

Executive Summary

Canada – British Columbia Labour Market Development Agreement

Purpose

The Labour Market Development Agreement (LMDA) transfers responsibility from Canada to BC for programs and services aimed at helping Employment Insurance (EI) clients and the unemployed general public to prepare for and obtain employment. LMDA programs and services will be integrated with existing labour market development investments, and aligned with the province's WorkBC vision.

Main Features of the Agreement

- Devolves design, management and accountability for EI Part II Labour Market Programming for EI clients, including specific Benefits and Measures.
- Accommodates the transfer of approximately 250 federal employees who will join the BC public service.
- Allows BC to design new EI Part II Benefits and Measures, provided they meet the requirements of similarity to the employment benefits and support measures under Part II of the *Employment Insurance Act*, and are consistent with the purpose and guidelines of that Act.
- Delegates authority to BC for certain functions of the National Employment Service.
- Requires BC to offer services in either official language where there is significant demand.

Structural Arrangements

- A Transition Committee will be formed upon signing of the agreement and will remain in place to the transfer date of February 2, 2009, for the purpose of coordinating transition efforts and supporting continuity of service.
- A Management Committee will be formed when BC assumes responsibility for the LMDA, with representation from Canada and BC. Responsibilities will include:
 - Discussing annual results targets and BC's Annual Plan;
 - Overseeing a Year 2 review and ongoing evaluations; and
 - Sharing views on labour market programs and policies.

Financial Arrangements

- Canada will provide annual contributions towards the BC Benefits and Measures for EI clients in perpetuity, based on a Pan-Canadian formula, and as follows for the following fiscal years:
 - 2008/09: \$284.336 million
 - 2009/10: \$280.735 million
 - 2010/11: \$277.494 million
- Canada will provide an annual contribution towards BC administration costs of \$20.535 million.