

Canada-Saskatchewan Labour Market Agreement 2011/2012 Performance Measures Annual Report

Introduction

The Canada-Saskatchewan Labour Market Agreement (LMA) was signed on February 22, 2008. The agreement provides Saskatchewan with approximately \$90 million over a six year time period (more than \$15 million annually) to create new labour market programs and supports for those who do not currently qualify for assistance under the *Employment Insurance Act*.

The LMA provides support to individuals who are often excluded from the labour force, such as immigrants, persons with disabilities, older workers and Aboriginal people entering or re-entering the labour force. Residents who are unemployed and workers who lack basic education or skills also have support to get the training they need to find and keep good jobs. In 2011-12, the province provided a continuation of programs and services that included: foundational skills, skills training, and workforce development/learner supports to respond to labour market needs.

Federal government support for LMA programs and services decreased in 2011-2012, as a result of the withdrawal of approximately \$12.8M in federal economic stimulus funding provided through the LMA (\$4.2M) and the Labour Market Development Agreement (\$8.6M). This funding was part of the 2009 Federal Budget announcement of measures to address the economic downturn through targeted investments. The Government of Saskatchewan in its commitment to ensure all Saskatchewan learners continue to have access to the skills training and labour market programming they need to participate in Saskatchewan's economy invested \$9.5M in additional provincial dollars in skills training programs to continue to capitalize on training opportunities that were previously funded through the federal economic stimulus program. The investment helped mitigate the impact of the end of the federal stimulus funding in 2011-12.

Funding through the LMA in 2011-2012 assisted approximately 7,972 non EI-eligible Saskatchewan individuals. The total LMA funding expended within the 2011-2012 fiscal year was \$15,339,000 (2011-2012 allocation).

The Ministry of Advanced Education, Employment and Immigration (AEEI) was responsible for administering the LMA on behalf of Saskatchewan in 2011-2012. LMA programs and services have been delivered by the Ministry of AEEI and third party service providers (including post-secondary institutions, businesses and community-based organizations).

The LMA Annual Report presents the programs and activities the Ministry of AEEI funded under the LMA, including the stimulus funding under the STTF and the results for the fiscal year April 1, 2011 to March 31, 2012. The report focuses on the commitments made in the 2011-2012 LMDA/LMA Annual Plan. The Annual Plan can be accessed at <http://www.aeei.gov.sk.ca/canada-sk-labour-market-agreement-labour-market-development-agreement-annual-plan-2011-12>.

Program Demand

The strength of Saskatchewan's labour market throughout the recession continued in 2011 to reach all-time highs in the labour force, employment, and full-time employment for the sixth year in a row. Employment growth outpaced the labour force in 2011, resulting in fewer unemployed and a lower unemployment rate of 5.0% that was once again the lowest among provinces and well below the national rate of 7.4%. Wages continued to rise in 2011, with the third highest increase among provinces.

Population growth has also continued, with an all-time high 1,072,082 people residing in the province as of April 1, 2012. Saskatchewan had the second highest growth among provinces in 2011, behind Alberta, with an increasing share of growth attributed to international migration.

Saskatchewan, while registering a number of positive economic results, still has many challenges. These include: high unemployment rates for some population groups; a concern that regular Employment Insurance recipients are exhausting their benefits; declining youth employment; the educational gap between the Aboriginal and non-Aboriginal population; a growing number of people not participating in the labour market; and growing labour demand and tightening of labour market conditions that are accompanied by skilled labour shortages.

- The off-reserve Aboriginal unemployment rate of 15.5% in 2011 is three times higher than the provincial unemployment rate of 5.0%. The First Nations unemployment rate of 21.5% is four times the provincial rate.
- The youth unemployment rate was 10.4% in 2011, well below the national average of 14.2%, but up 1.0 percentage point from 2010 compared to a national decrease of 0.6 percentage points.
- The number of unemployed dropped by 1,100 (-4.0%) in 2011 compared to a 2,323 decrease (-18.1%) in the number of regular EI beneficiaries. There is a concern that beneficiaries may be exhausting their benefits, although the EI statistics do not provide the type of data that would answer this question.
- There is a widening educational gap between the non-Aboriginal population and the Aboriginal population including First Nations and Métis people. Gaps, expressed in percentage points, increased from 2001 to 2006 for high school

completion and post-second completion, according to census data. For high school completion, the gap increased from 15.1 in 2001 to 21.5 in 2006 between the non-Aboriginal population and the Aboriginal population, and was larger and widened more for First Nations from 17.9 to 27.7 over the same period. The post-secondary completion gap is not as pronounced but still widened from 15.7 in 2001 to 16.2 in 2006 between the non-Aboriginal population and the Aboriginal population, and was also larger and widened more from 18.5 to 20.2 for First Nations over the same period.

- Demand for labour, particularly skilled labour, has been growing. Job vacancies on SaskJobs, Saskatchewan's premier job posting site, have been significantly increasing year-over-year since May 2011, e.g. most recently, vacancies were up 56% in January 2012 and up 53% in February 2012. Generally, 80% of vacancies in 2011 required at least high school graduation, and 46% required post-secondary education or management skills.

Saskatchewan saw a slight increase in the number of individuals accessing programs and services funded through the LMA in 2011-2012. In 2011-2012, a total of 7,972 individuals participated in programming compared to 7,847 individuals in 2010-2011 participant numbers.

Eligible Clients

The Canada-Saskatchewan Labour Market Agreement provides Saskatchewan with additional funds to address the employment programs and services requirements for non-Employment Insurance clients who have little to no work experience. It is important that those individuals who are not currently engaged in the labour market have the skills, training, and supports they require to become and remain employed.

Programs have been targeted to the following priority client groups:

1. unemployed individuals who are not Employment Insurance clients, including, but not limited to:
 - social assistance recipients;
 - immigrants;
 - persons with disabilities;
 - older workers;
 - youth;
 - First Nations and Métis peoples;
 - new entrants or re-entrants to the labour market;
 - unemployed individuals previously self-employed; and

2. employed individuals who are low skilled, in particular, employed individuals who do not have a high school diploma or a recognized certification or who have low levels of literacy and essential skills.

Programs and Activities

During the 2011-2012 fiscal year, the province delivered an array of programs and activities under three key priority areas identified in the Canada-Saskatchewan Labour Market Agreement Annual Plan for 2011-2012. The three priorities include: Develop Individual's Foundational Skills; Increase Access to Skills Training and Respond to Labour Market Needs. In addition, funding was allocated to administrative and information technology costs associated with delivering the programs, data collection and follow up surveys.

The programs and activities funded under the LMA are consistent with AEEI's Ministry Plan for 2011-2012 and support the provincial government's goal of economic growth. These programs and activities concentrate on preparing people for employment with a continuum of programs and services that provide a range of opportunities that include upgrading existing skills, skills training and employability skills. The priority areas that the province has chosen to focus its programs and services are based on best practices in labour market development and client needs for specific employment and skills training. The array of programs and activities are designed to help improve training and employment outcomes for Saskatchewan people and enhance the services that Saskatchewan people need, when and where they need them.

The LMA programs and services represent a continuum of opportunities focused on employment and successful program completion. The continuum moves from basic skills development to higher level skills and training, with an array of program supports available to ensure program success. Throughout the continuum of programs and services there is a focus on direct linkages to employment.

The following table lists the LMA programs and activities and the corresponding funding expenditures for each area during the 2011-2012 fiscal year:

Programs and Activities	LMA
Develop Individual's Foundational Skills	\$4,056,333
Increase Access to Skills Training	\$3,224,000
Respond to Labour Market Needs	\$7,258,667
Information Technology / Administration	\$800,000
Total	\$15,339,000

Develop Individual's Foundational Skills

- 1,378 clients served**
- \$4,056,333 federal contribution**

The objective of foundational skills is to develop the basic education and workplace skills of low-skilled learners, job seekers and marginalized existing workers to gain and maintain meaningful sustainable long-term employment. Foundational skills development will allow individuals to make an attachment to the labour market or pursue further post-secondary education or skills training.

Increase Access to Skills Training

- 630 clients served**
- \$3,224,000 federal contribution**

The objective of this program area is to provide individuals with increased access to the technical skills training needed to successfully participate in the labour market by increasing the training capacity in Saskatchewan. It is expected that learners will develop technical skills required immediately in the labour market, allowing them to gain and maintain meaningful employment.

Respond to Labour Market Needs

- 5,964 clients served**
- \$7,258,667 federal contribution**

The objective of programs and services under Labour Market Needs is to improve the labour market participation of marginalized individuals through enhanced employment assistance, skills development, and supported employment opportunities. Clients are engaged in strength-based, solution focused services that result in transition to employment and maximum self-sufficiency.

Services focus on employment assistance to individuals experiencing barriers to finding or maintaining employment. A flexible array of programs, services, and supports, including appropriate and customized assessments, counselling services, referrals to service providers, income support, skills development and supported employment interventions that will enhance an individual's employability are available. Participants are expected to have improved occupational and employability skills that will enhance their attachment to the labour market.

Program Administration and Information Technology

☑ \$800,000 federal contribution

Administration costs are contributable to the LMA in order to ensure the appropriate management support to the Canada-Saskatchewan Labour Market Agreement. This includes the financial data collection and reporting requirements of the agreement through an information technology data base.

Client Outcomes Research

The LMA requires that data be collected at various times during the delivery of a program. This includes 3- and 12-months client follow up surveys post-program completion. The data will help inform future programming and the success of new programming.

The Ministry has contracted Inshtrix Research Inc. to conduct surveys of former LMA program and service recipients. Surveys were conducted with individuals both 3- and 12-months post-program – either through program completion or as early leavers.

Study Results

Program Completion

The proportion of respondents who have completed their program rose significantly in the third year of data collection. In year 3, over eight in ten

(82.7%) had completed their program, notably higher than respondents in 2011 (76.3%) and 2010 (73.5%).

Gaining Skills through Programs

The proportion of LMA program participants who participated in their program to gain more skills has remained relatively consistent over all three years. Over six in ten (63.1%) respondents in 2012 indicate that gaining skills was one of the reasons that they took their program.

Overall Satisfaction with Program

Overall satisfaction with the program that respondents completed remains quite high. Two thirds (67.3%) are very satisfied while over one quarter (27.6%) are somewhat satisfied with the program they completed.

Reason for Taking Program

Those who completed their LMA program were asked the main reason for their participation. Acquiring employment continues to be the most common reason for program participation (38.0%). Acquiring experience or knowledge (22.0%), recommendations by school and company (12.9%), and bettering their life (11.6%) are also common reasons for taking the program.

Employment Preparedness

Among respondents, feelings of employment preparedness after completing their program have strengthened slightly over time. Just under one half indicated feeling very prepared to find a job in 2010 (46.4%) and 2011 (48.2%) compared to just over one half (53.4%) in 2012. As in 2011 and 2010, less than one in ten program completers felt not very or not at all prepared to find a job after completing their program.

Value of Program toward Employment

Consistent with results from previous years, nearly nine in ten (88.1%) program completers feel that the program they took was very (53.4%) or somewhat (34.7%) valuable in helping them find employment.

Reason for Not Completing Program

Personal reasons continue to be the most common (41.1%) reason why early leaver respondents did not complete their program. Working (17.5%) and general dissatisfaction (9.4%) are less common. These reasons have remained consistent over all waves of research.

Likelihood of Achieving Credential

Similar to results in previous waves of research, most (54.3%) program completers would not have acquired the certificate or credential mentioned previously if not for the program they completed. A further one quarter (27.5%)

feel that they might have gotten the certificate or credential but taking the program helped.

Impact of Credential

The impact of acquiring credentials or certificates on the ability of program completers to get a job that they like has continued to positively improve. Just under one half (44.8%) of completers who acquired an additional credential or certificate indicate that this certification has made it much easier to get a job they like. This represents a significant increase compared to results from 2010, where about one third (35.2%) felt their certification made it much easier.

Likelihood to Recommend Program to Others

The likelihood to recommend programs among program completers remains very strong. Seven in ten (71.2%) are very likely to recommend their program to others in the same situation as themselves, while a further two in ten (20.8%) are somewhat likely to do so. Only approximately one in twenty (7.6%) are not very or not at all likely to recommend.

Current Employment

The proportion of LMA program participants who are currently employed significantly increased in 2012, compared to previous waves of research. Over one half (50.1%) of program participants have one or more jobs that pay, compared to just over four in ten (43.2%) in 2011.

Employment Rate

The employment rate among program completers (61.4%) remains significantly higher compared to the employment rate among early leavers (49.0%).

Hourly Wage

Hourly wages have continued to increase over the three years of data collection. Two in ten (20.4%) employed respondents report earning more than \$20.00 per hour, a significantly higher proportion than respondents in 2010 (6.7%).

Comparative Earnings Prior to Taking Program

Earning potential continues to improve for a large proportion of respondents. Similar to previous years, a sizeable proportion (44.3%) indicate that they are earning more after having completed their program. Three in ten (31.4%) are earning about the same and few (13.3%) are earning less.

Relatedness of Current Job to Program

Similar to the results in 2011, over one half (60.2%) of respondents in 2012 indicate that their current main job is either very related (32.6%) or somewhat related (27.6%) to their program. One third (34.2%) feel that their current job is not at all or not very related to their program.

Impact of Program Completion on Getting Current Job

The proportion of employed program completers, one third (33%) feels that their program had a great deal of impact on their ability to obtain their current job.

Performance Indicators

Report for Fiscal Year: April 1, 2011 to March 31, 2012

Note – clients identified here are ONLY those who began and/or ended an intervention during the time period cited.

(i) Client Indicators¹: (9226 total started this fiscal year)

A) Total number of eligible clients who started their intervention during the reporting period, by employment status ²		B) Total number of eligible clients who started their intervention during the reporting period, by educational attainment		C) Total number of eligible clients who started their intervention during the reporting period, by designated group status ³	
Employed	534	Less than high school	3936	Aboriginal peoples	5841
Unemployed	573	High school	3072	Immigrants	1756
Self-employed	15	Post-secondary	2058	Older workers	403
None of the above ⁴	6546			Persons with disabilities	408
				Women	5022
				Youth	4552

¹ The client counts in columns (A) and (B) may not equal due to missing data in columns (A) and (B).

² Employment status data for some groups is missing.

³ Respondents could choose more than one category.

⁴ Not in the labour force refers to those clients who, prior to the intervention, were unwilling or unable to work - that is, they were neither employed nor unemployed (e.g. attending an educational institution). This category also includes discouraged workers and those who want to work but are not currently looking for work because they believe no suitable work is available.

(ii) Service Delivery Indicators

	A) Total number of eligible clients who started their intervention during the reporting period	B) Proportion of eligible clients who left their intervention during the reporting month and who were satisfied with the service received
Employment services, for unemployed and employed clients	6380	92%
Skills development and upgrading, for unemployed clients	1631	81%
Work experience, for unemployed clients ⁵	N/A	N/A
Combination of skills dev't and work experience, for unemployed clients	413	77%
Workplace-based skills development, for employed clients	442	83%

⁵ There were no clients in this category, during this time period.

(iii) Client Outcome and Impact Indicators

	A) Proportion of eligible clients who completed their intervention during the reporting month (vs. left for other reasons)
Employment services, for unemployed and employed clients	79.5%
Skills development and upgrading, for unemployed clients	46%⁶
Work experience, for unemployed clients	0⁷
Combination of skills development and work experience, for unemployed clients	82%
Workplace-based skills development, for employed clients	0%⁸

	B) Proportion of clients, 3 and 12 months after leaving are employed, unemployed or in further training	
	3 Months	12 Months
Employed	46%	53%
Unemployed	38%	31%
Further Training	6.7%	6.5%

C) Proportion of clients, 3 and 12 months after leaving indicate their training helped prepare them for future employment (how prepared did you feel you were to find a job – percentages include very and somewhat responses):	
3 Months	12 Months
89%	88.2%

D) Number of eligible clients who have earned credentials or certification through participation in programs or services:
47.7%

E) Average hourly earnings following program or service:
\$15.19

⁶ Completion status is missing for approximately 22% of the clients in this program group.

⁷ There was no data available for clients in this group, during this time period.

⁸ Completion status data for this client group, during this time period, was incomplete.