking AI researchers and engineers through a super-sized Global Talent Stream. If we want to win the global race for talent, we need to treat it like one.

Share risk in training and hiring. Training and workforce development are still treated as cost centres, not competitive infrastructure. Employers hesitate to invest because returns are uncertain. Post-secondary institutions hesitate to adapt because funding is rigid, programs take years to approve, faculty struggle to pivot, and credentials can't keep up with job market change.

If governments want faster outcomes, they need to help de-risk the systems for everyone involved. That means backstopping employer training investments, yes, but also streamlining how colleges and universities partner with industry. We need flexible funding tools that support rapid co-design of training, not multi-year application cycles. We need faster credentialing approvals. And we need to open the bottlenecks that prevent institutions from adapting to R&D and skills demands at the speed required.

This isn't just about supporting displaced workers or upskilling tradespeople, though both are urgent. It's about creating skills training and research ecosystems where talent development is fast, collaborative, a nd built for execution at scale.

Build systems that drive scale. That starts with procurement and coordination. Procurement must move faster and smarter. Reduce timelines by 75 percent. Shift to outcome-based specifications. Publish quarterly data on speed, volume, and Canadian content. These moves would immediately generate demand signals for Canadian innovation, especially in dual-use technologies and critical supply chains, and stop us from losing market-ready companies to foreign buyers.

At the same time, we need better mechanisms for shared execution. When the federal government launches its workforce alliances, it needs to start with the biggest companies, be cross-sectoral. Begin with energy and defence. We're glad to see the new AI taskforce already in motion. These alliances shouldn't just consult or advocate. They should act as operational hubs: aligning employers, post-secondary institutions, Indigenous partners, and labour leaders around real training pipelines and real project timelines, especially in communities that stand to benefit directly.

It's time to build the systems that can deliver As astronaut Chris Hadfield reminded us at our summit, a rocket launches somewhere in the world every 29 hours. That's the clock the rest of the world is on. It needs to be ours too.

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