Now and Tomorrow
Excellence in Everything We Do

Formative Evaluation of Provincial Benefits and Measures Delivered under the Canada-Ontario Labour Market Development Agreement

Final Report

June 2012

Strategic Policy and Research Branch

Canada

Formative Evaluation of Provincial Benefits and Measures Delivered under the Canada-Ontario Labour Market Development Agreement

Final Report

Evaluation Directorate
Strategic Policy and Research Branch
Human Resources and Skills Development Canada

June 2012

For further information, please do not hesitate to visit the Government of Ontario's website http://www.tcu.gov.on.ca/eng/employmentontario/

Table of Contents

List of Tables

List of Abbreviations

CSGC   Common System for Grants and Contributions

EBSM(s)   Employment Benefits and Support Measure(s)

EI   Employment Insurance

HRSDC   Human Resources and Skills Development Canada

LMDA   Labour Market Development Agreement

MTCU   Ministry of Training, Colleges and Universities

OEAS   Ontario Employment Assistance Services

OBM(s)   Ontario Benefits and Measure(s)

OJCP   Ontario Job Creation Partnerships

OSD   Ontario Skills Development

OSEB   Ontario Self-Employment Benefits

OTWS   Ontario Targeted Wage Subsidies

EI Part I Benefits: These are "income support" paid by the Federal government under Part I of the *Employment Insurance Act* to eligible unemployed individuals. The amount and duration of the benefit received varies by formula depending on the individual's work and EI history and the unemployment rate in the local labour market.

EI Part II Benefits: These are programs and services delivered by the Ontario government under Part II of the *Employment Insurance Act* to eligible participants of Ontario Benefits and Measures (OBMs), i.e., OEAS, OJCP, OSD, OSEB, and OTWS, and may cover income support and other eligible costs.

Formative Evaluation of Provincial Benefits and Measures Delivered under the Canada-Ontario Labour Market Development Agreement

i

Executive Summary

This report summarizes the findings of the Formative Evaluation of the Ontario Benefits and Measures (OBMs) delivered under the Canada-Ontario Labour Market Development Agreement (LMDA). The Canada-Ontario LMDA came into effect on January 1, 2007, and transferred to the Government of Ontario the responsibility for the design, delivery and management of programs similar to Employment Benefits and Support Measures (EBSMs) funded under Part II of the *Employment Insurance (EI) Act*.

The objective of the OBMs is to assist individuals to obtain or keep employment. Successful delivery of these benefits and measures is expected to result in clients being provided the programs and services they need, facilitating a quick return to work and generating reductions in the amount of EI benefits provided to clients.

Formative Evaluation Scope and Methods

The formative evaluation focuses on a reference period between January 1, 2007, and March 31, 2008, the period immediately following the date when the Canada-Ontario Labour Market Development Agreement came into effect. Participants who had completed their OBMs in this period were used as survey respondents for the evaluation. The formative evaluation examined issues and questions relating to program planning, delivery and implementation. This includes an examination of the quality and integrity of client administrative data and management information systems, service delivery, governance, service in the official language of choice, and annual target setting and planning. Data for this evaluation were collected in the fall of 2009, and primarily focussed on non-apprentice participants.

The evaluation used a multiple-lines-of-evidence approach. Quantitative methods included a survey of 2,000 participants and an analysis of administrative data. Qualitative methods included 10 discussion groups with clients, Ontario Ministry of Training, Colleges and Universities (MTCU) staff and service providers across various Ontario regions as well as 20 key informant interviews with MTCU and federal officials (Service Canada, Human Resources and Skills Development Canada National Headquarters) officials, and a document review. Results from the various sources were examined individually and were then combined within an overall assessment of each evaluation issue. The analysis of evaluation issues considered all relevant lines of evidence, which helped to validate findings and explore issues in greater depth. Special attention was given to the Ontario Skills Development Employment Benefit, which included its own case study.

Main Findings

The formative evaluation examined issues and questions relating to Governance; Planning and Implementation; Client Services; and Client Participation and Satisfaction. The overall conclusion of the evaluation was that the transfer of responsibility for EBSMs from Canada to Ontario was carried out smoothly. The main evaluation findings are presented below.

Governance

Management Arrangements

Management arrangements for the implementation of the LMDA were put in place by the Federal government (Human Resources and Skills Development National Headquarters and Service Canada), and the Government of Ontario (MTCU). Effective relationships between Canada and Ontario contributed to the smooth transfer of the federally-delivered EBSMs to the province of Ontario. The program and services delivered by the Province under the Canada-Ontario LMDA are known as Ontario Benefits and Measures.

Information and data sharing

The evaluation addressed the adequacy and appropriateness of the information available for the informed management of the OBMs. Three data systems are involved:

- *LMDA Access* is a software application provided by HRSDC that provides designated MTCU employees access to HRSDC's mainframe on information relating to LMDA client's EI eligibility status and referral processing.

- *Common System for Grants and Contributions (CSGC)* is a HRSDC administrative data base to which Ontario was provided access during the period it was developing its own administrative data systems to support LMDA-funded programs.

- *Contact IV* is client case-management software provided by HRSDC and used by Ontario service providers to record case management information on clients receiving assistance from the service provider under an agreement funded through Ontario Employment Assistance Services (OEAS).

Those consulted agreed the implementation of the LMDA was seamless with respect to client service and payment to participants and service providers. However, in key informant interviews and in discussions with staff and service providers, difficulties in two areas were identified related to the *LMDA Access* data system. These two areas involve determining details related to client eligibility status and providing details to Service Canada staff responsible for EI Part I benefits about changes to participation status. Prior to the implementation of the LMDA, these two issues could be resolved by having a Service Canada officer responsible for EI Part II contact a Service Canada colleague responsible for EI Part I. After the implementation of the LMDA, information-sharing on EI clients between Service Canada and Ontario was constrained by concerns relating to the protection of client privacy.

Ontario was granted access to the existing federal *CSGC* while it developed its own administrative data system related to EI Part II. Under this arrangement, Canada built and maintained a "clone" of the *CSGC* for Ontario's use, to keep Canada's and Ontario's data separate and ensure that MTCU staff had access only to the appropriate data.

A few key informants, as well as discussion group participants (service providers and staff) suggested that *Contact IV* data may not have been consistently accessible for management decision-making purposes prior to and after the implementation of the LMDA, as *Contact IV* was a difficult tool to operate.

Planning and Implementation

Continuity

Maintaining business continuity during the transfer of responsibilities from Canada to Ontario was achieved by leaving core programs, policies and procedures unchanged, extending and transferring agreements with third party service providers to Ontario's newly created Employment and Training Division and transferring federal staff to the Province to fulfill similar roles within this new organization.

OBMs were implemented as planned, operated as designed and, as a result, they conformed fully to the principles of EI Part II. There were no major service interruptions.

Delivery characteristics

Co-location of Ontario and Service Canada staff occurred in 54 of 92 sites. The co-location of Ontario and Service Canada staff was considered important and necessary since Ontario did not have a pre-existing service delivery infrastructure or office space for the transferred federal staff.

The *EI Act* outlines legislative guidelines for the establishment of the EBSMs, which include "flexibility to allow significant decisions about implementation to be made at a local level." All the key informants who were asked about flexibility agreed that regional decision-making reflected local conditions and the needs of clients during the evaluation reference period.

Federal staff members with French language capability were transferred to the Province to provide client services in French, in fulfilment of Ontario's commitment in the LMDA, to provide service delivery in either official language.

Client Services

Client service process

After the implementation of the LMDA, the process for registering apprentices remained unchanged with one exception; it now required a Service Canada representative (as before) and a (new) MTCU Employment Ontario1 representative. Both are now required to visit the college or training institute on the first day of class to document all of the apprentices. Prior to the transfer the visit to the college or institute to document all apprentices only required a Service Canada representative.

Most key informants, and MTCU staff and service providers who participated in discussion groups, suggested there was no difference in the referral process for non-apprentice participants after the transfer of the EI Part II programs and services to Ontario.

---

1 Employment Ontario is Ontario's integrated employment and training network, focussing on customer needs and achieving employment outcomes. It unites Ontario's community-based network of employment services and training partners with other employment programs that were transferred from the Federal government via the Labour Market Development Agreement in January 2007.

The mechanisms used for referring clients remained unchanged. Information on Ontario's back-to-work programs and services was provided by Service Canada's front-line staff and through Service Canada's Group Information Sessions to new claimants. Information was further provided to clients by Service Canada Centres and websites, as well as Employment Ontario call centres and websites.

As part of the transfer process, a number of steps were taken to ensure that the referral processes continued to work effectively. These included training front-line Service Canada workers on making client referrals; development by MTCU and Service Canada of an *Information Referral Guide*; as well as notifying EI claimants of OBMs through Service Canada's Call Centres and websites.

The objective of undertaking the above activities was to ensure that EI Part II eligible clients were aware of employment programs available from Employment Ontario. While most key informants, MTCU staff and service providers felt the referral processes worked well for clients, a few key informants, MTCU staff and service providers noted instances where some clients did not receive information about the programs available or had not been advised to contact Employment Ontario.

The majority of surveyed participants indicated that they had no difficulty in accessing help related to creating their Return-to-Work Action Plan. Among those who were surveyed who recalled receiving assistance, nearly 84% identified no difficulty in accessing help.

Participant experience

During the transition, the continuity of the process to access OBMs was maintained. Key informants and MTCU staff who took part in discussion groups described the participant experience as being comparable before and after the transfer. In the participant survey, 90% of those who confirmed participation in an employment benefit reported that they had not experienced difficulties in accessing their main benefit.

However, a few service providers noted that the additional assessment step introduced for the Ontario Self-Employment Benefits (OSEB) (where clients were required to go back to an assessment centre for the development of a Return-to-Work Action Plan), had a negative impact on clients' ability to access OSEB.

There were three areas of concern identified with access to multi-year Ontario Skills Development (OSD):

- Client and service provider discussion groups noted that some OSD participants may have interpreted OSD training support as being limited to one year. It is important to note that client eligibility is determined at the start of a multi-year training program. Clients are required to apply for all training (or other interventions) recommended in their Return-to-Work Action Plan at the outset. This is intended to prevent clients from becoming ineligible mid-way through an action plan. Furthermore, the agreement authorizing OSD financial assistance is negotiated and written on a year-by-year basis with its re-negotiation being contingent upon the successful completion of training/interventions in each individual year. However, this appears to have been interpreted by some clients to mean training support was limited to one year, leading some clients to choose shorter courses.

- Secondly, service providers also suggested that it was more difficult to obtain approvals for multi-year OSD after the implementation. In the year leading up to and the first quarter after the implementation of the LMDA, OSD saw a substantial increase in the number of participants. To ensure funds would be available for the successful completion of existing participants and to ensure adequate funds for new participants in the remainder of the year, a memo sent in July 2007 from MTCU, advised staff and service providers that funds were limited and emphasized that OSD should only be given when it is "the most direct and reasonable route to sustainable employment or sufficient training to assist clients to obtain the skills they required to re-enter the labour market."

- Thirdly, comments from service providers across various discussion groups suggest there was a potential misunderstanding on their part regarding the process for submitting OSD funding applications. Once a multi-year OSD is established, approvals for a subsequent year of funding only required submission of the budget section of the OSD application. However, based on the comments of service providers, it appears that full applications were sometimes submitted triggering an unnecessary reassessment of the participant's eligibility and potentially resulting in the rejection of the funding request. While there was no evaluation data available to determine how many participants were affected in this way, there was evidence to suggest that a common understanding with regard to handling requests for funding for multi-year OSD did not exist.

Client Participation and Satisfaction

Participation characteristics

A total of 70,187 non-apprentice participants completed participation in OBMs between January 1, 2007, and March 31, 2008. Almost three-quarters were active claimants. The rest were eligible based on a previously established claim (former claimants). Most participants (just over 75%) received Ontario Employment Assistance Services (OEAS) only. Among those who participated in multiple interventions, the next most frequent principal or longest OBM was OSD, with 18% of participants.

Participant characteristics

About one-half of participants were married or living common-law when they started participation in OBMs. Most were between 30-49 years of age, and more than one-half had annual household incomes of less than $40,000 when participation began. One-quarter were immigrants—the majority of them arriving after 1990. About one in ten were from homes where a language other than English or French was most often spoken.

OSD participant experience

OSD participants received additional focus in the evaluation due to their higher numbers and larger program expenditures. The analysis found that among OSD participants in the survey (n=425), most (84%) took classroom training in skills for specific occupations. Sixty-four percent of these trainees were provided a list of occupations in demand, of which 71% used the list to determine the type of training they would receive. Almost all (94%) of the classroom trainees completed their training, with 89% obtaining a certificate or diploma.

Of the OSD participants who found employment more than half stated they needed a diploma or certificate to obtain their main job. In 90% of cases, OSD had provided the needed certificate or diploma for the job of OSD participants who had successfully acquired a certificate or diploma. In addition, more than 75% of OSD participants who had found a job stated that they needed a particular set of skills to obtain their main job. Of those who stated they needed a particular set of skills, 74% indicated that OSD participation provided them with those skills.

Client Satisfaction

In the participant survey (using a scale of 1-7, where 7 was very satisfied), the average satisfaction rating for participants in OBMs was 5.4 with regard to the process clients went through to access programs and services and 5.3 for the overall OBM participation experience.

Most OSD participants were satisfied with the timing of their training. The average rating by OSD participants was 6.0 (on a 7-point scale). Most OSD participants were also satisfied with their program, providing an average rating of 5.7.

The participant survey further rated three items in relation to perceived levels of "usefulness": the help received in selecting a course of action or an appropriate government program; information to develop a Return-to-Work Action Plan; and information and the process to make informed decisions. On this scale (where 7 was very useful) the average usefulness was rated by participants at 5.1.

Indication of possible post-participation outcomes through participation

The study did not estimate incremental impacts (impacts attributable to the program). However, the results of the survey highlighted the following possible post-participation outcomes:

- 13% of participants who used the list of occupations in demand to select the type of training they would take, and/or used the list to determine potential job opportunities, obtained a job on the list in the post-training period.

- 84% of non-apprentice OBM participants worked after participation in an OBM. Significantly more OSD participants (91%) worked after participation in training/intervention. On average, the first job started 5.3 months after participation for all participants, and 4.4 months after participation for OSD participants.

- 60% of all participants and 56% of OSD participants were working in their main post-participation job at the time of the survey. On average, those who worked had been working for 14 months continuously. Those who took OSD worked for 13 months on average. The average hours of work each week was 40 for all participants and 43 for OSD participants.

Best Practices and Lessons Learned

Best practices and lessons learned which emerged from the evaluation are:

- Effective pre-planning for the transfer to the Province helped Ontario to provide continuous service to participants.

- Effective relationships between federal and provincial government officials facilitated business continuity during and after the transfer. This also opened up other opportunities for the governments to work together to benefit clients.

- Program continuity was maintained by transferring staff to the same job within the newly created Employment and Training Division, extending service provider contracts, and not changing core program policies and procedures.

- Good communication, including keeping all staff and service providers informed, was important in maintaining service levels and service quality.

- Good governance resulted through the guidance provided by the joint LMDA Management Committee and the effectiveness of the sub-committees and working groups established to assist with the implementation.

Key Findings

The overall conclusion is that the transfer of Part II responsibilities to Ontario was carried out smoothly. Clients continued to receive programs and services and supports to which they were entitled. Third party service providers' contract provisions were honoured and federal staff members were transferred seamlessly. However, a few areas still require further work:

1. Limitations on data sharing may impede meeting EI Part I (access to income benefits) and Part II (access to OBMs) responsibilities. For example, limited information was available to allow those responsible for delivering EI Part II to determine client eligibility for OBMs.

2. Some OSD participants in various discussion groups appeared to interpret the process of negotiation and approval of financial support one year at a time to mean that the maximum length of a course or field of study that could be supported with certainty was one year.

3. Client eligibility is determined at the time MTCU receives participant applications for OSD funding. However a few service providers in discussion groups appear to have created a new application for funding related to a subsequent year of a multi-year OSD, instead of submitting the budget section only. This may have resulted in a verification of current eligibility status at the time of the subsequent "application", and possible rejection of the application.

4. A few key informants, as well as clients, service providers and staff in discussion groups felt that there was limited referral to, or information about, available programs and services.

Recommendations

The following recommendations are based on the Evaluation, and flow from the key conclusions noted above. It is recommended that:

1. Canada and Ontario review data requirements needed to fulfill shared responsibilities related to EI Part I (access to income benefits) and Part II (access to OBMs) and work to ensure that appropriate information sharing protocols are in place to overcome all data sharing issues which impeded the fulfillment of shared EI Part I and II responsibilities.

2. Ontario ensure that participants who are considering multi-year programs understand that financial assistance may be provided for the duration of the program but that it must be re-negotiated yearly.

3. Ontario better communicate its policy on eligibility for OBMs to MTCU staff and service providers. Specifically, it should be clear that "EI eligibility" is established at the time the application is first received by MTCU and that the participant does not have to re-establish eligibility for each year of a multi-year program. To avoid confusion, Ontario could adopt an application form which covers budget aspects only, for subsequent-year OSD approvals.

4. Ontario review its advertising of program availability. Service Canada ensure that referral of Part II eligible participants to OBMs is maintained as a key message understood by its staff and communicated as a component of its Group Information Sessions.

Management Response

Background

The Canada-Ontario Labour Market Development Agreement (LMDA) came into effect on January 1, 2007. In accordance with the LMDA, Ontario is responsible for the planning, design, delivery and management of Ontario Benefits and Measures (OBMs). The Evaluation was conducted through a collaborative process of the Joint Evaluation Committee, made up of membership from the lead provincial ministry, the Ministry of Training, Colleges and Universities (MTCU), Service Canada, Ontario Region and Human Resources and Skills Development Canada (HRSDC).

The formative evaluation is an important tool to inform evidence-based decision-making for the OBMs. The reference period for this evaluation was January 1, 2007 to March 31, 2008. The evaluation focused on the program design, delivery, implementation, and client satisfaction. The results provide evidence that will contribute to improvements in programs, services and delivery as well as highlight best practices. Monitoring and reporting on the progress of the Management Actions will take place on an ongoing basis in the context of the Labour Market Management Committee meetings.

Recommendations and Responses

Four recommendations were presented in the formative evaluation report. The Joint Management Response developed by the Management Committee addresses these recommendations.

Recommendation 1

It is recommended that Canada and Ontario review data requirements needed to fulfill shared responsibilities related to EI Part I (access to income benefits) and Part II (access to OBMs) and work to ensure that appropriate information-sharing protocols are in place to overcome all data-sharing issues which impeded the fulfillment of shared EI Part I and Part II responsibilities.

Actions Taken

Soon after LMDA implementation, Canada and Ontario identified a number of service delivery issues related to the sharing of clients' personal information. The LMDA Management Committee asked senior officials of both parties to give priority to resolving those issues. A working group was created to identify specific situations in Ontario where service delivery and stewardship were hampered by barriers in the exchange of information, and to develop options for rectifying these situations. The working group was also requested to address the exchange of information related to client outcomes in support of the future evaluation(s) of LMDA programs.

The LMDA Management Committee (which has since been replaced by the Labour Market Management Committee) worked towards achieving two objectives:

1. Protect data as required by the LMDA agreement and both parties' privacy legislation/ regulations/ policies; and

2. Facilitate service delivery in such a way that information was available to delivery staff in a timely manner so that correct decisions could be made based on all relevant information.

As an initial step, the working group identified a number of examples of service delivery situations where the sharing of client information that was previously allowable when EI Parts I and II were both delivered by Canada, was no longer possible following devolution of EI Part II to Ontario due to privacy constraints. For example, there was some initial confusion over whether or not MTCU staff and service providers could share information with EI Part I (Service Canada) staff when a client's referral to an OBM changed and this impacted on the client's eligibility for EI Part I. These delivery situations were reviewed and the following steps were taken:

• Guidelines were written and given to staff of both MTCU and Service Canada. The purpose of these guidelines was to inform staff on how to access client information within authorities existing at that time.

• General delivery mail-boxes with restricted access were established in 2007 that permitted a quick review of specific client files with information exchange problems in order to ensure everything that was possible to be done for clients was done within existing privacy frameworks.

The working group established by the LMDA Management Committee worked to help facilitate the exchange of information and to help resolve data needs involving individual clients, while at the same time ensuring that processes were followed to protect the privacy rights of clients.

As noted in the evaluation, start-up problems with the Ontario version of HRSDC's *Common System for Grants and Contributions (CSGC)* were resolved by March 2007. In addition, start-up problems related to the Province's lack of access to performance measurement information such as return to work and unpaid EI indicators were resolved in 2008.

In 2007, an ongoing governance committee, the Operations Sub-committee, was established to advise the Designated Officials on the process for the exchange of clients' personal information and other operational issues. This sub-committee has since evolved into the Operations Working Group, which reports to the LMDA Service Delivery Coordination Committee.

Actions Proposed

Discussions between Canada and Ontario are under way to update Annex 6 (Exchange of Information and Data Sharing Arrangements) of the Canada-Ontario LMDA. The goal is to provide the necessary authorities in the Information-Sharing Annex to allow the exchange

of information for specific purposes that are not yet addressed, in order to further improve service delivery and stewardship, while at the same time ensuring that the Information-Sharing Annex reflects current privacy standards.

Once an updated agreement is signed, new operational guidelines will be given to all MTCU and Service Canada staff, and training will be provided as required. A monitoring system will be put in place to ensure that the terms of the agreement are respected, and that in the event of any privacy breaches or other areas of non-compliance, corrective actions are taken as necessary.

Recommendation 2

It is recommended that Ontario ensure that participants who are considering multi-year programs understand that financial assistance may be provided for the duration of the program but that it must be re-negotiated yearly.

Actions Taken

In 2008, MTCU issued new operational guidelines to clarify the eligibility criteria and the procedures to be used for clients seeking multi-year funding. The guidelines were intended for two audiences: MTCU's front-line staff, and the community service providers who provided counselling services to clients and who helped clients develop their Return-To-Work Action Plans, which included multi-year interventions in some cases. Ensuring that the service providers understand the parameters for multi-year funding is the most effective way of ensuring that the clients also understand it.

MTCU's Service Delivery Advisory Group, chaired by the Assistant Deputy Minister responsible for Operations, meets regularly with representatives of the service providers. The group shares information on service delivery best practices, identifies any barriers to the provision of excellent client services, and advises MTCU on proposed changes to service delivery. The Advisory Group is a key forum to discuss cross-cutting client service issues, such as those related to multi-year funding.

The Service Delivery Advisory Group provided input to the development of guidelines for MTCU's new Second Career program, launched in 2009, and the Employment Services Transformation project, launched in 2010. In both of these launches, it was necessary to ensure that the service providers and staff were confident in applying the multi-year funding criteria in new contexts. In the former instance, MTCU marketed a different approach to their clients, and in the latter, service providers needed to be re-trained on the standardized delivery model which was launched at this time. Through the new Employment Service model, Ontarians will be able to find all the employment services they need in one location including: job search; job matching, placement and incentives; job training retention support; information and referral services; and client service planning and coordination. Service provision under a standardized model will help ensure consistency of service for all clients, including those interested in multi-year programming.

Another component of the Employment Services approach was to implement a performance management system to support high quality customer service and outcomes in a manner that is transparent and accountable. The intent is to assess the service providers more effectively in their service provided to clients, their recommendations made concerning the clients' Return-To-Work Action Plans, and the outcomes achieved by the clients, including the utilization and management of multi-year funding agreements. MTCU's performance management approach is designed to ensure any inconsistency in results is identified and rectified.

Actions proposed

The introduction of MTCU's new Employment Services approach and their new Employment Ontario Information System have increased MTCU's capacity to collect case management and administrative data. As time progresses, and the amount of data increases, MTCU intends to use this database to fine-tune the targeting of clients to be approved, the interventions chosen, and the services provided to support the clients to a successful resolution. These new data will be used to support the development of new policy, operational guidelines and reference materials to improve the effectiveness of all programming, including clients interested in multi-year interventions. Advice of the Service Delivery Advisory Group will be sought to help ensure that proposed service changes are well understood when implemented and are consistent and effective in their implementation.

Recommendation 3

It is recommended that Ontario better communicate its policy on eligibility for OBMs to MTCU staff and service providers. Specifically, it should be clear that "EI eligibility" is established at the time the application is first received by MTCU and that the participant does not have to re-establish eligibility for each year of a multi-year program. To avoid confusion, Ontario could adopt an application form which covers budget aspects only, for subsequent year OSD approvals.

Actions Taken

MTCU has taken a number of steps to ensure that staff and service providers clearly understand how to apply client eligibility criteria.

When the LMDA was implemented, MTCU established a substantial Delivery Support function at their head office, which provides advice, guidance and direction to local staff and service providers. This includes program design and development, the establishment of policies and standards, and the development of tools and operational guidelines, including specifics related to client eligibility and multi-year interventions. The head office staff also provide ongoing support to and monitoring of the service providers, to ensure agreement deliverables are being achieved.

MTCU has a multi-faceted approach for communicating its programming to both staff and service providers. MTCU has an extensive intranet site for staff, and the Employment Ontario Partners Gateway site for their service providers, which contains program terms and conditions, policies, and guidelines. The sites are reviewed on an ongoing basis and updated to reflect feedback from staff and service providers, and changes in programming.

In terms of the application form, it has been changed many times. In a number of cases, the change was necessitated by the introduction of major initiatives such as the Second Career program or the Employment Services delivery network. Other changes reflected recommendations from the service providers' staff or from a number of clients to improve the administration of the programming. However, the application form has not been changed to specifically address multi-year applications. Once the initial confusion on this issue was overcome, feedback from service providers and clients has been minimal, and it was determined that an amendment to the application form was not required.

Actions Proposed

MTCU continues to monitor the effectiveness of information and services provided to those interested in multi-year interventions and their outcomes, and to assess the performance of each service provider. The initial problem reported in 2007 is no longer an issue with the service providers or clients, and continued review of the administration of the program will ensure that the problem does not re-occur.

Recommendation 4

It is recommended that Ontario review its advertising of program availability. It is also recommended that Service Canada ensure that referral of Part II eligible participants to OBMs is maintained as a key message understood by its staff and communicated as a component of its Group Information Sessions.

Actions Taken

MTCU promotes its programs using a multi-faceted approach via print and electronic channels (web), signage in public transit and service provider store fronts, as well as via direct promotion to clients by agencies and partners, including Service Canada. Since implementation of the LMDA, MTCU has regularly reviewed its advertising and promotion program, to ensure all information is up-to-date, accessible, and well presented. Service provider and client feedback is an important component of continuous improvement for the website and other communications products.

As part of their ongoing service improvement efforts, in July 2010 Ontario implemented the *Visual Identity and Communications Guidelines for Employment Ontario Service Providers*. The guidelines in this document represent a step towards establishing a broader brand profile and enhanced customer experience for Employment Ontario.

Both Service Canada and MTCU have acted to ensure that their staff are aware of each other's programs and services. As noted in the evaluation report, Service Canada and MTCU jointly developed an Information and Referral Guide for their staff that was completed in the spring of 2008. The guide was updated in the autumn of 2011 and was made available to staff through Service Canada's on-line reference portal and MTCU's intranet. In addition to updating these reference tools, ongoing training has been given to Service Canada front-line Client Service Officers (CSOs) since 2007; the training explains Employment Ontario programs and the importance of referring EI Part I claimants and other citizens to OBMs and other Employment Ontario programs and services.

Service Canada and MTCU also work together to promote MTCU's OBMs directly to clients. An example is the Joint Rapid Response Action Pla, where Service Canada and MTCU representatives jointly visit employees of companies facing major lay-offs to promote services available to them. In 2009/10 a total of 416 sessions were conducted involving 12,678 employees.

During the implementation of the LMDA in 2007/08, Service Canada expanded the Group Information Sessions (now called Claimant Information Sessions) by increasing the geographic coverage and information available on return to work options for clients. Presentation material used in the information sessions was amended prior to the January 1, 2007 implementation of the LMDA to ensure material on the OBMs was provided to clients during the sessions. Employment Ontario staff began attending information sessions as an active partner in 2008 in order to explain and promote their programs and services; in October 2010, the MTCU and Service Canada agreed to have an MTCU official or local service provider present at each of the Claimant Information Sessions, depending on local availability. Service Canada Ontario Region reported that for the fiscal year ending March 31, 2012, approximately 74,500 clients were directed to attend these sessions. Service Canada and MTCU conduct quarterly reviews of the content of CISs to ensure the sessions contain up-to-date information on the OBMs and other Employment Ontario programs.

Actions Proposed

With the introduction of the Visual Identity and Communications Guidelines, MTCU is in the process of developing a long-term strategy and more complete standards to ensure that clients are aware of the Employment Ontario programs and services that are available to them. The strategy and standards will be reviewed annually to ensure relevancy and ease of use.

MTCU will continue to monitor feedback from clients and service providers on its messaging related to program availability, and will adjust its communications tools and strategies accordingly.

Service Canada and MTCU will continue to update the content of the *Information and Referral Guide* (as program changes are made), their respective websites (as program changes are made), and the Claimant Information Sessions (quarterly), to ensure their ongoing accuracy and relevance.

1. Introduction

This report provides a summary of the findings from the Formative Evaluation of the Ontario Benefits and Measures (OBMs) delivered under the Canada-Ontario Labour Market Development Agreement (LMDA). It draws on a series of technical reports, including an Ontario Skills Development (OSD) case study. The report consists of the following eight sections:

- Section 1 provides a description of OBMs and highlights the purpose and scope of the formative evaluation.

- Section 2 discusses the evaluation methodology.

- Sections 3 to 6 present the main findings regarding:

  - Governance – Section 3.

  - Planning and implementation – Section 4.

  - Client service process – Section 5.

  - Client participation and satisfaction – Section 6.

- Section 7 provides conclusions.

- Section 8 presents study recommendations.

1.1 *Employment Insurance Act*

The *EI Act* was implemented in July 1996. Part I of the Act provides for EI income benefits for people temporarily out of work, and Part II of the Act includes active employment benefits and measures to help the unemployed return to work. Together, these two parts form a balanced and integrated framework designed to promote employment growth. Specifically:

- **Part I** of the *EI Act* maintains the national system of temporary income support for eligible EI claimants while they look for a job.

- **Part II** of the *EI Act* provides for a range of active employment benefits and support measures that assist people in returning to work as quickly and efficiently as possible. These measures, which can be tailored to the needs of individuals and local labour market realities, are intended to provide unemployed Canadians with opportunities to obtain and maintain employment, and to obtain the skills they need to be productive in the labour force.

Formative Evaluation of Provincial Benefits and Measures Delivered under the Canada-Ontario
Labour Market Development Agreement

1

1.2 Canada-Ontario Labour Market Development Agreement

In 1996 the Government of Canada presented a proposal to the provinces and territories to enter into bilateral partnerships on labour market activities. The negotiations led to the LMDAs. Prior to the LMDAs, the Government of Canada was responsible for the delivery of Employment Benefits and Support Measures (EBSMs) in the province of Ontario.

The Canada-Ontario LMDA was implemented on January 1, 2007. Under the Canada-Ontario LMDA, Canada retains responsibility for the provision of income support benefits under Part I of the *Employment Insurance (EI) Act*. Ontario is responsible for the planning, design, delivery and management of its Ontario Benefits and Measures under Part II of the *EI Act*. The lead provincial ministry responsible for the LMDA is the Ministry of Training, Colleges and Universities (MTCU).

All provinces and territories in Canada have now implemented LMDAs that enable them to assume responsibility for the design, delivery and management of their own programs that are similar to the EBSMs laid out in the *Employment Insurance (EI) Act*.

1.3 Ontario Benefits and Measures

Under the Canada-Ontario LMDA, OBMs continued with the original objective of the Federal EBSMs: to assist individuals to prepare for, obtain and maintain employment. This provides a return on investment through a reduction in dependency on EI and Social Assistance and through additional tax revenues resulting from increased employment.

Clients funded under the LMDA can participate under one or more of the following OBMs:

- Ontario Employment Assistance Services (OEAS) helps clients prepare for, find and retain jobs through services such as: service needs determination, employment counselling, labour exchange, and provision of labour market information.

- Ontario Targeted Wage Subsidies (OTWS) helps unemployed individuals who are having difficulty in finding work by offering employers a temporary wage subsidy as an incentive to hire individuals they would not otherwise have hired for normal business operations. While there are benefits to employers, the focus is primarily on the client's employment needs. The expectation is that the subsidy will lead to permanent employment.

- Ontario Self-Employment Benefits (OSEB) helps insured participants start their own businesses.

- Ontario Job Creation Partnerships (OJCP) create employment and/or short-term work experience to help insured participants acquire skills needed by local employers through development of employment partnerships with employers and community groups.

- Ontario Skills Development (OSD) provides support for training of insured participants to obtain the skills necessary for employment.

1.4 Eligibility

To be eligible for support for return to work activities under the *EI Act*, individuals must be unemployed pursuant to the Act (without employment and actively seeking employment). In addition, to be eligible for Ontario benefits (OTWS, OSEB, OJCP, and OSD) under Part II (S.59) of the Act, individuals ("insured participants" as defined in S.58, or "EI clients" for the purpose of the evaluation) must fall into one of these groups:

• Active (current) EI claimants.

• Former EI claimants whose benefit period has ended within the past three years (3-year reachback).

• Individuals who have established a claim for maternity or parental benefits within the past five years and who are returning to the labour force for the first time after having left work to care for newborn or newly adopted child(ren) (5-year reachback).

In addition, Ontario Measures (such as OEAS) are open to all unemployed individuals[2] including uninsured participants and those who are employed and threatened with layoff.

Client eligibility for EI Part II support is determined at the outset of a multi-year training program. This is intended to prevent clients becoming ineligible mid-way through an action plan. A request for a new intervention (not in the original Return-to-Work Action Plan) results in a further check for eligibility at the time of the application.[3]

1.5 Objectives and Scope of the Formative Evaluation

Formative LMDA evaluations typically focus on program design, delivery, implementation, client satisfaction and short-term success. Greater focus for this evaluation was provided through a set of evaluation issues that established the parameters of the evaluation. This report presents evidence and conclusions related to: Governance, Planning and Implementation, Client Services, and Client Participation and Satisfaction.

The Ontario formative evaluation was designed to:

• Meet first-year evaluation requirements as set out in the LMDA, and report results to the Treasury Board Secretariat of Canada, the Labour Market Development Agreement Management Committee, and the public.

• Describe service delivery implementation and milestones since the inception of the LMDA and provide senior management with implementation information related to business continuity, delivery of services, and the transfer of staff.

• Provide evaluation information that will contribute to improvements in programs, services, and delivery, and to highlight best practices and areas that may require improvement.

---

[2] Ontario retained the definition of unemployed used by Service Canada prior to the transfer for OEAS participants. The definition allowed clients to work part-time up to a maximum of 20 hours per week.

[3] Ontario Benefits and Measures Guidelines, January 2, 2007, p.15.

- Determine the extent to which data systems and related information gathering activities are adequate for the requirements of a summative evaluation.

The period January 1, 2007, to March 31, 2008, was chosen as the reference period for this evaluation. During this time, Ontario accounted for about 39% of the Canadian labour force and 42% of the unemployed persons in Canada. Ontario's unemployment rate was on average about 6.4% as compared to the national average of 6.0%.

The evaluation focused on participants[4] who had completed their OBMs in the reference period. Sub-populations given particular attention in the evaluation are: women; Aboriginal people; new immigrants; older workers; long term unemployed and francophones.[5]

The evaluation's survey excluded apprentices due to their unique characteristics, as these clients experience voluntary unemployment while in classroom training followed by predetermined employment on completion of training. The evaluation only collected information on the process apprentices went through to receive EI Part I and II assistance, which is found in section 5.1.3. Furthermore the Ontario Measures, Ontario Labour Market Partnerships,[6] and Research and Innovation,[7] do not involve individual participants and were excluded from the evaluation.

---

[4] Clients who are not "EI clients" as defined in the LMDA are referred to as non-insured clients and are not considered in the formative evaluation. The evaluation also did not cover fee-payers: those who took classroom training while receiving EI Part I, but who did not receive support through EI Part II.

[5] For purposes of this study: new immigrants came to Canada up to ten years before the start of participation; older workers were defined as being 55 years of age or older at the start of participation; and long-term unemployed were defined as those who had been without a job for 12 months or more at the start of participation.

[6] The Canada-Ontario LMDA specifies that the Ontario Labour Market Partnerships facilitates labour market activities that promote labour force development and human resources planning.

[7] The Canada-Ontario LMDA specifies that the Ontario Research and Innovation measure supports 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.

2. Evaluation Methodology

This section provides an overview of the approach used to conduct the formative evaluation. It also highlights key strengths and limitations of the approach.

2.1 Evaluation Strategy

The formative evaluation employed a multiple-lines-of-evidence approach that included both quantitative and qualitative methods. Multiple lines of evidence helped validate findings by cross-referencing different sources and helped explore issues in greater depth. Particular care was taken to carefully examine and combine all evidence within and across quantitative and qualitative methods based on the relative strengths of these various methods in the analysis of the following evaluation issues:

Governance

- Management arrangements
- Information and data sharing
- Annual target setting and reporting

Planning and Implementation

- Continuity:
  - Processes to ensure continuity
  - Service interruption
  - Ontario Benefit and Measure conformance to the principles of EI Part II
- Delivery characteristics:
  - Co-location
  - Flexibility
  - French language delivery

Client Services

- Client service process:
  - Client referral process
  - Changes following transfer
  - Documentation process for apprentices
- Participant experience:
  - Access to services in the client's official language of choice
  - Access to Ontario Benefits and Measures

Client Participation and Satisfaction

- Participants:
  - Participation characteristics
  - Participant characteristics
  - Participant targeting
  - Ontario Skills Development participant experience
  - Indications of possible effect through participation
- Client satisfaction

As noted, the evaluation focuses on a reference period between January 1, 2007, and March 31, 2008, the period immediately following the transfer of responsibility for program delivery to Ontario. As a result, qualitative sources focused on this period and included those who could speak to changes relative to the period which immediately preceded it. The survey and administrative data focused on those who completed participation in this period. Data collection related to this study occurred in the fall of 2009.

2.1.1 Quantitative methods

This section provides a brief overview of the quantitative methodology:

- An **assessment of administrative data** was conducted prior to producing a profile of participants and their participation characteristics. Action plan equivalents,[8] consisting of one or more Ontario Benefits and Measures (OBMs) separated by less than six months, were created. Action plan equivalents ending in the reference period were the focus of the evaluation.

  A closer examination of OBMs data suggest they are of good quality and have only a few instances of duplicate records and missing end dates. Therefore, the participant data are adequate to meet the requirements of a follow-up summative evaluation.

- **Taxation data** (using non-identifiable ID numbers) were obtained from Canada Revenue Agency. These data were used to identify additional characteristics of participants such as total income, employment income and number of children eligible for the Child Tax Benefit.

- A telephone **survey** of participants was conducted in August, 2009 and focused on a sample of clients who completed their participation in OBMs during the evaluation reference period (January 2007 to March 2008). This meant that clients were interviewed 17 to 32 months after they had completed their interventions. It resulted in 2,000 completions and achieved a response rate of 30%. Survey data were weighted in order to compensate for response bias. The weights reflected the extent to which survey respondents represent the characteristics of the populations from which they were drawn and took into account variation in both sampling rates and response rates.

---

[8] There were 70,187 action plan equivalents, including 49,533 for active claimants and 20,654 for former claimants. This number does not include action plan equivalents for apprentices.

For purposes of analysis, 1,650 survey non-apprentice respondents were reported on in this Evaluation across the following OBMs: OSD—460 (28%); OEAS—575 (35%); OSEB—241 (15%); OTWS—247 (15%); and OJCP—127 (7%). Some demographic information was collected on the remaining 350 respondents (apprentices), but was not included in the analysis that follows.

2.1.2   Qualitative methods

An extensive qualitative analysis based on the following data collection methods was undertaken:

- A **review of documents** to obtain a better understanding of the context of OBMs in Ontario.

- **Key informant interviews** (20) were conducted with officials from MTCU, Service Canada and Human Resources and Skills Development Canada National Headquarters (HRSDC National Headquarters). Fifteen key informant interviews were held with MTCU Service Delivery Branch senior management, staff, data experts, governance experts as well as regional program experts. Five federal (Service Canada and HRSDC National Headquarters) key informant interviews were held with senior management and program experts. All key informants had relevant experience from before and after the transfer.

- **Discussion groups** (10) were used to gather the perspectives of various stakeholders. Separate groups were conducted for clients, MTCU staff, and service providers across Ontario as presented below.

Location	Clients	MTCU Staff	Service Providers
Kingston (East)	1	1	
London (West)	1		1
Sudbury (North)	1		1
Mississauga (Greater Toronto Area - Central)	2	1	1
	5	2	3

All MTCU staff and service providers who participated in discussion groups had experience from both before and after the transfer.

- A **case study** of the OSD experience combined both qualitative and quantitative methods identified above. This experience is highlighted in section 6.1.4 – OSD Participant Experience.

2.2   Strengths and Limitations

The use of a multiple-lines-of-evidence approach served to validate findings by cross-referencing a number of sources to explore issues in greater depth. Findings from the various sources were carefully examined and were then combined within an overall assessment of each evaluation issue. Methods and findings were further bolstered through a challenge function involving peer reviews by an internationally recognized labour market economist as well as members of the Joint Evaluation Committee.

Qualitative research in general, and in-depth interviews in particular, are highly valuable for providing insights into the views of a select group of individuals. However, the results are not statistically representative of any wider group beyond those who participated in the qualitative research.

2.3 Reporting Scale

In reporting qualitative findings and evidence, the following scale was used to indicate the relative weight of the evidence from each source (i.e., documents, key informant interviews, and discussion group interviews).

- **"All/almost all"** – findings reflect the views and opinions or documented evidence of 90% or more of the particular source.
- **"Most"** – findings reflect the views and opinions or documented evidence of at least 75% but less than 90% of the particular source.
- **"Majority"** – findings reflect the views and opinions or documented evidence of at least 50% but less than 75% of the particular source.
- **"Minority"** – findings reflect the views and opinions or documented evidence of at least 25% but less than 49% of the particular source.
- **"A few"** – findings reflect the views and opinions or documented evidence of less than 25% of the particular source.

3.   Governance

This section provides findings related to the joint governance procedures developed to ensure a smooth Labour Market Development Agreement (LMDA) transition process.

3.1   Management Arrangements

Key informants confirmed that the management arrangements for the implementation of the LMDA were put in place by HRSDC National Headquarters, Service Canada,[9] and the province of Ontario as represented by MTCU. In particular, Service Canada and the Province established a management committee (LMDA Management Committee) with equal representation from Canada and Ontario co-chaired by the Assistant Deputy Minister of Service Canada responsible for the Ontario Region and the Assistant Deputy Minister of Labour Market and Training for MTCU. Committee decisions were made by consensus. Prior to the implementation of the LMDA, sub-committees were established to assist with the work of the LMDA Management Committee as were four working groups.[10] After the transfer of programs and services to Ontario, the Service Excellence, Operations and Joint Evaluation sub committees reported to the LMDA Management Committee. A Service Delivery Advisory Group formed of service providers reported to MTCU. A large majority of those participating in the evaluation's qualitative methods considered the LMDA Management Committee sub-committees to have "worked well".

Effective relationships involving HRSDC National Headquarters, Service Canada, and the Province contributed to a smooth LMDA implementation. At the working level, a key factor in the success of these relationships was the effort expended in communicating clearly and thoroughly with various stakeholders. For example, meetings were set up across Ontario to brief staff, unions and service providers and answer their questions relating to all aspects of the transfer of programs and services from Canada to Ontario and the process and steps relating to the implementation of the LMDA.

The relationship between Service Canada and the Province was described as being effective due to the shared client service vision of the organizations and the good working relations that existed between the LMDA Management Committee co-chairs. A few key informants noted that there were some challenges regarding the interpretation and application of privacy policies that limited MTCU's access to client information and details around service provider contracts prior to the implementation of the LMDA. These challenges however did not appear to have negatively affected the overall implementation of the LMDA, its relationship with MTCU or the functioning of the governance committees.

---

[9]   Service Canada is an initiative that remains under the responsibility of HRSDC. Its mandate is to provide Canadians access to a full range of government services and benefits within a single service delivery network.

[10]   Four working groups include: the Program Management Work Group; the Human Resources Working Group; the IM/IT and Privacy Working Group; and the Finance and Corporate Management Working Group.

All sources (clients were not asked) praised the way in which the transfer of programs and services from Canada to Ontario and the implementation of the LMDA was carried out. Almost everyone credited the success to the management arrangements and the governance structure adopted for this process. They discussed the importance of the governance structure in resolving issues and building the relationship between Canada and the Province, as well as the strong leadership provided by the co-chairs who were described as being effectively engaged in the process of implementation.

Best practices identified by key informants and discussion groups with MTCU staff and service providers included:

- Good governance—the joint LMDA Management Committee, sub-committees and working groups, met frequently. The working relationships that developed within these groups were credited with much of the success of the transfer of programs and services and implementation of the LMDA. These groups met frequently and involved committee members who could deal with issues expeditiously.

- Pre-planning for the transfer of programs and services to the Province and the implementation of the LMDA. This avoided potential difficulty related to service disruptions or missed payments to participants and service providers.

- Maintaining effective relationships between provincial and federal government officials facilitated business continuity during the transfer of programs and services and the LMDA implementation process, as well as providing other opportunities to serve joint (Federal-Provincial) clients better.

- Transferring staff to the same job within the new organization, extending service provider contracts, and not changing benefits and measures right away provided stability and ensured program continuity.

- Keeping people informed was important in maintaining service levels and service quality. For example, the Service Excellence Committee (SEC) was a forum for exchanging ideas and best practices and for arriving at joint actions to improve service delivery. The joint Information and Referral Guide that was developed under the aegis of the SEC provided staff in both MTCU and Service Canada with easy identification of the services provided by either partner.

- Experiences and lessons learned from the first two years were documented by HRSDC National Headquarters and shared across HRSDC National Headquarters and Service Canada.

3.2 Information and Data Sharing

Key informants had mixed views about the adequacy and appropriateness of the information available for the management of the Ontario Benefits and Measures (OBMs). Three data systems are relevant to this discussion:

- *LMDA Access* is a software system provided by HRSDC that provides designated MTCU employees access to HRSDC's mainframe on information relating to LMDA client's EI eligibility status, and to process referrals under Section 25[11] of the EI Act for those clients who are selected for an Ontario benefit.

- *Common System for Grants and Contributions (CSGC)* is a HRSDC administrative data base to which Ontario was provided access during the period it was developing its own administrative data systems to support LMDA-funded programs. The CSGC records program and financial information on OBM interventions (for both clients and projects).

- *Contact IV* is client case-management software provided by HRSDC. It is used by Ontario service providers to record case management information on clients receiving assistance from the service provider under an agreement funded through Ontario Employment Assistance Services (OEAS).

LMDA Access

Key informants indicated that the coordination of EI Part I and Part II responsibilities "worked well" and that, in the interest of business continuity, there were "no changes" and "things functioned pretty much as they had pre-transfer." However staff who participated in discussion groups indicated that the extent of information to co-ordinate those responsibilities changed. For example, limited information was available through *LMDA Access* to allow those responsible for delivering EI Part II to understand the characteristics of eligibility—particularly when eligibility would end or to determine why a person was not identified as being eligible. Prior to the implementation of the LMDA, this information would have been obtained by a Service Canada staff person responsible for EI Part II employment programs speaking to a Service Canada EI agent responsible for EI Part I. After the implementation of the LMDA, information-sharing on EI clients between Service Canada and Ontario was constrained by concerns relating to the protection of clients' privacy.

All MTCU staff who participated in the discussion groups and who had experience with *LMDA Access* indicated that initially there were problems entering client details around Section 25 into *LMDA Access*. This made it difficult to inform Service Canada staff responsible for EI Part I benefits about changes to participation status. In the interim, clients were sometimes required to obtain and transfer the necessary information between the Service Canada staff responsible for EI Part I and the MTCU staff responsible for EI Part II.

---

[11] Section 25 of the *EI Act* allows a participant who is on an Ontario benefit to continue receiving their EI Part I benefits without meeting the job search requirement. At issue is the difficulty informing those responsible for EI Part I concerning details about an individual who was no longer a participant and therefore no longer eligible for a Section 25 exemption.

Common System for Grants and Contributions

Ontario was granted access to the existing federal CSGC database while it developed its own administrative data system related to EI Part II responsibilities. These activities were guided by information sharing provisions set out in the Interim Corporate Management Agreement[12] Under this arrangement, Canada built and maintained a "clone" of the CSGC for Ontario's use, to keep Canada's and Ontario's data separate and to ensure that MTCU staff had access only to the data required to administer the EI Part II programs and services.

While a few key informants indicated that no change occurred due to using the same system after the implementation of the LMDA, some issues were identified. It was reported that there were a number of *CSGC* system start-up problems in early 2007 some of which involved Public Key Infrastructure access identifiers, accessing Responsibility Centre code reference table, incorrect data on display screens, intermittent system disconnections, and difficulty printing client agreements. The system start-up problems were resolved by March 31, 2007.

Contact IV

Key informants as well as staff and service providers who participated in discussion groups indicated that Contact IV had been an issue prior to and after the implementation of the LMDA. It was reported to be difficult to use effectively and generated errors on numerous occasions. As well, the quality and validity of the data was questioned by key informants and staff. Data were collected and uploaded from Contact IV to the CSGC, but Contact IV could not provide management information on an on-going basis. Similar sentiments were found among service providers. As well, a few indicated that, following the transfer, there was no technical support available for Contact IV when they encountered technical difficulties.

Data Sharing Observation

Key informants noted that during the first year of LMDA implementation, the Province's ability to access performance measurement information such as return to work and unpaid EI indicators was reduced. This issue was resolved in 2008 but decisions for renewals of contracts had to be undertaken without full knowledge of the service providers' results during 2007. The province was also unable to compare their first year results with pre-transfer results information at the client or service provider level, as privacy considerations would not allow the transfer of pre-transfer closed files or individual client information. The province did receive aggregate level information to assist in overall planning of activities.

---

[12] Interim Corporate Management Agreement is defined, in the Canada-Ontario LMDA as "the agreement entered into between Canada and Ontario for the purpose of establishing, on an interim basis, the terms and conditions governing the use by Ontario of Canada's *Common System for Grants and Contributions (CSGC)* and the processes related to the financial management to support Ontario's programs, and "*Common System for Grants and Contributions*"."

3.3   Annual Target Setting and Reporting

Overall, key informants indicated that the quarterly reporting requirements have been fully met. A few key informants noted that these reporting requirements were likely exceeded.

Few key informants could speak to annual target setting practices—the process by which goals for the number of active claimants served, returns to work, and unpaid EI income benefits (savings) were set for the following year. For the first year following the implementation of the LMDA, Ontario was provided up-to-date data (including EI client data as well as statistics from the Labour Force Survey) and the models that had been previously used by HRSDC for annual target setting. However, in the second year post implementation, additional detailed EI data were not provided, which could have improved the target setting process. An observation raised by some key informants was that more consideration could have been given to the information needs and requirements that accompanied the implementation of the LMDA.

4. Planning and Implementation

This section provides information related to the planning and implementation of the Labour Market Development Agreement (LMDA) transition from Canada to Ontario.

4.1 Continuity

One of the priorities for the LMDA was to maintain business continuity following implementation. Key informants, Ministry of Training, Colleges and Universities (MTCU) staff and service providers all agreed that business continuity had been achieved. Key informants with knowledge of this issue and process indicated that the transfer of programs and services had no effect on program and service continuity for clients of federal programs[13] funded through the Consolidated Revenue Fund. The same programs and services continued to be available to these federal clients after the implementation of the LMDA, with no change in their eligibility. Relevant programs were identified in the Information Referral Guide and procedures were in place to handle transfers of clients.

However, a minority of key informants stated that some loss of service may have occurred for clients of federal programs. Prior to the implementation of the LMDA, clients eligible for these programs would have received case management/assessment services from service providers funded through EI Part II. In some cases, after the transfer of programs and services, Ontario Employment Assistance Services (OEAS) service providers referred such individuals to Service Canada for case management/assessment services.

4.1.1 Processes to ensure continuity

Key informants, as well as MTCU staff and service providers who participated in discussion groups mentioned that a number of processes were put in place to ensure continuity. In particular, the majority of key informants noted the following:

- The engaged and "hands-on" leadership.
- The extensive pre-planning activities.
- The effective sub-committees and working groups that were established.
- The training developed and provided to transferred and existing staff in the Province.
- The development and distribution of tools such as contact lists, to ensure communication.
- The linking of federal, provincial and service providers' websites.
- The transition team that managed contracts, processes, and business practices to ensure business continuity.

---

[13] Federal programs include: Youth Employment Strategy, which helps young Canadians (aged 15 to 30) obtain career information, develop skills, find good jobs and stay employed; The Opportunities Fund for Persons with Disabilities, that supports those who are not eligible for Employment Insurance (EI) benefits—overcome the barriers they may face as they enter the labour market; and the Aboriginal Skills and Employment Training Strategy which links training to labour market demand and ensures that Canada's Aboriginal people can fully participate in economic opportunities.

Most key informants indicated that the programs functioned as designed and that the OBMs were delivered as planned. As well, key informants indicated that many of the programs, policies and procedures remained the same; service provider contracts were extended and transferred to the newly created Employment and Training Division, MTCU; and staff were transferred to this division to fill identical roles to ensure continuity.

4.1.2 Service interruption

Key informants, MTCU staff and service providers generally agreed that there were "no interruptions" in the provision of programs and services to unemployed clients in Ontario. Key informants did, however, acknowledge that delays occurred in determining eligibility because transferred staff could no longer obtain detail on claims from former colleagues after the transfer. For example, the eligibility of a first-time claimant could not be identified in the LMDA Access database until the claim was processed. Prior to the implementation of the LMDA, program staff could have obtained this information from speaking to their EI colleague.

4.1.3 Ontario Benefit and Measure conformance to EI Part II principles

No changes occurred in the delivery of OBMs. As a result, key informants felt that they fully conformed to the principles of EI Part II:

• Establishment of employment benefits for insured participants.

• Maintenance of a National Employment Service.

4.2 Delivery Characteristics

4.2.1 Co-location

Fifty-four of the 92 offices with provincial staff were co-located with Service Canada. Key informants held a variety of opinions on co-location. Many key informants saw co-location as necessary because Ontario did not have its own service delivery network and did not have office space to accommodate staff members who were being transferred from the Federal Public Service. A few key informants indicated that co-location may have hindered the development of an Ontario "identity" around the LMDA programs and services while others indicated that co-location may have helped to foster relationships between Ontario and Canada and to further achieve the client service mandate of Service Canada of being a place where clients could access a variety of information.

A few key informants believed co-location was beneficial or a better way to serve clients as it allowed clients to access services from a single location. Some believed it had minimal impact on clients as most clients dealt only with service providers or obtained their service on-line.

A few key informants indicated that a substantial effort was involved in developing joint plans around locating staff. For example, issues around access, security, and team building needed to be addressed. A few suggested that co-location would no longer be an issue, since Ontario is planning to eliminate all co-located sites.

4.2.2   Flexibility

The *EI Act* outlines legislative guidelines for the establishment of the EBSMs, which include "flexibility to allow significant decisions about implementation to be made at a local level." All the key informants who were asked about flexibility agreed that regional decision-making reflected the local conditions and the needs of clients during the evaluation reference period.

In addition, discussion groups with service providers and staff indicated that the Province exercised greater flexibility in the interpretation of the guidelines than had Service Canada. All of the key informants and MTCU staff agreed that the only change made to the guidelines were to "provincialize" the documents, for example by replacing the federal government logo to the provincial logo.

4.2.3   French language delivery

Most key informants indicated that there was a requirement, under the Agreement, for continued Francophone service. To ensure services would be available in both official languages, bilingual federal staff members were transferred to Ontario. The Federal government also retained sufficient bilingual staff to deliver federal programs.

Key informants identified eastern and north-eastern Ontario as areas with a significant demand for services in French and indicated that all designated sites had the capability to deliver services in French. Even areas that did not have any formal Francophone capacity i.e., were not a designated site, did have staff who could communicate in French.

One factor noted in the MTCU staff discussion groups was that there was a delay in getting Employment Ontario materials translated after the transfer.

5.   Client Services

Evaluation findings related to providing effective client services during the transfer of EI Part II programs and services to Ontario are presented below.

5.1   Client Service Process

5.1.1   Client referral process

Consistency of referral processes before and after the transfer of programs and services to Ontario

As part of the transfer of programs and services to Ontario, significant effort was expended to ensure that the client referral process operated effectively. Front-line staff were trained to make client referrals at Service Canada Centres and Call Centres. This included Service Canada training their front-line staff on the protocols and processes for referring clients to MTCU's Employment Ontario offices for back-to-work programs and services. The content of group information sessions was also revised to include reference to Ontario Benefits and Measures (OBMs). Furthermore, information was available to clients through call centres and websites. An Information Referral Guide on how to handle client referral was also developed during fiscal year 2007-2008 and it was made available at the end of the evaluation reference period.

Most key informants as well as participants in discussion groups (MTCU staff and service providers) suggested that the process for referring non-apprentice clients (the majority of all clients) to programs or services was unchanged through the transfer process. Potential participants were referred to the same service providers used prior to the transfer of programs and services to Ontario through staff at the Service Canada Centres. Information was made available through Group Information Sessions and also by providing toll-free telephone numbers or Internet information.

Client perspectives on referral processes

Clients who participated in discussion groups indicated that they had been informed of OBMs from various sources. A few clients indicated they had been advised by Service Canada (by letter) to go to an information session describing the help and supports they could receive related to the back-to-work process. Others had been informed about the process to access OBMs by friends, or through direction given by service providers in their neighbourhood. A few learned about OBMs on the Internet.

Almost all clients in discussion groups reported working with a counsellor to develop a Return-to-Work Action Plan. A few described being assessed to determine their suitability for training and the type of training they should take; a few were referred to information sessions and/or workshops; a minority talked about doing research through the Canadian

Occupational Projection System and Job Futures. All of those seeking training identified talking to employers and doing research on the training institutes when preparing their application for training under Ontario Skills Development (OSD).

According to the survey, 38% of those who recalled being assisted by an employment counsellor or someone from the government about return to work or available government programs related to training and employment had been referred for additional help. When asked about the appropriateness of the referral to another service provider or to an employment benefit, the average rating was 5.4 out of 7, where 7 was very appropriate, with more than one-half rating the appropriateness as 6 or 7. Clients who received Ontario Self-Employment Benefits (OSEB) as their principal (longest duration) OBM believed their referral to be more appropriate than those who received Ontario Employment Assistance Services (OEAS) only or OSD.

Feedback from program participants surveyed indicated that of the 1,410 surveyed clients who recalled details about the help they received, a majority (84%) had no difficulty in accessing help through employment programs. This response reflects opinions based on clients' experience with a variety of services, such as being assisted by an employment counsellor or someone from the government about return to work or available government programs related to training and employment. Since the survey did not cover those who were not participants, potentially due to access difficulties, 16% represents a minimum estimate of those who experienced access difficulties.

Challenges with referral processes

In discussion groups, a majority of clients believed that OBMs were not well advertised and as a result many felt there was not enough information made available to them. A majority of service providers agreed with this client assessment.

In key informant interviews and discussion groups, some MTCU staff, service providers and clients felt that referral difficulties could have occurred if clients were not being referred to Employment Ontario. They indicated that this may have been due to new Service Canada front-line staff not receiving training to refer clients. They also indicated that group information sessions about employment program options may not have been held for all new EI applicants.[14] It should be noted that these are comments from individuals across multiple groups who may not have been aware of staff training that was undertaken or aware that group information sessions were not intended to include all EI claimants and that the group sessions were just one of several options in the strategy to inform clients about OBMs.

---

[14] According to data from the Integrity Services Branch of Service Canada in 2007-2008, 2,777 group information sessions were held with 67,064 claimants invited and 41,625 attending. These numbers are down only slightly from similar numbers for the prior year, 2006-2007 (3,223 group information sessions held, 71,121 claimants invited, and 42,443 attending). It should be noted that in 2007-2008 while the number attending declined, so too did the number of EI Regular (i.e. not on a maternity, sickness or other specific form of benefit) Claimants (621,346 in 2006-2007 to 605,933 in 2007-2008).

Service providers who participated in discussion groups identified some reluctance to refer clients on to other service providers. This was reported to be related to pressures felt by some service providers to keep their numbers high to better position themselves for future work, given an expectation of fewer contracts being awarded in the future. In the first six months following the transfer, client volumes dropped by an estimated 30% in some areas according to service providers. This drop in volume was confirmed by MTCU staff. Both MTCU staff and service providers felt the drop might have been in response to: 1) reductions in group sessions; 2) the move to centralize services that may have increased travel times to services for clients; 3) or the relatively healthy economy at the time.

Length of time for referral processes

For active claimants, the mean (average) and median (middle) number of weeks between the start of their eligible claim and the start of participation was 15 weeks and 11 weeks respectively. This is based on data for 49,533 active claimant participants who completed their last OBM in the reference period. More than 90% of these participants began their intervention after the transfer. Former claimants are eligible for up to 3 years (156 weeks) from the end of a regular claim or up to 5 years (260 weeks) from the end of a maternity or parental claim. The mean and median number of weeks between the end of claim and the start of participation for 20,564 former claimants who completed participation in the reference period was 71 weeks and 66 weeks respectively.

The time between the start of an action plan equivalent[15] and the first employment benefit was 12.9 weeks on average for an active claimant (median of 10 weeks) and for former claimants an average of 9.6 weeks (median of 7 weeks).

These data indicate that it took close to 3.5 months on average for an active claimant to begin participation (action plan equivalent start date) after their EI claim was established. Among those active claimants who took an employment benefit, it started, on average, about 3 months after the start of their action plan equivalent.

5.1.2   Changes following transfer

For the most part, key informants, staff and service providers did not think there had been significant changes to services offered to clients as a result of the transfer. A few MTCU staff indicated that access to information on a client was more limited after the transfer and some clients needed to be referred back to Service Canada to sort out eligibility. Service providers also talked about the difficulty in determining eligibility, and the impact of this on clients. They identified clients being sent back and forth between government organizations to transfer information. They also felt that prior to the transfer, clients had better information on where the assessment centres were and what their next steps should be than they did following the transfer.

---

[15]   The action plan equivalent start date is the first day of participation in an OBM. The action plan equivalent may include single or multiple OBMs .

5.1.3 Documentation process for apprentices

The documentation process allowing apprentices to receive EI Part I and Part II assistance while participating in OSD changed only slightly with the introduction of the Labour Market Development Agreement (LMDA). Pre-LMDA, MTCU was responsible for identifying the course, training institute, numbers of apprentices enrolling, and the start date of the class, and for providing this information to the Federal government. An employment officer from Service Canada used this information to plan a visit to the college or training institute on the first day of class where they would document all of the apprentices; i.e., complete the necessary paperwork, have them apply for EI, and ensure that they used the special EI apprentice reference code so that their EI application would be fast-tracked. At the same time, the Service Canada employment officer would talk about the EI Part II benefits that the apprentice might be entitled to receive.

After the transfer, the visit to the college or training institute on the first day of class to document all of the apprentices was conducted by both MTCU and Service Canada representatives, not just a Service Canada employment officer. A Service Canada representative was responsible for EI Part I activities while an MTCU Employment Ontario representative handled the discussion of EI Part II. This was said to have no impact on the quality of the activity.

5.2 Participant Experience

5.2.1 Language Accessibility

While there were few Francophone clients in the discussion groups, those in the groups indicated that information was available in French, that their counsellors were bilingual, and that they experienced no difficulty accessing service in French.

English was the language of service identified by 97%, French by 1%, and both English and French by 2% of survey respondents. The survey found that virtually all clients were served in the official language of their choice.

Of the participants in the survey who recalled being helped (n=1410), 1% identified receiving service in French while 2% identified receiving service in both English and French. Those in northern Ontario (n=244) were more likely to be served in French (5%) or in both English and French (6%) than in any other part of Ontario. Those who identified service in English only in the survey were asked about their language preference. Of those served in English (n=1366), only 1% identified that their language preference was either French or English and French. This suggests that the vast majority was served in an official language of their choice.

5.2.2 Access to Ontario Benefits and Measures

The majority of key informants felt that access to OBMs was unaffected by the transfer since nothing had changed. Most MTCU staff participating in the discussion groups indicated that there were no problems accessing OBMs. However, service providers identified a number of changes that impacted client access to OBMs. Some talked about the geographic realignment that resulted from the move to centralize services, and how this increased the travel time for some of the clients trying to access services. The few service providers who provided services in more than one region noted that decisions related to applications for funding could differ across regions as a result of the greater flexibility adopted by the regions to meet local circumstances. For example, regions differed in terms of whether they would or would not approve multi-year OSD. Also, a few service providers mentioned that an added assessment step for OSEB (clients returning to an assessment centre for the development of a Return-to-Work Action Plan), may have discouraged clients from accessing OSEB.

Clients in the discussion groups were fairly evenly split between those who encountered access difficulties and those who had not. This is in comparison to the survey where 84% of clients reported no difficulties accessing help through employment programs. Another issue identified in the discussion groups was eligibility. A few discussion group participants reported applying for a particular course and being denied and as a result having to choose alternative training that met program criteria rather than what was best in their view. As well, wait times were identified as problematic—in particular, that it took too long to obtain approval to participate. This could be problematic for clients because EI eligibility is time-limited which in turn affects access to EI Part I benefits and Part II support. For the most part, clients who experienced difficulties accessing OBMs did not feel these were resolved.

There were three areas of concern identified around access to multi-year OSD:

1. Service providers suggested it was more difficult to obtain approvals for multi-year OSD after the transfer. In the year leading up to and during the first quarter after the transfer, OSD saw a substantial increase in the number of participants. To ensure funds would be available for the successful completion of existing participants and to ensure adequate funds for new participants in the remainder of the year, Ontario sent a memo to MTCU staff and service providers in July 2007 advising that funds were finite and emphasizing that OSD should only be given when it was "the most direct and reasonable route to sustainable employment or sufficient training to assist clients to obtain the skills they required to re-enter the labour market." This memo likely influenced service providers' views.

2. Service providers also identified that OSD participants could be turned down whe they reapplied for support for a subsequent year. This potentially was a result of a misunderstanding on the part of service providers who submitted a full OSD application, not just the budget section, for a subsequent year of funding. It is important to note that the agreement authorizing financial assistance is negotiated and written on a year-by-year basis with the re-negotiation being contingent upon successful completion in each individual year. Furthermore, approvals for a subsequent year of funding only required submission of the budget section (not a full application) of the OSD application (Ontario

Skills Development Guidelines, Version 2.1 [p. 9]). Therefore, submitting a full application may have resulted in applications being rejected, as eligibility would have been reassessed, and the participant may no longer have been eligible for support at this later date. There are no data available to the evaluation to confirm or refute this possible effect. However, there is evidence to suggest a communication issue may have existed with regard to how to handle requests for funding for multi-year OSD.

3. Client and service provider discussion groups indicated that OSD participants, in particular, may have inferred that OSD training support was limited to one year and may have taken shorter courses as a result. It is important to note that client eligibility is determined at the start of a multi-year training program. Clients are required to apply for all training (or other interventions) recommended in their Return-to-Work Action Plan at the outset. This is intended to prevent clients becoming ineligible mid-way through an action plan. Furthermore, the agreement authorizing OSD financial assistance is negotiated and written on a year-by-year basis with re-negotiation being contingent upon successful completion in each individual year.

The participant survey found that 90% of those who confirmed participation in an employment benefit had not experienced difficulties accessing their main benefit. Table 1 shows that for the 10% with difficulties, the most frequent issues (multiple sources were possible) were eligibility requirements, insufficient funds and location. Those who only participated in EAS were more likely to identify access difficulties.

Table 1 Proportion with Access Difficulties and Most Frequent Access Difficulties (multiple mentions possible)		
	Employment Benefit	**Help**
	(n=1000)	(n=1410)
Difficulty accessing	10%	16%
	(n=98)	(n=222)
Source of difficulty when difficulty		
– Not meeting eligibility requirements	31%	47%
– Insufficient funds	26%	32%
– Location	24%	24%
Source: Survey		

6. Client Participation and Satisfaction

The evaluation findings related to client participation and satisfaction during the program transfer are presented below.

6.1 Participants

6.1.1 Participation characteristics

The majority (71%) of non-apprentice participants who ended participation in the study's reference period were active claimants when they began participation. Active claimants (21%) were more likely to have taken Ontario Skills Development (OSD) as their principal or longest Ontario Benefit Measure (OBM) compared to former claimants (11%). Former claimants (82%) were more likely to have used OEAS services only compared to active claimants (74%).

More details on the characteristics of participation by client type (active and former claimants), principal OBM and region in Ontario are shown in Table 2.

Table 2 Non-Apprentice Participation by Client Status, Principal OBM, and Region								
		Principal OBM						
Client Status	**Region**	**OSD**	**OTWS**	**OSEB**	**OJCP**	**OEAS**	**Total**	**(%)**
Active Claimant	Eastern	1,190	170	247	97	5,386	7,090	
	Central	4,853	343	479	54	15,787	21,516	
	Western	2,508	293	272	132	10,555	13,760	
	Northern	1,333	158	120	86	3,349	5,046	
	Unknown	346	40	47	25	1,663	2,121	
	Total (#)	10,230	1,004	1,165	394	36,740	49,533	71%
	(%)	21%	2%	2%	1%	74%		
Former Claimant	Eastern	226	64	99	67	2,579	3,035	
	Central	1,115	186	232	63	7,283	8,879	
	Western	399	188	120	96	3,982	4,785	
	Northern	204	66	36	72	1,164	1,542	
	Unknown	300	61	83	63	1,906	2,413	
	Total (#)	2,244	565	570	361	16,914	20,654	29%
	(%)	11%	3%	3%	2%	82%		
Source: Administrative Data								

A further breakdown by gender among active claimants shows that females made up about 61% of the total participants overall, but just over half of the participants in the Ontario Targeted Wage Subsidies (OTWS) and Ontario Skills Development (OSD) groups.

According to Canada Revenue Agency data for the year participation started, active claimants across all regions and by principal OBM had higher total income (as reported in T1s) and employment earnings (T4s) on average and lower reported social assistance benefits (as reported in T1s) on average than former claimants. Active claimants also had more T4's (employment sources) on average than former claimants in all Ontario regions and principal OBM combinations. Active and former claimants were similar in terms of the number of children eligible for the Child Tax Benefit.

6.1.2 Participant characteristics

General characteristics of non-apprentice participants were:

- More likely to be between the ages of 30-49.

- Nearly one-quarter were immigrants, the majority arriving after 1990.

- More than one in ten participants spoke a language other than English or French in the home.

- More than half of participants were married or living common law.

- Nearly six in ten participants did not have children under 18 living in the home.

- More than one in three participants did not have any post-secondary education.

- More than half of all participants had household incomes of less than $40,000 at the start of participation.

- More than one in three lived more than a 30 minute drive from an urban centre.

Administrative data and telephone survey data were used to determine participation by members of the following groups—Women, Aboriginals, new immigrants,[16] older workers,[17] long-term unemployed[18] and francophones. Estimates of the number and percentage of participants ending participation between January 2007 and March 2008 inclusive and meeting these characteristics are shown in Table 3.

Table 3 Demographic Profile of OBM Participants	
Women	43,000 (61.2%)
Aboriginal	2,400 (3.4%)
New Immigrant	7,900 (11.3%)
Older Worker	7,700 (11.0%)
Long Term Unemployed	10,000 (14.3%)
Francophones	2,600 (3.8%)
Source: Administrative Data and Survey	

---

[16] For the purposes of this study defined as immigrating in the 10 years prior to the start of participation.

[17] For the purposes of the study defined as 55 or more years of age at the start of participation.

[18] For the purposes of the study defined as not working for 12 or more months at the start of participation.

6.1.3   Participant targeting

Key informants, staff and service providers indicated that the ideal candidates for employment benefits should meet eligibility criteria and have the following characteristics:

- **OTWS:** lacks workplace experience or wants to start a new career, has the skills/education but needs work experience, faces one or more barriers to employment, i.e., just out of school (no experience), or with a language barrier, disability, or other barrier to employment.

- **OSEB:** has skills that can be marketed but needs business skills, is self-motivated, entrepreneurial, self-directed, has never operated their own business, and has a good idea about what they want to do.

- **OJCP:** lacks work experience or needs their skills updated/upgraded, someone whose career is in transition; an opportunity for clients who are unemployed for a long period of time to continue to use their skills so those skills do not become obsolete.

- **OSD:** lacks marketable skills, training is their shortest route to employment, requires a career change for medical reasons or because the job they were doing is obsolete, skills require "re-tooling", willing to commit (to training) for a period of time.

There was general agreement by key informants, staff and service providers that the right individuals were participating in the right OBMs throughout the transfer. This was felt to be more certain for OSEB because by the time MTCU received a self-employment application; the client had already been assessed by an employment assessment centre, by a self-employment community coordinator, and had prepared a business plan. Key informants, staff and service providers were less certain about those who participated in OSD. The main concern was that some clients come to the program with preconceptions of what they should take instead of discovering what is most appropriate through the Return-to-Work Action Plan process.

6.1.4   Ontario Skills Development participant experience

Given the importance of OSD (in terms of the number of participants and resources expended) OSD participation received added attention in the evaluation. Findings related to the experience of OSD participants are based on the 425 participants who confirmed OSD as their main OBM unless otherwise specified below. The type of training (multiple mentions were possible) taken by OSD participants is identified in Table 4.

Table 4 **Type of Training Taken by OSD Participants (multiple responses possible)**	
	(n=425)
Skills training for a specific occupation	84%
General skills suitable for a number of occupations	46%
Academic upgrading	11%
English/French as a second language	8%
Literacy or numeracy upgrading	6%
Some other (not specified) type of training	39%
Source: Survey	

The 357 survey participants who identified skills training for a specific occupation were asked for more information. Almost two-thirds had access to or had been provided a list of occupations in demand and of these 71% said they chose training based on the list. Reasons for choosing training and reasons for taking training in a specific occupation are shown in Table 5.

Table 5 **Characteristics of Training in Skills for Specific Occupations**	
	(n=327)
Had access to or provided a list of occupations in demand	64%
	(n= 220)
Chose training based on list of occupations in demand	71%
	(n=327)
Reason (other reason) for choosing training in specific occupation:	
Personal interest	38%
Adding to existing skills	34%
High demand for skills	31%
Reason for selecting where to take training in specific occupation:	
Location	44%
Reputation of school	29%
Timing of course offering	15%
Employment counsellor suggestion	11%
Friends/employer recommendation	7%
Spoke to/visited schools	7%
Advertisement	7%
Duration of training	4%
Placement statistics	4%
Research	4%
Other mentions	28%
Source: Survey	

Table 6 shows the sources that OSD participants used to identify "high demand" job opportunities prior to selecting their training. Note that participants could identify more than one source, so totals can add up to more than 100% in the table.

Table 6 Sources Clients used to Identify "High Demand" Job Opportunities (multiple responses possible)	
	(n=110)
Internet	33%
Talked to employers	31%
Talked to family/friends (networking)	27%
Labour market demand list/list of jobs in demand	24%
Newspaper advertisements	23%
Employment counsellor	20%
Job fair	17%
Training providers published placement results	8%
All other mentions	2%
Source: Survey	

Of the OSD participants who did not identify "a high demand" job opportunity (n=248), 96% did nonetheless determine that there would be job opportunities in their chosen area of training.

Ninety-four percent of OSD participants completed their training and 89% identified obtaining a certificate or diploma[19] through participation in OSD. The type of certificate or diploma received is shown in Table 7.

Table 7 Type of Certificate or Diploma Received	
	(n=379)
Trade certificate	59%
Health care/home care	12%
Business administration	8%
Computer certificate	7%
All other mentions	39%
Source: Survey	

Eighty-four percent of the 1381 survey participants and 91% of the 417 OSD survey participants worked after participation. Of those who worked:

• Those who took OSD as their principal OBM were more likely to need a diploma or certificate to obtain the job (57%) compared to participants taking all other principal

---

[19] Fifty-one percent identified a certificate, 35% a diploma and 3% were not sure which one. Others who completed might have earned a degree (not asked by the question).

OBMs (44%). Of those who required a certificate/diploma to work in their main job and who acquired a certificate/diploma through their OSD participation, 90% said that it was the participation in the program that provided the needed certificate/diploma.

- 74% said that they needed a particular set of skills to obtain the job in their main line of work after participation. Those who took OSD as their principal OBM were more likely to need a particular set of skills to obtain the job (77%) compared to those who received OEAS services only (68%). Of those who required a particular set of skills to work in their main job (n=1032), 37% of all participants and 75% of OSD participants stated that their participation had provided the needed skills.

OSD participants in the survey were satisfied with the principal OBM they had taken. Their average rating was 5.7 out of 7, where 7 was very satisfied, with 66% identifying the top two satisfaction scores. This compares to the average satisfaction rating of 5.3 and 5.4 for Job Creation Partnerships (JCP) and Targeted Wage Subsidies (TWS) participants respectively. Among the participants in JCP and TWS, 52% of JCP participants and 57% of TWS participants selected the top two satisfaction scores (6 and 7).

OSD participants were also satisfied with the timing of their training. Their average rating was 6.0 (of 7 where 7 was very satisfied) with 75% rating satisfaction with timing high at a 6 or 7.

The majority of the discussion group participants believed the government would be better served by expanding the training options for unemployed individuals, specifically by allowing individuals to take courses of longer duration from training institutes that are recognized by employers. They recommend that rather than "requiring" individuals to take short-term courses from a private college, the government should allow the individuals to take a two or three-year course from a community college.[20]

6.1.5 Indications of possible post-participation outcomes through participation

The formative evaluation did not estimate incremental effects (impacts attributable to the program). However, the results of the survey highlighted the following possible post-participation outcomes:

---

[20] Some areas limited OSD training to a maximum of one year. However, more generally this view may be based on a misunderstanding of the funding limit related to OSD support. Although multi-year training programs may be established under OSD, the maximum duration of financial support that can be approved is one year. A client would need to reapply for funding for each subsequent year of the training program separately. However, this seems to have been interpreted by participants in discussion groups as indicating that funding support was limited to a one year program—effectively limiting the choice to short courses offered by private colleges and not longer term offerings of community colleges.

Working in occupations in demand

In the survey, 64% of those who took OSD as their principal OBM had access to or were provided a list of occupations in demand. Among these individuals, 71% said they had chosen their training based on it.

Ten percent of those who had access to the occupations in demand list obtained a job on the list in the post-participation period. Among those who did not have access to the list, 6% obtained a job on the list. Thirteen percent of participants who used the list to select the type of training they would take, and/or used the list in order to determine potential job opportunities, obtained a job from the demand list in the post-training period. This is indicative of a positive impact of the demand list on the occupational choices of OSD participants.

Length of time until job start

Survey participants were asked whether they had been employed in the period after participation. Eighty-four percent of all participants had been employed with significantly more finding employment when their principal OBM was OSD (91%).

The survey asked those with employment when their job had started. On average employment started 5.3 months after participation ended, while OSD participants averaged 4.4 months.

Continuous work in the job

Sixty percent of all participants were working in their main post-participation job (job with the highest earnings) at the time of the survey. By principal OBM, percentages were: OSEB—70%, OJCP—66%, OEAS—57%, OSD—56%, and OTWS—49%. At the time the survey was conducted, about 49% of OTWS participants were still employed in their main post-participation job. Some of the OTWS participants who left their main job could have been re-employed in other jobs during the post-program period.

Months of continuous employment were also captured through the survey. On average participants had been employed for 14 months at the time of the survey. By principal OBM, average durations were: SEB—16 months; OJCP, OTWS, and OEAS—14 months; and OSD—13 months.

Hours of work per week

Participants who worked typically worked 40 hours per week. Those whose principal OBM was OSD worked 43 hours per week and had, on average, longer work weeks than individuals who participated in OJCP (36 hours), and OTWS (39 hours), or who received OEAS (38 hours).

6.2   Client Satisfaction

MTCU staff and service providers generally believed, based on their observation of participants pre- and post-transfer, that participant satisfaction levels remained unchanged after the transfer. However, MTCU staff indicated that they did not conduct formal satisfaction research. Service providers had conducted satisfaction surveys and their research suggested that satisfaction remained the same both before and after the transfer in terms of satisfaction related to the referral process and the overall participation experience.

Process

During the discussion groups, the majority of clients expressed satisfaction with the process they went through to access programs and services. In the survey, satisfaction with the help received was rated as 5.4 out of 7 with 7 being very satisfied. A total of 57% rated satisfaction as a 6 or 7 on this scale. The usefulness of the help received in terms of selecting a course of action or an appropriate government program, information to develop a Return-to-Work Action Plan and information on the process to make informed decisions were all rated a 5.1 out of 7 with 7 being very useful. Nearly half identified the top two ratings on this scale.

Overall Participation Experience

In the participant survey, overall OBM participation experience was rated 5.3 out of 7, with 7 being very satisfied. Fifty-five percent were satisfied, that is, they reported either a 6 or 7 on this scale. Those taking employment benefits (OSD, OTWS, OSEB, or OJCP) had a higher average satisfaction rating of their participation experience than those who received OEAS services only (4.9 out of 7, with 45% reporting satisfaction as a 6 or 7).

Participants' discussion groups made reference to the quality of counsellor services, which they said varied widely with respect to the amount and appropriateness of the information they provided. This was not a question that was specifically asked in the discussion groups, but it came up as a peripheral point during the course of the discussions. Based on the anecdotal evidence, it is not possible to make a definitive observation on the extent and scope of this issue.

Factors correlated with satisfaction

The study assessed factors that might be correlated with satisfaction. As might be expected, satisfaction was higher for those:

*   Whose employment started more quickly after participation.
*   Who worked longer in terms of the number of continuous months of work after participation.
*   With higher rates of pay from the post-participation job.
*   Who felt participation was important to obtaining their main job in the post-participation period.

- Who felt they needed specific skills to obtain the main job and acquired them through participation.

- Who felt they needed a certificate or diploma to obtain the main job and acquired it through participation.

Formative Evaluation of Provincial Benefits and Measures Delivered under the Canada-Ontario
Labour Market Development Agreement

33

7. Conclusions

This section presents high-level conclusions of the formative evaluation.

Main Findings

The overall conclusion is that the transfer of Part II responsibilities to Ontario proceeded smoothly. Clients continued to receive programs and services and supports to which they were entitled. Third party service providers' contract provisions were honoured and federal staff was transferred seamlessly.

Continuity

Maintaining business continuity during the transfer of responsibilities was a priority. This was achieved because effective governance and management provisions were established. Related to this, core programs, policies and procedures remained unchanged, agreements were extended with third party service providers and transferred to Ontario's newly created Employment and Training Division and staff was transferred to fill identical roles within the new organization.

Information and data sharing

The key transition challenge identified by the evaluation related to the adequacy and appropriateness of the information available for the informed management of the OBMs. The affected activities included the following:

- Determining details related to client eligibility status.

- Informing Employment Insurance (EI) about changes to participation status (Section 25 of the *EI Act*).

- Getting detailed performance measurement information.

- Under the arrangement to share access to the existing federal Common System for Grants and Contributions (CSGC), there were a number of initial start-up problems that were encountered, but all were resolved by March 31, 2007.

- Issues in terms of lost data, reduced functionality (could no longer obtain roll-up reports, statistics, or client lists) and general data errors related to *Contact IV*.

Delivery characteristics

The *EI Act* allows flexibility in delivery to accommodate local circumstances. The general view was that the Province exercised equal or greater flexibility after the transfer.

Client referral process

Most key informants, MTCU staff and service providers said that the process for referring non-apprentice clients to programs or services was unchanged following implementation. The mechanisms remained the same—principally group information sessions to inform new claimants of available back-to-work programs and services, and information provided by front-line staff at Service Canada Centres. Information was also available to clients through call centres and websites.

Significant effort was expended to ensure that these and other processes of referral worked. Front-line staff was trained to make appropriate referrals. Information included an *Information Referral Guide* on how to handle client referral.

Feedback from participants and key informants suggests that these efforts were reasonably effective in referring and informing clients. Eighty four percent of surveyed clients reported no difficulties accessing help through employment programs. Most key informants, service providers and MTCU staff felt that the referral process worked well for most clients. A few key informants and clients noted some difficulties with the referrals to Employment Ontario. It was suggested that the difficulties could have been related to some Service Canada front-line staff not being fully informed on referrals or that group information sessions were not held. There is evidence to flag referral and information provision as areas requiring on-going vigilance on the part of Service Canada to ensure that eligible applicants are aware of and seek out available programming funded under EI Part II. Ontario also will need to review its advertising of program availability.

Participant experience

Client eligibility for EI Part II support is determined at the outset of a multi-year training program. Clients are required to apply for all training (or other interventions) that their Return-to-Work Action Plans call for when they begin participation. A few attendees in the client and service provider discussion groups identified issues related to the experience of OSD participants with the duration of financial assistance. Although multi-year training programs may be agreed to under OSD, the maximum duration of financial support that can be approved is one year. Clients must reapply for each subsequent year of the training program separately. However, this appears to have been interpreted by some clients to mean that support was limited to one year, rather than that support needed to be applied for again for each subsequent year.

Possible post-participation outcomes through participation

The study did not estimate incremental impacts (impacts attributable to the program). However, the results of the survey highlighted the following possible post-participation outcomes:

- 84% of participants were employed after participation (91% if their principal OBM was OSD).

- Jobs started on average 5.3 months after participation ended (4.4 months if the principal OBM was OSD).

- 60% were working in their main post-participation job at the time of the survey—the average duration by principal OBM taken was: OSEB—16 months; OJCP, OTWS and OEAS—14 months; and OSD—13 months.

- Participants with access to a list of occupations in demand were more likely to work in their main post-participation job in an occupation on the list compared to those without access. Thirteen percent of surveyed participants who used the list of occupations in demand to select the type of training they would take, and/or used the list to determine potential job opportunities, obtained a job on the list in the post-training period.

Best Practices and Lessons Learned

The best practices and lessons learned which emerged from the evaluation are:

- Successful pre-planning for the implementation of the provincial programs helped to provide continuous service to participants.

- Effective relationships between the federal and provincial government officials facilitated business continuity and other opportunities for the governments to work together to benefit clients during and after the implementation.

- Program continuity was maintained by transferring staff to the same job within the newly created Employment and Training Division, extending service provider contracts, and not changing established program policies and procedures.

- Good communication, including keeping all staff and service providers informed, was important in maintaining service levels and service quality.

- Good governance resulted from the guidance provided by the joint LMDA Management Committee and the efforts of the sub-committees and working groups established to assist with the transfer. These groups met frequently and effectively.

8. Key Findings and Recommendations

This section presents key findings and related recommendations for items that require follow-up action.

Limitations on data sharing may impede meeting EI Part I (access to income benefits) and Part II (access to OBMs) responsibilities. For example, limited information was available to allow those responsible for delivering EI Part II to determine client eligibility for Ontario Benefits and Measures (OBMs).

> *It is recommended that Canada and Ontario review data requirements needed to fulfill shared responsibilities related to EI Part I (access to income benefits) and Part II (access to OBMs) and work to ensure that appropriate information sharing protocols are in place to overcome all data sharing issues which impeded the fulfillment of shared EI Part I and II responsibilities.*

Some Ontario Skills Development (OSD) participants in various discussion groups appeared to interpret the process of negotiation and approval of financial support one year at a time to mean that the maximum length of a course or field of study that can be supported with certainty is one year.

> *It is recommended that Ontario ensure that participants who are considering multi-year programs understand that financial assistance may be provided for the duration of the program but that it must be re-negotiated yearly.*

Client eligibility is determined at the time MTCU receives the participant applications for OSD funding. However, a few service providers in discussion groups appear to have created a new application for funding related to a subsequent year of a multi-year OSD instead of submitting the budget section only. This may have resulted in a verification of current eligibility status at the time of the subsequent "application", and possible rejection of the application.

> *It is recommended that Ontario better communicate its policy on eligibility for OBMs to MTCU staff and service providers. Specifically, it should be clear that "EI eligibility" is established at the time the application is first received by MTCU and that the participant does not have to re-establish eligibility for each year of a multi-year program. To avoid confusion, Ontario could adopt an application form which covers budget aspects only, for subsequent-year OSD approvals.*

A few key informants, as well as clients, service providers, and MTCU staff in discussion groups indicated that there was limited referral to, or information about, available programs and services.

It is recommended that Ontario review its advertising of program availability.

It is recommended that Service Canada ensure that referral of Part II eligible participants to OBMs is maintained as a key message understood by its staff and communicated as a component of its Group Information Sessions.