

# An Agreement that Devolves Responsibilities to Québec in Order to Improve the Operation of the Labour Market

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## *Canada-Québec Labour Market Agreement at a glance*

- ☞ Devolution-type agreement*
- ☞ Transferred from Employment Insurance Account:
  - ✓ funds for active initiatives: \$596 million (2001-2002)*
  - ✓ funds for administration: \$56.7 million (2001-2002)**
- ☞ Over 1,000 people transferred*
- ☞ Implementation began in April 1998*
- ☞ Agreement with an open time frame*

## *Québec's main responsibilities*

- ☞ Determine labour market priorities within its territory*
- ☞ Design, implement and evaluate active employment measures and services*
- ☞ Provide a labour exchange service and, to this end, establish appropriate links with the Canadian placement service*
- ☞ Produce Québec labour market information needed to assume its responsibilities*

# *Accountability*

*☞ Results-based management*

*☞ Tabling of an annual plan*

*☞ Targets for three indicators:*

- ✓ number of new employment insurance participants who receive assistance*
- ✓ number of participants receiving assistance who return to labour market*
- ✓ avoidance of benefit payments by Employment Insurance Account*

## *Advantages of Agreement*

- ☞ Improves the operation of the Québec labour market*
- ☞ Enables the population to receive high-quality employment and manpower services via a regionalized, locally decentralized operational approach*
- ☞ Reduces duplication and overlapping of public employment and labour force efforts*

# Québec's key achievements

## *Before*

- ✓ *three networks for active measures, with 256 service outlets*
- ✓ *over 65 measures and services (SQDM, HRDC, MES)*
- ✓ *compartmentalized target groups*

## *After*

- ✓ *single network for active measures, with 153 service outlets*
- ✓ *a dozen harmonized, simplified and decompartmentalized measures*
- ✓ *services offered to all segments of society*

## *... key achievements*

- ☞ Targets met and exceeded in 2000-2001:*
  - ✓ new participants: 120%*
  - ✓ returns to work: 119%*
  - ✓ benefit payments avoided: 108%*
  
- ☞ Creation of Emploi-Québec, an autonomous agency within the Ministère de l'Emploi et de la Solidarité sociale*
  
- ☞ Linkage of essential functions: compensation, active measures, matching*



## *... key achievements*

- ☞ Labour market partners closely associated with Emploi-Québec management (Québec-wide board and regional councils of labour market partners)*
- ☞ Autonomous on-line placement service deployed by Québec*
- ☞ Positive formative evaluations*
- ☞ All funds transferred since implementation of Agreement have been used*



## *Emploi-Québec at a glance*

- ☞ Mission: work with labour market partners to develop employment and the labour force, and fight unemployment and social exclusion, in a sustainable socioeconomic perspective*
- ☞ 153 local employment centres in 17 administrative regions administer active measures and last-resort financial assistance*
- ☞ 3,000 employees*

## *... Emploi-Québec at a glance*

- œ Annual budget of close to \$1 billion*
- œ Subsidies and purchases of services amounting to \$300 million per year (40% of Emploi-Québec's budget for active measures)*
- œ Efforts coordinated with over 300 third-party organizations, public and private educational institutions, consultants and sectoral committees*



## *Efforts adapted to labour market needs*

*☞ Customized efforts: the right measure for the right person at the right time*

*☞ Target groups: individuals, businesses, communities*

*☞ Five focus areas:*

*✓ job readiness*

*✓ job entry*

*✓ job retention*

*✓ job stabilization*

*✓ job creation*

## *... adapted efforts*

### *☞ Universal basic services:*

*✓ needs identification*

*✓ placement*

*✓ labour market information (multiservice areas, Internet, publications, etc.)*

### *☞ Specialized services: counselling, active measures, etc.*

### *☞ Individuals offered specialized services on a case-by-case basis: individualized integration, training and employment plans*

## *Québec issues*

- ☞ Continuation of current Agreement*
- ☞ End of duplication and overlapping, still present in active measures, in order to guarantee the entire population broader access to Québec's public employment services*
- ☞ Increase funding under Part II of the Employment Insurance Act to the maximum level, to meet greater labour market needs (\$200 million more per year)*

## *... Québec issues*

- Transfer of funds from the federal consolidated account for active measures, to improve services provided to the Québec population in general*
- Broader eligibility for the measures and services funded under Part II of the Employment Insurance Act  
(from 3 to 5 years)*
- Lower employment insurance premiums to favour job creation*