

Canada-Alberta Labour Market and Labour Market Development Agreements 2009 - 2010 Annual Plan

Introduction

Canada and Alberta have two agreements to deliver labour market training programs and services for Albertans. The Labour Market Development Agreement (LMDA) assists individuals who are eligible for Employment Insurance (EI) to prepare for and maintain employment, resulting in savings to the EI account. The Labour Market Agreement (LMA) increases the labour market participation of under-represented groups by improving the skill levels of unemployed individuals who are not EI eligible and employed individuals who are low skilled.

In addition, Canada and Alberta agreed to provide programs and services to eligible individuals who have been impacted by the recession. Funding originates from the LMDA and Strategic Training and Transition Funds (STTF). These funds have been made available through the existing Labour Market Development Agreement and the Labour Market Agreement.

Planning is a key component of the accountability frameworks for the agreements. Alberta Employment and Immigration (E&I) and Human Resources and Skills Development Canada (HRSDC) agreed to a single planning process for the LMDA and LMA to reduce overlap and duplication, as well as simplify the review/approval process.

This document contains:

- **Environmental Scan and Strategic Priorities** – provides Alberta-specific labour market information as well as strategic priorities and direction for the upcoming year.
- **Labour Force Characteristics** – describes the characteristics of targeted beneficiaries.
- **Community Consultations** – outlines the nature of consultation activities and stakeholders involved.
- **LMDA/LMA/STTF Integrated Annual Plan** – outlines priority program areas, objectives and activities and links them to the eligible programs/services, estimated client volume, and projected budgets and anticipated results. The integrated plan includes the provincial priorities, programs/services and activities for both EI (LMDA-funded), non-EI (LMA-funded) learners and STTF learners, while highlighting separate budgets and client volumes as required by each agreement.

Environmental Scan

After more than 20 years of continual growth, Alberta is experiencing its first recession since 1986 mainly due to falling investment and exports. In 2009 Alberta will see negative GDP growth (-2.7 per cent) but is expected to recover in 2010 with a GDP growth of 3.3 percent¹. Unemployment continues to rise as Alberta's seasonally adjusted unemployment rate was 7.4² percent in August 2009, in comparison to August 2008 of 3.5 per cent.³

The provincial economy was significantly affected when some energy expansion projects were delayed or cancelled because of low oil prices and the credit crisis. Oil prices fell from a record high of \$147 per barrel in July 2008 to a low of approximately \$35 per barrel in February 2009⁴. The price of natural gas has also declined from \$13 per gigajoule in July 2008 to less than \$3 per gigajoule in July 2009⁵. This has had a significant impact on government revenue and resulted in a decline in private capital investment. The sudden downturn in Alberta's economy presents challenges to Albertans, particularly those faced with job losses.

Key Labour Market Trends and Challenges

- While Alberta's labour force decreased by 2,900 people, employment fell by 6,700 people in August 2009 compared to the previous month. The number of people working fulltime decreased by 11,300 and the number of those working part-time increased by 4,700 for the same period.⁶
- Between July and August 2009, employment fell by 10,300 people in Manufacturing; 5,400 in Trade; 3,300 in Transportation and Warehousing and 2,800 in Public Administration.⁷
- The number of Albertans receiving regular EI benefits in July 2009 was 59,490. From July 2008 to July 2009, the number of Albertans receiving regular EI benefits has tripled with an increase of 216.9 percent.⁸
- As of August 2009, Income Support (IS) caseloads have increased to 35,740, which is the highest level observed since August 1997, when there were 37,915 cases. Since October 2008, Alberta has seen its IS caseloads increase by 36 per cent. In August 2009, 62.3 percent of the IS caseload were identified as Albertans who are expected to work.⁹
- Despite the current economic situation, during the next ten years the economy will rebound and Alberta could experience a cumulative labour shortage of approximately 93,000 workers.¹⁰
- Alberta's population continued to have the highest year over year growth rate among all provinces. The second quarter of 2009 indicated net inflows of people to Alberta from interprovincial (4,737) and international (6,089) sources, as well as net non-permanent residents (2,594).¹¹
- The Alberta apprenticeship and industry training system produces a highly skilled, internationally competitive workforce in 59 designated trades and occupations. Currently, Alberta has more than 70,000 registered apprentices.¹²

While there are many uncertainties in this economic environment, it is E&I's priority to provide employment and training programs and services to help unemployed Albertans obtain employment and to support employed individual's remain employed while continuing to prepare for projected future labour market shortages.

¹ http://www.finance.alberta.ca/aboutalberta/economic_bulletins/2009/1009.pdf

² Employment and Immigration, Labour Force Statistics August 2009

³ http://employment.alberta.ca/documents/LMI/LMI-LFS_0809_public_package.pdf

⁴ https://osi.alberta.ca/Documents/158E_Energy_Oil_Prices_Fact_Sheet.pdf

⁵ https://osi.alberta.ca/Documents/159E_Energy_Alberta_Natural_Gas_Prices_Fact_Sheet.pdf

⁶ Employment and Immigration, Labour Force Statistics August 2009

⁷ Employment and Immigration, Labour Force Statistics August 2009

⁸ https://osi.alberta.ca/Documents/206_Labour_Employment_Insurance_Beneficiaries_Fact_Sheet.pdf

⁹ https://osi.alberta.ca/Documents/207_Labour_Income_Support_Assistance_Fact_Sheet.pdf

¹⁰ http://www.employment.alberta.ca/documents/LMI/LMI-LMF_occ_demand_supply.pdf

¹¹ http://www.finance.alberta.ca/aboutalberta/population_reports/2009_2ndquarter.pdf

¹² <http://aet.alberta.ca/media/216001/alberta%20learns%20fact%20sheet.pdf>

Strategic Priorities

Employment and Immigration 2009-2012 Business Plan Summary

Alberta Employment and Immigration's Mandated Priorities

Employment and Immigration will work with Advanced Education and Technology to *enhance value-added activity, increase innovation, and build a skilled workforce to improve the long-run sustainability of Alberta's economy.*

The ministry will lead the following initiatives:

- Increase the total off-reserve labour force of Alberta's First Nations, Métis and Inuit to 74,000 by 2010;
- Implement the Foreign Qualification Recognition Action Plan to optimize the contribution and success of foreign-trained professionals in Alberta's labour force;
- Help newcomers to Alberta to integrate and settle into the community successfully; and
- Collaborate with the francophone community on priority issues.

VISION

Albertans have a fair, safe and supportive environment in which to work and live.

MISSION

To contribute to the long-term sustainability of the economy by ensuring Alberta has a skilled workforce, productive and safe workplaces, and by helping to improve the well-being of Albertans.

Two of the Three Core Businesses for E&I are Focused on the Labour Market

Core Business One: Investing in Alberta's Labour Supply

Employment and Immigration works to ensure Alberta has a sufficient supply of workers to meet the needs of the economy now and in the future. This includes attracting and retaining other Canadians and immigrants to Alberta. This core business is primarily aligned with the government pillar **creating and protecting our opportunities**. Through *Building and Educating Tomorrow's Workforce*, Employment and Immigration works with stakeholders to address the skill and labour shortages facing Alberta. Moreover, Alberta will look beyond its borders, first to other parts of Canada and then to other countries to fill the long and short-term demands placed on the labour force in both the short and long-term.

The following strategic priorities support Core Business One:

Human Capital Plan

E&I will develop a detailed human capital plan that will advise government how to invest in the labour force. The plan will look ahead and take necessary steps to ensure the Alberta workforce has the skills to enhance value-added activity, increase innovation and build a workforce to improve the long-run sustainability of Alberta's economy.

Alberta's Immigration Approach

As part of Alberta's approach to address current and future skill and labour shortages, E&I will implement the Foreign Qualification Action Plan to optimize the contribution and success of foreign-trained professionals. In addition, E&I will help newcomers integrate and settle into the community successfully and stay in the province by increasing support services such as language training.

Aboriginal Economic and Labour Force Development

E&I will work in partnership with the federal government, Aboriginal communities and other provincial ministries to support Aboriginal economic and labour force development. In addition, E&I will foster and provide supports for business development to create innovative and sustainable Aboriginal businesses and communities.

Core Business Two: Investing in the Skills and Supporting the Independence of Albertans

Employment and Immigration helps individual Albertans and families realize their potential and ability to share in the social, economic and cultural framework of the province.

The ministry will work to help individual Albertans who are able to participate in the labour market by working with other ministries to connect them to the labour force, provide health benefits, child support services and financial assistance.

This core business is primarily aligned with the government pillars of **creating and protecting our opportunities** and **building our quality of life**. The following strategic priorities support Core Business Two:

Self-Reliance of Albertans

E&I will provide tools, information and services to increase the participation of groups traditionally under-represented in the labour force. This will include assisting those who are unable to find employment, help people who are working remain employed and ensure those unable to work meet their basic needs.

Collaboration with the Francophone Community

The Ministry is responsible for the Francophone Secretariat, which serves as a liaison between the government and the Alberta francophone community.

GOA Business Plan:

http://www.finance.alberta.ca/publications/budget/budget2009/busplans_complete.pdf

E&I Business Plan:

<http://www.finance.alberta.ca/publications/budget/budget2009/employment.pdf>

Labour Force Characteristics

Alberta Employment and Immigration is committed to helping individual Albertans reach their full potential. Under the LMDA and LMA, Alberta provides a wide range of training and employment programs to increase the labour market participation of under-represented groups, including Aboriginal people, immigrants, persons with disabilities, youth and mature workers. The following section describes the characteristics and challenges faced by each group.

Aboriginal People in the Labour Force

The Aboriginal working age population is growing twice as fast as the province's working age population. While this indicates a fairly large labour pool, Aboriginal people are still under-represented in the labour market with an off-reserve unemployment rate that doubled from 8 per cent in August 2008¹³ to 15.5 per cent in August 2009¹⁴. The three industries with the largest gains in employment for Aboriginal people in August were: Construction, rose by 900; Finance, Insurance, Real Estate and Leasing, rose by 700; and Information, Culture and Recreation, rose by 300.¹⁵

In order to improve the employment rate and earning potential for Aboriginal people in Alberta, skills training is necessary. As of August 2009, a total of 29.6 per cent of Alberta's Aboriginal people living off-reserve had completed post-secondary education, with 47.5 per cent having some post secondary education.¹⁶ Increasing the completion rate of Aboriginal people in training will result in stronger and more sustainable employment.

Persons with Disabilities in the Labour Force

Alberta has the third lowest disability rate in Canada; however, as the population ages the number of people reporting disabilities has increased. While Albertans with disabilities had the highest employment rate when compared across Canada, they had lower employment rates than those without disabilities.¹⁷ In 2006, the employment rate for Albertans with disabilities was 58.9 per cent and for Albertans without disabilities it was 67.8 per cent.¹⁸

Youth in the Labour Force (defined as those between the ages of 15 and 24 years)

Alberta's youth population grew by 22.1 per cent, or 91,300 people, between 1998 and 2008. This growth rate was more than two times higher than the growth rate of Canadian youth as a whole. The unemployment rate for Alberta youth in 2008 was 7.5 per cent, the lowest among provinces and 4.1 percentage points lower than the Canadian average. Alberta youth experienced the highest youth employment rate in Canada at 68 per cent. While Alberta's youth are generally being paid more than the minimum wage, 80.2 per cent of youth are employed in Retail and 49.2 per cent in Accommodation and Food Services.¹⁹

¹³ Alberta Labour Force Statistics, Aboriginal Population Off-Reserve Package, August 2008

¹⁴ Alberta Labour Force Statistics, Aboriginal Population Off-Reserve Package, August 2009

¹⁵ Alberta Labour Force Statistics, Aboriginal Population Off-Reserve Package, August 2009

¹⁶ http://www.employment.alberta.ca/documents/LMI/LMI-LFS_0809_aboriginalLFS.pdf

¹⁷ Statistics Canada, Participation and Activity Limitation Survey 2006

¹⁸ Canada-Alberta Labour Market Agreement For Persons with Disabilities 2007/2008 Annual Report,

http://www.employment.alberta.ca/documents/RRM/RRM-PUB_lmapd_annrpt_0708.pdf

¹⁹ Alberta Profiles: Youth in the Labour Force 2008. Source: Statistics Canada Labour Force Historical Survey, 2008

http://www.employment.alberta.ca/documents/LMI/LMI-LFP_profile_youth.pdf

Women in the Labour Force

The unemployment rate for Alberta women is the lowest in Canada (3.7 per cent). The majority of employed women in Alberta work in two occupational groups: Business, Finance and Administration (30.2 per cent) and Sales and Service (29.4 per cent). Between 1998 and 2008, the Construction industry had the highest employment growth rate for women at 145.1 per cent. Despite that growth, the occupation with the smallest proportion of women employed was in trades, transport and equipment operators at 7.5 per cent.²⁰ Women continue to face gender wage discrepancies as seen in 2008, where women earned on average \$5.51 less per hour than men. Accommodation and Food Services was the industry where the difference in average hourly wage between men and women was the lowest, at \$1.89, and Professional, Scientific and Technical Services, the most, at \$10.38/hour.²¹

Mature Workers (defined as 55+)

From 1998 to 2008, the number of mature workers in the labour force aged 55-64, has grown by 63.7 per cent. In 2008, the participation rate for Albertans aged 55-64 was 72.6 per cent while the unemployment rate for this same age group was relatively low at 2.8 per cent.²² Two thirds of mature workers aged 55-64, employed in the labour force on a part-time basis, indicate a preference for shorter work weeks. This suggests that many mature workers are making a conscious transition towards retirement. Over three quarters of mature workers in Alberta aged 55+ are employed in the service sector industries. This includes, Health Care and Social Assistance, Retail Trade, Professional, Scientific and Technical Services and Educational Services.²³

Immigrants

Interprovincial migration is expected to remain largely unchanged in 2009 following a slowdown in net interprovincial migration in 2008 as growth strengthened in other western provinces. While international migration remained at record levels in 2008, inflows of temporary workers are expected to slow in 2009 due to the slowing economy. From 2007 to 2008 the number of people who immigrated to Alberta increased from 20,861 to 24,185.²⁴ Immigrants in Alberta had the highest labour force participation rate at 68.4 per cent as well as the lowest unemployment rate at 3.7 per cent among provinces in Canada in 2008. Very recent immigrants, however, experience higher rates of unemployment than other immigrants or Albertans.²⁵

²⁰ Alberta Profiles: Women in the Labour Force 2008. Source: Statistics Canada Labour Force Historical Survey, 2008

http://www.employment.alberta.ca/documents/LMI/LMI-LFP_profile_women.pdf

²¹ Alberta Profiles: Women in the Labour Force 2008. Source: Statistics Canada Labour Force Historical Survey, 2008

http://www.employment.alberta.ca/documents/LMI/LMI-LFP_profile_women.pdf

²² http://www.employment.alberta.ca/documents/LMI/LMI-LFP_profile_olderworkers.pdf

²³ http://employment.alberta.ca/documents/RRM/PC_mature_workers.pdf

²⁴ <http://www.cic.gc.ca/english/resources/statistics/facts2008/permanent/02.asp>

²⁵ http://employment.alberta.ca/documents/LMI/LMI-LFP_profile_immigrants.pdf

Community Consultation

Ongoing consultation with various stakeholders is key to the success of Alberta's training and employment programs and services. Consultations with stakeholders occur formally and informally and are intended to support the ministry in developing an inclusive and responsive annual plan to help Albertans connect to the labour force and create a stronger economy for Alberta. Stakeholders participating in E&I consultations represent both rural and urban communities and include representatives from the following groups:

Employer/Industry

- **Building and Educating Tomorrow's Workforce** sub-sector strategy meetings support the development and implementation of targeted industry workforce strategies to address labour force challenges.
- **Economic and Industry Network Meetings** are held at various locations across Alberta and support labour market information sharing, and provide opportunities to discuss workplace challenges and explore potential solutions.

Stakeholders involved: Industry and employer representatives, local business representatives, labour groups and professional organizations, economic development organizations, government organizations and employment agencies.

Program Delivery Partners

- **Informal Regional Consultations** include one-on-one meetings with business and industry liaison representatives, contract service coordinators, area managers and career and employment counselors. These informal discussions held across the province bring a wealth of knowledge to ministry staff relative to labour market challenges for individuals and organizations and an understanding of the issues and needs. Information gained through this process helps the 59 E&I offices across the province identify program and service gaps and develop innovative and responsive training and employment programming.
- **Training Provider Advisory Committee** led by E&I supports information sharing between the ministry and training providers who represent public and private colleges, as well as contracted training providers.
- **Strategic Alliance** provides a forum for ongoing discussion between E&I and community agencies and leaders on broad social policy issues related to lower income Albertans.

Stakeholders involved: Community groups, non-profit and volunteer organizations, municipal representatives, Aboriginal service organizations (on and off reserve), immigrant service agencies, Alberta post-secondary institutions including public and private training providers, and contracted service providers involved in the delivery of training and employment programming.

Community Groups

- **Aboriginal Best Practice Table** includes staff from Alberta Employment and Immigration, Aboriginal Human Resource Development Agreement holders and Skills Development staff. This group meets quarterly, sharing expertise and information to support employment and training needs, engaging in community capacity building by supporting Aboriginal communities with community planning as well as sharing best practices from one community to the next.
- **The Francophone Secretariat** was established in 1999 and is the liaison between the Alberta government and Alberta's Francophone community. The secretariat represents the needs of the francophone community within government, in particular with the ministries of Employment and Immigration, Education, Infrastructure, Transportation, Tourism, Parks and Recreation, Culture and Community Spirit, Children and Youth Services and Health and Wellness.
- **Federal/Provincial/Territorial ESL Discussion Group** share resources and information on successful ESL/Literacy initiatives in order to share with other communities.

Stakeholders involved: Aboriginal groups/leaders and off reserve participants, the francophone community, ESL training providers and representatives from all levels of government.

2009 - 2010 ALBERTA ANNUAL PLAN

Priority Program Areas Objectives and Activities	Eligible Programs/Services	Projected Budget and Client Volume		Anticipated Results
		Budget	Client #'s	
<p>Employment and Training Programs and Services</p> <p>Increase opportunities for Albertans to make successful transitions from school to work, unemployment to employment and from one career path to another. Increase the capacity of Albertans to respond to changing skills, knowledge and abilities required by the economy.</p> <p>ACTIVITIES INCLUDE:</p> <ul style="list-style-type: none"> Implement initiatives funded through Connecting Learning and Work Framework Expand workforce adjustment activities Expand career information and services Implement books/tuition policy for self-supporting learners Expand access to training through e-learning Increase training options for under-represented groups Pilot alternative literacy training for low-skilled Albertans Increase contracted service delivery for Work Foundations Increase supports for specialized assessment for learners 	<p>LMDA \$126 M</p> <p>LMA \$47 M</p> <p>STTF \$9.3 M</p>	<p>150,000</p> <p>10,500</p> <p>2,200</p>	<ul style="list-style-type: none"> Increased awareness/use of programs and services to support career decision making Increased access of labour market information for individuals, training providers, stakeholders Increased capacity of job-matching services for job seekers and workplace settings Increased access to occupational training Expanded targeted training opportunities for Aboriginals, youth-at-risk, women in non-traditional roles, persons with disabilities, mature workers, immigrants, low-income Albertans and Albertans with low literacy Increased part-time training options Expanded financial supports for learners Increased summer employment opportunities for students and unemployed workers Enhanced labour force participation of under-represented groups Increased supports to workplace settings relative to the economic slowdown 	
	<p>Career Information</p> <ul style="list-style-type: none"> Career Development Services Disability Related Employment Supports <p>Work Foundations</p> <ul style="list-style-type: none"> Basic Skills and Academic Upgrading <p>Training for Work</p> <ul style="list-style-type: none"> Occupational/Integrated Training Workplace Training Self-Employment Training (LMDA only) <p>Apprentices (LMDA only)</p> <ul style="list-style-type: none"> Full course cost recovery** <p><i>**Estimated number of apprenticeship enrolment is 18,000. Billing will not exceed maximum Employment Benefits and Support Measures funds. Client totals do not reflect apprenticeship enrolment numbers.</i></p>			
<p>Immigration</p> <p>Assist immigrants to access labour market opportunities and ensure they have the ability to be full participants in Alberta's society.</p> <p>ACTIVITIES INCLUDE:</p> <ul style="list-style-type: none"> Increase access for foreign qualification assessments Increase settlement service supports Increase resources/tools to support immigrant integration into the labour market Provide information to immigrants and potential employers to improve their labour force participation Develop tools and resources that enhance services to immigrants Expand ESL delivery into the workplace 	<p>LMDA \$1.6 M</p> <p>LMA \$12 M</p> <p>STTF \$2.0 M</p>	<p>500</p> <p>1,500</p> <p>300</p>	<ul style="list-style-type: none"> Increased access to qualification assessment services Increased labour force participation through holistic settlement supports and service delivery Employer recognition of foreign-trained immigrants and their out-of-country skill sets Diversified options in delivering ESL Increased ESL skill sets for immigrants 	
	<p>Immigrant Training Programs</p> <ul style="list-style-type: none"> Settlement Supports Enhanced Language Training Immigrant Bridging Programs <p>English as an Additional Language (EAL)</p> <ul style="list-style-type: none"> English as a Second Language <p>Support For Immigrants</p> <ul style="list-style-type: none"> International Qualification Assessment Services 			

Priority Program Areas Objectives and Activities	Eligible Programs/Services	Projected Budget and Client Volume		Anticipated Results
<p>Workforce Partnerships</p> <p>Ensure working Albertans continue to enhance their skills through collaborative efforts with industry, employers and community groups</p> <p>ACTIVITIES INCLUDE:</p> <ul style="list-style-type: none"> Implement strategies relative to Building and Educating Tomorrow's Workforce to support labour force needs Expand workplace essential skills training for employed Develop community action plans to increase workforce participation for First Nation and Métis Settlements Connect employers to current knowledge and resources Supporting workforce development, attraction and retention Increase activities related to attraction and retention 	<p>LMDA LMA STTF</p> <p>Workforce Partnerships</p> <ul style="list-style-type: none"> Workplace Essential Skills Training Workforce Attraction and Retention Local Labour Market Partnerships (<i>LMDA only</i>) <p>Aboriginal Partnerships</p> <ul style="list-style-type: none"> First Nations Economic Initiatives First Nations Economic Partnership Initiatives 	<p>Budget</p> <p>\$2.3 M \$10.3 M \$0.5 M</p>	<p>Client #'s</p> <p>N/A 1,000 150</p>	<ul style="list-style-type: none"> Low skilled workers acquire skills to support career laddering opportunities Heightened awareness of effective HR practices to support attraction and retention needs Increased capacity of employers to manage workforce challenges Employers are connected to current knowledge and resources to support attraction, recruitment and development of workers Increased workforce participation through aboriginal-led community action planning
<p>Program Administration</p> <p>Supports program planning, delivery and management including systems design and evaluations</p> <p>ACTIVITIES INCLUDE:</p> <ul style="list-style-type: none"> Design and implement IT systems to support learner benefit payment system as well as tracking of client outcomes and indicators after successful completion of program/service interventions Develop and/or expand policies and program criteria to better meet client and labour market needs Increase supports to manage delivery of programs and services and IT-related training activities 	<p>LMDA LMA STTF</p> <p>Planning and Program Management</p> <ul style="list-style-type: none"> IT Systems, program design and evaluation <p>Program Delivery and Support</p> <ul style="list-style-type: none"> Administration, program delivery and support 	<p>Budget</p> <p>\$9.4 M \$7.1 M \$5.0 M</p>	<p>Client #'s</p> <p>N/A N/A N/A</p>	<ul style="list-style-type: none"> Improved IT systems with increased capacity such as financial tools for learners Broadened policies and programs to better meet client needs Improved programming to support current labour market conditions Increased resources to manage successful outcomes related to program administration and delivery
<p>TOTAL PROJECTED BUDGET AND CLIENT VOLUME</p> <p>LMDA LMA STTF</p> <p><i>*does not include apprentices</i> <i>** LMA budget includes 2008/09 carry forward allocation</i></p>		<p>Budget</p> <p>\$139 M **\$76.4 M \$16.7 M</p>	<p>Client #'s</p> <p>*150,500 13,000 2,650</p>	