

# **CANADA – YUKON LABOUR MARKET AGREEMENT**

**Canada**

**Yukon**

**CANADA-YUKON  
LABOUR MARKET AGREEMENT**

This Agreement made this \_\_\_\_ day of \_\_\_\_\_, 2009.

**Between** The Government of Canada (hereinafter referred to as "Canada"), as represented by the Minister of Human Resources and Skills Development

**AND** The Government of Yukon (hereinafter referred to as "Yukon") as represented by the Minister of Education

**WHEREAS** Canada and Yukon share a common vision of a skilled, productive, mobile, inclusive and adaptable labour force supported by a system of flexible labour market programs and services delivered by Yukon;

**WHEREAS** Canada and Yukon are committed to working together to address the labour market needs and requirements of Yukon;

**WHEREAS** Canada and Yukon agree that primary responsibility for the design and delivery of labour market programs for individuals to support the creation of a skilled, productive, mobile, inclusive and adaptable labour force in Yukon rests with Yukon;

**WHEREAS** Yukon is striving to provide fully integrated, client-focused employment and training services for Yukoners under the Department of Education and is aiming to develop the best educated and most skilled workforce in North America to build and sustain Yukon's prosperity and competitiveness;

**WHEREAS** Canada has agreed to make new investments in support of labour market programming in Yukon by providing funding to Yukon towards the costs of programs that address areas of current and emerging labour market priorities, including the need to improve the labour force participation of under-represented groups;

**WHEREAS** Canada is authorized to enter into this Agreement pursuant to sections 7 and 10 of the *Department of Human Resources and Skills Development Act*;

**AND WHEREAS** Yukon's Minister of Education is authorized to enter into this Agreement on behalf of the Government of Yukon;

**ACCORDINGLY**, Canada and Yukon agree as follows:

## **PART 1 – LABOUR MARKET PROGRAMS FOR UNEMPLOYED AND LOW SKILLED WORKERS**

### **INTERPRETATION**

1. In this Part and Part 3, unless the context requires otherwise,

“Annual plan” means the annual plan for a fiscal year developed by Yukon under subsection 22(2);

“Designated Officials” means the Assistant Deputy Minister, Skills and Employment Branch, Department of Human Resources and Skills Development (HRSDC) for Canada, or such other official of Canada as may be designated by the Minister of Human Resources and Skills Development by notice in writing to Yukon, and the Assistant Deputy Minister, Department of Education for Yukon, or such other official of Yukon as may be designated by the Minister of Education by notice in writing to Canada;

“Eligible clients” means unemployed and low skilled workers described in section 9;

“Eligible costs” means the program assistance costs and program administration costs incurred by Yukon in providing assistance to eligible clients under its eligible programs during the period of the agreement;

“Eligible programs” means labour market programs provided by Yukon described in section 8;

“EI client” means an unemployed individual

- (a) who is eligible for assistance under labour market programs provided by the Canada Employment Insurance Commission under Part II of the *Employment Insurance Act*, or
- (b) who is eligible for assistance under any similar labour market programs provided by Yukon which are funded by the Canada Employment Insurance Commission under a Labour Market Development Agreement entered into between Canada and Yukon pursuant to Part II (section 63) of the *Employment Insurance Act*.

“Fiscal year” means the period commencing April 1 of a calendar year and ending March 31 of the following calendar year;

“LMA Management Committee” means the Committee established under section 46;

“Period of the Agreement” means the period specified in section 48;

“Program administration costs” means the direct and indirect internal operating costs incurred by Yukon in developing and administering the eligible programs; and

“Program assistance costs” means:

- (a) the costs of financial assistance provided by Yukon under its eligible programs directly to, or on behalf of, eligible clients, and
- (b) the costs of financial assistance or other payments provided by Yukon under its eligible programs to third party service providers for direct and indirect costs incurred by them, or as payment for services rendered by them, in relation to the provision of assistance to eligible clients under its eligible programs,

but do not include

- (i) payments of basic income support to an eligible client unless the payments are linked to active participation in an eligible program, or
- (ii) payments to public or private training institutions for training infrastructure costs and curriculum development costs, unless those costs are related to the delivery of eligible programs, including training, to eligible clients.

## **PURPOSE**

2. The purpose of this Part is to set out:

- (a) the shared vision of the parties, and the shared objectives and principles of this Part ;
- (b) the roles and responsibilities of the parties in the labour market;
- (c) the general characteristics of service delivery arrangements of Yukon in relation to this Part;
- (d) the labour market programs of Yukon that are eligible for funding under this Part, the eligible clients of those programs, and the eligible costs of those programs for which the new investments provided by Canada to Yukon under this Part may be used;

- (e) the amount of funding to be provided under this Part by Canada to Yukon each fiscal year during the Period of the Agreement; and
- (f) the accountability framework for the funding provided under this Part.

## **VISION, OBJECTIVES AND PRINCIPLES**

- 3. Canada and Yukon share a common vision to create, in Canada, the best-educated, most-skilled and most flexible workforce in the world.
- 4. Canada and Yukon agree that the broad objectives of this Part are:
  - (a) Quantity - To increase the participation of Canadians and immigrants in the workforce to meet current and future labour requirements;
  - (b) Quality - To enhance the quality of skills development; and
  - (c) Efficiency - To facilitate workforce mobility and provide the information necessary to make informed labour market choices.
- 5. Canada and Yukon agree that the implementation of this Part will be guided by the following principles:
  - (a) Accessibility – access to comparable programs for Employment Insurance (EI)-eligible and non-EI-eligible clients, to enhance the labour market participation of all Yukoners, particularly low-skilled workers and under-represented groups;
  - (b) Effectiveness – effective programs that draw on best practices from within Canada and abroad, respond to the needs of employers, and reflect local labour market conditions;
  - (c) Quality Client-Centred Delivery – a coherent, integrated approach to providing client-centered programs;
  - (d) Fairness – principle-based arrangements with Yukon, respecting primary territorial responsibility for design and delivery of labour market programming to individuals; and
  - (e) Efficiency – improving the efficiency of the national labour market and strengthening the economic union by facilitating adjustment and removing barriers to mobility.

## **ROLES AND RESPONSIBILITIES**

6. Canada and Yukon agree that Yukon has the primary responsibility for the design and delivery of labour market programs for individuals in Yukon.
7. Canada and Yukon agree that Canada will continue to promote an efficient and integrated national labour market in support of the national economy. Canada also will continue to provide federal programs for Aboriginal peoples, youth, older workers and persons with disabilities.

## **ELIGIBLE PROGRAMS**

8. Yukon agrees to provide labour market programs to enhance the labour market participation of individuals by assisting them to prepare for entry to, or return to, employment or to otherwise obtain or keep employment or maintain skills for employment. These programs may include, but are not limited to, programs that support the following activities:
  - (a) skills training, ranging from training in basic skills, such as literacy and numeracy, to advanced skills training;
  - (b) on-the-job training and workplace-based skills upgrading;
  - (c) group interventions and job readiness assistance;
  - (d) wage subsidies and earnings supplementation;
  - (e) employment counselling and services; and
  - (f) labour market connection services, such as services to facilitate matching supply and demand and services that promote and enhance labour market efficiency.

## **ELIGIBLE CLIENTS**

9. Yukon agrees to use the funding provided under this Part to provide assistance under its eligible programs to:
  - (a) unemployed individuals who are not EI clients, including but not limited to:
    - (i) social assistance recipients;
    - (ii) persons with disabilities;
    - (iii) older workers;
    - (iv) youth;
    - (v) Aboriginal peoples;
    - (vi) new entrants and re-entrants to the labour market;
    - (vii) unemployed individuals previously self-employed;
    - (viii) women; and
    - (ix) immigrants.

and

- (b) employed individuals who are low-skilled, in particular, employed individuals who do not have a high school diploma or a recognized certification or who have low levels of literacy and essential skills.
10. Canada and Yukon agree that although eligible clients include Aboriginal peoples, Canada will continue to provide its own labour market programs for Aboriginal peoples. Canada and Yukon agree, through the LMA Management Committee, to better coordinate the delivery of their respective programs for Aboriginal peoples.
11. Yukon will offer eligible programs to residents of Yukon. Yukon agrees not to place a minimum residency requirement on individuals seeking assistance under the eligible programs being funded under this Part.

#### **SERVICE DELIVERY ARRANGEMENTS**

- 12 (1) Yukon agrees to provide the eligible programs through an integrated and client-centered service delivery network. This network will provide a coordinated system for accessing the labour market programs of all departments and agencies of Yukon by individuals regardless of their particular needs or barriers and for making appropriate linkages with educational and training institutions and third party delivery agents.
- (2) Yukon agrees to ensure that its service delivery network provides needs assessment, case management, tracking and reporting of progress through interventions, and follow-up upon completion of interventions for eligible clients.
- 13(1) In developing and delivering its eligible programs, Yukon agrees to take into account the needs of the French language minority communities in Yukon.
- (2) Yukon also agrees to ensure that where there is a significant demand for services or for assistance under the eligible programs in either official language, individuals can obtain such services or assistance in that official language. In determining the areas of Yukon where there would be considered to be a "significant demand," Yukon agrees to use as a guideline the criteria for determining what constitutes "significant demand" for communications with, and services from, an office of a federal institution as set out in the *Official Languages (Communications with and Services to the Public) Regulations* made pursuant to Canada's *Official Languages Act*.

## FINANCIAL PROVISIONS

14 (1) Subject to the terms and conditions of this Part and Part 3, in fiscal year 2009/10 Canada agrees to make a contribution to Yukon in respect of the eligible costs incurred in that fiscal year of an amount not exceeding the aggregate of

(a) \$497,000 and

(b) the amount, rounded to the nearest thousand, determined by the formula

$$F \times (K/L)$$

where

F is \$500 million

K is the total population of Yukon for the fiscal year; and

L is the total population of all provinces and territories for the fiscal year.

(2) Subject to the terms and conditions of this Part and Part 3, in each fiscal year following fiscal year 2009/10 during the Period of the Agreement, Canada agrees to make a contribution to Yukon in respect of the eligible costs incurred in that fiscal year of an amount not exceeding the amount, rounded to the nearest thousand, determined by the formula

$$F \times (K/L)$$

where

F is \$500 million

K is the total population of Yukon for the fiscal year; and

L is the total population of all provinces and territories for the fiscal year.

(3) For the purposes of the formula referred to in subsections (1) and (2), the population of Yukon for each fiscal year and the total population of all provinces and territories for that fiscal year are the respective populations as determined on the basis of the quarterly preliminary estimates of the respective populations on July 1 of that fiscal year released in September of that fiscal year by Statistics Canada.

(4) Based on the Statistics Canada quarterly preliminary estimates of the respective populations on July 1, 2008, the notional amount of Canada's



maximum contribution to Yukon in fiscal year 2009/10 pursuant to paragraph (1)(b) is \$497,000. Canada will notify Yukon of the actual amount of the maximum contribution payable under paragraph (1)(b) to Yukon in fiscal year 2009/10, as determined under the formula set out in subsection (1), as soon as possible following the release in September 2009 of the population estimates referred to in subsection (3).

- (5) For fiscal year 2010/11 and each subsequent fiscal year during the Period of the Agreement, Canada will notify Yukon at the beginning of the fiscal year of the notional amount of its maximum contribution payable under subsection (2) in that fiscal year. The notional amount will be based on the Statistics Canada quarterly preliminary population estimates on July 1 of the preceding calendar year. Canada will notify Yukon of the actual amount of its maximum contribution in each of those fiscal years, as soon as possible following the release in September of each year of the Statistics Canada quarterly preliminary population estimates referred to in subsection (3).
- (6) Notwithstanding subsections (1) and (2), Canada may, subject to the approval of Canada's Treasury Board:
- (a) permit Yukon to retain and carry forward to the next fiscal year, ending in 2013/14, the amount of any contribution paid to Yukon for a fiscal year under subsection (1) or (2) that is in excess of the amount of the eligible costs actually incurred by Yukon in that fiscal year, and use the amount carried forward for expenditures on eligible costs in subsequent years throughout the Period of the Agreement, and
  - (b) re-profile the amount of any unpaid, federally committed portion of Canada's maximum contribution payable to Yukon in a fiscal year, as determined under subsection (1) or (2), to the next fiscal year, and add that re-profiled amount to the maximum amount payable under subsection (1) or (2) to Yukon in subsequent fiscal years over the Period of the Agreement ending in 2013/14.

For greater certainty, any amount carried forward or re-profiled from one fiscal year to the next under this subsection is supplementary to the maximum amount payable to Yukon under subsection (1) or (2) in the next fiscal year.

- (7) All amounts carried forward or re-profiled and paid to Yukon, or both, pursuant to subsection (6) must be spent by March 31, 2014. Yukon is not entitled to retain any such carried forward or re-profiled amounts that remain unexpended after March 31, 2014, nor is it entitled to retain any balance of Canada contribution for fiscal year 2013/14 paid pursuant to subsection (1) that remains unexpended at the end of that fiscal year. Such amounts are to be repaid to Canada in accordance with section 20.

- 15(1) Canada's contributions under this Part shall be used solely for defraying the eligible costs.
- (2) Yukon shall be responsible for expenditures on eligible costs incurred each fiscal year that are in excess of the amount of Canada's contribution in that year under this Part.
16. Any payment by Canada under this Part is subject to there being an appropriation of funds by the Parliament of Canada for the fiscal year in which the payment is to be made.
- 17.(1) Canada will make payments of its annual contribution under this Part in respect of Yukon's eligible costs in two instalments each fiscal year. The first instalment will be paid on or about June 15 of each fiscal year and the second instalment will be paid on or about November 15 of each fiscal year.
- (2) The amount of the first instalment will be an amount equal to 50% of the amount of Yukon's projected expenditures on its eligible costs for the fiscal year, as set out in its annual plan for the year.
- (3) The amount of the second instalment will be an amount equal to the balance of Yukon's projected expenditures on its eligible costs for the fiscal year, as set out in its annual plan for the year, as adjusted, if necessary, to ensure that the total amount paid for the fiscal year does not exceed the maximum amount payable in that fiscal year as determined under section 14.
18. If Yukon has failed to provide its annual audited financial statement, as required under section 23 for any fiscal year during the Period of the Agreement, Canada shall withhold payment of the second instalment of its contribution under this Part for the following fiscal year until such time as Yukon provides the financial statement.
- 19.(1) Subject to subsections (2) and (3), Yukon agrees and undertakes that the funding provided by Canada under this Part shall not displace normal territorial funding levels on its labour market programs, but that such funding shall be used to support incremental labour market program activities for eligible clients.
- (2) Canada and Yukon agree that the undertaking in subsection (1) is not to be construed as preventing Yukon from applying government-wide measures to control expenditures. Yukon agrees that in the event of an expenditure control exercise, Yukon would not disproportionately target activities funded under this Part.

- (3) The undertaking by Yukon under subsection (1) is also subject to the appropriation of sufficient funds by the Yukon legislature each fiscal year to maintain normal territorial funding levels.
  - (4) By no later than October 1 following the end of each fiscal year during the Period of the Agreement, Yukon agrees to provide Canada with a report by an independent auditor that Yukon has complied, in all material respects, with the requirements in subsections (1) and (2).
20. Yukon shall repay to Canada any amounts paid to Yukon in excess of the amount to which Yukon is entitled under this Part. Such amounts are debts due to Canada and shall be repaid promptly upon receipt of written notice to repay.

## **ACCOUNTABILITY FRAMEWORK**

21. Canada and Yukon agree to an accountability framework for the funding provided under this Part consisting of the following components:
- (i) planning;
  - (ii) financial reporting;
  - (iii) performance measurement;
  - (iv) public reporting; and
  - (v) evaluation.

### ***(i) Planning***

#### **Multi-year Plan**

- 22(1) For realizing the vision and achieving the objectives of this Part, Yukon agrees that the implementation of this Part will be guided by the multi-year plan set out in Annex 1. This multi-year plan will be subject to the subsequent annual plans prepared by Yukon as described in subsection (2).

#### **Annual Plan**

- (2) Subject to subsection (3), prior to the beginning of each fiscal year during the Period of Agreement, Yukon agrees to develop and share an annual plan relating to its eligible programs with the Government of Canada, and make it public by October 1 each year. The annual plan shall include:
- (a) an environmental scan that provides a profile of the current labour market challenges in Yukon;

(b) a description of the eligible clients who are to be targeted as priorities in the coming year;

(c) a description of the priority areas for programming and intended objectives;

(d) a brief description of the eligible programs, planned activities and projected expenditures for the coming fiscal year by priority area that are attributable to funding provided under this Part;

(e) the results expected for the planned activities referred to in paragraph (d); and

(f) a description of the consultation process referred to in subsection (3) and the types of groups consulted.

(3) In developing each annual plan referred to in subsection (2), Yukon agrees to consult with stakeholders, including business and labour representatives, community organizations and representatives of the official language minority community in Yukon.

**(ii) Financial Reporting**

23(1) By no later than October 1 following the end of each fiscal year during the Period of the Agreement, Yukon shall provide Canada with an audited financial statement of revenues received from Canada under this Part during the fiscal year and the eligible costs incurred by Yukon in relation to the eligible programs. The financial statement shall be prepared in accordance with Canadian Generally Accepted Accounting Principles and shall show:

(a) the program assistance costs incurred in respect of each eligible program during the fiscal year,

(b) the total program administration costs incurred during the fiscal year, and,

(c) if applicable, the amount of any surplus funds being carried forward to the next fiscal year pursuant to subsection 14(5).

(2) The audit shall be performed by an independent auditor selected by the Yukon Government and shall be conducted in accordance with Canadian Generally Accepted Auditing Standards.

**(iii) Performance Measurement**

- 24(1) In order to measure performance of the eligible programs, Yukon agrees to collect and compile, in accordance with Annex 2, the performance indicator information set out in Annex 2 about the eligible clients, the type of interventions provided under the eligible programs, and the outcomes of the interventions. For greater certainty, no personal information will be provided by Yukon to Canada.
- (2) Yukon agrees to provide to Canada the information referred to in subsection (1) which it has collected or compiled each fiscal year during the Period of the Agreement no later than five months following the end of that fiscal year. The information shall be provided in the format and manner decided jointly by Canada and Yukon.

**(iv) Public Reporting on Results**

- 25(1) Canada and Yukon agree on the importance of reporting to the public on results achieved under this Part.
- (2) By no later than October 1 following the end of each fiscal year during the Period of the Agreement, Yukon agrees to report to the people of Yukon on the results of the eligible programs achieved in the fiscal year. The report shall show separately the results attributable to the funding provided by Canada under this Part based on the performance indicators outlined in Annex 2.
- (3) Following the end of each fiscal year during the Period of the Agreement, Canada will report annually to Canadians on the aggregate results of the labour market agreements with provinces and territories based on the performance indicator information set out in Annex 2 collected and compiled by all provinces and territories and provided to Canada.

**(v) Evaluation**

- 26(1) Yukon agrees to carry out an evaluation of the impact and effectiveness of the eligible programs and the funding provided in relation thereto under this Part. The evaluation shall cover the period beginning on the date of signing of the Agreement and ending March 31, 2012 and shall be completed by March 31, 2013.
- (2) Yukon shall advise Canada by notice in writing delivered on or before April 1, 2010 that Yukon has selected that either:
- (a) paragraph (3) (a), or
  - (b) paragraph (3) (b),

shall apply to, and form part of, this Agreement, and upon delivery of such notice the paragraph so selected shall apply to and form part of this Agreement.

- (3) Yukon may carry out the evaluation in one or other of the following ways, at its option:
- (a) Yukon may carry out the evaluation on its own. If Yukon selects this option, it shall:
    - (i) develop an evaluation framework that adheres to commonly accepted evaluation practices and methodologies;
    - (ii) submit the evaluation design or framework for review and recommendations by an independent third party external evaluator;
    - (iii) before the evaluation is conducted, share the framework with Canada for discussion in the LMA Management Committee;
    - (iv) after the findings are obtained, submit the evaluation report to an independent third party external evaluator for review before it is finalized; and
    - (v) provide a copy of the evaluation report to Canada by no later than June 30, 2013.

The cost of the territorial evaluation will be the responsibility of Yukon.

Or,

- (b) Yukon may carry out the evaluation jointly with Canada. Where this option is selected, Canada and Yukon agree that the LMA Management Committee will establish a Joint Evaluation Sub-Committee comprised of equal representation from Canada and Yukon. One member from Canada and one member from Yukon will act as co-chairs. The Joint Evaluation Sub-Committee will:
  - (i) oversee the development of an evaluation framework that adheres to commonly accepted evaluation practices and methodologies;
  - (ii) submit the evaluation design or framework for review and recommendations by an independent third party external evaluator;
  - (iii) approve the evaluation framework;
  - (iv) approve the contract to be entered into by Yukon with the third party retained to carry out the evaluation;
  - (v) oversee the conducting of the evaluation according to the plan laid out in the framework;

- (vi) after the findings are obtained, submit the evaluation report to an independent third party external evaluator for review before it is finalized;
- (vii) approve the evaluation report; and
- (viii) provide a copy of the evaluation report to Canada and Yukon by no later than June 30, 2013.

Yukon will be responsible for providing to the third party evaluator any data required by the evaluator. The cost of the joint evaluation will be shared 50-50 by Canada and Yukon.

## **YEAR 2 REVIEW**

27. Canada and Yukon agree to design and conduct a joint Year 2 Review of the implementation of Part 1 of the Agreement that will be conducted in Fiscal Year 2010/11 and completed in 2011/12. The purpose of the Year 2 Review will be to ensure that both Parties are properly implementing the provisions of Part 1 of this Agreement and to inform potential improvements to this Agreement.

## **PART 2 –STRATEGIC TRAINING AND TRANSITION FUND**

### **INTERPRETATION**

28. In this Part, unless the context otherwise requires:

“eligible clients” means unemployed and employed individuals described in section 31;

“eligible programs” means labour market programs and services provided by Yukon that are described in section 30;

“eligible costs” means the program assistance costs and program administration costs incurred by Yukon during the transitional period in providing assistance to eligible clients under its eligible programs;

“fiscal year” has the same meaning as in section 1 of this Agreement;

“program administration costs” means the direct and indirect internal operating costs incurred by Yukon in developing and administering its eligible programs;

“program assistance costs” means

- (a) the costs of financial assistance provided by Yukon under its eligible programs directly to, or on behalf of, eligible clients,
- (b) the costs of financial assistance or other payments provided by Yukon under its eligible programs to employers, third party service providers or delivery agents as reimbursement for costs incurred by them, or as payment for services rendered by them, in relation to the provision of assistance to eligible clients under its eligible programs, and
- (c) payments to public or private training institutions for curriculum development costs that are directly related to the delivery of eligible programs for training of eligible clients,

but, for greater certainty, does not include

- (i) payments of basic income support to an eligible client unless the payments are linked to active participation in an eligible program, or
- (ii) payments to public or private training institutions for infrastructure costs;

"transitional period" means the period beginning April 1, 2009 and ending March 31, 2011.

## **PURPOSE**

29. The purpose of this Part is to set out:

- (a) the labour market programs of Yukon that are eligible for funding under this Part, the eligible clients of those programs, and the eligible costs of those programs for which the new investments provided by Canada to Yukon under this Part may be used;
- (b) the amount of funding to be provided by Canada to Yukon under this Part each fiscal year during the transitional period; and
- (c) the accountability framework for funding provided under this Part.

## **ELIGIBLE PROGRAMS**

30. During the transitional period, Yukon agrees to provide labour market programs to

- (a) enhance the labour market participation of eligible clients by assisting them to return to employment or to otherwise obtain or keep employment or maintain or improve skills for employment, and



- (b) support employers, and communities in dealing with labour force adjustments involving eligible clients.

These programs may include, but are not limited to, programs that support the following activities:

- (i) helping eligible clients to start their own businesses or become self-employed;
- (ii) supporting projects that create employment for eligible clients;
- (iii) supporting skills upgrading and training for eligible clients;
- (iv) providing mobility and relocation assistance for eligible clients; and
- (v) supporting employers, and communities in developing and implementing plans or strategies for dealing with labour force adjustments.

### **ELIGIBLE CLIENTS**

31. Yukon agrees to use the funding provided under this Part to provide assistance to:

- (a) unemployed individuals affected by the economic downturn in Canada;

and

- (b) employed individuals in sectors, occupations or communities affected by the economic downturn, including, but not limited to:
  - (i) sectors under pressure due to declining demand or other factors (e.g the tourism and hospitality sectors);
  - (ii) occupations in declining industries (e.g. mining and mineral exploration); and
  - (iii) communities dependant on a single employer or sector (e.g. mining communities)

### **FINANCIAL PROVISIONS**

32. Subject to the terms and conditions of this Part and Part 3 of this Agreement, in each of fiscal years 2009/10 and 2010/11 Canada agrees to make a contribution to Yukon in respect of the eligible costs incurred in that fiscal year of an amount not exceeding the aggregate of

- (a) \$1,250,000, and

- (b) the amount, rounded to the nearest thousand, determined by the formula

$$C \times (A/B)$$

where

C is \$245 million;

A is the average number of unemployed persons in Yukon calculated by averaging,

(a) for fiscal year 2009/10, the number of unemployed persons in Yukon each month during the months of August 2008 to, and including, January 2009 as determined by Statistics Canada Labour Force Survey data for those months; and

(b) for fiscal year 2010/11, the number of unemployed persons in Yukon each month during the months of August 2009 to, and including, January 2010, as determined by Statistics Canada Labour Force Survey data for those months; and

B is the average of the total number of unemployed persons in Canada calculated by averaging,

(a) for fiscal year 2009/10, the total number of unemployed persons in Canada in each month during the months of August 2008 to, and including, January 2009, as determined by Statistics Canada Labour Force Survey data for those months, and

(b) for fiscal year 2010/11, the total number of unemployed persons in Canada each month during the months of August 2009 to, and including, January 2010, as determined by Statistics Canada Labour Force Survey data for those months.

33. (1) Subject to subsections (2) and (3), Yukon agrees and undertakes that the funding provided by Canada under this Part shall not displace normal territorial funding levels for existing labour market programs referred to in section 30 but that such funding shall be used to support incremental labour market program activities for eligible clients.
- (2) Canada and Yukon agree that the undertaking in subsection (1) is not to be construed as preventing Yukon from applying government-wide measures to control expenditures. Yukon agrees that in the event of an expenditure control exercise, Yukon would not disproportionately target programs funded under this Part.

(3) The undertaking by Yukon under subsection (1) is also subject to the appropriation of sufficient funds by the Yukon legislature each fiscal year to maintain normal territorial funding levels.

(4) By no later than October 1 following the end of each fiscal year during the transitional period, Yukon agrees to provide Canada with a report by an independent auditor selected by the Yukon Government certifying that Yukon has complied, in all material respects, with the requirements in subsections (1) and (2).

34. Canada's contributions under this Part shall be used solely for defraying the eligible costs. Yukon shall be responsible for expenditures on eligible costs incurred each fiscal year during the transitional period that are in excess of the amount of Canada's contribution in that year under this Part.

35. Any payment by Canada under this Part of the Agreement is subject to there being an appropriation of funds by the Parliament of Canada for the fiscal year in which the payment is to be made.

36. Canada will make payment of its contribution under this Part in respect of Yukon's eligible costs in each fiscal year referred to in section 32 in two equal instalments. The first instalment will be paid on or about April 15 of each fiscal year and the second on or about September 15. The amount of each instalment will be 50% of the maximum amount of the contribution payable in that fiscal year as determined under section 32 of this Agreement.

37. In the event that the amount of the contribution made to Yukon under this Part for a fiscal year referred to in section 32 exceeds the amount to which Yukon is entitled for that fiscal year, the amount of such excess is a debt owing to Canada and shall be repaid to Canada forthwith.

38. Yukon acknowledges that the amount of any unutilized funding provided to Yukon under this Part at the end of a fiscal year that must be repaid under section 37 will not be reprofiled by Canada to increase the maximum contribution payable to Yukon in the following fiscal year.

#### **SERVICE DELIVERY ARRANGEMENTS**

39. Sections 12 and 13 of this Agreement apply to the development and delivery of the eligible programs funded under this Part.

## ACCOUNTABILITY FRAMEWORK

40. (1) Yukon agrees to include in its annual plans referred to in subsection 22(2) of this Agreement for fiscal years 2009/10 and 2010/11,

- (a) a description of the eligible clients who are to be targeted as priorities for eligible programs funded under this Part in the fiscal year,
- (b) a description of the priority areas for programming funded under this Part in the fiscal year and their intended objectives, and
- (c) a brief description of the eligible programs, planned activities and projected expenditures for the fiscal year by priority area that are attributable to funding provided under this Part.

(2) In identifying the eligible clients who will be targeted as priorities for eligible programs funded under this Part, Yukon agrees to give priority to eligible clients who are most in need, such as

- (a) long-tenured workers in industries, sectors and regions who face structural adjustment and will likely need to change occupations or sectors, and
- (b) workers who have been laid-off or are at-risk of lay-off but whose skills remain in demand, if not in the short-term over the medium term, and workers whose skill set is closely related to the skills required in growing sectors or for emerging opportunities.

41. Yukon agrees to include in its annual audited financial statements provided under section 23 of this Agreement for each of fiscal years 2009/10 and 2010/11, a statement showing the amount received from Canada under this Part in respect of the fiscal year and the amount of the eligible costs incurred by Yukon in relation to the eligible programs funded under this Part. The statement shall also provide a breakdown of

- (a) the program assistance costs incurred in respect of each eligible program during the fiscal year,
- (b) the total program administration costs incurred during the fiscal year.

42. (1) In order to measure performance of the eligible programs funded under this Part, Yukon agrees to

- (a) collect and compile, in the same manner as set out in Annex 2, the performance indicator information set out in Annex 2 about the eligible

clients, the type of interventions provided under the eligible programs and the outcomes of the interventions funded under this Part in each fiscal year during the transitional period, and

(b) provide the information to Canada, in the format and manner agreed to jointly by Canada and Yukon, no later than five months following the end of each fiscal year to which the information relates.

(2) Where there are activities supported under an eligible program during a fiscal year under this Part that do not involve providing assistance to eligible clients, Yukon, agrees to

(a) prepare a narrative report describing the activities supported, the level of funding provided in support of those activities and the expected outcomes of the activities, and

(b) provide a copy of the report to Canada no later than five months following the end of each fiscal year to which the report relates.

43. No later than 2 months following the end of each quarter (i.e. each three month period) during the transitional period, Yukon agrees to provide to Canada a report on the estimated number of eligible clients served and the activities funded under this Part during the quarter. For greater certainty, the first report is due by September 1, 2009. The second is due by December 1, 2009. The third is due by March 1, 2010 and the fourth is due by June 1, 2010. Similarly, the reports for fiscal year 2010/11 are due by September 1, 2010, December 1, 2010, March 1, 2011 and June 1, 2011.

44. Yukon agrees to include in its annual report to the people of Yukon referred to in section 25 of this Agreement for each of fiscal years 2009/10 and 2010/11 the results attributable to the funding provided by Canada under this Part. The results shall be based on the performance indicators referred to in section 42.

45. Yukon agrees to include in the evaluation referred to in section 26 of this Agreement an evaluation of the impact and effectiveness of the eligible programs and the funding provided in relation thereto under this Part of this Agreement

### **PART 3 – GENERAL PROVISIONS**

#### **LMA MANAGEMENT COMMITTEE**

46. (1) Canada and Yukon agree to establish an LMA Management Committee.

(2) The LMA Management Committee will be co-chaired by the Designated Officials of Canada and Yukon and will meet at least twice annually or as agreed.

(3) Each party will determine specific representatives from other agencies, departments or ministries within their respective organizations.

(4) The role of the LMA Management Committee includes, but is not limited to:

- (a) designing and conducting the Year 2 review referred to in section 27;
- (b) where Yukon has elected under paragraph 26 (2)(a) to carry out its own evaluation of the eligible programs under paragraph 26(3)(a), reviewing the evaluation framework referred to in subparagraph 26 (3) (a)(iii);
- (c) where Yukon has elected under paragraph 26 (2)(b) to carry out an evaluation of its eligible programs jointly with Canada under paragraph 26 (3)(b), establishing the Joint Evaluation Sub-Committee referred to in subparagraph 26 (3)(b) and oversee the conduct of the evaluation;
- (d) discussing draft annual plans and reports;
- (e) discussing ways to better integrate the delivery of programs for Aboriginal peoples;
- (f) deciding the manner and format information referred to in section 24(1) and Annex 2 is provided;
- (g) maintaining linkages with the planning processes under any Canada-Yukon Labour Market Development Agreement entered into between the parties pursuant to Part II of Canada's *Employment Insurance Act*, and
- (h) sharing views on labour market programs and policies as well as broader developments in the labour market in Yukon.

#### **PUBLIC ACKNOWLEDGEMENT OF FEDERAL FUNDING**

47. Canada and Yukon agree on the importance of ensuring that the public is informed of Canada's financial contributions under this Agreement, with the contributions acknowledged in accordance with Annex 3 to this Agreement.

## **PERIOD OF THE AGREEMENT**

48. This Agreement shall come into effect when it is signed by both parties and shall terminate on March 31, 2014 unless it is terminated earlier in accordance with section 54. However, it is understood and agreed that the effective start date of the period in respect of which eligible costs may be reimbursed under this Agreement is April 1, 2009. In this section, "eligible costs" means to "eligible costs" as defined in both Parts 1 and 2 of the Agreement.

49. Notwithstanding the termination of this Agreement, the obligations of Yukon under sections 20, 23, 25 and 37 of this Agreement shall survive any termination and shall remain in force until they are satisfied or by their nature expire.

## **EQUALITY OF TREATMENT**

50. During the Period of the Agreement, if another province or territory negotiates a Labour Market Agreement with Canada, and if, in the reasonable opinion of Yukon, any provision of that agreement is more favourable to that province or territory than what was negotiated with Yukon, Canada agrees to amend this Agreement in order to afford similar treatment to Yukon, if requested by Yukon. The amendment shall be retroactive to the date on which the Labour Market Agreement with the other province or territory comes into force.

## **ANNEXES**

51. The Annexes to this Agreement are an integral part of the Agreement.

## **AMENDMENTS**

52.(1) This Agreement may be amended at any time by mutual consent of the parties. To be valid, any amendment shall be in writing and, subject to subsection (2), signed, in the case of Canada, by Canada's Minister of Human Resources and Skills Development, and in the case of Yukon, by Yukon's Minister of Education.

(2) An amendment to any Annex to this Agreement may be made by the written agreement of the Designated Officials of the parties.

## **DISPUTE RESOLUTION AND TERMINATION**

53.(1) Canada and Yukon are committed to working together and avoiding disputes through government-to-government information exchange, advance notice, early consultation, and discussion, clarification and resolution of issues, as they arise.

(2) If at any time Canada or Yukon is of the opinion that the other party has failed to comply with any of its obligations or undertakings under this Agreement or is in breach of any term or condition of the Agreement, Canada or Yukon, as the case may be, may notify the other, in writing, of its concerns. Upon such notice, Canada and Yukon will endeavour to resolve the issue in dispute bilaterally as determined appropriate by the Designated Officials.

(3) If the dispute referred to in subsection (2) cannot be resolved by Designated Officials, then the dispute will be referred to Canada's Deputy Minister of Human Resources and Skills Development and Yukon's Deputy Minister of Education, and if it cannot be resolved by them, then Canada's Minister of Human Resources and Skills Development and Yukon's Minister of Education shall endeavor to resolve the dispute.

54. On or after March 31, 2011, either party may terminate this Agreement at any time without cause by giving 12 months notice of intention to terminate.

55. Upon termination of the Agreement under section 54, Canada shall have no obligation to make any further payment to Yukon in respect of eligible costs incurred after the date of termination. In this section, "eligible costs" means to "eligible costs" as defined in both Parts 1 and 2 of the Agreement.

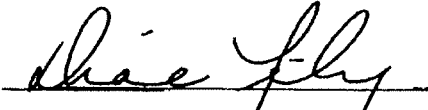
#### **FUTURE FUNDING FOR ADDITIONAL PROGRAMS**

56. If, following the implementation of this Agreement, Canada decides to transfer additional federal funding to Yukon to support the costs of the territorial delivery of programming for youth and/or older workers and/or persons with disabilities, the parties agree that such additional funding shall be provided within the framework of this Agreement. The parties agree to amend this Agreement to set out any additional terms and conditions upon which any additional federal funding would be provided.

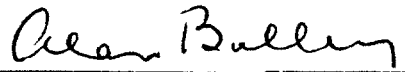


SIGNED on behalf of Canada by the Minister of Human Resources and Skills Development

at Castinean this 08 day of July, 2009



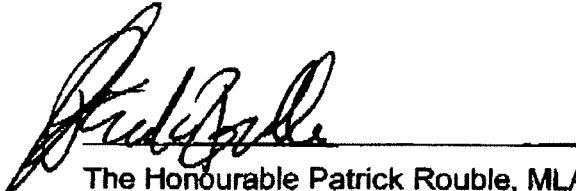
The Honourable Diane Finley, P.C., M.P.,  
Minister of Human Resources and Skills Development



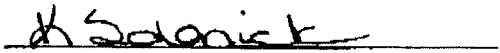
Witness

SIGNED on behalf of Yukon by the Minister of Education

at Whitehorse this 23 day of June, 2009



The Honourable Patrick Rouble, MLA,  
Minister of Education



Witness

## ANNEX 1

### **Yukon Multi-Year Plan Labour Market Agreement**

This multi-year plan is intended to guide the activities of Yukon's Labour Market Agreement until March 2014. Trying to identify specific needs of Yukon's Labour Market over the next five years is challenging. For example, Yukon experienced increased economic activity over the past few years which resulted in a labour shortage. In February 2008, Yukon's unemployment rate was 5.0%, down significantly from February 2003 when the unemployment rate was 10.2%. Since the economic downturn; however, Yukon has experienced a rise in its unemployment rate to 6.7% in February 2009. Given the rise and fall in the unemployment rate over the previous five years, flexibility in determining programming is essential.

Further, it must be understood that due to the size of Yukon's labour force the addition or even expansion of one mine site can significantly affect Yukon's labour market. Additionally, the needs of Whitehorse area residents compared to rural community residents are unique and require different approaches. With the quickly changing demands in Yukon's labour force, reactive and targeted programming will be required.

Another significant initiative that will affect programming for the labour force over the next five years will be the implementation of the Labour Market Framework for Yukon. The Framework will see the development and implementation of five new strategies: Comprehensive Skills and Trades Training, Immigration, National Recruitment, Employee Retention, and Labour Market Information. The strategies are being developed to help ensure Yukon has an inclusive and adaptable labour market that meets the demands of a strong, diversified economy. It is anticipated the strategies with associated action plans will be completed by December 2009. The action plans may identify activities that should be included in the LMA over the next five years.

The following potential activities have been developed with the above in mind; however, the more specific annual plans may differ, depending on priorities. Additionally, programs may be needed to target groups who have typically been disadvantaged or those who are under-represented in Yukon's labour force: First Nations, women, persons with disabilities, youth, older workers, and immigrants. Further, it must be understood that many of the clients who are not attached to the labour force may have multiple barriers and may require additional support to enter and continue to be employed.

## Programs

1. Labour Market Information
  - Develop relevant labour market information specific to industry, community, occupation, etc.
  - Update Yukon Work Futures document
2. Training and Skills Development
  - Implement work place based training
  - Promote Essential Skills
  - Offer project based training similar to Blade Runners program in BC
  - Provide life skills training
  - Project based work experience programs (group receives training while completing a community project)
3. Recruitment
  - Counseling and career related information
  - Referral service for potential clients
  - Labour exchanges
4. Retention
  - Subsidy based program to assist with transportation, child care and other employment supports to retain employees
  - Provide wage subsidies for specific training needs
  - Job coaching, mentoring programs
  - Post-program supports – transitional assistance for those going from public school into the workforce, training programs to work placement, etc.

## Anticipated Financial Allocations (000's)

The figures below reflect Yukon Government's intention, subject to approval by Treasury Board, to re-profile the original LMA funding allocations from 09/10 and 10/11 over the last three years of the agreement.

Category	LMA <sup>1</sup> 08/09	STTF 09/10	STTF 10/11	LMA 11/12	LMA 12/13	LMA 13/14
Labour Market Information	-	150	150	150	150	150
Training & Skills Development	-	600	600	435	435	435
Recruitment	-	300	300	150	150	150
Retention	-	300	300	150	150	150
Administration	-	107	107	109	109	109
<b>Total</b>	<b>0</b>	<b>1,457</b>	<b>1,457</b>	<b>994</b>	<b>994</b>	<b>994</b>

<sup>1</sup> Treasury Board provided approval for YG to re-profile the 08/09 contribution into 09/10.

**ANNEX 2**  
**PERFORMANCE INDICATOR INFORMATION**  
*(Section 24)*

1. Canada and Yukon acknowledge that groups who are underrepresented in the labour market often have multiple barriers that are affected only in part through labour market interventions, and that these multiple barriers must be taken into account in interpreting and reporting to the public the results of labour market interventions provided to such clients.
2. Subject to sections 3 and 4 of this Annex, Yukon agrees to
  - (a) collect and compile the information set out below based on tracking service activities and on samples of activities and eligible clients; and,
  - (b) provide the information to Canada, in a format and manner to be decided jointly by Canada and Yukon, no later than five months following the end of each fiscal year:

*(i) Eligible Client indicators*

- (a) Total number of eligible clients served/in training by employment status (that is, employed, unemployed, self-employed).
- (b) Education level of eligible clients prior to intervention, as follows:
  - Number of clients served with less than high school
  - Number of clients served with high school
  - Number of clients served with post secondary education
- (c) Number of eligible clients served in an intervention by designated client group (that is, Aboriginal peoples, immigrants, older workers, persons with disabilities, women, youth)

*(ii) Service Delivery Indicators*

- (a) Number of eligible clients participating in interventions by intervention type
- (b) Proportion of eligible clients "satisfied" with service received upon completion of the intervention

*(iii) Eligible Client Outcome and Impact Indicators*

- (a) Proportion of eligible clients who have completed their intervention, by intervention type.

- (b) Proportion of eligible clients who, 3 months and 12 months after leaving the intervention, are:
    - (i) employed,
    - (ii) unemployed, or
    - (iii) continuing in an intervention
  - (c) Proportion of eligible clients who, 3 months and 12 months after leaving the intervention, indicate their training helped prepare them for future employment
  - (d) Number of eligible clients who have earned credentials or certification through participation in the intervention.
  - (e) Average hourly earnings of eligible clients following the intervention.
3. The parties agree to work together to make any necessary refinements or adjustments to the descriptions of the performance indicators to address any issues that may arise with respect to their meaning, scope or application. These issues will be referred to the LMA Management Committee for discussion. Any agreed change to the wording of the description of a performance indicator will be made by way of an amendment to section 2 of this Annex in accordance with subsection 52(2) of this Agreement.
4. The parties acknowledge that Yukon does not currently have the systems developed to fully report the Eligible Client Outcome and Impact Indicators information referred to in paragraphs 2 (iii) (d) and (e).

However, Yukon agrees to take all reasonable measures to enable it to collect or compile the information listed in paragraphs 2 (iii) (d) and (e) by no later than April 1, 2010, or by such later date as may be mutually agreed to by the Designated Officials

5. The parties acknowledge that Yukon's ability to collect and compile information about eligible clients must be done in accordance with the laws of Yukon including the *Access to Information and Protection of Privacy Act*. This means that Yukon may not be able to collect certain information without self-identification, voluntary response or consent of clients. Yukon agrees to make best efforts to encourage eligible clients to self-identify, voluntarily respond or provide any necessary consent, as applicable. In cases where the quality of information is in serious question, either party may raise the matter for discussion and clarification at the LMA Management Committee.

**ANNEX 3**  
**PUBLIC INFORMATION**  
*(Section 47)*

The purpose of this Annex to the Canada-Yukon Labour Market Agreement is to describe how Yukon will ensure that Canada's contributions are appropriately acknowledged by Yukon, as well as by third parties in receipt of funds provided under this Agreement.

1. Canada and Yukon will jointly prepare public information material and jointly organize and participate in any public announcement relating to the signing of the Canada-Yukon Labour Market Agreement.
2. Yukon agrees to acknowledge Canada's support of Yukon's eligible programs in signage, advertising, posters, exhibits, pamphlets, brochures, forms for the use of clients, news releases, public announcements, program descriptions and correspondence, and public reports on Yukon's eligible programs.
3. Yukon agrees to ensure that third party offices, where programs and services to clients funded under this Agreement are delivered, will have appropriate identification indicating that the programs and services provided at that office are funded in whole or in part by Canada.
4. Canada and Yukon agree to cooperate to provide opportunities for announcements, ceremonies, celebrations, and releases of reports to allow representatives of Canada and Yukon to clearly articulate the role of each government in supporting Yukon's eligible programs.
5. Yukon agrees to ensure that cheques or deposit statements for clients receiving assistance under Yukon's eligible programs, either directly from Yukon or through an organization receiving funding from Yukon, will include the Government of Canada word mark.
6. Canada and Yukon agree to consult and give each other reasonable advance notice of any major public relations initiatives to inform Canadians of activities being undertaken in the context of this Agreement.
7. In this Annex, "eligible programs" refers to eligible programs funded under both Parts 1 and 2 of the Agreement.