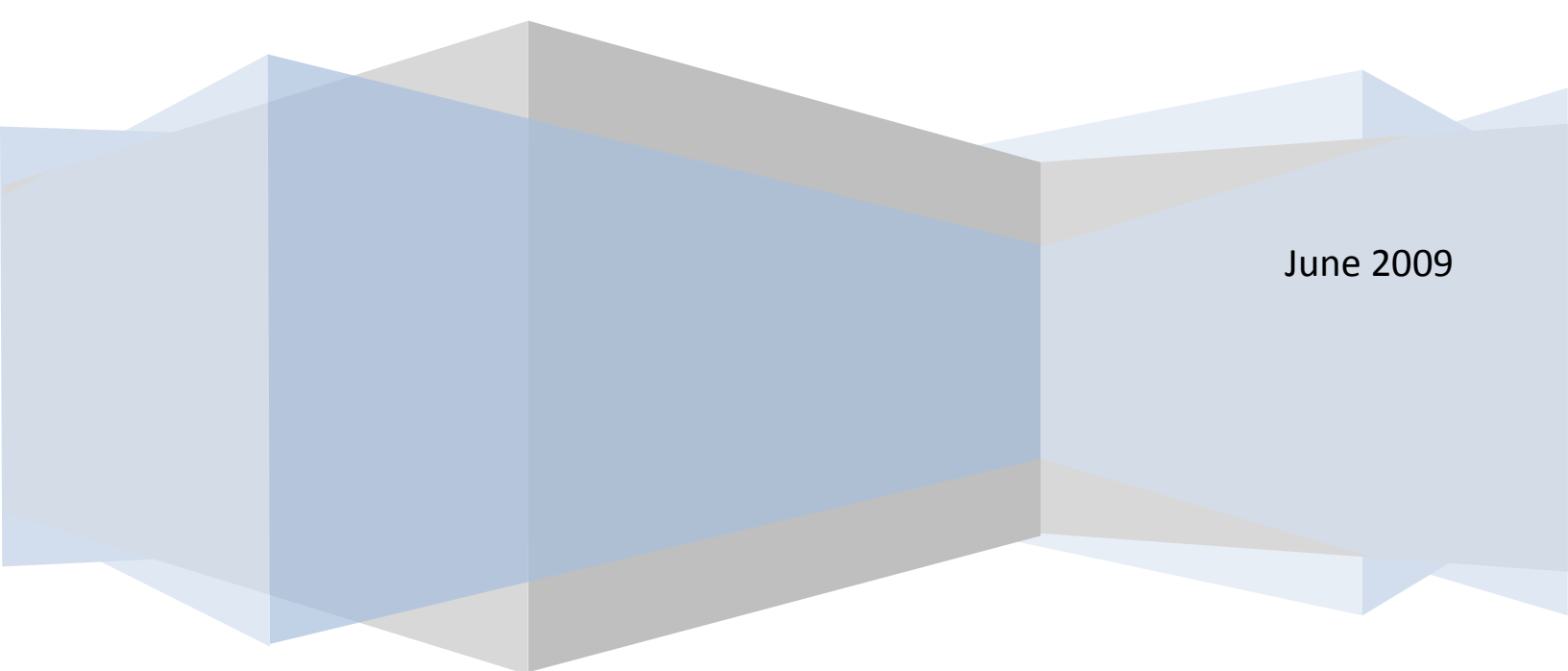


Canada-Prince Edward Island

Labour Market Agreement (LMA)

Annual Plan-2009/10



June 2009

CANADA-PRINCE EDWARD ISLAND LABOUR MARKET AGREEMENT

ANNUAL PLAN

FISCAL YEAR 2009/2010

On September 5, 2008, the Government of Canada and the Province of Prince Edward Island signed the Labour Market Agreement (LMA) which will inject more than \$12 Million over the next six years into Prince Edward Island labour market programs and will be an important resource to support labour market training in the province.

I. PURPOSE

Prior to the beginning of each fiscal year during the period of the Canada-Prince Edward Island Labour Market Agreement (LMA), Prince Edward Island agrees to develop and share with the Government of Canada an annual plan relating to its programs. The province has agreed to make this plan public by October 1st of each year. The annual plan shall include:

- a) an environmental scan of the current labour market challenges in Prince Edward Island;
- b) a description of clients who are considered a priority in the coming year;
- c) a description of proposed programming, intended objectives and outcomes, and projected expenditures;
- d) the expected results from the LMA programs including annual targets and outcomes for the planned activities referred to in (c) above; and
- e) a description of the proposed next steps.

II. CONTEXT

The 2009 - 2010 Annual Implementation Plan lays out the strategic investments planned by the Province of Prince Edward Island under the Canada-Prince Edward Island Labour Market Agreement (LMA). This plan is guided by the vision put forward in, "*Island Prosperity-A Focus for Change*".

III. ENVIRONMENTAL SCAN

Prince Edward Island is entering a period in which employer demand, demographics, education and skill levels, employee expectations and mobility are all changing. Prince Edward Island is at a crossroads where the demand for labour is outpacing the supply of skilled and knowledgeable workers because of changing demographics and the migration of labour. Similarly, the education and skill requirements of the Island's labour force has increased significantly and will need to continue to increase in order to meet the needs of employers in a new economy where the primary assets are people and knowledge.

Traditionally, Prince Edward Island's labour market has featured intense seasonal peaks and a significant number of low-skilled jobs. This helped stimulate strong labour force participation and high levels of employment during seasonal peaks. It also resulted in substantial unemployment and underemployment of Islanders during non-peak seasons. While the labour market issue of the past was shortages of jobs, the key issue today, and for the future, is shortages of skills and labour.

In an effort to reduce the instability of the PEI labour market, the provincial government has created a vision outlined in, "*Island Prosperity-A Focus for Change*", which positions the province to strategically address current economic challenges. An integral part of the strategy is the development of a labour market that compliments key sector investment and expansion.

Key indicators for Prince Edward Island's economy:

- On July 1, 2008, the population of Prince Edward Island was estimated at 139,818, an increase of 1.2 percent from 2007.
- The unemployment rate rose from 10.3% in 2007 to 10.8% in 2008. This was the second highest unemployment rate in the country.
- In 2008, the labour force participation rate was 68.7%, 0.9 percentage points higher than the national average. This was slightly higher than the 68.2 % in 2007.
- Prince Edward Island continued to have the highest participation rate in the country among the core working age group (25-44 years). Approximately nine out of every ten in this age group were either working or actively looking for work in 2008.

Labour Force Challenges

To reach its full potential, the province must address key labour market issues, particularly those issues related to supply of skilled labour. Some of these issues include:

- Developed countries worldwide are facing a massive demographic shift which is bringing profound social and economic changes in its wake.

- The twin factors of the post-war “baby boom” and declining fertility rates are resulting in a rapidly aging population.
- The aging of the Island population is illustrated by the fact that the median age has risen from 24.8 years in 1971 to 41.3 years in 2008. Furthermore, while 11 percent of the population was 65 years and older in 1971, this proportion has risen to 15.1 percent in 2008.
- Net out-migration, which is concentrated among young adults, is further shrinking the worker pool. Furthermore, out-migration of young skilled males is noteworthy.
- International immigration to PEI has increased; however the Province’s retention of these immigrants remains low.
- The skill and education demands of the labour market are steadily rising—leading to skill and labour shortages throughout the economy.
- The single most important consideration for firms considering investment or expansion is the availability of workers and the competition for workers is intensifying both with Prince Edward Island and beyond.
- Approximately 40% of the Island’s working age population lack the literacy and numeracy skills required to function effectively in a knowledge economy.

IV. LMA PRIORITY GROUPS

In an effort to address the labour market challenges facing Prince Edward Island, the LMA has developed programs and services to assist those individuals who have traditionally been unable to benefit from existing labour market initiatives and who face specific challenges or are underrepresented in the labour force. The LMA plan has identified the following priority groups:

(a) Unemployed individuals who are not EI eligible including:

- Youth
- Immigrants
- Visible Minorities
- Older Workers
- Persons with Disabilities
- Aboriginals
- Social Assistance Recipients
- Women.

(b) Employed individuals who are low skilled.

V. A FOCUS FOR CHANGE

To address and meet global economic challenges, Prince Edward Island will focus on innovative and skill intensive sectors – bioscience, information technology, aerospace and renewable energy. These high-knowledge industries have a strong track record and significant potential for further growth in revenues and exports and offer skilled, well paid, year-round employment opportunities for Islanders.

The Island Prosperity Strategy is a five-year investment strategy with three key pillars:

- Investing in People
- Investing in Innovation
- Investing in Economic Infrastructure.

The vision, objectives and principles of the LMA support key government priorities outlined in the economic and social plans of Prince Edward Island. The LMA annual plan targets new investments to support individuals who may face challenges making meaningful linkages to the labour market.

The province is working on strategies that will:

- work with employers on new strategies to enhance adult literacy, essential skills, and training;
- promote continuous learning in the workplace;
- assist workers in matching their skills with job opportunities; and
- collaborate with workers and employers to help them meet their workforce training needs.

The structure of Prince Edward Island's economy is already shifting. Our new innovative industries are already achieving growth in sales and employment, accounting for a growing share of our economy, and reducing our reliance on resource-based industries.

The vision for the Department of Innovation and Advanced Learning is to ensure that the Prince Edward Island workforce is competitive by making strategic investments in people through innovative programs, services and partnerships. The Department has the mandate to deliver programs and services that are aimed at assisting Prince Edward Islanders in acquiring the skills and employment experience necessary to secure and maintain full-time employment.

As part of, "*Island Prosperity-A Focus for Change*", Prince Edward Island has set forth a different approach to address the increasingly tight and competitive labour market. The focal point of this shift is one which puts *quality* of employment rather than *quantity* of employment at the forefront of core economic development strategies.

VI. LMA FUNDING

Under the Canada –Prince Edward Island LMA, PEI will receive \$2.1 M in funding which is to be used to enhance the quality of skills and labour force development for residents who are unable to access programs under the LMDA.

In January 2009, the Federal Government introduced the Strategic Training and Transition Fund (STTF) which provided PEI with an additional \$3 M for LMA programs. This program was designed to support the needs of workers affected by the current economic downturn whether or not they qualify for EI. The STTF funding is available to all unemployed individuals and employed individuals in sectors, occupations or communities affected by the economic downturn.

PEI will use the flexibility of the new STTF funding to provide more opportunities to PEI residents through the expanded options of the following employment programs:

1. Co-op Experience
2. Public Internship Program
3. Wage Subsidies
4. Self Employment
5. Workplace Training
6. Skills Development PEI

The following table summarizes the LMA funding for 2009-2010:

Funding	Amount
LMA Agreement	\$2,100,000
Re-Profile	\$500,000
Carry Forward	\$259,000
STTF	\$3,079,000
Total LMA Funding	\$5, 938,000

VII. LMA 2009-2010 ANNUAL PLAN DETAILS

The province recognizes there are some key requirements among priority groups which must be addressed. Youth and the immigrant population were identified as the first priorities of focus for the last quarter of 2008/09. Moving forward, the province is initiating and implementing program development to meet the needs of the various organizations the province held consultations with and the remaining priority groups.

The following program areas have been identified as priorities for April 1, 2009 to March 31, 2010:

1.) SKILLS PEI INITIATIVE

A. *Co-op Experience*

The Co-op Experience will provide post-secondary students with an opportunity to make a successful transition into the labour market through employment exposure as part of the student's education program. The Co-op Experience will support the development of specific occupational skills with a priority on the Island Prosperity Strategy; aerospace, information technology, biosciences and renewable energy.

The Co-op Program had previously received funding through the LMA in 2008-09 and has now been expanded to expose more students to a co-op experience.

This program will support work placements of 12-16 weeks and provide financial assistance to offset wage costs to private sector employers.

Client Eligibility

Student

- Must be enrolled in the second half of their program of study ,
- Must be attending an eligible post-secondary education program on a full time basis for the period immediately preceding the co-op placement,
- Priority will be given to students enrolled in a program of study that is related to aerospace, information technology, biosciences, and/or renewable energy.

Employer

- Private businesses operating within the province's priority sectors,
- Must be prepared to provide students with a detailed work plan that specifies a targeted work experience,
- Must provide students with the assistance and support required to ensure work term is beneficial to students' career development.

Delivery Approach

Through the LMA, the province will partner with eligible post secondary institutions or with employers to provide students with an opportunity to participate in co-op placements related to their field of study.

Outcomes

- Establish a labour force attachment for post-secondary students within the province,
- Increase the number of co-op placements within the priority sectors,
- Assist in retaining post-secondary students within the province,
- Help students develop employment oriented skills.

Clients Served

It is anticipated that 75 students in fiscal year of 2009-2010 will be assisted with sector specific Co-op placements.

B. Public Internship Program

The primary purpose of this program is to provide participants with employment experience and skill enhancement to better position them to secure permanent employment. These positions will provide post secondary graduates with a work experience related to their skills and education. The Public Internship Program will serve to assist in bridging graduates into the workforce.

Client Eligibility

- Participants completed post secondary education within the last 3 years,
- Participants seeking focused work term experience.

Delivery Approach

The Public Internship Program will be delivered through staff of Innovation and Advanced Learning in consultation with Deputy Ministers in relation to the identification and approval of internship positions to ensure graduates receive a meaningful work term experience.

Outcome

- Provide an opportunity for post-secondary graduates to experience a work term and enable the participants to successfully transition into the labour force.

Clients Served

It is anticipated 45 post-secondary students will be placed in work terms of 52 weeks.

2.) LABOUR FORCE DEVELOPMENT SOCIAL PROGRAMS

A. Immigrant Work Experience PEI

This initiative will provide immigrants a one- time, short term work experience in order to assist immigrants in accessing long- term sustainable employment. This work exposure will support immigrants in the challenge of transitioning into the Island community and provide work exposure opportunities to immigrants who require this type of an intervention as part of their employment action plan. This program will allow

for the flexibility to accommodate immigrants special needs of flexible work hours to permit language training. This work experience could also assist unemployed immigrants become eligible to access Skills PEI funding.

Employers in the private sector would receive 50% of a wage reimbursement and non-profit organizations would receive 100% of wage costs.

Client Eligibility

Participant

- Must be a permanent resident legally entitled to work in Canada,
- Immigrated to PEI in the last 5 years,
- Must be unemployed,
- Must be non EI eligible,
- Must assist in obtaining full time employment.

Employer

- Must be a non-profit organization, municipality or a private business registered on PEI,
- Must provide on-the-job training to the immigrants.

Delivery Approach

Clients must be referred by a case manager after an employment action plan has been developed. Program Officer will assist client in obtaining a work placement and monitor their progress throughout the placement.

Outcomes

- To provide recent immigrants to PEI with the necessary skills to obtain work,
- To demonstrate to the business community immigrants can meet their labour force needs.

Clients Served

It is anticipated 30 clients will be assisted through this program.

B. Womens' Unlimited

This initiative will assist unemployed women explore, prepare for, and maintain employment in the trades and technology fields. This project will promote gender equity in the trades and increase the recruitment and retention of women in trades and technology, thereby assisting in addressing skill shortage issues of employers.

Participants will participate in a 14 week training program which will include skills upgrading, career exploration and employability skills for work in the trades and technology careers. Participants then select and enroll in a college trades program. Following graduation, participants will be given support to find and maintain work in the trade/technology workplace.

Client Eligibility

- Women who are unemployed,
- Women with low skill levels.

Delivery Approach

This project will be delivered by the Women's Network, a non-profit organization that supports PEI women. The Apprenticeship Branch of the Department of Innovation and Advanced Learning will provide the coordination of this project.

Outcomes

- Increase the number of women enrolled in trades,
- Increase the number of trade-skilled individuals to fill vacancies as the result of attrition,
- Increase the number of women participating in the Apprenticeship Program.

Clients Served

It is anticipated that 10 women per year will be served through this LMA initiative.

C. Employment Support - Social Assistance Clients

Provide funding to support a more intensive case management function for Social Assistance (SA) clients who require more support to avail themselves of opportunities to participate in the labour market. This targeted client base reflects a demographic that has multiple barriers in an increasing competitive climate where highly educated and skilled workers are in demand. It has been determined that 10% of PEI's SA caseload could be successful with support and navigation to resources already in the system.

There are many effective employment programs and services already in existence, yet SA clients who are deemed employable, require specialized case management. This program will link to such services as career exploration, language training, literacy training, skill development, secondary and post-secondary training opportunities.

Delivery Approach

This service will be delivered by an external third party service provider who will hire the four specialized case managers. The SA clients will be referrals from Social Assistance case workers.

Outcomes

- Increase the number of SA clients participating in employment support programs,
- Targeted SA clients establishing an attachment to the labour force on completion of intervention.

Clients Served

Four specialized case managers will case manage 300 Social Assistance clients targeted for this program.

D) Workforce Re-entry Assistance

With an increasing number of adults enrolling in adult education programs and post-secondary education, evidence is showing that an increasing number of students are experiencing difficulties that are affecting their learning and employment success. Many of these adult learners are trying to re-enter the workforce or re-train for a new career. They require assistance in identifying and dealing with their barriers to learning.

This would provide clients access to professionals who are trained in appropriate strategies to assist in an adult learning environment.

Client Eligibility

- Adults re-entering adult education programs,
- Participants experiencing difficulty in education programs.

Delivery Approach

Career & Advanced Learning Centre will counsel clients referred by organizations who are working on behalf of their clients as a case manager. These clients would be experiencing difficulty making the transition to full time educational programs and to the labour force. Clients will be monitored and followed through to the completion of their learning goals. A 3 month follow-up will be done on each client after completion to ensure the client has benefited from this service.

Outcomes

- An increase in the number of clients who overcome their learning barriers,
- Increase the number of clients who make a successful transition to the workforce.

Clients Served

It is anticipated 100 clients per year will be served through this initiative.

3.) COMMUNITY ENGAGEMENT

A. Centre for Life Long Learning and Centre on Workforce Strategies

This entails two significant projects that received funding support in the 2008-09 LMA Annual Plan. UPEI has hired individuals to continue to deliver programs within these two project areas.

First, UPEI's *Centre for Life Long Learning* is mandated to encourage and support connections among the university and all Island learners; however, it has identified a gap in services for adult learners interested in pursuing studies at UPEI. An adult learner is an individual 25 years or older, and /or have additional responsibilities such as family, career, and are seeking an educational offering on a part time basis. This educational experience will serve to enhance their careers. Specifically, a notable gap exists in the areas of student services for adult learners, formal policies and procedures that address the needs of adult learners, and transition services for adult learners wanting to or thinking about connecting with the university.

Client Eligibility

- Must be an “adult learner” between the ages 25 – 65,
- Must need further training or skills to secure or maintain employment.

Outcomes

- Increased enrollment of adult learners in post-secondary courses,
- Increased interest and inquiries about adult learning opportunities,
- Increased number of students who attend information sessions and academic readiness,
- Expanded framework for the delivery of adult learning opportunities including location and mode of delivery,
- Increased educational attainment of the Island population.

Delivery Approach

The University of Prince Edward Island will deliver the initiative.

The second project under this initiative, *Centre on Workforce Strategies*, follows.

Prince Edward Island has long struggled with producing or obtaining timely and relevant labour market information. The Centre on Workforce Strategies will create capacity within the province to conduct labour market research that is relevant to the needs of the province, specific sectors, and targeted labour market groups. The Centre will serve as a repository for local labour market information upon which government, businesses, and individuals could make decisions.

Delivery Approach

The province will partner with the University of Prince Edward Island to provide comprehensive and timely labour market information to assist in strategic labour market planning.

Outcomes

- More adult learners accessing the post-secondary education system,
- Better engagement among businesses and the post-secondary education system,
- Higher educational attainment of the Island labour force,
- Higher skill level among the Island labour force.

B. P.E.I Works

This initiative delivers career-related activities in PEI to a wide variety of audiences. It includes core initiatives designed to improve career awareness and career planning among youth, employees, targeted groups and the general public. This initiative was launched as a one-year pilot project and on completion it will be evaluated to determine effectiveness. PEI Works received funding from the LMA in 2008-09 and will continue into 2009-10 to complete the one-year pilot project.

Client Eligibility

- Members of LMA Priority Groups,
- Students.

Delivery Approach

The Department of Innovation and Advanced Learning will contract with a third party service provider to implement this project.

Outcomes

- Improved targeted career-related information,
- Increase the number of individuals who complete post-secondary education and training,
- Increase the number of individuals acquiring required labour force skills.

4.) ECONOMIC DEVELOPMENT PROGRAMS

A. Wage Subsidies – Recent Graduates and Members of an LMA Priority Group

In an effort to assist non-EI eligible clients who are unemployed and individuals who may be experiencing the effects of the economic downturn secure full time sustainable employment within the private sector, the province through the LMA, will provide wage subsidies to businesses with a priority on the bioscience, information technology, aerospace, and renewable energy sectors. A wage subsidy of up to 26 weeks at 50% of eligible wage costs will be utilized to assist clients make a successful transition to meaningful employment related to their education and training.

Client Eligibility

Employee

- Must be a recent post-secondary graduate, out of school six months to five years or a member of an LMA priority group,
- Must be non-EI eligible,
- Must be unemployed,
- or**
- Must be an individual experiencing the effects of the economic downturn.

Employer

- Must be a private sector company,
- Must intend on retaining the individual on a full time basis after the wage subsidy period ceases,
- Must be prepared to provide the individual with on-the-job training and coaching.

Delivery Approach

- This service will be delivered by an existing service provider or an eligible sponsor.

Outcomes

- Increase the number of priority group clients who are gainfully employed and self sufficient upon completion of the intervention,
- Form strategic alliances with business, industry and cultural organizations to ensure that recruitment efforts are reflective of the labour market requirements,
- Actively engage the business community by demonstrating how hiring our priority clients can meet their workforce and economic challenges.

Clients Served

It is anticipated that the initial pilot will target 50 clients for the 2009/10 fiscal year.

B. Self Employment – Recent Graduates and/or members of LMA priority groups

In an effort to assist recent graduates, members of LMA priority groups and individuals who may be experiencing the effects of the economic downturn to establish businesses on Prince Edward Island, the LMA will provide financial and entrepreneurial supports. Priority will be provided but not limited to businesses in one of the following sectors: bioscience, information technology, aerospace and renewable energy.

This program provides a weekly allowance of \$300 per week for 52 weeks. The first 10 weeks for the development of the business plan and the remaining weeks for the implementation of the business plan. In addition clients may be eligible for childcare while developing the business plan and disability-related supports if required.

Client Eligibility

Participant

- Must be a recent post-secondary graduate and out of school 1-5 years or must be a member of an LMA Priority Group,
- Must be non-EI eligible,
- Must be unemployed,
- or**
- Must be an individual experiencing the effects of the economic downturn.

Delivery Approach

This service will be delivered by an existing service provider or eligible sponsor.

Outcomes

- Increase in the number of post-secondary graduates and members of the LMA priority groups who become self-employed and thus remain on P.E.I.,
- Promote economic activity.

Clients Served

It is anticipated that the program will target 18 clients for the 2009/10 fiscal year.

C. *WorkPlace Training*

Employers often require assistance in training their employees with respect to essential skills or job specific skills. The WorkPlace Training initiative will provide financial support to employers in Prince Edward Island to assist in the development and provision of job-specific training. This program will support training initiatives by funding a portion of the salaries of employees while on training and other related training costs.

As an example, an aerospace company may require their employees or potential new hires to obtain training in skills specific to their company.

In order to remain competitive and increase production levels, employers may require their employees to up skill thus enhancing the quality of their workforce. Due to the effects of the economic downturn Workplace Training will be utilized to assist both employees and employers.

Client Eligibility

Employee

- Must be deficit in the skills required to improve employment,
or
- Must be an individual experiencing the effects of the economic downturn.

Employer

- Must be a private sector and incorporated business located on Prince Edward Island,
- Must clearly demonstrate the training provided is job related and will assist the employer deal with labour force adjustments.

Delivery Approach

Training will be delivered by employer's in-house instructors, public or private training institutions.

Outcomes

- Increase the skill levels of the employed labour force,
- Deliver on the anticipated skills required to adapt to the changing demands of the workplace.

Clients Served

It is anticipated this program will provide training to 70 employees

D. Skills Development PEI

Provides financial assistance to eligible individuals to help them obtain the skills training they need to obtain employment. The program provides tuition costs and basic living costs to eligible clients who are engaged in post secondary education and training. The eligible clients will be required to be registered in a training intervention that will increase access to strategic skills development and meets the eligibility criteria of the LMA Annual Plan. This will be determined through case management of all clients.

Client Eligibility

- Must be non-EI eligible,
- Must be unemployed,
- Must be a member of a LMA priority group,
- Client to have a reasonable expectation of attachment to the labour market on completion of training,
or
- Must be an individual experiencing the effects of the economic downturn.

Delivery Approach

This service will be administered by the Labour Market Development Division of the Department of Innovation and Advanced Learning.

Outcomes

- Increase the number of individuals who complete post-secondary education and training,
- Increase the number of individuals accessing the required labour force skills.

VIII. CONSULTATION/PARTNERS

Consultations have occurred within the province to provide an awareness and establish a focus for government to make decisions on how to best allocate the LMA funds for this fiscal year. The Department of Innovation and Advanced Learning has received input from federal and provincial partners, private sector employers, current organizations managing program delivery, community organizations dealing with priority sectors, post-secondary educational institutions and industry.

CONCLUSION

The LMA implementation plan will provide Prince Edward Island with an opportunity to strategically assist Islanders with new target initiatives. This plan will significantly improve the labour force participation of individuals who have largely been under-represented in the past. Similarly, the vision and objectives set forth will emphasize the further development of a skilled knowledge economy which supports the key economic strategy objectives outlined in, "*Island Prosperity-A Focus for Change*".

BUDGET

Skills PEI Initiative

<i>Co-op Experience</i>	\$ 700,000	
<i>Public Internship Program</i>	<u>1,500,000</u>	
Total		\$2,200,000

Labour Force Development Social Programs

<i>Immigrant Work Experience PEI</i>	200,000	
<i>Womens' Unlimited</i>	220,000	
<i>Employment Support - Social Assistance Clients</i>	250,000	
<i>Workforce Re-entry Assistance</i>	<u>311,000</u>	
Total		981,000

Community Engagement Programs

<i>Centre for Life Long Learning</i>	\$ 100,000	
<i>Centre on Workforce Strategies</i>	200,000	
<i>PEI Works</i>	<u>125,000</u>	
Total		425,000

Economic Development Programs

<i>Wage Subsidies</i>	\$ 350,000	
<i>Self Employment</i>	470,000	
<i>Skills Development PEI</i>	800,000	
<i>Workplace Training</i>	<u>480,000</u>	
Total		2,100,000

Administration Expenses	<u>600,000</u>	
Total		<u>600,000</u>

GRAND TOTAL **\$6,306,000** *

*Note budget is shown as over expenditure to allow for anticipated slippage.