



Submission
to
The Standing Committee on Finance

On behalf of
ASPECT
The Association of Service Providers for Employability and
Career Training

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ASPECT represents a membership of more than 175 employment training organizations with approximately 3,200 employees in 120 communities throughout British Columbia. ASPECT members are both non profit and private organizations that provide community-based employment and career training specifically designed to assist individuals in overcoming their barriers to employment.

In 2007 the federal government announced imminent changes that will profoundly affect the way in which employment services are delivered in BC. The federal government is currently in the process of devolving the responsibility for all federally funded employment and training programs, together with related funding and staff, to BC by February 2nd, 2008. The Labour Market Development Agreement (LMDA) will transfer nearly \$300 million dollars per year in programming to the Ministry of Housing and Social Development in February 2009, while the Labour Market Agreement transferred approximately \$66 million to the Ministry of Economic Development in April 2008.

There is no mention of this influx of either the LMDA funds (\$300 million/year) nor the Labour Market funds (\$66 million/year) in the provincial budget even though it represents a significant sum and a momentous shift in labour market services for all the citizens of BC.

In response to these monumental changes, ASPECT formed the BC Career and Workforce Development Alliance with other provincial organizations including:

- the BC Career Management Association,
- the Affiliation of Multicultural Societies and Services,
- Education and Networking for Rehabilitation and Career Practitioners
- the Canadian Community Economic Development Network,
- SPARC BC

Collectively, we represent hundreds of agencies, their boards of directors and thousands of career development practitioners. We are committed to building a productive and effective workforce that meets the demands of an ever-changing economy and provides opportunity for all British Columbians to participate in and benefit from the resulting prosperity. We will do this by:

- assisting member organizations to identify and contribute their expertise, assets and resources to developing the world's most effective and productive workforce for BC;
- identifying principles and best practices for building a comprehensive and effective workforce development strategy to address labour market supply and demand side opportunities and needs;
- enhancing communication within the sector to increase awareness and understanding of workforce development opportunities and needs.

The Alliance has held two Provincial Consultations on the LMDA/LMA – one in June of 2007, the other in June, 2008 with the dual purpose of informing service providers of impending changes and serving as an advisory body to government. The LMDA Transition Team has been very involved in these consultations and has readily agreed to attend the third conference in June 2009.

ASPECT and the Alliance are primarily concerned that the transferred federal funds will not be utilized as effectively through the provincial government as they have been through Service Canada. While Service Canada has been committed to the availability of services for all citizens in all communities, there has been no commitment to the continuation of that level of service by the provincial government. In fact, over the last decade the provincial government has demonstrated a trend towards corporatizing employment services and marginalizing community based agencies. Corporations are inclined to find ways to maximize profit by providing peripheral services in highly populated areas. Meanwhile, services in rural areas are minimal, intermittent and at unacceptable levels. We have had, and continue to have, concerns that the new influx of federal funds will be expended in the same manner.

However, today ASPECT extends kudos to the LMDA Transition Team that operates under the leadership of Assistant Deputy Ministers Heather Dickson and Alison Bond from the Ministry of Housing and Social Development. The LMDA Transition Team has been open and consultative with regard to listening to the concerns of communities, clients and service providers. They have taken all possible opportunities to be inclusive and transparent. The LMDA Transition Team will be conducting a series of twelve consultations around the province in October and November to inform the future of LMDA programs in British Columbia.

As a result, many community based employment agencies, their boards and staff, are hopeful of a seamless continuation of employment services in all communities under the LMDA.

However, the transfer of 66 million dollars per year under the Labour Market Agreement (LMA) has not been managed as well. These new funds are intended by the federal government to assist citizens not eligible for Employment Insurance make connections with the labour market. These LMA funds were initially transferred to the Ministry of Economic Development but are now the responsibility of the Ministry of Advanced Education and Labour Market Development. The funds have been channeled through to nine ministries with no apparent consultation or advisory services of key stakeholders or the public. More concerning, is the fact that some of the nine ministries apparently have little understanding of the federal government criteria, the current existing services or the changing requirements of industry. In some cases, the Purchasing Commission and the requirement for an open, clear and transparent tendering process has been bypassed altogether. For example, an “Invitation to Submit” was posted only on the website of the Ministry of Small Business and was restricted to “associations of small businesses only” This would seem a violation of government’s own tendering principles, particularly given the contracts were worth \$ 10 million dollars. Furthermore, the services outlined are a

direct duplication of services currently being offered by two or three other ministries and could easily result in “double dipping” and mismanagement of the funds.

Recommendations to the Standing Committee on Finance:

1. Ensure key members of the BC Career and Workforce Development Alliance are included in any Advisory Committee struck to implement the LMDA & LMA funds.
2. Review the provincial government tendering process and how it affects the ability of the community based employment sector to contribute to the overall economy of BC.
3. There needs to be a centralized coordination of the Labour Market Agreement funds in order for them to be utilized efficiently and effectively to the advantage of the most people possible.