

GOVERNMENT OF NEWFOUNDLAND AND LABRADOR

2017-2018 Annual Plan



Canada-NL Job Fund Agreement (JFA)

Newfoundland
Labrador

Advanced Education, Skills and Labour

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Glossary of Abbreviations

AESL (the Department) - Advanced Education, Skills and Labour
 JFA (the Agreement) - Job Fund Agreement
 CJG (the Grant) - Canada Job Grant
 LMI - Labour Market Information

2017- 2018 Annual Plan

Newfoundland and Labrador's 2017-2018 Annual Plan outlines priority objectives and strategic investments for the Canada-Newfoundland and Labrador Job Fund Agreement (JFA), covering the period April 1, 2017 to March 31, 2018. This annual plan provides information related to the Government of Newfoundland and Labrador including labour market priorities, investments, and accountabilities.

The Plan summarizes the Department of Advanced Education, Skills and Labour's (AESL's) focus on skills development and training in the previous fiscal year, while also outlining the priority focus areas in the new fiscal year. The plan must be submitted to the federal government by no later than October 1st following the end of the previous fiscal year during the period of the agreement. Newfoundland and Labrador provides Canada with an audited financial statement of revenues received from Canada under this Agreement during the fiscal year and the eligible costs incurred by Newfoundland and Labrador in relation to the eligible programs through the publication of detailed annual reports on the previous fiscal year outlining:

- Labour market priorities and areas of investment;
- Programming objectives;
- Details of activities funded under the agreement and how they link to the priorities; and
- Results achieved.

Note on the Annual Plan

Information on Newfoundland and Labrador's labour market is collected from several sources, including available federal and provincial information on labour market trends, economy and population statistics.

The Canada -Newfoundland and Labrador Job Fund Agreement

The JFA replaced the former Labour Market Agreements; signed in 2008, in an effort to ensure greater employer involvement in training. The Agreement transfers \$500 million a year from the federal government to the provinces and territories for six years, from 2014-15 to 2019-20, for labour market training with distribution of the funds based on population. The signed agreements between the federal government and provinces/territories provide the overall framework.

Signed in July 2014, the Agreement provides annual federal funding to deliver programs and supports. Newfoundland and Labrador received \$7.3 million - its per capita share of \$500 million. Each jurisdiction is responsible for developing guidelines for spending the funds and variations between jurisdictions are likely.

In Budget 2017-18, the Federal Government outlined making transfers to the provinces and territories simpler and more flexible. This includes expanding the LMDA and consolidating the existing Canada Job Fund Agreements (JFA), the Labour Market Agreements for Persons with Disabilities (LMAPD) and the Targeted Initiative for Older Workers (TIOW) into Workforce Development Agreements (WDAs). In the interim, AESL is committed to the development and delivery of responsive, diverse, innovative, and efficient programs and services funded through the existing four LMTAs.

The Department of AESL is responsible for the administration and implementation of the JFA. The goal of the agreement is to increase the participation of residents in the labour force and to help them develop the skills necessary to find and keep meaningful and long-term employment.

Specifically, the agreement sets out the following objectives to help achieve its goal:

- Encourage greater employer investment in training to ensure that skills are aligned to job opportunities, particularly in sectors facing skills mismatches and shortages;
- Ensure Newfoundland and Labrador's labour market programs meet the needs of employers, including small- and medium-sized businesses;
- Ensure programs help Newfoundlanders and Labradorians to develop the skills necessary to quickly find and maintain employment; and
- Demonstrate to Newfoundlanders and Labradorians that funding is achieving the best possible results and ensure processes are in place to support improvements where this is not the case.

Labour market programs under the JFA include:

- The Canada Job Grant (CJG);
- Employment Services and Supports to enhance labour market participation of clients by assisting them to prepare for entry to, or return to, employment or to otherwise obtain or keep employment or maintain skills for employment through methods such as skills training, on-the-job/workplace-based training or upgrading, group interventions, financial supports, employment counselling/services and labour market connections services; and
- Other Employer-Sponsored Training such as apprenticeship supports, wage subsidies for on-the-job training. Additionally, programming may include demand-driven approaches in which employers decide which beneficiaries get training and what training is required.

The Canada - Newfoundland and Labrador Job Grant

The Canada-Newfoundland and Labrador Job Grant Program is a cost-sharing program implemented as part of the JFA on August 12, 2014. The program helps employers invest in their workforces, equipping workers with the training necessary to make their businesses succeed. The program helps Newfoundlanders and Labradorians gain the skills they need to fill available jobs and increase their ability to retain employment. Intended to help employers with training costs to hire, upskill and reskill employees, the program provides up to a maximum of \$10,000 towards the cost of training an existing employee and up to a maximum of \$15,000 for training an unemployed person. Employers are required to contribute one-third towards the cost of training; large employers must contribute their one-third contribution in cash; the required one-third contribution from small employers can include a combination of cash and in-kind contributions; and no contribution may be required by employers who hire and train an eligible unemployed person.

Development and Delivery of Programs

Newfoundland and Labrador's program and service delivery models contribute to a stronger economic and labour environment:

- Ensuring that the province has the skilled workforce and highly educated graduates to participate in and contribute to their communities;
- Strengthening the workforce through education, training, financial and social supports;
- Creating and equipping the Province's workforce to meet current and future provincial labour market demands;
- Providing guidance and support to employers to recruit and retain the necessary workforces to grow their businesses;
- Offering guidance and support to residents in order to achieve the greatest benefit from the opportunities that exist in the province;
- Enhancing client case management;
- Supporting residents with career decisions and securing and retaining employment; and
- Providing guidance and support for the development of policy and procedures on employment and training programs.

The Department oversees the development and delivery of programs to help create a workforce to meet the demands of the Newfoundland and Labrador economy. This involves providing guidance and support for the development of policy and procedures on employment and training programs that help people plan for, find, and keep jobs. AESL develops and delivers a comprehensive suite of programs, services and supports to strengthen the workforce for the Province. This includes the provision of supports for individuals to assist with career decisions and securing employment, while helping employers recruit and retain the necessary employees to grow their businesses.

Provincial Labour Market Overview and Conditions

Economic factors continue to impact the Province's labour market landscape and persist in influencing the provincial economic outlook.

- Labour Force Survey data has indicated an increase in employment, from 234,792 in 2015-16 to 268,700 in 2016-17.
- The unemployment rate has remained stable increasing slightly from 13.2 per cent in 2015-16 to 13.4 per cent in 2016-17. The most recent unemployment rate (August 2017) stands at 14.3 per cent.
- Population estimates for the province reflect a median age of 45.3 versus a Canadian average age of 40.6.

Expectations for economic activity in Newfoundland and Labrador remain modest as the province continues to experience a period of adjustment. The Government of Newfoundland and Labrador has implemented initiatives to reduce spending and support economic growth while taking action to avail of new opportunities for service improvement, program transformation and economic growth.

The successful application of programming and services under the JFA continues to assist in mitigating the effects of economic downturns and has demonstrated positive outcomes and impacts on clients, employers, and communities in Newfoundland and Labrador.

Newfoundland and Labrador remains committed to working with the Federal Government to develop innovative solutions to grow the Province's economy and address its labour market challenges and opportunities.

Program Investment Summary

The investment plans for programs to meet the objectives for the Canada-Newfoundland and Labrador Job Fund are outlined below.

Targeted Programs by Objective	Annual Total
Canada-NL Job Grant	\$2,777,539
Provides employer-based training for current or new employees which leads to an available or better job and/or improved employment opportunities	
Targeted Supports for Apprentices	\$2,403,661
Supports individuals in skilled trades occupations to acquire training and occupational certification to continue employment and/or qualify as a certified journey person	
Employment Development Supports and Services	\$1,590,000
Expands access to employment development programming to provide eligible unemployed individuals with a range of supports and services to assist them prepare for, find and maintain employment	
Transitions to Work	\$375,000
Supports individuals in receipt of Income Support prepare for the transition to the labour market by providing in-class training followed by intensive job search	
CA-NL Job Fund Administration	\$136,656
Costs to support administration of CA-NL Job Fund programs and services	
TOTAL 2017- 2018 CA-NL Job Fund Investment	\$7,282,856