

**CANADA-NEWFOUNDLAND AND
LABRADOR
LABOUR MARKET DEVELOPMENT
AGREEMENT**

Canada 

**Newfoundland
Labrador** 

TABLE OF CONTENTS

ARTICLE	PAGE NO.
Recitals.....	2
1.0 Interpretation	3
2.0 Purpose and Scope	6
3.0 NL Benefits and Measures	7
4.0 Delegation of Authority to Newfoundland and Labrador with respect to the National Employment Service Function and Cooperation on Labour Market Information	8
5.0 Service to Clients.....	9
6.0 Delivery Arrangements	10
7.0 Transitional Arrangements	10
8.0 Indicators for Measuring Results of NL Benefits and Measures and Annual Results Targets and Reporting.....	12
9.0 Year 2 Review and Evaluations.....	12
10.0 Information and Data Sharing.....	14
11.0 Monitoring and Assessment Report	14
12.0 Employment Insurance Program Integrity	14
13.0 Transfer of Federal Employees to Newfoundland and Labrador	15
14.0 Financial Arrangements and Contributions Towards Costs	15
15.0 Transfer of Assets	17
16.0 Payment Procedures	17
17.0 Annual Annex	17
18.0 Financial Accountability	18
19.0 Overpayment and Lapsing Funds	18
20.0 Public Information.....	18
21.0 Designated Officials.....	19
22.0 Term of Agreement.....	20
23.0 Termination.....	20
24.0 Amendment	21
25.0 Equality of Treatment	21
26.0 General.....	21
27.0 Effective Date	21
 Annexes:	
1 Description of Newfoundland and Labrador Benefits and Measures	23
2 National Employment Service Function and Cooperation on Labour Market Information.....	25
3 Delivery Arrangements for NL Benefits and Measures	27
4 Indicators for Measuring Results of NL Benefits and Measures, and Annual Results Targets and Reporting.....	29
5 Canada-Newfoundland and Labrador Exchange of Information and Data Sharing Arrangements	31
6 Employee Transfer Agreement.....	45

**CANADA–NEWFOUNDLAND AND LABRADOR
LABOUR MARKET DEVELOPMENT AGREEMENT**

This Agreement made this 4th day of September, 2008

Between

THE GOVERNMENT OF CANADA (herein referred to as "Canada"), as represented by the Minister of Human Resources and Skills Development, styled Minister of Human Resources and Social Development, and the Canada Employment Insurance Commission

And

THE GOVERNMENT OF NEWFOUNDLAND AND LABRADOR (herein referred to as "Newfoundland and Labrador"), as represented by the Minister of Human Resources, Labour and Employment and the Minister for Intergovernmental Affairs

(Together, the "Parties")

RECITALS

WHEREAS Canada and Newfoundland and Labrador agree on the importance of the development of a skilled workforce and on the rapid re-employment of unemployed individuals in Newfoundland and Labrador;

WHEREAS Canada and Newfoundland and Labrador are committed to the creation of an innovative, integrated and cost-effective system of labour market programs and services that

- (a) develops and builds upon on the knowledge, skills and abilities of Newfoundlanders and Labradorians,
- (b) facilitates more efficient and effective matching of a skilled labour force with the current and emerging needs of employers,
- (c) focuses on addressing labour market challenges facing employers and employees throughout Newfoundland and Labrador,
- (d) promotes employment growth, and
- (e) supports provincial economic strategic objectives and priorities;

WHEREAS Canada and Newfoundland and Labrador agree that predictability and transparency of funding is critical to the success of a long term labour market development agreement;

WHEREAS Canada and Newfoundland and Labrador agree on the importance of measuring, monitoring, assessing and evaluating the success of their labour market development programs and services in helping unemployed individuals prepare for, find and keep a job;

WHEREAS Canada and Newfoundland and Labrador recognize the value to Newfoundlanders and Labradorians and all Canadians of cooperating in the collection, compilation, analysis,

production and dissemination of local, provincial, and national labour market and labour exchange information;

WHEREAS Canada and Newfoundland and Labrador recognize that each government exercises responsibilities in the area of labour market development, and seek to clarify roles and responsibilities in ways that improve the quality and accountability of government services to the public; and, to the extent possible, reduce unnecessary overlap and duplication in their labour market development programs;

WHEREAS, Canada, acting through the Canada Employment Insurance Commission, and with approval of Canada's Minister of Human Resources and Social Development, is authorized under section 63 of the *Employment Insurance (EI) Act* to enter into an agreement with Newfoundland and Labrador to provide for payment of contributions towards

- (a) the costs of benefits and measures provided by Newfoundland and Labrador that are similar to employment benefits and support measures under Part II of that *Act* and consistent with the purpose and guidelines of Part II of that *Act*; and
- (b) the administration costs that Newfoundland and Labrador incurs in providing those benefits and measures;

WHEREAS Newfoundland and Labrador will establish the benefits and measures described in Annex 1 to this Agreement and Canada has determined that these benefits and measures meet the requirements of similarity to the employment benefits and support measures under Part II of the *EI Act* and are consistent with the purpose and guidelines of that *Act*;

WHEREAS with respect to the other areas of cooperation between Canada and Newfoundland and Labrador covered by this Agreement, Canada, acting through its Minister of Human Resources and Social Development, is authorized to enter into this Agreement under section 10 of Canada's *Department of Human Resources and Skills Development Act*;

AND WHEREAS Newfoundland and Labrador's Minister of Human Resources, Labour and Employment and Minister for Intergovernmental Affairs are authorized to enter into this Agreement on behalf of the Government of Newfoundland and Labrador;

NOW, THEREFORE, the Parties hereto agree as follows:

ARTICLE 1 Interpretation

- 1.1 The terms "employment benefit" and "support measure" are used in the *EI Act* in reference to specific types of employment programs established by the Commission under sections 59 and 60(4), respectively, of the *EI Act*. The terms "benefit" and "measure" are used in section 63 of the *EI Act* in reference to employment programs established by other governments and organizations in Canada, towards the cost of which the Commission is authorized to make financial contributions, provided those programs are similar to the Commission's employment benefits and support measures and are consistent with the purpose and guidelines of Part II of the *EI Act*.

1.2 In this Agreement, unless the context requires otherwise,

"Active EI Claimant" means an individual for whom an employment insurance benefit period is established under the *EI Act*;

"Administration Costs" means the costs of administration incurred by Newfoundland and Labrador in providing the NL Benefits and Measures;

"Annual Annex" means the Annex referred to in Article 17;

"Commission" means the Canada Employment Insurance Commission;

"Costs of NL Benefits and Measures" means the following costs of financial assistance or other payments provided by Newfoundland and Labrador under its NL Benefits and Measures to persons and organizations that are eligible for assistance under those benefits and measures:

- (a) under the Newfoundland and Labrador Benefits,
 - (i) the costs of financial assistance provided under the benefits by Newfoundland and Labrador directly to EI Clients, and,
 - (ii) the costs of financial assistance or other payments provided by Newfoundland and Labrador under the benefits to persons or organizations as reimbursement for costs incurred by them, or as payment for services rendered by them, in relation to the provision of assistance to EI Clients; and
- (b) under the Newfoundland and Labrador Measures, the costs of financial assistance or other payments provided by Newfoundland and Labrador under its measures to persons and organizations that are eligible for assistance under those measures. For greater certainty, it is understood that access to the types of assistance provided under Canada's support measures is not restricted to EI Clients. Therefore, the costs of similar provincial measures that are eligible for reimbursement under this Agreement, are not so limited either.

"Designated Officials" means the officials designated by the Parties under Article 21;

"*EI Act*" means the *Employment Insurance Act*, S.C. 1996, c. 23;

"EI Client" means an unemployed person who, when requesting assistance under a Newfoundland and Labrador Benefit or Newfoundland and Labrador Measure,

- (a) is an Active EI Claimant; or
- (b) had a benefit period that ended within the previous 36 months; or
- (c) had a benefit period established for him or her within the previous 60 months, and
 - (i) was paid parental or maternity benefits under the *EI Act*,

(ii) subsequently withdrew from the labour force to care for one or more of their new-born children or one or more children placed with them for the purpose of adoption, and,

(iii) is seeking to re-enter the labour force; or

(d) received “provincial benefits” under a “provincial plan”, as those terms are defined in section 76.01 of the *Employment Insurance Regulations*, within the previous 60 months, and

(i) if not for the provincial benefits paid under the provincial plan, would have been entitled to receive benefits under sections 22 or 23 of the *EI Act*, and would have had a benefit period established for that purpose within the 60 months’ period;

(ii) subsequently withdrew from active participation in the labour force to care for one or more of their newborn children or one or more children placed with them for the purpose of adoption; and

(iii) is seeking to re-enter the labour market;

"Fiscal Year" means the period commencing on April 1 in one calendar year and ending on March 31 in the next calendar year;

"HRSDC" means Canada's Department of Human Resources and Skills Development;

“Minister of Human Resources and Social Development” is the style used to refer to Canada’s Minister of Human Resources and Skills Development and every reference in this Agreement to the Minister of Human Resources and Social Development shall be deemed to be a reference to the Minister of Human Resources and Skills Development;

“National Employment Service” means the national employment service maintained by the Commission under subsections 60(1) and (2) of the *EI Act* to provide information on employment opportunities across Canada to help workers find suitable employment and help employers find suitable workers, including the provision of labour market information, labour exchange services and information to assist with service needs determination;

“NES Clients” means persons and organizations to whom the National Employment Service provides its services, namely: workers, whether insured or not or whether they are claiming employment insurance benefits or not; employers; workers’ organizations; and interested public and private organizations providing employment assistance services to workers;

“Newfoundland and Labrador (NL) Benefits and Measures” means Newfoundland and Labrador Benefits and Newfoundland and Labrador Measures;

"Newfoundland and Labrador Benefit" means a labour market development program set out in Annex 1, as amended from time to time, that is provided by Newfoundland and Labrador under Article 3 with funding transferred under this Agreement and that is designed to enable EI Clients to obtain employment;

"Newfoundland and Labrador Measure" means a labour market development program set out in Annex 1, as amended from time to time, that is provided by Newfoundland and Labrador under Article 3 with funding transferred under this Agreement to support:

- (a) organizations that provide employment assistance services to unemployed persons;
- (b) employers, employee or employer associations, community groups and communities in developing and implementing strategies for dealing with labour force adjustments and meeting human resource requirements; or
- (c) research and innovation projects to identify better ways of helping persons prepare for, return to or keep employment, and be productive participants in the labour force;

"Service Canada" refers to a government service delivery initiative launched by the Government of Canada under the responsibility of the Minister of Human Resources and Social Development;

"Transition Committee" means the committee established under Article 7;

"Transition Period" means the period between the date of the signing of this Agreement and the date referred to in Article 3.1 of this Agreement on which Newfoundland and Labrador begins implementation of its NL Benefits and Measures.

ARTICLE 2 Purpose and Scope

2.1 The purpose of this Agreement is to:

- (a) implement, within the scope of Part II of the *EI Act*, a new service delivery vision that supports labour market development priorities within Newfoundland and Labrador and builds upon previous Canada-Newfoundland and Labrador arrangements to enable Newfoundland and Labrador to assume an expanded role in the design and delivery of labour market development programs and services in Newfoundland and Labrador to benefit clients;
- (b) provide for cooperative arrangements between Canada and Newfoundland and Labrador to reduce overlap and duplication in, and to harmonize and coordinate the delivery of, their respective employment programs and services; and
- (c) provide for the transfer of affected federal employees to Newfoundland and Labrador.

2.2 Canada will retain responsibility for the delivery of insurance benefits under Part I of the *EI Act* and for the aspects of labour market development reflective of national interests, such as responding to national emergencies, activities in support of inter-provincial labour mobility, the promotion and support of national sectoral councils, the operation of national labour market information and national labour exchange systems, and the

provision of support for labour market research and innovative projects designed to test new approaches to improving the functioning of the labour market in Canada.

- 2.3 To promote cooperation in the conduct of their respective activities and initiatives in support of labour market research and innovative projects, Canada and Newfoundland and Labrador will keep each other informed of their planned activities and initiatives in this area.
- 2.4 This Agreement shall replace the Canada-Newfoundland and Labrador Labour Market Development Agreement dated March 24, 1997 (the "Co-Management LMDA") effective the date, as determined under Article 3.1 of this Agreement, on which Newfoundland and Labrador begins providing its NL Benefits and Measures. As of that date, the Co-Management LMDA is hereby revoked. However, it is understood that this Agreement will not displace other existing labour market agreements between the Parties.

ARTICLE 3 NL Benefits and Measures

- 3.1 As of October 1, 2009, or at such later time as may be agreed to jointly by the Designated Officials, Newfoundland and Labrador will provide the NL Benefits and Measures described in Annex 1.
- 3.2 For each Fiscal Year during which Newfoundland and Labrador provides its NL Benefits and Measures, Newfoundland and Labrador will provide Canada with a plan which sets out:
 - (a) the labour market issues which Newfoundland and Labrador intends to address during the coming Fiscal Year;
 - (b) the array of NL Benefits and Measures to be offered during the coming Fiscal Year; and
 - (c) the projected expenditures under each of the NL Benefits and Measures for the coming Fiscal Year.

In the case of the plan for Fiscal Year 2009/10, it will be submitted no later than three months prior to October 1, 2009 or such later date on which Newfoundland and Labrador begins providing its NL Benefits and Measures as may be agreed to under Article 3.1. For each subsequent Fiscal Year, the plan will be submitted no later than three months prior to the beginning of the Fiscal Year to which it relates.

- 3.3 Subject to Article 3.4 and adherence to the requirement of similarity and consistency with the purpose and guidelines of Part II of the *EI Act*, Newfoundland and Labrador may make ongoing modifications to the design of its NL Benefits and Measures to ensure responsiveness to client needs, labour market conditions, and evaluation findings. Any modifications to the design of NL Benefits and Measures, shall be set out in an amendment to Annex 1.
- 3.4 Where any question arises as to whether a proposed modification to a NL Benefit or Measure affects its consistency with the guidelines and purpose of Part II of the *EI Act*, or

its similarity to the employment benefits and support measures established under Part II of the *EI Act*, it will be referred to the Designated Officials for a determination.

- 3.5 Newfoundland and Labrador will not require any minimum period of residency in Newfoundland and Labrador on the part of an individual as a condition of access by that individual to assistance under a Newfoundland and Labrador Benefit or Newfoundland and Labrador Measure supported by Canada under this Agreement.
- 3.6 To facilitate the co-ordination of the provision of assistance to EI claimants by Newfoundland and Labrador under NL Benefits and Measures with the payment by Canada of insurance benefits to those claimants by virtue of section 25 of Part I of the *EI Act*, the Commission, pursuant to subsection 28(3) of Canada's *Department of Human Resources and Skills Development Act*, hereby authorizes Newfoundland and Labrador's Minister of Human Resources, Labour and Employment to exercise the Commission's power to designate authorities in Newfoundland and Labrador who may, for the purposes of section 25 of Canada's *EI Act*, refer active EI claimants to:
- (a) courses or programs of instruction or training which the claimant is attending at his or her own expense, or under Newfoundland and Labrador Benefits; or
 - (b) any other employment activity for which assistance has been provided for the claimant under a Newfoundland and Labrador Benefit which is similar to the Commission's Job Creation Partnerships Benefit or Self-Employment Benefit.
- 3.7 Newfoundland and Labrador will give thirty days advance notice to Canada of its intention to designate a referral authority for the purposes of section 25 of the *EI Act* in order that Canada may make the necessary administrative arrangements with the referral authority to ensure timely and proper payment of insurance benefits to the referred Active EI Claimants under section 25 of the *EI Act*.
- 3.8 Authorities designated by Newfoundland and Labrador may include staff of its Department of Human Resources, Labour and Employment, other Newfoundland and Labrador government departments or agencies, corporations of the Government of Newfoundland and Labrador, as well as third parties in Newfoundland and Labrador.

ARTICLE 4 Delegation of Authority to Newfoundland and Labrador with respect to the National Employment Service Function and Cooperation on Labour Market Information

- 4.1 Canada hereby authorizes Newfoundland and Labrador to carry out and perform the function of the National Employment Service described in section 2 of Annex 2 entitled "National Employment Service Function and Cooperation on Labour Market Information".
- 4.2 Canada and Newfoundland and Labrador agree to cooperate, in accordance with section 3 of Annex 2, in establishing effective links between the Parties to facilitate and coordinate the operation of local, provincial and national labour exchange systems and the production and dissemination of local, provincial and national labour market information.

ARTICLE 5 Service to Clients

5.1 The Parties agree that in the administration of NL Benefits and Measures and in carrying out the function of the National Employment Service, Newfoundland and Labrador will be guided, subject to its service delivery model, by the following principles on service to clients:

- (a) client-centered services which facilitate ease of access for a broad range of client groups;
- (b) respectful and individualized services;
- (c) provide an array of integrated labour market services which are flexible, innovative and responsive to the changing labour market, employer and community needs; and
- (d) measurable results within a well-defined framework of accountability.

5.2 Newfoundland and Labrador agrees to

- (a) provide access to assistance under its NL Benefits and Measures; and
- (b) carry out the function of the National Employment Service delegated to it under Article 4

in either of Canada's official languages where there is a significant demand for the provision of the assistance, or the performance of that function, in that language.

5.3 In determining the circumstances where there would be considered to be a "significant demand" for the provision of assistance or performance of the function referred to in Article 5.2 in either official language, Newfoundland and Labrador agrees to use as a guideline the criteria for determining what constitutes "significant demand" for communications with, and services from, an office of a federal institution as set out in the *Official Languages (Communications with and Services to the Public) Regulations* made pursuant to Canada's *Official Languages Act*.

5.4 Newfoundland and Labrador agrees to consult with representatives of the official language minority communities in Newfoundland and Labrador on the provision of its NL Benefits and Measures under this Agreement.

5.5 Canada and Newfoundland and Labrador will establish mechanisms for dealing with representations or enquiries made by Members of Parliament or Members of the House of Assembly of Newfoundland and Labrador on behalf of constituents who have sought their assistance in resolving a problem or obtaining information in relation to obtaining assistance under the NL Benefits and Measures, to ensure that the reply to the representations or enquiries is directed to the appropriate party and that the confidentiality and privacy requirements of the respective Parties' privacy legislation or policies are respected.

ARTICLE 6 Delivery Arrangements

- 6.1 Newfoundland and Labrador will create and deliver locally-responsive, accessible, cost effective, integrated and citizen-centered labour market programs and services to meet the needs of individuals and organizations throughout Newfoundland and Labrador as outlined in Annex 3 to this Agreement. Canada and Newfoundland and Labrador agree to work together to coordinate the delivery of their respective labour market programs and services with the aim of providing an integrated approach that will improve service delivery within the province.

ARTICLE 7 Transitional Arrangements

- 7.1 Immediately upon signing of this Agreement, the Parties will form a joint Transition Committee to ensure a smooth transition from Canada's delivery of its employment benefits and support measures to the delivery of the NL Benefits and Measures by Newfoundland and Labrador. Responsibilities of the Transition Committee will include:

- (a) establishing joint governance mechanisms and other committees as may be required to ensure a smooth transition;
- (b) overseeing the negotiation of any supplementary federal-provincial agreements as may be required to support the transition, and recommending any such agreements for signature by the appropriate parties;
- (c) developing an implementation plan, including details regarding the transfer of financial, human and material resources;
- (d) ensuring the systems and processes are in place before the end of the Transition Period to support timely financial management and reporting in order to enable early warning of cost overruns or funding shortfalls;
- (e) providing a forum
 - i. for keeping Newfoundland and Labrador informed about Canada's plans for entering into financial commitments referred to in Article 7.4 during the Transition Period,
 - ii. for discussing those plans, and
 - iii. for Canada to consider the interests and views of Newfoundland and Labrador regarding those plans,

in order to ensure funding commitments made by Canada during the Transition Period do not create funding pressures for Newfoundland and Labrador once Newfoundland and Labrador begins providing its NL Benefits and Measures;

- (f) overseeing the completion of an inventory of assets in accordance with Article 15;
- (g) discussing Newfoundland and Labrador's first annual plan submitted in accordance with Article 3;

- (h) supporting the development of the first Annual Annex and recommending it for signature by the Designated Officials;
 - (i) maintaining linkages with the Co-management Committee established under Article 4 of the Canada-Newfoundland and Labrador Labour Market Development Agreement (Co-management LMDA) signed on March 24, 1997, as well as any joint governance body established under any other Canada-Newfoundland and Labrador agreement related to the labour market that has been, or may be, entered into between the Parties, to ensure an integrated approach to labour market programming during the Transition Period; and
 - (j) carrying out such other responsibilities as the Designated Officials may jointly assign to it.
- 7.2 The Transition Committee will be co-chaired by the Designated Officials, or their designates. The Committee will be composed of an equal number of representatives of Canada and Newfoundland and Labrador to be determined by the Designated Officials.
- 7.3 The Transition Committee will meet as required, and will remain in effect for the Transition Period.
- 7.4 Canada and Newfoundland and Labrador are committed to maintaining continuity of service to individuals and organizations. In support of this commitment, both Parties agree, from the date of the signing of this Agreement and up to and including September 30, 2009, that Canada may extend or renew financial assistance agreements under its employment benefits and support measures that terminate during this period, or enter into new agreements, for a period not to exceed two (2) years.
- 7.5 Newfoundland and Labrador agrees to honour all financial assistance agreements referred to in Article 7.4 that Canada has signed with recipients which terminate after the date on which Newfoundland and Labrador begins providing its NL Benefits and Measures, as determined under Article 3.1, by accepting an assignment of those agreements from Canada. Canada and Newfoundland and Labrador agree to enter into an assignment agreement under which Newfoundland and Labrador will assume all Canada's rights and outstanding obligations under those agreements.
- 7.6 It is understood and agreed that Canada shall not provide any additional funding to Newfoundland and Labrador to discharge any financial obligations accruing to recipients after the date on which Newfoundland and Labrador begins providing its NL Benefits and Measures, as determined under Article 3.1, under funding agreements assigned to Newfoundland and Labrador. Newfoundland and Labrador shall utilize the funding provided by Canada referred to in Article 14.2 to discharge the financial commitments to recipients under such agreements.
- 7.7 The Parties acknowledge that other arrangements to ensure continuity of client service during the transfer of responsibilities under this Agreement may be necessary and that other agreements to address transitional issues may be necessary.

ARTICLE 8 Indicators for Measuring Results of NL Benefits and Measures and Annual Results Targets and Reporting

8.1 Canada and Newfoundland and Labrador agree to:

- (a) use the results indicators set out in Annex 4, entitled "Indicators for Measuring Results of NL Benefits and Measures and Annual Results Targets and Reporting", for measuring the results of the NL Benefits and Measures;
- (b) set annual results targets for the results indicators in accordance with Annex 4; and
- (c) track and report on the annual results in accordance with Annex 4.

ARTICLE 9 Year 2 Review and Evaluations

Year 2 Review

9.1 Canada and Newfoundland and Labrador agree to design and conduct a joint Year 2 Review of the implementation of this Agreement. The Year 2 Review will be conducted in Fiscal Year 2010/11 and completed in 2011/12. The purpose of the Year 2 Review will be to:

- (a) ensure that the Parties are properly implementing the provisions of this Agreement, including, but not limited to, provisions relating to:
 - (i) transition and implementation (progress towards full implementation and Employee Transfer Agreement)
 - (ii) management arrangements;
 - (iii) priorities, plans, results, budgets;
 - (iv) data collection and reporting (including administrative data systems and data sources);
 - (v) communications (both internal and external);
 - (vi) funding;
 - (vii) implementation of the performance measurement framework;
 - (viii) development of an evaluation framework; and
 - (ix) other matters, including monitoring and accountability; and
- (b) inform potential improvements to this Agreement.

Evaluations

9.2 Canada and Newfoundland and Labrador recognize the importance of evaluating the NL Benefits and Measures in order to determine their impacts and outcomes. Newfoundland and Labrador agrees, therefore, to carry out periodic evaluations of the NL Benefits and Measures. The first impact evaluation will be conducted three to five years after implementation and subsequent evaluations will be conducted regularly, on a three-to-five year basis, as determined by the Designated Officials.

- 9.3. Newfoundland and Labrador will advise Canada by notice in writing delivered on or before April 1, 2010 that Newfoundland and Labrador has elected that either:
- (a) Articles 9.4 and 9.5 inclusive (“Option 1”), or
 - (b) Articles 9.6, 9.7 and 9.8 inclusive (“Option 2”)
- shall apply to, and form part of, this Agreement and upon delivery of such notice, those Articles so elected shall apply to and form part of this Agreement.

Option 1

- 9.4 Newfoundland and Labrador may carry out the periodic evaluations on its own. Where this option is selected, NL agrees that in carrying out each evaluation it will:
- (i) develop an evaluation framework that adheres to commonly accepted evaluation practices and methodologies;
 - (ii) submit the evaluation design or framework for review and recommendations by an independent third party external evaluator;
 - (iii) before the evaluation is conducted, share the framework with Canada for review by the Designated Officials;
 - (iv) after the findings are obtained, submit the evaluation report to an independent third party external evaluator for review before it is finalized; and
 - (v) provide a copy of the evaluation report to Canada for review by the Designated Officials.
- 9.5 Where this option is selected, the cost of the evaluations will be the sole responsibility of Newfoundland and Labrador.

Option 2

- 9.6 Newfoundland and Labrador may carry out the periodic evaluations jointly with Canada. Where this option is selected, the Designated Officials will establish a Joint Evaluation Committee comprised of equal representation from Canada and Newfoundland and Labrador. One member from Canada and one member from Newfoundland and Labrador will act as co-chairs.
- 9.7 For each evaluation, the Joint Evaluation Committee will:
- (a) oversee the development of an evaluation framework that adheres to commonly accepted evaluation practices and methodologies
 - (b) submit the evaluation design or framework for review and recommendations by an independent third party external evaluator;
 - (c) approve the evaluation framework;
 - (d) undertake joint assessment and approval of a Request for Proposals and the winning bid (HRSDC to sign contract for the evaluation);

- (e) oversee the conducting of the evaluation according to the plan laid out in the framework;
- (f) after the findings are obtained, submit the evaluation report to an independent third party external evaluator for review before it is finalized;
- (g) approve the evaluation report; and
- (h) provide a copy of the evaluation report to Canada and Newfoundland and Labrador .

9.8 Where this option is selected, the cost of the joint evaluations will be borne by Canada.

ARTICLE 10 Information and Data Sharing

10.1 For the purpose of implementing this Agreement, Canada and Newfoundland and Labrador agree to exchange information in accordance with the arrangements specified in Annex 5 to this Agreement entitled "Exchange of Information and Data Sharing Arrangements".

10.2 Without limiting the generality of the foregoing, Canada and Newfoundland and Labrador agree that the development and linking of electronic on-line systems that maintain client information data is an essential tool for effective and efficient case management for clients accessing NL Benefits and Measures.

ARTICLE 11 Monitoring and Assessment Report

11.1 Canada will:

- (a) monitor and assess the effectiveness of the assistance provided by Newfoundland and Labrador under the NL Benefits and Measures funded under this Agreement and of the assistance provided by other provinces and territories under benefits and measures provided by them with funding from Canada under similar Labour Market Development Agreements, and
- (b) prepare an annual monitoring and assessment report which the Minister of Human Resources and Social Development shall make public by tabling it in Parliament each year.

ARTICLE 12 Employment Insurance Program Integrity

12.1 As Canada may be providing insurance benefits under Part I of the *EI Act* to Active EI Claimants while they are participating under the NL Benefits and Measures, Canada and Newfoundland and Labrador will cooperate with each other in developing measures for detecting and controlling abuse and in determining how and by whom these measures should be carried out.

ARTICLE 13 Transfer of Federal Employees to Newfoundland and Labrador

- 13.1 Newfoundland and Labrador agrees to make offers of employment to those employees of Canada who are affected by Canada's withdrawal from the delivery of its employment benefits and support measures in Newfoundland and Labrador and by Newfoundland and Labrador's decision to expand its role in the design and delivery of labour market programs through the implementation of the NL Benefits and Measures and assume responsibility for one of the functions of the National Employment Service.
- 13.2 Newfoundland and Labrador undertakes that its offer to each employee will meet the requirements of a Reasonable Job Offer (Type 2) within the meaning of Part VII of the Work Force Adjustment Directive ("WFAD") that is applicable to the employee, with the exception that each transferring employee will be granted an employment guarantee for a period of three years.
- 13.3 Transferring federal employees will become employees of the Department of Human Resources, Labour and Employment. Details with respect to the offers of employment will be embodied in an Employee Transfer Agreement ("ETA") to be entered into by the Parties by February 1, 2009 and appended as Annex 6 to this Agreement. It is understood that supplementary agreements to the ETA may also be required.
- 13.4 Canada and Newfoundland and Labrador agree to collaborate in the identification and selection of individuals to whom offers of employment will be made to transfer from Canada to Newfoundland and Labrador as a result of this Agreement.
- 13.5 The amount of Canada's contributions referred to in Article 14.7 of this Agreement towards Newfoundland and Labrador's Administration Costs is contingent upon offers of employment being made to those employees affected by this Agreement, and on the offers meeting the requirements of a "reasonable job offer" within the meaning of Part VII of Canada's WFADs applicable to the employees.
- 13.6 Canada and Newfoundland and Labrador agree to disclose, to the extent permitted by law, relevant information that will assist the Parties during the negotiation of the Employee Transfer Agreement. The Parties also agree to a coordinated approach for employee communication.
- 13.7 Canada agrees that every vacant position within Canada's affected employee group at such time as may be agreed upon by the Parties in the Employee Transfer Agreement will be included in the calculation of the number of affected employees to whom Newfoundland and Labrador will be considered to have made an offer of employment and who will be considered to have accepted the offer.

ARTICLE 14 Financial Arrangements and Contributions Towards Costs

- 14.1 Canada and Newfoundland and Labrador agree that, subject to the financial limitation set out in section 78 of the *EI Act*, the financial arrangements between them will be as set out in the provisions below.

(a) *Contributions Towards the Costs of NL Benefits and Measures*

- 14.2 Canada, through the Commission, agrees to make an annual contribution to Newfoundland and Labrador pursuant to section 63 of the *EI Act* towards the Costs of NL Benefits and Measures in accordance with Articles 14.3 to 14.5 below.
- 14.3 The amounts payable for Fiscal Year 2009/2010 and Fiscal Year 2010/2011 will be determined in accordance with the methodology for allocating among provinces or territories the funding approved each year by Canada's Treasury Board for expenditures under Part II of the *EI Act*. The currently projected maximum amount of Canada's contribution towards the Costs of NL Benefits and Measures for each of those Fiscal Years is estimated to be:
Fiscal Year 2009/2010: \$133,707,000 (partial year funding), and
Fiscal Year 2010/2011: \$134,250,000.
- 14.4 For greater certainty, the annual contribution amounts referred to in Article 14.2 do not include insurance benefits payable by the Commission to Active EI Claimants under Part I of the *EI Act* (by virtue of section 25 of the *EI Act*) while participating in training and other employment activities under Newfoundland and Labrador Benefits.
- 14.5 For each Fiscal Year after Fiscal Year 2010/11 during the term of this Agreement, the Parties will review Canada's contribution towards the costs of the NL Benefits and Measures. In conducting the annual reviews, Canada undertakes to provide Newfoundland and Labrador with a three-year projection of Canada's annual allocation which is based on current trends, but which is subject to change. The agreed maximum amount of Canada's contribution towards the costs of the NL Benefits and Measures for each Fiscal Year will then be specified in the Annual Annex for that Fiscal Year.

(b) *Contributions Towards Newfoundland and Labrador's Administration Costs*

- 14.6 In addition to the annual contribution towards the Costs of NL Benefits and Measures, Canada, through the Commission, agrees to make an annual contribution to Newfoundland and Labrador towards the Administration Costs incurred by Newfoundland and Labrador in each Fiscal Year during the term of the Agreement.
- 14.7 Subject to Articles 14.9 and 14.10, the maximum amount of the annual contribution towards Newfoundland and Labrador's Administration Costs will be an amount determined in accordance with the methodology described in the letter of September 25, 1996 from Canada's Deputy Minister of Human Resources Development to Newfoundland and Labrador's Deputy Minister of Development and Rural Renewal and Deputy Minister of Education.
- 14.8 The maximum amount payable by Canada in the annual contribution towards Newfoundland and Labrador's Administration Costs determined under Article 14.7 in each Fiscal Year is \$8,475,000.
- 14.9 The maximum amount of the contribution in respect of Newfoundland and Labrador's Administration Costs, as determined under Article 14.7, that is payable in any Fiscal Year falling within the three-year period following the date of transfer of federal employees to Newfoundland and Labrador shall be reduced if there is any reduction in the amount of the normal salary, as set out in an Employee Transfer Agreement, paid to those

employees in that Fiscal Year. The amount of the reduction in the contribution for the Fiscal Year in question shall be an amount equal to the aggregate of the reduction in the agreed normal salaries payable to the transferred employees.

- 14.10 The maximum amount payable under Article 14.8 may be increased by an amount equal to savings in accommodation costs in relation to the number of federal employees actually transferred to Newfoundland and Labrador as federal leases become renewed following the transfer. Canada will make funds available to Newfoundland and Labrador as federal leases become renewed following the transfer of employees or as otherwise jointly agreed to by the Designated Officials. The additional amount payable under this Article shall not exceed \$643,000 in each Fiscal Year.

ARTICLE 15 Transfer of Assets

- 15.1 Canada and Newfoundland and Labrador will develop an "Inventory of Assets" that will be transferred for no consideration or cost to Newfoundland and Labrador. The assets to be transferred to Newfoundland and Labrador will be related to the extent of labour market development responsibilities assumed by Newfoundland and Labrador and the number of Canada's employees transferred to Newfoundland and Labrador.
- 15.2 The timetable for the transfer of assets will be established by the Transition Committee. No transfer will occur prior to the signing of the Employee Transfer Agreement referred to in Article 13.

ARTICLE 16 Payment Procedures

- 16.1 As of October 1, 2009, or on such later date as jointly agreed by the Designated Officials on which Newfoundland and Labrador begins implementation of the NL Benefits and Measures, Canada will make advance payments of its annual contribution towards the Costs of NL Benefits and Measures. The advances will be made on a monthly basis and will be based upon a forecast of cash flow requirements furnished by Newfoundland and Labrador. Newfoundland and Labrador agrees to update the forecast on a quarterly basis.
- 16.2 As of October 1, 2009, or on such later date as is jointly agreed by the Designated Officials on which Newfoundland and Labrador begins implementation of its NL Benefits and Measures, Canada will make equal monthly installments of its annual contribution towards the Administration Costs incurred by Newfoundland and Labrador.

ARTICLE 17 Annual Annex

- 17.1 Prior to the commencement of the implementation by Newfoundland and Labrador of its NL Benefits and Measures, and prior to the beginning of each Fiscal Year thereafter during the term of this Agreement, Canada and Newfoundland and Labrador agree to set out in an Annual Annex to this Agreement the following:
- (a) the agreed annual targets for the Fiscal Year for the results indicators referred to in Annex 4;

- (b) the three-year projection referred to in Article 14.5 of Canada's maximum annual contributions towards the Costs of NL Benefits and Measures; and
 - (c) the actual amount of Canada's maximum contribution towards the Costs of NL Benefits and Measures for the coming Fiscal Year.
- 17.2 The Designated Officials are authorized to sign the Annual Annexes on behalf of their respective party.

ARTICLE 18 Financial Accountability

- 18.1 For Fiscal Year 2009/2010, and for each Fiscal Year thereafter during the term of this Agreement, Newfoundland and Labrador will submit to Canada a report containing:
- (a) an audited financial statement prepared in accordance with generally accepted accounting principles and practices and in a form prescribed by Canada, and certified by the Auditor General of Newfoundland and Labrador or his or her designate, setting out the amount of the Costs of NL Benefits and Measures that Newfoundland and Labrador has actually incurred in that Fiscal Year in respect of each of the NL Benefits and Measures; and
 - (b) a statement from the Auditor General of Newfoundland and Labrador or the designate certifying that all payments received from Canada in the Fiscal Year on account of Canada's contribution to its Administration Costs were paid in respect of Administration Costs actually incurred in that Fiscal Year.
- 18.2 Newfoundland and Labrador will submit the report no later than three months after the end of the Fiscal Year to which it relates.

ARTICLE 19 Overpayment and Lapsing Funds

- 19.1 If payments made to Newfoundland and Labrador under this Agreement exceed the amounts to which Newfoundland and Labrador is entitled, the amount of such excess is a debt owing to Canada and will be repaid to Canada upon receipt of notice to repay.
- 19.2 Any unutilized contribution for a given Fiscal Year will lapse.

ARTICLE 20 Public Information

- 20.1 Newfoundland and Labrador and Canada agree on the importance of ensuring that the public is informed of their respective roles and, in particular, the financial contribution of Canada and the responsibility of Newfoundland and Labrador with regard to the administration of NL Benefits and Measures under this Agreement.
- 20.2 Newfoundland and Labrador agrees to acknowledge Canada's support of the NL Benefits and Measures in signage, public announcements, program descriptions and correspondence, and public reports on the NL Benefits and Measures.

- 20.3 Canada and Newfoundland and Labrador agree to cooperate to provide opportunities for announcements, ceremonies, celebrations, and releases of reports to allow representatives of Canada and Newfoundland and Labrador to clearly articulate the role of each government in supporting the NL Benefits and Measures. Canada and Newfoundland and Labrador will jointly prepare public information material and jointly organize and participate in any public announcement relating to the signing of this Agreement and of any agreements referred to in the Annexes that are to be signed in the future.
- 20.4 Newfoundland and Labrador will ensure that cheques or deposit statements for EI Clients receiving assistance under its NL Benefits and Measures either directly from Newfoundland and Labrador or through an organization receiving funding from Newfoundland and Labrador will include the Government of Canada word mark.
- 20.5 The Parties agree to give each other reasonable advance notice of any major public relations initiatives to inform Canadians of activities being undertaken in the context of this Agreement.

ARTICLE 21 Designated Officials

- 21.1 Upon signing this Agreement, each party will provide to the other the name of its Designated Official. Either party may, from time to time, upon written notice to the other, designate a new Designated Official in replacement of an existing Designated Official.
- 21.2 Designated Officials shall be responsible for:
- (a) ensuring the implementation and the effective administration and management of this Agreement;
 - (b) chairing and determining the membership and terms of reference for the Transition Committee and any other senior steering committees as may be required to facilitate the effective implementation of this Agreement;
 - (c) determining the membership and terms of reference for any other joint working groups/committees as may be required to facilitate the effective implementation of this Agreement;
 - (d) reviewing Newfoundland and Labrador's annual plan and result targets, and its annual report;
 - (e) approving and signing the Annual Annexes as outlined in Article 17;
 - (f) overseeing the Year 2 Review and evaluation responsibilities outlined in Article 9;
 - (g) approving and signing any amendments to the Annexes to the LMDA pursuant to Article 24.2;

- (h) ensuring an integrated approach to labour market programming by maintaining linkages with any joint committees and planning processes established under any other Canada-Newfoundland and Labrador agreement related to the labour market that has been, or may be, entered into between the Parties;
- (i) developing measures referred to in Article 12 for ensuring employment insurance program integrity;
- (j) identifying potential improvements to the Agreement, and making or recommending such changes as may be required;
- (k) providing each other with advance notice of any legislative or regulatory proposal that could have implications on the other Party, whenever possible;
- (l) exchanging information, sharing views and discussing labour market policies and programs as well as broader developments in the labour market, such as emerging labour market challenges facing employers, employees and unemployed individuals across Newfoundland and Labrador
- (m) coordinating joint efforts to create an innovative, integrated and cost-effective system of labour market programs and services in Newfoundland and Labrador, improve the quality and accountability of government services to the public, and, to the extent possible, reduce unnecessary overlap and duplication in their respective Governments' labour market development programs;
- (n) resolving issues that may arise from the implementation and management of this Agreement; and
- (o) other matters as they may agree upon.

21.3 Designated Officials, or their designates, will meet at least twice annually or as otherwise required to fulfill their responsibilities identified in Section 21.2.

21.4 In the event that the Designated Officials cannot resolve issues that arise from the agreement, those issues will be referred to the appropriate Deputy Ministers for both Parties for resolution. In the event that the Deputy Ministers are unable to reach a satisfactory resolution to these same issues, they will be referred to the appropriate Ministers for both Parties for resolution.

ARTICLE 22 Term of Agreement

22.1 This Agreement will remain in force until terminated in accordance with Article 23.

ARTICLE 23 Termination

23.1 After completion of the Year 2 Review under Article 9.1, either party can terminate the Agreement at any time by giving two Fiscal Years' written notice of intention to terminate to the other party.

23.2 In the event of termination of this Agreement, Canada and Newfoundland and Labrador agree that they will work together to ensure that services to clients will not be unduly affected or interrupted by the termination.

ARTICLE 24 Amendment

24.1 This Agreement may be amended at any time with the mutual consent of the Parties. To be valid, every amendment must be in writing and signed, in the case of Canada, by Canada's Minister of Human Resources and Social Development and the Commission, and in the case of Newfoundland and Labrador, by the Minister of Human Resources, Labour and Employment and the Minister for Intergovernmental Affairs, or by their authorized representatives.

24.2 Notwithstanding Article 24.1, an amendment to any Annex to this Agreement may be signed by the Designated Officials of the Parties.

ARTICLE 25 Equality of Treatment

25.1 During the term of this Agreement, if a province or territory other than Newfoundland and Labrador negotiates an Agreement (or any amendment to such an Agreement) with Canada based on Canada's May 30, 1996 proposal, and if any provision of, or omission from, that Agreement (or amendment) is more favourable to that province or territory than what was negotiated with Newfoundland and Labrador, Canada agrees to amend this Agreement upon the request of Newfoundland and Labrador in order to afford similar treatment to Newfoundland and Labrador. The amendment shall be retroactive to the date on which the Agreement, or amendment to such an Agreement, with the other province or territory comes into force.

ARTICLE 26 General

26.1 No member of the House of Commons or Member of the House of Assembly of Newfoundland and Labrador will be admitted to any share or part of this Agreement or to any benefit arising therefrom.

ARTICLE 27 Effective Date

27.1 This Agreement will be effective when signed by both Parties.

SIGNED on behalf of Canada by the Minister of Human Resources and Skills Development, styled Minister of Human Resources and Social Development, and the Canada Employment Insurance Commission.

at _____ this 4th day of September, 2008

Witness

The Honourable Monte Solberg,
Minister of Human Resources and Social
Development

Witness

Janice Charette,
Chairperson, Canada Employment Insurance
Commission

SIGNED on behalf of Newfoundland and Labrador by the Minister of Human Resources, Labour and Employment and the Minister for Intergovernmental Affairs,

at _____ this 3rd day of September, 2008

Witness

The Honourable Shawn Skinner,
Minister of Human Resources, Labour and
Employment

Witness

The Honourable Thomas J. Hedderson,
Minister of Intergovernmental Affairs

Annex 1

Description of Newfoundland and Labrador Benefits and Measures

1.0 Purpose

The purpose of this Annex to the Canada-Newfoundland and Labrador Labour Market Development Agreement (LMDA) is to describe the Benefits and Measures that will be provided by Newfoundland and Labrador.

2.0 Objectives

Newfoundland and Labrador will deliver a wide range of Benefits and Measures to assist EI Clients and other unemployed individuals, in finding, keeping and maintaining employment. These benefits and measures will be offered within an innovative, integrated and cost-effective system of labour market programs and services that:

- a. develops and builds upon on the knowledge, skills and abilities of Newfoundlanders and Labradorians;
- b. facilitates more efficient and effective matching of a skilled labour force with the current and emerging needs of employers;
- c. focuses on addressing labour market challenges facing employers and employees throughout Newfoundland and Labrador;
- d. promotes employment growth;
- e. supports provincial economic strategic objectives and priorities; and
- f. recognizes the responsibilities of the federal and provincial governments in the area of labour market development, and clarifies roles and responsibilities in ways that improve the quality and accountability of government services to the public; and, to the extent possible, reduces unnecessary overlap and duplication in their labour market development programs.

3.0 NL Benefits

Newfoundland and Labrador will provide five benefits to enable EI Clients to obtain employment. Each is described briefly below.

a) *Newfoundland and Labrador Wage Subsidies*

Newfoundland and Labrador will provide funding to employers to encourage them to hire EI Clients whom they would not normally hire in the absence of a subsidy. Newfoundland and Labrador may also provide related employment supports to eligible individuals, including tools, equipment and short-term training.

b) *Newfoundland and Labrador Job Creation Partnerships*

Newfoundland and Labrador will provide financial support, in partnership with employers and/or community organizations, to projects that provide EI clients with work experience leading to ongoing employment.

c) *Newfoundland and Labrador Self-Employment Assistance*

Newfoundland and Labrador will assist EI Clients in establishing their own businesses and becoming self-employed by providing self-employment services, such as entrepreneurship training, customized coaching, and ongoing advice and client supports.

d) *Newfoundland and Labrador Skills Development*

Newfoundland and Labrador will provide a benefit for the education and training of EI Clients so they can obtain the skills necessary for employment. Under this benefit, EI Clients will be expected to share the cost of training where appropriate.

This benefit will include the costs ordinarily paid by Newfoundland and Labrador over and above the amounts recovered through tuition fees, with respect to each EI Client receiving financial assistance under Newfoundland and Labrador Skills Development and attending a publicly funded training institution.

e) *Newfoundland and Labrador Earnings Supplements*

Newfoundland and Labrador may provide temporary, targeted earnings supplements, including wage “top-ups” or other employment related supports, to encourage EI Clients to accept employment.

4.0 Newfoundland and Labrador Measures

Newfoundland and Labrador will provide three measures, described briefly below:

a) *Newfoundland and Labrador Employment Assistance Services*

Employment Assistance Services will be used to help clients obtain employment. Services may include needs determination, employment counselling, job search training, and provision of labour market information.

Newfoundland and Labrador will provide services to meet the needs of specific client groups and local communities through a service delivery network that is further described in Annex 3.

Employment Assistance Services will be available to unemployed persons and job seekers.

b) *Newfoundland and Labrador Labour Market Partnerships*

Newfoundland and Labrador will provide funding to support employers, employer or employee associations, community groups and communities in developing and implementing labour market strategies and activities for dealing with labour force adjustments and meeting human resource requirements.

Labour Market Partnerships may be used to provide assistance for employed persons who are facing loss of employment.

c) *Newfoundland and Labrador Research and Innovation*

Newfoundland and Labrador will develop a measure to support research and innovative projects to identify better ways of helping persons prepare for, return to or keep employment and be productive participants in the labour force.

Annex 2

National Employment Service Function and Cooperation on Labour Market Information

1.0 Purpose

The purpose of this Annex is to set out

- (a) the National Employment Service (NES) function delegated to Newfoundland and Labrador by the Canada Employment Insurance Commission and,
- (b) the activities to be undertaken in establishing effective links between the Parties to facilitate and coordinate the operation of local, provincial and national labour exchange systems and the production and dissemination of local, provincial and national labour market information (LMI).

2.0 Delegation of Labour Exchange Function

- 2.1 Newfoundland and Labrador agrees to maintain labour exchange in a manner that allows universal access by all clients and to the timely transfer of information to the national labour exchange system as the parties to the agreement agree to be appropriate.

3.0 Cooperation on Labour Market Information

- 3.1 Canada and Newfoundland and Labrador recognize that accessible, timely and reliable labour market information is critical to support economic progress at the local, regional, provincial and national level and implementation of this Agreement. To this end, both parties agree to the preparation of a joint labour market information strategy to:
 - (a) clarify their respective roles and responsibilities with respect to the development, dissemination and use of labour market information, especially information that is related to implementation of this Agreement;
 - (b) encourage partnerships; and
 - (c) ensure complementarity such that there is no unnecessary overlap and duplication.
- 3.2 Canada is responsible for the National Labour Market Information System, including the National Labour Market Information (“LMI”) System with which it will produce and disseminate labour market information and products connected with proper management of the Employment Insurance Account, entitlement to and continuation of EI benefits, and information for Employment Insurance users, as well as those required for the planning and delivery of HRSDC activities relating to this Agreement.
- 3.3 Newfoundland and Labrador will be responsible for producing local, regional and provincial labour market information needed to assume the responsibilities conferred on it in this Agreement, as well as disseminating within Newfoundland and Labrador, labour market information relating to the implementation of this Agreement and participating in and maintaining a link with the National Labour Market Information System.

3.4 Local, regional, provincial and national labour market information may include:

- a) occupational profiles and forecasts;
- b) community profiles;
- c) demographic and labour force profiles and forecasts;
- d) industrial/sectoral profiles and forecasts;
- e) wage and salary data;
- f) conditions of employment;
- g) vacancy and employment opportunities;
- h) reviews of labour market trends;
- i) occupational demand lists;
- j) potential employer lists;
- k) lists of training providers and available courses;
- l) major project updates; and
- m) work search tools.

ANNEX 3

Delivery Arrangements for NL Benefits and Measures

1.0 Purpose

- 1.1 The purpose of this Annex to the Canada-Newfoundland and Labrador Labour Market Development Agreement (LMDA) is to describe the service delivery network for NL Benefits and Measures as outlined in Annex 1 and for the delegated National Employment Services function as outlined in Annex 2.

2.0 Service Delivery Approach

- 2.1 The Department of Human Resources, Labour and Employment (HRLE) will assume lead responsibility for delivery of NL Benefits and Measures and responsibility for federal staff who transfer to the Provincial government under this Agreement.
- 2.2 Newfoundland and Labrador's broad service delivery approach will be guided by the fundamental principle of citizen-centred service. Newfoundland and Labrador will offer labour market programs and services that respond to the needs of individuals, employers and the labour market as a whole, using flexible service delivery methodologies.
- 2.3 Newfoundland and Labrador will deliver a continuum of flexible and tailored labour market and skills training programs and services to meet the needs of a broad range of clients including employers, unemployed persons, EI Clients, Income Support recipients, and under-employed persons.
- 2.4 Newfoundland and Labrador will coordinate the delivery of NL Benefits and Measures and related programs and services and provide "no wrong door" service to clients, both directly, through its own staff (from HRLE, the Department of Education, and the Department of Innovation, Trade and Rural Development, as well as other Departments), and indirectly, through a network of third party agencies.
- 2.5 Newfoundland and Labrador will use a multi-channel approach to provide clients with access to labour market programs and services, including in-person services, telephone services, and services via the internet and the mail.
- 2.6 Newfoundland and Labrador will ensure citizens and community partners are aware of the full range of services available, how to access services and how these services can meet their identified needs, or those of their clients.
- 2.7 Newfoundland and Labrador will partner with key stakeholders including employers, employer and labour organizations and community groups to address current and emerging labour market issues such as skill shortages to help maximize participation and improve employment outcomes for individuals and support continued economic progress. These partnerships will help ensure more effective responses through increased access to supports for human resource planning, recruitment and retention, skill training, employment and career development and labour market information.

- 2.8 Newfoundland and Labrador will involve stakeholders at the local level to support planning activities to ensure services are tailored to meet local and regional needs.
- 2.9 Newfoundland and Labrador and Canada agree that service delivery will be maintained in communities where Service Canada has an office that currently delivers programs and services under this Agreement until a review of service delivery has been completed. These communities include: Clarenville, Corner Brook, Gander, Grand Falls-Windsor, Happy Valley, Harbour Grace, Labrador City, Marystown, Placentia, Port Aux Basques, Rocky Harbour, Springdale, St. Anthony, St. John's and Stephenville.
- 2.10 Newfoundland and Labrador will select service delivery sites carefully and will give consideration to factors such as: historical/traditional service catchment areas, program and cost effectiveness, requirements under provincial and federal workplace legislation, accessibility for persons with disabilities, the visibility needs of each order of government, and office designs that enhance client service.
- 2.11 Newfoundland and Labrador and Canada will promote strong linkages between the service delivery models for the NL Benefits and Measures and Employment Insurance (Part I) to support rapid reemployment of EI claimants and reduce dependency on federal and provincial financial assistance.

ANNEX 4

Indicators for Measuring Results of NL Benefits and Measures, and Annual Results Targets and Reporting

1.0 Purpose

The purpose of this Annex is to set out the agreement of the parties on the indicators to be used for measuring the results of the NL Benefits and Measures, the annual results target setting process, and annual results reporting.

2.0 Results Measurement Indicators

2.1 Canada and Newfoundland and Labrador agree that the following indicators are to be used in measuring the results of the NL Benefits and Measures:

- (a) the number of Active EI Claimants who have accessed NL Benefits and Measures;
- (b) the number of EI Clients returned to employment; and
- (c) savings to the Employment Insurance Account.

3.0 Annual Targets and Target-Setting

3.1 Canada and Newfoundland and Labrador agree that the annual targets for the three results indicators will be mutually agreed to and be based upon historical data, socio-economic and labour market context, local or regional priorities, the characteristics or requirements of clients, and the funds available for the NL Benefits and Measures. Canada and Newfoundland and Labrador agree that the results targets for the first Fiscal Year of implementation of the NL Benefits and Measures will be soft targets.

3.2 The results targets for each Fiscal Year will be set out in the Annual Annex for that Fiscal Year.

4.0 Reporting of Results

4.1 Canada and Newfoundland and Labrador agree that the results indicators will be tracked and reported to Canada, and that on a quarterly basis Newfoundland and Labrador will provide to the Regional Executive Head, Service Canada responsible for Newfoundland and Labrador, the following Year-to-Date ("YTD") information:

- (a) Percentage of EI clients involved in Newfoundland and Labrador Benefits who are active EI claimants;
- (b) Number of EI clients and the number of active EI claimants who are employed or self-employed, broken down by Newfoundland and Labrador Benefit and the average cost. EI clients are considered as employed if they:

- (i) have drawn 25 percent or less of their Employment Insurance entitlement for twelve consecutive weeks (applies to active EI claimants who return to employment twelve weeks or more before the end of their benefit period); or,
 - (ii) draw 25 percent or less of their Employment Insurance entitlement in all their remaining weeks on benefits (applies to active EI claimants who return to employment less than twelve weeks before the end of their benefit period); or,
 - (iii) are recorded as employed at the completion of their intervention(s) (applies to EI clients who return to employment after the end of their benefit period or who were not active EI claimants); or,
 - (iv) are employed when contacted twelve weeks after the completion of their intervention(s) (applies to insured participants who return to employment after the end of their benefit period or who were not active EI claimants);
- (c) Year-to-Date savings to the Employment Insurance Account as a result of active EI claimants becoming employed before making a full draw on their insurance entitlement (Part I insurance benefit entitlement minus actual Part I payout); and
- (d) the number of EI clients and the number of active EI claimants who have completed their intervention, broken down by type and average cost per intervention, as well as the number of active EI claimants who have yet to complete their intervention.

ANNEX 5

Canada-Newfoundland and Labrador Exchange of Information and Data Sharing Arrangements

1.0 Purpose

- 1.1 The purpose of this Annex to the Canada-Newfoundland and Labrador Labour Market Development Agreement (LMDA) is to provide for the exchange of information, including personal information as defined in section 3 of Canada's *Privacy Act* and section 2 of Newfoundland and Labrador's *Access to Information and Protection of Privacy Act*, between the parties. Personal information includes social insurance numbers.

2.0 Authorities

Canada to Newfoundland and Labrador:

- 2.1 With respect to the information to be provided by Canada to Newfoundland and Labrador under section 3 of this Annex, Canada confirms that it is authorized under section 34(1) of the *Department of Human Resources and Skills Development Act (DHRSD Act)* to provide such personal information to Newfoundland and Labrador for the purposes set out in section 3. In this regard:
- (a) the personal information set out in section 3 consists of information obtained by the Canada Employment Insurance Commission or the Department of Human Resources and Skills Development, styled as the Department of Human Resources and Social Development, from persons under the *Employment Insurance Act (EI Act)*, and of information prepared from such information;
 - (b) subsection 34(1) of the *DHRSD Act* authorizes the disclosure of the aforementioned personal information to any person or body for the administration or enforcement of the program for which it was obtained or prepared; and
 - (c) the personal information described in section 3 of this Annex will be disclosed to Newfoundland and Labrador only for the purposes described herein.

Newfoundland and Labrador to Canada:

- 2.2 With respect to the personal information to be provided by Newfoundland and Labrador to Canada under section 4 of this Annex, Newfoundland and Labrador confirms that it is authorized under section 39(1)(d) of Newfoundland and Labrador's *Access to Information and Protection of Privacy Act* to provide such information to Canada for the purposes set out in section 4.

3.0 Information to be Provided by Canada to Newfoundland and Labrador

3.1 Canada will provide to Newfoundland and Labrador, when requested by Newfoundland and Labrador, on a per individual basis, the following personal information under its control from an individual's file for the purposes of:

(a) assisting Newfoundland and Labrador in establishing and verifying if the individual qualifies as an EI client (who is not an active EI claimant) and is therefore eligible for, or entitled to, assistance under Newfoundland and Labrador programs:

- name
- social insurance number
- address
- postal code
- telephone number
- date of birth
- responsible Service Canada Centres— if available
- gender
- language (French or English)
- EI client status

And,

(b) in respect of an individual who has been determined to be an active EI claimant who is eligible for, or entitled to, assistance under Newfoundland and Labrador programs, assisting Newfoundland and Labrador in determining the nature and level of financial assistance to be provided to the EI client under Newfoundland and Labrador programs:

- name
- social insurance number
- address
- postal code
- telephone number
- date of birth
- responsible Service Canada Centre – if available
- gender
- language (French or English)
- EI client status
- number of previous claims in the last five years (60 months)
- disqualified – yes/no
 - if yes - number of disqualification weeks
 - if yes - disqualification effective date
 - if yes - disqualification weeks remaining
- disentitlement – yes/no
 - if yes - disentitlement start date
 - if yes - disentitlement end week
- disentitlement/disqualification messages according to reason codes:
 - disentitlement suspension possible for Part II – Contact Service Canada
 - disentitlement cannot be suspended. Client not eligible for Part I
 - disqualification suspended for Part II

- disqualification cannot be suspended. Client not eligible for Part I
- stop payment – yes/no
 - if yes – date of stop payment
- type of EI benefit (claim type, e.g. regular, etc.)
- benefit period commencement (BPC)
- last week processed
- week of renewal
- EI benefit rate – Part I
- federal tax deducted
- provincial tax deducted
- number of eligible weeks
- number of weeks paid (number of weeks paid special benefits and number of weeks paid regular benefits identified if on same claim)
- expected end date of Part I
- identification if on measure –
 - “Notice: Client is currently on an intervention - dates of intervention”
 - “Notice: Interventions taken on own initiative - dates”
 - “Notice: The client is participating on his/her own self-employment initiative – dates of initiative”
- identification if about to commence a measure – “Notice: Client to commence intervention on (date)”
- identification if recently participated on a measure - “Notice: The client was previously on an intervention, dates”
- “Provincial/Territorial parental benefit applied for – Client payments not initiated – Contact Service Canada Centre”
- “Active Claim – Provincial/Territorial parental benefits” - Provincial Parental Benefits may be considered the same as EI maternity, paternity or parental benefits – Contact Service Canada Centre”
 - Yes (D56/D57)
 - Yes – Contact Service Canada (this is when there is a reachback Provincial Parental Benefit)
 - No
 - N/A
- apprenticeship (yes/no)
- apprenticeship waiting period waived (yes/no)
- allocation of earnings weekly amount
- allocation of earnings
 - start date of allocation of earnings
 - end date of allocation of earnings
 - last week of allocations of earnings

3.2 Upon request, on a per individual basis Canada will provide to Newfoundland and Labrador all or any of the following personal information under its control on all EI clients who have received assistance from Newfoundland and Labrador under Newfoundland and Labrador programs for use by Newfoundland and Labrador in modifying, updating and/or reviewing the information submitted to Canada. This information was initially provided to Canada pursuant to section 4.1 of this Annex regarding the referral by Newfoundland and Labrador, for purposes of Section 25 of the *EI Act*, of an active EI claimant to a Newfoundland and Labrador training or self-employment program:

- name
- social insurance number
- Service Canada Centre code
- project type
- train(ing) ID
- start week(s)/date(s) of intervention
- end week(s)/date(s) of intervention
- project Responsibility Centre code
- project number
- apprentice indicator
- intervention break start week/date
- intervention break end week/date
- agreement number
- institution code (if available)
- no claimant report code
- rate (EI Part II)

3.3 Canada will provide to Newfoundland and Labrador all or any of the following personal information under its control on all EI clients and non-EI clients who have received assistance from Newfoundland and Labrador under Newfoundland and Labrador programs, for use by Newfoundland and Labrador for the review, analysis and verification of the data calculated/held by Canada for monitoring, assessment and reporting purposes. This information will be provided in a mutually agreed upon format.

3.3.1 Based on the monthly EI client and non-insured participant files (interventions) provided by Newfoundland and Labrador in section 4.2, the following personal information will be provided to Newfoundland and Labrador by Canada in a return file to assist Newfoundland and Labrador in reviewing and verifying Canada's reporting of results:

- social insurance number
- apprenticeship client indicator
- benefit rate
- benefit period commencement
- last week of entitlement
- month code
- unpaid benefits
- last week processed
- new benefit period commencement
- total weeks paid
- training ID
- training/self-employment project start week
- training/self-employment project end week
- unit 43 – active EI claimants employed before end of insurance entitlement period as a result of a Newfoundland and Labrador program
- unit 44 – active EI claimants employed after insurance entitlement period as a result of a Newfoundland and Labrador program
- unit 45 – non case-managed active EI claimants employed before the end of their entitlement period as a result of a Newfoundland and Labrador group service
- unit 46 – former EI claimants employed as a result of a Newfoundland and Labrador program

- unit 52 – unpaid benefits (EI Part I) resulting from EI claimants employed before end of insurance entitlement period, as a result of a Newfoundland and Labrador program (corresponds to unit 43 – non-TWS)
- unit 53 – unpaid benefits (EI Part I) resulting from EI claimants employed before end of insurance entitlement period as a result of a Newfoundland and Labrador targeted wage subsidy intervention (corresponds to unit 43 – TWS)
- unit 54 – unpaid benefits (EI Part I) resulting from EI claimants employed before end of insurance entitlement period as a result of a Newfoundland and Labrador group service (corresponds to unit 45)
- unit 143 – LMDA EI claimant who finds employment before the end of their entitlement period as a result of a Newfoundland and Labrador program
- unit 144 – LMDA EI claimant who is recorded as employed after their entitlement period
- unit 145 – LMDA EI claimant who becomes employed before the end of their entitlement period as a result of Newfoundland and Labrador Group Services
- unit 146 – former LMDA EI claimant who becomes employed as a result of a Newfoundland and Labrador program
- unit 152 – EI LMDA unpaid benefits (EI Part I) resulting from EI claimants employed before end of insurance entitlement period, as a result of a Newfoundland and Labrador program (corresponds to unit 143 non – TWS)
- unit 153 – EI LMDA unpaid benefits (EI Part I) resulting from EI claimants employed before end of insurance entitlement period as a result of a Newfoundland and Labrador Targeted Wage Subsidy intervention (wage subsidy – corresponds to unit 143 – TWS program)
- unit 154 – EI LMDA unpaid benefits (EI Part I) resulting from EI claimants employed before end of insurance entitlement period as a result of a Newfoundland and Labrador group service (corresponds to unit 145)
- result week of action plan/intervention
- result date of action plan/intervention
- action plan result
- result week
- intervention code
- intervention start date
- intervention end date
- provincial Responsibility Centre code
- weeks paid sub-counter
- initial benefit period
- EI client status
- group services type
- date of group session

3.4 Upon request, and based on the monthly EI client and non-insured participant files (interventions) provided by Newfoundland and Labrador in section 4.2, the following personal information will be provided to Newfoundland and Labrador for the review and verification of Canada’s reporting of results. The personal information will be provided in two different formats. One format will be structured for determining clients served, and the other for non-insured participants (interventions) (intervention counts and designated group information):

- social insurance number
- age

- action plan result
- EI client type
- action plan creation date
- action plan start date
- action plan end date
- action plan result
- action plan result date
- designated group indicators (persons with disabilities, members of visible minority groups, women, aboriginal peoples)
- intervention start date
- intervention end date
- missing action plan indicator
- gender
- Responsibility Centre code
- intervention code (type of intervention)

3.5 Upon being provided with criteria by Newfoundland and Labrador, Canada will search its records and provide to Newfoundland and Labrador the following personal information under its control with respect to EI clients who are active EI claimants residing in Newfoundland and Labrador who meet those criteria. The provision of this information is for the purpose of assisting Newfoundland and Labrador in contacting active EI claimants who may be interested in receiving assistance under Newfoundland and Labrador programs funded under this LMDA:

- name
- address including postal code
- phone number including area code
- official language of service (written)
- official language of service (spoken)

3.6 Upon request, Canada will provide to Newfoundland and Labrador the following personal information under its control on all EI clients residing in Newfoundland and Labrador to assist Newfoundland and Labrador in the strategic planning of the delivery of its programs:

- postal code
- benefit period commencement
- weeks paid
- claim type
- EI claim status
- number of entitlement weeks
- renewal week
- first week of the last claimant's report sent
- insured weeks/hours
- National Occupational Classification (NOC) code
- last week processed
- gender (where available as self-identified information)
- disability status (where available as self-identified information)
- visible minority (where available as self-identified information)

- aboriginal group (where available as self-identified information)
- date of birth – month and year
- preferred official language (French or English)

Any reports created which involve these data elements must be reported in cells of no less than 10.

3.7 Upon being provided with the information outlined in section 4.3 of this Annex, Canada will provide those Newfoundland and Labrador employees identified pursuant thereto with the following information to permit electronic access to Canada's personal information outlined herein:

- employee name
- usercode number
- temporary password
- temporary authorization code

3.8 Upon the assignment to Newfoundland and Labrador by Canada, pursuant to the assignment agreement to be entered into between the Parties under Article 7 of the LMDA, of financial assistance agreements that Canada has signed with recipients under its programs, Canada will provide to Newfoundland and Labrador, on a one-time only basis, all of the information held in records, both electronic and hard copy, pertaining to the assigned agreements. This will ensure the continuity of service to clients of Canada.

3.9 Newfoundland and Labrador understands that it cannot use any of the personal information received from Canada under this Annex for research or statistical purposes.

3.9.1 Should Newfoundland and Labrador wish to receive from Canada personal information for research and/or statistical purposes, Canada will assess each request on a case-by-case basis. Canada may make personal information available to Newfoundland and Labrador for research and/or statistical purposes upon being satisfied that the conditions set out in section 38 of the *DHRSD Act* are met. The information to be shared would be the subject of a separate information-sharing agreement.

3.10 For the purposes of

- (a) detecting overpayments of financial assistance due to error, misrepresentation or fraud,
- (b) collecting or recovering overpayments, or
- (c) instituting legal proceedings

in relation to an individual or individuals receiving, or who have received, assistance from Newfoundland and Labrador under Newfoundland and Labrador programs funded under this LMDA, Canada will provide to Newfoundland and Labrador where available and upon written request, on a per individual basis, the following personal information under its control about an individual:

- name
- social insurance number
- address including postal code

- benefit commencement period
- claim termination date
- number of entitlement weeks
- weekly benefit rate (gross)
- weekly benefit rate (net)

4.0 Information to be Provided by Newfoundland and Labrador to Canada

4.1 Newfoundland and Labrador will provide to Canada the following personal information under its control about each EI client receiving assistance under Newfoundland and Labrador programs for the purposes of assisting Canada in verifying client eligibility for, or entitlement to, insurance benefits under Part I of the *EI Act*, and ensuring that EI clients who are active EI claimants continue to receive the insurance benefits to which they are entitled while participating in a Newfoundland and Labrador program (for purposes of section 25 of the *EI Act*):

- name
- social insurance number
- project type
- training ID
- start week(s)/date(s) of intervention
- end week(s)/date(s) of intervention
- project responsibility centre code
- project number
- apprentice indicator
- intervention break start week/date
- intervention break end week/date
- agreement number
- institution code (if available)
- no claim report code
- rate (EI Part II)

4.2 Where available, Newfoundland and Labrador will provide to Canada the following personal information under its control

- (a) about each EI client who is participating in Newfoundland and Labrador programs, and
- (b) about each non-insured participant who is participating in Newfoundland and Labrador programs funded under this Agreement,

for the purpose of assisting Canada in monitoring, assessing and evaluating the effectiveness of the assistance provided by Newfoundland and Labrador under Newfoundland and Labrador programs, which Canada is required to do under Article 11 of this LMDA:

- name
- social insurance number
- address
- postal code
- date of birth

- telephone number, including area code
- gender (as self-identified information)
- marital status
- family type
- number of dependents
- disability status/type (as self-identified information)
- visible minority (as self-identified information)
- aboriginal group (as self-identified information)
- youth at risk
- name of intervention in which individual is involved, including apprenticeship
- provincial intervention code
- start date(s) of intervention
- end date(s) of intervention
- duration of intervention (hours/weeks)
- start/creation date(s) of action plan
- end date(s) of action plan
- NOC code for training
- action plan result
- educational attainment, including post-secondary
- type of employment obtained (full-time/part-time)
- NOC code of employment obtained
- date of action plan result
- official language preferred (French or English)
- language of service (French or English)
- language of intervention received (French or English)
- intervention outcome (including reason for non-completion, where available)
- group services type
- group services completion date
- provincial responsibility code
- earnings (hourly/weekly/monthly)
- EI client status
- client social assistance status
- type of benefit income from government sources
- labour force attachment prior to intervention
- case file number/file number
- citizenship/immigration status
- immigration – date of arrival in Canada
- current/last employment, including NOC code, years of experience, part-time/full-time, start date, end date, salary, reason for leaving job
- intervention code
- type of training institution (public/private), part-time/full-time attendance, program name
- year round / seasonal job
- type of employer (private sector, non-profit organization)
- self-employment benefit (SEB) type of assistance (coaching, business plan, ongoing technical assistance)
- record last access date

The information in this section will be updated by Newfoundland and Labrador on a monthly basis.

4.3 Newfoundland and Labrador will provide to Canada the following personal and non-personal information under its control about each provincial employee who requires access to Canada's systems and who has completed the security screening, as required in section 8.2 of this Annex:

- name, including middle name
- date of birth
- unique personal identifier (not to exceed 8 characters)
- Responsibility Centre code
- user's e-mail address
- Public Key Infrastructure
- Application required:
 - LMDA Access
 - Common System for Grants and Contributions (must include Responsibility Centre and access level)
- date of reliability check completion
- name of approving authority
- position of approving authority
- signature of approving authority
- date authority approved

4.4 For the purposes of

- (a) detecting overpayments of insurance benefits under Part I of the *EI Act*, due to error, misrepresentation or fraud, to an individual or individuals who are participating in, or have participated in Newfoundland and Labrador programs funded under this agreement ,
- (b) collecting or recovering overpayments of Part I benefits to an individual referred to in paragraph (a), or
- (c) instituting legal proceedings in relation to the matters referred to in paragraphs (a) and (b),

Newfoundland and Labrador will provide to Canada upon written request on a per individual basis, any or all of the following personal information under its control about an individual:

- name
- address
- social insurance number
- reason client is not capable of work/intervention/service
- reason client is not available for work/intervention/service
- reason earnings not reported to Canada during the weeks they were earned
- date(s) absent from Canada/area without authorization
- reason absent from Canada/area without authorization
- reason for separation from employment
- whether or not the client reported for an interview as directed
- interview details (counsellor seen/scheduled to be seen, date, time and location of interview)
- method used to direct client to report

- reasons for not reporting (e.g. no contact, not interested in service, family obligations, transportation difficulties, unable to attend - and any reasons given, withdrawal from the labour force - and any reasons given)
- date of return to work
- employer name
- employer phone number including area code
- reason for withdrawal from program
- reason for termination from program

4.5 Newfoundland and Labrador may also, on its own initiative, provide to Canada the information listed in section 4.4 about any individual who has received, or is receiving, assistance under Newfoundland and Labrador programs where it suspects that the individual was/is not entitled to that assistance, and/or may have received or be receiving insurance benefits under Part I of the *EI Act* to which the individual was/is not entitled.

5.0 Mode of Information Exchange

5.1 Personal information and reports covered by this Annex will be provided by each party in a mutually agreed format, frequency and manner.

5.2 Canada and Newfoundland and Labrador agree to notify each other within a reasonable time of any change affecting communication protocols or methods, data bank access procedures or systems. The parties agree to participate in compatibility tests when changes are made to such protocols, methods or procedures.

5.3 Newfoundland and Labrador may request improvements to Canada's applications used by Newfoundland and Labrador. If deemed appropriate, suggested improvements will be taken into account in Canada's priority-setting process. Nothing in this clause limits the development activities that must be pursued by both parties in order to ensure personal information exchange between the two organizations.

5.4 Canada agrees to inform Newfoundland and Labrador, in accordance with the procedures agreed upon by both parties, of any new federal application or any new version of a federal application that is relevant to this Annex.

5.5 Canada and Newfoundland and Labrador agree to enter into a separate service level agreement outlining systems and security requirements.

5.6 Canada and Newfoundland and Labrador are committed to ensuring that the personal information they provide to each other under this Annex is reliable, and is provided in a timely, secure, and confidential manner, and they agree to work together in achieving this goal.

6.0 Confidentiality, Use and Disclosure

6.1 Canada and Newfoundland and Labrador undertake to use their best efforts to fully maintain and protect the confidentiality of the personal information they receive under this Annex.

- 6.2 Subject to sections 6.3 and 6.4, Canada and Newfoundland and Labrador shall not, in respect of any personal information they obtain from each other under this Annex:
- (a) use that information for a purpose other than that for which it was respectively provided to them; and
 - (b) disclose that information to any person or body for a purpose other than that for which it was respectively provided to them.
- 6.3 Canada and Newfoundland and Labrador may use personal information they obtain from each other under this Annex for a purpose other than that for which it was obtained:
- (a) with the consent of the individual to whom that information relates;
 - (b) with the written consent of the party that provided the information; or
 - (c) if required by legislation.
- 6.4 Canada and Newfoundland and Labrador may disclose personal information they obtain from each other under this Annex to any person or body for any purpose:
- (a) with the consent of the individual to whom that information relates;
 - (b) in a form that cannot reasonably be expected to identify the individual to whom that information relates; or
 - (c) if required by legislation.
- 6.5 Unless otherwise required by law or authorized in writing by the other party and subject to section 6.2, a party shall not disclose any personal information, obtained from the other party under this Annex, to a third party for a purpose authorized herein unless there is a written agreement between that party and the third party, imposing upon the third party obligations that are the same as those imposed upon that party under this Annex with respect to the protection of this information.
- 6.6 In the event of a request under Canada's *Access to Information Act* or *Privacy Act* for personal information obtained from Newfoundland and Labrador under this Annex, Canada agrees to consult, when required, with Newfoundland and Labrador, prior to any disclosure of such information. In the event of a request under Newfoundland and Labrador's *Access to Information and Protection of Privacy Act* for information obtained from Canada under this Annex, Newfoundland and Labrador agrees to consult, when required, with Canada, prior to any disclosure of such information. No consultation obligation referred to in this section will be construed as limiting any legal duty in respect of any disclosure referred to in this section.
- 6.7 The exchange of personal information between Canada and Newfoundland and Labrador as a result of Newfoundland and Labrador's use of Canada's Common System for Grants and Contributions to manage its programs, on an interim basis, will be addressed in a separate Interim Corporate Management Agreement to be entered into between the parties following the signing of this LMDA.
- 6.8 For greater certainty,
- 6.8.1 "Interim Corporate Management Agreement" ("ICMA") means the agreement entered into between Canada and Newfoundland and Labrador for the purpose of establishing, on an

interim basis, the terms and conditions governing the use by Newfoundland and Labrador of Canada's Common System for Grants and Contributions (CSGC) and the processes related to the financial management to support Newfoundland and Labrador programs, and

6.8.2 "Common System for Grants and Contributions" or "CSGC" means Canada's system through which financial and non-financial data are captured and tracked in relation to grant and contribution recipients.

7.0 Costs

7.1 Costs incurred by a party in carrying out its obligations hereunder will be the responsibility of that party.

8.0 Information Management

8.1 The personal information exchanged under this Annex shall be collected, used, retained, disclosed, destroyed or disposed of, and otherwise administered in accordance with:

- (a) in the case of Canada, the *Privacy Act*, the *Department of Human Resources and Skills Development Act*, the *Employment Insurance Act*, the *Library and Archives of Canada Act*, the Government of Canada Security Policy, applicable departmental policies and protocols and supporting operating directives and guidelines, covering the administrative, technical and physical safeguarding of the personal information; and,
- (b) in the case of Newfoundland and Labrador, the *Access to Information and Protection of Privacy Act*, the regulations thereto, and any related data security and retention of records directives, policies and guidelines covering the administrative, technical and physical safeguarding of the personal information.

8.2 In addition to the requirements outlined in subsection 8.1, individuals with access to personal information provided by Canada must obtain a "Reliability Status" (or provincial equivalent), as required by the federal Government Security Policy.

8.3 The parties will take all reasonable measures to observe the personal information management requirements mentioned in subsection 8.1 to ensure the security, confidentiality and integrity of information exchanged under this Annex and to safeguard the information against accidental or unauthorized access, disclosure, use, modification and deletion.

8.4 Each party will promptly notify the other party of any unauthorized disclosure or use of the personal information and will furnish the other party with full details of the unauthorized disclosure or use of that information.

8.5 In the event of an occurrence described in subsection 8.4 above, the party responsible for the security, confidentiality and integrity of the personal information will promptly take corrective action to remedy the situation and take all reasonable steps to prevent a recurrence of the event.

8.6 The parties will, on a periodic and mutually agreed upon basis and format, audit their respective information management practices and procedures as appropriate, at intervals of not greater than every 5 years, to ensure:

- (a) compliance with the requirements of subsection 8.1, and
- (b) the security, confidentiality and integrity of the personal information exchanged under this Annex.

The parties agree to provide a copy of their respective audit reports to each other.

8.7 Where deficiencies in a party's information management practices affecting compliance with the requirements of subsection 8.1 or the security, confidentiality and integrity of information exchanged under this Annex are identified in an audit report, the party concerned shall take appropriate corrective action to remedy these deficiencies.

9.0 Accuracy of Information

9.1 Each party will use its best efforts to ensure the completeness and accuracy of the personal information provided to the other under this Annex. However, it is understood and agreed that they cannot guarantee its accuracy and completeness and will, therefore, not be held responsible by the other party for any damage resulting from the transmission or use of any information that is inaccurate or incomplete.

10.0 General

10.1 This Annex can be amended with the written consent of both parties.

ANNEX 6

Employee Transfer Agreement

(To be negotiated by the Parties.)