



Human Resources and
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CANADA'S LABOUR MARKET AGREEMENTS: A NATIONAL REPORT FOR 2008/09 AND 2009/10

**SKILLS AND EMPLOYMENT BRANCH
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Canada

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CANADA'S LABOUR MARKET AGREEMENTS: A NATIONAL REPORT FOR 2008/09 AND 2009/10

1. OVERVIEW

In 2008 and 2009, the Government of Canada signed Labour Market Agreements (LMAs), valued at \$3 billion over six years¹, with all provinces and territories. The broad objectives of these agreements were to increase the participation of groups that are under-represented in the labour force and to enhance the skills of low-skilled workers.

Through *Canada's Economic Action Plan*, the Government of Canada provided an additional \$500 million over two years for the Strategic Training and Transition Fund (STTF), which was delivered through the LMAs.

The reporting for the first two years of the LMA demonstrates that Canada's investment was able to reach almost 550,000 Canadians, helping them to obtain the training and supports they needed to get a job or return to work. Of those, just over 52,000 Canadians were directly assisted as a result of the investments under the STTF for 2009-2010. As well, individuals, employers and communities affected by the economic downturn were supported in maintaining or developing the skills and experience needed for new employment and economic opportunities.

This National Report provides an overview of provincial and territorial reports from a national perspective. The Report summarizes the data reported by provinces and territories with respect to the programs and services that they offered under the LMAs, including the types of clients served and the interventions those clients received. Starting in 2010/11, the Report will also include data from provinces and territories on client outcomes, such as labour force attachment following interventions. For information on specific provincial or territorial programs, consult the provincial and territorial annual reports.²

2. SOCIO-ECONOMIC, POLICY AND PROGRAM CONTEXT

In 2006, the Government of Canada launched *Advantage Canada*, its strategic, long-term economic plan designed to improve our country's economic prosperity, in which it committed to creating the best-educated, most skilled and most flexible workforce in the world by investing in education, training, and transition to work opportunities for Canadians.

Subsequently, Budget 2007 outlined a new, more comprehensive approach to labour market training, designed to help provide training to those who needed it. This included

¹ See Annex 1: Implementation Dates by Province and Territory.

² See Annex 5: Annual Reports by Province and Territory.

developing the skills of low-skilled¹ workers who were already in the labour market, as well as increasing the labour market participation of groups that were under-represented in the labour market, such as immigrants, persons with disabilities, Aboriginal people, youth, and older workers. The Government announced that it would invest \$3 billion over six years, 2008/09 to 2013/14, through LMAs with the provincial and territorial governments.

These agreements were conceived during a time when Canada was experiencing strong employment growth and record low unemployment rates. Labour shortages in some sectors and regions were becoming apparent; therefore enhancing participation in the workforce was a primary goal for federal, provincial and territorial governments.

When the economic downturn hit Canada late in 2008, its effects were felt unequally across the country – particular regions and sectors were affected differently and at different times. As well, job losses disproportionately affected certain industries—predominantly manufacturing, forestry and the automotive sector. To address these challenges, provincial and territorial governments had to adjust their labour market programs.

Immigrant Women Enterprise Training Project (2008/09)

Nova Scotia's Office of Immigration coordinated this project, which provided dedicated business advisory services to immigrant women entrepreneurs, with the Metro Immigrant Settlement Association. The project supported these women to develop business plans, marketing strategies and networks, and facilitated the arrangement of commercial financing. The project also supported the production of online business development support tools.

The LMAs were an obvious vehicle to help support individuals and communities affected by the economic downturn. Accordingly, the Government of Canada provided the provinces and territories with additional funding of \$250 million a year for 2009/10 and 2010/11 through the newly created Strategic Training and Transition Fund (STTF), to be delivered through the LMAs.

3. LABOUR MARKET AGREEMENT BASICS

The purpose of the LMAs is to increase participation in and enhance the skills of the Canadian labour force, with a particular focus on integrating under-represented groups. Under the Agreements, primary responsibility for the design and delivery of labour market programs lies with the provincial and territorial governments.

This flexibility enables provinces and territories to develop labour market programs that suit the needs of workers and employers in their labour market. As a result, programming offered under LMAs differs among provinces and territories. However, they all provide skills and employment supports for unemployed individuals who are not eligible for supports through the Employment Insurance program, for workers who are

¹ Under the LMAs, "low-skilled" refers especially to individuals who do not have a high school diploma or recognized certification or who have low levels of literacy and essential skills.

low-skilled, or for employers who wish to provide training to their low-skilled employees. The training offered ranges from basic to advanced, and may include language, literacy and essential skills, apprenticeships, and diploma programs. Other employment supports offered by provinces and territories include employment experience, immigrant bridge-to-work programs, school-to-work transitions, and entrepreneurial programs.

Annual funding of \$500 million is distributed among provinces and territories on a per capita basis. To provide greater support during the economic downturn, Canada's *Economic Action Plan* provided an additional \$250 million annually to the LMAs through a new two-year Strategic Training and Transition Fund (STTF), for 2009/10 and 2010/11.

In contrast to the per capita funding of the LMA, STTF funding was allocated according to provincial and territorial share of unemployment, to ensure that stimulus dollars went to those parts of the country most affected by the downturn. Under the STTF, base funding of \$1.25 million was also provided to small jurisdictions, Prince Edward Island and the three territories, to top up their funding based on share of unemployed to a level that would make program delivery more viable. Specific annual allocations by province and territory for the LMA and the STTF are found in Annex 2.

Apprenticeship Bootcamp (2009/10)

Nunavut's Department of Education (EDU) partnered with Qulliq Energy Corporation (QEC), the local power utility, in a training venture. Historically, employees were recruited from Southern Canada, however QEC set a goal to recruit and train residents of Nunavut. QEC worked with EDU to design an apprenticeship bootcamp for three trades—electrician, heavy equipment mechanic, and lineman. The bootcamp was a success and supported 18 apprentices being taken on by QEC. EDU plans to expand this initiative into other sectors.

Funding available through the LMAs is complemented by other federal investments in labour market training and employment supports. Primary among these investments are the Labour Market Development Agreements (LMDAs) which Canada has signed with all provinces and territories. LMDAs provide funding for provincial and territorial programs and services for unemployed Canadians who are eligible for Employment Insurance benefits.

Taken together, the LMA and LMDA enable provinces and territories to support a wide range of unemployed and employed individuals.

4. NATIONAL REPORTING

Performance measurement is a key feature of all LMAs. The Accountability Framework for the LMAs covers client, service delivery and client outcome and impact performance measures, and contains a set of 10 key performance indicators that provinces and territories can use to report results. This National Report for 2008/09 and 2009/10 focuses on the aggregation of reporting for Canada related to the client and service delivery indicators. Starting in 2010/11, the Report will also include data from provinces and territories on client outcomes, such as labour force attachment following interventions.

Notes on Performance Measurement Data

Provinces and territories are required to report on the activities funded through the LMA in their jurisdiction. Reporting also includes activities funded under the Strategic Training and Transition Fund (STTF). Provinces and territories have chosen different program mixes to respond to their unique socio-economic challenges, which in turn can affect client and service delivery performance indicators.

Client data captured by provinces and territories relate to employment status prior to beginning an intervention, education level prior to intervention, and self-identified designated group status. For those client focused performance indicators based on self-identification, it is important to note that self-identification is voluntary, which may affect the quantity and quality of the data available. Clients who do choose to self-identify may identify in multiple categories.

Service delivery performance indicators relate to the types of interventions offered by provinces and territories. Clients may participate in multiple interventions, and so service delivery indicators will total to an amount greater than the number of clients. Data reported in 2008/09, in some cases, are limited due to systems limitations as agreements were being implemented.

Given the timing of the interventions and reporting requirements, certain outcome performance indicators (such as labour force attachment at 3 and 12 months post-intervention and client earnings) will only be reported in Years 3 through 6 of the LMA. Data on the overall impact of the interventions will only be available in the LMA evaluations, which will be completed in 2013.

For further information on activity in each province and territory, please refer to the reports from the provinces and territories using the links in Annex 5.

4A. 2008/09 REPORTING

In Year 1 of the LMAs, provinces and territories delivered over 375,000 interventions (programs, services and supports to return to employment) to just over 198,000 individuals.¹

¹ Annex 3 details complete national results for 2008/09.

In 2008/09, client data indicate that 55% of clients served were employed and 44% were unemployed, with the remaining 1% self-employed, immediately prior to their intervention.¹ Most clients' highest level of education was reported to be high school or less.

Of those clients who chose to self-identify as belonging to one or more of the targeted groups that are under-represented in the labour market, women represented the greatest proportion of clients, followed by youth, older workers, persons with disabilities, immigrants and Aboriginal Canadians.

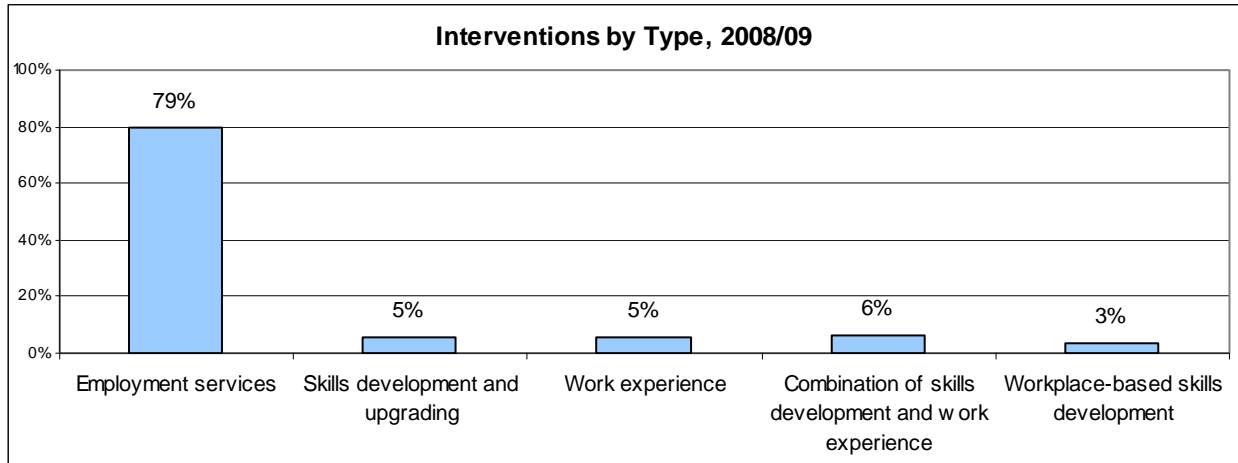
Clients by targeted groups, 2008/09	
Aboriginal	3,672
Persons with Disabilities	34,758
Immigrants	28,702
Older Workers	38,598
Youth	75,342
Women	80,748

Under the Accountability Framework, intervention types offered by provinces and territories have been grouped into five broad categories to facilitate comparisons across programs and services.

- **Employment services:** interventions may include generic employment information and assistance services, for both employed and unemployed clients.
- **Skills development and upgrading:** interventions include all types of formal training (such as in a classroom setting, with a set curriculum), for unemployed clients.
- **Work experience:** interventions may include on-the-job employment supports in a workplace (such as wage subsidies, job placements or project-based job creation), for unemployed clients.
- **Combination of skills development and work experience:** interventions may include a combination of skills development and work experience, for unemployed clients.
- **Workplace-based skills development:** interventions may include training offered by employers (at the workplace or off-site), or skill development initiatives for employees who lack a high school diploma or recognized credential, for employed clients.

In 2008/09, at the national level, the largest proportion of all interventions was in the area of employment services.

¹ This breakdown excludes clients where the data were either unavailable or reported as "Other".



There was some variation across provinces and territories, with some offering a higher proportion of skills development and work experiences.¹ As noted in Section 2, this flexibility enables interventions to be delivered to clients that address their needs in their regional labour markets. Investments made in Year 1 through the LMAs helped deliver varied types of interventions that allowed clients obtain the employment assistance services and supports that could facilitate their entrance into the labour market or their return to work. In particular, it is clear that workers under-represented in the labour market obtained a significant proportion of the supports.

4B. 2009/10 REPORTING

In Year 2, all thirteen provinces and territories had signed agreements and were at various stages of implementation. Approximately 404,000 interventions were delivered, allowing just under 350,000 Canadians to participate in provincial and territorial skills and employment programming.² Of all individuals assisted in 2009/10, just over 52,000 of them were assisted as a result of the additional funding provided under the STTF.

Data show that the client profile changed from Year 1 to Year 2 of the LMAs. Employment status prior to intervention shifted from the majority of clients being employed prior to their intervention to the majority being unemployed. That is, in Year 2 unemployed individuals represented 62% of total clients compared with 44% in Year 1, while employed clients had dropped to 38% from 55%.³ Of the total clients served, a minimal increase was seen between Year 1 and Year 2 for those clients that self-declared their education level to be high school or less (55% in 2008/09 and 57% in 2009/10).

While year-over-year comparisons of data derived from self-identification must be made with caution, the reporting from provinces and territories suggests that services for

¹ See Annex 5: Annual Reports by Province and Territory.

² Annex 4 details complete national results for 2009/10.

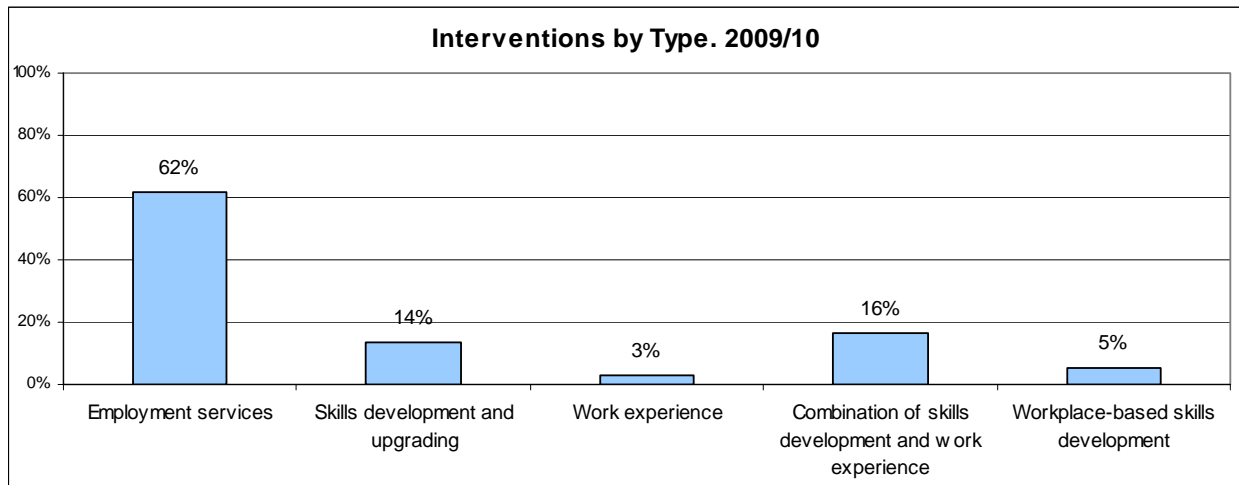
³ This breakdown excludes clients where the data were either unavailable or reported as "Other".

clients who self-identified as being a member of a targeted group increased in Year 2 of the LMAs.

Clients by targeted groups, 2009/10	
Aboriginal	13,778
Persons with Disabilities	36,812
Immigrants	85,056
Older Workers	55,072
Youth	126,730
Women	140,687

The number of individuals from under-represented groups who accessed labour market programs and supports rose for each group, with the exception of persons with disabilities. While women and youth remained the top two client groups, the proportion represented by immigrants rose from 14% to 27% of all clients.

As in Year 1, for Canada as a whole, the predominant type of intervention delivered by provinces and territories in 2009/10 was under the category of employment services, and there was variation across provinces and territories with respect to the predominant type of intervention¹.



The investments for Year 2 of the LMAs were distributed differently across the categories of interventions than in Year 1. For 2009/10, reporting by provinces and territories shows that skills development and combinations of skills development and work experience made up a larger proportion of total interventions than in Year 1. In contrast, there was a decrease in the overall proportion of interventions in work experience in 2009/10.

For 2009/10, the reporting demonstrates that a greater number of clients were able to access programs and services funded through the LMA, including the additional

¹ See Annex 5: Annual Reports by Province and Territory.

investments under the STTF, to strengthen their skills and enhance their employment opportunities.

5. CONCLUSION

The Government of Canada's is making significant investments to help build a strong, skilled and flexible labour force capable of meeting the economic challenges of the future.

In 2008/09, several provinces and territories were able to sign and implement these agreements that deliver programs and services to allow just under 200,000 Canadians to participate in the labour market. With the economic downturn at the end of 2008, in 2009-10, the LMAs responded to more Canadians who needed additional supports to be able to participate in the labour market. With the additional investments under the STTF it is estimated that 52,000 Canadians were assisted through interventions, for a total of just under 350,000 in 2009-10 under the LMA to increase participation in and enhance the skills of the Canadian labour force.

BladeRunners Program

British Columbia's Ministry of Regional Economic and Skills Development funds this employment program, which helps at-risk youth who have barriers to employment, obtain and sustain full-time employment in construction trades and other sectors. The program provides youth with job readiness, work experience or on-the-job training and ongoing support. This successful program has been operating in BC for fifteen years and is being expanded, with Canada-British Columbia Labour Market Agreement funding, into other sectors and into all regions of the province.

The reporting for the first two years of the LMA demonstrates that Canada's investment was able to reach almost 550,000 Canadians, helping them to obtain the training and supports to get a job or return to work, thereby enhancing their employment opportunities, strengthening the Canadian labour market, and creating a brighter future for Canada.

ANNEX 1: IMPLEMENTATION DATES BY PROVINCE AND TERRITORY

Newfoundland & Labrador	September 4, 2008
Prince Edward Island	September 5, 2008
Nova Scotia	June 13, 2008
New Brunswick	April 1, 2008
Quebec	March 27, 2009
Ontario	April 1, 2008
Manitoba	April 11, 2008
Saskatchewan	April 1, 2008
Alberta	September 2, 2008
British Columbia	April 1, 2008
Yukon	July 8, 2009
Northwest Territories	July 8, 2009
Nunavut	July 16, 2009

ANNEX 2: ALLOCATIONS BY PROVINCE AND TERRITORY

Province/Territory	2008/09 (\$000)	2009/10 LMA (\$000)	2009/10 STTF (\$000)	2009/10 Total (\$000)
Newfoundland & Labrador	7,623	7,542	7,179	14,721
Prince Edward Island	2,099	2,089	3,079	5,168
Nova Scotia	14,084	13,903	8,212	22,115
New Brunswick	11,217	11,107	7,121	18,228
Quebec	116,334	116,018	63,991	180,009
Ontario	194,063	193,675	103,235	296,910
Manitoba	18,131	18,109	5,688	23,797
Saskatchewan	15,250	15,266	4,552	19,818
Alberta	53,813	54,648	16,752	71,400
British Columbia	65,767	66,023	25,663	91,686
Yukon	497	499	1,457	1,956
Northwest Territories	650	644	1,467	2,111
Nunavut	472	477	1,604	2,081
Total	500,000	500,000	250,000	750,000

ANNEX 3: 2008/09 NATIONAL REPORTING OF KEY INDICATORS

	Canada 2008/09
Clients served/in intervention by employment status prior to intervention	
Employed	53,248
Unemployed	41,969
Self-employed	483
Other/data not available ¹	102,571
Total clients served/in intervention	198,271
Clients served/in intervention by education level prior to intervention	
Less than high school	57,971
High school	51,429
Post-secondary	31,923
Clients served/in intervention by targeted group²	
Aboriginal Canadians	3,672
Persons with Disabilities	34,758
Immigrants	28,702
Older Workers	38,598
Youth	75,342
Women	80,748
Interventions by program or service type³	
Employment services, for employed and unemployed clients	298,674
Skills development and upgrading, for unemployed clients	20,606
Work experience, for unemployed clients	19,862
Combination of skills development and work experience, for unemployed clients	24,365
Workplace-based skills development, for employed clients	12,746
Total number of interventions	376,253

¹ The Government of Quebec does not capture sub-data associated with the total number of clients served by employment status as well as by education level prior to intervention. The information provided by Quebec is included in the "Other / data not available" category when required.

² Identification of status by designated group is voluntary. Clients may identify themselves with one or more designation or none at all. For this reason totals under "Clients by Employment Status" do not match "Clients by targeted group".

³ HRSDC has grouped provincial and territorial programs into the five broad categories listed.

ANNEX 4: 2009/10 NATIONAL REPORTING OF KEY INDICATORS

	Canada 2009/10
Clients served/in intervention by employment status prior to intervention	
Employed	70,800
Unemployed	115,267
Self-employed	1,195
Other/data not available ¹	162,972
Total clients served/in intervention	350,234
Clients served/in intervention by education level prior to intervention	
Less than high school	92,266
High school	84,779
Post-secondary	79,193
Clients served/in intervention by targeted group²	
Aboriginal Canadians	13,778
Persons with Disabilities	36,812
Immigrants	85,056
Older Workers	55,072
Youth	126,730
Women	140,687
Interventions by program or service type³	
Employment services, for employed and unemployed clients	240,207
Skills development and upgrading, for unemployed clients	47,486
Work experience, for unemployed clients	6,905
Combination of skills development and work experience, for unemployed clients	88,159
Workplace-based skills development, for employed clients	21,802
Total number of interventions	404,559

¹ The Government of Quebec does not capture sub-data associated with the total number of clients served by employment status as well as by education level prior to intervention. The information provided by Quebec is included in the "Other / data not available" category when required.

² Identification of status by designated group is voluntary. Clients may identify themselves with one or more designation or none at all. For this reason totals under "Clients by Employment Status" do not match "Clients by targeted group".

³ HRSDC has grouped provincial and territorial programs into the five broad categories listed.

ANNEX 5: ANNUAL REPORTS BY PROVINCE AND TERRITORY

Newfoundland & Labrador:	2008/09 (Not applicable) 2009/10
Prince Edward Island:	2008/09 2009/10
Nova Scotia:	2008/09 2009/10
New Brunswick:	2008/09 2009/10
Quebec ¹ :	2008/09 2009/10
Ontario:	2008/09 2009/10
Manitoba:	2008/09 2009/10
Saskatchewan:	2008/09 2009/10
Alberta:	2008/09 2009/10
British Columbia:	2008/09 2009/10
Yukon:	2008/09 (Not applicable) 2009/10
Northwest Territories:	2008/09 (Not applicable) 2009/10
Nunavut:	2008/09 (Not applicable) 2009/10

¹ Available only in French.