

# ***The Barriers that Low-skilled Workers Might Face to Canada Lifelong Learning Plan Participation***

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**Abstract:** The rapid development of society under today's Canadian neoliberal control. From a cultural to an economic standpoint, human labor has become a critical component in the operation of this nation. However, Canada is facing a serious aging population problem that will make it impossible to meet society's labor resource needs. The federal government issued a policy called the Lifelong Learning Plan (LLP) in 1999 to support citizens' lifelong learning and training, which may extend their working period after they retire. Nonetheless, given the lower wealth accumulation and working skills of low-skilled employees, there may be some barriers to access LLP after retirement and returning to the workplace. This paper investigates the barriers that low-skilled workers may face in accessing LLP, finishing their post-secondary education, and returning to the workplace in Canada using a qualitative method of analyzing official government policies and academic literacy. The paper discovers that there are several limitations that low-skilled employees may face in order to participate successfully and optimally, including: low wealth accumulation to support the high tuition fee; social conflict social roles of being full-time students in LLP and full-time employees from workplace; regular long training period from LLP; and other chosen investment options that are more important than LLP from Registered Retirement Saving Plans (RRSPs).

**Keywords:** Lifelong Learning Plan (LLP), Canada, Education Policy, Registered Retirement Saving Plans (RRSPs), Lower-skilled Workers, Post-secondary Education

## **1. Introduction**

A LLP is called a Lifelong Learning Plan, which is a policy from Canada's Registered Retirement Learning Plans (RRSPs) that residents can withdraw money from to support their retired lives' needs, such as house buying, emergencies, etc. In 1999, LLP was formed and implemented so that retired residents could withdraw up to \$10,000 per calendar year and a total of \$20,000 tax-free to support their post-secondary education [1]. This with-drawl needs to be repaid in 10 years, which means that retired individuals borrow the money to receive higher education from the government, and they do not need to pay the tax. However, LLP is only available for RRSP residents, their spouses, and common-law partners to participate, such as their children. People who want to participate in the LLP policy need to meet three conditions. Firstly, they need to be residents of Canada. Secondly, they must participate in RRSPs. Last but not least, people need to be enrolled as

full-time LLP students at a qualifying and designated educational institution or program. Once people begin receiving LLP training, they need to be full-time students but not part-time ones [2]. Also, most of the LLP programs' training periods are as regular as the others [3]. This research focuses on finding today's potential barriers that may exist for low-skilled retired workers who want to participate in LLP, receive post-secondary education, and go back to the workplace to be higher-skilled human labor resources. There are few studies that investigate and analyze the access barriers and social status of low-skilled workers in Canada. Therefore, this paper is focusing on this area's analysis to help make some voices for low-skilled citizens want to receive higher educational training in society.

The methodology of this paper is centered on qualitative research. Through analyzing various official data including the concrete regulation of LLP, Canadian existing education background such as tuition fees and residents' related economic situations on higher education. The qualitative method is used to find the influence and interaction of Canadian low-skilled workers' LLP, their participation phenomena, and the relation with LLP as a federal policy.

This research provides some possible macro policy suggestions to revise these barriers in society that might encourage more low-skilled workers to participate in LLP, to provide the labor resources in Canada. The suggestions for making changes to LLP policies might be used as a reference to the federal government to improve the quality and participation of national lifelong learning education programs.

## **2. The Ways that LLP Benefits Canadian Society**

Even though most scientists have not found an obvious outgrowth of Lifelong Learning Plan (LLP) implementation in Canada, from the Canadian federal government's perspective, the LLP policy seems to have become a tool for improving employees' lower working skills through receiving higher educational training from this policy and returning to the labor market as the new labor force in society [4]. Regarding Canada as a nation that needs labor force resources through the policies of immigrants, visible minorities, disabilities, etc., retired individuals receiving higher education to realize higher-skilled training is also helpful to create the labor force in this country. Therefore, the Lifelong Learning Plan policy is governed to sustain residents' lifelong learning with their expected labor resource contribution to society after training. Theoretically, participating in this program benefits both the country and individual participants. The nation needs more highly skilled workers to keep up with development in the future. Residents can go back to the workplace with higher-skilled jobs, especially for those post-lower-skilled workers. After LLP's higher level of educational training, lower-skilled workers become higher-skilled, and the job they find relates to high-skilled areas as well, which may help them to accumulate more wealth after retirement, instead of just receiving a retirement pension from Registered Retirement Savings Plans (RRSPs).

## **3. Low-skilled Workers' Wealth Accumulation in Canada with Different Providences**

The relationship between wealth accumulation and receiving post-secondary education distribution among this country may relate to low-skilled workers. In Canada, the majority of low-skilled workers have received less professional training than medium and high-skilled individuals in the workplace [5]. Thus, to assist low-skilled workers to access a better life after their retirement, one efficient way is to keep up with higher-skilled jobs with a higher level of salary. On the other hand, regarding their post-wealth accumulation based on low-skilled work, there is no doubt that, from the macro perspective, most low-skilled workers have a lower level of wealth accumulation after they get retired than the others. Regarding Neill's work, as higher education's tuition fees increase, the rate of students' enrollment rate decreases [6]. Looking at Canadian national data on educational

tuition fees, full-time registered students from higher educational programs are expected to afford around \$6,693 on average in the 2021 and 2022 academic calendar years, and the fee is presenting an increasing trend in this nation [7]. In Canada, the low-skilled and unskilled workers' annual salary range is from \$34,613 to \$43,944 [8], which is much lower than the national average of higher education tuition fees. As a consequence, according to the low-skilled workers' low economic accumulation and the rapidly increasing training tuition fees in Canada, we can barely find any balance between them. From low-skilled workers' perspectives, it is harder for them to afford the tuition fee for their postsecondary education than other kinds of workers in Canada. Even though they are not covered by the national LLP policy, they may receive tax-free benefits for making withdrawals to support their education. The money still needs to be repaid by these workers themselves, which closely relates to their wealth accumulation. Paying tuition fees for post-secondary educational programs becomes a tough barrier for low-skilled Canadian employees to access LLP.

#### **4. Social-role Conflict to Low-skilled Workers & Long Program Training Period**

Another potential risk for Canadian low-skilled workers to participate in the Lifelong Learning Plan is the period of post-secondary education. The training programs received by retired LLP residents are in the same time frame as other students in Canada [3]. Regarding the national data [9], there are three main branches of Canadian higher education, which are universities, colleges, and institutes. Students access Bachelor's, Master's, and Doctoral degrees from national universities, and the training periods are separately from three to four years; one to three (or more than three) years; and three to four (or more than four) years. The educational period of colleges and institutes in Canada is one to three years regularly. All these programs' periods are targeted at enrolled full-time students. In LLP policy, being a registered part-time student is not available; thus, all post-secondary educational learners need to be full-time [2]. On the other hand, being a full-time student and getting a regular period of training in post-secondary institutions is not acceptable in most low-skilled workers' minds. The main goals of most unskilled retired residents participating in the national Lifelong Learning Plan are to improve their working skills, return to the workforce to provide labor, and accumulate more wealth from their new jobs. Therefore, a group of low-skilled workers are expecting to access a higher level of employee skills in a shorter period than the regular ones, and after going back to the workplace, find a job with a higher salary as soon as possible. The normal training periods seem too long for them to satisfy their needs for wealth accumulation.

For most low-skilled workers, having no choice but to enroll as full-time students is a kind of social role that conflicts with the others and becomes a barrier to participation in the Lifelong Learning Plan [3]. In Canada, being a full-time student means individuals must take at least 60% of the regular-load courses of educational programs that they register for [10]. The time of being at school in a full-time student social role is much longer than being a part-time student one, and this may cause conflict with low-skilled workers' other social roles, such as being a full-time cashier at a grocery store. Different from other regular enrolled post-secondary students, receiving higher skilled training might not be the only thing to focus on after low-skilled workers' retirement. They may need full-time jobs to support their daily lives, which could be more important than becoming highly skilled as a short-period consideration.

#### **5. Investment of Other Programs to Canadians**

Lifelong Learning Plan is a policy under Registered Retirement Savings Plans (RRSPs) in Canada, and the basic function is to help residents prolong tax paying and save money to prepare for their retired lives. When individuals get retired, they can withdraw money from their RRSP accounts

with a tax payment [11]. In Canada, when people withdraw from their RRSPs to participate in their post-secondary education programs, they do so tax-free. However, the money from RRSPs does not only contain LLP but also HBP, which is called Home Buyers' Plan, which people do withdraw from their RRSP account to buy or build homes [12]. Many individuals choose to invest in HBP instead of LLP from their RRSPs because they believe house property is more valuable than post-secondary education [3]. According to the federal data record, during the period 1992 to 2004, around 1.4 million citizens made withdrawals worth \$14.2 billion to invest in HBP, and 49,000 individuals participated in LLP with withdrawals of \$363 million from their RRSPs [1]. Therefore, from the huge gap between HBP and LLP, it could be found that, in most Canadians' minds, investing in home buying and building is more important and valuable than increasing working skills after retirement. Considering the perspective of low-skilled workers, based on their lower level of wealth accumulation before retirement, they do need their important money to invest in something that can manifest value in a quicker and shorter period, which is the home, instead of the longitudinal educational training from LLP. If they choose to accumulate wealth through a higher-skilled job, it could take them one to three years at least to receive the educational programs and several years of returning to the workplace to make more money. What is more, these Canadian workers still need to repay a very high tuition fee within a specific time limit. Nevertheless, building or buying a home as a part of their poverty seems like an easier and faster effect from the perspective of investment.

## 6. Giving Some Suggestions about Canada Lifelong Learning Plan

Through analyzing documents of the current Canadian retirement and lifelong learning policies, the data also relates to Canada's higher education phenomenon and residents' preference for investment after their retirements. This paper could find those hidden and potential risks that many Canadian low-skilled workers might be facing by participating in their higher-skilled lifelong learning in this nation. There are a few suggestions that the author would like to offer and that might be helpful in providing a new view in looking at and improving the LLP policy to increase citizens' participation.

Firstly, considering the lower wealth accumulation situation is an important barrier that may make many low-skilled workers unable to afford such high educational tuition fees, even though they benefit from the tax-free withdrawal policy from the government. We could expect the federal government to put effort into mitigating this risk by increasing funding to both individuals and qualified institutions. Retired lower-skilled workers may access more financial subsidies from LLP policy to encourage more employees to participate in higher-skilled training and become the new labor force in the market. What is more, from the meso perspective of educational institutions that covers universities, colleges, and institutes, the government could widen its funding to these LLP programs that only target the population of lower-skilled workers who want to participate in LLP, and the purpose of the larger funding is to decrease those people's tuition fees. In other words, the government could pay a part of the low-skilled workers' post-secondary educational fees instead of only their individual obligations.

As a suggestion, the training period of LLP's programs could be more flexible according to the educational institutions' meso perspective. Since the regular period of higher-skilled training seems too long and hard to satisfy low-skilled workers' need to return to the workplace as quickly as possible, I suggest that specific shorter learning programs could be set up in these institutions that are only available to retired low-skilled residents who successfully enroll in the LLP. This suggested policy does not only benefit individuals' needs but also the whole society. As the training periods become shorter, a fresher, high-skilled labor force will be poured into the talent market at a faster speed to support national development positively.

The student roles for low-skilled workers from LLP could be more varied as well. They may also allow registered part-time students, which might encourage more people to participate in the LLP programs. The reason is that being part-time students is much more beneficial to those retired low-skilled employees. People could pay more attention and effort to other things that are more significant in their daily lives than school training, such as taking care of their grandchildren, keeping full-time jobs to support their financial needs, and so on.

The purpose of considering those three suggestions is to provide some possibilities to increase Canadian low-skilled workers' participation in LLP. Low-skilled employees see a national lifelong learning policy that benefits them more in terms of higher-skilled training and wealth accumulation. The value of lifelong learning might become more valuable than the other investments from RRSPs in Canadians' minds, such as HBP, and the participation range could be wider than it used to be.

## 7. Conclusion

In this paper, the author analyzed some barriers that exist for low-skilled workers to access the LLP policy based on their economic capital situations; different social role conflicts after participating in the educational programs; and various needs for receiving post-secondary education according to the training period. However, since the majority of this research's content is built on qualitative analysis, the literacy information might not be enough to support a comprehensive view that covers each Canadian provenance's LLP educational phenomena and future development suggestions. Given the upcoming research, social scientists may want to focus on more micro-information collection and analysis, such as interviewing LLP participants to determine their opinions and needs regarding this policy. What is more, these suggested policies and solutions that may improve the quality of LLP for low-skilled workers could be more micro instead of paying attention to the government's perspective. In other words, the scientist might be willing to come up with LLP suggestions that can be made directly by Canadian residents instead of official institutions' behaviors based on the future individual interview study. Lastly, this study is mainly focusing on the qualitative method, which means all the content analysis could be subjective. Therefore, for the upcoming research, scientists may collect more data to study that relates to LLP policy, which is rare in Canada today.

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