



CANADA–ONTARIO LABOUR MARKET DEVELOPMENT AGREEMENT

November 2005

**CANADA – ONTARIO LABOUR MARKET DEVELOPMENT AGREEMENT
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This Agreement made this ____ day of _____, 2005.

Between

The Government of Canada (herein referred to as "Canada"), as represented by the Minister of Human Resources and Skills Development and Minister Responsible for Democratic Renewal and the Canada Employment Insurance Commission

And

The Government of Ontario (herein referred to as "Ontario"), as represented by the Minister of Training, Colleges and Universities

Recitals

WHEREAS Canada and Ontario give the highest priority to the development of a skilled workforce and to the rapid re-employment of unemployed Ontarians;

WHEREAS Canada and Ontario agree on the importance of integrated and innovative services to clients;

WHEREAS Ontario is building a results-based, One-Stop Training and Employment System to improve labour market outcomes for Ontarians;

WHEREAS on May 7, 2005, Canada and Ontario committed to developing a new labour market development arrangement to address current and emerging labour market priorities in Ontario;

WHEREAS, within the context of the development of a Canada-Ontario Labour Market Development Agreement (LMDA), Canada and Ontario are also committed to addressing:

- (a) the creation of an integrated labour market system designed to achieve a more efficient and effective matching of a skilled labour force with the current and emerging needs of employers;
- (b) the reduction, to the extent possible, of unnecessary overlap and duplication in their labour market development programs and services and the harmonization of their respective programs and services; and
- (c) the modernization of government services that build a client-centred, service culture that offers a seamless, integrated, multi-channel approach to the delivery of government services;

WHEREAS Ontario has established the benefits and measures described in Annex 1 to this Agreement and Canada has determined that they meet the requirements of similarity to Canada's employment benefits and support measures are consistent with the purpose and guidelines of Part II of the *EI Act*;

WHEREAS with respect to the provision of funding to Ontario to support the costs of Ontario's benefits and measures, Canada, acting through the Canada Employment Insurance Commission, is authorized to enter into this Agreement pursuant to section 63 of the *EI Act*;

WHEREAS with respect to the other areas of cooperation between Canada and Ontario covered by this Agreement, Canada, acting through its Minister of Human Resources and Skills Development, is authorized to enter into this Agreement under section 10 of the *Department of Human Resources and Skills Development Act*;

AND WHEREAS Ontario's Minister of Training, Colleges and Universities is authorized to enter into this Agreement on behalf of the Government of Ontario pursuant to the general authority of the Minister over the Ministry pursuant to subsection 2(2) of the *Ministry of Training, Colleges and Universities Act*.

Now, therefore, the parties hereto agree as follows:

1.0 Interpretation

1.1 The terms "employment benefit" and "support measure" are used in the *EI Act* in reference to specific types of employment programs established by the Commission under sections 59 and 60(4), respectively, of the *EI Act*. The terms "benefit" and "measure" are used in section 63 of the Act in reference to employment programs established by other governments and organizations in Canada, towards the cost of which the Commission is authorized to make financial contributions, provided they are similar to the Commission's employment benefits and support measures and are consistent with the purpose and guidelines of Part II of the Act.

1.2 In this Agreement, unless the context requires otherwise,

"active EI claimant" means an individual for whom an employment insurance benefit period is established under the *EI Act*;

"administration costs" means the costs of administration incurred by Ontario in providing the Ontario benefits and measures;

"Annual Annex" means the Annex referred to in section 17;

"Commission" means the Canada Employment Insurance Commission;

"costs of Ontario benefits and measures" means the following costs of financial assistance or other payments provided by Ontario under its benefits and measures to persons and organizations that are eligible for assistance under those benefits and measures:

(a) in relation to the Ontario benefits,

(i) the costs of financial assistance provided under the benefits by Ontario directly to EI clients, and,

(ii) the costs of financial assistance or other payments provided by Ontario under the benefits to persons or organizations as reimbursement for costs incurred by them, or as payment for services rendered by them, in relation to the provision of assistance to EI clients, and

(b) in relation to the Ontario measures, the costs of financial assistance or other payments provided by Ontario under its measures to persons and organizations that are eligible for assistance under those measures;

"designated officials" means the officials designated by the parties under section 21 of this Agreement;

"*EI Act*" means the *Employment Insurance Act*, S.C. 1996, c.11;

"EI client" means an unemployed person who, when requesting assistance under a Ontario benefit or measure,

(a) is an active EI claimant, or,

(b) had a benefit period that ended within the previous 36 months, or,

(c) had a benefit period established for him/her within the previous 60 months, and

(i) was paid parental or maternity benefits under the *EI Act*,

(ii) subsequently withdrew from the labour force to care for one or more of their new-born children or one or more children placed with them for the purpose of adoption, and,

(iii) is seeking to re-enter the labour force;

"fiscal year" means the period commencing on April 1 in one calendar year and ending on March 31 in the next calendar year;

"HRSDC" means Canada's Department of Human Resources and Skills Development;

"NES clients" means persons and organizations to whom the National Employment Service provides its services, namely: workers, whether insured or not or whether they are claiming employment insurance benefits or not; employers, workers' organizations and interested public and private organizations providing employment assistance services to workers;

"Ontario benefit" means a labour market development program set out in Annex 1, as amended from time to time, that is provided by Ontario under section 3 with funding transferred under this Agreement and that is designed to enable EI clients to obtain employment;

"Ontario measure" means a labour market development program set out in Annex 1, as amended from time to time, that is provided by Ontario under section 3 with funding transferred under this Agreement to support:

- (a) organizations that provide employment assistance services to unemployed persons,
- (b) employers, employee or employer associations, community groups and communities in developing and implementing strategies for dealing with labour force adjustments and meeting human resource requirements, or,
- (c) research and innovation projects to identify better ways of helping persons prepare for, return to or keep employment, and be productive participants in the labour force.

1.3 The expressions "Ontario benefits" and "Ontario measures" may be referred to collectively in this Agreement as "Ontario programs";

"Service Ontario" is an initiative launched by the Ontario government to modernize front-line services under the responsibility of the Minister of Government Services; and

"Service Canada" is an initiative launched by the Government of Canada under the responsibility of the Minister of Human Resources and Skills Development.

2.0 Purpose and Scope

2.1 The purpose of this Agreement is to:

- (a) implement, within the scope of Part II of Canada's *EI Act*, new Canada-Ontario arrangements in the area of labour market development that will enable Ontario to assume an expanded role in the design and delivery of labour market development programs in Ontario, to benefit clients,

(b) provide for cooperative arrangements between Canada and Ontario to reduce overlap and duplication in, and to harmonize and coordinate the delivery of, their respective employment programs and services, and

(c) provide for the transfer of affected federal employees to Ontario.

2.2 Canada will retain responsibility for the delivery of insurance benefits under Part I of the *EI Act* and for the aspects of labour market development reflective of national interests, such as responding to national emergencies, activities in support of inter-provincial labour mobility, the promotion and support of national sectoral councils, the operation of national labour market information and national labour exchange systems, other labour market programming and the provision of support for labour market research and innovative projects designed to test new approaches to improving the functioning of the labour market in Canada.

2.3 To promote cooperation in the conduct of their respective activities and initiatives in support of labour market research and innovative projects, Canada and Ontario further agree to keep each other regularly informed of their planned activities and initiatives in this area.

2.4 Canada and Ontario are committed to working together in partnership to identify new innovative approaches to the delivery of public services in line with commitments set out in the Canada-Ontario Memorandum of Agreement on Collaboration in the Delivery of Public Services, signed May 13, 2004, and within the context of federal and provincial service delivery initiatives such as Service Canada and Service Ontario.

3.0 Ontario Benefits and Measures

3.1 As of January 1, 2007, or at such later time as may be agreed to jointly by the designated officials, Ontario will provide the Ontario benefits and Ontario measures described in Annex 1 to this Agreement entitled "Description of Ontario Benefits and Measures".

3.2 Ontario shall provide Canada with a plan in respect of each fiscal year during which it provides its benefits and measures which sets out:

(a) the labour market issues which Ontario intends to address during the coming fiscal year;

(b) the array of Ontario benefits and measures to be offered during the coming fiscal year, and

(c) the projected expenditures under each Ontario benefit and measure for the coming fiscal year.

In the case of the first fiscal year, the plan shall be submitted no later than three months prior to January 1, 2007 or such later date on which Ontario begins providing its benefits and measures as may be agreed to under section 3.1. In each subsequent fiscal year, the plan shall be submitted no later than three months prior to the beginning of the fiscal year to which it relates.

3.3 Subject to section 3.4 and adherence to the requirement of similarity and consistency with the purpose and guidelines of Part II of the *EI Act*, Ontario may make ongoing modifications to the design of its benefits and measures in order to ensure their responsiveness to client needs, changing labour market conditions and evaluation findings. It is understood that any modifications to the design will be set out in amendments to Annex 1.

- 3.4 Where any question arises as to whether a proposed modification to a Ontario benefit or measure affects its consistency with the guidelines and purpose of Part II of the *EI Act*, or its similarity to the employment benefits and support measures established under Part II of the *EI Act*, it shall be referred to a jointly agreed upon committee/mechanism for a determination.
- 3.5 Ontario shall not require any minimum period of residency in Ontario on the part of an individual as a condition of access by that individual to assistance under an Ontario benefit or measure supported by Canada under this Agreement.
- 3.6 To facilitate the co-ordination of the provision of assistance to EI claimants by Ontario under its benefits with the payment by Canada of insurance benefits to those claimants by virtue of section 25 of Part I of the *EI Act*, the Commission, pursuant to subsection 28(3) of Canada's *Department of Human Resources and Skills Development Act*, hereby authorizes Ontario's Minister of Training, Colleges and Universities to exercise the Commission's power to designate authorities in Ontario who may, for the purposes of section 25 of Canada's *EI Act*, refer active EI claimants to:
- (a) courses or programs of instruction or training which the claimant is attending at his or her own expense, or under Ontario benefits; or
 - (b) any other employment activity for which assistance has been provided for the claimant under an Ontario benefit which is similar to Canada's Job Creation Partnerships Employment Benefit or Self-Employment Benefit.
- 3.7 Ontario shall give thirty days advance notice to Canada of its intention to designate a referral authority for the purposes of section 25 of Canada's *EI Act* in order that Canada may make the necessary administrative arrangements with the referral authority to ensure timely and proper payment of insurance benefits to the referred active EI claimants under section 25 of the *Act*.
- 3.8 Authorities designated by Ontario may include staff of its Ministry of Community and Social Services, other Ontario government ministries or agencies, corporations of the Government of Ontario, as well as third parties in Ontario.

4.0 Delegation of Authority to Ontario with respect to Certain National Employment Services Functions

- 4.1 Ontario, acting through Ontario's Minister of Training, Colleges and Universities is hereby authorized to carry out or perform the functions of the National Employment Service (NES) described in Annex 2 entitled "National Employment Service Functions".
- 4.2 Canada and Ontario agree to cooperate in establishing formal links between the parties to facilitate and coordinate the operation of local, provincial and national labour exchange systems and the production and dissemination of local, provincial and national labour market information.

5.0 Service to Clients

- 5.1 Ontario agrees to provide access to assistance under its benefits and measures, and to the functions of the National Employment Service for which it is assuming responsibility, in either of Canada's official languages where there is a significant demand for such assistance in that language. In determining the circumstances where there would be considered to be a "significant demand" for assistance in either official language, Ontario agrees to use as a guideline the circumstances in which there is considered to be a significant demand for communications with, and services from, an office of a

federal institution, as set out in the Official Languages Regulations made pursuant to Canada's *Official Languages Act*.

5.2 Ontario will consult with representatives of the Francophone community in Ontario on the availability of assistance in French.

5.3 Canada and Ontario also agree to establish mechanisms for dealing with representations or enquiries made by Members of Parliament or Members of the Legislative Assembly of Ontario on behalf of constituents who have sought their assistance in resolving a problem or obtaining information in relation to obtaining assistance under Ontario's programs, to ensure that the reply to the representations or enquiries is directed to the appropriate party and that the confidentiality and privacy requirements of the respective parties' privacy legislation or policies are respected.

6.0 Integrated Programs and Services

6.1. Canada and Ontario agree to create an integrated set of programs and services that includes, where it is feasible and cost effective, an integrated approach to delivery of programs and services as outlined in Annex 3 to this Agreement. In the case of Ontario, these programs and services will include the Ontario benefits and measures as well as other labour market development programs and services provided by Ontario, such as those offered by the Ministry of Community and Social Services. In the case of Canada, these programs will be labour market development programs that are outside the scope of Part II of the *EI Act*.

6.2 The objectives of Ontario's One-Stop System will be to:

- (a) provide comprehensive employment and skills-related services to improve outcomes in the labour market for Ontarians;
- (b) provide equitable and convenient access to customer services in communities across Ontario with services also available by telephone and through the Internet;
- (c) provide no wrong door – all individuals are provided with information on the full array of services and receive supported access to services they need to achieve labour market goals;
- (d) provide flexible and innovative approaches to labour market and community needs through the provision of a broad range of services, including labour market information, job matching, employment counselling and information on training options;
- (e) provide specialized assistance to enable those facing particular barriers to training, employment and re-employment, such as new immigrants, long term unemployed, Aboriginal peoples and older workers, to receive the assistance they need;
- (f) expand services to help employers find the people and skills they need and to encourage them to increase their own investments in skills development;
- (g) utilize a single, effective system for managing performance of the third party agencies delivering training and employment programs across Ontario.

7.0 Management Arrangements

- 7.1 Canada and Ontario agree to establish an LMDA Management Committee to oversee the implementation and the effective administration and management of this Agreement, as described in Annex 4.
- 7.2 The LMDA Management Committee will be composed of an equal number of representatives of Canada and Ontario and include representatives for Canada from the Department of Human Resources and Skills Development, and Service Canada and for Ontario from the Ministry of Training, Colleges and Universities and Ontario's Ministry of Community and Social Services. It will be co-chaired by the Regional Executive Head for Service Canada, Ontario, or his/her designate and the Assistant Deputy Minister of Labour Market and Training of the Ministry of Training, Colleges and Universities, or his/her designate. Other members may be appointed by each co-chair, as appropriate.
- 7.3 Decisions of the LMDA Management Committee will be by consensus. If consensus cannot be reached, then the issue(s) will be referred to the Deputy Minister of Human Resources and Skills Development Canada or, wherever appropriate, the Deputy Minister for Service Canada, and the Deputy Minister of the Ministry of Training, Colleges and Universities and then to Canada's Minister of Human Resources and Skills Development and Ontario's Minister of Training, Colleges and Universities.
- 7.4 Whenever possible, Canada and Ontario will provide each other with advance notice of any legislative or regulatory proposal that could have implications on the other party. Annual results targets and service levels of provincial programs for EI clients will reflect any changes to federal legislation or regulations related to this Agreement.

8.0 Indicators for Measuring Results of Ontario Benefits and Measures and Annual Results Target Setting

- 8.1 Canada and Ontario agree to use the following indicators for measuring the results of the Ontario benefits and measures:
- (a) the number of active EI claimants who have accessed Ontario benefits and measures;
 - (b) the number of EI clients returned to employment;
 - (c) savings to the Employment Insurance Account.
- 8.2 Canada and Ontario agree to jointly establish in advance of each fiscal year during the period of the Agreement mutually agreed results targets for the coming fiscal year using the results indicators referred to in section 8.1 and the indicators set out in Annex 5 to this agreement entitled "Accountability, Results Measurements and Results Targets for 2007-2008".
- 8.3 The results targets shall be those set out in the Annual Annex for that fiscal year.
- 8.4 Canada and Ontario agree to establish mechanisms to jointly set the annual targets for 2007-08 and each fiscal year thereafter and to jointly review and assess the achievement of the results in accordance with the process described in Annex 5. In setting targets for each of those fiscal years, the parties will take into consideration local, regional and provincial economic and labour market circumstances, the results achieved in the previous year, the amount of funding available for Ontario benefits and measures for the coming year, and improvements in the design and delivery of the benefits and measures.

8.5 The measurement of the results indicators will be based on a methodology to be established by Canada in a manner that will support Canada establishing the national results for reporting to Parliament.

9.0 Evaluation

9.1 Canada and Ontario recognize the importance of evaluating the results of the Ontario benefits and measures to clients, premium payers and taxpayers, and the general public.

Accordingly, they agree that immediately after the commencement of implementation of Ontario benefits and measures, Canada and Ontario will jointly develop an evaluation framework to guide:

- (a) the development of evaluation processes adhering to recognized evaluation practices, for short, medium and long-term measurement of results;
- (b) the carrying out of such evaluation processes; and
- (c) the delineation of responsibilities of each party related to that framework.

9.2 A formative evaluation will be conducted jointly immediately after the first year of implementation of the Ontario benefits and measures.

9.3 A summative evaluation will be conducted jointly in the third year of implementation.

9.4 Subsequent evaluations will be conducted regularly, on a three-to-five year basis. Such evaluations will determine the impacts and effects of the Ontario benefits and measures on:

- (a) sustainability of employment;
- (b) dependency on income transfers (Employment Insurance and income support);
- (c) communities;
- (d) tax revenues from earned income;
- (e) other measures to be determined by Ontario; and
- (f) other measures to be determined through the Joint Evaluation Committee.

9.5 Canada and Ontario agree that the designated officials will establish a joint evaluation committee (called the "Joint Evaluation Committee") composed of representatives of Ontario and Canada to support and oversee the evaluations of Ontario benefits and measures. The Joint Evaluation Committee will prepare and sign off the evaluation framework, carry out evaluations according to the plan laid out in the framework document, and approve third-party evaluation contracts and evaluation reports. Costs for the initial formative and summative evaluations will be borne by Canada.

10.0 Information and Data Sharing

10.1 For the purpose of implementing this Agreement, Canada and Ontario agree to exchange information in accordance with the arrangements specified in Annex 6 to this Agreement entitled, "Exchange of Information and Data Sharing Arrangements".

10.2 Without limiting the generality of the foregoing, Canada and Ontario agree that the development and linking of electronic on-line systems that maintain client information data is an essential tool for effective and efficient case management for clients accessing Ontario benefits and measures. The use and application of information obtained through system linkages will be addressed in Annex 6.

11.0 Monitoring and Assessment Report

Section 3 of the *EI Act* requires the Commission to monitor and assess the effectiveness of the benefits and assistance provided under the Act. This includes assistance provided under the arrangements put in place in the context of this Agreement. The Commission is required to submit a report on its assessment to the Minister of Human Resources and Skills Development annually and the report must subsequently be laid before Parliament. Canada will use the information provided by Ontario under section 10 in preparing these reports.

12.0 Employment Insurance Program Integrity

As Canada may be providing insurance benefits under Part I of the *EI Act* to active EI claimants while they are participating under the Ontario benefits and measures, Canada and Ontario agree to cooperate with each other in developing measures for detecting and controlling abuse and in determining how and by whom these measures should be carried out.

13.0 Transfer of Federal Employees to Ontario

13.1 Ontario agrees to make an offer of employment to those employees of Canada who are affected by Canada's withdrawal from the delivery of its employment benefits and support measures in Ontario and by Ontario's decision to expand its role in the design and delivery of labour market programs through the implementation of the Ontario benefits and measures.

13.2 Ontario undertakes that its offer will meet the requirements of a Reasonable Job Offer (Type 2) within the meaning of Part VII of Canada's Work Force Adjustment Directive (WFAD) dated December 6, 2001, a copy of which has been provided to Ontario.

13.3 Transferring federal employees will become employees of the Ministry of Training, Colleges and Universities. Ontario will offer indeterminate employees of Canada classified status effective at the time of transfer. Each transferred employee will be granted an employment guarantee for a period of three years.

13.4 Details with respect to the offers of employment outlined in sections 13.1 and 13.2 will be embodied in an Employee Transfer Agreement (ETA) to be entered into by the parties by March 31, 2006 and appended as Annex 7. It is understood that supplementary agreements may also be required under other federal legislation such as the *Public Service Superannuation Act*.

13.5 The amount of Canada's contributions referred to in section 14.7 of this Agreement towards Ontario's administration costs is contingent on offers of employment being made to those employees affected by this Agreement, and on the type of offer meeting the requirements of a reasonable job offer within the meaning of Part VII of Canada's WFAD.

13.6 Canada and Ontario agree to disclose, to the extent permitted by law, relevant information that will assist the parties during the negotiations of the Employee Transfer Agreement. The parties also agree to a coordinated approach for employee communication.

13.7 Canada agrees that every vacant position within Canada's affected employee group at such time as may be agreed upon by the parties in the Employee Transfer Agreement will be included in the calculation of the number of affected employees to whom Ontario will be considered to have made an offer of employment and who will be considered to have accepted the offer.

14.0 Financial Arrangements

14.1 Canada and Ontario agree that, subject to the financial limitation set out in section 78 of the *EI Act*, the financial arrangements between them shall be as set out in the provisions below.

Contribution Towards Costs of Ontario Benefits and Measures

14.2 Canada, through the Commission, agrees to make annual contributions to Ontario pursuant to section 63 of the *EI Act* towards the costs of Ontario benefits and measures in accordance with sections 14.3 to 14.6 below.

14.3 The amounts payable for fiscal year 2006-2007 to fiscal year 2008-09 will be determined in accordance with the allocation methodology established by Canada for allocating among provinces/territories the funding approved each year by Canada's Treasury Board for expenditures under Part II of the *EI Act*. The currently projected maximum amount of Canada's contribution towards the costs of Ontario's benefits and measures for each of those fiscal years is estimated to be:

- fiscal year 2006-2007: \$525,368,000 (partial year funding)
- fiscal year 2007-2008: \$525,674,000
- fiscal year 2008-2009: \$525,674,000

14.4 For greater certainty, it is understood that the annual contribution amounts referred to in this section do not include insurance benefits payable by the Commission to active EI claimants under Part I of the *EI Act* (by virtue of section 25 of the *EI Act*) while participating in training and other employment activities under Ontario benefits.

14.5 For each fiscal year after the fiscal year 2008-09 during the Period of the Agreement, the parties will review Canada's contribution towards the costs of the Ontario benefits and measures. In conducting the annual reviews, Canada undertakes to provide Ontario with a three-year projection of Canada's annual allocation which is based on current trends, but which is subject to change. The agreed amount of Canada's contribution towards the costs of the Ontario benefits and measures for each fiscal year will then be specified in the Annual Annex for that fiscal year.

14.6 Canada agrees to establish an intergovernmental process aimed at reviewing the current methodology for the allocation of Employment Insurance funds in support of expenditures under Part II of the *EI Act* and at proposing options which put emphasis on matters such as achievement of results and generation of savings to the Employment Insurance Account.

Contribution Towards Ontario's Administration Costs

14.7 In addition to the annual contribution towards the costs of the Ontario benefits and measures, Canada, through the Commission, agrees to make an annual contribution to Ontario towards the administration costs incurred by Ontario in each fiscal year during the Period of the Agreement.

14.8 The amount of the annual contribution towards Ontario's administration costs shall be an amount determined in accordance with the methodology described in the letter of September 25, 1996 from Canada's Deputy

Minister of Human Resources Development to Ontario's Deputy Minister of Education and Training, subject to a reduction in that amount in the circumstance described in section 14.9.

- 14.9 The amount of the contribution for administration costs, as determined under section 14.8, that is payable in any fiscal year falling within the three year period following the date of transfer of federal employees to Ontario shall be reduced if there is any reduction in the amount of the normal salary, as set out in an Employee Transfer Agreement, paid to those employees in that fiscal year. The amount of the reduction in the maximum contribution for the fiscal year in question shall be an amount equal to the aggregate of the reduction in the agreed normal salaries payable to the transferred employees.
- 14.10 The amount payable by Canada in the annual contribution towards Ontario's administration costs shall not exceed \$53,003,000 in each fiscal year.
- 14.11 In addition to the amount payable under section 14.10, accommodation costs for actual employees transferred to Ontario will be made available to Ontario as a result of reduced accommodation requirements for Canada. Funds will be made available to Ontario as leases become renewed following a transfer or as otherwise jointly agreed to by the designated officials. The amount payable by Canada will not exceed \$6,071,000 in each fiscal year.

15.0 Transfer of Assets

- 15.1 Canada and Ontario will develop an "Inventory of Assets" that will be transferred for no consideration to Ontario. The assets to be transferred to Ontario will be related to the extent of labour market development responsibilities assumed by Ontario and the number of Canada's employees transferred to Ontario.
- 15.2 The timetable for the transfer of assets will be established by the Management Committee. No transfer will occur prior to the signing of the Employee Transfer Agreement referred to in section 13.0.

16.0 Payment Procedures

- 16.1 As of January 1, 2007, or on such later date as jointly agreed by the designated officials on which Ontario begins implementation of the benefits and measures, Canada will make advance payments of its annual contribution towards the costs of Ontario benefits and measures. The advances will be made on a monthly basis and will be based upon a forecast of monthly cash flow requirements furnished by Ontario. Ontario agrees to update the forecast on a quarterly basis.
- 16.2 As of January 1, 2007, or on such later date as jointly agreed by the designated officials on which Ontario begins implementation of the benefits and measures, Canada will make equal monthly instalments of its annual contribution towards the administration costs incurred by Ontario. The amount of the instalments will be based upon an agreed estimate of the administration costs to be incurred by Ontario during the fiscal year.

17.0 Annual Annex

- 17.1 Prior to the commencement of the implementation by Ontario of the delivery of its benefits and measures, and prior to the beginning of each fiscal year thereafter during the Period of this Agreement, Canada and Ontario agree to set out in an Annual Annex to this Agreement the following:

- (a) the agreed annual targets for the coming fiscal year for the results-based criteria or indicators referred to in section 8;
- (b) three-year projection of Canada's annual allocations for contributions towards the costs of the Ontario benefits and measures referred to in section 14.5; and
- (c) beginning in fiscal year 2008-2009, the actual amount of Canada's maximum contributions towards the costs of Ontario benefits and measures for the coming fiscal year, as provided for pursuant to section 14.

17.2 The designated officials are authorized to sign the Annual Annexes on behalf of each party.

18.0 Financial Accountability

18.1 For fiscal year 2007-2008 and for each fiscal year thereafter during the period of this Agreement, Ontario shall submit to Canada a report containing:

- (a) an audited financial statement prepared in accordance with generally accepted accounting principles and practices and in a form prescribed by Canada, and certified by the Auditor General of Ontario or his/her designate, setting out the amount of costs that Ontario has actually incurred in that fiscal year in respect of each Ontario benefit and measure; and
- (b) a statement from the Auditor General of Ontario or the designate certifying that all payments received from Canada in the fiscal year on account of Canada's contribution to its administration costs were paid in respect of administration costs actually incurred in that fiscal year.

18.2 The report shall be submitted no later than three months after the end of the fiscal year to which it relates.

19.0 Overpayment / Lapsing Funds

19.1 In the event that payments made to Ontario under this Agreement exceed the amounts to which Ontario is entitled, the amount of such excess is a debt owing to Canada and shall be repaid forthwith to Canada upon receipt of notice to repay.

19.2 Canada and Ontario agree to develop mechanisms through the LMDA Management Committee set out in Section 7 to use every effort to ensure full and effective utilization of the financial resources set out in this agreement.

19.3 Any unutilized contribution for a given fiscal year will lapse and will not be carried forward to increase the maximum contributions payable to Ontario in the following fiscal year.

20.0 Public Information

20.1 Ontario and Canada agree on the importance of ensuring that the public is informed of their respective roles and, in particular, the financial contribution of Canada and the responsibility of Ontario with regard to the administration of Ontario benefits and measures under this Agreement.

20.2 Ontario agrees to acknowledge Canada's support of Ontario benefits and measures in signage, public announcements, program descriptions and correspondence, and public reports on Ontario benefits and measures.

20.3 Canada and Ontario agree to cooperate to provide opportunities for announcements, ceremonies, celebrations, and releases of reports to allow representatives of Canada and Ontario to clearly articulate the role of each government in supporting Ontario benefits and measures.

20.4 Canada and Ontario agree to develop joint information products on Ontario benefits and measures at times to be mutually agreed but at least annually.

20.5 Ontario agrees to ensure that cheques or deposit statements for EI clients receiving assistance under its Ontario benefits, either directly from Ontario or through an organization receiving funding from Ontario, will include the Government of Canada word mark.

20.6 The parties agree to 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.

21.0 Designated Officials

21.1 The Regional Executive Head, Ontario Region, Service Canada, is the designated official of Canada for the purposes of this Agreement, and the Assistant Deputy Minister of Labour Market and Training of the Ministry of Training, Colleges and Universities is the designated official of Ontario.

21.2 Designated officials, or their designates, shall meet as required to resolve issues that emerge from the Agreement.

22.0 Period of Agreement

This Agreement will remain in effect for an indefinite period and may only be terminated in accordance with section 23.

23.0 Review and Termination

23.1 Canada and Ontario agree to undertake a review of the operation of this Agreement in fiscal year 2010-11 to assess if mutually desirable results are being achieved and to determine if they should continue their labour market arrangements under this Agreement. After completion of that review, either party can terminate the Agreement at any time by two fiscal years' written notice of intention to terminate to the other party.

23.2 In the event of termination of this Agreement, Canada and Ontario agree that they will work together to ensure that services to clients will not be unduly affected or interrupted by the termination.

24.0 Amendment

24.1 This Agreement may be amended at any time by the mutual consent of the parties. To be valid, any amendment shall be in writing and signed, in the case of Canada, by Canada's Minister of Human Resources and Skills Development and the Commission, and in the case of Ontario, by the Minister of Training, Colleges and Universities, or by their authorized representatives.

24.2 Notwithstanding section 24.1, an amendment to any Annex to this Agreement may be signed by the designated officials of the parties.

25.0 Equality of Treatment

During the period of this Agreement, if a province/territory other than Ontario negotiates an Agreement with Canada based on Canada's May 30, 1996 proposal, and any provision of that Agreement is more favourable to that

province/territory than what was negotiated with Ontario, Canada agrees to amend this Agreement upon the request of Ontario in order to afford similar treatment to Ontario.

26.0 General

26.1 No member of the House of Commons or Member of the Legislative Assembly of Ontario shall be admitted to any share or part of this Agreement or to any benefit arising therefrom.

26.2 This Agreement, including Annexes 1 to 7 and the Annual Annexes, comprise the entire agreement entered into by the parties with respect to the subject matter hereof.

27.0 Effective Date

This agreement shall be effective when signed by both parties.

ANNEX 1

DESCRIPTION OF ONTARIO BENEFITS AND MEASURES

1.0 Purpose

1.1 The purpose of this Annex to the Canada-Ontario Labour Market Development Agreement (LMDA) is to describe the programs and services, also referred to as benefits and measures, that will be provided by Ontario.

2.0 Objectives

2.1 The objective of Ontario benefits and measures is to assist individuals to prepare for, obtain, and maintain employment and to reduce their dependency on government forms of income support including EI benefits and social assistance.

2.2 In support of this objective and the objective of eliminating overlap and duplication, Ontario intends to incorporate the following design features:

- a) a seamless and cost-effective continuum of employment programs and services for unemployed Ontarians through the One-Stop System as described in Annex 3, and in doing so, improve client service and reduce overlap and duplication.
- b) increased flexibility to allow planning and delivery decisions to be made at the local level;
- c) strengthening of cooperative and partnership arrangements with other service providers and delivery agents;
- d) requirement of persons receiving assistance to develop and commit to personal action plans and also to share the costs of assistance as appropriate; and
- e) the use of a case management approach to support clients, coordinate assistance and enable appropriate follow up to be done.

2.3 Ontario will assume responsibility for selecting priority clients for provincial benefits and measures but only insured participants given access to provincial benefits will be funded under EI Part II.

3.0 Ontario Benefits

Ontario will provide five benefits to enable insured participants to obtain employment. Each is briefly described below.

a) Ontario Targeted Wage Subsidies

Wage subsidies will be used to encourage employers to permanently hire, to the fullest extent possible, insured participants who are at risk of extended periods of unemployment.

b) Ontario Job Creation Partnerships

Ontario will develop employment partnerships with employers and community groups that facilitate employment of insured participants and/or provide insured participants with short-term work experience to help them acquire skills needed by local employers.

c) Ontario Self Employment Assistance

Ontario will provide self employment services to insured participants including customized coaching and ongoing advice and client supports.

d) Ontario Skills Development

Ontario will implement a benefit for the education and training of insured participants so they can obtain the skills necessary for employment. Under this, insured participants will be expected to share the cost of training where appropriate.

This benefit will include the costs ordinarily paid by Ontario over and above the amounts recovered through tuition fees, with respect to each EI Client receiving financial assistance under Ontario Skills Development and attending a publicly funded training institution.

e) Ontario Earnings Supplements

Ontario may implement targeted earnings supplements to enable some people currently on EI or who are long-term unemployed people to accept low-wage jobs. Temporarily topping up low-wage salaries means that people who would not enter at the lower wage rate can re-enter the work force.

4.0 Ontario Measures

Ontario will provide two provincial measures. Each is briefly described below.

a) Ontario Employment Assistance Services

Employment Assistance Services will be used to support delivery of delegated National Employment Service functions described in Annex 2 that are provided to help clients prepare for, find, get, and keep jobs.

Ontario will provide services that are geared to meeting the needs of specific client groups and local communities through a service delivery network that is further described in Annex 3.

Services provided under this provincial measure will be accessible to unemployed persons and job seekers.

b) Ontario Labour Market Partnerships

Ontario will facilitate labour market activities that promote labour force development, workforce adjustment and human resources planning, through, for example, employer and employee groups.

It is understood that Labour Market Partnerships may be used to provide assistance for employed persons who are facing loss of employment.

c) Research and Innovation

Ontario also may develop a third provincial measure to support research, planning and innovative activities that identify better ways of helping persons prepare for and keep employment and be productive participants in the labour force.

ANNEX 2

NATIONAL EMPLOYMENT SERVICE FUNCTIONS

1.0 Purpose

The purpose of this Annex is to set out the National Employment Service (NES) functions delegated to Ontario by the Canada Employment Commission.

2.0 Service Needs Determination and Employment Counselling Functions

2.1 Ontario will provide service needs determination services and employment counselling services through activities which include, but are not limited to:

- a) identification of job seekers who are active claimants, so as to give them rapid access to employment measures;
- b) determination of clients' service needs; and
- c) necessary assistance for developing an individualized approach for finding new employment, including employment counselling, guidance, acquisitions of skills or of job search techniques, or any other activity that can help achieve the objectives established;
- d) action plan follow-up in order to ensure success

3.0 Labour Exchange

Ontario agrees to maintain labour exchange in a manner that allows universal access by all clients and to the timely transfer of information to the national labour exchange system as the parties to the agreement agree to be appropriate.

4.0 Labour Market Information

4.1 Canada and Ontario agree to the preparation of a joint labour market information strategy which will set out how each party will cooperate in gathering, analysing, producing, disseminating and using local, provincial and national labour market information to support economic progress. Through this strategy, the parties will seek to do the following:

- a) provide appropriate and timely local, provincial and national labour market information to Ontario workers, employers, students, governments and other partners;
- b) support the development of plans for delivering provincial benefits and provincial measures and assessing outcomes and impacts;
- c) support continuing delivery by Canada of Part I Employment Insurance benefits, Labour programming including fair wages and Employment Equity, and the provision of sound advice on admitting foreign workers into the provincial labour market; and
- d) support ongoing analyses of Ontario's labour market trends that will lead to the development of practical strategies for dealing with evolving labour market challenges.

4.2 The joint strategy will be consistent with National Labour Market Information System (NLMIS) methodology whereby:

- a) labour market information is available in both official languages;
- b) the HRSDC national labour market information research framework and methodology (presently known as the Canadian Occupational Projection

System), currently defined and supported in partnership with provinces, continues;

- c) linkages are maintained through the National Labour Market Information System to ensure that Canadians have access to Ontario labour market information from elsewhere in Canada;
- d) Internet labour exchange service products are maintained with up-to-date information;
- e) NLMIS methodological consistency and operational standards are applied to ensure data quality;
- f) partnerships are encouraged; and
- g) the contributions of both parties and other partners are recognized.

4.3 Labour market information may be local, provincial and national in scope. It is structured to include the following elements:

- a) occupational profiles and forecasts;
- b) community profiles;
- c) demographic and labour force profiles and forecasts;
- d) industrial/sectoral profiles and forecasts;
- e) wage and salary data and conditions of employment;
- f) vacancy and employment opportunities;
- g) reviews of labour market trends;
- h) occupational demand lists;
- i) potential employer lists;
- j) lists of training providers and available courses;
- k) major project updates; and
- l) work search tools.

ANNEX 3

DELIVERY ARRANGEMENTS

1.0 Purpose

The purpose of this Annex to the Canada-Ontario Labour Market Development Agreement (LMDA) is to describe the service delivery network for provincial benefits and provincial measures as outlined in Annex 1 and for the delegated National Employment Service functions as outlined in Annex 2.

2.0 Service Delivery Approach

- 2.1 Canada and Ontario agree that all current programs and services subject to this agreement will be maintained in each community until a review of service delivery has been completed.
- 2.2 Canada and Ontario agree to work together in partnership to identify new innovative approaches to the delivery of public services in line with commitments set out in the Canada-Ontario Memorandum of Agreement on Collaboration in the Delivery of Public Services, signed May 13, 2004, and within the context of federal and provincial service delivery initiatives such as Service Canada and Service Ontario.
- 2.3 Canada and Ontario agree that Ontario's decisions regarding the selection of service delivery sites within communities should give consideration to factors such as: historical/traditional service catchment areas, cost effectiveness, requirements under provincial and federal workplace legislation, accessibility for persons with disabilities, the visibility needs of each order of government and office designs that enhance client service.
- 2.4 Cooperative arrangements for the provision of services beyond the scope of this Agreement may be established outside this Agreement.

3.0 Ontario's One-Stop System

- 3.1 Ontario's One-Stop System will serve the full range of unemployed clients, from those with low skills who have never successfully made the transition to the labour market, to those who are highly skilled and have had a long attachment to the labour market but are facing adjustment.
- 3.2 Ontario's Service offerings will be tailored to meet the needs of the client, from intensive and progressive interventions to enhance the employability of a client with multiple barriers, to self-serve options and/or short interventions for the job-ready. Basic services will include labour market information, job matching, employment counselling, and information on skills development options. Enhanced services will address the more complex needs of those with barriers to employment, including at-risk youth, new immigrants, Aboriginal Peoples, older workers, and the long-term unemployed.
- 3.3 Ontario's One-Stop System will also support the demand side of the labour market equation, helping employers to identify and meet their current and emerging skills needs, do proactive human resource planning, and increase productivity through skills enhancement. Accurate, timely, and readily available labour market information will support the effective functioning of the labour market, and underpin the identification of skills training priorities. New or strengthened partnerships with employers, labour, and sectoral organizations will encourage individual, employer, and government investments in skills upgrading, for both employed and unemployed workers.

3.4 In Ontario's One-Stop System there will be "no wrong door". A client could access the system through electronic channels (telephone, internet), through government offices (in person or by mail), and through third parties. Canada and Ontario will ensure that all community partners, whether they received project funding from governments or not, are aware of the full range of services available and of how their clients can access those services to meet their identified needs.

3.5 There will be strong linkages between the One-Stop System and Canada in relation to Employment Insurance (Part I), building on the existing linkages with Ontario Works and the Ministry of Community and Social Services (MCSS). This will support, in the short term, the rapid re-employment of EI claimants and the achievement of negotiated program performance targets and will, in the long-term, support outcomes of reducing dependence on federal and provincial financial assistance.

3.6 MCSS and its service partners play an integral part in addressing the employment needs of low-income clients in Ontario, in particular social assistance recipients.

The main measures Ontario would use to ensure access for social assistance recipients (Ontario Works) who are EI eligible to Ontario benefits and measures funded under this agreement would be:

- a) Inclusion of Ontario Works Service Managers in the development of local service coordination and referral protocols;
 - b) Involvement of Ontario Works Service managers in local planning;
 - c) MCSS representation on the LMDA Management Committee;
 - d) Integration of the One-Stop System in the overall MCSS program delivery service path for Ontario Works delivery agents and Ontarians with Disability and Support Program delivery agents;
 - e) Development of referral protocols for clients; and
 - f) Ensuring that MCSS delivery partners have information on the full array of One-Stop services.
- 3.7 Integrated local planning involving stakeholders such as employers, unions, training institutions, Ontario Works Service managers, Service Canada offices, Service Ontario offices, local groups and associations, to ensure that each community gets services tailored to meet its needs and that mutual priorities can be identified and communicated.

4.0 Continuity of Service

4.1 Canada and Ontario are committed to continuity of service for Ontarians. In support of this commitment, both parties agree, from the date of the signing of this Agreement and up to and including December 31, 2006, Canada may extend or renew current agreements or enter into new agreements, during this timeframe, for a period not to exceed two (2) years.

4.2 Ontario agrees to honour all contribution agreements that Canada has signed under the benefits and measures which terminate after January 1, 2007 where performance targets as set out in the contribution agreements have been achieved.

4.3 Arrangements will be concluded to ensure continuity of client service during the transfer of responsibilities under this Agreement.

ANNEX 4

MANAGEMENT ARRANGEMENTS

Responsibilities of the LMDA Management Committee

The LMDA Management Committee will meet as required and be responsible for:

- a) establishing an implementation process to address implementation issues during the transition period including:
 - i. the completion of an inventory of assets in accordance with section 15 of the Agreement, and
 - ii. the establishment of mechanisms and other committees as may be required to ensure a smooth transition from Canada's delivery of employment benefits and support measures to the delivery of the provincial programs by Ontario;
- b) overseeing the development of, and approving an annual Annex to the Agreement that shall set out:
 - i. the agreed annual results targets for the coming fiscal year;
 - ii. the annual plan developed by Ontario and informed by local plans developed in consultation with local Service Canada offices, Ontario Works and other sources
 - iii. the three-year projection of Canada's annual allocations for contributions towards the costs of provincial programs; and
 - iv. the actual amount of Canada's contribution towards the costs of provincial programs in the coming year as determined pursuant to section 14.0;
- c) overseeing evaluation responsibilities outlined in section 9.0, and approving an evaluation framework;
- d) reviewing and providing direction to resolve issues arising from the implementation and management of this Agreement, and from the evaluation of provincial programs supported under this Agreement;
- e) reviewing the annual report;
- f) reviewing Ontario's annual plan;
- g) carrying out the powers, duties and functions of the Management Committee specified elsewhere in this Agreement or such additional powers, duties, functions as designated officials may jointly assign to it under section 7.0 to accomplish the objectives of this Agreement;
- h) in accordance with section 12.0, developing measures for detecting and controlling abuse and determining how and by whom these measures should be carried out;
- i) establishing other planning mechanisms and other committees as may be required to assist in the effective implementation of this Agreement; and
- j) maintaining linkages with the Strategic Planning Committee under the Canada-Ontario Labour Market Partnership Agreement to ensure an integrated approach to labour market programming covered under the two agreements.

ANNEX 5

ACCOUNTABILITY, RESULTS MEASUREMENTS AND RESULTS TARGETS FOR 2007-2008

1.0 Purpose

The purpose of this Annex is to set out the parties' mutual understandings of, and agreements on, results measurements to be used, the target setting process, results reporting and results targets for 2007-2008.

2.0 Results Measurements

2.1 Canada and Ontario agree that the following measures are to be used in determining short-term results and medium- to longer-term impacts and effects of the provincial benefits and provincial measures:

- a) Primary Indicators (Short-term)
 - i) active Employment Insurance claimants as a percentage of insured participants who access provincial benefits and provincial measures;
 - ii) returns to employment of insured participants, with an emphasis on active Employment Insurance claimants; and
 - iii) savings to the Employment Insurance Account.
- b) Cost and Effectiveness Measures (Short-term)
 - i) number and unit costs of clients becoming employed/self-employed; and
 - ii) number and unit costs of clients becoming self-sufficient.
- c) Qualitative Measures (Medium- to Longer-term)
 - i) sustained employment or self-employment as a result of Ontario's provincial benefits and provincial measures;
 - ii) reduction in dependency on Employment Insurance and other forms of government financial support;
 - iii) savings to social assistance and the Employment Insurance Account;
 - iv) increased tax revenues from earned income;
 - v) other medium- and/or longer-term qualitative measures as may be recommended by the Management Committee established under section 7.0 of this Agreement and approved by the designated officials.

3.0 Targets and Target-Setting

3.1 For 2007-2008, targets for the three primary indicators will be mutually determined drawing on a bench-making procedure supported by historical data from Canada. Both parties recognize that these will be soft targets for 2007-2008, major emphasis will be placed on establishing the systems and client information exchange linkages needed to ensure that results can be measured, data integrity can be maintained, and the information required for Canada's annual report to Parliament can be made available on a timely basis.

3.2 Canada and Ontario agree that the three primary indicators will be as follows:

a) Priority Active Employment Insurance Claimant Access

At least 65% of insured participants who access Ontario's benefits will be active Employment Insurance claimants.

b) Insured Participants Returned to Work

The number of insured participants who return to employment or become self-employed after being referred to Ontario's benefits and measures. While the count includes those returning to work during their benefit entitlement period and those returning to work after their benefit entitlement period, priority will be given to active Employment Insurance claimants.

c) Savings to the Employment Insurance Account

On an individual basis, calculation of a saving to the Employment Insurance Account is the difference between the individual's entitlement to regular benefits and the actual payout of regular Part 1 benefits to that individual (unpaid entitlements).

3.3 As outlined in section 8 of the Agreement, results targets for fiscal years 2007-2008 and beyond will be mutually agreed upon and set out in Annual Annexes. Targets will be set taking into consideration local level labour market realities and opportunities, individual client needs, community/partnership capacity and program mix.

4.0 Reporting of Results

4.1 Canada and Ontario agree that the primary indicators and cost and effectiveness measures described above will be tracked and reported on as follows:

- a) On a quarterly basis, Ontario will provide to the Regional Executive Head, Ontario Region Service Canada, on the Year-to-Date (YTD) results achieved with respect to the primary indicators and cost and effectiveness measures;
- b) The following represents the reporting requirements for the primary indicators and cost and effectiveness measures:
 - i) Percentage of insured participants involved in provincial benefits who are active Employment Insurance claimants;
 - ii) Number of insured participants and the number of active Employment Insurance claimants who are employed or self-employed, broken down by provincial benefit or provincial measure and the average cost. Insured participants are considered as employed if they:
 - a) have drawn 25 percent or less of their Employment Insurance entitlement for twelve consecutive weeks (applies to active Employment Insurance claimants who return to employment twelve weeks or more before the end of their benefit period); or,
 - b) draw 25 percent or less of their Employment Insurance entitlement in all their remaining weeks on benefits (applies to active Employment Insurance claimants who return to employment less than twelve weeks before the end of their benefit period); or,
 - c) are recorded as employed at the completion of their intervention(s) (applies to insured participants who return to employment after the end of their benefit period or who were not active Employment Insurance claimants); or,
 - d) are employed when contacted twelve weeks after the completion of their intervention(s) (applies to insured participants who return to employment after the end of their

benefit period or who were not active Employment Insurance claimants);

iii) Year-to-Date savings to the Employment Insurance account as a result of active Employment Insurance claimants becoming employed before making a full draw on their insurance entitlement (Part I insurance benefit entitlement minus actual Part I payout); and

iv) The number of insured participants and the number of active Employment Insurance claimants who have completed their intervention, broken down by type and average cost per intervention, as well as the number of active Employment Insurance claimants who have yet to complete their intervention.

ANNEX 6

EXCHANGE OF INFORMATION AND DATA SHARING ARRANGEMENTS

1.0 Purpose

The purpose of this Annex to the Canada-Ontario Labour Market Development Agreement (LMDA) is to provide for the exchange between the parties of information. This information includes the exchange of personal information (including social insurance numbers of EI claimants) that is necessary for the effective implementation of the LMDA.

2.0 Authorities

Canada to Ontario:

2.1 With respect to the information to be provided by Canada to Ontario under section 3 to this Annex, Canada confirms that it is authorized under sections 34(1) and 36(1) of the *Department of Human Resources and Skills Development Act* and section 139 of the EI Act to provide such information to Ontario for the purposes set out in section 3. In this regard:

- a) the information set out in section 3 consists of information obtained by the Canada Employment Insurance Commission or the Department of Human Resources and Skills Development from persons under the EI Act, and of information prepared from such information;
- b) subsection 34(1) of the *Department of Human Resources and Skills Development Act* authorizes the disclosure the aforementioned information to any person or body for the administration or enforcement of the program for which it was obtained or prepared;
- c) subsection 36(1) of the *Department of Human Resources and Skills Development Act* authorizes the disclosure of the aforementioned information to the government of a province for the administration and enforcement of a provincial law if the Minister of Human Resources and Skills Development considers it advisable and the information is made available subject to conditions agreed upon by the Minister and the government;
- d) pursuant to subsection 36(3) of the Act, information provided to Ontario shall not be made available to any other person or body unless the Minister considers it advisable. The information is made available for the purposes in the agreement and is subject to the conditions agreed upon by the Minister and Ontario.
- e) the information described in section 3 of this Annex will be available to Ontario only for the purposes described herein.

Ontario to Canada:

2.2 With respect to the information to be provided by Ontario to Canada, under section 4 of this Annex, Ontario confirms that it is authorized under section 42(e) of the *Freedom of Information and Protection of Privacy Act* to provide such information to Canada for the purpose set out in section 4.

3.0 Information to be Provided by Canada to Ontario

3.1 Canada will provide to Ontario, when requested by Ontario, on a per individual basis, the following information under its control from an individual's file for the purposes of:

(a) assisting Ontario in establishing and verifying if the individual qualifies as an EI client and is therefore eligible for, or entitled to, assistance under Ontario benefits and measures: -

- name
- social insurance number
- address
- postal code
- telephone number
- date of birth
- responsible Service Canada Centres – if available
- gender
- language
- status

(b) and, in respect of those individuals, who have been determined to be an EI client who is eligible for, or entitled to, assistance under Ontario benefits and measures, assisting Ontario in determining the nature and level of financial assistance to be provided to the EI client under Ontario benefits and measures:

- name
- social insurance number
- address
- postal code
- telephone number
- date of birth
- responsible Service Canada Centres– if available
- gender
- language
- status
- number of previous claims in the last five years (60 months)
- disqualified – yes/no
 - if yes - number of disqualification weeks
 - if yes - disqualification start week
 - if yes - disqualification end week
- disentitlement – yes/no
 - if yes - disentitlement start date
 - if yes - disentitlement end week
- stop payment – yes/no
 - if yes – date of stop payment
- type of benefit
- benefit period commencement (BPC)
- last week processed
- renewal week
- rate
- federal tax deducted
- provincial tax deducted
- number of eligible weeks
- number of weeks paid (number of weeks paid special benefits and number of weeks paid regular benefits identified if on same claim)
- Part I end date
- identification if on measure – “NOTICE: CLIENT ALREADY ON INTERVENTION, CONTACT Service Canada”

- apprenticeship (yes/no)
- apprenticeship waiting period waived (yes/no)

3.2 Upon request, Canada will provide to Ontario all or any of the following information under its control on all EI clients who have received assistance from Ontario under Ontario benefits and measures for use by Ontario in modifying, updating and/or reviewing its submission to Canada regarding the registration of an Ontario client for an Ontario training or self-employment program:

- name
- social insurance number
- Service Canada code
- project type
- train(ing) ID
- start week(s)/date(s) of intervention
- end week(s)/date(s) of intervention
- project RC
- intervention break start week/date
- intervention break end week/date
- agreement number
- institution code (if available)

3.3 Canada will provide to Ontario all or any of the following information under its control on all EI clients who have received assistance from Ontario under Ontario benefits and measures for use by Ontario in monitoring, assessing and evaluating the effectiveness of the assistance. Data will be provided in three file formats to facilitate Ontario's review.

3.3.1 The following elements will be provided in a data set structured for the determination of results:

- social insurance number
- apprenticeship client indicator
- benefit rate
- benefit period commencement
- last week of entitlement
- fail to report indicator
- month code
- found employment
- found work counter
- unpaid benefits
- last week processed
- new benefit period commencement
- total weeks paid
- training ID (header record)
- training/self employment start week
- training/self employment end week
- unit 43 – EI claimants employed before end of insurance benefit period as a result of assisted service
- unit 44 - EI claimants employed after insurance benefit period as a result of an assisted service
- unit 45 – non case-managed client who become employed before the end of their entitlement period as a result of Group Services
- unit 46 – clients (former EI claimants and other unemployed clients) employed as a result of an assisted service
- unit 52– unpaid benefits (EI Part I) resulting from EI claimants employed before end of insurance benefit period, as a result of an assisted service

- unit 53 – unpaid benefits (EI Part I) resulting from EI claimants employed before end of insurance benefit period and reported after end of benefit period as a result of a targeted wage subsidy (or similar) intervention
- Unit 54 – unpaid benefits (EI Part I) resulting from EI claimants employed before end of insurance benefit period as a result of Group Services (from Unit 45)
- result week of intervention
- result date of intervention
- action plan outcome
- result week
- intervention start date
- intervention end date
- provincial RC code
- weeks paid sub-counter
- weeks paid counter
- initial benefit period
- client type
- group services type
- group services flag
- date of group session
- standard data flag file

3.3.2 The following elements will be provided in two different formats. One format structured for determining clients served by client types and the other for intervention data (includes interventions count and designated group information):

- social insurance number
- program
- age
- action Plan Result
- case manager
- client type
- action Plan Creation Date
- action Plan Start Date
- action Plan End Date
- action Plan outcome
- action Plan outcome date
- designated group indicators (disabled, visible minority, women, Aboriginal Peoples)
- intervention start date
- intervention end date
- source of information
- missing action plan indicator
- new start interventions
- social assistant recipient
- gender
- RC code

4.0 Information to be Provided by Ontario to Canada

4.1 Ontario will provide to Canada the following information under its control about each EI client receiving assistance under Ontario benefits and measures for the purposes of assisting Canada in verifying their eligibility for, or entitlement to, insurance benefits under Part I of the EI Act, and ensuring that EI clients who are active EI claimants continue to receive the insurance benefits to which they are entitled while participating in an activity under an Ontario benefit:

- social insurance number
- project type
- Training ID
- start week(s)/date(s) of intervention
- end week(s)/date(s) of intervention
- project RC
- intervention break start week/date
- intervention break end week/date
- agreement number
- institution code (if available)

4.2 Ontario will provide to Canada the following information under its control about each EI client who is participating in Ontario benefits and/or measures, where available, and for each non-insured participant who is participating in Ontario benefits and/or measures funded with EI Part II monies, for the purpose of assisting Canada in monitoring, assessing and evaluating the effectiveness of the assistance provided by Ontario under Ontario benefits and measures which Canada is required to do under section 3 of the EI Act:

- name
- social insurance number
- address including postal code
- date of birth
- telephone number, including area code
- gender (where available as self-identified information)
- marital status
- family type
- number of dependents
- disability status (where available as self-identified information)
- visible minority (where available as self-identified information)
- Aboriginal group (where available as self-identified information)
- youth at risk
- name of intervention in which individual is involved, including apprenticeship
- provincial intervention code
- start date(s) of intervention
- end date(s) of intervention
- duration of intervention (hours/weeks)
- start date(s) of action plan
- end date(s) of action plan
- national occupational code for training
- action plan result/outcome
- educational attainment, including post-secondary
- type of employment obtained (full-time/part-time)
- NOC code of employment obtained
- date of action plan result
- official language preferred
- language of service
- language of intervention received
- intervention outcome (including reason for non-completion, where available)
- Group Services type
- Group Services completion date
- provincial responsibility code
- earnings (hourly/weekly/monthly)
- EI client status
- client social assistance status
- type of benefit income from government sources
- labour force attachment prior to intervention
- case file number/file number

- citizenship
- current/last employment, including national occupational code (NOC), years of experience, part-time/full-time, start date, end date, salary, reason for leaving job
- activity code
- type of training institution (public/private), attendance (part-time/full-time) program name (Employer Wage Subsidy, Self-Employment benefits – SEB)
- year-round/seasonal job
- type of employer (private sector, non-profit organization)
- SEB type of assistance (coaching, business plan, ongoing technical assistance)

5.0 Mode of Information Exchange

5.1 Information covered by this Annex will be provided by each party in a mutually agreed format, frequency and manner. In this regard, Canada and Ontario agree to review various options to facilitate the sharing of information between them including:

- (a) access by Ontario to systems administered by Canada;
- (b) access by Canada to systems administered by Ontario;
- (c) development of connectivity protocols allowing the systems of both parties to communicate with each other, and
- (d) sharing of common software and functionality.

5.2 Canada and Ontario agree to enter into a separate service level agreement outlining the information exchange, systems, and security requirements.

5.3 Canada and Ontario are committed to ensuring that the information they provide to each other under this Annex is reliable and is provided in a timely, secure, and confidential manner, and they agree to work together in achieving this goal.

6.0 Confidentiality and Use

6.1 Unless otherwise required by law, each party agrees that information received from the other party under this Annex for a purpose specified herein shall be used solely for the purpose for which it was provided and for no other purpose.

6.2 Unless otherwise required by law, the parties undertake to fully maintain and protect the confidentiality of the information they received under this Annex.

6.3 The parties shall not, without the written consent of the individual to whom the information relates, disclose to anyone any information received under this Annex in any form that could reasonably be expected to identify that individual for any purpose other than:

- (a) the purpose for which the information was provided under this Annex;
- or
- (b) a purpose authorized by law.

6.4 In the event of a request under Canada's *Access to Information Act* or *Privacy Act* for information obtained from Ontario under this Annex, Canada agrees to consult with Ontario prior to any disclosure of such information. In the event of a request under Ontario's *Freedom of Information and Protection of Privacy Act* for information obtained from Canada under this Annex, Ontario agrees to consult with Canada prior to any disclosure of such information.

6.5 The parties acknowledge that, where the consent of EI clients to the use or disclosure of personal information about themselves is a condition of eligibility for assistance under an Ontario benefit and/or measure, written rather than verbal consent must be obtained from the EI clients and all EI clients must be notified of the purpose of the use or disclosure of their personal information.

6.6 Each party will ensure that no information they received under this Annex is disclosed to a third party for a purpose authorized herein, unless there is a written agreement between the disclosing party and the third party, imposing upon the third party obligations that are similar in scope to those that are imposed upon the disclosing party under this Annex, with respect to the protection of this information.

7.0 Costs

Costs incurred by a party in carrying out its obligations hereunder will be the responsibility of that party.

8.0 Information Management

8.1 The information exchanged under this Annex shall be collected, used, retained, disclosed, destroyed or disposed of, and otherwise administered in accordance with:

- (a) in the case of Canada, the *Privacy Act*, the *Department of Human Resources and Skills Development Act*, the *Employment Insurance Act*, the *Library and Archives of Canada Act*, the Government of Canada Security Policy, applicable departmental policies and protocols and supporting operating directives and guidelines, covering the administrative, technical and physical safeguarding of the personal information; and,
- (b) in the case of Ontario, the *Freedom of Information and Protection of Privacy Act and regulations* and any related data security and retention of records directives, policies and guidelines covering the administrative, technical and physical safeguarding of the personal information.-

8.2 The parties will take all reasonable measures to observe the information management requirements mentioned in subsection 8.1 to ensure the confidentiality, and integrity of information exchanged under this Annex and to safeguard the information against accidental or unauthorized access, disclosure, use, modification and deletion.

8.3 Each party will promptly notify the other party of any unauthorized disclosure or use of the information and will furnish the other party with full details of the unauthorized disclosure or use of that information.

8.4 In the event of an occurrence described in subsection 8.3 above, the party responsible for the security of the information will promptly take all reasonable steps to prevent a recurrence of the event.

8.5 The parties will, on a periodic and mutually agreed upon basis and format, audit their respective information management practices and procedures at appropriate to ensure:

- (a) compliance with the requirements of subsection 8.1, and
- (b) the integrity of the information exchanged under this Annex.

The parties agree to provide a copy of their respective audit reports to each other.

8.6 Where deficiencies in a party's information management practices affecting compliance with the requirements of subsection 8.1 or the integrity of information exchanged under this Annex are identified in an audit report, the party concerned shall take appropriate corrective action to remedy these deficiencies.

9.0 Accuracy of Information

Each party will use its best efforts to ensure the completeness and accuracy of the information provided to the other under this Annex. However, it is understood and agreed that they cannot guarantee its accuracy and completeness and will, therefore, not be held responsible by the other party for any damage resulting from the transmission or use of any information that is inaccurate or incomplete.

10.0 Roles of Federal and Ontario Commissioners

10.1 The parties agree that when developing or amending procedures for the exchanging of information, if required, they will prepare and submit Data Match Proposals and Privacy Impact Assessments to the Office of the Privacy Commissioner (Canada) and the appropriate authority in Ontario in accordance with Ontario's and Canada's respective policies.

10.2 For the purposes of this Annex, "data matching" is defined as the comparison of two electronic files containing information for the purpose of making administrative decisions about the individuals to whom the information relates.

11.0 General

This Annex can be modified with the written consent of both designated officials.