

Newfoundland and Labrador

Annual Plan | 2024-25

Canada - Newfoundland and Labrador Labour
Market Development Agreement (LMDA)

Overview

- In 2024-25, Newfoundland and Labrador's LMDA base allocation is \$123,544,634 with \$8,937,456 in administrative funding, for a total of \$132,482,090.

Labour Market Challenges and Priorities

Newfoundland and Labrador's economy was resilient in 2023, despite a challenging economic environment due to higher interest rates and persistent high rates of inflation. While the labour market and most indicators of consumer spending posted growth for most of the year, growth in employment and retail sales slowed in the later months as high interest rates dampened economic activity. Population growth continued with record-high numbers of international immigration, which contributed positively to the local labour supply, while contributing to tightness in the housing market in conjunction with historically low housing starts.

Newfoundland and Labrador's labour market performed well in 2023, recording employment gains on a year-over year basis in all but one month and reaching a historically low annual unemployment rate. A review of change from 2022 to 2023 indicates an increase in job posting levels for the retail and wholesale sectors, natural resources, educational services and public administration. There are continued pressures on the healthcare sector, with specific occupations such as nurses and home support continuing to experience high levels of job postings.

An increase was observed in the number of job postings from 2022 to 2023 seeking college level credentials indicating that more employers are seeking skilled individuals, and a need for continued focus on skills and training measures in the province.

The oil and gas industry advanced construction on the West White Rose oil project and the Terra Nova FPSO vessel returned to production in November 2023. In the mining industry, lower production and prices for some of NL's key mineral exports had a negative impact on the value of mining exports, while work continued to ramp up to full production at the underground Voisey's Bay Mine Expansion project. In the fishery and aquaculture sector, the wild fishery was impacted by significantly lower prices for key species, while the aquaculture industry experienced considerable growth. The tourism industry continued to rebound from the pandemic and there were several positive developments in the emerging wind-hydrogen sector. Prospects for growth in the long term will include opportunities in the green energy, oil and gas, mining, and aquaculture industries boosting economic activity. The wind-hydrogen sector continues to evolve, including multiple advances in 2023 with the approval of the first project in 2024.

Increased interest and demand for green fuels and the identified opportunities for wind/hydrogen activities in Newfoundland and Labrador, will create increased demand for both industrial construction jobs along with a need for production workers. Expected demand in the electric vehicle sector and technology manufacturing is resulting in increased interest in mineral exploration and development. This will require continued training and upskilling of workers to

meet these needs, as well as attracting unique talent to fill skills gaps.

Newfoundland and Labrador continues to be impacted by an aging work force and population. This may be mitigated through the noted increase in immigration over time. With the changing skill needs of sectors as new technologies and opportunities present themselves, Newfoundland and Labrador is well positioned to meet these needs through a responsive public and private post-secondary education system using both regular programming along with growing and reactive micro-credential offerings.

Labour Market Transfer Agreements (LMTA) are the primary funding source utilized in Newfoundland and Labrador to improve worker skills and earnings, help employers find skilled workers, and increase workforce participation by groups furthest from the labour market. Reductions in LMTA funding amounts for fiscal year 2024-25 will have significant impacts on Newfoundland and Labrador's ability to continue to serve the employment and training needs of many populations in this province, ultimately impacting our growth and economic competitiveness, and minimizing our ability to respond to immediate pressures in construction and healthcare sectors.

Details on how the province intends to assist with these challenges for 2024-25 is outlined in the [Description of Planned Programs: Employment Benefits and Support Measures](#) section of this report. Programming will help respond to employers and industry groups continued needs for assistance in accessing required skills and labour, as well as the supports for individuals to pivot quickly to meet these emerging needs. All of this, further reiterating the need for continued federal and provincial collaboration, including funding agreements such as the labour market transfer agreements.

Description of Planned Programs: Employment Benefits and Support Measures

Program: Employment Assistance Services	Projected expenditures: \$12,300,000
Brief description of program - Areas of focus: <ul style="list-style-type: none">• Through self-directed and assisted employment services, organizations provide a variety of services that support individuals as they prepare to enter or re-enter the workforce or assist them to find a better job. Services may include supported employment centres, provision of labour market information, needs determination, job search assistance, career decision-making, job search services, career counselling, and résumé writing assistance, and job maintenance support.• Clients who require assisted services will have their employability needs assessed by a Case Manager to develop an employment plan that will identify necessary and appropriate interventions to help them return to the workplace.	
Target Client Groups: <ul style="list-style-type: none">• Unemployed and employed Canadians, regardless of Employment Insurance (EI) status	
Benefits and expected results: <ul style="list-style-type: none">• Individuals will be enabled to make well-informed career decisions.• Access to advisory and support services will be provided that will enable individuals to prepare for and make employment transitions (e.g., school to work, unemployment to employment).• Individuals will be supported in the career and employment planning process.• Labour market information will be provided to individuals, employers, and community organizations.• Approximately 24 organizations will be supported to provide service to over 14,500 individuals in 2024-25.	

Program: Skills Development	Projected expenditures: \$68,777,273
Brief description of program - Areas of focus:	
<ul style="list-style-type: none"> Skills Development provides financial support to EI eligible individuals who are seeking full-time post- secondary training at a public or private training institution, as well as short-term training of less than 12 weeks in duration. This includes supports to attend Adult Basic Education and Advanced Level Apprenticeship training, as well as funding to public post-secondary institutions. Skills Development program provides assistance to individuals who clearly identify barriers to employment and a willingness to discuss options to remove these barriers. To be considered for funding individuals must be EI eligible, be engaged in a case management, and have an employment plan developed. Individuals who participate in Skills Development may be required to make a financial contribution towards the cost of their training. 	
Target Client Groups:	
<ul style="list-style-type: none"> EI-eligible Unemployed or underemployed Unrepresented groups, such as Persons with Disabilities, Youth, Indigenous population, Women, and other subsets that may be identified throughout the fiscal year 	
Benefits and expected results:	
<ul style="list-style-type: none"> Participants who do not have required education will have access to training to improve their opportunities for additional education and/or employment. Individuals will acquire employment skills that will strengthen their labour market attachment. The labour market participation of Newfoundland and Labrador residents will be enhanced, including low-skilled workers and under-represented groups. Individuals' ability to find long-term employment opportunities through training and education will be enhanced. Apprentices will be supported to obtain the formal instruction required for certification in designated trades and to progress in their chosen occupation. Approximately 3,500 individuals will be supported in 2024-25. 	

Program: Wage Subsidies	Projected expenditures: \$9,350,000
<p>Brief description of program - Areas of focus:</p> <ul style="list-style-type: none"> • The JobsNL program supports employer/employee connections that promote sustainable long-term employment or seasonal/short-term employment. • The Apprenticeship Wage Subsidy Program assists apprentices to gain work experience in their skilled trade, and progress to journeyperson certification by providing a wage subsidy to employers who hire apprentices. • The Supported Employment Program Community Employment Corporations offer supported employment services to adults with intellectual disabilities to allow these individuals to participate in meaningful and integrated employment within their communities. • The Employment Enhancement Program is a wage subsidy program designed to support employers in the forestry, aquaculture, agriculture and fishing sectors engaged in value- added secondary processing by providing funding to employers to create sustainable, long-term employment or seasonal employment and a training allowance to support new employees. • Funding is also provided to Community Coordinators who promote and manage wage subsidy agreements to assist specific client groups. • Eligible individuals may be provided employment supports related to the subsidized position, including tools, equipment, and short-term training. 	
<p>Target Client Groups:</p> <ul style="list-style-type: none"> • EI-eligible • Unemployed or underemployed • Unrepresented groups, such as Persons with Disabilities, Youth, Indigenous population, Women, and other subsets that may be identified throughout the fiscal year 	
<p>Benefits and expected results:</p> <ul style="list-style-type: none"> • Individuals will be provided opportunities to gain work experience and increase workplace skills. • Employers will hire unemployed individuals with minimal work experience whom they would not normally hire in the absence of a subsidy. • Approximately 750 individuals will be hired by employers in 2024-25. 	

Program: Self-Employment Assistance	Projected expenditures: \$5,400,000
<p>Brief description of program - Areas of focus:</p> <ul style="list-style-type: none"> • Self-Employment Assistance is a program that provides financial and entrepreneurial assistance to eligible individuals to help them create jobs for themselves by starting a business. There are two elements to the program: individuals seeking assistance and coordinating organizations to assist individuals. • Individuals are provided with services, such as entrepreneurship training, customized coaching, ongoing advice, business plan development and client supports. The program will improve their business success prospects and lead to further labour market attachments for themselves and possibly other individuals. • The program provides funding to organizations to assist clients with starting their own business. Self-Employment Assistance coordinating agencies provide entrepreneurial support to EI-eligible individuals to assist in assessing their suitability for the program and providing recommendations for funding. Once approved, the organization continues to assist with business plan development, business implementation, and progression through workshops, coaching, mentoring, and ongoing monitoring. 	
<p>Target Client Groups:</p> <ul style="list-style-type: none"> • For individuals - EI-eligible; Unemployed or underemployed; Unrepresented groups, such as Persons with Disabilities, Youth, Indigenous population, Women, and other subsets that may be identified throughout the fiscal year • For organizations - organizations that meet program criteria to offer business development expertise. 	
<p>Benefits and expected results:</p> <ul style="list-style-type: none"> • Self-employment program participants will receive the training and support they need to launch and operate viable businesses. • Employment opportunities through self-employment will be created to provide an economic benefit that extends beyond the individual and into the larger community. • Agencies will provide individuals with guidance, direction, feedback, support, and monitoring throughout the duration of the program. • Approximately 17 agencies and 300 individuals will be supported in 2024-25. 	

Program: Labour Market Partnerships	Projected expenditures: \$20,917,361
Brief description of program - Areas of focus:	
<ul style="list-style-type: none"> • This program provides funding to assist and support employers, employer or employee associations, community groups, and communities in developing and implementing labour market strategies and activities for dealing with labour force adjustments and meeting human resource requirements. • Funding may be provided to cover overhead costs such as wages and employment costs, research or technical studies, and other related costs and eligible expenses negotiated with program officials. • Businesses, organizations, municipalities, band/tribal councils, public health and educational institutions are eligible to receive funding as sponsors. All activities must involve partnership. • Labour Market Partnerships may be used to provide assistance to employed persons who are facing loss of employment. Program also includes a focus is on supporting innovative approaches to increasing capacity and enhancing services for newcomers to the province. 	
Target Client Groups:	
<ul style="list-style-type: none"> • Not applicable 	
Benefits and expected results:	
<ul style="list-style-type: none"> • Projects will assist in addressing identified labour market issues in the province. • Approximately 40 proposals will be supported in 2024-25. 	

Program: Job Creation Partnerships	Projected expenditures: \$8,000,000
<p>Brief description of program - Areas of focus:</p> <ul style="list-style-type: none"> • The Job Creation Partnerships program provides EI eligible individuals with opportunities to gain work experience that will improve their employment prospects. • The focus is helping insured participants who need work experience to increase their chances of successfully finding ongoing employment. Individuals will maintain or enhance their employability skills, particularly if they have been unemployed for a long period of time, through program projects. As well, participants will gain recent work experience for their resumes. This experience, together with the networking which participants do while on a project, increases their chances of successfully finding ongoing employment. • Financial support is provided, in partnership with employers and/or community organizations, to approved community projects. Support is also provided to participants based on the skill/supervisory level of the position and the prevailing wage rates. • Project activities should benefit both the participant and the community. 	
<p>Target Client Groups:</p> <ul style="list-style-type: none"> • EI-eligible • Unemployed or underemployed • Unrepresented groups, such as Persons with Disabilities, Youth, Indigenous population, Women, and other subsets that may be identified throughout the fiscal year 	
<p>Benefits and expected results:</p> <ul style="list-style-type: none"> • Jobs will be created through projects in partnership with community organizations. • Participants will be provided with opportunities to gain work experience that will improve their employment prospects and to achieve ongoing labour market attachment. • Project activities will benefit both the participant and the community. • Approximately 200 organizations and 700 individuals will be supported in 2024-25. 	

Targets for LMDA primary indicators

Active Employment Insurance (EI) claimants served	5,000
Returns to work	3,000
Savings to the EI Operating Account	\$16 million

Consultation Process

The department regularly engages with industry, labour, community, and education stakeholders to inform policy and budget priorities and to ensure programs and services are effective and relevant.

In addition, through IPGS' Regional Employment Services Offices and affiliated community partners delivering labour market programs, IPGS regularly obtains information from service delivery staff and management to gain a better understanding of client and employer needs. This provides important insight into current and future government-supported programming.

The province's Workforce Innovation Centre (WIC) hosts engagement sessions with underrepresented groups, exploring labour market challenges and opportunities, as well as research projects to support improved employment outcomes. Sessions and discussions are held with organizations, including those representing: Indigenous people, persons with disabilities, youth, older workers, women, and newcomers to the province. Findings and feedback from these sessions are helping to inform program and policy development.

Several key themes have emerged from these engagement activities, including:

- Increased collaboration and partnerships;
- Continued emphasis on immigration and attracting talent, including- the recognition of foreign credentials;
- Improved access to labour market information;
- Closing skills gaps through skills development and mentorship opportunities, in particular in priority sectors such as healthcare, construction, and renewable energy;
- Preparing individuals, and supporting employers in emerging sectors and advancing technologies, including automation and artificial intelligence;
- Enhanced awareness and access to programs and services; and
- Promotion of inclusive and diverse workplaces, particularly as it relates to our newcomer population.

With the shifting nature of work, it is critical that the Provincial Government's employment and training programs and services continue to evolve. Given that the responses envisioned by Newfoundland and Labrador are as multidimensional as the challenges themselves, continued engagement and collaboration with stakeholders and partners will be instrumental in allowing the province to promote new economic growth as well as address existing and future labour market challenges.

Examples of stakeholders	
Employers	Employers such as Newfoundland and Labrador Health Services, World Energy GH2, Verafin, Anaconda Mining, DF Barnes Fabrication, Corner Brook Pulp and Paper, Newco Metals, and small to medium sized enterprises
Community Groups	Community groups, including organizations supporting persons with disabilities, such as Community Sector Council, Vera Perlin, Stella's Circle, Choices for Youth, Heritage Foundation of NL, Sharing our Culture, Association for New Canadians, and Supported Employment Newfoundland and Labrador
Indigenous Partners	Indigenous partners such as Labrador Aboriginal Training Partnership, First Light (St. John's Native Friendship Centre), and Nunatukavut Community Council
Business and Industry Associations	Business and industry associations such as Newfoundland and Labrador Construction Association, Community Business Development Corporations, Newfoundland and Labrador Employers Council, Canadian Federation of Independent Businesses, Hospitality NL, NL Forestry Industry Association, techNL, Newfoundland and Labrador Federation of Agriculture, Oceans Advance, Canadian Manufacturers and Exporters – Newfoundland and Labrador, econext, and Newfoundland Aquaculture Industry Association
Provincial Government Departments	Other Provincial Government Departments such as Departments of: Education; Fisheries, Forestry and Agriculture; Industry, Energy and Technology; Children, Seniors and Social Development
Educational Institutions	Educational institutions such as Memorial University, Marine Institute, College of the North Atlantic, Newfoundland and Labrador Association of Career Colleges, Association of Building Trades Educational Colleges, and private training institutions
Official Language Minority Communities (OLMC) stakeholders	Official language minority representatives such as Réseau de développement économique et d'employabilité de Terre-Neuve- et-Labrador (RDÉE TNL), and La Fédération des francophones de Terre-Neuve et du Labrador (FFTNL)
Labour Organization	Labour organizations such as Newfoundland and Labrador Federation of Labour, Fish, Food and Allied Workers, and International Brotherhood of Electrical Workers
Youth Groups	Youth groups such as Premier's Youth Council, Conservation Corps, and St. John's Boys and Girls Club
Municipal Government	Municipalities Newfoundland and Labrador, towns, and local service districts

Examples of stakeholders

Federal Government Departments	Employment and Social Development Canada, Atlantic Canada Opportunities Agency, and Agriculture and Agri-Food Canada
---------------------------------------	--