

CANADIAN LABOUR MARKET AND SKILLS RESEARCHER NETWORK

GENERAL CALL FOR PROPOSALS

This is a Request for Proposals for research projects in a broad set of areas related to current Canadian policy challenges. The projects are being commissioned as part of the Canadian Labour Market and Skills Researcher Network (CLSRN) supported by Human Resources and Social Development Canada (HRSDC). The coordinator of this research program is David Green (University of British Columbia).

CLSRN plans to provide funding for 8-10 projects in areas that are broadly consistent with a set of key research gaps identified by HRSDC. The specific areas that most closely match CLSRN's expertise are:

- 1) Learning Over the Life Course
- 2) Employment and Productivity
- 3) Income Security
- 4) Economic Participation and Social Inclusion

Topics in the areas of Family and Child Development, and Seniors and Retirement are also of interest and proposals in these areas will also be considered to the extent they focus on the relationship of these areas to skills development and the labour market. More details on HRSDC's research concerns and questions in the main areas of interest are provided at the end of this document. Proposals in answer to the current call are not restricted to these areas. We are interested in high quality research projects in any area of policy relevant labour market analysis. However, priority will be given to proposals that match the list of areas of interest.

This RFP is specifically targeted at larger projects that may require extra time, involving, for example, substantial research assistance, innovative data use or collection. The results from the project may be summarized in a paper or, more likely, a set of papers. Further, the project may involve more than one researcher. The ultimate goal is to provide researchers with the time and money needed to look more deeply into key Canadian public policy issues. In keeping with this, the budgets for the projects can range from \$15,000 to \$50,000.

For the purposes of research support, the product of the research will be peer-reviewed working papers. Copyright of the research papers remains with the author(s). The working papers will appear in the CLSRN research paper series, and may also be posted at the HRSDC web site. The findings may also be reported in HRSDC's research newsletter.

Proposals must involve new research that is not supported by other organizations. However, the proposed research may be related to, or an extension of, research supported elsewhere.

The budget can be used for any purposes deemed appropriate by the researchers to meet the legitimate expenses associated with carrying out the research. Such expenses can include: teaching or administrative release (at the relevant local university rates for such release); research assistance; data collection; and travel associated with

conducting the research. For reasons addressed later in this Call, the costs associated with RDC access should not be included in the initial budget (though applicants are asked to indicate where RDC use will be required to complete the work). Funds for successful proposals will be transferred to the Principal Investigator's university and the budget in the proposals can include university overhead up to a maximum of 25%. The funds will be transferred via a Transfer Letter Agreement, which will be issued by the University of British Columbia and which must be signed by the authorized university official at the Principal Investigator's university before any payment is made under the CLSRN award. Thus university signatures are not required on the proposal itself. Travel associated with presenting the paper at workshops and conferences organized by CLSRN will be covered separately. In all cases, and especially for funding requests beyond the base level of \$15,000, a justification of the budget should be provided.

Payments will normally be scheduled as follows: i) upon submission of a preliminary outline of the project, including planned methodology; ii) at the submissions of satisfactory interim reports of each paper in the project; and iii) at submission of satisfactory final drafts. However, the specific schedule of payments will vary across projects.

All proposals *and* papers will be peer reviewed. Academic reviewers will assess the quality of the proposed research and the potential contribution to knowledge. Representatives of selected Canadian government departments will assess proposals and papers for their policy relevance (broadly defined). Only proposals that meet both criteria – academic excellence and policy relevance – will be funded.

Proposals can be submitted by any university-based faculty or postdoctoral researchers. Graduate students can participate as co-investigators, but not as principal investigators. Since one of the objectives of CLRSN is to help ensure the emergence of a new generation of researchers with an interest in labour market policy, proposals from new researchers are especially welcome. For established researchers, proposals that involve graduate students or recent graduates in a significant role are also encouraged.

Government researchers are also invited to submit proposals, either as principal investigators or as co-investigators. However, government researchers are not eligible for financial support.

The timelines for the projects are as follows:

June 29, 2007	Proposals due
July 31, 2007	Researchers are informed of decision and given feedback from peer reviews
October 15, 2007	Preliminary outline of project due
February 28, 2008	Interim report on projects due
June 15, 2008	First draft of at least one paper due (if the project consists of several papers)
August 31, 2008	Next-to-final drafts of papers due
September 30, 2008	Final drafts (including revisions based on peer reviews) due

The researchers will also be expected to present a paper on the project at the annual CLSRN conference in June, 2008 or at one of the workshops that CLSRN will be organizing in the summer/fall of 2008.

The proposals can be brief (e.g., 5-6 pages) and can take the form of the proposed outline of the research paper or papers. Proposals and final working papers may be written in English or French. The proposal should outline the rationale for the study, situating it in the relevant literature and indicating the gaps in our knowledge that it proposes to fill. The proposal should also explain the relevance of the proposed research for public policy, bearing in mind the HRSDC mandate. Finally, the proposal should describe the data to be used and the proposed methodology. The CVs of all co-investigators should be included with the proposal.

If the proposed research is to be carried out in a Research Data Centre (RDC), applicants should note that proposals that are approved for funding by CLSRN will not also be required to go through the SSHRC review process that is normally required for RDC access. Such proposals will, however, still be reviewed by Statistics Canada. The Statistics Canada review focuses on two issues: (i) demonstrated need for access to confidential micro-data (i.e., could the proposed research be carried out with public use data?) and (ii) whether the available data are capable of addressing the research question(s) posed. Researchers wishing to use data housed in a RDC should ensure that their proposal addresses these issues and they should also clearly specify in the proposal that access to an RDC will be required. Funding arrangements relating to RDC access are not yet finalized. Applicants should provide a budget that does not include fees for RDC access. If such fees are eventually required, they will be added to the submitted budget later.

More than one project may be commissioned on a particular topic and none may be commissioned in others. The suggested topics (listed below) may also be combined and researchers may propose alternative topics. Researchers may be involved in more than one topic and in different areas.

Proposals should be sent via e-mail to: Dragana Vojakovic, at clsrn@interchange.ubc.ca, (Canadian Labour Market and Skills Researcher Network, Department of Economics, University of British Columbia).

Enquiries about this research project can be directed to: David Green, Department of Economics, University of British Columbia, green@interchange.ubc.ca

Research Priorities Related to the Labour Market and Skills

The sections below provide some guidance on issues of interest within the research priorities specified earlier. These lists are intended to be indicative not exhaustive.

1. Learning Over the Life Course

Demographic realities, changes in the nature of work and evidence that many learned skills, such as literacy, depreciate with age all suggest the need for a more flexible and continuous approach to learning. In light of this, a key goal of public policy is to provide Canadians with knowledge of, access to, and the ability to benefit from these opportunities at various stages in life.

Economic adjustments and technological shifts may require changes in the way individuals acquire skills, as well as a new focus on skills maintenance. Life course learning is conceptually different from the traditional model of discrete, consecutive stages of learning, working and retiring. It may encompass alternating between work and learning, or even combining them at any point in time. Also, it requires an education and training system that is responsive to the changing needs of those who must retune their skills because their education choices no longer correspond to the changing demand for skills, their skills have become obsolete, or they immigrated to Canada with gaps in their skill set. Thus, topics in this area will likely include, for example, the interaction of formal education, formal and informal training, and work in a lifecycle context.

2. Employment and Productivity

From a competitiveness perspective, evidence indicates that Canada has been losing ground to the U.S. in terms of productivity growth and levels, and ultimately standards of living. Should this trend persist, Canada's ability to attract or retain mobile, highly skilled labour could be impeded.

The importance of productivity growth and its impact on living standards is well documented. Greater participation in the workforce, by reducing unemployment and/or under-employment, can raise the productive capacity of the economy. Higher levels of human capital may be required to increase participation, given the rising demand for skills, and older workers may require incentives and opportunities to extend their careers should they wish to do so.

Finally, a more skilled and flexible labour force may help Canada to adjust to shocks and changes in the global economy. Canada is currently facing the combined shock of the rise of China and India, buoyant commodity prices, and a strong Canadian dollar, which are posing considerable adjustment challenges.

Research proposals in this area should address these concerns with attention potentially paid to broad questions (e.g., the relationship between human capital levels and economic growth) and/or questions of labour and skills imbalances in the Canadian economy and/or questions about skills investment (e.g., how much resources should we put into re-training older workers versus skill development for the next generation).

3. Income Security

Canada's governments have many program levers that can have important impacts on the income security of Canadians. Yet, despite some recent innovations (such as refundable tax credits), the system is largely based on a decade's-old design and may not be consistent with the emerging needs of the Canadian economy. In particular, the system is designed largely in a "static" sense, in that we try to manage the support-incentive trade-offs at a point in time or within a single year. It may well be that building an income distribution system more oriented towards the life cycle of individuals would provide a better mix of good income and good incentive outcomes.

Canada's employment insurance program is one element of the current income security system. It was developed in the post-war era, and was originally intended to function as an insurance system, largely insuring against cyclical job loss. The employment insurance program has changed in terms of its clients, the forms of and extent of income benefits provided, and its emphasis on active employment measures. But, could it too provide better support and incentives if it was more explicitly cognizant of the life cycle?

Another key component of the system is a set of programs that, taken together, provide a basic income to all eligible Canadians – notably in their retirement. This includes the Canada Pension Plan/Quebec Pension Plan, Old Age Security, and Guaranteed Income Supplement. Finally, there is a range of supports for Canadians with disabilities to promote their full participation in learning, work and community life. In general, the questions in this area likely relate to how well the current system serves users, particularly with regard to skill upgrading or retirement planning.

4. Economic Participation and Social Inclusion

Material and social exclusion is an on-going reality for many Canadians. Despite overall improvements in income levels, some Canadians remain at high risk of experiencing persistent low income as a result of long and/or frequent spells of unemployment and low-paid work. On one hand, this could reflect lower education levels, lower skill levels or even lower levels of innate ability, especially as the healthy job market has soaked up many of those who are employable. On the other hand, the prospects for ongoing tightness in the labour market suggest there may be a window of opportunity over the medium-term to improve this situation.

Research could advance our understanding of the nature and characteristics of those populations still facing economic and social exclusion, how to enhance opportunity and participation for all Canadians, and how to remove barriers to economic and social participation. This may require coordinated attention to areas such as: housing, education and learning opportunities, community and social support networks, and labour market participation.