



**Labour and
Workforce Development**

**Canada – Nova Scotia
Labour Market Agreement**

**Annual Implementation Plan
2009-2010**

**Labour Market Agreement
Annual Implementation Plan 2009-2010
Province of Nova Scotia**

Introduction and Context

The 2009 - 2010 Annual Implementation Plan lays out the strategic investments planned by the Province of Nova Scotia under the Canada Nova Scotia Labour Market Agreement (LMA). In addition, an implementation plan for the Strategic Training and Transition Fund (STTF) is outlined. The plan provides an overview of current labour market challenges in Nova Scotia; a description of the eligible clients who will benefit from priority services; a description of the priority areas for programming and the intended objectives. It also identifies eligible programs, describes planned activities and projected expenditures for the year, and the expected results for the planned activities.

The implementation plan for the LMA is guided by the *Opportunities for Sustainable Prosperity* economic plan and *Weaving the Threads: A Lasting Social Framework* social plan. These documents have a strong focus on building a skilled workforce. This focus is further reflected in the business plans, reports and strategies of several departments, including the Skills Nova Scotia Framework and recommendations from the report of the Poverty Reduction Working Group.

A major focus of all the strategies and plans is that of building a skilled workforce. The vision, objectives and principles of the LMA support key government priorities outlined in the economic and social plans of Nova Scotia.

The LMA implementation plan provides a strategic process for Nova Scotia to target new investments to unemployed and low-skilled employed individuals, with a focus on improving the labour force participation of under-represented populations within the province. The STTF implementation plan provides a process for Nova Scotia to target short-term investments that will support employers and communities to address labour force adjustments needs involving eligible clients. Both plans contribute to the achievement of the goals and priorities of both the economic and social prosperity frameworks.

Current Labour Market Challenges

Nova Scotia is not immune to the serious economic downturn that is gripping the globe. Since October 2008, 6,000 Nova Scotians joined the ranks of the unemployed. The unemployment rate in Nova Scotia grew 0.4 percentage points from 7.8% in November to 8.2% in December, and another 0.6 percentage points to 8.8% in January 2009.

Employment losses are expected to increase as the downturn spreads throughout the economy. An average of five major forecasts suggests that the unemployment rate in Nova Scotia will increase to 8.7 per cent in 2009, and will reach 9.1 per cent in 2010. The employment drop in January 2009 exceeded any monthly decline during the previous economic downturns of the 1980s and 1990s.

The economic downturn will be magnified as employment losses increase and consumers retrench further. Marginal retail sectors felt the pinch: in Nova Scotia, retail sales in December 2008 decreased 4.4 per cent from November. In Canada, from November to December 2008, seasonally adjusted retail sales decreased 5.4 per cent - the largest monthly decrease observed in over 15 years. Higher priced goods are also feeling the pinch: new motor vehicle sales, unadjusted, were 14.9% lower in December 2008 than in December 2007. Manufacturing sales in Nova Scotia decreased 14.2% from November 2008 – the largest monthly decrease in Canada.

The boom in commodity prices is generally cited as one of the major contributors to the economic downturn. Recently, commodity prices have dropped sharply. The Raw Materials Price Index in January 2009 was 31.6 per cent lower than in January 2008. The shift away from manufacturing, as a result of shifting labour towards resources-based sectors, such as oil and gas, can be detrimental. If there is a downturn in the prices of natural resources, as we have recently observed in oil prices, competitive manufacturing industries do not return as quickly or as easily as they left. Canada's comparative advantage in non-booming tradable goods will have shrunk. Also, volatility in the price of natural resources, and thus the real exchange rate, may prevent more investment from firms, since firms will not invest if they are not sure what the future economic conditions will be. These effects were all felt in Canada as the price of oil dropped sharply, investment in the Canadian oil and gas industry plunged, and Canadian manufacturing industries experienced employment losses. 78 per cent of the job losses in January 2009 were in the manufacturing industry.

Areas of Opportunity and Decline

On an industry basis, by region, the following industries have been identified as having had significant growth or decline since 1987. Here, "significant" means having growth or decline greater than one standard deviation from the average industry growth over the period. The analysis used 22 years of data, including 2008, for 19 industry groups, for each of the five economic regions in Nova Scotia.

Growth Industries

The following industries have experienced a significant average annual growth in the following regions:

Growth Industries	Cape Breton	North Shore	Annapolis Valley	Southern	Halifax
Professional, scientific and technical services	3.53%	3.96%	4.59%	3.23%	4.20%
Business, building and other support services	8.02%	7.26%	7.61%	5.95%	5.46%
Information, culture and recreation		2.86%			
Accommodation and food services			3.41%		
Health care and social assistance				4.17%	

"Business, building and other support services" includes call centres (among others), while "professional, scientific, and technical services" includes accounting, engineering, and computer systems design and related services, among others.

Industries in Decline

The following industries have experienced a significant average annual decline over the 22 year period:

Industries in Decline	Cape Breton	North Shore	Annapolis Valley	Southern	Halifax
Agriculture		-1.56%	-2.07%		
Forestry, fishing, mining, oil and gas	-3.86%	-1.17%			-2.44%
Manufacturing	-4.20%			-0.92%	
Public administration				-0.53%	-0.41%
Other services				-0.83%	

Industry Projections

The COPS model forecasts employment by industry (for the province) for the 2008-2013 period.

Industry Group	2008-13 Avg An.
Agriculture	-0.7%
Forestry and Logging with support activities	0.1%
Fishing, Hunting and Trapping	0.7%
Oil and Gas Extraction	-3.9%
Mining (except Oil and Gas)	1.8%
Support Activities for Mining and Oil and Gas Extraction	0.8%
Paper Manufacturing	-2.1%
Printing and Related Support Activities	0.7%
Rubber, Plastics and Chemicals	1.6%
Metal Fabrication and Machinery (excluding electrical)	2.7%
Computer, Electronic and Electrical Products	2.8%
Finance, Insurance, Real Estate and Leasing	0.8%
Professional Business Services	0.8%
Computer System Design Services	2.2%
Health Care and Social Assistance	0.9%
Information, Culture and Recreation	1.0%
Accommodation and Food Services	0.9%
Other services	0.0%
Public Administration	0.0%

Computer system design services, which is a part of the professional, scientific and technical services occupation group, is expected to continue to grow at a high 2.2% rate. Professional services as a whole will see modest growth. Significant growth is also expected to occur in mining, metal fabrication, and computer, electronic, and electrical products manufacturing.

Agriculture is expected to continue to decline, at 0.7% per year. Oil and gas extraction is the big loser, with a 3.9% average annual employment decrease over the five year period. Some manufacturing industries are expected to grow (above), while others, such as paper manufacturing, are expected to decrease significantly. Employment in the public administration and other services industries is projected to remain fairly stable in the projection period.

Aboriginal People

As of May 2006 there were 17,870 self-identified aboriginal people aged 15 and older living in Nova Scotia. Of those, 53.2 per cent reported being employed, falling short of the non-aboriginal population (57.3 per cent) but still an improvement from 2001 (up from 47.4 per cent). The below-average employment rate experienced by aboriginals in Nova Scotia is largely the result of high unemployment, as opposed to low labour force participation. The unemployment rate among the aboriginal population was 13.5 per cent, much higher than the 7.6 per cent unemployment rate experienced by the non-aboriginal population. Low levels of education and literacy are common predictors of poor labour market performance, and 27 per cent of aboriginals aged 20–64 in Nova Scotia had no formal degree, diploma, or certificate.

People with Disabilities

A substantial number of Nova Scotians aged 15–64 (103,730, or 20 per cent of the population aged

15–64) self-reported living with a disability, which puts Nova Scotia at the top of the list of provinces/territories with respect to the incidence of disability. Currently, those with a disability are less likely to be employed in Nova Scotia's labour market. Labour force participation among those aged 15–64 with a disability was 46.7 per cent, compared to 72.8 per cent for those without a disability. However, progress has been made since 2001, when labour force participation was only 39.4 per cent.

Immigrants

In 2008, 2653 new immigrants landed in Nova Scotia. According to the 2006 Census data, Nova Scotia was home to 45,190 foreign-born individuals, which represents 5% of the provincial population and ranks as the highest percentage among the 4 Atlantic Provinces. The employment rate for immigrants is lower than that for non-immigrants, largely the result of higher unemployment as opposed to low labour force participation. This trend varies according to the number of years since arrival, with more-recent arrivals experiencing lower employment rates. Immigrants are more likely than non-immigrants to pursue occupations in management; natural and applied sciences; health; and occupations in social science, education, government service, and religion. In general, these occupations require higher levels of education, and, on average, immigrants are more likely to have a post-secondary education than non-immigrants. The non-immigrant population of Nova Scotia is more likely to be employed in sales and service, trades, and occupations unique to primary industry and manufacturing.

African Nova Scotians

The African–Nova Scotian community makes up 51 per cent of the visible minority population (of all ages) in Nova Scotia. There are an estimated 9,090 African–Nova Scotians of core working age (25–64 years) within the province. As of 2006 the labour force participation rate of this community was 74.8 per cent, compared to the provincial average of 76.8 per cent. Despite this gap, progress has taken place over the past decade, given that the labour force participation rate of this community was up from 67.8 per cent and the unemployment rate fell considerably, from 17.7 per cent in 1996 to 9.0 per cent in 2006. Higher than average unemployment is still an issue for this population, given that the provincial average unemployment rate for those aged 25–64 was 7.6 per cent in 2006.

Acadian and Francophone Nova Scotians

There are almost 30,000 francophone Nova Scotians (defined as those having a French mother tongue) of working age (15 and older). This community experiences labour market outcomes comparable to those of the general population, with respect to labour force participation and unemployment, but its members are an older population and less likely to have a formal degree, certificate, or diploma.

Older Workers

Older workers are a large and growing segment of the labour force. Older individuals (aged 55 and older) are traditionally much less likely to participate in the labour force, most often for voluntary reasons; however, this is becoming a "thing of the past." The labour force participation rate for those aged 55 and older increased by 58.9 per cent since 1998, going from a rate of 19.3 per cent to 30.6 per cent. Yet many older workers face challenges in today's labour market, as Nova Scotia's economy increasingly shifts towards a service-based economy. Older workers who have been displaced due to the restructuring of traditional industries may require intensive support.

Women

Women continue to drive increases in labour force participation. In Canada the labour force

participation rate of men fell 0.5 of a percentage point between 2003 and 2008, while the rate for women increased 0.9 of a percentage point over the same period. Nova Scotia fared better than Canada as a whole: labour force participation of men also fell by 0.5 of a percentage point, but the labour force participation of women grew by a substantial 2.1 percentage points. Nova Scotia has also had a lower labour force participation rate than the national average, but this gap has been steadily closing over recent years.

On average, women earn less than males, regardless of their education level or age. However, in traditionally female dominated occupations, women appear to earn more than men. However, men continue to earn more than women in traditionally male dominated occupations. Men are also very highly represented in trades-related occupations, which earn, on average, more than the industries in which women are most highly represented.

Social Assistance Recipients

In December 2008, the number of beneficiaries receiving regular employment insurance benefits (seasonally adjusted) increased 2.6 per cent over November 2008, to 28,990, and increased 6.6 per cent over December 2007. For 2008 there were 116,980 claims received from Nova Scotians and \$736.4 million in payments issued, up 2.7 per cent and 1.5 per cent respectively from 2007.

The average monthly beneficiaries as a percentage of the Nova Scotian population decreased from 5.5 per cent in 2005-2006 to 2006-2007, and 16 per cent of income assistance recipients participate in employment support services. The Department of Community Services plans to decrease the percentage of income assistance recipients to 5.0 per cent, and increase the percentage of those receiving employment support to 20 per cent in the 2008-2009 fiscal year. The percentage of youth receiving income assistance, and also receiving assistance to enhance their employability increased from 30.7 per cent in 2005-2006 to 34.4 per cent in 2006-2007. The Department plans to increase this number to 35 per cent this fiscal year.

The Nova Scotia Labour Market Agreement will target other segments of the population that have demonstrated a clear need for additional support including youth, new entrants, and re-entrants into the labour market and unemployed individuals previously self-employed.

Literacy as a recurring barrier

The levels of educational attainment among Nova Scotia's population aged 25-54 are comparable to those seen in the rest of Canada. However, Nova Scotia has a higher share of its core working-age population without a high-school diploma or equivalent (10.7 per cent versus 10.2 per cent at the national level). Similarly, Nova Scotians aged 25-54 are less likely to have a high-school diploma than Canadians at large (16.6 per cent versus 18.8 per cent at the national level). Although only 24.4 per cent of Nova Scotians have a university degree, compared to 27.5 per cent for Canada, there are more Nova Scotians with a college/apprenticeship certificate or diploma than at the national level.

Objectives

The policy frameworks and governmental objectives described earlier (see *Introduction and Context*) provided an important framework for negotiating the Labour Market Agreement. As a result, the objectives of the NS LMA are congruent with our provincial priorities:

- increase the participation of Canadians and immigrants in the workforce to meet current and future labour market requirements;
- enhance the quality of skills development;
- facilitate workforce mobility and provide the information necessary to enable informed labour market choices.

Guiding Principles

Funds available under the LMA are an investment opportunity for Nova Scotia. These funds represent an opportunity to begin to address barriers for clients who have limited options in accessing the labour market. Our guiding principles will assist us in making decisions on how best to invest the LMA funding.

Investments will be based on input and evidence from both community and government, and will support the strategic direction of government.

Wherever possible, input from existing consultation with labour market stakeholders will be used to inform investment directions and decisions. Nova Scotia is committed to continually draw new input from existing forums, and where necessary, to create new opportunities for additional consultation. Investments will address the economic and social goals of Nova Scotia.

Programs will be designed in a client centric approach and will improve services for Nova Scotians.

Nova Scotia will design programs and services using a client centric approach with a focus to avoid duplication, create seamless connections among stakeholders, reduce administrative burden, and maximize the percentage of program funds invested in direct client delivery. Every effort will be made to ensure individuals have access to a range of services in their communities and to improve the quality of existing programs and services.

Investments will build on existing capacity and assets within community and government.

Nova Scotia's experience is that recognizing and building on current strengths is the best way to achieve and sustain client success over the long term. We will lever existing networks and resources as a launch pad for innovation and new approaches in order to increase impacts and outcomes.

An inclusive approach to investments will be taken.

Investments will be labour market focused, but will not be solely restricted to any one segment of the population or client group, nor to any one program. Efforts will be made to invest funds in a way that begins to address a range of issues identified by both community and government, and is inclusive of diverse communities and populations.

Decisions and actions will be forward looking.

The life of the NS LMA is six years, and overarching parameters are in place concerning the eligibility of programs and clients. Efforts will be made to balance needs and priorities while avoiding longer term negative impacts on clients and communities that could be caused when LMA funding ceases. Strategies and plans must be adaptable, and care must be taken to ensure that investments in one fiscal period do not remove all future flexibility.

Accountability for results must be shared.

Government commits to public reporting on LMA activities and outcomes. Funding to community based agencies will be documented in a Service Level Agreement that includes accountabilities for both financial and client outcomes. Plans will include resources and strategies for requirements for regular public reporting, performance measurement, and evaluation.

Eligible Clients

The LMA will target service at unemployed and low-skilled employed Nova Scotians who are not EI eligible, including but not limited to:

- social assistance recipients
- immigrants
- people with disabilities
- older workers
- youth
- Aboriginal people
- African Nova Scotians
- new entrants and re-entrants
- unemployed individuals previously self employed
- Acadian and francophone Nova Scotians
- women

“Low-skilled employed” for the purpose of the agreement is defined as Nova Scotians who are currently employed but have less than grade 12, no certificates, and/or low literacy and/or essential skills.

In addition to the clients listed above, the STTF will provide a process for Nova Scotia to target short-term investments that will support employers and communities affected by the economic downturn to address labour force adjustments brought on by transition, development and growth demands. These demands are increasing in sectors that are under pressure due to declining market share or other factors; occupations in declining industries; and communities dependent on a single employer or sector.

The STTF will enable Nova Scotia to address the increasing number of business closures leading to unemployment (transition), to respond to the need for business development to address new requirements and assist workers in maintaining their workforce attachment, and to position employers to develop a labour force with the right skills for emerging business lines and future growth (growth).

Whether an employee is at risk of being laid off, or experiencing job loss, the engagement of employers is crucial to the long-term impact of the STTF in laying a foundation for effective human

resource development and realizing the potential of the workplace to become a learning place, to the benefit of the economy and society at large.

LMA Priority Areas for Programming

I. Client Access and Service Provision

Objectives:

- To improve equity of access to clients regardless of income attachment.
- To address system and program shortfalls associated with high demand areas.
- To ensure the integration of new programs utilizing a strengthened LMI system.
- To ensure the ability to support and measure client outcomes via a comprehensive case management system.

Expected Results:

- More Nova Scotians will have access to services in high-demand areas (e.g., literacy programs);
- More unemployed Nova Scotians will have access to benefits and support measures.
- More clients in groups traditionally under-represented in the workplace will benefit from employment supports.
- Service provision via a comprehensive case management system will be seamless and will provide more accurate client outcomes.

II. Labour Market Skills Development

Objective:

- To increase the essential and occupational skills capacities of individuals and the system to support better transition readiness for clients.

Expected Results:

- More immigrants will obtain credential recognition through the introduction of a targeted skills development program for immigrants.
- There will be an increase in the number of clients able to participate in literacy, ESL, and other essential and occupational skills programs.

III. Workforce Attachment and Retention

Objective:

- To actively facilitate the attachment and retention of labour market participants to labour market activity through employer associated engagement programs.

Expected Results:

- Employer of Choice programs.
- Targeted clients (e.g., persons with disabilities) will better maintain their jobs through employment maintenance programs.
- Unemployed workers will have increased skill sets through access to workplace experience and mentoring programs.

IV. Workforce Development

Objective:

- To develop the skills of low-skilled workers already in the workforce, and the capacity of the workforce community to support those workers.

Expected Results:

- Hundreds of low-skilled employed Nova Scotians and their employers will benefit from Workplace Education programs.

Expected Results as Measured via Client Performance Indicators:

As a result of the activities which take place under each priority area, it is expected that LMA clients will obtain and maintain employment or move into further interventions to facilitate their integration into employment. Moreover, it is expected that, on average, clients partaking in LMA programming will earn more money after having been involved in LMA programming. LMA programming will help prepare LMA clients for future employment, and will help them to earn credentials or certification.

LMA Investment Plan by Priority Area 2009-2010

Client Access and Service Provision	
Investments will be made in coordinating strategies and provision of labour market and business development programs, and services required by non-EI-eligible and low-skilled employed priority client groups.	
Sample Eligible Programs	Planned Activities
Labour Market planning and overall coordination for priority client groups	The Province of Nova Scotia will work collaboratively with multiple stakeholders to strengthen and coordinate quality LMI, develop labour market strategies and plan investments for priority groups.
Business Development & Entrepreneurship Counseling for targeted clients	The Province will provide business development and entrepreneurship counseling for specific targeted client groups considering self-employment as a labour market attachment option.
Self-Employment Programming	The Province will provide business counseling and intensive supports to non-EI-eligible individuals starting their own business.

Labour Market Skills Development	
Investments will be made to enhance and expand literacy and essential skills programs; adult high school programming for off reserve Aboriginal people, immigrants, and other priority groups; increase apprenticeship opportunities; new programs aimed at increasing transferable and sector-specific skills will be developed; increase access to community college programs; and enhance profession specific English as a Second Language training opportunities for immigrants.	
Sample Eligible Programs	Planned Activities
Bridging to Apprenticeship	The Province will provide literacy and essential skills and career development interventions in the area of the skilled trades to assist clients in accessing the existing apprenticeship system.
Age Advantage Plus	The Province will provide literacy and essential skills interventions, job readiness training and work experience for older workers to assist them in reentering the workforce.
Occupational Skills Training for Priority Clients	The Province will provide tuition and books for individuals who receive income assistance to take core college programs at the Nova Scotia Community College (NSCC) or Université Sainte Anne. The Province will also provide Skill Development and Bridging to Work Initiatives for LMA-eligible clients
Language Training Supports for Labour Market Participation	The Province will provide language training to assist individuals access and retain meaningful employment, including English as a Second Language and French Language training.
Adult Learning Initiatives	The Province will increase the number of adults in

	priority groups participating in existing adult learning and computer skills training programs.
--	---

Workforce Attachment and Retention
 Investments will be made in sector specific training that engages employers in the development and delivery of programs, including apprenticeship and employer specific training and placement. Employers will be targeted to increase awareness and promote the hiring of targeted groups. Programs aimed at creating employer of choice communities will be piloted.

Sample Eligible Programs	Planned Activities
Development of Transferable Work Skills	The Province will increase the number of adults accessing the existing Nova Scotia School for Adult Learning Program and One Journey Work and Learn Initiative. The Province will also provide mentorships and work placements for Immigrants and employability skills and on the job training for eligible clients.
Integrated Educational Certification and Workplace Experience	Building on the Nova Scotia School for Adult Learning Program, the province will provide integrated literacy and certificate programs with work experience components that lead to high school completion, post-secondary certificates, and employment for priority groups.
Workplace Adjustment Programs	The Province will provide vocational crisis supports skills enhancement, job coaching, and mentorship opportunities for displaced workers.
Employer Adaptation Programs	The Province will assist employers to adopt effective HR practices for the long-term health and well-being of employees through defined initiatives and employer awareness campaigns.

<p>Workforce Development for Low Skilled Workers & Workforce Community Investments will be made in the expansion of mentorship opportunities; technical and vocational supports will be provided to sustain the employment of clients with multiple barriers. Workplace education will be provided to low skilled people who are employed, including the provision of English as a Second Language in the workplace.</p>	
Sample Eligible Programs	Planned Activities
Workplace Essential Skills	The Province will provide workplace essential skills programs to low skilled workers already in the workforce.
English in the Workplace	The Province will provide the necessary English skills (i.e., in Customer Service) to remain employed / self-employed in the NS labour market.

Priority	Total
Client Access	\$5,500,000
Skill Development	\$6,034,791
Workforce Attachment and Retention	\$4,300,000
Workforce Development	\$3,000,000
Total	\$18,834,791

STTF Priority Areas

I. Workforce Response Strategy

Objective:

- To actively support individuals, employers and communities affected by imminent lay-offs and closures through the implementation of workforce response strategies.

Expected Results:

- Individuals affected by large-scale lay-offs will be transitioned into new employment or retraining via employment services and training.
- The impact of large-scale lay-offs on employees and communities will be minimized.

II. Workforce Stabilization and Development

Objective:

- To actively facilitate the continued attachment of individuals to the labour market.

Expected Results:

- Hundreds of jobs across Nova Scotia will be maintained through employer-sponsored training programs.

III. Labour Market Growth and Development

Objective:

- To ensure that Nova Scotians have the opportunity to actively participate in their local labour markets through the implementation of innovative workforce development initiatives responding to emerging business growth areas.

Expected Results:

- New employment opportunities will be created across Nova Scotia.

**STTF Investment Plan by Priority Area
2009-10**

Priority
<p>Workforce Response Strategy Investments will be made in helping employers and communities affected by large-scale lay-offs to develop and implement labour market transition strategies and initiatives.</p>
Planned Activities
<ul style="list-style-type: none"> • Transition Teams across NS will identify and assess communities in need, and develop and implement plans or strategies to deal with labour force adjustments. • Individuals affected by lay-offs will have access to employment-related transition services. • Employers affected by the economy will receive supports to allow them to plan and implement strategies that will maintain their workforce or transition their employees to other employment.

Priority
<p>Workforce Stabilization Investments will be made to allow people to remain employed within their current workplace and/or sector of employment.</p>
Planned Activities
<ul style="list-style-type: none"> • Workers at risk of lay-off will be provided skills enhancement, particularly in businesses where the employer has identified opportunities for business growth that require a similar but increased skill set which is currently not accessible within the current workforce. • Workers at risk of lay-off will be retrained to fill other pending job vacancies within the same company.

Priority
<p>Labour Market Growth and Development Investments will be made to support Nova Scotians affected by the current economic downturn through the implementation of innovative workforce development initiatives responding to emerging business growth areas.</p>
Planned Activities
<ul style="list-style-type: none"> • Partnerships will be formed to create opportunities for labour market growth. • Individuals will be trained in areas of current and anticipated labour market growth.

Priority	Total
Workforce Response Strategy	\$2,000,000
Workforce Stabilization	\$4,000,000
Labour Market Growth and Development	\$2,212,000
Total	\$8,212,000

APPENDIX A

Connection to Key Policies and Priorities

The LMA objectives and investment plan provide a vehicle to support the following provincial priorities embedded in government strategies and business plans:

Opportunities for Sustainable Prosperity:

- Engage our Black, Aboriginal, youth, immigrant and women populations in the economy
- Provide better labour market access and supports to Nova Scotians
- Strengthen Nova Scotia's system of lifelong learning opportunities
- Support agencies that work with historically disadvantaged communities

Weaving the Threads: A Lasting Social Framework:

- Lifelong Learning: All Nova Scotians have opportunities to gain useful skills, knowledge, and experience that contribute to their personal growth throughout their lives.
- Access, Inclusion: The talents and contributions of all Nova Scotians are recognized, valued, and celebrated—and all Nova Scotians have equitable access to opportunities to meet their full potential and contribute to our social prosperity.
- Citizenship Development, Engagement: All Nova Scotians have meaningful, relevant opportunities to contribute to their communities and to understand their shared responsibility for their individual and collective well-being.

Skills Nova Scotia Framework:

- Meet the skill needs of Nova Scotia's labour market
- Provide better labour market access and supports to Nova Scotians
- Strengthen Nova Scotia's system of lifelong learning opportunities

Poverty Reduction Working Group Report:

- Government departments and agencies must work collaboratively with multi-sectors to improve education and apprenticeship opportunities; and to ensure accessibility and affordability for all Nova Scotians.
- The Province must ensure equitable access to literacy, adult education and training for all Nova Scotians.
- In collaboration with community, the province must increase access and supports to a full spectrum of training and education from community-based training to post secondary education, with a particular focus on those with barriers.
- The Province must identify shortages in labour and link to skills training and invest in education that matches these labour opportunities.

Office of Aboriginal Affairs:

- Labour market development and skills training has been identified as a key priority of the Tripartite Forum. Nova Scotia will continue to work with the Mi'kmaq to identify collaborative approaches that support greater Mi'kmaq participation in the Nova Scotia labour force.
- With an expanding young, urban Aboriginal population, the Office will strive to further engage departments and agencies to better support the work of the Mi'kmaq Native Friendship Centre.

Department of Community Services

- Develop specific strategies designed to better support individuals having multiple barriers to employment.
- Increase the percentage of income assistance recipients with wage income.
- Increase employability among youth (16 - 24) receiving income assistance through the provision of employment services.

Office of Acadian Affairs/Conseil de développement économique de la Nouvelle-Écosse

- Ensure that the needs of the Acadian and francophone community are considered in government initiatives, programs, policies, and services.
- Support the Conseil de Développement Économique in its efforts to improve the economic well-being and the quality of life of Acadians and francophones in Nova Scotia.

Office of Immigration

- Fund enhanced language and employment focused settlement programs.
- Promote benefits of hiring immigrants to employers.
- Work with business, labour and other partners to address barriers to social and economic inclusion that prevent immigrants from finding meaningful work.
- Form strategic alliances with business, industry, labour and ethno-cultural organizations to better align recruitment efforts of the nominee program with labour market needs.
- Help to address credential recognition issues in specific occupations.
- Demonstrate to employers and communities how hiring and attracting immigrants can assist in meeting workforce and economic challenges.

Labour and Workforce Development

- Create innovative pathways and solutions in partnership with business, industry, labour, and education providers to remove barriers to access and increase participation in learning, particularly for Nova Scotians with low skills or education, high unemployment, and low income. Coordinate the collection, analysis, and dissemination of labour market information and career planning information to address the needs of our partners and stakeholders.
- Promote the value of cooperative and apprenticeship initiatives to employers and increase their knowledge of human resource planning as a required business practice.

APPENDIX B

Overview of the Economy and Labour Market

The end of 2008 could be viewed as a tipping point for Nova Scotia's economy and labour market as employment fell and unemployment increased. The positive news for the year has been overshadowed by the downward trend in global, national, and provincial economies. Ongoing weakness in the demand for exports and credit constraints are impacting Nova Scotia's economy, where employment in manufacturing dropped 3,500 year-over-year in the fourth quarter of 2008 and manufacturers' shipments dropped 13.1 per cent year-over-year as of December 2008. Other industries, such as mining, have also seen closures and layoffs as a result of the significant weakness in the U.S. housing market and slumping commodity prices. Weakness in tourism activity, residential construction, and retail sales suggests the economic downturn is gaining momentum and could further impact employment in both the goods-producing sector and the services-producing sector in 2009.

Demographics

Nova Scotia's labour force is being affected by significant demographic changes. According to the 2006 Census, Nova Scotia's population grew by a modest 0.6 per cent over the previous five-year period, compared to a national growth of 5.4 per cent. Factors such as a declining birth-to-death ratio and low net migration played a role.

Nova Scotia's population is aging, which is resulting in an older labour force. Nova Scotia has the oldest population in Canada, with a median age of 41.8 years (based on the 2006 Census estimates). In addition, the share of the senior population (aged 65 and older) has significantly increased over the past several decades, coupled with a decline in the youth population. These two demographic trends are impacting the labour market by increasing the rate of exit (retirements) and decreasing the rate of new entrants. Between 2001 and 2006 the population under the age of 25 declined by 6.5 per cent. At the same time, the population aged 65 and older increased by 9.2 per cent.

Migration

Between 2001 and 2006 Nova Scotia suffered its highest interprovincial net migration loss in five census periods (25 years): 56,040 people left the province, while 48,035 became residents. The net loss was 8,005 people, substantially higher than the loss of 1,295 in the 2001 Census. These 8,005 people represent almost 1 per cent of the population of Nova Scotia aged five and older.

Over one third of Nova Scotians leaving the province were destined for Ontario, but almost as many arrived from Ontario. The largest net loss resulted from the exchange with Alberta. 12,625 Nova Scotians went to Alberta, and only 5,295 new residents came from Alberta.

Between 2001 and 2006, 21,060 people aged 15–29 left Nova Scotia and only 14,600 in the same age group moved to the province. The net loss in that age group (6,460) represents almost 4 per cent of the population aged 15–29 in Nova Scotia and 81 per cent of the total net migration. Nova Scotia enjoyed slight gains in net migration in the 45–59 and 60+ age groups.

Labour Market

In 2008 employment in Nova Scotia continued its upward trend, growing by a modest 1.3 per cent over 2007, from 447,600 to 453,200. Employment growth in 2008 matched the previous year's growth of 1.3 per cent. The labour force grew at a slower pace than employment in 2008, at 0.9 per cent, which explains the sizable drop in unemployment, from 8.0 per cent to 7.7 per cent. The labour force participation rate for those aged 55 and older increased by 58.9 per cent since 1998, going from a rate of 19.3 per cent to 30.6 per cent.

Industry Sectors

Nova Scotia has always been more concentrated in the services-producing sector than the goods-producing sector, and more concentrated in the services-producing sector than the Canadian average. However, in 2008 the goods-producing sector added 4,400 employees (5.0 per cent), representing 78.6 per cent of the 5,600 total increase in employment in 2008. Employment in the services-producing sector increased by only 0.3 per cent, or 1,200 people, falling short of its average annual growth over the past five years (1.5 per cent).

The total employment increase in 2008 (1.3 per cent) was the same as the employment increase in 2007. However, unlike 2007, the goods-producing sector experienced stronger employment growth than the services-producing sector, both on a percentage and absolute basis.

The unemployment rate was 7.7 per cent in 2008, a decrease from 8.0 per cent in 2007. The decrease in unemployment was in the goods-producing sector, where the unemployment rate decreased from 11.7 per cent in 2007 to 11.2 per cent in 2008. The unemployment rate in the services-producing sector remained unchanged from 2007, at 4.8 per cent.

Goods-producing Industries

In 2008 all goods-producing industries experienced an increase in employment, except the manufacturing industry, which experienced an employment decrease of 2,300, the same figure that it gained in 2007. The employment impact of several plant and business closures over the past couple of years may have driven this number. The construction industry experienced the largest increase in employment, where employment peaked at 35,100 in July.

Services-producing Industries

Employment growth in the services-producing sector increased by only 0.3 per cent in 2008, representing a 1,200 increase in employment. This employment growth was primarily due to three sectors: trade, particularly retail trade, which increased by 2,200 (2.9 per cent); professional, scientific, and technical services, where employment increased by 3,800 (21.7 per cent); and public administration, which saw a 2,200 (7.8 per cent) increase in employment. Interestingly, these industries were among those to experience employment losses in 2007, when trade decreased by 1,200; professional, scientific, and technical services decreased by 900; and public administration decreased by 1,100.

Services-industry losses were concentrated in educational services (-2,300); business, building, and other support services (-1,200); health care and social assistance (-1,000); and other services (-1,100). Educational services and health care and social assistance saw an increase in employment in 2007, but business, building, and other support services experienced a decrease in employment in both years, declining over 10.0 per cent since 2006.

APPENDIX C

Consultation Process

In developing the 2009-2010 annual plan, the Province recognizes the significance of taking into account existing sources of stakeholder input and consultation. Engagement with Nova Scotians is not a static activity that happens only as part of a specific program consultation, but rather is an inclusive process which exists to support the Government advancing its many policy priorities.

Information on the interests of the various stakeholders comes to the province in many forms. It may be sought through an active consultation process such as that which took place in March, 2009, by Labour and Workforce Development with its community stakeholders; received through unsolicited submissions such as letters and proposals to departments; or included in the business plans and reports of significant provincial stakeholder agencies.

These various consultative processes create a knowledge base which can be used to frame the LMA investment funding process. The following section illustrates some of the existing consultation and information processes and material available to the province, and summarizes the key messages from that material that have been used in the decisions associated with the LMA investments for 09/10.

Consultation with Business

The Province consulted the following forums in developing the 09/10 investment Strategy:

- Opportunities for Sustainable Prosperity
- CFIB public Resources
- Sector Councils Reports and Research
- WCB Reports
- APEC Reports
- AIMS Reports

Key Messages from Business:

Nova Scotia's economy is fast changing from a resource-based to a more knowledge-based economy partly due to the increasing global competition. This has implications on the skills required if Nova Scotia's economy is to remain competitive and be able to attract new businesses. The current economic downturn in the US is impacting our economy as more workers are laid off and unemployment continues to rise. Despite the recession, labour shortages are still prevalent in certain professions such as technicians and mechanics. The need for skilled workers will be greater once the economy rebounds; therefore, businesses and government should focus on creating training on new skills relevant for a knowledge-based economy. Flexibility for older workers should be encouraged. This will ensure that firms have access to skilled workers once the economy recovers. Supports are needed, particularly for small business lacking HR capacity, if there will really be an

adjustment to an 'Employer of Choice' approach

The productivity level and labour market participation in the province is low. Investment in human capital is important in increasing the provinces productivity. This includes increasing participation of marginalized groups, increasing literacy and educational attainment and skills training. Labour market participation can be increased by encouraging those who have given up working or who have never worked or by encouraging older workers to remain in the workforce. Labour market participation can also be increased through training on new skills and increasing education levels in the province. Employers and government can work together in encouraging lifelong learning opportunities and hiring of "gap" clients. There is a need for programs that encourage work while studying in order to reduce student debts and increase work experience for youth. Employers should also be more accommodating and flexible to the needs of older workers or gap clients.

Some barriers to employment identified by employers include: disability, workplace injuries, aging workforce, and discrimination. The return to work programs for injured individuals is important in encouraging labour market attachment as the longer people are away from work the less likely they are to return to work. Training opportunities to gain alternative skills ensures that injured individuals can return to work without a decrease in income if they pursue a different profession.

Certain sectors within our economy such as small businesses have continued to grow over the past years and have contributed to growth in the economy. More emphasis should be put towards self employment opportunities by providing training and funding opportunities for individuals to start their own businesses. Apprenticeship training should also be increased and more should be done to link up training in educational institutions with occupations or industries facing labour shortages. Access to flexible training opportunities for older workers should be increased.

Consultation with Labour

Results from the following consultations and forums were used to develop the 09/10 investment strategy:

- WCB Reports

Key Message from Labour:

Adult literacy and basic education are essential for increasing skills and consequently the provinces' productivity. One of the greatest challenges faced by the priority groups is the low literacy rates and the low skills. Addressing underemployment and productivity therefore requires dealing with literacy issues. There is a need to train in occupations that are facing labour shortages in order to ensure skills match occupational shortages. Priority clients also require additional support in transitioning to work.

Nova Scotia has the fifth highest work place injury rates in Canada with one in ten workers hurt on the job as per 2007 reports. The injury rates have declined over the past year; however, there is a need to increase return to work programs for persons that are injured at work. Injuries at work results in loss of work time and there is a need for retraining injured workers for new occupations in some cases.

Consultation with Community

Various community consultation reports were used in the 09/10 Report:

- Weaving the Threads Social Framework Strategy
- Working Group on the Reduction of Poverty Strategy
- BBI Reports
- BLAC Report and Update
- Prior Learning and Assessment Recognition Survey
- 2007 Annual Symposium – Adult Learning Knowledge Center
- Nova Scotia School for Adult Learning Partners Forum
- Nova Scotia School for Adult Learning Student Success Committee Nova Scotia Symposium
- Too Many Left Behind
- National Round Table – Reaching the Tipping Point in Literacy
- Canadian Council of Learning – 2007 Composite Learning Index
- Community Development Strategy
- Evaluation of Employment Support Measures

Key Message from Community:

The current system has more disincentives for seeking employment especially for marginalized (priority groups). There is a need to increase incentives and accessibility to programs and services that assist “gap” clients gain skills training and educational opportunities that will translate to better employment opportunities. Some of the key challenges identified as facing priority groups include transportation, education and skills levels, child care, lack of support to access services (multiple barriers to employment). Programs and services should be linked with priority areas identified by specific communities such as apprenticeship training, literacy training or areas of interest within communities.

Some of the factors identified as barriers to training include lack of awareness, lack of interest, cost, time and family responsibilities as well as lack of confidence. Employers and government have a greater role in supporting clients to access employment opportunities and programs and services to increase their education and skills. The challenges facing priority groups are multi-faceted and require much more than just training to address barriers to employment. In some cases such as rural areas, transportation is a major barrier to accessing services where as in urban areas the challenge seems to be access to affordable housing. Childcare issues are also an area in which support is required. These multiple issues illustrate the need to have additional support to for priority clients.

One of the areas pointed out in all consultations is the need to increase apprenticeship training incentives for clients to participate in programs. This involves eliminating “clawbacks” that serve to discourage clients from taking up training or employment opportunities.

Consultation with Members of Priority Client Groups:

- Acadian Affairs Business Plans and Progress Report
- Tripartite Forum
- Atlantic Policy Congress of First Nations Chiefs
- Nova Scotia's Immigration Strategy
- Youth Employment Strategy
- Disabled Persons Commission
- Attitudes on Youth Employment
- Expert Panel on Older Workers

Key Message from Users:

Social Assistance Clients in most cases face multiple barriers to employment. There is a lack of awareness and interest in programs and services available to them.

Youth in most cases are less experienced and employers tend to select experienced workers over less experienced and younger workers. There is also a negative perception of younger workers as being less productive and more costly to hire due to increased training costs and less experience. Youth also tend to graduate with more debt and perceive Nova Scotia as not an ideal place to develop careers. To improve the challenges facing the younger population, there is a need to increase community involvement programs to assist youth in gaining experience. Employers should also incorporate career goals of the youth in employment opportunities. Also, programs that encourage students to earn as they work are needed in order to reduce students' debts upon graduation such as summer internships and co-op programs.

Adult literacy learners - The demand exceeds supply for training opportunities. More training is required at all levels. There is a high population of adult learners who are also employed full-time; therefore, more workplace-based literacy training should be encouraged. More coordination is needed within literacy programs and key actors can do more in supporting struggling students.

Older workers: - Discrimination and lack of accommodation and training opportunities is a challenge. Older workers who are laid off, in most cases, have lower skills and education levels than their younger counterparts and remain unemployed for longer periods. More flexibility and training opportunities are required for older workers. Awareness of the role of older workers within the economy is also important in addressing some of their barriers to employment and negative stereotypes.

Immigrants – Lack of Canadian work experience, credentials, and language barriers are the main challenges faced by immigrants. There is a need to increase language training at all levels as well as recognition of foreign credentials.

Women – Lower representation of women in the work force. Also, participation in literacy training is lower for women.

Clients with barriers to employment in most cases are not aware of services in place to assist them. Individuals are not as familiar with all the programs and services and in some cases do not see the need or benefit of the programs. There is a growing need to offer services in French to meet the needs of Acadian communities as well as French speaking immigrants. Language training for clients at all levels is necessary, especially for immigrants who do not have French as their first language. Some of the challenges facing communities are due to the high outmigration of youth. This is partly linked to the perception that Nova Scotia is not a good place for career advancement as well as the high debts owed by students upon graduation. Employers point to the need to have programs that assist youth gain work experience as well as aligning programs in our educational institutions to match the skill shortages in specific industries in the province. Community involvement projects are suggested as a viable approach to enabling youth to acquire skills necessary for work. Employers have an important role in supporting clients by providing work experience or apprenticeship positions.

For all groups of clients, there is a need to create awareness of the programs and services as well as increase flexibility and accessibility of programs such as literacy and skills training opportunities.

In-Person Consultation Exercise, March 2009

Over 130 representatives from community agencies, businesses, and organizations serving priority groups took part in consultation sessions that were held across Nova Scotia in March, 2009.

Key Messages from Service Providers:

There is a need to provide longer term supports leading to employment, as most services are designed for people close to labour market ready. Employers need to adapt as well as clients; major work needs to be done in connecting with employers regarding HR and in creating better work environments for priority groups. Employer champions should be identified and promoted. Programs that allow employers to hire clients (i.e., wage subsidies) should be easier for employers to utilize and administer. Employment maintenance for priority groups is the key to success - job coaches, mentors, and vocational supports should be utilized. We need to do a better job at matching clients with available job opportunities. Labour market information needs to be relevant and available in plain language. Income support is a key component to allowing priority groups to benefit from programs. All clients, regardless of EI-attachment, should receive the same supports.