

HRDC SPECIFIC TERMS AND CONDITIONS FOR THE *SKILLS LINK* PROGRAM

1. PURPOSE

The purpose of these terms and conditions is to establish specific criteria for HRDC for making contributions under the *Skills Link* Program.

2. AUTHORITY

On November 5, 2002, the Minister of Human Resources Development presented to Cabinet Committee on Social Union (CCSU) a policy framework on a realigned Youth Employment Strategy (YES). This fulfills the commitment to improve the responsiveness and effectiveness of federal youth employment programming, to deliver on the Speech from the Throne commitment, and reposition YES as a vehicle for responding to the challenges and objectives identified in Canada's Innovation Strategy.

The *Human Resources Development Act* further stipulates the powers, duties and functions of the Minister extend to and include all matters over which Parliament has jurisdiction relating to the development of the human resources of Canada not by law assigned to any other Minister, department, board or agency of the Government of Canada, and are to be exercised with the objective of enhancing employment, encouraging equality and promoting social security.

The objectives of the program are also aligned with HRDC's strategic mission "to enable Canadians to participate fully in the workplace and the community".

3. OBJECTIVES

The objectives of the *Skills Link* program are to help youth overcome barriers to employment, to help youth develop a broad range of skills and knowledge in order to participate in the current and future labour market and to promote education and skills as being key to labour market participation. These barriers could include but are not limited to, challenges faced by recent immigrant youth, youth with disabilities, lone parent youth, youth who have not completed high school, aboriginal youth, and those youth living in rural or remote areas.

The objectives will be achieved by government departments working collaboratively with each other and with non-governmental organizations, the private sector and other levels of government. Planning will be critical to ensure that the right mix of services and interventions is delivered in a coordinated manner.

The program provides for a menu of flexible interventions that facilitates client-centred service delivery. This approach is founded on client assessment to determine the right mix of programs, services and referrals appropriate in each case. The program design will allow interventions to better respond to youth in their local labour market and to cyclical changes in the economy. Learning and career planning and skills development information tools and supports will be a basic underpinning of this program.

By virtue of the flexibility of the program design, program results will vary somewhat according to the nature of the intervention. The main outcomes will focus on the skills acquired and the extent to which the program helped clients realize educational achievements, improve their employability and/or obtain employment.

4. INTERPRETATION

In these Terms and Conditions,

“Eligible activity” means an activity described in section 5 of these Terms and Conditions;

“Eligible participant” means a youth between the ages of 15-30 inclusive, who is legally entitled to work in Canada and is a Canadian citizen, permanent resident, or person who has been granted refugee status in Canada, and who is in need of assistance to overcome barriers to employment;

“Minister” means the Minister responsible for HRDC;

5. ELIGIBLE ACTIVITIES

The *Skills Link* Program will fund activities that contribute to the objective, while being reflective of local and departmental realities. The program will be client-centred and designed to respond primarily to the needs and circumstances of youth who face barriers to employment. The activities that maybe supported under *Skills Link* include:

- a) planning, and project development activities where stakeholders would collectively review research and evaluation findings, identify gaps and client needs, and determine priorities and goals to achieve a coordinated delivery of employment programs and services;
- b) service activities, which include outreach, client assessment, case management (including diagnostic assessment and referral to other community resources and services), career development information and job search and job retention assistance activities;

- c) activities designed to enable youth to gain work experience (including entrepreneurial activities) which would include mentorship, coaching and support in advancing an action plan;
- d) activities that help youth facing barriers to employment obtain skills, ranging from basic to advanced skills, through direct assistance to individuals;
- e) activities which enable groups of youth to gain employability skills;
- f) activities which enable groups of youth to acquire or enhance transferable skills, develop personal qualities such as self-esteem, self-reliance, leadership, communication and teamwork, while contributing to their communities;
- g) activities that support the development and use of tools and products for learning, career planning and career development;
- h) projects intended to pilot innovative approaches designed to facilitate the transition to employment of youth facing labour market exclusion.

No financial assistance in support of activities outlined in (d) which assist youth to obtain skills for employment may be provided without the agreement of the government of the province or territory in which the activity will take place. Financial assistance in support of activities outlined in (d) which assist Aboriginal youth living in First Nation Communities may be provided without the agreement of the government of the province or territory in which the activity will take place.

6. GUIDELINES

Activities under the *Skills Link* Program will be carried out in accordance with the following guidelines:

- a) collaboration with federal/provincial/territorial youth employment initiatives to minimize overlap or duplication;
- b) cooperation with other governments, employers, community-based organizations and other interested organizations;
- c) flexibility to allow implementation decisions to be made at the national/regional/local level;
- d) utilization of an evaluation framework to measure the success of activities designed to assist youth to participate in the labour market;

- e) availability of service assistance under the *Skills Link* Program in either of Canada's official languages where there is a significant demand for access in one or both official language(s), and;
- f) individual client needs are assessed and interventions are tailored to meet those needs.

7. ELIGIBLE RECIPIENTS

Contributions may be made to the following recipients in relation to an eligible activity:

- a) businesses, including federal crown corporations found on Schedule III, Part II of the *Financial Administration Act* and comparable provincial crown corporations;
- b) organizations, including but not limited to professional associations, non-profit organizations, public health and educational institutions, band/tribal councils, Aboriginal organizations and municipal governments;
- c) eligible participants, and;
- d) provincial and territorial government departments and agencies if specified in a federal/provincial/territorial agreement or Memorandum of Understanding, or specifically approved by the Minister.

8. TYPES OF FINANCIAL ASSISTANCE

Financial assistance in support of eligible activities may be provided to eligible recipients in the form of contributions.

9. REPAYMENT OF CONTRIBUTIONS

Contributions to businesses are not intended to allow businesses to generate profits or to increase the value of the business and are therefore not repayable.

10. STACKING LIMITS

Where possible and appropriate, the costs of an eligible activity will be shared with the recipient and/or with government and/or the private sector. However, where the sharing of costs with the recipient and private sector are not feasible, Total Government Assistance (federal, provincial or municipal) may total 100% of eligible costs.

The department shall ensure that the amount of the contribution it makes is appropriate where a contribution or grant in support of the costs for the eligible activity from more than one program in the department, from more than one federal department or more than one level of government or from the private sector, is anticipated.

Where the requested contribution exceeds \$100,000, the department shall obtain from the Recipient a statement or declaration about other sources of funding (government and private sector) for the eligible activity prior to approving a contribution and shall require the recipient to report any additional assistance received from that time.

In the event that Total Government Assistance, as defined in the Treasury Board Policy on Transfer Payments, received by a Recipient in respect of an eligible activity exceeds the amounts of such assistance declared, the department shall ensure that it has the right to reduce its contribution by the amount of any additional assistance that is to be received, or to require repayment of an amount equal to the amount of such assistance if the department's contribution has already been paid.

11. PROPOSALS

Proposals/applications for assistance from eligible recipients to carry out eligible activities must:

- a) demonstrate that their implementation would support the objectives of the *Skills Link* Program;
- b) be in accordance with the guidelines outlined in section 6, as applicable;
- c) outline the activities to be performed in pursuit of the objectives;
- d) demonstrate that the activities will provide assistance only to eligible participants;
- e) provide an estimate of costs to be incurred, including any share to be borne by stakeholders;
- f) provide an estimate of expenditures to be incurred in a monthly cash-flow forecast;
- g) outline the results to be achieved, and;
- h) disclose the involvement of former public servants who are under the Conflict of Interest and Post-Employment Guidelines.

12. AGREEMENTS

Each approved proposal for assistance will be the subject of a formal agreement specifying the responsibilities of each party, the items for which expenditures are anticipated, the conditions under which payments will be made and mutually agreed upon measures designed to assess the success of the activity in attaining its objective.

Agreements will include a requirement to disclose the involvement of former public servants who are under post-employment guidelines.

Agreements will also include appropriate termination clauses indicating that agreements may be terminated upon notice by either party.

13. ELIGIBLE COSTS

Contributions may be made to eligible recipients, including those who further distribute funds to ultimate recipients, for the following costs of eligible activities:

- a) Support to individuals which may include all or a portion of their living expenses and/or all or a portion of the incremental costs of participation such as expenses relating to specialized services, arrangements or equipment for persons with disabilities, dependant care, transportation and accommodation;
- b) Participant wages and allowances and employment related costs;
- c) Overhead costs including wages and employment related costs for staff, licenses, permits, fees for professional services, bank charges, utilities, material, supplies, travel, insurance, disbursement for research and technical studies, disability needs, rental of premises, leasing or purchase of equipment, audits, assessment and evaluations;
- d) Costs associated with the workers' compensation actual costs or assessment paid directly to the provincial/territorial workers' compensation authority on behalf of employers and coordinators for eligible participants or administrative staff;
- e) Costs associated with the central administrative functions of the employers or coordinators/sponsors that are drawn upon to support agreement activities;
- f) Where the recipient further distributes the funding to ultimate recipients that propose to carry out eligible activities, the reasonable

and proper administration costs incurred by the recipient in administering the distribution of the contribution and monitoring and coordinating the implementation of eligible activities being carried out by the ultimate recipient.

Capital costs for the construction of a building (other than small repairs or renovations to support the participation of persons with disabilities) or the purchase of land or buildings are not eligible costs.

14. FINANCIAL SUPPORT AND AGREEMENT DURATION

The maximum contribution per recipient is normally \$700,000 per year. The amount of the contribution will be determined by the number of eligible participants who participate or are to be serviced.

The maximum duration of funding under an agreement is three years. Renewal of an agreement for similar activities with the same recipient will be made based on the performance and results achieved from the previous agreement.

15. CANCELLATION OR REDUCTION OF TRANSFER PAYMENTS

Program literature and agreements will include provision for cancellation or a reduction in the amount of financial assistance specified in the event Parliament reduces the level of funding for Skills Focus under the Youth Employment Strategy.

16. BASIS OF PAYMENT

Each approved proposal to carry out an eligible activity will be subject to a formal agreement specifying the conditions under which payments will be made and the obligations of the department and the recipient.

Contributions may be paid as follows:

- a) Monthly, quarterly or annual progress payments may be made based on expenditure claims and a final payment of any sums due following receipt of the final claim and activities report and, if considered necessary by the department, following completion of a financial audit.
- b) Advance payments may be made in accordance with Treasury Board's Policy on Transfer Payments.

Any amount paid which exceeds the amounts to which the recipient is entitled is considered a debt which must be repaid to the Government of Canada.

17. AUTHORITY OF APPROVAL PROPOSALS

The final approval of proposals may be delegated by the Minister responsible to appropriate officials as per HRDC's delegation instruments. The Minister may establish advisory and/or consultative mechanisms to assist in the process.

18. AUTHORITY TO SIGN AGREEMENTS

Authority to sign and subsequently to amend agreements may be delegated by the Minister as per HRDC's delegation instruments.

19. AUTHORITY TO APPROVE PAYMENTS

Authority to approve payments by certifying compliance with the terms of the agreement may be delegated by the Minister as per HRDC's delegation instruments.

20. DUE DILIGENCE

HRDC provides assurance that departmental systems, procedures and resources for ensuring due diligence in approving transfer payments and verifying eligibility and entitlement and for the management and administration of the program are in place.

21. AUDIT

Each agreement will specify that HRDC retains the right to audit the records of the recipient and, if it is determined that the amounts paid exceed the amounts payable, the difference will be considered as a debt to the Government of Canada.

A risk-based audit framework for monitoring and audit of recipients, and an internal audit plan, including evaluation of program management of the transfer program is attached to the Treasury Board submission as Annex E.

22. ACCOUNTABILITY AND EVALUATION

A results-based management and accountability framework, including performance indicators, expected results and outcomes, methods for reporting on performance and evaluation criteria to be used in the assessment of the effectiveness of the transfer payments is attached to the Treasury Board submission as Annex D.

Each contribution agreement will specify that HRDC will develop and conduct an evaluation and that the party signing the agreement is prepared to actively participate in the evaluation process as needed.

23. KEY RESULTS AND OUTCOMES

The key results for the *Skills Link* program are:

- a) Acquisition of Employability Skills/Enhancing of Existing Skills:
 - tailored interventions and work placements are expected to provide youth with barriers with opportunities to develop and enhance employability and occupational skills, thereby helping them progress along the continuum to employment;
- b) Return to School:
 - Youth with barriers may determine, following work experience or skills enhancement interventions, to return to school;
- c) Sustained employment.

These results are consistent with the Results-Based Management and Accountability Framework for the Youth Employment Strategy which is attached to the Treasury Board submission as Annex D.

24. COST OF MANAGING THE PROGRAM

The cost of managing the program has been determined by HRDC and is attached to the Treasury Board submission as Annex A-2.

25. DURATION OF TERMS AND CONDITIONS

These Terms and Conditions will apply and payments will be made for the period ending March 31, 2008.