

ONTARIO'S DUAL CHALLENGE: MAXIMIZING THE BENEFITS OF AUTOMATION FOR BUSINESSES AND PEOPLE

Brookfield Institute for Innovation + Entrepreneurship releases comprehensive report assessing the impact of emerging automation technologies on labour

TORONTO, May 3, 2018 – To grapple with the challenges posed by automation, Ontario needs solutions that respond to the needs of both businesses and workers, according to a new report entitled *Better, Faster, Stronger: Maximizing the benefits of automation for Ontario's firms and people* by the Brookfield Institute for Innovation + Entrepreneurship (BII+E).

This new report shares insights from businesses and individuals across Ontario, with a deep dive into the province's manufacturing and finance/insurance sectors. It explores the risks and rewards of automation for Ontario's industries and workforce, and the factors that aid or inhibit businesses' adoption of technology. The report also looks at the implications for workers whose jobs could be impacted by automation — which could be labour-enhancing or labour replacing — and potential pathways for upskilling and retraining workers.

“Ontario faces a dual challenge: to improve tech adoption to remain competitive, while at the same time ensuring vulnerable workers don't get left behind,” says Sean Mullin, Executive Director of BII+E. “Ultimately, firm and worker success are closely intertwined; neither can succeed without the other.”

Funded by the Government of Ontario, the findings were shaped and informed by an Expert Advisory Panel of 14 individuals with technology, academic, and industry expertise.

“As Ontario's manufacturing sector continues to rebound, we need to focus on keeping Ontario and our workers at the forefront of technology and innovation,” said Steven Del Duca, Ontario's Minister of Economic Development and Growth. “Our highly educated workforce will continue to be our competitive advantage as we adapt, automate, and achieve new success in the global economy.”

“Our government's focus on talent in the age of automation is all about people,” said Mitzie Hunter, Minister of Advanced Education and Skills Development. “By opening up pathways to higher education, experiential learning, and career development, we're sending a message to the people of Ontario — you can be the driving force of innovation and automation, finding good jobs and countless opportunities along the way.”

Report Key Findings:

- + With respect to technological adoption, the success of businesses and workers is intertwined. If Ontario businesses lag behind their competition in adopting and utilizing technology, this may pose just as large a risk for workers as for businesses.

- + However, as the pace of technological adoption increases, the impacts of automation on Ontario's labour market could become more significant. Automation has the potential to substantially disrupt the labour market in the next 20-30 years, especially in southwestern Ontario towns and cities that specialize in manufacturing.
- + Impacts on workers ultimately depend on businesses' decisions to automate, and their subsequent decisions to retrain, redeploy, or lay off workers. The vulnerability, resilience, and needs of workers affected by disruption will be shaped by a number of factors, including demographic characteristics, the concentration of job disruption in a particular region or sector, and the opportunities available to transition to other jobs.
- + In designing supports for workers or new labour market entrants who may be affected by automation, it will be important to consider the retraining pathways open to them. These may include upskilling within existing jobs, longer retraining pathways to completely different jobs in high-growth areas of the economy, or shorter pathways to jobs with similar skills, experience, and credential requirements ("similar occupations") that require minimal additional training.

This report also contains a number of high-level recommendations designed to help policymakers, business leaders, educators, unions, and workers address the implications of automation for Ontario's labour market. It builds upon existing research, including BII+E's previous work, *[The Talented Mr. Robot: The impact of automation on Canada's workforce](#)*, and integrates analysis of relevant data with input from more than 300 individuals through interviews, consultations and a survey. Workers, unions, businesses, local governments, colleges, and other training organizations were consulted.

The Brookfield Institute for Innovation + Entrepreneurship (BII+E) is a new, independent and nonpartisan institute, housed within Ryerson University, that is dedicated to making Canada the best country in the world to be an innovator or an entrepreneur. BII+E supports this mission in three ways: insightful research and analysis; testing, piloting and prototyping projects; enlivened by policy innovation. For more information, visit brookfieldinstitute.ca.

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- 30 -

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