2005 - 2006









Message from the Minister

Shawn Skinner, MHA St. John's Centre



Honourable Harvey Hodder, MHA 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, 2005 to March 31, 2006. The 2005-06 annual report has been prepared under my direction and I am accountable for its contents.

Respectfully submitted,

SHAWN SKINNER, MHA

MINISTER OF HUMAN RESOURCES, LABOUR

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AND EMPLOYMENT

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DEPARTMENTAL OVERVIEW

The Department of Human Resources, Labour and Employment (HRLE) plays a crucial role in supporting the people of Newfoundland and Labrador by providing a range of income, employment and labour market supports. The department works collaboratively with community, social and economic development partners to provide people with programs and services that reduce barriers to employment and promote dignity and self-reliance.



The department is also currently leading the development of an integrated and comprehensive Poverty Reduction Strategy and an Immigration Strategy.

Lines of Business

The department has four lines of business:

- Financial and Social Supports
- Employment and Youth Services
- Labour Market Development
- Emergency Social Services

Branches

The three branches of the department are:

- Labour Market Development and Client Services
- Income, Employment and Youth Services
- Corporate Services



Staff and Regions

Approximately 500 staff (approximately 360 females and 140 males) in twenty-six district offices and at the provincial office provide service in four regions (see contact information in Appendix C):

- Avalon Region
- Central Region
- Western Region
- Labrador Region

2005 - 2006

DEPARTMENTAL OVERVIEW

With net expenditures of approximately \$252 million in fiscal year 2005-06, HRLE is one of the largest departments in the provincial government.

Legislative Authority

Legislative authority for the department's programs and services is provided by:

- Income and Employment Support Act,
- Support Orders Enforcement Act, shared with the Department of Justice, and
- Emergency Measures Act, shared with the Department of Municipal Affairs.

Lines of Business

1. Financial and Social Supports

The department provides financial and social supports to individuals and families who meet designated criteria. More specifically, the department provides:

- financial assistance with daily living expenses, such as food, shelter, clothing, medical transportation and special needs;
- additional benefits for low-income families, such as the Newfoundland and Labrador Child Benefit and Mother-Baby Nutrition Supplement;
- grants to designated external agencies for immigrant settlement services;
- assistance to help individuals and families leave violent situations;
- assistance to secure spousal and child support;
- counselling and assessment; and
- advocacy, service coordination and referral.

2. Employment and Youth Services

The department provides employment and youth services to individuals and groups that meet designated criteria. More specifically, the department provides:

- assistance to acquire the necessary skills and experience to prepare for, find and keep employment, including self-employment;
- career counselling services;
- financial assistance to employers offering on-the-job training and experience;
- grants to community agencies offering employment services;
- additional supports to persons with disabilities to prepare for, find and keep employment, including self-employment, and accommodation of their unique circumstances;
- youth employment initiatives, including tuition vouchers and wage subsidies; and
- support for youth leadership, including awards programs, grants to organizations and the provincial Youth Advisory Committee.





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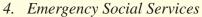
2005 - 2006

DEPARTMENTAL OVERVIEW

3. Labour Market Development

The department provides labour market development services. More specifically, the department:

- co-manages the federal-provincial Labour Market Development Agreement;
- coordinates partnerships between government and stakeholder groups to identify and respond to labour market issues;
- develops and disseminates labour market information;
- analyzes large-scale projects to determine potential employment opportunities; and
- coordinates the development of immigration policy and programs.



The department provides emergency social services in partnership with community volunteer agencies, integrated health boards and municipalities. This response includes the provision of:

- food, clothing and shelter;
- registration and inquiry; and
- personal services, including crisis intervention counselling and other psychosocial services.





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SHARED COMMITMENTS

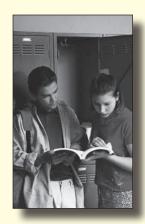
To ensure the department's services are responsive to individual needs and to broader social and economic objectives, HRLE works collaboratively with community agencies, boards, other provincial government departments and the federal government.

Community Agencies/Employment Corporations

The department funds agencies throughout Newfoundland and Labrador that provide career and employment interventions to mutual clients (see list in Appendix A). The department also partners with community agencies, such as the Salvation Army, Red Cross, Stella Burry Community Services and Association for New Canadians, to provide social supports and emergency social services.

Other Government Departments

The department works with other departments and agencies, such as Health and Community Services and the Newfoundland and Labrador Housing Corporation, to improve the provision of services to mutual clients by avoiding duplication of processes and ensuring the coordination of supports and services.



Federal - Provincial Partnerships

The department partners with the federal government to provide a number of employment-related programs and supports, including co-management of the \$132 million Labour Market Development Agreement (LMDA). These partnerships allow the department to assist individuals with employment barriers to acquire the skills, experience and support necessary to successfully prepare for, enter or remain in the work force, to promote a more literate society and to provide income support to low-income families.

The department also participates in various federal-provincial-territorial forums, including the Forum of Labour Market Ministers, Ministers responsible for Social Services, and Immigration. These forums provide a mechanism for inter-jurisdictional discussion and co-operation on labour market, social services and immigration matters.



Labour Market Partnerships

The department works with labour market partners in the business, labour, government, community and lifelong-learning sectors to:

- help employers find and keep the skilled workers they need to compete in the global economy; and
- help individuals access supports and services that will increase their opportunities for finding meaningful employment.

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SHARED COMMITMENTS

In today's rapidly changing labour market environment, labour market partnerships are essential. They promote cooperation and strengthen linkages among stakeholders. These partnerships ensure the development of effective training policies and supports.

Violence Prevention

The department continues its participation in the Violence Prevention Initiative (VPI), a government-community partnership to develop and implement long-term solutions to address the problem of violence against those most at risk in our society. HRLE employees are members of transition house boards. Liaison Social Workers work with transition houses to ensure women and children

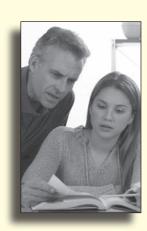
receive services in a timely manner. Violence awareness and action training is an important component in regional staff training initiatives. The Minister and Deputy Minister participate in provincial steering committees. Staff participate on regional VPI committees.

Poverty Reduction

The Government of
Newfoundland and
Labrador is committed
to transforming
Newfoundland and
Labrador from a
province with the
most poverty to the
one with the least.
HRLE is leading the
development of a

EXAMPLES OF LABOUR MARKET PARTNERSHIPS

- Labour Market Committee of the Strategic Partnership Initiative
- CA/NL Labour Market Development Agreement
- Forum of Labour Market Ministers Labour Market Information Working Group
- · Skills Task Force
- NL Workplace/Workforce Learning Committee
- Petroleum Industry Human Resources Committee
- Marine Careers Secretariat
- Construction Sector Council
- Mining Industry Training and Adjustment Council



comprehensive, government-wide poverty reduction strategy. This is overseen by a committee of seven ministers in consultation with the broader community.

2005 - 2006

SHARED COMMITMENTS

Poverty is a multi-dimensional and complex problem. Solutions require a long-term, integrated and strategic approach. The approach being used is based on the principles of social inclusion and collaboration. An action plan based on research and input from community-based groups, business, labour and individuals living in or vulnerable to poverty, as well as many other concerned citizens of this province, will be released in 2006.

Red Tape Reduction

Red Tape Reduction is an initiative of government intended to reduce, streamline, or eliminate unnecessary and burdensome regulatory and administrative requirements of all departments, agencies, boards and commissions.

The department is taking an aggressive approach to streamline processes, decrease the administrative burden and introduce technological advancements to improve service. New measures, including telephone application, have been introduced to increase efficiency and shift people and resources away from administrative tasks to working directly with clients.





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Reducing Poverty in Newfoundland

Working Towards a Solution

and Labrador:

HIGHLIGHTS AND ACCOMPLISHMENTS

Poverty Reduction

In 2004, the most recent year for which data are available, 12.2% of the provincial population lived in poverty (based on the after-tax Low-Income Cutoffs, the most commonly used measure of poverty). In fiscal year 2005-06, the department began leading a government-wide process to determine the best approach to tackling poverty. This involved:

- Identifying issues, gaps and solutions, including a review of current government programs and services;
- Analyzing data to gain a fuller understanding of the nature of poverty in this province;
- Reviewing existing research and best practices;
- Releasing a background report and workbook *Reducing Poverty in Newfoundland and Labrador: Working Towards a Solution* in June 2005 to help inform debate and encourage input (available at www.hrle.gov.nl.ca/hrle/poverty); and
- Conducting widespread consultations, including:
 - Twelve workshop sessions with community-based groups, business and labour throughout the province in June and early July 2005. A summary report was released in November 2005 and is available on-line at www.hrle. gov.nl.ca/hrle/poverty.
 - An additional ten sessions with organizations that focused on poverty and people with a particular expertise or knowledge.
 - Six focus group sessions with individuals living in poverty, including youth at risk, women who have used transition house services, women's centre clients, Income Support clients and persons with disabilities.
 - Establishing a toll-free telephone line, which received over 450 telephone calls, over half from Income Support clients.
 - o Receiving over 100 e-mail submissions.
 - Receiving approximately 60 written submissions from individuals and organizations.

Throughout government, an integrated approach is being taken to reduce the barriers and disincentives to work for Income Support clients and others with low income. In March 2006, as part of the provincial budget for 2006-07, major investments were announced for a broad range of programs and services within



- Caller to toll- free line

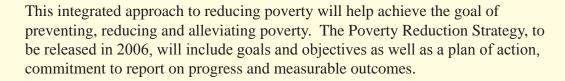


2005 - 2006

HIGHLIGHTS AND ACCOMPLISHMENTS

HRLE and other provincial departments that will help the working poor, youth-atrisk and families with low incomes, including:

- Increasing Income Support rates by five per cent for the approximately 45,700 recipients across the province (approximately 27,400 cases). This involves \$5.6 million in 2006-07 and an annual ongoing investment of \$7.4 million.
- Indexing Income Support rates to keep up with inflation. This will ensure that Income Support clients become no worse off over time because in subsequent years rates will increase to keep up with the cost of living. Quebec and Newfoundland and Labrador are the only provinces to make this commitment.
- Providing new funding for clients with specific needs that result in higher accommodation costs, such as large families or clients with disabilities.
- Increasing support for families with children who turn 18 while still in high school.
- Expansion of the Newfoundland and Labrador Prescription Drug Program to include an additional 97,000 individuals, primarily for older adults and those who work for low wages.
- Introducing a new financial support for Income Support clients who find work by providing a job-start benefit consisting of an additional \$250 for families and \$125 for single individuals.



New Service Delivery

HRLE has developed a new service delivery model that provides improved access to services and a higher percentage of staff dedicated to helping people find and keep jobs.

Highlights of the new service delivery model include:

- Providing greater privacy and ease of access to people who need assistance.
 They can call the department toll-free from the privacy of their own homes
 and no longer have to travel to district offices in order to receive Income
 Support. Callers can speak with knowledgeable staff to hear information
 about the department's programs and services.
- Strengthening the focus on helping clients make successful transitions from Income Support to work by dedicating more staff to help clients find and keep jobs. Having a job is key in helping to address poverty.
- Ensuring services are more accessible, effective and efficient for the people





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HIGHLIGHTS AND ACCOMPLISHMENTS

the department serves. This includes the use of toll-free telephone services, TTY (Text Telephone) and making forms available in Braille format for people who need them.

- Enhancing the level of service the department provides to help people find work, particularly in rural areas of the province. With dedicated employment services staff for the first time in all local offices, the department is in a better position to help clients, regardless of where they live, to find work and contribute to the long-term growth and viability of their communities.
- Creating new Liaison Social Worker positions to work with and on behalf
 of clients who are experiencing crises in their lives. There is a small but
 significant group of clientele whose needs are complex and who require
 advocacy and a coordinated approach in helping to get their needs met. These
 positions have been identified by many community agencies as being very
 helpful in bridging gaps in service.
- Introducing Job Broker positions to work at the community level. They meet with local employers and the business community to promote opportunities for Income Support clients being considered for employment. They help to match employer needs with clients who are receiving Income Support benefits and who are interested in finding jobs.



Implementation Plan

- Implementation of new technologies to support client service delivery was completed. These technologies enable staff to provide clients with up-to-date information about their requests for services. The new electronic records management system –Tower Records Information Management (TRIM)

 has been available in the 26 sites since November 2005; the new Client Automated Payment System (CAPS) will be fully implemented province-wide on April 3, 2006.
- Implementation of the new service delivery structure is 25% completed. The model was introduced as a pilot in Western Region in June 2005. Client surveys conducted in Western Region have indicated a very high approval rating of the new approach in the delivery of client services.
- Implementation of the new delivery model in the Avalon Region will be completed in May 2006. Implementation in the Central and Labrador Regions will be completed by March 2007.
- Design and development of the next phase of the client payment system to support the delivery of career and employment services continued in 2005-06. Full implementation is scheduled to be completed by June 2007. With the implementation of this next phase of the client payment system, departmental





2005 - 2006

HIGHLIGHTS AND ACCOMPLISHMENTS

staff will be better able to help clients plan for, find and keep employment by giving easy access to accurate information on the employment supports provided to clients. Staff will spend less time administering programs and more time working directly with clients. Employers who use our wage subsidy programs will see a faster response time when they submit payment requests. Through better tracking of successful programs and services used by clients, HRLE will be able to keep improving the services that help clients find and keep employment.

Client Feedback

- Clients understand more about the services available to them because they
 are speaking directly to experienced and knowledgeable staff at the point of
 application.
 - O Clients like the convenience and privacy that a telephone application provides. Ninety per cent of Income Support applicants are choosing to avail of the new telephone application process.
 - O Access to departmental programs and services using toll-free telephone services means that clients who would have otherwise had to incur a long-distance charge when contacting the department by telephone no longer have such expenses.
 - O Clients are saying that they feel the quality of services, especially response time and helpfulness, has improved significantly. They no longer have to pick up applications. Prior to introducing the telephone application service, many applicants were submitting incorrect and incomplete forms, which delayed the assessment process. With the introduction of the telephone application service, the error rate is very low, and applicants are advised immediately if they are eligible.
 - With more employees available to focus on helping clients find and maintain employment, more clients are participating in employmentrelated activities.

Employment and Career Services

New Supportive Employment Training Model Developed
The department supported the development of a training program for the Supported Employment Model in partnership with the Newfoundland and Labrador Association for Community Living and employment corporations throughout the province. The Supported Employment Model involves working in partnership with community groups to develop employment for people who have a developmental disability. The training was developed for HRLE staff, employers, boards and staff of employment corporations to improve the

"Making it Work:
A Guide to
Supported
Employment is a
landmark
training tool to
meet the needs of
those working in
the Supported
Employment field."

- Chair, Advisory Committee on Supported Employment

2005 - 2006

HIGHLIGHTS AND ACCOMPLISHMENTS

understanding of the Supported Employment Model as well as address specific training needs of the stakeholders involved.

Expansion of Adaptive Technology Support Service

Funding was provided to the Independent Living Resource Centre to implement an adaptive technology support service utilizing the organization's Independent Living Model. Adaptive technology allows a wide range of people, including seniors and people with visual impairments, physical limitations or learning disabilities, to use computers at public internet access sites. With adaptive technology, computers can be adjusted to meet individual needs by enlarging

typefaces, verbalizing texts or reading web pages aloud. This service greatly increases the accessibility of computers and the internet for persons with disabilities.

Programs Streamlined
NLWorks is a newly
designed wage
subsidy program
based on feedback
from employers
and participants in
employment programs.
The program,

implemented in May

QUICK FACTS

- Approximately 10,000 clients benefited from programs funded through the Student Investment and Opportunity Corporation, Employment Development Programs and Labour Market Agreement for Persons with Disabilities.
- 27,750 youth benefited from membership in organizations funded under youth grants.
- 8,469 clients benefited directly from programs delivered by Community Youth Networks funded by the department.

technology has
the potential to
decrease the
failure and
dropout rate
for youth with
disabilities, boost
career development
and, essentially,
transform lives."

"Adaptive

- Executive Director, Independent Living Resource Centre

2005, combines the positive elements of the previous Employment Generation Program, Seasonal Employment Program and NewfoundJOBS into one core program with two components - seasonal and long term. There is a particular focus on supporting Income Support clients to find work and reduce their reliance on Income Support. A redesigned wage subsidy program with a single application makes it easier for individuals looking for work and for employers.

Youth Advisory Committee: Continued Voice for Youth
The Youth Advisory Committee (YAC) is comprised of youth throughout the
province and supported by four adult mentors. Members of the Youth Advisory

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HIGHLIGHTS AND ACCOMPLISHMENTS

Committee are appointed by the Minister to advise government on youth-related issues. This group continues to be a voice for youth; their fourth annual report includes twenty-six recommendations for government consideration. A copy of the annual report is available on-line at: www.hrle.gov.nl.ca/hrle/publications/list.htm.

New Job Search Workshop Series Introduced

A Job Search Workshop Series was developed for clients to use when preparing to look for work. The series covers key aspects of work search. The material can be used with clients on an individual basis or in groups. A Train the Trainer workshop, to support the implementation of this resource, was provided to staff. The series will be a valuable resource to clients looking for work.

New Employment Transitions Pilot Program for Corner Brook
An Employment Transitions pilot program was successfully developed and delivered in Corner Brook to thirteen single parents receiving Income Support.
The pilot focused on supporting clients to enter the labour market and reduce reliance on Income Support. The curriculum included sessions on career planning, job readiness and maintenance, lifeskills/lifestyle and parenting. This pilot has been extremely successful, with eight clients working full time in the healthcare, trades and retail sectors and two actively pursuing other employment options. The pilot will continue to be offered to additional groups in the area.

Labour Market Development

Labour markets in the province and throughout the world are continuing to change at an accelerating pace and are creating new challenges, opportunities and pressures. For example:

- Changing demographics will likely result in labour shortages as fewer young people are available to fill vacant positions that will arise from increasing retirements among the baby-boom generation;
- The aging workforce and increasing workforce diversity are creating new challenges for both employers and trainers;
- Employers are demanding workers with a wider variety of skills;
- Students want to know where the future job opportunities are and what training programs will increase their employability;
- Job seekers need easier access to high quality employment and career supports;
- New technologies are changing the way people work and the types of jobs available;
- New industry developments, especially in the oil and gas and mining sectors,

"Being a single mom for the past five years, I was to the point of no hope. The day I received the call to attend Employment Transitions, I thought 'Maybe this is what I was looking for.' Now, I have everything back in my life that I dearly missed. Confidence, selfesteem, life-long friendships, and the job that I have been dreaming of."

- Participant, Employment Transitions Program

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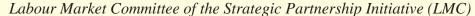
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HIGHLIGHTS AND ACCOMPLISHMENTS

will create job opportunities over the next decade; and

• Competition among the provinces for skilled labour is increasing.

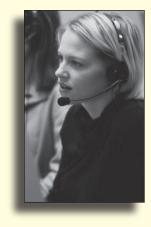
Strengthening labour market partnerships and increasing access to local labour market information help individuals, employers, communities and the province to address these challenges and take advantage of the emerging opportunities. The department plans to create a Labour Market Development Division in spring 2006. Highlights of the department's activities in 2005-06 to help achieve these objectives included its work with the Labour Market Committee of the Strategic Partnership Initiative (LMC) and carrying out regional labour market information workshops.



- The LMC was established in May 2005 to provide a neutral forum for key decision-makers in business, labour and government to work together in partnership to develop more effective labour market and human resource development policies, supports and services in the province.
- The committee is chaired by the Deputy Minister of Human Resources, Labour and Employment and has six members representing business, labour and government, including Service Canada.
- During 2005-06, the committee:
 - Heard presentations from various labour market stakeholders;
 - Reviewed major provincial initiatives and labour market research;
 - o Participated in regional labour market information workshops;
 - Supported a feasibility study on the development of an occupational forecasting model for the province; and
 - Developed a work plan to help prioritize and guide its activities. The committee's priorities for the next year include:
 - » overseeing the development of a labour market forecasting model to help identify emerging job opportunities;
 - » hosting a provincial labour market symposium to bring partners across the province together to identify strategies for healthy labour market development; and
 - » initiating research and pilot programs related to workplace training and prior learning and assessment to help individuals more effectively identify and develop their employment skills.

Regional Labour Market Information Workshops

• In late fall 2005, the department carried out 12 regional labour market information workshops throughout the province.





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HIGHLIGHTS AND ACCOMPLISHMENTS

- Over 250 people participated in the workshops, representing 130 organizations from the business, labour, government, community and lifelong-learning sectors.
- During the workshops, new and detailed information on regional labour market trends were presented that will help participants identify and respond to future opportunities and challenges. Some of the trends presented include: changing workforce demographics; out-migration; workflow patterns; emerging or declining industries; and education, training and skills.
- Participants also provided a number of recommendations to help guide the development of labour market and human resource policies, supports and services in the province.

Immigration

Work continued on the development of a provincial Immigration Strategy. In June 2005, a discussion document was released in advance of stakeholder consultations which were held during September and October 2005. A report of the consultations was released in December 2005. A provincial immigration web site was launched in February 2006. Both the discussion and consultation documents are available on the immigration website at www.gov.nl.ca/hrle/immigration. The website will inform potential immigrants about the benefits of choosing Newfoundland and Labrador as their new home.

In order to build awareness about the benefits of immigration, the department created an immigration newsletter *The Newcomer*, with the first issue released in March 2006. Also in March, *Diversity* ~ *Opportunity and Growth*, a magazine featuring immigrant entrepreneurs in Newfoundland and Labrador, was published.

Research and Evaluation

HRLE conducts research and evaluations to guide policy development and to improve services and supports. Research, monitoring and evaluation activities in fiscal year 2005-06 included:

• Marginalized Workers Study - Conducting a study of marginalized workers in the province to look at why they find it difficult to find and keep employment. Marginalized workers are people who generally work only sporadically due to a combination of factors, including barriers such as ill health, family responsibilities, low educational and skills attainment, and poor demand for labour in their local area. They may be considered in or out of the labour force depending on how actively they are looking for work. An analysis has been carried out and a report will be released in 2006-07. Additional work will focus on job loss among older workers. "I am delighted to see the province develop an immigration strategy, and am optimistic that our continued cooperative efforts will go a long way to supporting the effective inclusion and integration of immigrants into the province."

- Executive Director, Association for New Canadians

2005 - 2006

HIGHLIGHTS AND ACCOMPLISHMENTS

- Cognitive Skills Programs Completing an evaluation of the impact of cognitive skills programs on subsequent employment success of ex-offenders. Unemployment is exacerbated by some clients' deficiencies in essential skills, including interpersonal communication, social relationships and problem solving. This study examined the effectiveness of cognitive skills programming on participants' employment and employability.
- Service Delivery Establishing a baseline and monitoring the impact of changes to services on clients and staff will help the department deliver services more effectively and efficiently. Activities included a staff survey in the Western region, a client survey and follow-up in the Western region and a survey in the Avalon region.
- Employability Assistance for Persons with Disabilities The department initiated an independent evaluation of four projects funded under the Labour Market Agreement for Persons with Disabilities (LMAPD). The final report, expected in the fall of 2006, will assist community agencies and the department improve services and help persons with intellectual and physical disabilities find meaningful employment in their communities. Programs included in the study are:
 - Independent Living Resource Centre Full Steam Ahead;
 - Canadian Paraplegic Association Career and Employment Case Management Centres;
 - Vera Perlin Society Work Oriented Rehabilitation Centres; and
 - Calypso Foundation Work Oriented Rehabilitation Centres.
- Skills Gaps in the Labour Market research project This study will help to identify skills and labour demands and support the development of a skills profile for the labour force. The initiative will also help build information and tools to better anticipate future labour supply and demand in the provincial labour market.
- Strengthening Partnerships in the Labour Market initiative This initiative will produce detailed labour market information at the regional level in the province so as to increase the capacity to identify and respond to local challenges and opportunities. A provincial labour market symposium and a variety of information products and analytical tools will support this objective as well as provide an opportunity for building partnerships among stakeholders across the province.





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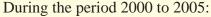
KEY PROGRAM STATISTICS

Income Support

Caseload Size and Family Status¹

In 2005 the total annual Income Support caseload was approximately 35,100; the average monthly caseload was approximately 27,400. The large difference in size between the monthly and annual caseloads is due to the continuous coming and

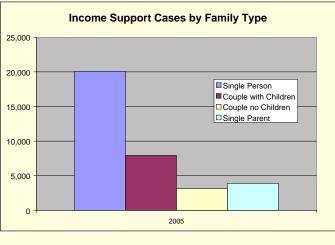
going of different people from month to month on the caseload. Many Income Support cases receive assistance for only one or two months. In 2005, on average each month, approximately 1,100 cases left the Income Support Program and 1,000 entered the program.

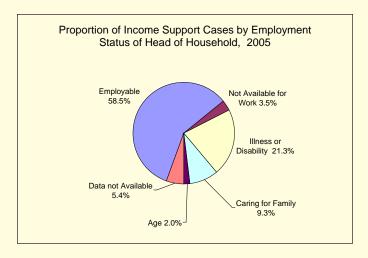


- The number of couples with children continued to decline, from 6,200 in 2000 to 3,100 in 2005, a decline of fifty percentage points.
- The number of single people increased by 1%, from 19,800 in 2000 to 20,100 in 2005. They accounted for 57% of the Income Support caseload in 2005, up from 50% in 2000.
- The number of children living in families receiving Income Support declined by 31% (7,800 fewer children), significantly faster than changes to the overall child population in the province, which declined by 14% 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.

Reason For Assistance

In 2005, fifty-nine per cent of the caseload identified themselves as being employable. They sought Income Support because they





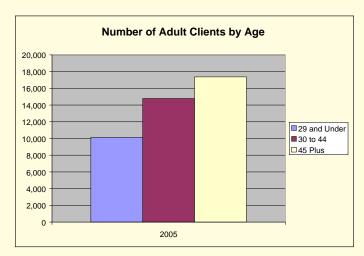
¹ A "case" in the Income Support Program may be defined as a single person, a couple without children, a couple with children or a single parent. Caseload statistics do not report on the total number of individuals. For example, a couple with one child in receipt of Income Support is reported as one case.

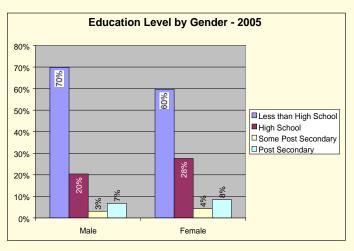
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KEY PROGRAM STATISTICS

were unemployed, underemployed or did not earn enough income to meet daily living expenses. Fifty-three per cent of the recipients who identified themselves as employable were single people.





Gender

In 2005, fifty-five per cent of the adult clients on the caseload were women; 45% were men. For clients between 18 and 50 years of age, there were more women on the caseload than men. For those under the age of 30, sixty per cent were female; this percentage gradually dropped to 50% for those in their fifties.

Age

Individuals receiving Income Support are getting older.

- In 2005, seventy-six per cent were 30 years and older, up from 72% in 2000.
- The number of youth (18-29 years) has declined by 29% since 2000. Overall, in 2005, youth represented slightly less than one-quarter of the Income Support caseload and almost half (45%) of all new entrants to the program.
- 67% of new youth entrants in 2005 were single, down from 70% in 2004; twenty per cent were single parents, up from 19% in 2004.

Education

Low levels of education pose a major barrier to employment, especially among older clients. Given the demand for skilled labour, it is likely to present even greater challenges in the future. However, education levels for people receiving Income Support have been increasing, especially for youth. In 2005:

- 36% of adults (18 years and older) had completed high school, up from 31% in 2000.
- 48% of youth (18-29 years) had completed high school, compared to 44% in 2000.
- 25% of those aged 45 years and older had completed high school, up from 18% in 2000.

2005 - 2006

KEY PROGRAM STATISTICS

Regional Distribution

About 48% of people receiving Income Support live in the Avalon Region, up from 45% in 2000. Slight decreases have been observed in all other regions. Central Region has 28% of the caseload, Western has 21% and Labrador has 4% (may not add to 100% due to rounding).

Career and Employment Supports

The department offers employment and career services to a variety of client groups, including youth, persons with disabilities and persons receiving, or at risk of receiving, Income Support.

A Focus on Youth

HRLE is focusing on developing preventative strategies to help youth decrease their reliance on Income Support and integrate them into the workforce. In 2005-06, forty-six per cent of new youth entrants (18-29 years) receiving Income Support had less than a high school education.

Community Employment Initiatives

Funding is provided to agencies throughout Newfoundland and Labrador to support the provision of career and employment counselling and other interventions to clients of the department. In 2005-06, there were 1,350 clients served, of which 1,237 were Income Support clients. Income Support clients were provided with career and employment counselling, and 19 agencies were funded. A full list of these agencies is provided in Appendix A.

Employment Development Supports

A range of employment supports is provided to Income Support clients to help them implement their employment plans. Clients receive intensive one-on-one employment and career planning to identify barriers to employment and appropriate employment supports, which may include a placement support allowance, short-term training, work supports and financial supports for assessment, counselling and testing services. In 2005-06, there were approximately 1,300 participants provided with employment development supports, with a total expenditure of approximately \$1,000,000.

Linkages Program

The Linkages Program is delivered in partnership with 51 community-based agencies throughout the province. It provides unemployed youth with 26 weeks of career-related paid employment and an opportunity to participate in career planning workshops to gain career awareness and find a job. In 2005-06 the





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<u> 2005</u> - 2006

KEY PROGRAM STATISTICS

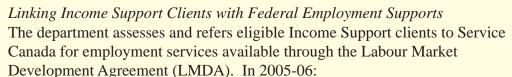
annual budget was \$1,250,000 with 201 approved jobs. Of those participating, 85% were outside the St. John's urban area.

Wage Subsidy Programs

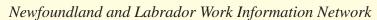
The NLWorks wage subsidy program assisted Income Support clients and unemployed, underemployed and seasonal workers in finding jobs and gaining valuable work experience and skills to improve their employment prospects and attachment to the labour market. In 2005-06 the annual budget was \$1,830,000, with 438 approved jobs. Of those participating, 85% were outside the 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 (ABE) Level II and III programs. In 2005-06, three hundred forty-four clients participated (65% youth; 64% female and 36% male) in the ABE program. Successful completion of ABE allows many clients to pursue their education, career and employment goals.



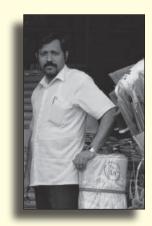
- 2,284 clients accessed LMDA programs
- 51% received counselling
- 24% participated in skills development
- 17% found employment
- 8% participated in youth programs



The NLWIN internet site (*www.gov.nl.ca/nlwin*) and toll-free hotline (1-800-563-6600) provide access to up-to-date provincial information on career and employment planning. In 2005-06 there were 3,625 calls to the toll-free hotline and 181,186 website hits.

Employability Assistance for Persons with Disabilities

The Labour Market Agreement for Persons with Disabilities (LMAPD), which provides federal cost-sharing for a range of employment supports and services, continues to support the preparation, attainment and retention of employment





2005 - 2006

KEY PROGRAM STATISTICS

for persons with disabilities. This program supports access to post-secondary training, supported employment and community-based employment support services. Grants are provided to community partners, including the Independent Living Resource Centre, Vera Perlin Society and Canadian Paraplegic Association, for employment services and supports to eligible clients with disabilities. A full list of community partners that received grants in 2005-06 is provided in Appendix A.

Funding under the LMAPD was spent in three areas:

- Training Services Program provides supports for persons with disabilities to attend post-secondary studies: 283 participants; \$2,124,000 annual budget;
- Supported Employment Program grants provided to employment corporations to develop community-based opportunities for adults with developmental disabilities: 1,399 participants (675 clients found employment of which 417 required job trainers and 51 were self-employed); \$3,820,100 annual budget; and
- Grants to Community Partners grants provided to community-based agencies to support persons with disabilities: 485 clients were served; \$1,805,700 annual budget.



Youth Services

Youth Services includes programs funded through the Student Investment and Opportunity Corporation (SIOC) and other development grants for youth initiatives. A focal point for youth services is supporting youth with higher risks and multiple barriers to the labour market and post-secondary education. Support in the form of grants to youth organizations, wage subsidies for students and graduates and tuition voucher programs enhance youth leadership and career development.

Student Investment and Opportunity Corporation (SIOC)

The purpose of this corporation is to assist post-secondary students gain work experience and employment to help offset the cost of their education. In 2005-06 the SIOC served 4,630 clients with an investment of \$6,234,000. The SIOC's annual report is available on-line at: www.hrle.gov.nl.ca/hrle/publications/list.htm.

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. Programs primarily offering wage subsidies included:

- Graduate Employment
- Student Employment, Level 1, 11 and 111



<u> 2005</u> - 2006

KEY PROGRAM STATISTICS

- Faculty of Education Rural Placement Program
- Student Summer Support
- Social Work Recruitment
- Rural Practice Medical
- Small Enterprise Co-operative Placement Assistance Memorial University and College of the North Atlantic

In addition to wage subsidies, a number of initiatives offer tuition vouchers to participants that can be used towards education-related costs of attending post-secondary institutions. Programming initiatives primarily offering tuition vouchers included:

- Student Work and Services Program
- Tutoring/Work Experience Program
- Tutoring for Tuition Program

Grants are provided to a number of youth-serving organizations to assist with the delivery of programs and services for youth. Services range from career fairs to employment and youth leadership initiatives. An example is the Value of Money, Value of Work Program, which provided summer employment for ten low-income youth to develop life skills through weekly training sessions. The Youth at Promise Challenge Program targets at-risk youth with low literacy levels so they can qualify for entry into other employment and education programming.

Other Grants to Youth Organizations

The department provided funding for administrative and program costs of youth-serving organizations, including the Boys and Girls Clubs, Big Brothers-Big Sisters, Scouts and Guides, YM/YWCA and Allied Youth. These organizations provided 27,750 youth with knowledge in the areas of leadership, social and personal development and career exploration, supported by over 5,000 adult volunteers and an investment of \$500,000.

Community Youth Networks

Approximately \$1,400,000 was provided to support Community Youth Networks (CYN) in 18 locations throughout the province. CYN's are supported in partnership with the provincial and federal governments through the National Child Benefit Agreement. Community Youth Networks support youth 12-18 years of age living in, or at risk of, poverty. They play a very important role in communities, as they provide services to enhance opportunities for youth to participate in social and economic development by focusing on learning, employment, community-building and supportive services. Community Youth Networks served 8,469 clients in 2005-06.

"It is a great program that has helped youth in the community centre areas take ownership of their financial well-being."

- Community
Employment
Facilitator on the
Value of Money, Value
of Work Program

2005 - 2006

KEY PROGRAM STATISTICS

Family-Related Supports

Newfoundland and Labrador Child Benefit (NLCB)

This benefit assists low-income families with the cost of raising children under the age of 18 years. The NLCB is combined with the Canada Child Tax Benefit into a single federal-provincial monthly payment delivered by the Canada Revenue Agency (CRA). In 2005-06, on average each month, 18,281 low-income families (which includes 28,500 children) received this benefit. The annual cost was \$7,800,000. In 2005-06 government increased the first-child rate by \$12 a year and indexed the NLCB to the provincial Consumer Price Index.

Mother-Baby Nutrition Supplement (MBNS)

This \$45 monthly benefit is provided to pregnant women and families with a child under the age of one year who have an annual net income less than \$22,397. Through the federal-provincial-territorial Early Childhood Development Initiative, the MBNS provides funding for additional nutritional needs during pregnancy and in the child's first year of life. The pre-natal component is administered by HRLE; the post-natal component is delivered by the Canada Revenue Agency as part of the NLCB. Approximately 1,260 low-income families (which includes 1,270 children) receive the MBNS, on average, each month. Approximately 400 pregnant women receive the MBNS, on average, each month. The MBNS has a post-natal annual budget of \$705,000 and a pre-natal annual budget of \$460,000.

In July 2004, a one-time benefit of \$90 was introduced for pregnant women eligible for the MBNS. The new benefit is provided at the time of birth.

Extended Drug Card Program

With an annual budget of \$1,000,000, this program provides transitional support to families and individuals who leave Income Support for employment by extending prescription drug coverage for six months after they leave Income Support. Originally, this program provided prescription drug coverage for three months to families with children. In 1999 the coverage was extended to six months, and in 2001 the program was made available to any recipient who leaves Income Support for employment or training. Approximately 1,900 adults and 1,250 children benefit from this program every month.

Support Application Program

This program is available to individuals in the province who require assistance to obtain child or spousal support. Nineteen registered social workers who are trained in alternate dispute resolution are assigned to this program. Support

"By providing
a flexible
environment of
support, the Youth
at Promise
Challenge
Program succeeds
in assisting youth
to move on to
opportunities
formerly closed to
them."

- Community Youth Network, St. John's

2005 - 2006

KEY PROGRAM STATISTICS

Application Social Workers are located at HRLE district offices throughout the province to assist people to obtain child and spousal support agreements and court orders. In most instances, parents in receipt of Income Support are required to pursue child and spousal support. Support Application Social Workers are also available to assist parties to understand the Child Support Guidelines and the options available in resolving issues. In 2005-06 over 2,500 Income Support recipients received services from this program.

LABOUR MARKET TRENDS

Recent Trends

Following a period of decline during the early to mid-1990s, labour market conditions in the province have improved between 1996 and 2005. This trend is consistent with economic conditions during this period.

Average annual employment has grown by 14.2% (26,500 person-years) since 1996 to reach 214,100 in 2005. In this same period, labour force participation, or the number of people working or looking for work, increased by 20,800 (9%), and the unemployment rate dropped from 19.1% to 15.2%.

Employment growth occurred across all four Labour Force Survey regions since 1996. However, employment levels in all regions except the Avalon Peninsula remain lower than they were prior to the cod moratorium. The Avalon Peninsula (which includes the St. John's Census Metropolitan Area) accounted for 62% of the employment growth (16,500 person-years) between 1996 and 2005. Positive growth during this period was also experienced in the West Coast-Northern Peninsula-Labrador Region (3,700), the Notre Dame-Central-Bonavista Bay Region (5,900) and the South Coast-Burin Peninsula Region (400).

address the future challenges facing our workforce, access to current and reliable labour market information is vital. We would like to commend government for recognizing these issues and for bringing together the key partners necessary to move them forward."

"If we are to

- President, Federation of Labour

Table 1

Labour Market Indicators	1996	2004	2005	2005 vs 2004
Employment	187,500	214,300	214,100	-200
Unemployment	44,200	40,000	38,400	-1,600
Labour Force	231,700	254,300	252,500	-1,800
Unemployment rate (%)	19.1	15.7	15.2	-0.5 pts
Employment rate (%)	42.3	49.8	49.8	0.0 pts
Participation rate (%)	52.2	59.2	58.8	-0.4 pts
Source: Labour Force Survey, Star	tistics Canada			

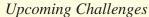
2005 - 2006

LABOUR MARKET TRENDS

Labour Market Conditions in 2005

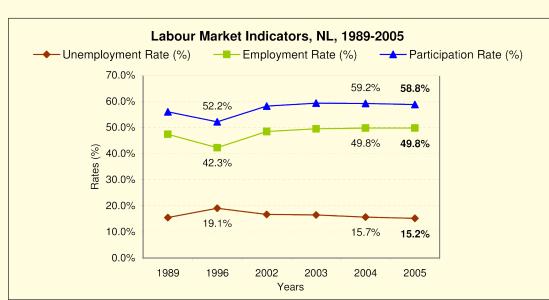
For the most part, conditions have been relatively stable over the past couple of years, and there has been little change in 2005. Compared to 2004, there were slight decreases in average annual employment (-200) and labour force participation (-1,800). The unemployment rate dropped from 15.7% in 2004 to 15.2% in 2005.

In 2005, employment increased in the West Coast-Northern Peninsula-Labrador Region (2.3%), Notre Dame-Central-Bonavista Region (1.2%) and the Avalon Region (0.4%). Most of the increase in the Avalon Region is attributed to employment growth in the St. John's Census Metropolitan area (0.9%). A decrease in employment was observed in the South Coast-Burin Peninsula Region in 2005 compared to 2004. This decrease is likely due to the ramping down of the White Rose Oil Field construction phase and recent difficulties in the fisheries.



Changing demographics will be one of the most significant forces influencing labour market conditions throughout all regions of the province over the next decade.

Compared to trends observed since 1991, the rate of decline among the total population is expected to slow significantly. However, the rate of decline among the working-age population will speed up, largely due to an aging population and increasing number of retirements among the baby-boom generation. There will also be fewer new entrants available in the labour market as a result of the declining birth rate.







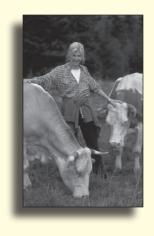
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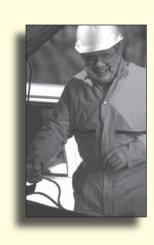
2005 - 2006

OPPORTUNTITIES FOR 2006-07

The department made great progress in the 2005-06 fiscal year. Opportunities for 2006-07 include:

- Developing a provincial Immigration Strategy based on input from an
 interdepartmental committee, feedback from stakeholders and lessons learned
 from best practices in other jurisdictions. There will be opportunities to
 speak to stakeholder groups regarding the benefits of immigration and how
 communities can become more welcoming to newcomers. An immigration
 symposium is planned for September 2006.
- Establishing a new Labour Market Development Division, launching a labour market website, developing and releasing regional labour market reports and a directory to labour market programs and services will help increase access to labour market information.
- Enabling clients to access the Income Support Program through telephone applications will be less intrusive for clients and protect their personal privacy.
- Continuing enhancements to 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.
- Promoting departmental programs and services through providing information in various formats and increasing access to information services will enhance public awareness.
- Working in partnership with key decision-makers in business, labour and government will support human resource and labour market development in the province.
- Working with LMDA partners to review the management structure and policies of the Canada/NL LMDA will help maximize the potential of the agreement to meet provincial needs.
- Working with industry stakeholders, community-based groups, the federal
 government and other provincial departments to develop a strategic response
 to the challenges facing the fishing industry will support individuals affected
 by fish plant closures.
- Hosting a provincial labour market symposium, chairing the Labour Market Committee and co-chairing the Forum of Labour Market Ministers' Labour Market Information Working Group will strengthen opportunities for partnership and collaboration among stakeholders.
- Working with key stakeholders, community-based groups, the federal
 government and across the provincial government to develop, release and
 begin integration of a comprehensive and integrated Poverty Reduction
 Strategy. This will involve conducting workshops with key stakeholders,
 getting input from individuals living in and vulnerable to poverty and
 assessing the combined impacts of existing policies, programs and services.





2005 - 2006

OPPORTUNITIES FOR 2006-07

- Implementing initiatives that will help facilitate the development of a skilled workforce and increase the employment of Income Support recipients. Some examples include:
 - Job Start Program effective July 1, 2006, Income Support recipients who begin employment will receive a new benefit to ease the transition to employment.
 - Elimination of the clawback on the Canada Student Loans shelter allowance for Income Support clients with dependent children. These recipients will end up with less student debt, and there will be no decrease to their Income Support benefits during their study period. Up-front career counselling will also be provided.
 - Expansion of Employment Transitions Program an employment program for single parents in Corner Brook.
 - The centralization of the administration of Income Support for clients who are working will provide these clients with an improved method of reporting earnings, thereby simplifying receipt of benefits.
 - Business Income for years the department has supported entrepreneurs to become self-reliant. The department is currently reviewing its policies with a goal of changing them to better support the business owner/operator. New policies will promote a more consistent and supportive approach. Anticipated service components for the entrepreneur will include up-front business planning and training in the areas of bookkeeping, advertising and communication.





<u>annual report</u>

2005 - 2006

CHALLENGES FOR 2006-07

Anticipated upcoming challenges for 2006-07 include:

- Finding and implementing the right policy mix to both reduce poverty and prevent poverty in the long term.
- Increasing access to and use of labour market information by developing a
 provincial occupational demand model, implementing training throughout the
 province and creating new information products.
- Raising awareness of the benefits of immigration and building support for an immigration strategy among all stakeholders.
- Continuing to meet and exceed established service standards and improving accessibility and accountability.
- Implementing initiatives to increase access for youth and Income Support recipients to employment supports.
- Continuing to enhance the computer pay and service delivery systems.
- Establishing an appropriate network of supports and services to assist displaced plant workers in developing and implementing long-term transition, either within or outside the fishing industry.
- Meeting the growing demand for student employment.
- Raising awareness of and increasing community partnership in violence prevention through youth-serving agencies and networks and improving legislation and policy for victims of violence.





2005 - 2006

APPENDIX A

EMPLOYMENT SUPPORTS

Community Agencies and Community Employment Corporations 2005-2006

Community Agencies	Community Employment Corporations
o Association for New Canadians	o Ability Employment Corporation
o Blomidon Mental Health Initiative	o Avalon Employment Corporation
o Calypso Foundation	o Bay St. George Community Employment Corporation
o Canadian Paraplegic Association	o Bridges Employment Corporation
o Choices For Youth	o Burin-Marystown Community Employment and Training Board
o Community Centre Alliance	o Exploits Community Employment Corporation
o Emmanuel House	o Gambo and Area Employment Corporation
o Independent Living Resource Centre	o Genesis Employment Corporation
o John Howard Society	o Green Bay Community Employment Corporation
o Longside Club	o Labrador West Employment Corporation
o Metro Business Opportunities	o Lake Melville Community Employment Corporation
o NL Co-ordinating Council on Deafness	o Mariner Resource Opportunities Network
o Random North Development Association	o Newville Employment Assistance
o Single Parents Association of NL	o Port aux Basques Community Employment Corporation
o Stella Burry Community Services	o SEDLER Community Employment Corporation
o T. I. Murphy Centre	o Straits Development Association
o Vera Industries	o Three (L) Training & Employment Board
o Vera Perlin Society	o Vera Perlin Society
o West Coast Employment Preparation	o Visions Employment Corporation
o Women in Resource Development	
o Women in Successful Employment (WISE)	

2005 - 2006

APPENDIX B

EXPENDITURE AND RELATED REVENUE SUMMARY FOR THE YEAR ENDED MARCH 31, 2006

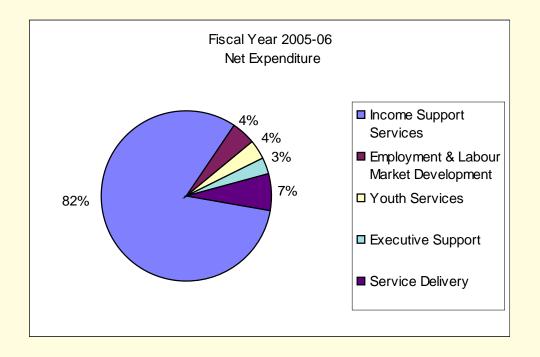
		Actual Expenditure \$	Amended Budget \$	Original Budget \$
Execut	ive Support			
1.1.01	Minister's Office	296,470	306,300	306,300
1.2.01	Executive Support	635,745	723,200	748,200
1.2.02	Administrative Support Less Revenue	4,345,934 (143,166)	4,401,600 (20,000)	4,115,500 (20,000)
1.2.03	Program Development & Planning Less Revenue	2,568,295 (8,377)	2,597,800	2,703,600
Service	Delivery			
2.1.01	Client Services	17,301,974	17,343,600	17,232,700
	Less Revenue	(140,000)	-	-
Income	e Support Services			
3.1.01	Income Support Less Revenue	210,255,173 (5,598,083)	211,690,000 (7,605,000)	211,630,000 (7,605,000)
3.1.02	National Child Benefit Reinvestment	1,502,929	1,600,000	1,600,000
3.1.03	Mother/Baby Nutrition Supplement	371,787	400,000	460,000
Emplo	yment and Labour Market Development			
4.1.01	Employment Development Programs	7,095,246	7,178,000	7,178,000
4.1.02	Labour Market Development Agreement Projects Less Revenue	3,707,734 (3,454,893)	5,626,000 (6,000,000)	6,000,000 (6,000,000)
4.1.03	Labour Market Adjustment Programs Less Revenue	198,031 (205,819)	284,000	50,000
4.1.04	Employment Assistance Program for Persons with Disabilities	7,294,683	7,749,800	7,749,800
	Less Revenue	(3,488,368)	(3,431,000)	(3,431,000)
Youth	Services			
5.1.01	Youth Services	3,026,861	3,304,400	3,308,400
5.1.02	Newfoundland and Labrador Student Investment & Opportunity Corporation	6,234,000	6,234,000	6,234,000
	TOTAL	\$251,796,156	\$252,382,700	\$252,260,500

Expenditure and revenue figures are from the Report on the Program Expenditures and Revenues of the Consolidated Revenue Fund for the year ended March 31, 2006. Expenditures and related revenues for the Labour Relations Agency, Labour Relations Board and the Workplace Health, Safety and Compensation Review Division are included in their annual reports.

2005 - 2006

APPENDIX B

NET EXPENDITURES 2005-06



2005 - 2006

APPENDIX C

Further information about the services offered by the Department of Human Resources, Labour and Employment may be obtained from the department's web site nlwin or call 1-800-563-6600 (709-729-6600 in St. John's). Additional information may also be obtained by contacting the district or regional office in your area. at www.gov.nl.ca/hrle. To access career and employment information, please visit the Newfoundland and Labrador Work Information Network at www.gov.nl.ca/

Human Resources, Labour and Employment, Confederation Building, 3rd Floor, West Block. P.O. Box 8700, St. John's NL, A1B 4J6, Telephone: (709) 729-2480

Avalon Region	Central Region	Western Region	Labrador Region
TOLL-FREE All offices in the Avalon Region can be reached toll-free at: 729-7888 or 1-877-729-7888	TOLL-FREE All offices in the Central Region can be reached toll-free at: 1-888-632-4555	All offices in the Western Region can be reached toll-free at: 1-866-417-4753 TOLL-FREE All offices in the Labrador Region can be reached toll-free at: 1-888-773-9311	TOLL-FREE All offices in the Labrador Region can be reached toll-free at: 1-888-773-9311
TTY: 1-888-380-2299	TTY: 1-877-292-4205	TTY: 1-888-445-8585	TTY: 1-866-443-4046

