







Cultivating Canada's Potential

2023-24 Annual Report

Version française disponible

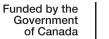
















Table of Contents

Message from our CEO & Chair	4
Delivering Upskill Canada	5
Values and Commitment	7
Our Impact	8
Looking Ahead: Putting Potential into Practice	13
Thanks and Acknowledgement	
Board of Directors	15

Message from our CEO & Chair

As Palette Skills enters year two of delivering the Upskilling for Industry Initiative, we are focused on scaling our program offerings – working with training partners across the country to provide rapid, short-cycle upskilling to thousands of high-potential Canadian workers. With the support and expertise of partners, stakeholders, government policy makers and more, we are forging new career pathways and ensuring Canadian companies are equipped to compete and win.

Supported by a \$250 million investment from Innovation, Science and Economic Development Canada (ISED), Upskill Canada is now firmly established as a national talent program – providing Canadians with the skills they need to fill high-demand roles and ensuring innovative companies have access to the talent they need to thrive in the domestic and global marketplace.

Over the past year, Palette Skills has contracted 26 unique Upskill Canada projects across the country. Training partners are upskilling workers in six growth sectors identified by the government: Digital Technology; Cybersecurity; Agricultural Technology; Advanced Manufacturing; Clean Technology, and Biomanufacturing. All training programs are industry-informed to ensure that workers get the right training at the right time. All applications from training partners are reviewed by an independent panel of experts with relevant experience and expertise.

In 2023–24, our team focused on creating and nurturing new partnerships, developing innovative new training programs, and building the infrastructure required to support Upskill Canada. Even as we continue to expand our offerings to benefit more Canadians and Canadian companies, we closely monitor and assess the effectiveness of existing programs and partnerships. Our goal is clear: We want

program participants not only to complete their training but also to find relevant and rewarding work.

We have been heartened to hear from many employers that our program graduates are having an immediate and positive impact on the job. Many more graduates will have that opportunity over the coming year.

As part of our commitment to transparency and accountability, Palette Skills strives to embrace best practices in non-profit corporate governance. We are grateful to our Board of Directors for their dedication to Palette Skills' mission and vision – and especially to the Upskill Canada project, which required intense focus this past year. We also want to thank our dedicated staff, delivery partners, employer partners, sponsors, volunteers, funders, and everyone who committed to making this initiative possible.

Investments in Canadian workers are investments in our shared prosperity. Our country's economic growth depends on a talented and adaptable workforce, especially in high-growth sectors. At Palette Skills, we are proud to be working in partnership with the federal government and others to drive and deliver meaningful progress, fulfilling careers, and greater productivity.

Kind Regards,



Rhonda Barnet Chief Executive Officer Palette Skills

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Janet Yale
Chair of the Board of Directors
Palette Skills

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Delivering Upskill Canada



Upskill Canada funds rapid, industry-informed upskilling programs that ensure Canada's workforce can meet the evolving needs of companies, especially small and mediumsized enterprises.

Launched in 2023, when Palette Skills was selected by Innovation, Science, and Economic Development Canada (ISED) as the lead partner in the government's Upskilling for Industry Initiative, Upskill Canada is focused on delivering for high-growth industries. Our goal is to upskill 15,500 individuals with a minimum of 75 per cent of graduates securing jobs with businesses based in Canada.

In 2023–24, we worked with a network of employers, industry associations, training partners (our delivery partners), community organizations and other stakeholders across all regions of the country to implement short-cycle training programs. These programs ensure workers acquire the skills they need to get better jobs and meet the needs of employers to bolster Canada's productivity.



Upskill Canada Programs

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LEAD ORGANIZATION	SECTOR	
ACCES Employment	Advanced Manufacturing	
Boundless Accelerator	Clean Tech	
Business + Higher Education Roundtable (BHER)	Clean Tech	
Canada Learning Code	Digital Tech	
Canadian Alliance for Skills and Training in Life Sciences (CASTL)	Biomanufacturing	
Canadian Marketing Association (CMA)	Digital Tech	
Chambre de commerce du Montréal métropolitain (CCMM)	Coalition	
Colleges and Institutes Canada (CICan)	Coalition	
Data Sciences Institute, University of Toronto (DSI)	Digital Tech	
Downsview Aerospace Innovation & Research (DAIR)	Advanced Manufacturing	
Excellence in Manufacturing Consortium (EMC)	Advanced Manufacturing	
Fédération des chambres de commerce du Québec (FCCQ)	Coalition	
Greenspring BioInnovation Hub	Biomanufacturing	
Information and Communications Technology Council of Canada (ICTC)	Digital Tech	
Lighthouse Labs	Cybersecurity	
M2M Tech	Digital Tech	
Norquest College	Digital Tech	
Northern Alberta Institute of Technology (NAIT)	Clean Tech	
Northwest Skills Institute	Advanced Manufacturing	
NPower Canada	Digital Tech	
Ontario Bioscience Innovation Organization (OBIO)	Digital Tech	
Palette Skills	Digital Tech	
Palette Skills	Agriculture Tech	
Pinnguaq Association	Clean Tech	
Rogers Cybersecurity Catalyst, Toronto Metropolitan University	Cybersecurity	
Talent Ready	Cybersecurity	
WatSPEED, University of Waterloo	Advanced Manufacturing	
WatSPEED, University of Waterloo	Cybersecurity	



Ramping Up to 15,500 Upskilled Participants

We are a one-window solution, allowing

- 1) Canadians to access upskilling programs that advance their careers,
- delivery partners to contribute to a national upskilling ecosystem that meets the needs of industry, and
- 3) employers to access a pool of qualified talent, all leading to a boost in Canada's productivity.

Upskill Canada programs come with quality assurance. Our unique approach not only builds talent pipelines nationally but also strengthens employer trust and ensures their ongoing participation.

With the national network we have mobilized, Palette Skills is helping to create a more globally-competitive and inclusive economy for Canada. We are maximizing Canada's talent advantage, building a modern workforce, driving productivity, and offering a domestic solution to Canadian businesses.

Upskill Canada Priorities

Upskill Canada is focused on industry-led skills development in six burgeoning, high-demand sectors:

- Digital Technology;
- Cybersecurity;
- Agricultural Technology;
- Advanced Manufacturing;
- · Clean Technology, and
- Biomanufacturing.

Our upskilling model focuses on programs that are:

- Demand-driven and informed by industry;
- Delivered rapidly to pre-screened participants;
- Supported by job placement assistance and guidance.

We are creating a standard of upskilling.

Equity and diversity targets are a requirement for all programs funded by Upskill Canada. These requirements:

- Help employers make the most of all the skills and knowledge available in Canada's job market;
- Foster innovation by inviting different experiences and viewpoints into the workplace.

With access to a diverse pool of skilled talent, employers are better able to thrive and Canada is better positioned to prosper because both workers and employers will be achieving their full potential.

Values and Commitment

We are increasing Canada's productivity

Palette Skills bridges the gap between skills development and industry needs by building programming that has workers ready to fill vacancies quickly. As needs change and technology advances, upskilling is adaptable and responsive, we can offer the best solutions in any region, for any sector.

Short-cycle training helps to reduce unemployment, ensuring that job-seekers spend less time shut out of the labour market, and enhancing Canada's economic output.

By building coalitions and identifying the best solutions to reflect industry needs from British Columbia to Nunavut, from Québec to Prince Edward Island, Upskill Canada leverages federal investment into regional impact.

"I got my job shortly after the program and the Palette team helped me with my program and job at every step I needed their guidance in. My employer told me that I cleared my probation with flying colors."

– Anmoldeep Singh Matharu Automation and Digital Agriculture graduate

Our programs make the most of Canada's workforce.

Upskill Canada is deliberately designed to foster a more inclusive, prosperous and equitable economy.

Programs funded by Upskill Canada are required to include targets for equity and diversity. This is a key benefit of our model. Unlocking the full potential of the Canadian workforce means focusing on untapped talent pools and eliminating the systemic barriers of the traditional job market. Canada's employers can best compete in the international market if they include all segments of the population in their growth strategies.

That's why we are putting employers in the room with job-seekers, building on the traditional process of cover letters and resumes and providing more opportunities for racialized individuals, newcomers, women, and mid-career workers.



Our Impact

We invested

\$160.5 in 26 partnerships and coalitions Million across Canada.

We had a **91%** satisfaction rate.



64%

of our 443 employerpartners this year were small and medium enterprises.



91%

would recommend the program they completed.



52% identified as women.

92%

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of participants identifed as belonging to one or more equity-deserving groups.

84%

of participants agree the program helped them attain the **technical skills** necessary to participate in competitive work opportunities.



86%

of participants agree the program helped them attain the **professional skills** necessary to participate in competitive work opportunities.

89%

of participants say they feel confident they can navigate a career change.



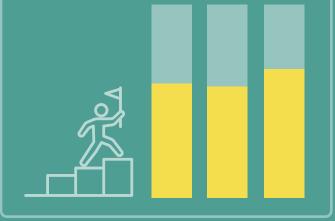
- Alvaro Fong, SalesCamp graduate

57%

Job placement rate (within 180 days)

Women59%
Racialized People58%

Newcomers67%



Note: Palette Skills has engaged Deloitte's Economic Advisory team to develop a methodology for measuring the economic impact of Upskill Canada's programs. Deloitte will leverage data on program spend and participant salary increases to estimate the effect on productivity and industry output.

We ensure we have the best, most up-to-date knowledge based on industry feedback.

Because upskilling programs are nimble, training is designed to change as industry needs evolve. With our extensive network, we are uniquely positioned to offer continuous improvement for our workers, delivery partners and employers.

In 2023–24, Palette Skills worked with Deloitte Canada on a pioneering macroeconomic report that provided an in-depth analysis of the six growth sectors the federal government identified for the Upskilling for Industry Initiative.



Our Upskilling Programs...

Are Industry-led

Engaging employers ensures that upskilling initiatives will align with industry needs, encourage employer participation, and facilitate the development of relevant training programs.

Address Regional Differences

Regions have different comprising industries and so the occupations and skills demanded will vary.

Provide Hands-on Work Experience

It will be essential for businesses to provide more hands-on opportunities to overcome barriers to skill development and drive interest in the sector. Across different sectors there is a movement to reevaluate the emphasis placed on formal educational qualifications and prioritize practical knowledge and expertise. To seize this opportunity, it will be key for workers to have hands-on opportunities to develop their skills.

Source: Deloitte-Palette Macroeconomic Analysis of Canada's High Growth Sectors

We held six roundtables and 26 one-on-one interviews, engaging a total of 79 industry leaders across the target sectors. Additionally, we organized a cross-industry roundtable which identified emerging trends and challenges.

In the spring of 2023, Palette Skills set out to build a panel of subject-matter experts – our Industry Review Panel. The panel was comprised of 67 hiring and industry experts who recognize the importance of upskilling programs – and it included representatives from all six sectors, different regions across the country, and diverse groups.

When reviewing a program, our review panel asked such questions as:

- Do I think this program will give an individual the skills that businesses in this sector need?
- Will graduates from this program be ready to work?
- With the ultimate question being:
 Would I hire someone who graduated from this program?

The Industry Review Panel is a key part of our model to benchmark for quality assurance in Canada's upskilling programs, establishing industry-approved short-cycle training in emerging and legacy sectors.

The programs we fund help individuals develop the skills and confidence they need to thrive. Our upskilling model ensures participants are a good fit for the program, and that the program delivers for employers – and we are continuously working with delivery partners to improve programs, develop best practices, and stay up to date on industry needs. Employers have confidence in our graduates because employers help build our programs.

"I have hired three outstanding professionals from this program, and (this) is the first place I explore when filling current and future roles as we experience growth trajectory in the tech space."

– Damon Johnson, Chief Technology Officer Parametrics.ag





We are an innovator in upskilling program design and delivery.

Between April and September 2023, we issued three calls for proposals for upskilling programs across regions and across all of our sectors.

In July, we held a public information session about the funding opportunities. The Delivery Partner Management team also reached out to potential partners directly. Between July and August, the team held over 180 conversations with prospective delivery partners.

These efforts resulted in a total of 138 applications and 26 unique projects funded. As part of these projects, we are also funding three coalitions that can deliver programming across a targeted area and create their own network, building relationships with training partners and industry.

The Palette Skills team delivers support and offers best practices and hands-on training to our delivery partners via our Learning Sandbox, launched in April 2023. This resource centre provides information, tools, templates and guides. It facilitates peer learning and knowledge sharing. All of the tools in the Learning Sandbox have been developed based on lessons learned from Palette Skills' internal program delivery and development. Through the Learning Sandbox, delivery partners were also able to attend four workshops to help them with program design, applications and delivery.

"Through Palette Skills' Learning Sandbox sessions, we tapped into a treasure trove of shared knowledge and practical solutions. The collective wisdom from various delivery partners was a game-changer."

– Alifia Merchant & Ruini Xiong, M2M Tech

We also launched a community of practice – our Community Learning Labs – to bring delivery partners together regularly so they can share knowledge and collaborate.

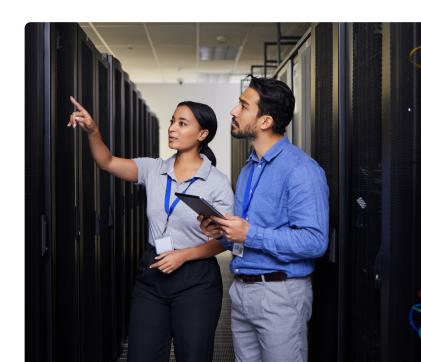
We are committed to being a leading voice in transforming and improving workforce development.

Palette Skills is ensuring Canada's workforce is reactive to changing employer needs.

Over the next year, employers in the six key sectors identified by the government will hire thousands of our graduates into high-demand jobs from coast to coast to coast. Knowing they have access to the talent they need to compete, these companies will face new challenges head-on.

We are dedicated to defining the standard of upskilling for Canada's workforce development and delivering the information that policy makers need to inform their investments in the skills ecosystem.

No one is better placed than Palette Skills to speak to best practices. We are convening our network of training providers, employers, thought leaders, industry associations, community associations, and other key stakeholders to drive lasting improvements to the ecosystem. As Canada's priorities change it will become increasingly important to provide transition pathways for workers.



Looking Ahead: Putting Potential into Practice

In 2023–24, Palette Skills focused on creating the infrastructure to support Upskill Canada and strengthening the skills ecosystem. We moved from program-level output to national impact. Through our work, we created a standard for what upskilling should look like in our country.

In 2024–25, we will be expanding our national presence and further increasing our impact by scaling our capacity, funding more delivery partners, and serving more small- and medium-sized enterprises. Thousands of our graduates will enter the workforce, transforming businesses and Canada's future economy. We will continue to establish our effectiveness and build credibility by demonstrating value.

Our graduates, delivery partners and employer partners are coming together to accelerate Canada's economy. Through 2024-25, we will ensure that the programs we fund continue to offer pathways that allow workers to meet new challenges and find new jobs.

Meeting the needs of Canada's AI advancement

Over the past several months we have witnessed major changes in the digital landscape. In June 2024, Statistics Canada released an analysis showing that almost 40 per cent of newer businesses (10 years or younger) were planning to adopt AI, either in software or hardware, over the next year, as well as almost 30 per cent of older businesses.

We have also seen increased government investment in new technologies – from electric vehicles in Ontario to space science in Saskatchewan, addressing E-Waste Challenges in Canada's North and other growing sectors across Canada.

As these new technologies are adopted, employers will need trained staff ready to power them.

Every sector we focus on – Digital Technology; Cybersecurity; Agricultural Technology; Advanced Manufacturing; Clean Technology, and Biomanufacturing – prepares workers for technological advancements.

Palette Skills is also investing in AI – first and foremost with the inclusion of resume review, skills assessment and career path matching tools into our new on-line platform, the Upskill Canada Hub. This will provide value, not only for participants in our programs, but also for employers and delivery partners.

The key to upskilling is that, instead of being a two- to four-year program – meaning by the time a student graduates, industry has already moved on – upskilling takes place over weeks or months, and is responsive to change. We're seeing change happen quickly, and no one is better positioned to partner with government and ensure Canada stays competitive than Palette Skills.

Visées: A large-scale solution for the Québec market

We have partnered with the Fédération des chambres de commerce du Québec (FCCQ) and the Chamber of Commerce of Metropolitan Montreal (CCMM) to build their Visées initiative, a platform aimed at strengthening the Québec economy. Visées is being developed by labourmarket stakeholders with a focus on providing direct support to employers and to job seekers.

The Visée initiative is uniquely tailored to the Québec market, partnering directly with employers to identify skills gaps within their companies and upskill their employees to ensure continued success. Businesses are supported by a team of specialists who guide participants through personalized short-term, certified, and subsidized training programs.

The platform also serves job seekers by offering an assessment of their current skills and suitability for upskilling to identify the best path forward. Québec will be the first to get the roll-out of the skills assessment platform.

This initiative complements the services already offered in Québec through our investment, and reinforces our commitment to providing bilingual services. This commitment to bilingualism is vital and extends beyond Québec to support minority francophone communities throughout Canada.

Building Canada's one-window talent platform

Our new Upskill Canada Hub will help bridge the gap between untapped talent, training providers, and employers, allowing job-seekers to seamlessly transition as industry needs change.

This first-of-its-kind one-window solution acts as a connector between workers, delivery partners and employers, and optimizes talent matching across the country.

At the heart of the platform is an integrated skills assessment – powered by AI – which evaluates an individual's suitability for upskilling based on their skills, personal experiences and career goals. The platform then directs participants to the programs that best match their profile.

The platform will also help employers to tap into the full potential of Canada's workforce. Employers will be able to post job opportunities on our featured job board and use advanced talent matching tools to identify candidates with the skills they need. This employer-focused approach will foster a dynamic ecosystem of talent development and acquisition across Canada.

Leading the way for Canada's future economy: Planning for long-term growth

Upskill Canada is already making a positive difference. And there's more that we can do. During 2024-25, we will work to expand our reach, demonstrate the effectiveness and sustainability of our model and build support for our vision of the future of upskilling in Canada.

We will invest nationally to serve more employers, work with more delivery partners, upskill more workers, and maximize the potential of the Canadian workforce.

As we look beyond 2024-25, Palette Skills has created a Business Development and Sustainability team which will develop an organizational sustainability and growth strategy based on:

- Corporate and partner sponsorship for diversified funding.
- Additional government grants to reduce our dependence on a single source.
- Revenue generation through industry and employer-funded initiatives.

This revenue diversification strategy will allow us to expand our proven model to address gaps in other sectors, and further respond to the changing needs of the Canadian economy. Ongoing support from sponsors will fuel programs that increase Canada's productivity and keep us competitive on a global scale.

Thanks and Acknowledgement

Board of Directors



Janet Yale – Board Chair Chair, Broadcasting and Telecommunications Legislative Review Panel; former President and CEO, Arthritis Society Canada



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