



YOUTH EMPLOYMENT IS AN ECONOMIC STRATEGY: WHY STRONGER EDUCATION-TO-WORK TRANSITIONS MATTER

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Hundreds of thousands of young Canadians leave colleges, polytechnics, and universities each year ready to begin their careers. Too many discover that earning a degree or diploma is easier than making the transition into meaningful work.

We tend to think of this only as a youth employment challenge. It's actually one example of a much broader problem: Canada isn't nearly good enough at helping people transition into and through the labour market.

8.1% of non-student Canadians aged 20-29 with a bachelor's degree or higher were unemployed in September 2025.

YOUTH EMPLOYMENT REFLECTS A BIGGER LABOUR MARKET CHALLENGE

The more you look for transition challenges, the more you see them. We struggle to help graduates move from education to work, newcomers build careers in Canada, veterans move into civilian employment, Indigenous people build careers in their communities and beyond, people with disabilities access inclusive employment, and displaced workers find new opportunities.



The challenges look different, but they have something important in common: they all depend on helping people move successfully from one phase of working life to the next. At the moment, the consequences are most visible among youth trying to enter the workforce.

55% of Canadian youth with disabilities aged 15-24 were unemployed in 2024.

CANADA'S LABOUR SHORTAGES AND YOUTH EMPLOYMENT PARADOX

In September 2025, the unemployment rate among non-student 20- to 29-year-olds with a bachelor's degree or higher reached 8.1%, up from 5.9% before the pandemic. Yet over the next decade, Employment and Social Development Canada forecasts that more than 100 occupations will face moderate to strong labour shortages.

The same pattern affects youth with disabilities. Despite improvements in post-secondary attainment, they continue to experience significantly lower employment rates than their peers. In 2024, only 45% of youth aged 15 to 24 with disabilities were employed, compared with nearly 56% without disabilities.



The challenge isn't training young people. It isn't necessarily a lack of investment either. Canada invests billions each year in education, skills development, and workforce programs. What's missing is the connective tissue that helps those investments work together: stronger pathways, partnerships, and more coordination.

That matters not only for Canada's youth starting careers, but also for Canada's future. The Government of Canada has ambitious goals, from artificial intelligence and clean energy to advanced manufacturing, health, national security, and space. Achieving them will depend not only on getting our young people trained, but on helping them move into the jobs, industries, and regions where they're needed most.

CONNECTING EDUCATION INVESTMENTS TO CAREER OUTCOMES

Who's responsible for strengthening the education-to-work transition?

Governments build the systems. That means making successful transitions, not simply participation, the goal of public investment. Success shouldn't be judged only by how many young people graduate, complete training, or receive support. It should also be measured by how effectively those investments help them launch careers and build the talent pipelines Canada's priority sectors need.

Employers create the opportunities. That means recognizing that helping young people gain experience isn't simply an act of corporate citizenship: it's a smart talent strategy. Work-integrated learning,

internships, apprenticeships, mentoring, and early-career development are investments in future talent pipelines. In an economy where experienced talent is increasingly scarce, organizations that help develop talent will be better positioned than those that only compete for it.

Postsecondary institutions prepare and connect learners. That means recognizing that helping students make a successful transition into work isn't separate from the educational mission. It's part of fulfilling it. Technical knowledge and human skills remain essential. Increasingly, so too are the work experiences, professional networks, and career supports that help graduates make a successful start.

COLLABORATION IS THE KEY TO YOUTH EMPLOYMENT

None of these responsibilities belongs to one sector alone. Building stronger pathways into meaningful careers depends on governments, employers, post-secondary institutions, and community partners working together rather than in parallel.

We often ask whether Canada has enough talent to compete. That's an important question. But it isn't the only one. We should also ask whether we've built a country that's good at helping talented young people get started.

On International Youth Day, empowering the next generation isn't just about preparing young people for the future. It's about making sure they have a real opportunity to shape it. Giving talented young people a strong start isn't simply an investment in the next generation. It's an economic strategy for the one we're trying to build.

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