

CANADA-MANITOBA LABOUR MARKET AGREEMENT (LMA)

ANNUAL PUBLIC REPORT 2009/10

April 1, 2009 to March 31, 2010

INTRODUCTION:

Under the Canada-Manitoba Labour Market Agreement (LMA), Canada and Manitoba have agreed on the importance of reporting to Manitobans on the results of programs achieved.¹ This report provides a summary of the results of programs funded under the LMA for the period of April 1, 2009 to March 31, 2010 as outlined in Manitoba's 2009/2010 LMA Annual Plan (www.gov.mb.ca/ctt/).

In addition to LMA results, this report also provides a summary of results of programs funded under the Strategic Training and Transition Fund (STTF) for the period of April 1, 2009 to March 31, 2010. Announced in the federal 2009 Budget as part of Canada's Economic Action Plan, STTF is an additional two year investment (2009/10 and 2010/11), administered through the LMA, to support workers affected by the economic downturn.

BACKGROUND:

The LMA, signed on April 11th, 2008, is a six year agreement between the governments of Canada and Manitoba to support the development of a highly educated, skilled and flexible workforce. Under the Agreement, Canada is making new annual investments in Manitoba during the period April 11, 2008 and ending March 31, 2014. These investments complement existing agreements, such as the Canada-Manitoba Labour Market Development Agreement (LMDA), and provide an opportunity for Manitoba to increase its efforts to support the development of the labour market.

In the federal 2009 Budget Canada announced various measures to address the economic downturn, including an investment of \$500 million over two years in a Strategic Training and Transition Fund (STTF) to assist provinces and territories to increase access to employment and training programs in response to the economic downturn. On May 22, 2009, Canada and Manitoba signed the 'Omnibus Amending Agreement for Canada-Manitoba Labour Market Agreement and Canada-Manitoba Agreement on Labour Market Development' to support the implementation of these measures and assist Manitobans in affected communities or sectors to retain or transition to new employment.

The LMA and STTF are administered by Manitoba Entrepreneurship, Training and Trade (ETT) on behalf of Manitoba. Programming is implemented and delivered by provincial government departments and third party service providers, including industry and community organizations, through existing labour market networks and partnerships. Manitoba has developed a Multi-Year Plan to guide implementation of the LMA, which outlines Manitoba's broad priorities, objectives,

¹ The Canada-Manitoba Labour Market Agreement (LMA) is available on the Human Resources and Skills Development Canada (HRSDC) website and Manitoba's LMA Annual Plan is available on the Government of Manitoba's website.

and notional investment allocations for the duration of the agreement.² It also provides the context for the development of Manitoba's annual plans, which describe planned activity and expenditures for each fiscal year.

LABOUR MARKET CONTEXT:

In 2009, Manitoba's labour market fared well in comparison to other provinces since the onset of the global downturn, gaining 200 jobs and establishing a new record annual level of employment. This was the seventeenth consecutive annual increase in Manitoba employment, the longest streak of any province. Manitoba's 0.1% gain in full-time jobs was moderated by an equal 0.1% decline in part-time employment. This is in sharp contrast with Canada, where part-time jobs rose 2.3% as full-time employment dropped 2.5%. With the labour force expanding by 7,200 last year, the unemployment rate increased from 4.2% in 2008 to 5.2%.

Relative to other provinces, Manitoba's unemployment rate improved from third lowest in 2008 to second lowest in 2009. Manitoba's participation and employment rates declined slightly in 2009, from 69.6% and 66.7% in 2008 to 69.4% and 65.8% in 2009 respectively, demonstrating the temporary effects of the economic downturn on Manitoba's labour market.

The employment performances in the goods and services sectors were markedly different in 2009. The goods producing industries were particularly hard hit by weak national and international demand. Manufacturing employment fell by 7,200 jobs, while agriculture lost 2,300 jobs. Construction employment was unchanged in 2009, after averaging 3,900 new jobs annually in the previous two years. Manitoba's service sector employment, which accounts for 77% of total employment, expanded by 8,400 in 2009. In absolute terms, employment growth was strongest in transportation and warehousing (3,600) and education (1,900).

The labour market outlook for Manitoba suggests continued expansion in 2010 followed by more modest growth in 2011. Manitoba's employment is expected to grow 1.8% in 2010 and 1.5% in 2011, which is generally in line with the national outlook. Manitoba's unemployment rate is forecast to be 5.3% in 2010, slightly declining to 5.2% in 2011. Manitoba's unemployment rate outlook continues the trend of substantially lower than national unemployment rates (forecast at 8.0% in 2010 and 7.6% in 2011).

Manitoba Labour Force Statistics, population 15+, 2005-2009

	2005	2006	2007	2008	2009
Labour force (000s)	609.4	613.5	623.9	633	640.2
Employment (000s)	580.3	587	596.5	606.7	606.9
Unemployment rate (%)	4.8	4.3	4.4	4.2	5.2
Participation rate (%)	68.6	68.8	69.4	69.6	69.4
Employment rate (%)	65.3	65.8	66.4	66.7	65.8

Source: Statistics Canada Labour Force Survey and Manitoba Bureau of Statistics.

² Manitoba's Multi-Year Plan can be found in Annex 1 of the Canada-Manitoba Labour Market Agreement (LMA).

PERFORMANCE RESULTS:

Fiscal year 2009/10 was the second year of implementation of the LMA and the first year of implementation of the Strategic Training and Transition Fund (STTF). In 2009/10, Canada's contribution to Manitoba was \$18,109,100 under the LMA and \$5,688,000 under the STTF for a total contribution of \$23,797,100.

Manitoba's total LMA and STTF program expenditures for 2009/10 were \$20,522,687, which included \$14,834,644 in expenditures under the LMA and \$5,688,043 in expenditures under the STTF. The remainder of Manitoba's 2009/10 LMA allocation remains in Manitoba and will be used to support ongoing delivery of labour market programming for LMA beneficiaries after the expiration of additional funding under Canada's Economic Action Plan on March 31, 2011.

LMA and STTF expenditures in 2009/10 supported the delivery of approximately 7,074 services/interventions to eligible beneficiaries, including unemployed workers not eligible for EI and low skilled existing workers. This included direct supports to individual participants and support for third party projects which were fully funded or partially enhanced by LMA and/or STTF dollars.

In Manitoba's 2009/10 Annual Plan, LMA and STTF investments were allocated to 5 Priority Areas as outlined in the Multi-Year Plan: Skills Development, Employment HR Capacity, Community Capacity, Labour Supply, and Skills Utilization. As a result of the broad scope of the STTF and as part of Manitoba's two year downturn strategy, there were 2 additional Priority Areas in the 2009/10 Annual Plan for STTF specific funding: Training System and Labour Market Efficiency. The following provides highlights of some of the key activities funded in 2009/10 by LMA/STTF Priority Area.

PRIORITY AREA 1: SKILLS DEVELOPMENT

Goal: Manitobans have the skills required to be successful in the labour market.

Highlights of Activity:

- Provided direct financial supports to unemployed workers affected by the economic downturn, including support for Rebound participants, to assist with the cost of participating in labour market training and skills upgrading. Rebound is a two-year retraining and support strategy to help low-income workers hurt by the economic downturn return to work faster. Rebound will help more than 1,000 displaced workers and other low income Manitobans to develop their skills and transition to new employment.
- Supported the delivery of project based training in high demand occupations throughout the province in response to local labour market needs and requirements. This included training projects to provide the opportunity for unemployed and low income individuals to develop employability and basic construction skills through on-the-job training in the energy efficiency upgrading / retrofitting of private and public housing units in Winnipeg and Brandon.

PRIORITY AREA 2: EMPLOYER HR CAPACITY

Goal: Manitoba employers have the capacity to effectively manage and develop their human resources.

Highlights of Activity:

- Provided wage subsidies to employers to assist them in providing work experience and job specific skills development to new hires. Manitoba employers were assisted to hire unemployed individuals who were not eligible for EI, including Employment and Income Assistance participants, and who were at risk of extended periods of unemployment.
- Assisted Manitoba employers and industry to meet their HR needs by supporting the provision of industry and workplace based training for existing workers and new hires, including Aboriginal peoples and immigrants, apprentices, and trades qualifiers in Winnipeg, rural and northern Manitoba. Supported the provision of Essential Skills assessment services and training solutions through the Workplace Essential Skills Training (WEST) Centre, training in new technologies, and practical work experience in a number of occupations and sectors across the province. Emphasis was placed on industries that had been hard hit by the economic downturn and industries facing skilled labour shortages.

PRIORITY AREA 3: COMMUNITY CAPACITY

Goal: Manitoba communities are able to support and benefit from labour market growth.

Highlights of Activity:

- Supported the delivery of projects to expand employment services and training infrastructure in northern and rural Manitoba. This included approximately \$1.1M in support for the Licensed Practical Nursing (LPN) Training Initiative in partnership with Canada and Aboriginal partners to deliver LPN training to Aboriginal participants in six rural and northern Manitoba communities, providing skilled health care professionals for Manitoba's health care system.

PRIORITY AREA 4: LABOUR SUPPLY

Goal: Manitoba has an adequate supply of labour to support economic growth.

Highlights of Activity:

- Provided support for project based activities to assist Employment and Income Assistance (EIA) participants, persons living with disabilities and other underrepresented groups, to prepare to attend skill training or enter the workforce. Projects delivered a broad range of pre-employment and employment re-entry programming, including the provision of career exploration and planning services, job search and maintenance supports, and employability and life skills training for Employment and Income Assistance (EIA) participants and persons with disabilities.

PRIORITY AREA 5: SKILLS UTILIZATION

Goal: Manitoba labour force participants are fully utilizing their skills.

Highlights of Activity:

- Supported enhancements to Manitoba's Career Development Gateway website, which provides single window access to career development information, resources, services and programs. This resource is a key tool in assisting affected workers to plan and develop their careers during labour market transitions and support timely re-entry into the workforce.
- Manitoba assisted skilled and professional immigrants to eliminate the barriers of no Canadian work experience and find permanent employment in their field of expertise through support for the delivery of gap training and internship opportunities.

PRIORITY AREA 6: TRAINING SYSTEM

Goal: Manitoba's training system is meeting labour market needs.

Highlights of Activity:

- Supported Manitoba's efforts to strengthen the workforce and meet the demand for skilled labour, particularly in the trades. Investments were made in 2009/10 in Manitoba's apprenticeship system, including the development of Apprenticeship Trades Qualifications Supports for the top 5 trades accessed by international and domestic trades qualifiers and the design and delivery of a series of pilot projects to explore new possibilities of distributed learning for technical training under the e-Apprenticeship Delivery Development Initiative.

PRIORITY AREA 7: LABOUR MARKET EFFICIENCY

Goal: Manitoba's labour market is operating efficiently.

Highlights of Activity:

- Supported the development of a new Labour Market Information Retrieval Initiative in partnership with the Alliance of Manitoba Sector Councils (AMSC) and the Advisory Council on Workforce Development (ACWD). The focus of the initiative is to develop a new tool to obtain accurate and current labour market information from industry and build capacity to collect and process the information in a timely manner. This will result in more effective and efficient use of provincial and federal training dollars through identification of needs and emerging trends.