

The AMSSA Info Sheet series has been created to inform and support settlement service providers and key stakeholders across British Columbia. The Info Sheets cover a wide range of topics and highlight important facts and trends from across Canada and BC. Our goal is to assist organizations in navigating the rapidly changing landscape of the BC settlement sector.\*

## Labour Agreements, Employment Program of British Columbia (EPBC) and the Canada Job Grant (CJG)

Labour Market Programs in British Columbia have experienced a significant transition over the past two years, beginning with the provincial introduction of the Employment Program of British Columbia on April 2, 2012. In March 2013, the Federal government announced that further changes may soon be coming to employment programs across the nation following the implementation of the Canada Jobs Grant. AMSSA has prepared this Info Sheet to review the federal-provincial agreements that affect employment program funding and services, as well as to review common terminology used in BC labour market programming.

### Introduction

In April 2014, over 143,000 British Columbians were unemployed, or approximately 5.8% of the labour force.<sup>1</sup> Immigrants are particularly affected by employment challenges: recent immigrants who have lived in Canada for four years or less face unemployment rates that are nearly double that of the Canadian born average (11% vs. 6.4% in 2013).<sup>2</sup>

Despite high levels of schooling, many recent immigrants encounter problems when entering the Canadian labour market.<sup>3</sup> Due in part to difficulty with recognition of foreign credentials, large proportions of recent immigrants with university degrees find work in positions that require low educational requirements, such as retail sales clerks, truck drivers, office clerks and cashiers.<sup>4</sup>

A number of employment programs are in place to assist individuals who are seeking employment or skills training. The Federal government negotiates several types of agreements with provinces and territories which give responsibility for the design and delivery of employment programs to the provincial governments. This Info Sheet explores two such agreements.<sup>5</sup>

1. Labour Market Development Agreements (LMDA)
2. Labour Market Agreements (LMA)

The **Canada Jobs Grant** (CJG), announced in the Federal government's 2013 budget, may have a significant impact on the Labour Market Agreement programs that exist in British Columbia.

The Canada Jobs Grant will be implemented following the renegotiation of various provinces' Labour Market Agreements, which expired March 31, 2014.

### History of BC Labour Programming Agreements

**Labour Market Development Agreements** provide skills and employment programs for unemployed Canadians, particularly for those who are eligible for Employment Insurance (EI) benefits.<sup>6</sup>

- BC's LMDA was reestablished in 2009 and has no expiration.
- BC's LMDA established \$280 million in annual programming.
- LMDA-funded programs in BC were all replaced by the Employment Program of BC (EPBC) on April 2, 2012.

**Labour Market Agreements** provide labour market programs and services, particularly for low-skilled workers and unemployed persons who are not eligible for EI benefits.<sup>7</sup>

- LMAs are designed to supplement LMDAs.
- LMAs focus on providing services for underrepresented groups such as immigrants, youth, women and persons with disabilities.
- The 2008 LMA established \$65 million in annual programming.
- BC's LMA expired on March 31, 2014. On the same date, it was replaced by the new Canada-British Columbia Job Fund.<sup>8</sup>

**Employment Program of BC** (EPBC) integrates services from 10 different federally and provincially funded programs into a single, comprehensive employment program.<sup>9</sup>

- Launched April 2, 2012, EPBC replaced six LMDA-funded programs, and four provincially funded programs.
- EPBC programs are delivered through over 100 WorkBC Employment Services Centres across BC.
- Services available to all unemployed British Columbians, including income assistance and disability assistance clients.

**Settlement Labour Market Initiatives**, funded by Citizenship and Immigration Canada, are intended to supplement labour market services for immigrants that are not covered by other programs.<sup>10</sup>

1, 2. BC Stats, 'Labour Force Statistics Highlights', April 2014. Available at: <http://ow.ly/xZRwQ>.

3, 4. Statistics Canada, 'Immigrants' education and required job skill', December 2008. Available at: <http://ow.ly/xZRAU>.

5. BC Centre for Employment Excellence, 'Environmental Scan of Employment Programs in BC', May 2013. Available at: <http://ow.ly/xZRCl>.

6, 7. Ministry of Social Development and the Ministry of Jobs, Tourism and Skills Training, 'Labour Market Development Agreement (LMDA) and Labour Market Agreement (LMA): 2013/14 Annual Plan for British Columbia', 2013. Available at: <http://ow.ly/xZRDD>.

8. Government of British Columbia, 'Governments of Canada and British Columbia take action to create jobs', March 2014. Available at: <http://ow.ly/yoRd8>.

9. Government of British Columbia, 'BC's Skills for Jobs Blueprint: Re-Engineering Education and Training', April 2014. Available at: <http://ow.ly/xZRHh>.

10. Citizenship and Immigration Canada, 'Funding Guidelines: British Columbia-Specific Call for Proposals 2013', June 2013. Available at: <http://ow.ly/yoTLk>.

**Canada Job Grant &  
Canada-British Columbia Job Fund**

In March 2013, the federal government announced that the **Canada Job Grant** would be introduced as Labour Market Agreements with the provinces are renegotiated.

The CJG is an employer-driven approach to help individuals gain the skills and training they need to fill available jobs. It will provide up to \$15,000 per person for training, with employers contributing approximately one-third of the total training costs. Up to \$10,000 in training costs will be matched by federal contributions.<sup>11</sup>

The CJG is being delivered through British Columbia's new Labour Market Agreement, known as the **Canada-British Columbia Job Fund**.<sup>12</sup>

BC will continue to receive approximately \$65 million/year through Canada-BC Job Fund, of which approximately \$26 million will now be spent on this employer-driven training.<sup>13</sup>

**Employment Support Programs for Immigrants**

It remains unclear how funding for programs that target immigrants may be impacted following the implementation of the Canada-BC Job Fund. The BC Centre for Employment Excellence (CfEE) conducted an environmental scan of employment programs for BC immigrants in December 2012, and identified a total of nine employment programs for immigrants, such as:<sup>14</sup>

**Skills Connect for Immigrants:** helps skilled immigrants find employment in BC by providing them with employment bridging services such as assessment of skills, qualifications and experiences, career planning, skills enhancement training and work experience. The Skills Connect program has been extended until March 31, 2015 under funding from CIC.

**Foreign Skilled Workers BC Program (FWSBC):** provides foreign trades workers with an opportunity to work in BC's construction sector by job placements and matching employers with qualified workers.

**Job Options BC Program:** Individualized program for immigrants prepares participants for new employment by providing group and individual activities with up to six months of follow-up support.

A full listing of programs can be found on the CfEE's *BC Employment Program Hub*: <http://bit.ly/1kluk3F>.

**Possible Implications of the Canada Job Grant**

As part of the realignment of Labour Market Agreements with the provinces, approximately \$300 million in federal contributions that were once directed to provincial LMA programming will now go toward the Canada Job Grant.

There are concerns that this redirection of funding, which is designed to 'ensure that training is aligned with job opportunities', may instead benefit those who already have a higher level of job readiness, as it is *employers* who decide where skills training is directed.<sup>15</sup>

Historically, LMA programming had been targeted toward underrepresented groups, such as employed workers with low skills, those ineligible for EI, youth and immigrants.

Timeline of Labour Agreements <sup>16</sup>	
Year	Description
1996	First LMDA between the Federal government and Alberta is signed.
1996 to 2009	Labour Market Development Agreements (LMDAs) with all other provinces and territories are signed. Under the LMDAs, the federal government transfers responsibilities, staff, contracts with delivery agencies, and ongoing funding to provinces and territories.
2008	The Labour Market Agreements (LMAs) are signed to develop a "skilled, productive, mobile, inclusive, and adaptable labour force". These LMAs extend the same type of employment and training services to individuals not eligible for Employment Insurance that are provided under the LMDAs to those who are eligible.
2009 to 2011	The 2009 federal budget announces an additional \$1 billion over two years for clients eligible for Employment Insurance and an additional \$500 million over two years for clients not eligible for Employment Insurance.
March 2013	The federal government announces the Canada Job Grant as part of Economic Action Plan 2013. The Canada Job Grant will be implemented when provinces and territories negotiate their new Labour Market Agreements with the federal government.
March 2014	All LMAs with provinces expired on March 31, 2014. New Labour Market Agreement between Canada and British Columbia is announced the same day, known as the Canada-BC Job Fund.

- 11. Government of Canada, 'Economic Action Plan: Canada Job Grant', March 2013. Available at: <http://ow.ly/xZRLA>.
- 12. Employment and Skills Development Canada, 'Intergovernmental Memorandum of Understanding (MOU) between the Government of Canada and the Government of the Province of British Columbia on a Strong Resource Economy', March 2014. Available at: <http://ow.ly/xZRMS>.
- 13. Government of British Columbia, 'Governments of Canada and British Columbia sign agreement in principle on Canada Job Grant - Helping residents of British Columbia get training for guaranteed jobs', March 2014. Available at: <http://ow.ly/yp8Lo>.
- 14. BC Centre for Employment Excellence, 'Environmental Scan of Employment Programs in BC', May 2013. Available at: <http://ow.ly/xZRCI>.
- 15. Maytree Foundation, 'The Canada Job Grant: Challenges and opportunities for immigrant employment', April 2013. Available at: <http://ow.ly/yp9fY>.
- 16. Council of the Federation, 'Building Skills Together', September 2013. Available at: <http://ow.ly/yoUsT>.

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