

Annual Report 2003-04

Department of Human Resources, Labour and Employment



Investing in People ...

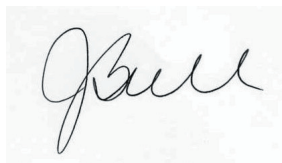
Building the Future Together

TRANSMITTAL LETTER

Honourable Harvey Hodder, M.H.A
Speaker
House of Assembly

I am pleased to submit the Annual Report for the Department of Human Resources, Labour and Employment, which details the department's activities and achievements from April 1, 2003 to March 31, 2004.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Joan Burke', is centered on a light gray rectangular background.

Joan Burke
Minister of Human Resources, Labour and Employment

Cover Photo Credits:

Front Row (1-r): Participants of Women in Successful Employment Program (WISE); Photo courtesy of Innovation, Trade and Rural Development. 2nd Row (1-r): Photo courtesy of Health Canada; Photo courtesy of Comstock; Employees of Human Resources, Labour and Employment, Grand Falls-Windsor Office. 3rd Row (1-r): Both photos courtesy of Innovation, Trade and Rural Development.

TABLE OF CONTENTS

Departmental Overview

2

Highlights and Accomplishments

5

Key Statistics

9

Corporate Services

19

Research and Evaluation

22

Opportunities and Challenges

23

Appendices

24

MISSION

The department's mission is to support human resource development through income and employment supports, youth services and immigration and by promoting labour market development to help ensure the well-being of individuals, families and communities.

The Department of Human Resources, Labour and Employment plays a critical role in supporting the people of Newfoundland and Labrador by providing a range of income, employment and labour market supports. As a result of restructuring in February 2004, the department now has five areas of service: Income Support, Employment Support, Youth Services, Labour Market Development and Immigration.

Legislative authority for HRLE's programs and services is currently provided by the *Social Assistance Act*, *Social Services Appeal Board Act* and *Rehabilitation Act*. These acts will be repealed upon proclamation of the new *Income and Employment Support Act* passed by the House of Assembly in December 2002. Proclamation is expected in late Fall 2004.

With net expenditures of approximately \$267M in 2003-04, HRLE is one of the largest departments in the provincial government.

HRLE has four branches:¹

- Programs
- Corporate Services
- Policy, Planning and Labour Market Development
- Youth Services

Approximately 550 staff in 46 district offices and at the provincial office provided clients and the general public with a direct link to services in 2003-04.² Offices are located in four regions: Avalon, Central, Western and Labrador.

¹ See Appendix A for departmental organizational chart.

² A list of offices and contact information is located in Appendix E

AREAS OF SERVICE

HRLE has five areas of service: Income Support, Employment Support, Labour Market Development, Youth Services and Immigration.

The department works collaboratively with community agencies, boards and other government departments to ensure that its services are responsive to individual needs and to broader social and economic objectives. In February 2004, the work of the department was enhanced with the integration of youth employment programs to support the transition of young people from income support to the workplace. As well, the Newfoundland and Labrador Housing Corporation, which is responsible for social housing, the Workplace Health, Safety and Compensation Commission and Workplace Health, Safety and Compensation Review Division report to the Minister of Human Resources, Labour and Employment. The department has also assumed the lead provincial role for immigration, with a focus on labour market integration and settlement services. The Labour Relations Agency, formerly the Department of Labour, is accountable through the Minister of HRLE.

INCOME SUPPORT

- Provides financial assistance with daily living expenses, such as food, shelter, clothing, medical transportation and special needs.
- Provides Newfoundland and Labrador Child Benefit and Mother Baby Nutrition Supplement for low income families.
- Provides assistance in moving from Income Support to employment.
- Provides assistance in securing spousal and child support and for spouses leaving violent family situations.
- Responds to emergency and disaster situations in partnership with community agencies.

EMPLOYMENT SUPPORT

- Provides assistance to acquire necessary skills and experience to prepare for, find and keep employment, including self-employment.
- Conducts employment assessments and develops employment plans.
- Provides financial assistance to employers offering employment experience and on-the-job training.
- Provides grants to community agencies offering employment services.
- Provides additional supports to persons with disabilities to prepare for, find and keep employment, including self-employment, and promotes inclusion and accommodation of their unique circumstances.

YOUTH SERVICES

- Provides information on provincial government youth programs and services.
- Delivers youth employment initiatives, including tuition vouchers and direct wage subsidies.
- Supports youth leadership and citizenship development through organizations such as Scouts and Guides; Allied Youth; Duke of Edinburgh's Award; Youth Advisory Committee.
- Focuses on youth with higher levels of need through the Community Youth Network, T. I. Murphy Centre and Big Brothers and Sisters.
- Supports interdepartmental and intergovernmental initiatives such as the development of an annual youth employment action plan, the model for coordination of services for children and youth and the provincial sexual health network.
- Provides executive leadership for youth policy and program development and delivery.

LABOUR MARKET DEVELOPMENT

- Builds key stakeholder partnerships to build consensus and respond to labour market issues.
- Conducts strategic research and analysis of provincial labour markets.
- Evaluates labour market services.
- Monitors employment benefits of large-scale projects.
- Monitors and assesses impacts of labour market policy and legislation.
- Leads in the administration of the federal-provincial Labour Market Development Agreement.
- Analyzes the Employment Insurance program and the impact of changes on the provincial labour force.
- Leads in the development of a provincial Career Development Strategy.

IMMIGRATION

- Analyzes the impact of immigration policies on the province.
- Develops and promotes a coordinated approach to immigration policy and program development among Government departments and external support agencies, such as settlement agencies, training institutions and advocacy groups.
- Liaises with Citizenship and Immigration Canada to support an efficient and effective response to immigration matters.
- Supports pilot projects to facilitate immigration and retention.
- Provides financial support and immigrant settlement services.

This section identifies a number of highlights and accomplishments for the Department in 2003-04.

NEW INCOME AND EMPLOYMENT SUPPORT ACT

In February 2003 the department commenced work on the development of regulations under the *Income and Employment Support Act*. An interdepartmental Steering Committee included representatives from Justice, Health and Community Services, Women's Policy Office and Executive Council, including provincial and district HRLE personnel.

During the year, departmental policies and procedures were reviewed and draft regulations prepared. Departmental staff, the Premier's Council on Social Development and the Community Alliance for Better Solutions, a group representing community agencies, were consulted during the development process.

The department is developing service standards which will outline the level of service clients can expect. Fact sheets are being prepared to provide information about areas of service, eligibility criteria, timing with regard to the receipt of benefits and confidentiality, as well as a description of programs and services. The implementation of new regulations and updated policies is scheduled for late Fall, 2004.



REDESIGN INITIATIVES

HRLE has been developing a new service delivery model and redesigning its programs and services to remove disincentives to employment. The delivery of Income Support services is being streamlined to allow staff more time and flexibility to help clients with their employment needs. The department is taking advantage of new technology so that people can apply for benefits over the telephone and call toll-free lines for information about the full range of programs and services available. While clients may still choose to visit local offices, the requirement for them to do so in order to receive services will be significantly reduced.

In 2003-04 the department's redesign efforts focused on the development and implementation of the technological infrastructure required to support a new service delivery model.

Redesign Initiatives in 2003-04

- **Introduced a Client Service Management System (CSMS) in all departmental offices in the province. This system supports the work staff do in assisting clients in their efforts to prepare for, find and maintain a job.**
- **Completed development of a new Client Automated Pay System (CAPS) to assist staff in the delivery of Income Support. It was introduced in six district offices in Western Region, with full provincial implementation scheduled for 2005-06.**
- **Began making the shift from a paper environment to an electronic document retrieval and storage system. This new technology has been implemented in Western Region and the St. John's Metro Office, with full provincial implementation scheduled for 2004-05.**
- **As a result of initiatives introduced, the department has achieved a moderate increase in capacity to provide employment services to Income Support clients and the community in general. Efforts are ongoing to build on these achievements.**

EMPLOYMENT AND CAREER SERVICES

- A new computerized client service management system (CSMS) was implemented which captures the assessment, interventions, including counselling, and follow-up on all clients receiving case-managed employment and career services.
- To facilitate the goal of providing additional supports to youth to help them find and keep employment, officers contacted new youth entrants to inform them about the department's programs, assess their eligibility for various interventions and provide them assistance with their career and employment planning. One outcome was the establishment in the Avalon Region of specialized "Y" teams to provide intensive intervention to 18-19 year-olds.
- The department developed a successor agreement to the federal-provincial Employability Assistance for People with Disabilities Agreement, to be effective April 1, 2004. The new agreement will have a stronger focus on increasing the labour market participation of persons with disabilities; a more transparent reporting framework; a reduced administrative burden and increased flexibility through the provision of advanced annual payments to jurisdictions by the federal government, based on an annual plan.
- The department initiated a comprehensive review of wage subsidies, including a major employer survey which revealed a high level of satisfaction by employers with the wage subsidy programs.
- The department provided training to staff regarding best practice strategies for supporting clients with employment-related barriers.
- The Newfoundland and Labrador Work Information Network website, NLWIN, was enhanced, enabling users to readily access information beneficial to their career planning and job search.

YOUTH SERVICES

- The Student Investment and Opportunity Corporation (SIOC) supported approximately 4,370 summer employment, co-operative work-term and graduate employment positions.
- The department offered tutoring services to more than 2,000 academically at-risk high school students.
- The department shared the lead with HRDC on the development and implementation of a Youth Employment Protocol and a Youth Employment Action Plan.

Highlights and Accomplishments 2003-04

- The department supported youth leadership and citizenship development through youth serving agencies with a combined membership of 31,000 youth. These agencies were further supported by 5,500 adult volunteers in communities throughout the province.
- The Youth Advisory Committee provided a voice for youth with the submission of their first Annual Report, which included 21 recommendations for government consideration.
- The Youth Services Division made information available through the internet about youth programs and services.

RESPONDING TO THE NEEDS OF VICTIMS OF VIOLENCE

- The department extended a pilot project to all areas of the province to provide a start-up allowance to allow Income Support clients who are victims of violence establish new residences.
- HRLE signed memoranda of understanding with transition houses in the province giving them authority to provide emergency services, including transportation, to persons who are victims of violence.
- Violence Awareness and Action Training (VAAT) continued throughout the year in each region of the province. These two-day sessions include participants from other departments and community groups and organizations.
- HRLE appointed staff representatives on transition house boards to liaise with shelters and to facilitate communication and effective service delivery.

EMERGENCY SOCIAL SERVICES

- On April 1, 2003 staff at Corner Brook set up a reception centre in anticipation of evacuating 70-100 people from their homes due to flooding. The water subsided, however, and the planned evacuation was not required.



Staff of Human Resources, Labour and Employment have a long history of providing emergency social services. Emergency situations in recent years in which the department played an integral role include: (left) accommodating stranded airline passengers on September 11, 2001 and (right) assisting residents during the Badger flood in 2003.

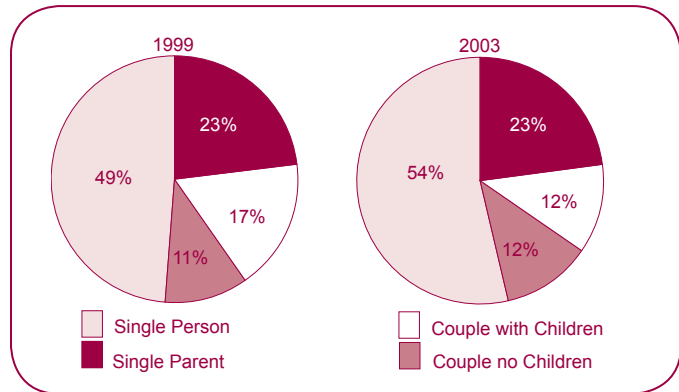
TRENDS IN INCOME SUPPORT

Caseload Size and Family Status³

In 2003 the total annual caseload was approximately 36,700, including all cases who were assisted at any point during the year. The average monthly caseload was approximately 28,400. The large difference between the two totals is due to the turnover in cases from month to month. Many Income Support cases receive assistance for only one or two months.

The Income Support caseload has declined significantly since its peak of 36,660 cases in January 1997, following a recession in the early 1990s, a moratoria on fishing and the end of federal financial assistance provided through The Atlantic Groundfish Strategy (TAGS). However, the overall caseload had a slight decline in recent years, with some variability from year to year, ranging from a drop of six per cent (2,820 cases) in 1999 to an increase of one per cent (260 cases) in 2003. This slight increase can be attributed to single employable applicants in Northeastern Avalon.

Proportion of Income Support Cases by Family Type, 1999 and 2003



The most dramatic decrease during this period has been in the number of couples with children. In 1999 there were 7,100 couples with children on Income Support; in 2003, only 4,300. Between 1999 and 2001 the number of single person cases also declined. In 2002 the number remained stable at 19,000 cases, but increased in 2003 by four per cent, to 19,700.

Single people accounted for 54 per cent of the Income Support caseload in 2003, an increase of five percentage points since 1999. The proportion of couples with children on the caseload declined by five percentage points in this same period.

Consistent with these trends, the number of children in families receiving income support has been declining. Between 1999 and 2003, the number of children declined by 26 per cent (7,000 children), faster than changes to the overall child population in the province, which declined by 12 per cent in this period. Currently, the average number of children in families receiving income support is 1.6, consistent with the provincial average for children in families.

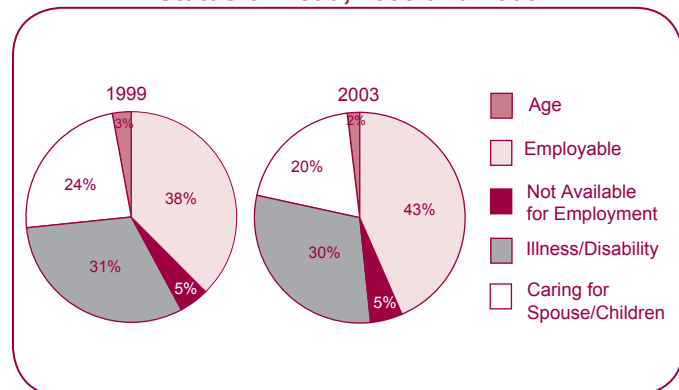
In 2003, on average each month, 1,200 cases left the Income Support program and 1,100 entered the program.

³A “case” in the Income Support program may be defined as a single person, a couple without children, a couple with children or a single parent. Caseload statistics do not report on the total number of individuals. For example, a couple with one child in receipt of income support is reported as one case.

Reason for Assistance

People seek assistance from the Income Support program for a number of reasons. In 2003, 43 per cent of the caseload identified themselves as being employable. They sought income support because they were unemployed, underemployed or did not earn enough income to meet daily living expenses. This was a higher proportion than in 1999, when 38 per cent of the caseload was employable. Fifty-two per cent of those indicating that they were available for employment in 2003 were single people. Twenty per cent of people receiving income support in 2003 required assistance to care for spouses or children.

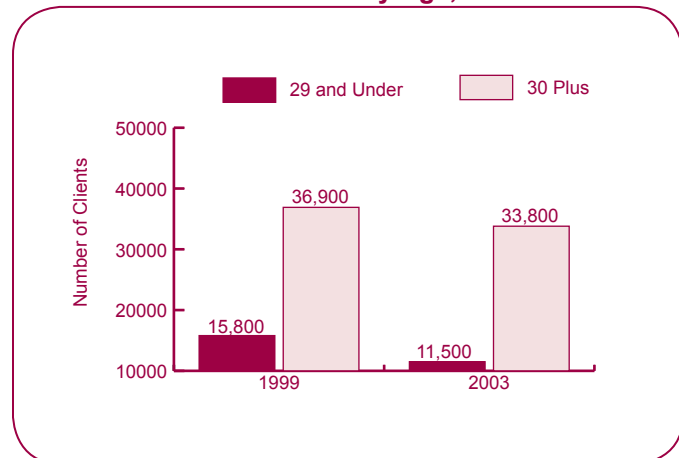
Proportion of Income Support Cases by Employment Status of Head, 1999 and 2003



Age

Individuals receiving income support are getting older. In 1999, 70 per cent of those receiving income support were 30 years and older. By 2003, that proportion had increased to 75 per cent. The number of youth (18-29 years) receiving income support has declined by 27 per cent since 1999. Overall, in 2003 youth represented one-quarter of the Income Support caseload and almost half (45%) of all new entrants to the program. Sixty-three per cent of new youth entrants in 2003 were single persons without dependents, and 22 per cent were single parents.

Number of Adult Clients by Age, 1999 and 2003



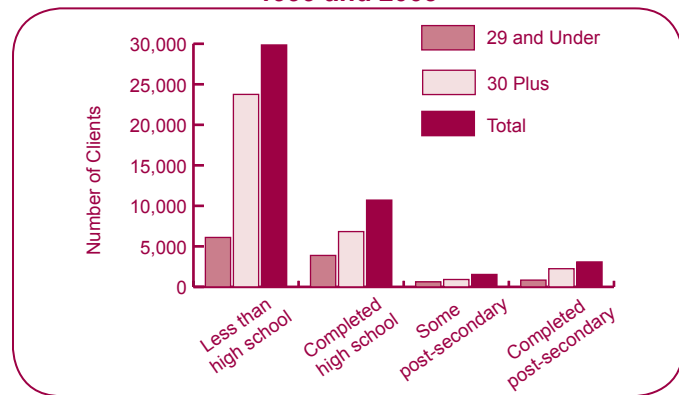
Gender

In 2003, 54 per cent of the caseload were women and 46 per cent were men. These proportions varied slightly by age group – 57 per cent of those aged 18-44 years receiving income support were women and 43 per cent were men.

Education

Education levels have been increasing among those receiving income support, especially for youth. Thirty-four per cent of adults (18 years and older) receiving income support had completed high school in 2003, up from 30 per cent in 1999. However, there are significant differences by age group. In 2003, 39 per cent of youth (18-29 years) receiving income support had completed high school, and another seven per cent had completed post-secondary. A significantly lower proportion, 22 per cent, of those aged 45 years and older and receiving income support had completed high school, and an additional four per cent had completed post-secondary.

Income Support Caseload by Age and Education, 1999 and 2003

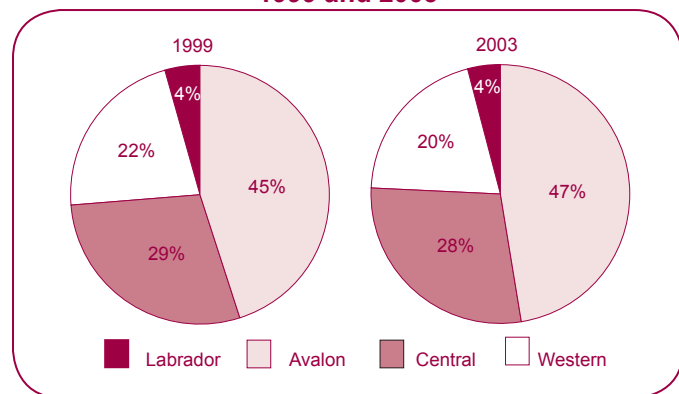


Low levels of education continue to pose a major barrier to employment, especially among older clients. Given current labour market trends and the demand for skilled labour, it is likely to present greater challenges in the future.

Regional Distribution

Consistent with the geographic distribution of the provincial population, about 47 per cent of people receiving income support live in the Avalon Region; approximately four per cent live in Labrador. Since 1999 the proportion of the caseload living on the Avalon has increased; slight decreases have been observed in all other regions.

Proportion of Income Support Cases by HRE Region, 1999 and 2003



Income Supplements

Income supplements are provided to assist individuals working or receiving income from other sources, such as Canada Pension Plan, Employment Insurance or Old Age Security, but who do not have enough income to meet their basic needs.

In 2003, on a monthly basis, approximately one-fifth (5,800 cases) of the Income Support caseload received an income supplement; of these, an average of 1,300 people reported earnings.

EMPLOYMENT SUPPORTS

A Focus on Youth

In 2003, 47 per cent of new youth entrants (29 and under) receiving income support had less than a high school education. HRLE is redesigning its youth services with a focus on developing preventative strategies to help youth decrease their reliance on Income Support and to integrate them into the workforce.

Community Employment Initiatives

HRLE funds agencies throughout Newfoundland and Labrador that provide career and employment interventions to non-EI eligible and NewfoundJOBS clients. A list of these agencies is provided in Appendix C.

	2002-03	2003-04
KEY STATISTICS	1,200 participants (800 of these participated in NewfoundJOBS)	1,300 participants (900 of these participated in NewfoundJOBS)
	20 agencies funded	24 agencies funded

NewfoundJOBS

NewfoundJOBS provided a range of supports, including wage subsidies, to Income Support clients to help them implement their employment plans. Clients received intensive one-on-one employment and career counselling to identify barriers to employment and ways to overcome them.

	2002-03	2003-04
KEY STATISTICS	2,500 participants	2,574 participants
	\$3,000,000 annual budget	\$3,200,000 annual budget
	5,500 Enhanced Screening Assessments (ESA) completed	5,800 Enhanced Screening Assessments (ESA) completed

Linkages Program

Linkages is delivered in partnership with 48 community-based agencies throughout the province. It provided jobless youth 26 weeks of career-related paid employment and an opportunity to participate in career planning workshops to gain career awareness and find employment.

	2002-03	2003-04
KEY STATISTICS	285 participants (18-24 years old)	226 participants (18-24 years old)
	\$1,600,000 annual budget	\$1,450,000 annual budget
	Over 80 per cent of participants were outside the St. John's urban area	88 per cent of participants were outside the St. John's urban area

Wage Subsidy Programs

Wage subsidy programs, such as the Seasonal Employment Program and the Employment Generation Program, assisted Income Support clients and other unemployed, underemployed and seasonal workers in finding jobs and gaining valuable work experience. These programs were used by both profit and non-profit organizations.

	2002-03	2003-04
KEY STATISTICS	385 participants	347 participants
	\$1,385,000 annual budget	\$1,185,000 annual budget
	Over 70 per cent of work placement projects were outside of the greater St. John's urban area	72 per cent of work placement projects were outside of the greater St. John's urban area

Adult Basic Education

To address the educational barriers of clients on Income Support (two-thirds of whom have not completed high school), HRLE partners with the Department of Education and the College of the North Atlantic to enhance client access to the Adult Basic Education, Level II and III programs.

	2002-03	2003-04
KEY STATISTICS	489 participants	486 participants (249 were youth) 163 male, 323 female
	108 participants completed ABE level III	125 participants completed ABE level III

Key Statistics

Linking Income Support Clients with Federal Employment Supports

HRLE assesses and refers eligible Income Support clients to Human Resources Development Canada for employment services available through the Labour Market Development Agreement.

	2002-03	2003-04
KEY STATISTICS	2,500 people were referred to HRDC	2,306 people were referred to HRSDC
	38 per cent received counselling, 27 per cent found employment, 30 per cent were involved in skills development and the remaining 5 per cent were involved in youth programs	44 per cent received counselling, 27 per cent found employment, 26 per cent were involved in skills development and the remaining 3 per cent were involved in youth programs

NLWIN

The Newfoundland and Labrador Work Information Network (NLWIN) internet site (www.gov.nl.ca/nlwin) and toll-free hotline (1-800-563-6600) provides access to up-to-date provincial information on career and employment planning.

	2002-03	2003-04
KEY STATISTICS	5,300 calls to the toll-free hotline	4,700 calls to the toll-free hotline
	98,209 hits to the NLWIN website	157,525 hits to the NLWIN website

Employability Assistance for Persons with Disabilities

The Employability Assistance for People with Disabilities (EAPD) Agreement is a cost-shared initiative with the Government of Canada to provide services and supports to help persons with disabilities enter the labour market.

A list of community employment corporations through which these services are offered is provided in Appendix C.

Grants to Community Partners funds the provision of employment services and supports to eligible clients with disabilities. A list of community partners receiving grants in 2003-04 is provided in Appendix C.

KEY STATISTICS	2002-03	2003-04
	Training Services Program - 265 participants, \$2,135,000 annual budget	Training Services Program - 269 participants, \$2,135,000 annual budget
	Supported Employment Program - 1,800 participants, 574 clients found employment (379 of these required job trainers), \$3,420,000 annual budget	Supported Employment Program 1,800 participants, 554 clients found employment (378 of these required job trainers), 44 self-employed, \$3,420,000 annual budget
	Grants to Community Partners - 473 clients were served, \$1,383,800 annual budget	Grants to Community Partners - 564 clients were served, \$1,383,800 annual budget

YOUTH SERVICES

Wage Subsidy

Funding was provided for wage subsidies to encourage student employment through cooperative education, work-term placements, graduate employment and summer employment placements throughout the province. A new \$2 million Youth Opportunities Program was introduced to further support post-secondary graduates to make a connection with the local labour market and remain in the province.

KEY STATISTICS	2002-03	2003-04
	1,309 participants	1,886 participants
	\$3,491,000 investment	\$5,491,000 investment

Tuition Voucher

In addition to wage subsidies and weekly stipends, a number of initiatives offer tuition vouchers to participants. Vouchers are issued to students and can only be used to offset the education-related costs of attending post-secondary institutions. Programs are offered to students in the secondary school system as well as those entering or returning to post-secondary education. Programming initiatives included: Student Work and Service Program, Tutoring/Work Experience Program, placements with the Community Youth Network and the Community Services Council and the Tutoring for Tuition Program.

KEY STATISTICS	2002-03	2003-04
	3,042 participants	2,963 participants
	\$3,938,000 investment	\$4,045,000 investment

Key Statistics

Youth Leadership and Career Development

Supporting youth, including those with higher risks and multiple barriers to the labour market and post-secondary education, is a focal point for youth services and the Student Investment and Opportunity Corporation (SIOC) initiatives. Support in the form of grants to youth organizations and direct core funding to initiatives such as the Conservation Corps and the Youth Advisory Committee enhances youth leadership and career development.

	2002-03	2003-04
KEY STATISTICS	Serving more than 30,000 youth throughout the province	Serving more than 30,000 youth throughout the province
	Over 5,500 adult volunteers	Over 5,500 adult volunteers
	\$2,945,000 investment	\$2,657,000 investment

OTHER SUPPORTS

Newfoundland and Labrador Child Benefit (NLCB)

This benefit assists low-income families with the cost of raising children under the age of 18. The NLCB is combined with the Canada Child Tax Benefit into a single federal-provincial monthly payment delivered by Canada Revenue Agency.

	2003-04
KEY STATISTICS	20,050 low -income families (which includes 30,800 children) received this monthly benefit
	\$7,800,000 annual budget
	Increased first child rate by \$12.00 per year



HRLE supports a number of community youth initiatives. Pictured above are the winners of the 15th Annual Newfoundland and Labrador Environmental Awards - Best Community Organization, Conservation Corps Newfoundland and Labrador.

Mother Baby Nutrition Supplement (MBNS)

This is a monthly benefit of \$45 to pregnant women and families with a child under the age of one year with a net income less than \$22,397 annually. Available through the federal-provincial-territorial Early Childhood Development Initiative, the extra funding supports additional nutritional needs during pregnancy and in the child's first year of life. The pre-natal component of the MBNS program is administered by the Department of Human Resources, Labour and Employment. The post-natal component is delivered by Canada Customs and Revenue Agency (CCRA), as part of the Newfoundland and Labrador Child Benefit, on behalf of HRLE and the Government of Newfoundland and Labrador.

	2003-04
KEY STATISTICS	1,800 families received this benefit monthly
	post-natal \$731,000; pre-natal \$460,000 (delivered by HRLE)

Support Application Program

This service assists in securing or amending spousal and child support agreements and orders. When appropriate, parents must pursue child support as a condition of eligibility for Income Support. Currently, HRLE has 15 Support Application Social Workers located throughout the province, all of whom are registered social workers with backgrounds in negotiation, mediation and counseling.

	2003-04
KEY STATISTICS	2,300 Income Support clients were assisted by a social worker with the process of obtaining child/spousal support

Extended Drug Card Program

This program provides transitional support to families and individuals leaving Income Support for employment by extending prescription drug coverage for six months. Coverage was expanded in 1999 from three months to six months for families with children, and in 2000 to include all persons leaving Income Support for employment.

	2003-04
KEY STATISTICS	1,474 adults and 682 children received this benefit monthly
	\$1,000,000 annual budget

LABOUR MARKET CONDITIONS

Since 1996 labour market performance has improved in tandem with improving economic conditions throughout the province. In this period there have been substantial gains in employment and income for workers in the province and a reduced reliance on social programs such as Employment Insurance and Income Support. However, labour market conditions have improved only marginally since 1990, reflecting the province's recovery from the impacts of the moratoria and recession during the early 1990's.

Over the past seven years, average annual employment grew by 16.5%, from 187,000 in 1996 to reach 217,800 in 2003. Compared to 2002, this represents an increase of 3,900, or 1.8%. All of the employment gains since 1996 have been in full-year employment; part-year employment has actually declined. The majority of employment growth has occurred in relatively well paying jobs, that is, jobs that pay \$20 an hour or more. Furthermore, employment gains since 1996 have been distributed among all regions. The St. John's Census Metropolitan Area accounted for 38.7% of employment growth between 1996 and 2003. In the other regions, employment gains ranged from 6.8% in the Burin-South Coast region to 27% in the West Coast-Labrador region.

The number of people who participated in the labour force on an average monthly basis, either by working or looking for work, has been increasing. In 2003 there were 261,400 people participating in the labour force. This represents an increase of 12.8% since 1996, when there were 231,700 people in the labour force, and an increase of 1.5% since 2002 when 257,400 people participated in the labour force.

In 2003 the unemployment rate averaged 16.7% on a monthly basis, a slight decrease of 0.2 percentage points since 2002, when the unemployment rate was 16.9%. However, there is strong improvement when compared to 1996, when the unemployment rate reached a high of 19.3%.

Real personal disposable incomes in the province increased by 2.3% between 1996 and 2003, much higher than the 1.2% increase observed in the Maritime provinces and the 1.4% observed at the national level during this period.

Labour Market Indicators⁴	1990	1996	2003	2003 vs. 1996
Labour Force	249.5	231.7	261.4	12.80%
Employed	207.4	187.0	217.8	16.50%
Unemployed	42.1	44.7	43.6	-2.50%
Unemployment Rate	16.9	19.3	16.7	-2.60%
Participation Rate	56.7	52.1	59.5	7.40%
Employment Rate	47.1	42.1	49.6	7.50%

⁴ These rates are calculated from Statistics Canada's Labour Force Survey data by the Department of Finance. The employment rate is the proportion of the working-age population (15 years and over) that are employed; the participation rate is the proportion of the working-age population (15 years and older) that are in the labour force; and the unemployment rate is the proportion of the labour force that are unemployed.

HUMAN RESOURCES

The Human Resources Division, in collaboration with program and service areas, strives to ensure a healthy and productive workforce and effective management of human resources. The acquisition, allocation, development, utilization and evaluation of employees are fundamental goals. The department supports an empowered organization in which individuals have the knowledge, skill, desire and opportunity to personally succeed in a way that leads to collective organizational success.

Public Service Award of Excellence

This award recognizes individuals and teams in the public service of Newfoundland and Labrador who have demonstrated exceptional performance to improve the quality of the work environment or service to clients.

This year, one team and three individuals in HRLE won Public Service Awards of Excellence. The team award went to the Badger Flood Team, Grand Falls-Windsor Office, HRLE. Individual recipients were Vivian Randell - former Deputy Minister; Peggy Jones - EAPD Social Worker, Stephenville Crossing; and Marilyn Adams - District Manager, St. John's. Also nominated were Bernard Hoffe - District Manager, Central and Colleen Jardine - Labour Standards Officer, St. John's.

HRLE is proud to congratulate staff who were nominated for the 2003 Public Service Award.



Group Photo: Badger Flood Team, Grand Falls-Windsor Office. Front Row: Marilyn Anstey, Donna Barnes, Deidre Rideout, Robert Turner. 2nd Row: Stephanie Greene, Marilyn Dormody, Doreen Butler, Ann Marie Pumphrey. 3rd Row: Patsy Frampton, Verna Peckford Baggs, Ellen Foley, Tamara Pention. 4th Row: John Legge, Eugene Hickey, Wanda Broderick, Judy Hodge. 5th Row: Bernard Hoffe, Carson Saunders, Leon House, Jackie Mackenzie, Kim Rideout. Missing from photo: Lisa Brown, Tracey Gillingham, Phyllis Gillis, Nadine Hale, Marguerite Moore, Sharon Penny, Christa Skinner, Lorna Tulk. Insert: David Hayley.

Side photos (top to bottom): Vivian Randell; Peggy Jones, Marilyn Adams.

Staff Training

During 2003-04 the Human Resources Division supported ongoing service delivery initiatives and the implementation of redesign. A commitment to creating learning opportunities to improve client support and service delivery was achieved through the following initiatives:

- Assisted with the design and development of the Client Automated Payment System (CAPS).
- Provided training, support and facilitation services during Client Automated Payment System training in Western Region.
- Provided support and facilitation services during Position Employee Training and Skills System (PETS) training. Provided support and facilitation services during Frontline Leadership Training for management personnel.

INFORMATION TECHNOLOGY

The Information Technology Division is responsible for supporting department staff throughout the province in the use of information technology. The division provides computer application operations and enhancement services, computer infrastructure support, and development services for new applications. Accomplishments this year include:

- Reliable operation of the department's production systems, the largest of these being the Financial Assistance Client Tracking System, which issued approximately one million cheques in 2003-04.
- Support of computer infrastructure, including hardware, software, communications and networks. Departmental networks continue to be a reliable stable environment for operating the systems used by front line staff.
- Special projects undertaken this year include: upgrade of the department's centralized High Availability Computer clusters; support of the department's new Client Automated Pay System, including implementation in five district offices; upgrade of the Tower Records Information Management System, allowing documents scanned centrally to be viewed anywhere in the province; and the development of five new computer applications systems.



INTERNAL AUDIT

Through the completion of audits and reviews within HRLE, the department ensures a strong accountability framework and the integrity of the programs it delivers. Ongoing audit and review activities include:

- Audits of the department's 46 district offices to ensure compliance with policy and procedures, legislation and generally accepted accounting practices and techniques.
- Required audits of program delivery stipulated in memoranda of understanding with Canada Customs Revenue Agency, Human Resources Skills Development Canada and the Innu Agreement.
- Comprehensive reviews of the delivery of the Income Support and Employment and Career Services programs.
- Comprehensive reviews and analysis of new computer system technology development and implementation.
- Reviews and consulting services for the redesign of the department's service delivery model.

FINANCE

The Finance and General Operations Division is responsible for providing financial and administrative management of the Department's operations. The division ensures these functions are provided in accordance with approved departmental and government policies, procedures, regulations and legislation, including the *Financial Administration Act*.

Specific activities in 2003-04 included:

- Prepared cost-benefit analysis to determine the financial impact of new program initiatives on proposed policy changes.
- Participated in the development of information technology systems to facilitate financial management: Client Automated Pay System (CAPS), System for Wage Subsidy Interaction and Financial Transaction (SWIFT) and Tower Records Information Management (TRIM).
- Participated in the development of regulations to support the new Act.
- Participated in the development of the new service delivery system.
- Developed a workload analysis system.

RESEARCH AND EVALUATION

HRLE conducts research and evaluations to guide policy development and to improve client services and supports.

Ongoing research, monitoring and evaluation activities include:

- The joint evaluation, with the Department of Human Resources Skills Development Canada (HRSDC) and other government departments, of the Employment Benefits and Support Measures provided under the Labour Market Development Agreement.
- Monitoring of the re-design pilot in Bay St. George.
- Submission of a Self-Sufficiency Research Project proposal. This proposal will look at the long-term effectiveness of a combination of financial incentives and employment supports in helping social assistance clients enter or re-enter the labour force.

A number of multi-year projects were completed in 2003-2004. These include:

- A study of inter-generational dependence on social assistance to determine the magnitude of intergenerational dependency and the risk factors associated with Income Support reliance.
- Evaluation of Lifeworks, a pilot program to assist Income Support clients with multiple barriers enter the workforce.
- Evaluation of the Client Services Management System, a new computer system for managing employment services to clients.
- A Result-Based Accountability project which provides information on the effectiveness of HRLE's employment programs.
- The Social Assistance Recipients Reachback Project provided facilitation and monitoring of services to mutual clients of HRLE and Human Resources Development Canada (now HRSDC).

To view departmental publications, please visit our website at:

www.gov.nl.ca/hrle/publications

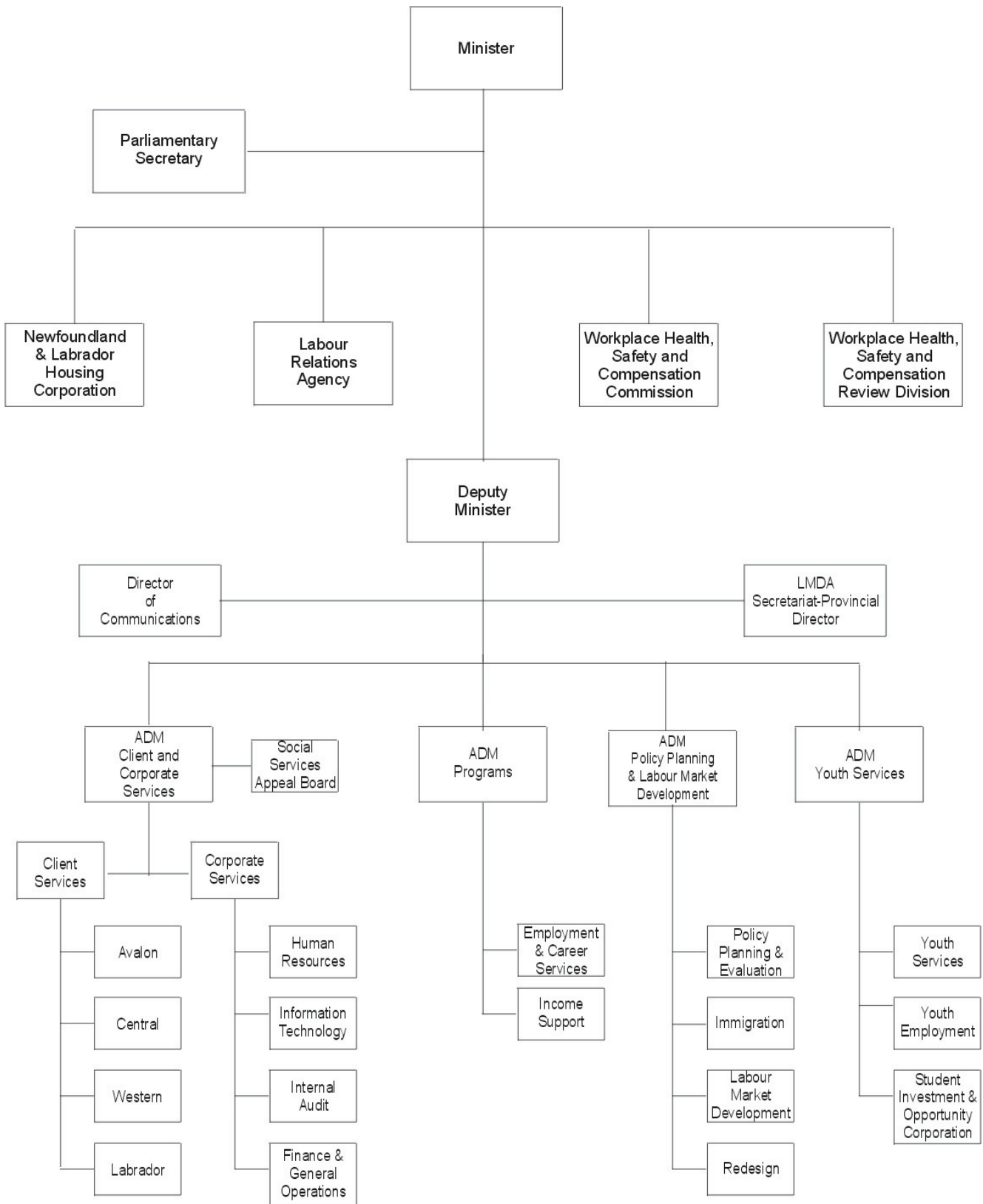
OPPORTUNITIES FOR 2004-05

- Implementing the new *Income and Employment Support Act* will strengthen the link between Income Support and employment services, introduce standards of service and increase transparency.
- Redesigning the computer pay and service delivery systems will streamline the delivery of Income Support and allow for increased focus on helping clients to prepare for, find and keep employment.
- Enabling clients to access the Income Support Program through telephone application will be less intrusive for clients and protect their personal privacy.
- Partnering with key labour market stakeholders will provide opportunities for government, employers, labour and post-secondary institutions and students to collaboratively identify and address strategic labour market issues.
- Further developing the Career and Employment Information System (CEIS), a labour market information tool, and placing it on the NLWIN website will enhance accessibility for clients to labour market information.
- Implementing the recommendations of the wage subsidy review will improve the overall efficiency and effectiveness of the program.
- Enhancing the profile of youth and youth services will provide easier access to provincial programs.
- Supporting young people, particularly rural youth, to earn for post-secondary education will help reduce student debt.

CHALLENGES FOR 2004-05

- Implementing new legislation, including staff training and development of service standards, regulations and policies.
- Shifting human resources to better meet the increasing demands for employment and career supports and continuing to make efficiencies in the delivery of Income Support.
- Acquiring in-depth knowledge of the labour market and implementing labour market policies to support continued economic growth and increased labour force participation.
- Developing a strong understanding of client needs to ensure responsive services.
- Continuing to implement the new pay system and service delivery model to improve supports to help clients prepare for, find and keep employment.
- Examining eligibility assurance integrity measures as they relate to the new pay system and service delivery model.
- Delivering Violence Awareness Action Training (VAAT) to staff and community partners.

APPENDIX A - DEPARTMENTAL ORGANIZATIONAL CHART



APPENDIX B - SOCIAL SERVICES APPEAL BOARD ACTIVITY REPORT

The Social Services Appeal Board is an independent arm's-length body authorized to hear appeals on the granting, refusal, suspension, reduction, resumption and amount of Income Support as well as on funding through the Employability Assistance for People with Disabilities (EAPD) Agreement. The board consists of a chair, vice-chair, one regular member and two alternate members.

A three-step appeal process is authorized by the *Social Assistance Act*, the *Social Services Appeal Board Act* and Income Support policy:

- The client requests the supervisor or district manager to review the client services officer's decision.
- If the decision is upheld by the supervisor or district manager, the client may submit an Application for Review within 60 days to the Regional Service Review Committee (comprised of departmental officials).
- If the district office's decision is upheld by the Regional Service Review Committee, the client may submit an Application for Appeal to the Social Services Appeal Board within 30 days.

Clients who are not satisfied with the appeal board's decision may appeal to the Supreme Court of Newfoundland and Labrador, Trial Division, within 30 days.

Approximately 97 per cent of current appeals are heard by telephone. In 2003-04, the average waiting period for a hearing was 16 calendar days.

The Social Services Appeal Board met 23 times, heard 183 appeals and cost \$89,600 in 2003-04.

Appeals Heard	
1999-00	239
2000-01	300
2001-02	251
2002-03	241
2003-04	183

Appeals Heard April 1, 2003 to March 31, 2004				
Region	Upheld	Overtured	Total	% Upheld
Avalon	47	14	61	77
Central	48	10	58	83
Western	53	9	62	85
Labrador	2	0	2	100
Total	150	33	183	82

APPENDIX C - COMMUNITY AGENCIES AND COMMUNITY EMPLOYMENT CORPORATIONS IN 2003-04

Community Agencies

- Association for New Canadians
- Blomidon Mental Health Initiative
- Calypso Foundation
- Canadian Paraplegic Association
- Community Centre Alliance
- Emmanuel House
- Hospitality NF & Labrador
- Independent Living Resource Centre
- John Howard Society
- Life Works
- Longside Club
- Metro Business Opportunities
- New Beginnings/Carpentry
- NL Co-ordinating Council on Deafness
- Random North Development Assoc.
- Single Parents Association of NL
- Skills for Success
- Stella Burry Community Services
- T. I. Murphy Centre
- Vera Industries
- Vera Perlin Society
- West Coast Employment Preparation
- Women in Resource Development
- Women in Successful Employment

Community Employment Corporations

- Ability Employment Corporation
- Avalon Employment Corporation
- Bay St. George Community Employment
- Bridges Employment Corporation
- Burin-Marystown Community Employment and Training Board
- Exploits Community Employment Corporation
- Gambo and Area Employment Corporation
- Genesis Employment Corporation
- Green Bay Community Employment Corporation
- Labrador West Employment Corporation
- Lake Melville Community Employment Corporation
- Newville Employment Assistance
- Port aux Basques Employment Corporation
- SEDLER Community Employment Corporation
- Straits Development Association
- Three L. Training Employment Board Corporation
- Trinity Conception Community Employment Corporation Inc.
- Vera Perlin Society
- Visions Employment Corporation

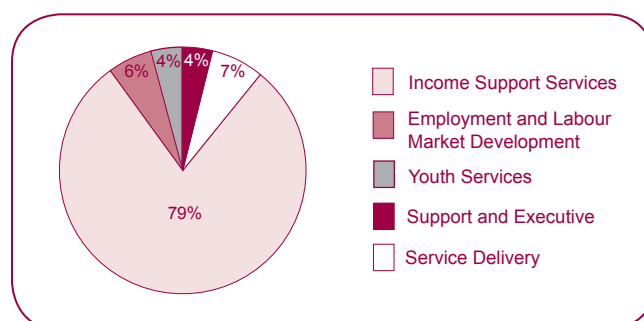
Additional agencies were funded under wage subsidy programs, such as Seasonal Employment, Employment Generation and NewfoundlandJOBS. Linkages funded forty-eight agencies in the province to provide employment and supports to youth.

APPENDIX D - STATEMENT OF EXPENDITURES AND RELATED REVENUE - SUMMARY FOR THE YEAR ENDED MARCH 31, 2004 UNAUDITED

	<i>Actual \$</i>	<i>Estimates Amended \$</i>	<i>Original \$</i>
1.1.01 Minister's Office	289,775	329,500	329,500
1.2.01 Executive Support	660,843	675,600	575,600
1.2.02 Administrative Support	6,296,011	6,562,600	5,477,900
Less Revenue	(195,421)	(20,000)	(20,000)
1.2.03 Program Development & Planning	2,873,814	2,889,800	2,827,100
2.1.01 Client Services	19,465,841	19,635,900	20,082,300
Less Revenue	0	(25,000)	(25,000)
3.1.01 Income Support - Social Assistance	214,152,407	215,209,300	206,200,000
Less Revenue	(5,431,618)	(5,700,000)	(5,700,000)
3.1.02 National Child Benefit Reinvestment	1,333,130	1,370,000	1,600,000
3.1.03 Mother/Baby Nutrition Supplement	314,970	320,700	460,000
4.1.01 Employment Development Programs	7,044,278	7,114,000	7,555,000
4.1.02 Labour Market Development Agreements Project	5,659,115	6,000,000	6,000,000
Less Revenue	(5,393,025)	(6,000,000)	(6,000,000)
4.1.03 Labour Market Adjustment Programs	4,412,789	4,440,000	4,440,000
Less Revenue	(293,629)	(240,000)	(240,000)
4.1.04 Employment Assistance Program for Persons with Disabilities	6,747,406	6,938,800	6,938,800
Less Revenue	(3,020,000)	(2,750,000)	(2,750,000)
5.1.01 Youth Services	3,467,951	3,489,100	3,561,100
5.1.02 Newfoundland & Labrador Student Investment Corporation	8,260,000	8,260,000	9,234,000
Total	266,644,637	268,500,300	260,546,300

Expenditures and revenue figures are based on draft information, as the Public Accounts has not yet been formally released. These figures may be subject to adjustment. Actual expenditures for the Labour Relations Agency are included in their annual report.

Net Expenditures 2003-04



APPENDIX E - OFFICE LOCATIONS AS OF MARCH 31, 2004

Provincial Office
 Confederation Building
 3rd Floor West Block
 Box 8700, St. John's, NL
 A1B 4J6
 Telephone: (709) 729-2480

Avalon Region

Bay Roberts	786-5000
Bell Island	488-3376
Carbonear	945-3074
Conception Bay South	834-6100
Ferryland	432-2893
Mount Pearl	729-6786
Placentia	227-1300
St. John's Metro (Elizabeth Avenue)	729-3982
St. John's Metro (Water Street)	729-3982
St. Mary's	525-2020
Whitbourne	759-3270

Western Region

Bonne Bay	453-2249
Burgeo	866-3353
Channel	695-7367
Corner Brook	637-2400
Deer Lake	635-2123
Englee	866-2773
Piccadilly	642-5304
Port Saunders	861-3507
St. Anthony	454-3831
Stephenville	643-8607
Stephenville Crossing	646-3100

Central Region

Baie Verte	532-8024
Bay L'Argent	461-2207
Bonavista	468-5400
Botwood	257-2400
Clarenville	466-4046
Fogo	266-2238
Gambo	674-5522
Gander	256-1228
Grand Bank	832-1460
Grand Falls-Windsor	292-4231
Harbour Breton	885-2279
Lewisporte	535-2614
Marystown	279-7644
Springdale	673-2620
St. Alban's	538-3917
Twillingate	884-2413
Wesleyville	536-2421

Labrador Region

Cartwright	938-7256
Forteau	931-2330
Happy Valley-Goose Bay	896-8846
Hopedale	933-3700
Mary's Harbour	921-6246
Nain	922-2860
Wabush	282-5313

If you have any questions or concerns or you wish to learn more about HRLE programs and services, please contact one of our district offices or visit our website at:

www.gov.nl.ca/hrle

To access HRLE's Newfoundland and Labrador Work Information Network (NLWIN) for career and employment information:

www.gov.nl.ca/nlwin
 1-800-563-6600
 729-6600 (St. John's area)