

Employment Insurance

Monitoring and Assessment Report



2007



Employment Insurance

Monitoring and Assessment Report



2007

Submitted to:
The Minister of Human Resources and
Social Development Canada

March 31, 2008

By:
The Canada Employment
Insurance Commission

Prepared by:

Human Resources and Social Development Canada
Employment Programs Policy and Design
Employment Insurance Policy

For additional copies of this publication, please write or fax the Enquiries Centre, indicating the catalogue number:
SP-102-04-07E

Enquiries Centre
Human Resources and Social Development Canada
140 Promenade du Portage
Portage IV, Level 0
Gatineau, QC K1A 0J9
Fax: (819) 953-7260

Available on the Internet at <http://www.hrsdc.gc.ca>

Available in alternate formats, upon request, at 1 800 788-8282.

Aussi disponible en français sous le titre *Assurance-emploi – Rapport de contrôle et d'évaluation 2007*.

© Her Majesty the Queen in Right of Canada, 2008
Cat. No. HS1-2/2007E
ISBN 978-0-662-48564-3

Table of Contents

Introduction	1
Executive Highlights	3
Chapter 1 ○ Labour Market Context	5
I. Overview	5
II. Employment	6
III. Unemployment	8
IV. Demographic Groups	9
V. Labour Markets, by Sector and Size of Employer	9
VI. Provincial Labour Markets	10
VII. Education	11
Chapter 2 ○ Income Benefits	13
I. EI Clients	13
II. Assisting Canadians in Facing the Risk of Unemployment	15
III. Supporting Working Canadians and Their Families	18
Chapter 3 ○ Employment Benefits and Support Measures and the National Employment Service	21
I. National Overview	21
II. Pan-Canadian Activities	26
III. Provincial and Territorial EBSM Activity	28
Chapter 4 ○ Program Administration	45
I. Context	45
II. Transformation of Service Delivery	46
III. Quality	48
IV. Integrity	49
V. Conclusion	50
Chapter 5 ○ Impacts and Effectiveness of the Employment Insurance Program	51
I. EI and Individuals	51
II. Promoting Work Force Attachment	63
III. Evaluation of EBSMs	65
IV. EI and the Workplace	69
V. EI and the Economy	70
VI. EI Finances	72

Annex 1	○ Key Labour Market Statistics	73
Annex 2	○ Income Benefits Data Tables	81
Annex 3	○ Employment Benefits and Support Measures Data Tables	101
Annex 4	○ Community Profiles	119
Annex 5	○ Key Studies Referenced in Chapter 5	125
Annex 6	○ Recent Changes to Employment Insurance	135

Ongoing monitoring and assessment of the Employment Insurance (EI) Program helps provide a broad understanding of its impacts and effectiveness. The sound evidence provided through regular monitoring and assessment has informed modifications to the EI Program. These changes include enhancements to maternity and parental benefits, modifications to the rules concerning small weeks, and the introduction of several pilot projects that test the impacts of measures in regions of high unemployment. To ensure that sound evidence continues to inform its direction, the government will continue to monitor and assess the EI Program.¹

Chapter 1 of this report provides an overview of the Canadian labour market in 2006/07. Chapter 2 is an overview of EI benefits (income benefits) under Part I of the *Employment Insurance Act* for the same period. The support provided to unemployed workers through active re-employment measures, known as Employment Benefits and Support Measures, is discussed in Chapter 3. Chapter 4 presents information on EI program administration and service delivery. Chapter 5 analyzes the impacts and effectiveness of the EI Program based on administrative data, internal and external research, and evaluative studies.

Canada Employment Insurance Commission

The Canada Employment Insurance Commission has four members who represent government, workers and employers. The chairperson and vice-chairperson (the deputy minister and associate deputy minister of Human Resources and Social Development Canada) represent the federal government. The commissioners for workers and employers represent the interests of workers and employers, respectively. Among its other responsibilities, the Commission has been assigned the legislated mandate to monitor and assess the impacts of EI reform. The Commission must provide the minister with the report no later than March 31. The minister then tables the report in Parliament.

Legislated Mandate

Section 3(1) of the *Employment Insurance Act* states the following.

“The Commission shall monitor and assess:

- a) how individuals, communities and the economy are adjusting to the changes made by this Act to the insurance and employment assistance programs under the *Unemployment Insurance Act*;
- b) whether the savings expected as a result of the changes made by this Act are being realized; and
- c) the effectiveness of the benefits and other assistance provided under this Act, including
 - (i) how the benefits and assistance are utilized by employees and employers; and
 - (ii) the effect of the benefits and assistance on the obligation of claimants to be available for and to seek employment and on the efforts of employers to maintain a stable workforce.”

¹ The *Monitoring and Assessment Report* uses many sources of information in analyzing the effects of the changes introduced under EI reform. In addition to Human Resources and Social Development Canada (HRSDC) administrative data, Canadian Out-of-Employment Panel (COEP) studies and information from Statistics Canada, it also uses evaluation studies funded by HRSDC. As in previous reports, this report includes references to evaluation studies that touch on benefits provided under both Part I and Part II of the *Employment Insurance Act*.

The Employment Insurance (EI) 2007 Monitoring and Assessment Report continues an annual examination of EI for the fiscal year ending March 31, 2007.

Continued employment growth

- Annual average employment grew by 344,100 in 2006/07 (+2.1 %).
- All job gains in 2006/07 were among employees, while self-employment declined slightly.
- The annual average unemployment rate for 2006/07 was 6.2%.

Access to benefits was high among contributors

- Among those who had been paying EI premiums and were then laid off, 82.7% were eligible for EI benefits in 2006.
- Eligibility is determined by work patterns. It was highest for those working year round and full time. Access was lower among part-time employees and those with lower work force attachment.
- Most workers accumulate sufficient hours of insured employment to qualify.

Regular EI claims declined

- The number of new regular claims declined by 1.6% in 2006/07, to 1.3 million.
- Regular benefits paid increased slightly (+0.3%) to \$8.0 billion, as average weekly benefits increased to \$335 (from \$324 in 2005/06).
- New regular claims decreased in every province and territory except Saskatchewan (+0.2%), Ontario (+1.0%) and the Northwest Territories (+4.1%).
- The average regular claim lasted 19.0 weeks and represented 59.8% of the average number of weeks claimants were entitled to receive.

Fishing claims declined for second consecutive fiscal year

- The decline in fishing claims was concentrated in Newfoundland and Labrador, while there was a small increase in British Columbia.
- The average weekly fishing benefit increased to \$381.

Maternity and parental claims increased

- Overall, maternity claims increased by 3.4% in 2006/07, as declines in New Brunswick and Saskatchewan were offset by increases elsewhere.
- Quebec introduced its own parental insurance plan in January 2006, which replaced EI maternity and parental benefits in that province.
- Parental claims also increased in 2006/07, and an increasing number of parents shared the benefits between mother and father.

Active employment measures helped enhance skills and employability

- A Labour Market Development Agreement with the Province of Ontario was implemented in January 2007.

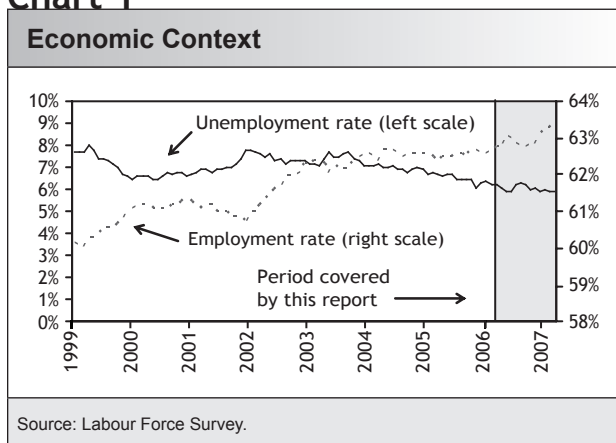
Chapter 1 Labour Market Context

This chapter outlines key labour market developments and the economic context in which the Employment Insurance (EI) program can be assessed for fiscal 2006/07.¹ More detailed information on various elements discussed in this chapter is available in Annex 1.

I. Overview

Canada's economy grew by 2.5% in 2006/07, at a slower rate than the 3.1% growth in 2005/06. Industries highly exposed to international markets, such as manufacturing, felt the impact of the higher Canadian dollar. More moderate growth in these industries was largely responsible for the moderation in gross domestic product (GDP) growth in 2006/07.

Chart 1



Slower Canadian labour productivity growth may also partially explain slower growth in GDP, as labour productivity growth slowed to 1.2% in 2006 from 2.1% in 2005. Productivity growth has averaged 1.5% over the last 25 years. Most of the slowdown in Canadian labour productivity growth is attributable to recent declines in productivity growth in the resources sector.

The main factors sustaining GDP growth were spending by Canadian consumers and business investment, particularly in machinery and equipment.

Future Watch

Population projections show that in about 10 years, Canada may have more people at the age where they can leave the labour force than at the age where they can begin working. This presents considerable challenges for Canadian employers and for society in general.

Source: Statistics Canada, "2006 Census: Age and Sex," *The Daily*, July 17, 2007.

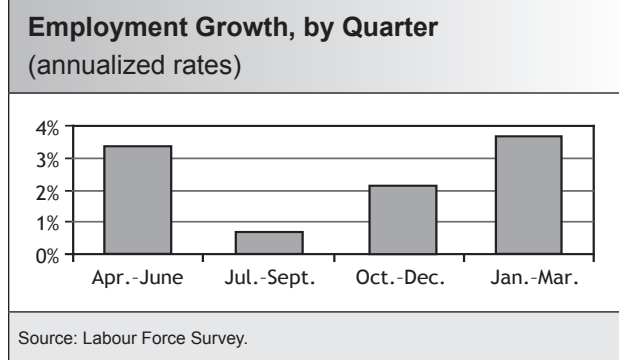
GDP grew faster in the final quarter of fiscal 2006/07 (3.9% annualized rate) than during the first three quarters of the year, mainly due to a pick-up in consumer spending and some build-up in inventories, resulting from strengthened production.²

Despite slower output growth, employment increased by 344,100 in 2006/07 (+2.1%). Canada has experienced sustained job growth over the last 14 years, with about 3.86 million additional people employed during this period. In 2006/07, employment growth was strongest for women and for older workers. It was concentrated in the services-producing sector, with employment in the goods-producing sector declining for the second year in a row, mostly due to a decline in manufacturing. Employment growth was strongest in the January to March 2007 period (see Chart 2).

¹ The reporting period analyzed is the fiscal year from April 1, 2006, to March 31, 2007. Unless otherwise indicated, data in this chapter are taken from Statistics Canada's Labour Force Survey (LFS).

² Statistics Canada, *The Daily*, Thursday, May 31, 2007.

Chart 2



With sound job growth in 2006/07, the annual average unemployment rate fell to a 30-year low of 6.2%.

With booming energy prices driving the dollar higher, output and employment gains have been strongest in the West, fuelled by the construction and resources industries. Alberta had the fastest rate of employment growth in the country for the second year in a row, at 5.5%. Alberta also had the highest growth in the level of employment, with a net annual average increase of 98,700. Employment growth in British Columbia (+3.2%) and Saskatchewan (+3.0%) was also higher than the national average (+2.1%).

On average, the educational attainment of Canadians continued to increase in 2006/07 and, as expected, those people with greater education tended to have higher employment rates.

II. Employment

In 2006/07, employment rose by 344,100 (+2.1%), outpacing the gains recorded in 2005/06 (+1.5% or 240,300). The Canadian labour force grew by close to 1.7% in 2006/07, more than in 2005/06 (+1.0%) but less than in 2002/03

Future Watch

The Canadian economy is expected to create about 1.9 million new jobs over the next decade, compared with 2.9 million in the period between 1996 and 2005.

Source: Human Resources and Social Development Canada, *Looking Ahead: A 10-Year Outlook for the Canadian Labour Market (2006-2015)*, January 2007.

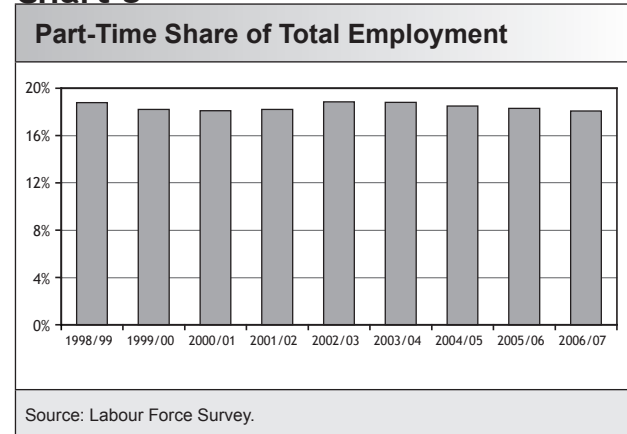
(+3.1%). Slower labour force growth suggests that past labour surpluses are being replaced by potential labour supply constraints, which may limit job growth.

After two years of decline, the participation rate for persons aged 15 years and older edged up slightly to 67.3% in 2006/07. Meanwhile, the annual average employment rate for the same age group rose to a record 63.1% in 2006/07. The long-run rise in the employment rate is largely due to an increasing employment rate for women, which has grown from 42.1% in 1976/77 to 58.6% in 2006/07.

According to 2006 data from the Organisation for Economic Co-operation and Development (OECD), Canada posted the second-highest employment growth for persons aged 15 to 64 in 2006 among G7 countries (+2.0%),³ just behind Italy (+2.2%) and in front of the United States (+1.9%).

In 2006/07, gains in employment were predominantly in full-time jobs. Full-time employment grew by 317,100, accounting for 92.2% of the overall growth. This marked the thirteenth consecutive year of gains in full-time employment, accounting for about 86.0% of the net growth since 1994/95. Although it has been relatively stable since 1998/99 (see Chart 3), the part-time employment share of total employment decreased slightly for the fourth year in a row to reach 18.1% in 2006/07. It is worth noting that more than three quarters of part-time employees work this way voluntarily.

Chart 3



All of the employment growth in 2006/07 was among employees, for whom employment grew by 359,000 (+2.6%). In fact, after experiencing above-average growth for four consecutive years, self-employment fell by 15,000 (-0.6%).

³ The G7 comparison is based on Organisation for Economic Co-operation and Development (OECD) data, which are recorded for calendar years.

It was the first time since 2001/02 that self-employment declined. At 15.1%, the share of self-employment in total employment is now more than two percentage points lower than it was at its highest level, in 1997/98 (see Table 1). Most self-employed workers are not covered by EI.

Table 1

	Annual Growth Rates (%)		Share of Self-Employed in All Employment (%)
	Employees	Self-Employed	
1996/97	0.4	4.3	16.3
1997/98	1.4	8.1	17.2
1998/99	2.6	1.7	17.1
1999/00	3.0	0.9	16.8
2000/01	3.5	-4.5	15.7
2001/02	1.9	-2.6	15.1
2002/03	3.0	3.1	15.2
2003/04	1.7	2.9	15.3
2004/05	1.6	2.6	15.5
2005/06	1.4	1.9	15.5
2006/07	2.6	-0.6	15.1

Source: Labour Force Survey.

After two years of growth, the share of employees who had temporary work arrangements remained relatively stable at about 13.0% in 2006/07 (see Chart 4). Temporary work arrangements, which include seasonal work, have accounted for 12.0% to 13.0% of total employment in recent years.

Chart 4

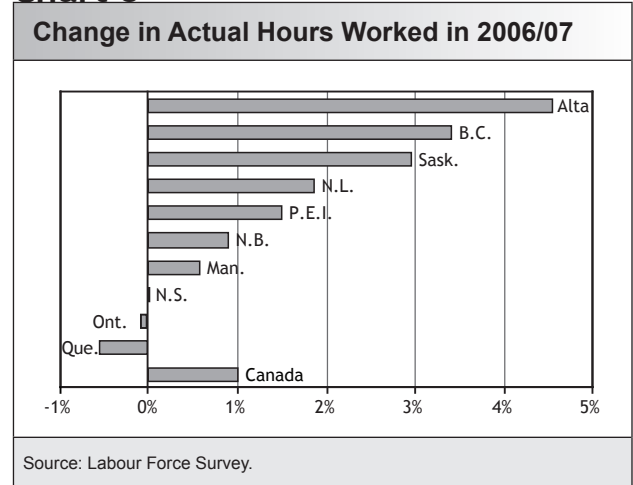


Employment growth was much higher among private sector employees (+2.9%) than among public sector workers (+1.6%).

1. Hours Worked

EI entrance requirements are based on hours worked. Total hours worked in Canada increased for a fifth consecutive year with a growth of 1.0%. The number of hours worked decreased in only two provinces in 2006/07: Ontario (-0.08%) and Quebec (-0.55%) (see Chart 5).

Chart 5



In 2006/07, average weekly hours worked in Canada decreased to 36.9 per week from 37.2 per week in 2005/06. Compared to the previous fiscal year, average weekly hours worked decreased for both men (to 40.0 hours) and women (to 33.2 hours). Average weekly hours for full-time workers dropped from 41.3 hours in 2005/06 to 40.9 hours in 2006/07. At the same time, average weekly hours of part-time workers were 18.8, compared to 18.9 in 2005/06.

2. Income

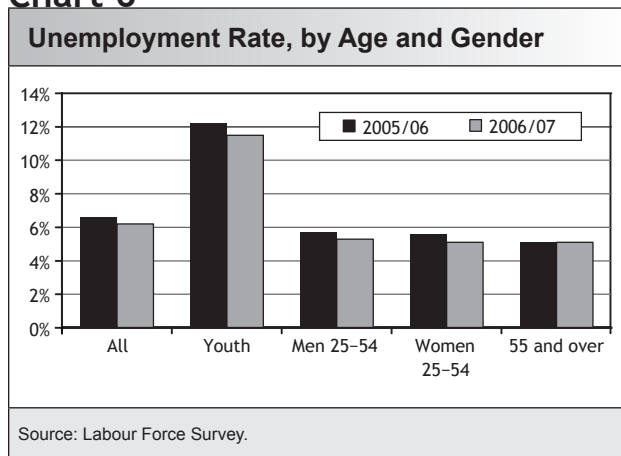
Despite the drop in average weekly hours worked, weekly nominal wages continued to grow in 2006/07 (+3.1%). Since 2001/02, weekly nominal wages have increased by 14.3% (average of 2.7% per year). In the last six years, weekly wages grew faster for women than for men. In 2006/07, weekly wages rose by 3.2% for women and by 3.1% for men. However, women's average weekly wages were 73.1% of men's (up from 69.4% in 1997/98). Women's hourly wages were 84.0% of men's in 2006/07, compared to 81.1% in 2001/02.

Combined with the gains in the number of employees in the fiscal year, these wage gains led to a rise in total wage payments of 5.8%. Wages help determine both the weekly benefits that EI claimants receive, and the premiums employers and employees pay.

III. Unemployment

For the third year in a row, Canada's annual average unemployment rate declined, reaching 6.2% in 2006/07, compared to 6.6% the previous fiscal year. As in the previous year, the unemployment rate decreased for almost all demographic groups in 2006/07. The unemployment rate declined to 11.5% for youth, to 5.3% for men aged 25 to 54 and to 5.1% for women aged 25 to 54 (see Chart 6). The exception was among those aged 55 and over (men and women), for whom the unemployment rate remained stable at 5.1%.

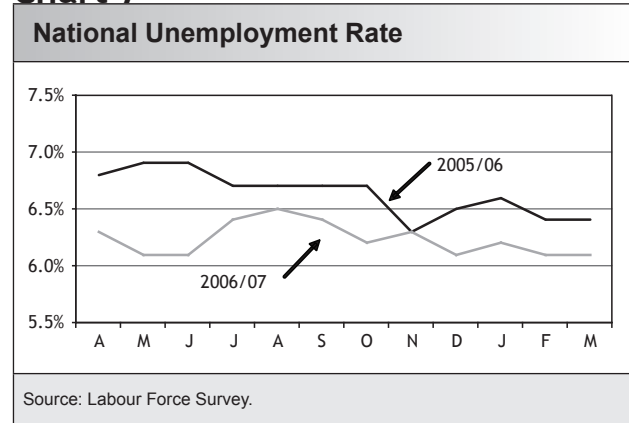
Chart 6



In 2006/07, annual average unemployment fell by 50,100 (-4.3%) to 1.10 million (from 1.15 million in 2005/06). The national picture, however, masks some important regional differences. Nationally, the manufacturing industry had significant job losses, particularly in Ontario and Quebec, where one job in six is in manufacturing. The job losses in manufacturing affected some economic regions more than others. For example, Windsor's annual average unemployment rate⁴ climbed to 9.1% in 2006/07 from 7.4% in 2003/04, even though the national unemployment rate declined during the same period. Partly due to a slowdown in the forestry industry, the unemployment rate increased in some rural economic regions as well, such as northern Manitoba and northern Ontario, while the overall Canadian situation was improving.

⁴ The unemployment rate used to determine the number of weeks of benefits to which a claimant is entitled.

Chart 7



The reasons people become unemployed have an impact on their eligibility for EI benefits, and these reasons changed little during 2006/07. Job losers accounted for nearly half (45.5%) of those who had become unemployed in the previous 12 months, job leavers for 23.0%, and people entering or re-entering the labour market after a year or more of inactivity for 31.5%.

People who were unemployed for more than a year (long-term unemployed) accounted for 4.4% of total unemployment in 2006/07, or 48,800 individuals. That figure is much lower than the proportion 10 years ago (13.3%). Sustained employment growth has helped reduce this proportion. Close to 61.1% of the long-term unemployed were men. Youth (aged 15 to 24) accounted for 5.9% of the long-term unemployed, while those aged 25 to 54 made up nearly three quarters (70.5%) of those who had been without work for more than a year. Those aged 55 and over accounted for 23.6% of the long-term unemployed, though they represented 11.6% of total unemployment. When people establish an EI claim, their eligibility for benefits depends on their having had insured work (and thus having paid premiums) within the previous 52 weeks.

Future Watch

While employment growth is expected to slow relative to recent history, the lack of available labour will ensure that the unemployment rate remains low.

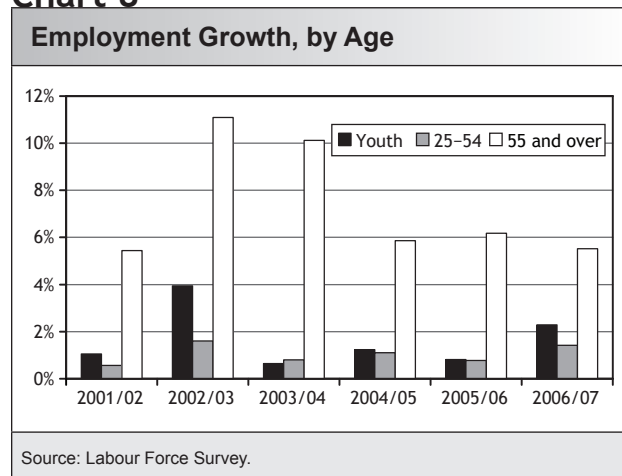
Source: The Conference Board of Canada, *Canadian Outlook Economic Forecast*, fall 2007.

IV. Demographic Groups

In 2006/07, women accounted for almost two thirds of employment growth. In fact, women's employment grew by 211,300, compared to 132,700 for men. In the last 10 years, employment gains have been somewhat stronger for women (+27.7%) than for men (+19.4%). In 2006/07, employment grew for all age groups. For youth, employment increased by 2.3% (+57,000) and for those aged 25 to 54, employment grew by 1.4% (+163,300).

Due in part to the fact that early baby boomers are entering the 55 and over age group in increasing numbers, older workers have experienced faster job growth than youth and those aged 25 to 54 in recent years (see Chart 8). However, older workers were the only age group for whom the unemployment rate did not decrease in 2006/07, remaining stable at 5.1%. In 2006/07, employment among older workers grew by 5.5% (+123,800). Recent growth and shifting demographics have raised the share of employment held by older workers to 14.3% from 9.5% in 1995/96.

Chart 8



In 2006/07, the employment rate increased to 63.1% from 62.7% in the previous fiscal year. The employment rate for youth reached its highest point since 1990/91, at 58.8%. The employment rate among adults aged 25 to 54 increased to 81.9% (from 81.3% in 2004/05 and 2005/06). For 2006, Canada had the highest adult employment rate (for people aged 25 to 54) among all G7 countries. Since 1995/96, the employment rate for workers aged 55 and over has been increasing. It reached a high of 30.8% in 2006/07, partly reflecting the movement of employed baby boomers into this age group.

Future Watch

Labour shortages are becoming apparent in some sectors and regions. This will become an even more pressing problem as the population ages and the growth rate of the labour force slows.

Source: Department of Finance Canada, *The Budget Plan 2007*, March 2007.

V. Labour Markets, by Sector and Size of Employer

In 2006/07, employment gains were driven by growth in the services sector, in which employment advanced by 2.9%. The employment increase of 350,000 was spread widely across service industries. Meanwhile, the goods-producing sector shed employment for the second year in a row, falling by 0.1% or 5,900 jobs in 2006/07. Since 2000/01, 90.3% of net employment growth (+1.6 million) has been in the services-producing sector, while the goods-producing sector contributed only 9.7% (+171,800).

The slowdown in the goods-producing sector in 2006/07 was due to large job losses in manufacturing (-67,800). In contrast, some other industries generated net employment growth. In fact, construction benefited from strong demand for housing and growth in non-residential investment, to generate 42,000 additional jobs (+4.0%). The mining and oil and gas extraction industry benefited from the rising price of petroleum, which resulted in an employment increase of 13.7% in 2006/07 (+29,800). Over the longer term, similar trends have been observed. Since 2000/01, manufacturing employment has decreased by 6.5% (-147,400). Over the same period, employment in the construction industry grew by 266,500 (+32.7%), and employment in the mining and oil and gas extraction industry grew by 83,600 (+50.9%).

In the services-producing sector, the health care and social assistance industry experienced the largest employment increase in 2006/07, with a gain of 75,400. Since 2000/01, this industry has accounted for 18.1% of growth in the services-producing sector (+288,100). Retail and wholesale

trade is the only industry that has contributed more to employment growth in the services-producing sector, accounting for 20.5% of gains over this period.

1. Additional Analysis for Specific Industries

Since 2000/01, total employment in Canada has increased by 11.9% (+1.8 million). All but three industries experienced employment growth. As mentioned, between 2000/01 and 2006/07, employment in Canada's manufacturing industry fell by about 147,400 (-6.5%). In 2000/01, 15.2% of total employment was in manufacturing. Six years later, this proportion had fallen to 12.7%.

Future Watch

Over the longer term, manufacturing will continue to struggle due to the increasing value of the Canadian dollar, which may mean more job cuts for the industry.

Source: The Conference Board of Canada, *Metropolitan Outlook 1*, fall 2007.

As in the United States, the rise in energy costs and growth in competition from Asian countries seem to have precipitated the decline in Canadian manufacturing in recent years. In Canada, the appreciation of the dollar has also affected the manufacturing industry.

Manufacturing was stronger between 1996/97 and 2000/01, with employment growth of 16.1% versus 10.1% employment growth in general.

Employment has also declined in the agriculture and forestry industries in recent years. Employment in the forestry industry, heavily affected by softwood lumber problems and by the appreciation of the Canadian dollar, declined by 26.1% between 2000/01 and 2006/07, representing a reduction of 22,000. In agriculture, employment has declined by slightly more than 4.2% (-15,100) since 2000/01 to reach 343,000 in 2006/07. It should be noted, however, that most of the decline in agriculture occurred in 2001/02, when the industry's employment decreased by almost 43,000. Since then,

employment in the industry has grown, but it remains below its 2000/01 level.

2. Size of Employers

Slightly over half of employed Canadians work for small and medium-sized businesses. In fact, the Labour Force Survey (LFS) indicates that 1.6 million workers are "own-account" self-employed, while another 852,000 of the self-employed had employees working for them in 2006/07. According to Statistics Canada's Survey of Employment, Payrolls and Hours (SEPH),⁵ in 2006/07, 55.5% of Canada's 13.9 million employees worked for small and medium-sized enterprises (organizations with fewer than 500 employees). Enterprises with fewer than 20 employees accounted for 21.1% of employment, while enterprises of 20 to 99 employees accounted for another 19.2%. Enterprises with 100 to 499 employees made up 15.3%, and the remaining 44.5% of employees worked in large firms of 500 employees or more.

In recent years, annual net growth in the number of employees has varied greatly by size of employer. In 2006/07, large enterprises of 500 employees or more accounted for 51.3% of all net new jobs, while enterprises of 100 to 499 employees accounted for 14.2%. Enterprises with 20 to 99 employees made up 21.4% of net job creation, and the remaining 13.1% occurred in businesses with fewer than 20 employees.

VI. Provincial Labour Markets

In 2006/07, there were employment gains in all provinces. Alberta generated the most net growth (+98,700), followed by Ontario (+95,200), British Columbia (+67,700) and Quebec (+52,900). Alberta experienced the highest rate of growth in employment (+5.5%), followed by British Columbia (+3.2%), Saskatchewan (+3.0%), and Newfoundland and Labrador (+1.5%) (see Table 2).

In Alberta, construction (+15,800), manufacturing (+14,700), forestry, fishing, mining, oil and gas (+14,200), and educational services (+12,700) contributed most to the growth in employment. Alberta's unemployment rate in 2006/07 was 3.5%, its lowest level in 30 years.

In British Columbia, employment increased by 67,700 (+3.2%) during the year. In 2006/07, the construction industry continued to grow steadily, with an increase of

⁵ The following industries are not included: agriculture, fishing and trapping, private household services, religious organizations and defence services (military personnel).

8.0% (+13,600). Since 2000/01, construction has been British Columbia's fastest growing industry, with employment growth of 74,300 (+68.0%). In 2006/07, health care and social assistance employment increased by 21,800. The province's unemployment rate dropped to 4.6% in 2006/07, the lowest level in 30 years.

Table 2

Employment Growth, 2006/07		
	(000s)	(%)
Alberta	98.7	5.5
British Columbia	67.7	3.2
Saskatchewan	14.5	3.0
Newfoundland and Labrador	3.3	1.5
Ontario	95.2	1.5
Quebec	52.9	1.4
Manitoba	7.4	1.3
Prince Edward Island	0.8	1.2
New Brunswick	2.9	0.8
Nova Scotia	0.8	0.2
Canada	344.1	2.1

Source: Labour Force Survey.

In Saskatchewan, employment increased by 14,500 (+3.0%) during the year. The province's trade (+4,400), construction (+2,800), forestry, fishing, mining, oil and gas (+2,700), and health care and social assistance (+2,300) industries led the province's employment growth. The unemployment rate in Saskatchewan fell to 4.3%, from 5.2% the previous year.

Future Watch

About two thirds of all job openings over the next 10 years will be in occupations usually requiring a post-secondary education.

Source: Human Resources and Social Development Canada, *Background Briefing on Future Labour Supply in Canada*, January 2007.

Employment in Newfoundland and Labrador increased by 1.5% in 2006/07. The information, culture and recreation, business, building and other support services, and forestry, fishing, mining, oil and gas industries experienced the greatest increases. The unemployment rate in Newfoundland and Labrador fell to 14.5%, its lowest level since 1981/82.

1. Urban Versus Rural

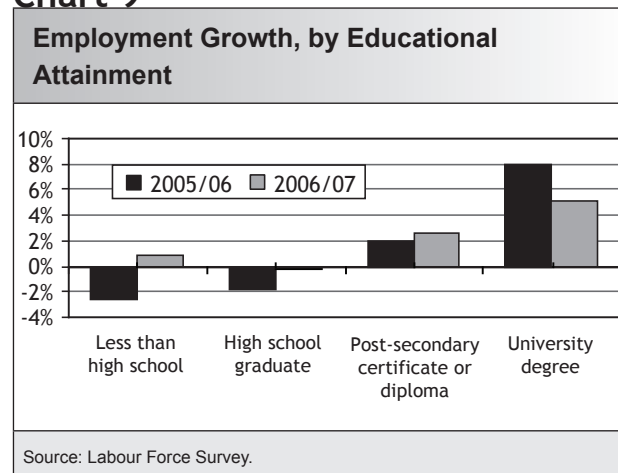
Of the net employment growth of 344,100 in 2006/07, 81.0% occurred in urban areas⁶ and the remaining 19.0% in more rural settings. However, the rate of employment growth was slightly higher in rural areas (+2.3%) than it was in urban centres (+2.1%).

As mentioned earlier, national annual average unemployment decreased by 50,600 in 2006/07. The net number of unemployed individuals declined in urban centres and increased somewhat in rural areas.

VII. Education

Canada's labour force has become the most educated in the OECD, as school attendance rates have risen rapidly over the last 15 years. The proportion of the working-age population with a post-secondary certificate or diploma or a university degree has increased steadily from 32.7% in 1990/91 to 49.2% in 2006/07. Net employment growth among those with a university degree was 5.1% in 2006/07, compared to 7.9% the previous year (see Chart 9). For the same period, employment among people with a post-secondary certificate or diploma increased by 2.6%.

Chart 9



⁶ The following industries are not included: agriculture, fishing and trapping, private household services, religious organizations and defence services (military personnel).

Those with greater education tend to have higher average employment rates. The trend over the last 15 years shows the unemployment rate for those with a university degree was the lowest of any educational group. In 2006/07, the unemployment rate for those with a university degree was 3.8%. In comparison, the unemployment rate was 6.5% for high school graduates and 5.0% for those with a post-secondary certificate or diploma. The unemployment rate among those who had not completed high school was 12.3%.

Chapter 2 Income Benefits

This chapter provides an overview of Employment Insurance (EI) benefits under Part I of the Employment Insurance Act. The first section, “EI Clients,” outlines changes to claims and benefits in 2006/07.¹ “Assisting Canadians in Facing the Risk of Unemployment,” the second section, examines income support provided through EI regular benefits to individuals who lose their jobs. The third section, “Supporting Working Canadians and Their Families,” examines the role EI plays in assisting Canadians to balance work commitments with family responsibilities and personal illness through special benefits such as maternity, parental, sickness and compassionate care.

The analysis in this chapter uses EI administrative data and is based on a 10%² sample of claims as of August 2007.³ Throughout the chapter, data for 2005/06 are compared to 2004/05 data. Some longer term trends are also discussed. More detailed information on the various elements discussed in this chapter can be found in Annex 2.

I. EI Clients

The number of EI claims has been declining annually since 2004/05. In 2006/07, claims established decreased by 2.7% (-49,440) from the 2005/06 level, to 1.8 million, due to a decline in both regular and special claims. Similarly, total benefits paid declined by 2.4% to \$12.4 billion. Total benefits have been declining since 2004/05, consistent with strong growth in the economy and labour market over this period. Average weekly benefits paid increased in 2006/07 to \$333, up from \$323 in 2005/06.

In 2006/07, regular benefits accounted for about two thirds of all EI income benefits paid. Special benefits represented roughly 30% of total benefits and the remaining 5.4% of payments were for employment benefits, fishing benefits and Work Sharing (see Table 1). Of all regular and fishing claims, 38.9% were made by frequent claimants, a slight increase from the previous year.⁴

Claims from Quebec accounted for 29.8% of all EI claims in 2006/07, a decrease of 1.6 percentage points from the previous year. The province introduced its Quebec

Table 1

Total Income Benefits (Part I), 2006/07		
Type of Benefits	Benefits Paid (\$ Millions)	As a %
Regular	8,067.2	65.1
Special		
Parental	1,963.0	15.8
Maternity	772.9	6.2
Sickness	916.2	7.4
Compassionate Care	9.1	0.1
Employment Benefits ⁵	408.1	3.3
Fishing	242.1	2.0
Work Sharing	8.7	0.1
Total	\$12,386.8	100%

Parental Insurance Program (QPIP) in January 2006, resulting in a sizeable decrease in claims for EI special benefits from Quebec. Employees in Quebec accounted for 23.0% of the Canadian total in 2006/07.

¹ “Claims” refers to new claims established in 2006/07. Some of the benefits paid in 2006/07, however, are associated with claims established in the previous fiscal year.

² Due to the relatively small number of fishing and compassionate care claims, 100% of these claims established during fiscal 2006/07 are used, to ensure reliability.

³ Administrative data in this report provide a snapshot of claims in August 2007. A snapshot based on a different time period would provide a different picture.

⁴ Frequent claimants are defined as claimants who have made three or more claims in the five years prior to their current claim. First-time claimants are individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are individuals who have had fewer than three active claims in the five years prior to their current claim.

⁵ Some Employment Benefits and Support Measures (EBSMs) participants receive Part I income benefits.

Ontario accounted for 31.1% of all EI claims in 2006/07, an increase of 1.4 percentage points from the previous year. Ontario accounted for 38.5% of employees.

The proportion of new claims from the four Atlantic provinces was 16.2%, in comparison to a 6.6% share of employees. The Prairie provinces had a 12.0% share of total EI claims and 18.5% of employees, while British Columbia represented 10.5% of new claims and 13.0% of employees (see Table 2).

Table 2
New EI Claims, Employees⁶ and Average Weekly Benefit, by Province and Territory, 2006/07

Province/Territory	% of All EI Claims	% of Employees	Average Weekly Benefit (\$)
Newfoundland and Labrador	5.1	1.3	328
Prince Edward Island	1.3	0.4	335
Nova Scotia	4.7	2.7	325
New Brunswick	5.1	2.2	323
Quebec	29.8	23.0	327
Ontario	31.1	38.5	339
Manitoba	3.0	3.7	319
Saskatchewan	2.4	2.9	332
Alberta	6.6	11.9	353
British Columbia	10.5	13.0	335
Nunavut	0.1	0.1	380
Northwest Territories	0.1	0.2	394
Yukon	0.1	0.1	385
Canada	100%	100%	\$333

Average weekly benefits increased in every province and territory in 2006/07. Growth was highest in Yukon, where average weekly benefits increased by \$21 to \$385, followed by Prince Edward Island, Nunavut and Saskatchewan (\$17 increases). Average weekly benefits were highest in all three territories, reflecting higher wages and the higher cost of living there, though claims from the territories account for a very small share of all EI claims.

The two most important industries in terms of new EI claims in the goods-producing sector were manufacturing and construction, which together represented 30.1% of all

new claims established in 2006/07. The educational services industries and retail trade, the two most important industries in terms of EI claims in the services-producing sector, accounted for 15.7% of all new claims in 2006/07.

The number of claims declined for both women and men in 2006/07 (-4.5% and -1.1%, respectively), and the share of EI claims established by women decreased slightly to 45.9%.

In 2006/07, total benefits paid to men increased by 0.9%, the result of an increase in regular benefits paid (just under 1%) and a decrease in special benefits paid (-1.0%). Special benefits paid to men represent a small portion of total benefits paid to men. Total benefits received by women declined by 5.6%, as both regular and special benefits paid to women decreased during 2006/07 (-0.9% and -9.7%, respectively). Special benefits paid to women represent a larger share of the total benefits they receive. The declines in special benefits paid to women were due to the implementation of the QPIP, which has replaced EI maternity and parental benefits in Quebec.

Youth⁷ experienced a decrease of 4.1% in EI claims, while the number of claims by individuals aged 25 to 44 declined by 5.8% in 2006/07. Older individuals experienced increases in their total numbers of claims (+0.8% among those aged 45 to 54, and +5.2% for those aged 55 and over). As mentioned in Chapter 1, the unemployment rate decreased for all age groups in 2006/07 with the exception of those aged 55 and above, for whom it remained stable.

The Family Supplement increases weekly benefits for claimants from low income families⁸ with children. In 2006/07, a total of 137,630 clients received higher weekly benefits as a result of the Family Supplement. This represents an 11.1% decline from 2005/06. Total Family Supplement benefits paid decreased by 10.8% to \$151.1 million in 2006/07. The average weekly top-up provided by the Family Supplement remained stable at \$43. Chapter 5 provides additional analysis of Family Supplement trends.

Chapter 1 noted that higher levels of education were associated with lower unemployment rates. It is possible to group occupations by the educational attainment usually required to work in each. A comparison of the distribution of employees who work in these occupational groupings to the distribution of EI claimants by the same

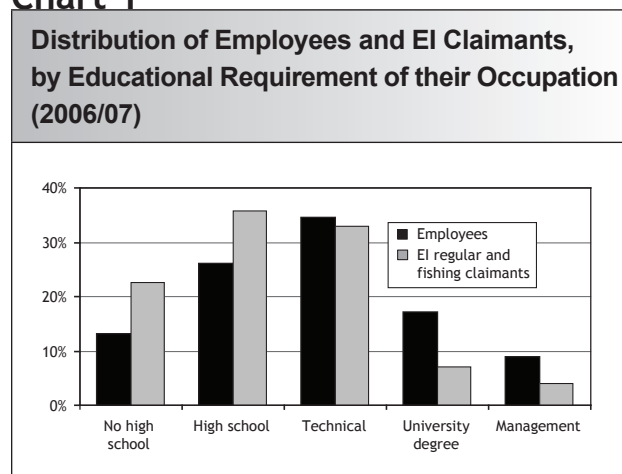
⁶ Statistics Canada, *Employment, Earnings and Hours* (Cat. No. 72-002-XIB).

⁷ "Youth" are defined as workers under the age of 25 and "older workers" are those 55 years of age and older.

⁸ "Low income families" are defined as families with a net income of up to \$25,921 per year.

occupational groupings confirms the important role of education. As shown in Chart 1, occupations that usually require less formal education are over-represented among EI claimants, while occupations requiring a university degree are under-represented. Thus, the likelihood of becoming an EI claimant decreases as the level of education required for one's work increases. For example, in 2006/07, 13.5% of employees were in occupations that required no high school diploma, compared to the 22.5% of EI regular and fishing claimants who had been working in an occupation requiring no high school diploma. Note that there is no clear educational attainment required to work in management occupations.

Chart 1



1. EI Contributors

In 2005, the most recent year for which tax data are available, a total of 16.8 million workers received employment income. EI premiums paid totalled \$18.1 billion in 2005, \$7.6 billion of which were paid by employees and the remaining \$10.6 billion by employers.⁹ Annex 2.16 outlines a distribution of total EI premiums by province, gender, age and industry.

II. Assisting Canadians in Facing the Risk of Unemployment

A key objective of EI is to provide temporary income support to insured Canadians who involuntarily lose their jobs. The EI program is specifically designed to respond to changes in local labour markets, by adjusting entrance

requirements and the duration of entitlement to regular benefits when regional unemployment rates change in any of the 58 designated EI economic regions. This is known as the Variable Entrance Requirement (VER). EI legislation requires that regional economic boundaries be reviewed every five years. See Annex 1.1 for a breakdown of unemployment rates by EI region.

1. Regular Benefits

In 2006/07, total regular benefits paid increased slightly (+0.3%) to \$8.0 billion, despite a decline in the number of new regular claims through the year (1.3 million, down 1.6%). Growth in total regular benefits was due to an increase of \$11 per week in the average weekly benefit, to \$335. The average number of weeks paid changed little, standing at 18.6 in 2006/07. As mentioned in Chapter 1, average weekly wages increased by 3.1% in 2006/07. The maximum weekly benefit rate increased from \$413 to \$423 in January 2007.

The number of new regular claims decreased in every province and territory, except Saskatchewan (+0.2%), Ontario (+1.0%) and the Northwest Territories (+4.1%). The biggest decreases occurred in Nunavut (-17.2%), Yukon (-11.8%), British Columbia (-7.2%) and Alberta (-7.2%). Decreases in Nova Scotia (-4.7%), Prince Edward Island (-3.8%), New Brunswick (-3.2%), Newfoundland and Labrador (-2.1%), and Quebec (-0.3%) were more modest.

In 2006/07, new regular claims in the services-producing sector declined by 1.9%. Within this sector, claims increased in the educational services industry (+2.3%), where employment grew by 3.0%. However, this increase in claims in educational services was more than offset by declines in other industries, notably in finance and insurance (-8.2%), where there was 5.7% growth in employment; health care (-6.3%), with 4.3% growth in employment; and wholesale trade (-5.9%), in which employment grew by 1.9% in 2006/07.

The number of new regular claims in the goods-producing sector remained stable. A small increase in claims in construction (+0.5%), where employment grew by 4.0%, was offset by a decrease in manufacturing (-0.4%), where employment fell 3.1%. Similarly, 3,000 additional new regular claims in the mining, oil and gas extraction industry were offset by a reduction of 3,200 claims in agriculture, forestry and hunting. In 2006/07, employment in the mining, oil and gas extraction industry grew by 8.2%, while it decreased by 1.4% in agriculture, forestry and hunting.

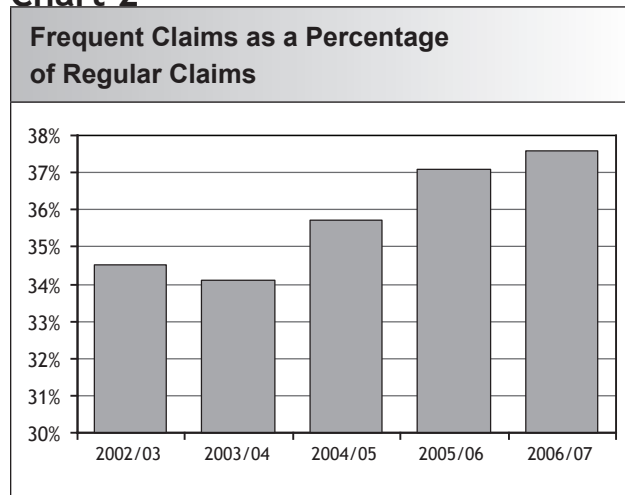
⁹ Employer contributions are calculated as 1.4 times employee contributions.

In 2006/07, the number of new regular claims declined for both women and men (-2.6% and -0.9%, respectively). The smaller decrease among men reflects growth in the number of claims from the goods-producing sector, which employs more men (more than 85% of workers in the goods-producing sector are male).

The average number of insurable hours worked by individuals who accessed regular benefits decreased slightly (-0.7%) in 2006/07. Average weekly hours worked by employees in Canada also fell slightly in 2006/07 (see Chapter 1).

The proportion of claimants accessing regular benefits who were frequent claimants increased during the reporting period, from 37.1% to 37.6% (see Chart 2). Frequent claims are largely associated with seasonal work and the volume of frequent claims tends to be less influenced by fluctuations in economic cycles than that of other claims. The number of frequent claims in 2006/07 changed little from the previous year (-0.08%), while first-time and occasional claims decreased by 2.0% and 3.0%, respectively.

Chart 2



There is considerable variation in seasonal patterns of claims across the country. As indicated in Table 3, a greater proportion of EI regular claimants have a seasonal pattern in provinces where seasonal industries play a more important role in the economy. The proportion of claims by seasonal workers ranged from a low of 13.0% in Nunavut to a high of 54.9% in Prince Edward Island.

Table 3

Seasonal Claims as a Percentage of All Regular Claims, by Province and Territory (2006/07)	
Province or Territory	Seasonal Claims as a %
Prince Edward Island	54.9
Newfoundland and Labrador	52.8
New Brunswick	49.9
Nova Scotia	41.6
Quebec	34.5
Yukon	31.7
Saskatchewan	29.5
Manitoba	28.6
British Columbia	22.7
Northwest Territories	21.7
Ontario	20.6
Alberta	16.9
Nunavut	13.0
Canada	30.7%

2. Work Sharing

The Work Sharing provision assists employers and employees to avoid temporary layoffs. When a firm's normal level of business activity is reduced and that situation is beyond the control of the employer,¹⁰ Work Sharing provides income support to workers who are EI-eligible and willing to work a temporarily reduced work week. Work Sharing agreements must be approved by both employee and employer representatives and by the EI Commission, and can range in duration from 6 to 26 weeks, with the possibility for extension up to a maximum of 38 weeks.

Employers benefit from Work Sharing agreements since they allow employers to stabilize their work force, retain skilled employees, and avoid the costs of recruiting and training new employees when business returns to normal levels. Employees benefit by retaining their jobs and receiving EI income benefits for the days without work. If a worker is laid off following Work Sharing, his or her entitlement to EI regular benefits is unaffected by the receipt of Work Sharing benefits.

EI administrative data show that the use of Work Sharing decreased in 2006/07, reflecting lower unemployment levels and generally positive labour market conditions. There were 10,130 new Work Sharing claims in 2006/07,

¹⁰ Information on the Work Sharing program is available on the Human Resources and Social Development Canada Web site at http://www.hrsdc.gc.ca/en/epb/sid/cia/grants/ws/desc_ws.shtml.

a decrease of 2.8% from the previous reporting period. Total Work Sharing benefits paid decreased by 31.0% to \$8.7 million in 2006/07.

The Work Sharing program was used much more in the goods-producing sector than in the services-producing sector (80.9% versus 19.1% of claims, respectively). The manufacturing industry, in particular, has been the dominant industry for Work Sharing agreements in recent years and accounted for 76.6% of claims in 2006/07. The vast majority of Work Sharing claims were made in Ontario (48.9%) and Quebec (37.3%).

3. Fishing Benefits

Fishing benefits are regulated either directly or indirectly by three federal organizations: Fisheries and Oceans Canada (DFO), Human Resources and Social Development Canada (HRSDC), and the Canada Revenue Agency (CRA). DFO grants fishing licences, CRA determines eligibility as a self-employed fisher, and HRSDC administers the qualification for and payment of EI fishing benefits, which are based on insured earnings rather than on insured hours.

3.1 Claims

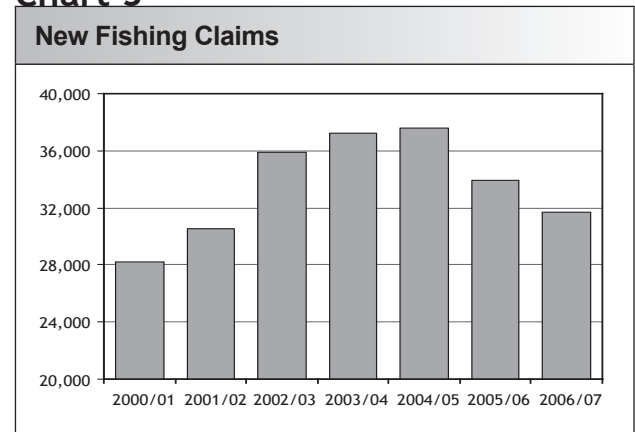
Although fishing claims represented only 1.8% of all EI claims in 2006/07 (down slightly from 1.9% in recent years), they remain an integral part of local economies that depend on fishing. The Canadian fishing industry is generally located in communities where other employment opportunities are limited. As a result, EI benefits are an important part of self-employed fishers' yearly income.

In 2006/07, fishing claims decreased by 6.7% to 31,665 (see Chart 3). This was the second consecutive year in which fishing claims declined, following six years of increases. The decrease in 2006/07 was in large part due to a decline in Newfoundland and Labrador, where claims fell by 11.4% to 12,935. Conversely, claims in British Columbia increased by 4.0% to 3,732. All other major fish-producing provinces experienced declines in the number of claims ranging from 1.7% to 9.0%.

In 2006, primary fisheries production generated \$1.85 billion in revenues for fishers, down 11.1% from the previous year. Total landings for 2006 were lower than in the previous year, at 1.05 million metric tonnes, compared to 1.10 million metric tonnes in the previous year (-4.5%); prices fell as well. Rising fuel costs and an appreciation in

the value of the Canadian dollar were important factors accounting for the decrease in fishing, which will be discussed further in Chapter 5.

Chart 3



Nationally, fishing claims by men decreased at over twice the rate of those made by women (-7.5% versus -3.0%). Frequent claimants made 90.3% of all fishing claims in 2006/07, compared to 89.9% in 2005/06. Fishing claims by youth declined by 23.3% (from 1,928 to 1,479) in 2006/07 over the previous reporting period, the largest decline among all age groups. The decline in fishing claims by youth may suggest fewer fishers entering the industry.

In 2006/07, the total number of fishers claiming benefits decreased by 1,806 (-7.0%) over the previous reporting period. All the Atlantic provinces, as well as Quebec, experienced declines in the number of fishers receiving benefits, most notably in Quebec (-12.8%) and Newfoundland and Labrador (-11.4%). There was a modest increase in the number of fishers receiving benefits in British Columbia (+4.2%).

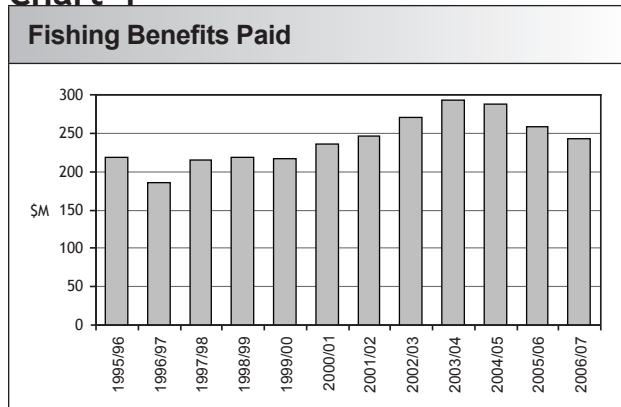
In most of the regions where fishing is prevalent, there are two distinct seasons of activity. British Columbia is the exception, as nearly 90% of fishing claims in British Columbia were established in the October to December quarter of 2006/07, suggesting limited opportunities for fishing outside the summer period. EI allows fishers to establish claims after each of the two seasons (summer and winter). Of all fishers who claimed benefits, 32.9% (or 7,842) established two claims, roughly the same proportion observed in 2005/06. The number of both single-time claimants and multiple claimants decreased in 2006/07 (-7.7% and -5.7%, respectively). This suggests that some fishers dropped out of the industry, while others limited

their activity to one season. There were 6,774 men who had multiple claims in 2006/07, down 6.7% from the previous year, while 1,068 women (+0.8%) had multiple claims.

3.2 Benefits

Fishers received \$242.1 million in EI benefits in 2006/07, down 6.6% from 2005/06 (see Chart 4). Fishing benefits decreased in the Atlantic provinces, increased by 5.4% in British Columbia and changed little in Quebec (+0.7%).

Chart 4



Newfoundland and Labrador had the highest reduction in fishing benefits (-13.5%), followed by Nova Scotia (-3.4%), New Brunswick (-2.5%) and Prince Edward Island (-0.7%).

In 2006/07, average weekly benefits for fishing claims increased slightly, from \$377 in the previous reporting period to \$381. The increase suggests either that the remaining fishers' earnings rose or that fishers who dropped out of the industry had lower average earnings than those who remained.

Average duration on claim for fishing benefits was 20.3 weeks (single-time and multiple claimants combined), slightly longer than the 20.1 weeks in the previous year. Provincially, British Columbia's fishers were on claim for the longest duration, at 22.2 weeks, while claimants in all other major fish-producing provinces had averages ranging from 19.0 to 20.6 weeks. This difference is likely due to the relative absence of multiple claimants in British Columbia. Multiple claimants do not stay on claim as long, as they return to work for a second season of fishing. Although the number of multiple claimants nationwide decreased in 2006/07, average durations increased by almost 0.5 weeks per claim. Multiple claimants received, on average, a total of 36 weeks of benefits during the fiscal year. Overall, average durations among fishers making a single claim during the year remained stable at 22.5 weeks.

III. Supporting Working Canadians and Their Families

1. Overview

The EI Program includes four types of special benefits to support workers when they experience a potential interruption in earnings due to illness, childbirth, parenting, or the provision of care or support to a gravely ill family member. Sickness benefits are payable to claimants who are unable to work due to short-term illness, injury or quarantine, to a maximum of 15 weeks. To allow biological mothers to recuperate after childbirth and care for their newborn infants, the EI Program provides maternity benefits to a maximum of 15 weeks. To help biological and adoptive parents balance work and family responsibilities by staying at home with their newly born or adopted child, parental benefits are payable to a maximum of 35 weeks. Six weeks of EI compassionate care benefits are available to workers who need to take a temporary leave from work to provide care or support to a family member (broadly defined) who is gravely ill with a significant risk of death.

In 2006/07, there were 485,910 new special benefits claims, a 6.8% decrease from 2005/06. This drop is largely due to a 31.0% decrease in Quebec due to the implementation of the Quebec Parental Insurance Plan (QPIP) on January 1, 2006. Special claims made outside Quebec increased by 2.2% in 2006/07 compared to the previous reporting period. Similar to previous reporting periods, women accounted for more than two thirds (71.9%) of all special benefits claims (outside Quebec). This proportion has been constant for several years.

Total special benefits payments decreased by \$334.3 million (-8.4%) to \$3.7 billion in 2006/07. Again, the decline was due to the implementation of the QPIP. Special benefits paid outside Quebec increased by \$180.5 million (+6.0%) in 2006/07. The special benefits' share of total income benefits was 35.6% in 2006/07 (outside Quebec), up from 34.1% in 2005/06. Average weekly benefits for all special benefits claims increased by 3.2% to \$322.

In January 2006, the QPIP replaced EI maternity and parental benefits in Quebec. Since Quebec introduced its plan partway through fiscal 2005/06, comparisons of claim volumes in 2006/07 to volumes in the previous reporting

period have been affected. The following sections will provide data and analysis for maternity and parental benefits paid outside Quebec, to ensure valid comparisons.

2. Maternity Benefits

Overall in 2006/07, there were 162,770 maternity claims in provinces other than Quebec, a 3.4% increase from 2005/06. Provincially, the number of maternity claims declined in New Brunswick (-5.9%) and Saskatchewan (-4.2%) and increased in every other province, most notably in Prince Edward Island (+7.4%), Manitoba (+6.8%) and Alberta (+6.1%). In 2006/07, biological mothers between the ages of 25 and 44 accounted for 84.8% of all maternity claims. The number of claims in this core group increased by 3.0% in the reference period. In 2006/07, the number of maternity claims by mothers under the age of 25 grew by 5.3%.

The average duration of maternity claims has remained stable at 14.6 weeks for the past several years. Average weekly benefits for maternity claims rose by 2.5% to \$326 in spite of the increased number of claims by younger mothers, who generally earn less than their older counterparts.

3. Parental Benefits

In 2006/07, the number of biological parental claims increased by 3.8% to 179,750 from 173,150 in 2005/06.

Over several years, growth in biological parental claims has been higher among men (+4.5%) than women (+3.7%). Every year since the benefit was enhanced, the number of men claiming biological parental benefits has increased. As was the case with maternity benefits, Manitoba (+8.8%), Prince Edward Island (+8.5%) and Alberta (+6.9%) had the largest increases in parental claims by biological parents.

In 2006/07, the average duration of parental claims was 29.4 weeks, 0.2 weeks more than in 2005/06. An increasing number of parents choose to share parental benefits. In 2006/07, 15,080 men shared the parental benefit with their spouse (+3.7%). Parents who shared the benefit did so for an average total duration of 31.9 weeks. Fathers used about one third of that duration (10.9 weeks). Similarly, biological parents who did not share the benefit used an average of 32.0 weeks.

In 2006/07, average weekly benefits for biological parental claims increased slightly to \$337 (+2.1%). Men received higher average weekly benefits than women (\$381 compared to \$330), but women's benefits increased at a slightly higher rate (+2.2% versus +1.3%).

In 2006/07, there were 2,260 claims made for adoptive parental benefits, a slight increase from the previous year (+2.7%). Women accounted for 78.3% of total adoptive parental claims.

As is the case for biological parental benefits, many parents choose to share the benefit. Of all men who received adoptive parental benefits, nearly two thirds shared them with their spouse.

Overall, the average duration of adoptive parental claims was 27.6 weeks. Among parents who did not share the benefit, the average duration was 32.0 weeks (+0.6 weeks), while parents who shared the benefit claimed 33.4 weeks on average (+3.7 weeks).

4. Sickness Benefits

The number of sickness claims increased slightly to 311,890 in 2006/07 (+0.9%). The average weekly benefit for sickness claims rose by 3.7% to \$304. The average number of weeks for which sickness benefits were paid remained stable at 9.5 weeks, which represents 63.3% of the weeks to which claimants are entitled. As a result, total payments for sickness benefits increased by \$57.0 million (+6.6%) to \$916.2 million. The proportion of sickness claimants who used all 15 weeks declined slightly from that in 2005/06 to 32.0%.

During the reporting period, the number of sickness claims increased for both men (+1.0%) and women (+0.9%). Women's share of total sickness claims remained stable in 2006/07 at 58.7%. Nearly all of the increase in the number of sickness claims can be attributed to claimants aged 55 and above. In fact, the number of sickness claims by those aged under 45 declined in 2006/07.

5. Compassionate Care Benefits

In 2006/07, 5,680 new claims were established for compassionate care benefits, an increase of 9.6% from the previous reporting period. Average weekly benefits increased to \$330 (+2.9%). Ontario accounted for 43.1% of all claimants, followed by Quebec and British Columbia (16.5% and 16.2%, respectively). Over half (58.5%, or 3,320) of compassionate care claimants used all six of their available weeks of benefits, which is similar to the proportion in the previous reporting period. The average number of weeks paid (4.7, or 78% of maximum entitlement) was also consistent with the previous reporting period. Claimants of compassionate care benefits received \$9.1 million, a 16.5% increase, following growth of 12.8% the previous year.

EI claimants can receive more than one type of benefit during a claim. Among the 3,320 claimants who used all six weeks of compassionate care benefits, about 1,000 subsequently received another type of benefit (560 received sickness benefits and 440 received regular benefits). Although family members may share the compassionate care benefit, the vast majority of compassionate care claimants (97.6%) did not share their benefit in 2006/07, which is not surprising for a benefit of limited duration.

Chapter 3 Employment Benefits and Support Measures and the National Employment Service

The objective of activities funded under Part II of the Employment Insurance Act is to help Canadians enhance the skills they need to prepare for, obtain and maintain employment. These activities include Employment Benefits and Support Measures, as well as measures and services provided by the National Employment Service.

Most Employment Benefits and Support Measures (EBSMs) are delivered through Labour Market Development Agreements (LMDAs) with all of the provinces and territories, in the form of either a co-managed agreement or a transfer agreement.¹ They are composed of four benefit programs—Targeted Wage Subsidies, Self-Employment Assistance, Job Creation Partnerships and Skills Development (Regular and Apprentices)—and a series of services commonly referred to as Employment Services. These services include job search assistance, résumé preparation, and other job search or employment-related activities (see Annex 3.3).

Section I of this chapter provides a national overview of EBSMs that are delivered through LMDAs as well as support measures and services administered by Human Resources and Social Development Canada (HRSDC). Section II discusses pan-Canadian activities and support measures that are not included in LMDAs. Section III summarizes provincial and territorial EBSM activity within each jurisdiction's labour market context.

The data used to analyze EBSM activities were collected by Service Canada and by those provinces and territories with transfer LMDAs. Accordingly, the data were processed through several systems, using a variety of sources. Further, the capacity to provide accurate reporting over time requires reliable and consistent information, and continued efforts by governments to improve data quality and collection. While all data sets are verified to ensure accurate monitoring and assessment of programs, changes to data collection

systems may affect the year-to-year comparability of data. These instances are noted in the chapter and annexes, where applicable. Operational improvements may also affect data comparability and are noted where applicable.

I. National Overview

In 2006/07, HRSDC addressed national policy priorities to enhance Canadian productivity and increase labour market participation by doing the following:

- working with provinces, territories and stakeholders to ensure that labour market programming is coherent, comprehensive and flexible, and reflects the needs of the labour market;
- developing approaches to reduce barriers and help vulnerable Canadians participate in the labour market; and
- building more effective partnerships to improve Aboriginal labour market outcomes.

Key accomplishments included the following:

- renewal of EBSM programming to February 2012, and increased program flexibility in Employment Assistance Services, Targeted Wage Subsidies, Job Creation Partnerships and Labour Market Partnerships in co-managed regions to ensure continued program responsiveness to diverse labour market situations;

¹ In the March 2007 budget, Canada announced its commitment to devolve all Labour Market Development Agreements, which would eventually result in the implementation of transfer agreements with all provinces and territories.

- the implementation of the Canada–Ontario Labour Market Development Agreement on January 1, 2007, with required sub-agreements, including systems development;
- the signing of 10 innovative pilot projects under the Pan-Canadian Innovations Initiative, 6 of which became operational during the year;
- the enhancement of self-service tools, including the merging of two Web sites—Job Bank, and Training and Careers—resulting in increased job seeker and employer use; and
- work with key stakeholders to strengthen the Aboriginal Human Resources Development Strategy in the areas of urban service delivery, labour market analysis and private sector engagement.

In 2006/07, the national total for employment programming expenditures funded under Part II of the EI Act was \$2.1 billion, a 3.5% increase from the previous year.² A total of 618,202 clients accessed EBSMs in 2006/07, a decrease of 1.5%.³ These individuals participated in a total of 949,537 interventions, a drop of 1.0%. Each person took part in an average of 1.54 interventions, similar to last year's average of 1.53.

1. Client Profile and Participation

Three types of clients participate in EBSMs: active claimants, former claimants and non-insured clients. Active claimants are those with an active EI claim. These clients typically have recent labour force attachment, and they are more likely to have the option of choosing a quick return to work rather than investing time in participating in an employment benefit or service. For the third consecutive year, the number of active claimants accessing EBSM programming decreased. In 2006/07, 349,865 active claimants accessed EBSMs, a decline of 3.2%.

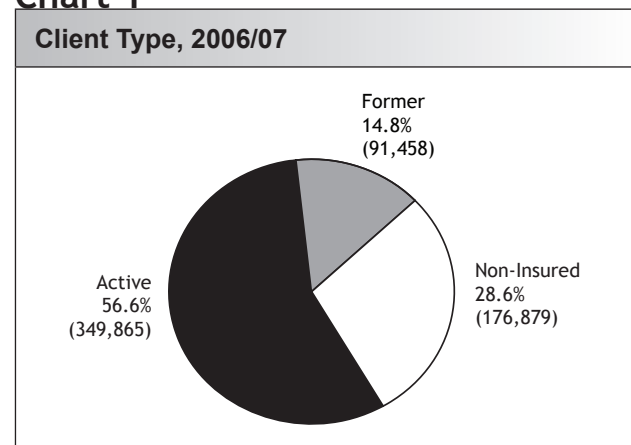
Former claimants⁴ are those who closed an EI claim in the preceding three years, or who began a parental or maternity claim in the preceding five years. These clients are no longer eligible for EI Part I benefits. However, they may be eligible for income support under Part II while participating in EBSMs. Moreover, interventions delivered

to former claimants are usually more intensive than those delivered to active claimants because these individuals have typically been unemployed longer. The number of former claimants participating in EBSM interventions fell to 91,458, down 4.2% from 95,499 last year.

Non-insured clients are unemployed persons who are neither active nor former EI clients. These clients may be new entrants to the Canadian labour force or may not have substantive recent labour force attachment. Non-insured clients are only eligible for Employment Services, which may include job search, résumé preparation, and other job search or employment-related activities. This client group was the only group that grew in 2006/07. A total of 176,879 non-insured clients were served, an increase of 3.6% from last year's total of 170,714.

As a result of these changes, there were small shifts in the distribution of clients by client type (see Chart 1). Though active clients still represented the majority of clients served, their share of total clients fell from 57.6% last year to 56.6%. Former claimants' share of total clients served was also slightly lower, down from 15.2% to 14.8%. Conversely, the relative share of non-insured clients rose from 27.2% to 28.6%.

Chart 1



There was also a slight shift in the distribution of clients by age (see Chart 2).⁵ Average client age increased slightly. Youth between the ages of 15 to 24 represented 18.6% of total clients, down from 19.3%. Core age clients, aged 25

² All subsequent intervention and expenditure comparisons are to fiscal 2005/06, unless otherwise noted.

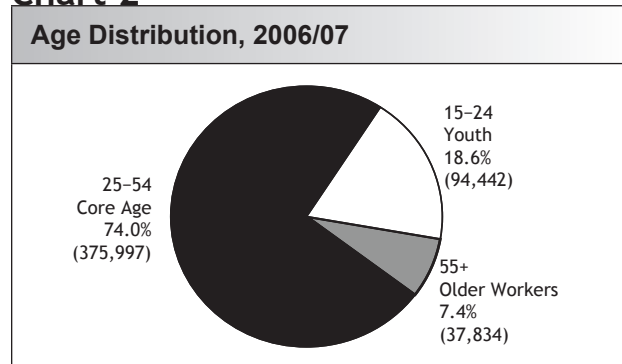
³ Client data exclude self-serve options, such as Canada's Job Bank and labour market information, because clients do not have to register to access those services.

⁴ A detailed definition of former claimants can be found in section 58 of the *Employment Insurance Act*.

⁵ Date of birth is not collected for clients in Group Services and Skills Development-Apprentices. As a result, age group percentages in Chart 2 do not match percentages in Annex 3.4, which include an unknown age category.

to 54, edged down from 74.1% to 74.0%. Older workers, those clients 55 years and older, increased their share from 6.6% to 7.4%.

Chart 2



In support of equity principles, HRSDC collects information on the participation of women, Aboriginal people, members of visible minorities and persons with disabilities in EBSMs. This information is collected at the intervention level and comes from the Participant Dataset.⁶ Participants voluntarily self-identify, therefore year-over-year fluctuations may also reflect changes in self-identification.

The participation of women in EBSMs declined slightly in 2006/07. A total of 446,824 EBSM interventions were delivered to women, a decrease of 0.8%. In five provinces, the participation of women in EBSMs exceeded their representation in the labour force. The participation of Aboriginal people fell by 4.2%, from 65,088 to 62,342. However, their participation in interventions delivered through the Aboriginal Human Resources Development Strategy (AHRDS)⁷ increased by 2.3% in 2006/07. There were 52,795 interventions delivered through Aboriginal Human Resource Development Agreements (AHRDAs), an increase of 1,198 from the previous year, and 32,069 clients were assisted, an increase of 2,188.

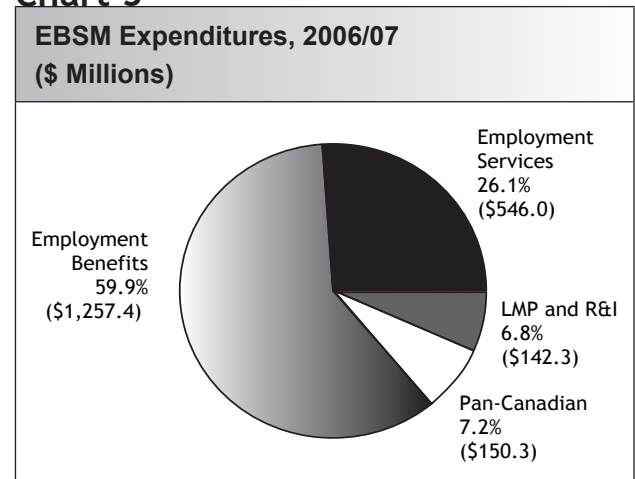
Participation increased for members of visible minorities. Their participation rose by 16.4%, to 71,191. This increase was predominantly the result of activity in Ontario and Alberta. Within Ontario, the largest increases occurred in Toronto, Mississauga and Hamilton, areas that tend to have large visible minority and immigrant populations. Alberta's increase occurred mainly in Employment Services and may be a reflection of that province's efforts to increase immigration in order to meet the demand for skilled workers.

Participation among persons with disabilities rose to 47,667, up 13.8% from 41,896 in 2005/06. Provinces with the greatest increases were Ontario, British Columbia, Nova Scotia and New Brunswick. The participation of persons with disabilities in EBSMs has risen in each of the last five years, climbing by 29.3% between 2002/03 and 2006/07. These increases were mainly in the Individual Counselling component of Employment Services. Similarly, there has been an upward five-year trend for the other participant groups. The largest percentage increase was for members of visible minority groups, for whom the number of interventions rose 50.3%. For women, the number of interventions has risen by 24.9% since 2002/03, while the number of interventions delivered to Aboriginal people increased by 11.4%.

2. Expenditures

The total national expenditure of \$2.1 billion mainly comprised investments in programming delivered directly to participants through Employment Benefits, Employment Services and pan-Canadian activities. The total also included expenditures on Labour Market Partnerships (LMPs) and on Research and Innovation (R&I), which are support measures that are not delivered directly to clients (see Chart 3). Expenditures in each of these categories of programming increased in 2006/07, with the exception of pan-Canadian activities, where expenditures declined.

Chart 3



⁶ Because an individual client can participate in multiple interventions, the total number of clients does not equal the total number of interventions. Note that the number of *participants* equals the number of *interventions*.

⁷ For further information on the AHRDS, please refer to Section II, subsection 1 of this chapter.

Employment Benefits generally involve long-term interventions that can last from several weeks to a year or more. These interventions include Skills Development-Regular (SD-Regular), Skills Development-Apprentices (SD-Apprentices), Targeted Wage Subsidies (TWS), Self-Employment Assistance (SE) and Job Creation Partnerships (JCPs). Employment Benefits are available to active and former EI claimants. In 2006/07, expenditures for Employment Benefits rose by 2.9% to \$1.3 billion.

Employment Services are available to any unemployed person in Canada who requires assistance to enter or return to the labour force. In 2006/07, expenditures for Employment Services totalled \$546.0 million, an increase of \$43.3 million, or 8.6%. That accounted for more than half of the total EBSM expenditure increase in 2006/07.

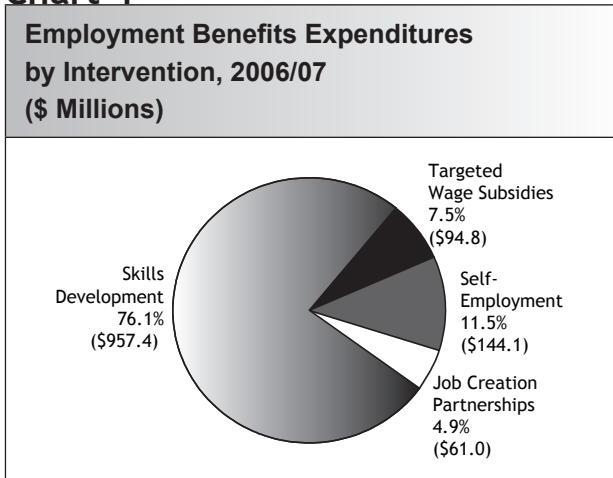
Expenditures for pan-Canadian activities decreased by 9.3% to \$150.3 million. Combined expenditures for LMPs and R&I measures totalled \$142.3 million, an increase of 2.7%.

There are three key performance indicators for EBSMs: the number of active EI claimants who access EBSMs; the number of clients who returned to employment following an intervention; and the amount of unpaid EI Part I benefits that resulted from the return to employment. As noted previously, the number of active claimants served decreased by 3.2% in 2006/07. However, the national results for the final two indicators exceeded targets. The total number of clients returning to employment following an intervention was 203,692, an increase of 2.5%. Unpaid benefits resulting from the returns to employment totalled \$856.3 million, an increase of 6.0%.

3. Employment Benefits

The total expenditure for Employment Benefits interventions was \$1.3 billion, up 2.9% from last year's total of \$1.2 billion. These expenditures represented 60.3% of the total EBSM expenditures for the year, compared to 60.6% last year. Clients participated in 179,261 Employment Benefits interventions, an increase of 4.3%. These interventions accounted for 18.9% of the total EBSM interventions delivered in 2006/07, up from 17.9% of the total delivered last year. However, this upward trend was not recorded for each type of intervention. While the number of interventions for SD-Regular and SD-Apprentices increased, there were declines in TWS, JCPs and SE.

Chart 4



3.1 Skills Development

SD helps participants obtain employment skills by providing direct financial assistance that enables them to select, arrange and pay for training. SD-Apprentices participants are primarily supported through EI Part I benefits. They may also receive support for additional classroom-related expenses through the SD-Apprentices Benefit. Former claimants participating in SD-Apprentices receive income support through Part II benefits.

Consistent with the high priority placed on addressing skills shortages across the country, SD traditionally accounts for the largest proportion of Employment Benefits, in both expenditures and interventions. This pattern continued in 2006/07 for the fifth consecutive year. At a total of \$957.4 million, SD expenditures rose by 4.2% and accounted for 76.1% of total Employment Benefits expenditures, up from 75.2% (see Chart 4). The number of SD interventions also increased, up 7.0% to 142,386. These accounted for 79.4% of all Employment Benefits interventions, up from 77.4%. The share of SD interventions accessed by active claimants rose from 85.7% to 87.2%. Thus, the share of former claimant interventions decreased slightly.

Canada announced additional measures to encourage apprenticeships in the May 2006 federal budget. In total, 54,571 classroom interventions were delivered in 2006/07, an increase of 16.3%. Of these participants, 40,653 returned to employment following the intervention, down 0.4% from last year. Generally, participants return to work for the same employer.

3.2 Job Creation Partnerships

JCPs are delivered through community-developed projects, providing participants with the opportunity to gain work experience while benefiting the community and the local economy. In 2006/07, 6,535 new participants took part in JCPs, a decrease of 5.0% compared to 2005/06. These participants comprised 3.6% of total participants, down from 4.0% last year. At the same time, however, expenditures were slightly higher, up 1.2% to \$61.0 million. JCPs' share of total Employment Benefits expenditures was stable at 4.9%.

3.3 Targeted Wage Subsidies

TWS provide employers with financial assistance for the wages of participants whom they would not normally hire without a subsidy. This wage subsidy fosters access to employment, helping individuals to obtain work experience and on-the-job training. In 2006/07, 18,986 TWS interventions were delivered, a decrease of 5.2%. This decrease dropped the TWS share of all Employment Benefits interventions to 10.6% from 11.6%. TWS expenditures also decreased, falling by 1.9% to \$94.8 million. That was 7.5% of total Employment Benefits expenditures, down from 7.9% last year.

3.4 Self-Employment Assistance

SE participants receive financial assistance and business planning advice during the critical stages of building their own business. Both SE interventions and expenditures decreased in 2006/07. A total of 11,354 individuals received SE assistance, a 5.0% decrease. SE interventions' share of all Employment Benefits interventions fell from 6.9% to 6.3%. Expenditures were also slightly lower, down 1.2% to \$144.1 million. That accounted for 11.5% of total Employment Benefits expenditures, down from 11.9%.

4. Support Measures and Services

Support measures and services are key elements of the National Employment Service (NES). They consist of five components: Employment Services, which assist individual and group participants; LMPs and R&I, which support partnerships and labour market policy research; and two services available to clients on a self-serve basis, Job Bank and Labour Market Information.

4.1 Employment Services

There are three types of Employment Services interventions: Employment Assistance Services (EAS), Group Services and Individual Counselling.⁸ The total expenditure for Employment Services was \$546.0 million, an increase of 8.6%. At the same time, the number of interventions delivered declined by 2.1% to 752,047. Across the country, stronger labour markets resulted in a change in the nature of interventions required by clients who seek Employment Services. These clients are not able to readily access employment opportunities, even in buoyant labour markets, because they face multiple employment barriers. For this reason, these clients require lengthy and more costly Employment Services interventions to prepare them to enter or re-enter the labour market.

EAS interventions comprise a variety of services that support participants' job entry or re-entry activities. These services range from job search assistance provided to job-ready clients, to the development of in-depth return-to-work action plans for clients facing multiple employment barriers. In addition, EAS interventions may be combined with other EBSM programming for which the client is eligible. EAS interventions accounted for 56.0% of total Employment Services interventions delivered in 2006/07. A total of 421,488 of these interventions were delivered, a decrease of 2.5%. Non-insured clients accessed 203,032 of these interventions, an increase of 2.8%.

Group Services focus on short-term job search and re-entry activities for active claimants only. These services are commonly delivered when clients are establishing a new EI claim. For the third consecutive year, the number of those interventions declined. A total of 44,609 Group Services interventions were delivered, a decrease of 22.5%. Group Services' share of total Employment Services interventions delivered fell from 7.5% to 5.9%. The shift away from Group Services was related to the decrease in the number of active clients served in 2006/07 and to improved labour markets.

Individual Counselling addresses more complex issues in the case management process and may involve a series of in-depth sessions, particularly when clients face multiple employment barriers. A total of 278,871 Individual Counselling interventions were delivered, an increase of 3.1%.

⁸ A fourth service, Supplément de retour au travail, is available in Quebec. See Section III, subsection 5 of this chapter for additional information on this service.

4.2 Labour Market Partnerships and Research and Innovation

These two measures support the NES while indirectly helping unemployed individuals access the labour market.

LMPs are used to encourage, support and facilitate partnerships that enable human resource planning and labour market adjustments. They provide funding to improve the capacity of employers, employer-employee associations and communities to manage human resource requirements and implement labour force adjustments. LMPs expenditures totalled \$139.1 million in 2006/07, an increase of 2.3%.

In British Columbia, LMPs funding was used to assist the mining industry to address projected skills shortages. The Mining Human Resource Committee, sponsored by the Association for Mineral Exploration British Columbia, provided a foundation for the human resource planning required to deal with these emerging skills shortages, by developing active recruitment strategies that focus on groups that are under-represented in the labour force.

In Newfoundland and Labrador, the NL Association of Cultural Industries (ACI) undertook a LMP-funded project to identify the causes of the gap between the requirements of employers in the cultural industry and the characteristics of the existing labour force, and to identify strategies to resolve this supply-and-demand issue. Activities included developing strategies to resolve the skills gaps through public forums, online surveys and promotion of best practices.

R&I projects enable organizations to develop better ways of helping clients obtain and keep employment. These projects may involve activities related to labour market studies. R&I was used in four provinces in 2006/07. Expenditures rose 22.4% to \$3.2 million.

4.3 Self-Serve Options

Support services include two self-serve options: Job Bank and Labour Market Information. As central functions of the NES, these activities are available to everyone. Because access to these services does not require individuals to register, data on usage and results are challenging to collect or to attribute to specific interventions.

Job Bank is the largest web-based network of job postings available to Canadians. This service includes a suite of career and job search tools for job seekers, including Résumé Builder; Career Navigator; Job Match, which allows users to match their job skills against current job postings using

the same occupational checklists that employers use; and Job Alert, which allows users to receive daily e-mail alerts of new job postings. There are also tools for employers, such as HR for Employers. In 2006/2007, there were 94 million Job Bank user sessions, an increase of 49.2% from the 63 million sessions logged in the previous year. The number of advertised job orders rose 13.7% to 1,078,210, the first time the total surpassed 1 million. At the end of 2006/07, Job Bank had more than 204,000 active employer accounts and more than 643,000 job seeker accounts. On average, 55,825 job alerts are sent each day to notify job seekers of potential job opportunities. The average cost of Job Bank equates to about \$3.00 per job order, for a total of approximately \$3.0 million last year. Job Bank is located at <http://www.jobbank.gc.ca>.

The Labour Market Information service provides information about local labour markets. The service provides ongoing analyses of socio-economic data and events to identify community-specific occupational and industrial trends. Analysts across Canada work with partners—including businesses, educational institutions and other levels of government—to ensure that people have access to high-quality labour market information. This information is displayed at <http://www.labourmarketinformation.ca>. This Web site had approximately 1.6 million visitor sessions in 2006/07, an increase of 30,000 sessions from last year. A client satisfaction survey conducted in spring 2005 concluded that EI claimants rated the service highly in terms of the quality and utility of the information it provided, and that their level of satisfaction with the Web site was very high.

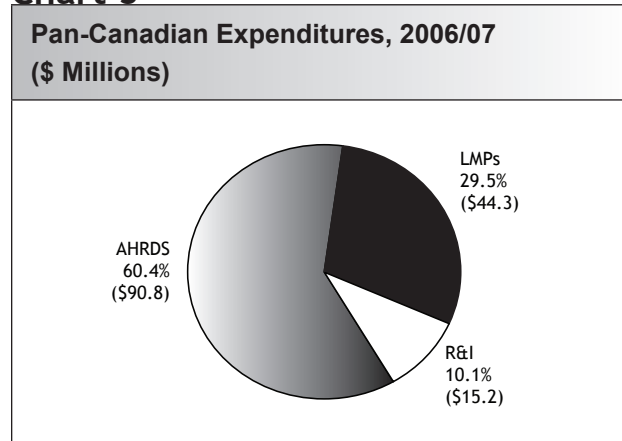
II. Pan-Canadian Activities

Pan-Canadian programming addresses significant challenges in the Canadian labour market, reduces risks to the EI Account, and enhances the Canadian economic union by contributing to the pool of skilled labour and to a flexible and efficient labour market. This programming comprises activities and interventions that respond to interprovincial or national labour market issues. It promotes equality of opportunity for all Canadians, with a focus on helping under-represented groups reach their full potential in the Canadian labour market. Pan-Canadian programming is not included in LMDAs.

Pan-Canadian activities include employment programming provided under the Aboriginal Human

Resources Development Strategy (AHRDS), pan-Canadian LMPs and pan-Canadian R&I. The total expenditure for these activities in 2006/07 decreased 9.3% to \$150.3 million. This constituted 7.2% of all EBSM expenditures, down from 8.2%. The AHRDS accounts for the largest portion of the pan-Canadian expenditures, at 60.4%, followed by LMPs (29.5%), and R&I (10.1%) (see Chart 5).

Chart 5



1. Aboriginal Human Resources Development Strategy (AHRDS)

The AHRDS provides funding to Aboriginal organizations to design, develop and implement employment and human resources programs for Aboriginal people. The AHRDS was initiated in 1999, extended for one year in 2004/05, and subsequently renewed until 2008/09. It has a \$1.6-billion, five-year budget for a wide range of labour market programming.

AHRDS funding is delivered through AHRDAs with Aboriginal organizations across the country. In 2006/07, 80 AHRDA holders delivered labour market programming in more than 400 locations across Canada. Approximately 55,000 Aboriginal clients were assisted in 2006/07, and more than 22,000 became employed or returned to school. Of the \$344 million spent on labour market programming through AHRDAs in 2006/07, Part II expenditures totalled \$90.8 million.

2. Pan-Canadian Labour Market Partnerships

Pan-Canadian LMPs are a support measure developed to encourage, support and facilitate human resource planning and labour market adjustment. This measure provides funding to employers, employer-employee associations and

communities to improve their capacity to respond and adapt to labour market change. Pan-Canadian LMPs are delivered primarily through the national sector councils and through the Youth Awareness program.

Sector councils are organizations that bring together representatives from business and labour stakeholder groups within an industrial sector. Sector councils identify human resource issues that are most important to their sector, and focus industry partners' attention and commitment to take action. This year, particular attention was directed to three key priorities: addressing occupational shortages by province and territory; establishing and maintaining partnerships to support a more responsive approach to sectoral labour market issues; and developing the capacity to analyze sectoral labour market trends. With the creation of the Canadian Agricultural Human Resources Council in September 2006, the network of councils now represents 32 sectors. Sector council expenditures totalled \$31.9 million in 2006/07.

Youth Awareness provides financial assistance for projects designed to address labour market issues facing communities. It can be used to develop and implement human resource strategies to meet employers' current and future human resource needs, while developing a heightened awareness of youth as the labour force of the future among employers and communities. Delivered at the national, regional and local levels, Youth Awareness projects leverage funds from EI Part II as well as many other sources, including provincial governments. Overall, the Youth Awareness initiative provided \$8.8 million in funding in 2006/07.

National Youth Awareness projects are administered by HRSDC in cooperation with Skills Canada, a key stakeholder. Since its inception in 1989, Skills Canada has offered skilled trades and technology competitions that enable Canadian youth who are studying a skilled trade to showcase their talent, competence and expertise. Halifax hosted the 12th Canadian Skills Competition in May 2006. More than 550 secondary and post-secondary students and apprentices from across Canada competed in more than 40 practical challenges that demonstrated their technical and leadership abilities.

3. Pan-Canadian Research and Innovation

Pan-Canadian R&I funding supports organizations that are carrying out research and demonstration projects designed to test potential improvements to EBSM program design.

HRSDC has been working with the provinces, the territories and Aboriginal groups to develop short-term pilot projects and experiments that examine new approaches to labour market programming. The Pan-Canadian Innovations Initiative (PCII) is a mechanism for government and its partners to improve on current ways of helping people prepare for, obtain or maintain employment, and be productive participants in the labour force. PCII's main priorities are removing barriers to employment faced by immigrants, Aboriginal people and other under-represented groups, and supporting workplace training, apprenticeship and literacy. At the end of 2006/07, 10 projects had been approved, 6 of which were operational. To support the sharing of best practices and knowledge transfer, evaluation results from these projects will be broadly disseminated by participating stakeholders, including provinces and territories, federal partners and third-party organizations.

In 2006/07, PCII undertook a number of innovative pilot projects. In the Northwest Territories, the Northern Women in Mining, Oil and Gas project will test the impacts of a targeted approach to training and development on the participation rates of northern women in industrial trades and occupations. The Reclamation and Prospecting Teams project in British Columbia will test whether field training, cultural supports, land reclamation and prospecting activities can improve educational and employment outcomes for at-risk Aboriginal youth. In New Brunswick, the Partners Building Futures project seeks to help women receiving social assistance achieve self-sufficiency and sustainable employment in non-traditional trades.

III. Provincial and Territorial EBSM Activity

EBSMs are delivered through individual agreements with the provinces and territories, in part to respond to

the differing needs of labour markets across Canada. This section contains analysis of activities in each province and territory, which facilitates a better understanding of EI Part II activity across the country. Year-to-year variations and trends can be more closely linked to provincial and territorial priorities, responses to local labour market conditions,⁹ and differences in program delivery.

The presentation of data and analysis is consistent with the suite of EBSM activities and their definitions, though similar programming is delivered under different names in transfer jurisdictions. Inter-jurisdictional comparisons may be misleading due to differences in programming and labour market conditions. Note that EBSM administrative data presented in this section do not include pan-Canadian activity.

With few exceptions, provincial and territorial labour markets were stronger in 2006/07. These labour market conditions resulted in changes to the mix of clients served, as well as to the mix of EBSMs delivered. In most instances, skills training was a high priority, as provinces and territories responded to varying levels of skills shortages. As well, tighter labour markets prompted provinces and territories to intensify their efforts to increase the labour force participation of under-represented groups.

1. Newfoundland and Labrador

Newfoundland and Labrador's economy improved in 2006/07, with employment gains of 3,300 over the previous year. That increase pushed the province's unemployment rate down to 14.5%, the lowest level since the early 1980s. Labour force participation increased by 0.6%, in contrast to the previous fiscal year, when labour force participation declined by the same margin. While employment levels in goods-producing industries overall were similar to those last year, both the construction sector and the forestry, fishing, mining, oil and gas sector experienced job gains, as they have for the past five years. Investment in mineral exploration totalled almost \$98 million in 2006, the highest level ever recorded, and mineral exports increased significantly. Employment levels in services-producing industries increased by 3,400 in 2006/07, rebounding from employment losses during the previous year. The most notable gains occurred within the information, culture and recreation sector.

⁹ Labour market data from the provinces and territories come from Statistics Canada's Labour Force Survey. In previous years, the data sources for the territories were their respective Bureaus of Statistics. Consequently, comparisons to previously published data are not possible. All data are fiscal year averages, seasonally adjusted. In discussions of employment trends by industry, standard industry titles are taken from the North American Industry Classification System (NAICS).

Newfoundland and Labrador Key Facts

Co-Managed Agreement

Labour Market

15 Years +	2006/07	Change, 2005/06– 2006/07
Employment	216,700	3,300 ↑
Unemployment Rate	14.5%	0.9 ↓

Client Type and Age Distribution

Active	Former	Non-Insured
74.3%	15.9%	9.7%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
21.7%	69.3%	9.0%

Intervention-to-Client Ratio

Ratio, 2006/07	Change, 2005/06 – 2006/07
1.52	0.41 ↓

Intervention and Expenditures % Change, 2005/06 – 2006/07

	Employment Benefits	Employment Services
New Interventions	3.0% ↑	39.5% ↓
Expenditures	1.1% ↑	5.6% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2006/07	Percentage Point Change, 2005/06– 2006/07
Employment Benefits	46.6%	12.7 ↑
Employment Services	53.4%	12.7 ↓

Clients Served, 2006/07

EI	Pan-Canadian
19,210	233

Several strategic priorities to promote continued economic and labour market improvement in Newfoundland and Labrador were identified for 2006/07. These included improving the development and dissemination of labour market information; alleviating labour and skills shortages in key industry sectors, including the manufacturing, construction, marine transportation and tourism-related industries; and enhancing the human resource planning capacity of small and medium-sized businesses in the agriculture, child care, and oil and gas sectors. In recognition of the province's declining working-age population due to low immigration, out-migration and aging, priority was also given to increasing the labour market participation of marginalized workers.

In 2006/07, 19,210 individuals accessed EBSMs, a decrease of 4.8% from 2005/06. These individuals participated in 29,186 new interventions, down 25.1% from the previous year. This decline was due entirely to the decreased number of Employment Services interventions delivered, as outlined below. EBSM expenditures totalled \$126.3 million, an increase of 1.6% compared to the previous reporting period, when expenditures were \$124.4 million.

1.1 Employment Benefits

There were 13,611 Employment Benefits interventions delivered in 2006/07. That was a 3.0% increase compared to the previous year, when 13,218 interventions were delivered. SD-Regular and SD-Apprentices continued to account for the majority (71.6%) of Employment Benefits interventions. In line with the key priority to alleviate skills shortages in key industries, SD-Regular interventions increased by 9.3% during the reporting period, and TWS for Apprentices was introduced to improve the transition from school to work in the skilled trades, thereby enhancing the supply of skilled trades people. SD provided support to a large number of fishers who participated in short-term safety courses to meet new Transport Canada regulations. Clients affected by the closure of a large newsprint mill and several fish plants also received assistance.

Other initiatives during the year included establishing a process to identify existing and potential skills gaps, creating a profile of marginalized workers in the province, and promoting TWS to clients facing multiple employment barriers. Expenditures for Employment Benefits increased by 1.1% to \$112.6 million, up from \$111.4 million last year.

1.2 Employment Services

Overall, 15,575 Employment Services interventions were delivered. This was a 39.5% decrease from the previous year, when 25,765 Employment Services interventions were delivered. The decrease stemmed from a data collection issue that became apparent last year. Some external service providers had documented initial client needs assessments as counselling, resulting in an inflated number of Employment Services interventions. Resolution of this issue lowered the number of counselling interventions reported this year. Expenditures for Employment Services increased by 5.6% to \$13.7 million, up from \$13.0 million in 2005/06. With job-ready clients taking advantage of increased opportunity across the country, more clients facing significant labour market barriers could avail themselves of Employment Services. These clients typically require more intensive counselling and longer term interventions than other clients.

2. Prince Edward Island

Prince Edward Island recorded a small employment increase in 2006/07. Three quarters of this growth occurred in goods-producing industries, primarily in the construction sector. Over the past five years, goods-producing industries have expanded 11.9%. This year's modest growth caused Prince Edward Island's unemployment rate to edge down from 11.1% in 2005/06 to 10.8%.

Prince Edward Island's priorities for employment programming included initiatives to improve adult literacy and promote lifelong learning; to promote careers in health care and in selected trades, including apprenticeships; and to address skills shortages. These activities contributed to a fourth-quarter spike in demand for SD.

During 2006/07, 4,274 individuals accessed EBSMs, an increase of 2.5% from 2005/06. These individuals participated in 5,791 new interventions, up 1.5% from the previous year. EBSM expenditures totalled \$24.9 million, up 1.6% from the \$24.5 million reported last year.

2.1 Employment Benefits

A total of 2,488 Employment Benefits interventions were delivered on Prince Edward Island in 2006/07. That was an increase of 4.7% from the 2,377 interventions delivered in 2005/06. Due to the need to address skills shortages, accelerated by the increased demand in the fourth quarter, SD-Regular rose 10.9%, and SD-Apprentices rose 9.3%. Trades-related promotional activities helped to fuel this demand, which was most notable in trades and

Prince Edward Island Key Facts

Co-Managed Agreement

Labour Market

15 Years +	2006/07	Change, 2005/06– 2006/07
Employment	69,000	800 ↑
Unemployment Rate	10.8%	0.3 ↓

Client Type and Age Distribution

Active	Former	Non-Insured
66.6%	13.1%	20.3%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
27.7%	65.3%	7.1%

Intervention-to-Client Ratio

Ratio, 2006/07	Change, 2005/06 – 2006/07
1.35	0.01 ↓

Intervention and Expenditures % Change, 2005/06 – 2006/07

	Employment Benefits	Employment Services
New Interventions	4.7% ↑	0.8% ↓
Expenditures	0.4% ↑	7.9% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2006/07	Percentage Point Change, 2005/06– 2006/07
Employment Benefits	43.0%	1.3 ↑
Employment Services	57.0%	1.3 ↓

Clients Served, 2006/07

EI	Pan-Canadian
4,274	46

truck driving. In addition, the continued out-migration of trades workers, particularly younger workers, created a domino effect; some individuals requested training in order to work out of province in higher paying positions, while others accessed training to backfill positions held by those who left the province.

Overall, expenditures for Employment Benefits rose 0.4% to \$20.5 million. The increase in SD activity created pressures on the available budget for non-SD programming, particularly JCPs and TWS. As a result, some programming—such as JCP projects—was delayed until late in the fiscal year or early in the new fiscal year. Further, the region experienced an overall decrease in TWS applications, which have declined every year since 2002/03 and decreased another 24.7% in 2006/07.

2.2 Employment Services

For the third consecutive year, the number of Employment Services interventions delivered on Prince Edward Island fell slightly. Overall, 3,303 interventions were delivered in 2006/07, falling 0.8% from the 3,328 delivered in the previous year. However, the total expenditures for Employment Services rose 7.9%, from \$4.0 million in 2005/06 to \$4.3 million.

3. Nova Scotia

Nova Scotia experienced overall employment gains in 2006/07. All growth occurred in services-producing industries, which have consistently led employment growth in the province over the past several years. That trend was particularly evident in two sectors: the business, building and other support services sector, and the health care and social assistance sector. Together, these two sectors have accounted for 70.0% of the employment increase in Nova Scotia's services-producing industries since 2002/03. As a result of this expansion, 16,300 more individuals were employed by 2006/07. In contrast, employment levels in goods-producing industries have declined by 5,400 over the same period, a reduction of 5.9%. With the exception of construction, all goods-producing industries have suffered employment losses during the past five years. The most notable loss occurred in the manufacturing sector, which lost 4,400 workers. Employment growth in services-producing industries, combined with a decline in labour force participation, lowered the province's unemployment rate to 7.9%. That was the lowest unemployment rate among the Atlantic provinces in 2006/07, and a 30-year low for Nova Scotia.

Nova Scotia Key Facts

Strategic Partnership Agreement

Labour Market

15 Years +	2006/07	Change, 2005/06– 2006/07
Employment	443,700	800 ↑
Unemployment Rate	7.9%	0.3 ↓

Client Type and Age Distribution

Active	Former	Non-Insured
61.0%	15.4%	23.7%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
21.6%	72.3%	6.1%

Intervention-to-Client Ratio

Ratio, 2006/07	Change, 2005/06 – 2006/07
1.60	0.10 ↑

Intervention and Expenditures % Change, 2005/06 – 2006/07

	Employment Benefits	Employment Services
New Interventions	4.2% ↓	26.2% ↑
Expenditures	4.3% ↓	15.2% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2006/07	Percentage Point Change, 2005/06– 2006/07
Employment Benefits	26.4%	5.7 ↓
Employment Services	73.6%	5.7 ↑

Clients Served, 2006/07

EI	Pan-Canadian
14,811	397

Key priorities for employment programming, as outlined in Nova Scotia's Skills and Learning Framework, included a strong focus on developing skills, assisting small and medium-sized businesses to develop competencies in effective human resource management, and enhancing the development and dissemination of labour market information products, particularly with respect to occupational and skills imbalances. The region also continued to invest in enhancing third-party agencies' data quality and collection processes by providing workshops and training sessions, and fostering dialogue with providers.

In 2006/07, 14,811 individuals accessed EBSMs, an increase of 9.3% from 2005/06. These individuals participated in 23,693 new interventions, up 16.5% from the previous year. EBSM expenditures totalled \$79.4 million, a slight increase of 0.4% compared to the previous reporting period, when expenditures were \$79.2 million.

3.1 Employment Benefits

There were 6,255 Employment Benefits interventions delivered in 2006/07, a decrease of 4.2% from the previous year, when 6,526 were delivered. As part of the continued focus on supporting a broad skills agenda, the region continued to shift resources into SD programming and Employment Services, and away from job creation initiatives. Overall, Employment Benefit expenditures decreased by 4.3% to \$57.8 million, down from \$60.4 million reported in 2005/06.

3.2 Employment Services

There were 17,438 Employment Services interventions delivered. That was an increase of 26.2% from the previous year, when 13,816 Employment Services interventions were delivered. The number of Employment Services interventions delivered in Nova Scotia has risen every year since 2002/03, increasing by 200.9% over the five-year period. The region worked to standardize a community-based approach to Employment Services, to ensure more consistency in client assessment and case management across the province. Nova Scotia continued to focus on supporting the employment needs of persons with disabilities and members of the African-Nova Scotian community, largely through the use of EAS. Expenditures increased by 15.2% to \$21.6 million, up from \$18.8 million in 2005/06.

4. New Brunswick

Employment levels increased moderately in New Brunswick during 2006/07. These gains were mainly confined to goods-producing industries, notably the

New Brunswick Key Facts

Transfer Agreement

Labour Market

15 Years +	2006/07	Change, 2005/06– 2006/07
Employment	355,800	2,600 ↑
Unemployment Rate	8.3%	1.3 ↓

Client Type and Age Distribution

Active	Former	Non-Insured
66.4%	14.6%	19.0%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
23.1%	70.2%	6.7%

Intervention-to-Client Ratio

Ratio, 2006/07	Change, 2005/06 – 2006/07
2.21	0.08 ↑

Intervention and Expenditures % Change, 2005/06 – 2006/07

	Employment Benefits	Employment Services
New Interventions	3.5% ↑	3.6% ↑
Expenditures	2.0% ↓	3.6% ↓

Employment Benefits and Services Change in Relative Share

	Relative Share, 2006/07	Percentage Point Change, 2005/06– 2006/07
Employment Benefits	26.9%	0.0 –
Employment Services	73.1%	0.0 –

Clients Served, 2006/07

EI	Pan-Canadian
17,785	230

construction and manufacturing sectors. Employment in New Brunswick's services-producing industries was generally stable. There were gains in the finance, insurance, real estate and leasing sector, and in the accommodation and food services sector. At the same time, however, losses were recorded in trade and in the transportation and warehousing sector. For the third consecutive year, New Brunswick's unemployment rate decreased, falling from 9.6% in 2005/06 to 8.3%. This decrease can be attributed to a combination of increased employment and a decline in labour force participation.

New Brunswick is seeking to assist its citizens to obtain the right skills, education and work experience to obtain the right jobs, in a work force that is inclusive and fair.¹⁰ To support this vision, the Government of New Brunswick has since developed the Charter for Change to build on the skilled labour force, continue to make economic development a priority and strengthen efforts to diversify the economy.

In 2006/07, 17,785 individuals accessed programming similar to EBSMs. That was a slight decrease of 0.4% from 2005/06. Though the number of clients declined, the number of interventions climbed 3.6% to 39,321, as clients often required more than one intervention and took longer to return to employment than in previous years. Programming expenditures totalled \$85.0 million, a decrease of 2.2% from last year.

4.1 Employment Benefits

The number of Employment Benefits interventions delivered in New Brunswick rose 3.5% in 2006/07. A total of 10,564 interventions were delivered during the year, up from 10,202 in 2005/06. In line with the province's focus on assisting its citizens to obtain the right skills, SD-Apprentices interventions rose 3.3%. The number of SD-Regular interventions was also higher, up 1.1% from 2005/06. Expenditures fell 2.0%, from \$76.0 million in 2005/06 to \$74.5 million.

4.2 Employment Services

The number of Employment Services interventions delivered in the province rose 3.6% in 2006/07. A total of 28,757 interventions were delivered, compared to 27,760 interventions delivered in 2005/06. Expenditures fell 3.6%, from \$10.9 million in 2005/06 to \$10.5 million.

5. Quebec

Quebec experienced overall employment gains in 2006/07, due to expansion in services-producing industries. Led by the finance, insurance, real estate and leasing sector, all of

Quebec Key Facts

Transfer Agreement

Labour Market

15 Years +	2006/07	Change, 2005/06– 2006/07
Employment	3,781,800	52,900 ↑
Unemployment Rate	7.9%	0.4 ↓

Client Type and Age Distribution

Active	Former	Non-Insured
67.7%	13.6%	18.7%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
16.0%	75.9%	8.1%

Intervention-to-Client Ratio

Ratio, 2006/07	Change, 2005/06 – 2006/07
1.13	0.03 ↓

Intervention and Expenditures % Change, 2005/06 – 2006/07

	Employment Benefits	Employment Services
New Interventions	9.2% ↓	14.4% ↓
Expenditures	0.9% ↓	3.1% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2006/07	Percentage Point Change, 2005/06– 2006/07
Employment Benefits	23.0%	1.0 ↑
Employment Services	77.0%	1.0 ↓

Clients Served, 2006/07

EI	Pan-Canadian
167,461	1,798

¹⁰ Canada-New Brunswick Labour Market Development Agreement, Annex II, fiscal 2006/07.

the services-producing industries enjoyed employment gains, with the exception of public administration. Conversely, employment levels within goods-producing industries declined in all industries, except for the construction sector. Looking at labour market trends in the province over the past five years, the four sectors with the highest growth rates were the mining, oil and gas sector; the finance, insurance, real estate and leasing sector; the professional, scientific and technical services sector; and the construction sector. The trade sector, together with the health care and social assistance sector, generated the largest absolute employment gains. The province's unemployment rate fell to a 30-year low of 7.9% in 2006/07.

Quebec's priorities for employment programming in 2006/07 focused on preventing labour shortages, decreasing the level of unemployment and underemployment, and fostering greater social inclusion. A key priority was to promote greater labour market participation, especially among those at risk of long-term unemployment, exclusion and poverty. A second key priority was to assist businesses to adapt to labour market change by supporting the improvement of their human resource management practices, and by improving the skills and qualifications of the labour force.

In 2006/07, 167,461 individuals accessed programming similar to EBSMs, a decrease of 11.1% from 2005/06. Those individuals participated in 188,686 new interventions, down 13.3% from the previous year. Expenditures for EBSMs decreased slightly, falling by 0.02% to \$496.0 million from \$496.2 million reported in 2005/06.

5.1 Employment Benefits

There were 43,441 Employment Benefits interventions delivered in 2006/07. That was a decrease of 9.2% from the previous year, when 47,857 interventions were delivered. All Employment Benefits measures declined during the period, with the greatest decline occurring in programming similar to TWS. Expenditures for Employment Benefits were \$380.6 million, a slight decrease of 0.9% from last year, when they totalled \$384.2 million.

5.2 Employment Services

There were 145,245 Employment Services interventions delivered in 2006/07. That was a decrease of 14.4% from the previous year, when 169,775 interventions were delivered. Expenditures for Employment Services increased by 3.1% to \$115.5 million, compared to the \$112.0 reported last year. There was increased use of EAS interventions, and

decreased use of Individual Counselling and Group Services interventions. Since EAS interventions are more costly, their increased use contributed to the growth in Employment Services expenditures. Finally, a change in the assessment methodology for Individual Counselling activities occurred, which caused a decrease in the number of interventions compared to previous years but improved data integrity.

6. Ontario

The Ontario labour market recorded moderate employment growth in 2006/07. Gains were concentrated in the province's services-producing industries, with notable strength in three sectors: trade; finance, insurance, real estate and leasing; and health care and social assistance. At the same time, Ontario's manufacturing sector suffered heavy losses throughout the year, falling 5.1% from 2005/06 with an employment loss of 53,400. Even with this decline, however, the relative strength of Ontario's services-producing industries led to a slight drop in the unemployment rate, which fell from 6.5% in 2005/06 to 6.3% in 2006/07.

The simultaneous decline in manufacturing and growth in services-producing industries led to labour market adjustment challenges in Ontario, as some displaced manufacturing workers had difficulty making the transition to employment in the services-producing sector. As well, global competition, technological shifts, changes in the value of the Canadian dollar, rising energy costs and demographic changes continued to exert significant pressures on Ontario's economy. Accordingly, Ontario used EBSMs to assist unemployed individuals to acquire the skills needed to find and maintain employment; to provide retraining for individuals in adjustment situations; and to improve the links between labour market demand and supply.

Fiscal 2006/07 was a transition year for the delivery of EBSMs in Ontario. With the signing of the Canada-Ontario LMDA, the province assumed full responsibility for the design and delivery of active employment measures, effective January 1, 2007. Therefore, EBSM activity in 2006/07 reflects EBSM delivery by both HRSDC and the Province of Ontario. In 2006/07, 147,295 individuals accessed EBSMs, an increase of 7.1% from 2005/06. The number of new interventions delivered was also higher, rising 12.0% to 277,602. EBSM expenditures totalled \$514.7 million, an increase of 17.9% from the previous year. These increases were attributed to the use of information sessions to inform clients of the availability of EBSMs, as well as to a new

Ontario Key Facts		
Transfer Agreement		
Labour Market		
		Change, 2005/06– 2006/07
15 Years +	2006/07	
Employment	6,520,300	93,600 ↑
Unemployment Rate	6.3%	0.2 ↓
Client Type and Age Distribution		
Active	Former	Non-Insured
60.7%	12.3%	27.1%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
12.8%	79.3%	7.8%
Intervention-to-Client Ratio		
		Change, 2005/06 – 2006/07
Ratio, 2006/07		
1.88		0.08 ↑
Intervention and Expenditures % Change, 2005/06 – 2006/07		
	Employment Benefits	Employment Services
New Interventions	19.5% ↑	10.7% ↑
Expenditures	21.4% ↑	13.1% ↑
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2006/07	Percentage Point Change, 2005/06– 2006/07
Employment Benefits	15.9%	1.0 ↑
Employment Services	84.1%	1.0 ↓
Clients Served, 2006/07		
	EI	Pan-Canadian
	147,295	2,632

process for planning program investments within the local service delivery network in Ontario. These increases also reflected greater demand for EBSMs in Ontario.

6.1 Employment Benefits

There were 44,067 Employment Benefits interventions delivered in Ontario in 2006/07. That was an increase of 19.5% from 2005/06, when 36,870 new interventions were delivered. Double-digit growth rates were recorded in three of the five categories of interventions: TWS, SD-Regular and SD-Apprentices. SD-Regular posted the highest increase, at 25.0%. That reflected the priority Ontario assigned to assisting unemployed individuals affected by large-scale layoffs and plant closures to obtain new skills. JCPs declined 16.8%, the only category to show a decrease. Overall, expenditures for Employment Benefits increased by 21.4% to \$305.8 million.

6.2 Employment Services

In total, 233,535 Employment Services interventions were delivered in 2006/07, up 10.7% from the 210,930 interventions delivered in 2005/06. Expenditures for Employment Services increased by 13.1%, rising to \$208.9 million.

7. Manitoba

The labour market in Manitoba improved in 2006/07, and employment levels increased for the fifteenth consecutive year. Most of this growth occurred in services-producing industries, particularly within the trade sector and the health care and social assistance sector. Employment increases in goods-producing industries occurred largely within the construction and manufacturing sectors. Despite a labour force increase of 6,200, Manitoba's unemployment rate fell from 4.6% in 2005/06 to 4.3%. That was the lowest unemployment rate recorded in the province in over 30 years.

Manitoba's main priority for employment programming in 2006/07 was to address persistent skills shortages. Consequently, an increased proportion of EBSM funding was directed to the SD component, including SD-Apprentices. Low unemployment rates reduced the number of clients seeking employment assistance. Those who did access Employment Services frequently faced multiple barriers to employment. Accordingly, increased resources were required to provide more intensive Employment Services to fewer unemployed clients, with a focus on serving low income Manitobans and under-represented

Manitoba Key Facts

Transfer Agreement

Labour Market

15 Years +	2006/07	Change, 2005/06– 2006/07
Employment	589,000	70,400 ↑
Unemployment Rate	4.3%	0.3 ↓

Client Type and Age Distribution

Active	Former	Non-Insured
53.7%	12.3%	34.1%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
20.4%	71.7%	8.0%

Intervention-to-Client Ratio

Ratio, 2006/07	Change, 2005/06 – 2006/07
1.41	0.03 ↑

Intervention and Expenditures % Change, 2005/06 – 2006/07

	Employment Benefits	Employment Services
New Interventions	5.4% ↑	6.9% ↓
Expenditures	4.1% ↓	0.1% ↓

Employment Benefits and Services Change in Relative Share

	Relative Share, 2006/07	Percentage Point Change, 2005/06– 2006/07
Employment Benefits	18.8%	3.6 ↑
Employment Services	81.2%	3.6 ↓

Clients Served, 2006/07

EI	Pan-Canadian
25,140	2,547

groups, and on increasing client awareness of employment programming. Finally, the province increased efforts to work with employers, providing assistance with human resource planning, training and productivity issues.

In 2006/07, 25,140 individuals accessed programming similar to EBSMs, a decrease of 4.7% from 2005/06. These individuals participated in 35,465 new interventions, down 4.8% from the previous year.¹¹ Programming expenditures totalled \$40.4 million, down by 3.3% from the \$41.8 million reported in 2005/06.

7.1 Employment Benefits

There were 6,677 Employment Benefits interventions delivered in 2006/07. That was an increase of 5.4% from the previous year, when 6,334 interventions were delivered. SD-Regular and SD-Apprentices accounted for almost all of this increase, reflecting the province's focus on training to address skills shortages. Expenditures for Employment Benefits decreased by 4.1% to \$32.1 million in 2006/07, down from \$33.5 million reported last year.

7.2 Employment Services

Overall, there were 28,788 Employment Services interventions delivered. That was a 6.9% decrease from the previous year, when 30,930 interventions were delivered. Low unemployment rates continued to reduce the number of clients seeking Employment Services. While interventions decreased, expenditures for Employment Services were \$8.3 million, almost unchanged from the previous year.

8. Saskatchewan

The Saskatchewan labour market posted a solid performance in 2006/07. Employment rose 3.0% during the year. Nearly three quarters of this increase was recorded in services-producing industries, led by the trade sector and the health care and social assistance sector. Saskatchewan's labour force expanded during the year, which caused the participation rate to climb from 68.0% in 2005/06 to a record high of 69.6%. The unemployment rate dropped sharply, falling from 5.2% to 4.3%.

Saskatchewan's economy is strong, and real gross domestic product was forecast to grow 2.9% in 2007. Saskatchewan has skilled labour shortages in the majority of the trades, and these shortages are expected to become even more prevalent over the next few years as the economy continues to grow. For 2006/07, Saskatchewan planned to

¹¹ Revised data for 2005/06 indicate an under-reporting of SD-Regular interventions in the 2006 *Monitoring and Assessment Report*. Comparisons in this section use revised data.

Saskatchewan Key Facts

Transfer Agreement

Labour Market

15 Years +	2006/07	Change, 2005/06– 2006/07
Employment	496,900	14,500 ↑
Unemployment Rate	4.3%	0.9 ↓

Client Type and Age Distribution

Active	Former	Non-Insured
68.5%	26.4%	5.1%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
18.0%	77.5%	4.5%

Intervention-to-Client Ratio

Ratio, 2006/07	Change, 2005/06 – 2006/07
1.43	0.04 ↓

Intervention and Expenditures % Change, 2005/06 – 2006/07

	Employment Benefits	Employment Services
New Interventions	0.5% ↑	14.2% ↓
Expenditures	3.2% ↓	10.5% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2006/07	Percentage Point Change, 2005/06– 2006/07
Employment Benefits	37.8%	3.6 ↑
Employment Services	62.2%	3.6 ↓

Clients Served, 2006/07

EI	Pan-Canadian
12,695	1,647

address the province's labour market challenges by ensuring that its labour force was prepared for "the jobs of today and tomorrow."¹² To this end, priorities included improving the training system's responsiveness to the needs of the labour market, and increasing both the availability and the awareness of training, education and employment opportunities.

In 2006/07, 12,695 individuals accessed programming similar to EBSMs, a decrease of 6.5% from 2005/06. New interventions fell 9.2% to 18,129. EBSM expenditures totalled \$35.1 million, a decrease of 1.3% from the previous year.

8.1 Employment Benefits

The number of Employment Benefits interventions delivered in Saskatchewan in 2006/07 rose by 0.5%, for a total of 6,861. The number of interventions was lower for each category of Employment Benefits except SD-Apprentices, which rose by 5.3%. Expenditures for Employment Benefits decreased by 3.2%, falling from \$30.5 million in 2005/06 to \$29.5 million.

8.2 Employment Services

Overall, 11,268 Employment Services interventions were delivered in Saskatchewan in 2006/07. That was a decrease of 14.2% from the previous year, when 13,132 interventions were delivered. Expenditures for Employment Services totalled \$5.5 million, an increase of 10.5% from the 2005/06 total of \$5.0 million.

9. Alberta

Alberta experienced its largest employment growth in 26 years during 2006/07. Employment increased across most of the province's goods- and services-producing industries. After last year's 11.6% decline, the manufacturing sector rebounded to historical levels and provided employment to an additional 14,700 individuals. For the past five years, Alberta has led the country in employment growth in the forestry, fishing, mining, oil and gas sector. The agriculture sector, however, continued to experience declines in employment. In fact, employment in agriculture has declined more than 43% over the past 10 years, falling from 89,200 in 1997/98 to 50,600 in 2006/07.

Employment in Alberta's services-producing industries has increased every year since 2002/03 across a number of sectors, particularly in the educational services sector; the professional, scientific and technical services sector; and

¹² Canada–Saskatchewan Agreement on Labour Market Development 2006/07 Annual Plan.

Alberta Key Facts

Transfer Agreement

Labour Market

15 Years +	2006/07	Change, 2005/06– 2006/07
Employment	1,897,800	98,700 ↑
Unemployment Rate	3.5%	0.3 ↓

Client Type and Age Distribution

Active	Former	Non-Insured
35.3%	14.4%	50.3%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
26.8%	67.4%	5.8%

Intervention-to-Client Ratio

Ratio, 2006/07	Change, 2005/06 – 2006/07
1.69	0.03 ↓

Intervention and Expenditures % Change, 2005/06 – 2006/07

	Employment Benefits	Employment Services
New Interventions	14.5% ↑	2.3% ↑
Expenditures	12.0% ↓	19.9% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2006/07	Percentage Point Change, 2005/06– 2006/07
Employment Benefits	12.1%	1.2 ↑
Employment Services	87.9%	1.2 ↓

Clients Served, 2006/07

EI	Pan-Canadian
107,963	2,127

the finance, insurance, real estate and leasing sector. Alberta continued to record the lowest provincial unemployment rate in Canada. The 2006/07 rate of 3.5% was also the lowest rate ever recorded for Alberta.

Alberta continues to be concerned that labour and skills shortages may constrain the province's future economic growth. To alleviate current and projected skills shortages, a key priority in 2006/07 was occupational skills training. The province also placed strong emphasis on supporting apprenticeship training. In response to the province's growing labour force pressures, Alberta has developed Building and Educating Tomorrow's Workforce: Alberta's 10-Year Strategy to deal with labour and skills shortages. Priorities of the strategy include improving the knowledge, skills and education of the province's work force, attracting job seekers to Alberta, developing high performance work environments, and ensuring work force retention.

In 2006/07, 107,963 individuals accessed programming similar to EBSMs, an increase of 5.2% from 2005/06. These individuals participated in 182,500 new interventions, up by 3.6% from the previous year. Programming expenditures totalled \$107.2 million, down by 1.2% from the \$108.5 million reported last year.

9.1 Employment Benefits

There were 22,105 Employment Benefits interventions delivered in 2006/07, an increase of 14.5% from the 2005/06 period, when 19,310 interventions were delivered. To augment current work force numbers, the province encouraged greater migration of new immigrants to Alberta. This approach increased demand for immigrant bridging programs, including English as a Second Language training for eligible clients. The province also extended the maximum training duration from 12 to 20 months in some learning streams, to allow participants to acquire higher levels of skills. Participation in SD-Apprentices continued to increase, while participation in SE, TWS and JCPs decreased. The number of JCPs interventions has declined every year since 2002/03, leading to a total decline of 53.8% to date. For TWS, the number of interventions has declined in four of the past five years, for a total decrease of 54.4%. These declines can be attributed to improved job opportunities and reduced demand for these types of programming. Expenditures for Employment Benefits decreased by 12.0% to \$63.1 million in 2006/07, down from \$71.7 million reported the previous year, due in part to an increase in shorter term SD-Apprentices interventions.

9.2 Employment Services

There were 160,395 Employment Services interventions delivered. That is an increase of 2.3% from the previous year, when 156,842 interventions were delivered. Expenditures for Employment Services increased by 19.9% to \$44.1 million, compared to \$36.8 million reported last year, reflecting increased use of shorter term interventions, such as career information and job placement services. New front-end processes, including more comprehensive service needs determination and streamlined administrative requirements for staff, were developed to improve client service and shorten the time between assessment and intervention.

10. British Columbia

The British Columbia labour market posted a strong performance in 2006/07. For the fifth consecutive year, the level of employment increased. With this year's gain of 67,700, employment has grown 11.9% since 2002/03. Services-producing industries, which have been at the centre of British Columbia's employment growth over the past five years, continued to expand. This year, there was notable strength in the health care and social assistance sector and in the business, building and other support services sector. On the goods-producing side of the labour market, the construction sector posted a strong showing, with an 8.0% employment gain. This growth contributed to a decline in British Columbia's unemployment rate, which fell from 5.4% in 2005/06 to 4.6%. The province's unemployment rate has fallen in each of the last five fiscal years.

With unemployment approaching record lows, Service Canada and service providers recognized the need to encourage the participation of groups that are under-represented in the labour force, including older workers, youth, Aboriginal people, immigrants and persons with disabilities. These clients often face multiple employment barriers, and require numerous and longer term interventions to facilitate a return to the labour market. At the same time, there was growing concern about the continuing shortage of skilled workers, which may become more acute as the 2010 Olympics approach. Employment priorities for 2006/07 focused on efforts to address shortages in apprenticeships and in skilled trades. In addition, British Columbia took the needs of official languages minority communities into account when developing annual program and service delivery plans. The priorities for British Columbia also included engaging employers, both by targeting program investments to assist employers with work force recruitment

British Columbia Key Facts

Co-Managed Agreement

Labour Market

	2006/07	Change, 2005/06– 2006/07
15 Years +		
Employment	2,216,700	67,700 ↑
Unemployment Rate	4.6%	0.8 ↓

Client Type and Age Distribution

Active	Former	Non-Insured
48.1%	13.8%	38.1%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
20.5%	71.1%	8.4%

Intervention-to-Client Ratio

Ratio, 2006/07	Change, 2005/06 – 2006/07
1.54	0.07 ↓

Intervention and Expenditures % Change, 2005/06 – 2006/07

	Employment Benefits	Employment Services
New Interventions	0.3% ↓	7.5% ↓
Expenditures	1.3% ↓	3.9% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2006/07	Percentage Point Change, 2005/06– 2006/07
Employment Benefits	17.3%	1.1 ↑
Employment Services	82.7%	1.1 ↓

Clients Served, 2006/07

EI	Pan-Canadian
83,869	3,606

and retention, and by working closely with industry sectors and employers to encourage human resource planning to help address a broad range of labour market issues.

Improved labour market conditions in British Columbia have resulted in fewer clients accessing EBSMs. In 2006/07, 83,869 individuals accessed EBSMs, a decrease of 2.4% from 2005/06. New interventions fell at a faster pace, dropping 6.4% to 129,012. However, because increases in the cost of living in British Columbia have resulted in higher programming costs, EBSM expenditures totalled \$285.2 million, up 0.7% from \$283.2 million last year.

10.1 Employment Benefits

The number of Employment Benefits interventions delivered in British Columbia has been relatively stable since 2002/03. In 2006/07, 22,381 interventions were delivered, compared to 22,439 in 2005/06, for a decline of just 0.3%. There was, however, a change in the mix of interventions delivered. In support of efforts to address shortages in apprenticeships and in skilled trades, SD-Apprentices rose 19.8%. These interventions have increased every year since 2002/03. In contrast, TWS decreased for the fourth consecutive year. Tighter labour market conditions have prompted British Columbia employers to hire less qualified individuals than in the past, and employers are electing to train employees on the job in order to expand their staff complement quickly. Total expenditures for Employment Benefits decreased 1.3%, falling from \$176.0 million in 2005/06 to \$173.7 million.

10.2 Employment Services

Overall, 106,631 Employment Services interventions were delivered. That was a decrease of 7.5% from the total of 115,320 delivered in 2005/06. Specialized services were implemented under EAS to assist clients facing multiple employment barriers. Because the required interventions tended to be longer term and more costly than interventions for other types of clients, expenditures for Employment Services rose 3.9% to \$111.4 million. Several areas streamlined services by shifting to multi-year agreements under EAS and other measures.

11. Northwest Territories

The Northwest Territories experienced strong economic growth in 2006/07. The territory reported that growth and labour demand continued to be strong across a number of sectors, including the mining, oil and gas sector, as well as the manufacturing, construction, retail, tourism and

Northwest Territories Key Facts

Transfer Agreement

Labour Market

15 Years +	2006/07	Change, 2005/06– 2006/07
Employment	22,800	0 –
Unemployment Rate	5.1%	0.0 –

Client Type and Age Distribution

Active	Former	Non-Insured
53.9%	14.4%	31.8%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
24.1%	70.5%	5.4%

Intervention-to-Client Ratio

Ratio, 2006/07	Change, 2005/06 – 2006/07
1.30	0.10 ↑

Intervention and Expenditures % Change, 2005/06 – 2006/07

	Employment Benefits	Employment Services
New Interventions	7.5% ↑	100.0% ↑
Expenditures	6.3% ↑	12.5% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2006/07	Percentage Point Change, 2005/06– 2006/07
Employment Benefits	45.0%	55.0 ↓
Employment Services	55.0%	55.0 ↑

Clients Served, 2006/07

EI	Pan-Canadian
592	279

transportation sectors. Investment in non-renewable resources increased during the year, particularly in diamond mining. Examples of large existing projects that will continue for the next two to three years include the Gahcho Kue and Jericho diamond mines, the Mackenzie gas pipeline, the Tamerlane zinc mine, the Talston River hydro dam and the Mackenzie River bridge. Employment levels in the Northwest Territories remained the same in 2006/07, leaving the unemployment rate unchanged at 5.1%. A significant barrier to employment for residents continued to be education and skills levels, and in-migration is expected to continue in relation to large projects. Northern businesses experienced a major challenge in hiring qualified workers, and severe labour shortages persisted in some occupations.

The top priorities for employment programming in the Northwest Territories in 2006/07 were to build essential skills, provide skills upgrading, support training on the job and assist apprentices in obtaining certification. Other priorities included supporting youth in obtaining employability skills and providing employment-related services to unemployed workers.

In 2006/07, 592 individuals accessed programming similar to EBSMs, and participated in 769 new interventions. Employment programming expenditures increased 7.9% to \$2.6 million, up from \$2.4 million reported in 2005/06.

11.1 Employment Benefits

There were 346 Employment Benefits interventions delivered in the Northwest Territories in 2006/07. That was an increase of 7.5% from the 322 interventions delivered the previous year. The need for apprenticeship training continued to increase in the Northwest Territories, as economic conditions improved. Employment Benefits expenditures increased to \$1.9 million, up from the \$1.7 million reported the previous year.

11.2 Employment Services

In 2006/07, Employment Services interventions were recorded for the first time in the Northwest Territories. Increased capacity in regional offices resulted in greater Employment Services activity and improved data capture. There were 423 Employment Services interventions delivered in 2006/07. Employment Services expenditures rose 12.5% to \$702,000, up from \$624,000 the previous year.

12. Yukon

In 2006/07, the unemployment rate in Yukon was 4.4%. That was the lowest unemployment rate recorded for Yukon since the data series for Yukon began in 1992. However, the 2006/07 decline was due to a slight decrease in the labour force participation rate, as employment also declined slightly.

Employment priorities for Yukon included addressing projected gaps in skilled trades occupations through continued support of apprenticeship training; providing job search services to unemployed individuals, including specialized service to youth, people with disabilities and the francophone population; and providing programming for individuals whose primary barrier to the labour market is a lack of work experience.

In Yukon, 582 individuals accessed EBSMs in 2006/07, an increase of 31.7% from 2005/06. The number of new interventions rose 38.5% to 651. EBSM expenditures totalled \$3.8 million, an increase of 1.2% over the previous year.

12.1 Employment Benefits

A total of 248 Employment Benefits interventions were delivered in Yukon in 2006/07. This was an increase of 12.2% from the previous year, when 221 interventions were delivered. The number of JCPs interventions rose from 3 in 2005/06 to 13 in 2006/07. Yukon identified this Employment Benefit as the primary measure to address skills needs associated with the 2007 Canada Winter Games, particularly for clients with a specific work opportunity at the Games. In line with Yukon's goal to provide support for apprenticeship training, the number of SD-Apprentices interventions increased by 10.5%. Expenditures for Employment Benefits rose to \$2.6 million, which was 2.4% higher than the \$2.5 million reported last year. Costs associated with skills development and apprenticeship training increased, which accounted for the increased expenditures. The number of SE interventions decreased for the third consecutive year. Interest in self-employment declined as Yukon's labour market generated increased employment opportunities.

Yukon Key Facts		
Co-Managed Agreement		
Labour Market		
15 Years +	2006/07	Change, 2005/06– 2006/07
Employment	15,325	150 ↓
Unemployment Rate	4.4%	0.7 ↓
Client Type and Age Distribution		
Active	Former	Non-Insured
56.7%	16.0%	27.3%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
26.2%	63.1%	10.7%
Intervention-to-Client Ratio		
Ratio, 2006/07	Change, 2005/06 – 2006/07	
1.12	0.06 ↑	
Intervention and Expenditures % Change, 2005/06 – 2006/07		
	Employment Benefits	Employment Services
New Interventions	12.2% ↑	61.8% ↑
Expenditures	2.4% ↑	1.2% ↓
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2006/07	Percentage Point Change, 2005/06– 2006/07
Employment Benefits	38.1%	8.9 ↓
Employment Services	61.9%	8.9 ↑
Clients Served, 2006/07		
EI	Pan-Canadian	
582	205	

12.2 Employment Services

The number of Employment Services interventions delivered in Yukon rose from 249 in 2005/06 to 403, an increase of 61.8%. This increase reflected the high priority assigned to delivering specialized services to address the complex needs of unemployed individuals. While labour market conditions in Yukon have improved over the last few years, individuals who remain unemployed still face significant barriers to employment. Accordingly, the number of Individual Counselling interventions rose from 26 in 2005/06 to 191, accounting for most of the increase in Employment Services interventions. At the same time, expenditures for Employment Services fell to \$1.2 million, down 1.2% from \$1.3 million in 2005/06. A major Employment Services agreement was streamlined during the year, which accounted for this decline.

13. Nunavut

In Nunavut, employment increased by 850 in 2006/07. The unemployment rate fell to 10.3%, down from 12.4% in 2005/06.¹³ The number of unemployed people declined by only 0.1%, as emerging opportunities did not match the education and skills level of Nunavut's predominantly young work force. The territory reported that employment grew in a number of sectors, including mining, construction, and hospitality and tourism.

Nunavut's top priority for employment programming in 2006/07 was to address the need for essential skills and apprenticeship training in the territory. In addition, emphasis was placed on addressing skills shortages in trades occupations, particularly in the mining industry. It has been estimated that as many as 1,500 jobs in Nunavut's mining industry could be created over the next 10 years, employing 12% of the territory's work force.¹⁴ As a result, the Mine Training Initiative was announced in spring 2007 to develop and deliver targeted training to address short- and medium-term human resource needs in Nunavut's minerals industry.

During 2006/07, 477 individuals accessed programming similar to EBSMs and participated in 499 new interventions. That represented a decrease of 6.8% in the number of clients from the previous year and a decrease of 18.1% in new interventions delivered. Employment programming expenditures increased by 49.2% in 2006/07 to \$2.6 million, compared to the previous year, when they were \$1.8 million.

13.1 Employment Benefits

There were 217 Employment Benefits interventions delivered in 2006/07, an increase of 6.9% from the previous year, when 203 interventions were delivered. Emphasis was placed on the use of SD to provide literacy, essential skills and apprenticeship training, as well as occupational skills training, particularly in the high-growth heavy equipment operator occupation. There was a shift in funding from TWS and SE to SD-Regular and SD-Apprentices, as emphasis was placed on pre-trades and apprenticeship programming to meet the needs of the construction and mining industries. Expenditures increased by 53.2% to \$2.5 million, up from \$1.6 million reported last year. This rise was attributed to the high cost of supporting individuals to participate in out-of-territory training, due to the lack of infrastructure and equipment in Nunavut. Planning continued for the development of a trades training facility in Rankin Inlet.

13.2 Employment Services

There were 282 Employment Services interventions delivered in Nunavut, a decrease of 30.5% from the previous year, when 406 interventions were delivered. This decrease was due in part to reduced client traffic caused by the relocation of a key service delivery organization, the Baffin Business Development Centre. Expenditures increased by 4.4% to \$153,000, up from \$147,000 last year.

¹³ Statistics Canada, *Labour Force Information*, March 11–17, 2007, p. 48 (Cat. no. 71-001-XIE2007003). "Since 2004, the Labour force survey [sic] has been administered in Nunavut, using an alternative methodology that accommodates some of the operational difficulties inherent to remote locales. These estimates are not included in national totals. Nunavut data are only for the 10 largest communities in Nunavut, representing about 71% of the population." (Statistics Canada, 2007)

¹⁴ Nunavut Mining Symposium, April 2007, <http://www.nunavutminingsymposium.ca/schedule/Program.pdf>.

**Nunavut
Key Facts**

Transfer Agreement

Labour Market

15 Years +	2006/07	Change, 2005/06– 2006/07
Employment	8,450	850 ↑
Unemployment Rate	10.3%	2.1 ↓

Client Type and Age Distribution

Active	Former	Non-Insured
33.8%	23.5%	42.8%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
28.4%	70.4%	1.2%

Intervention-to-Client Ratio

Ratio, 2006/07	Change, 2005/06 – 2006/07
1.05	0.14 ↓

**Intervention and Expenditures
% Change, 2005/06 – 2006/07**

	Employment Benefits	Employment Services
New Interventions	6.9% ↑	30.5% ↓
Expenditures	53.2% ↑	4.4% ↑

**Employment Benefits and Services
Change in Relative Share**

	Relative Share, 2006/07	Percentage Point Change, 2005/06– 2006/07
Employment Benefits	43.5%	10.2 ↑
Employment Services	56.5%	10.2 ↓

Clients Served, 2006/07

EI	Pan-Canadian
477	174

Modernization and Transformation of Service Delivery

- Under the Automated Claims Processing (ACP) initiative, 95% of claims were registered—and 171,000 (31.5%) of renewal claims and 21,000 initial claims were processed—without manual intervention for faster, more accurate payments and improved client service
- 20,669 new businesses were registered for ROE Web, a Web-based system for filing Records of Employment (ROEs)
- Employers produced 1,984,942 ROEs using electronic ROE products: ROE Web and ROE SAT (Secure Automated Transfer, a secure communication line for submitting unlimited ROE data)

Towards an Integrated Service

- My Employment Insurance Information On-Line was expanded with links to other programs and services
- 24 million ROEs were migrated from four mainframe computers across Canada into a single database
- 28 million ROEs are now electronically accessible to ACP, permitting faster processing of Employment Insurance (EI) claims
- Large regional “clusters” shared claims processing to maximize capacity and to deliver a more standardized and timely service

Volumes

- 2.7 million initial and renewal EI claims were processed¹
- 2.1 million claimants filed their applications via Application for EI Benefits on the Internet
- 99.2% of claimants used electronic reporting services—the Telephone Reporting Service and the Internet Reporting Service (a web-based, bi-weekly reporting tool)—to complete 17.5 million reports
- 79.8% of claimants chose to receive their payments by direct deposit
- Insurance Telemessage, an automated information service, answered 15.1 million client enquiries
- EI call centre employees responded to 6.1 million calls
- 87.1% of all appeals to Boards of Referees were scheduled to be heard within 30 days of receipt of the appeal letter
- The EI Program was delivered through 587 points of service, as well as via telephone and the Internet

I. Context

The official launch of Service Canada in September 2005 marked the beginning of a new era in the Government of Canada’s strategy to deliver programs and services, including the EI Program, to citizens via a one-stop service delivery network. For EI claimants, Service Canada provides easy-to-access service that is just a click, a call or a visit away. Claimants can now access previous and current claim information online. New online links connect them to other programs and services they may find useful. Information is also available 24 hours per day via the automated telephone service and during business hours from call centre staff. Clients who do not have online access can visit Service Canada Centres. For employers, the move to ROE Web eliminates paper burden; the ROE Web Business Service Centre help desk provides assistance. Further improvements to electronic services for claimants and businesses are planned.

In 2006/07, Service Canada continued to focus on better meeting Canadians’ needs and expectations by making programs and services even more client centred, seamless, timely and accessible through multiple channels. This process has been two-fold:

- modernizing benefit and service delivery by enhancing electronic service offerings that are easy to access and simple to use; and
- evolving towards a more integrated service by bringing services and benefits of relevance to job seekers together in one place.

The vision includes making helpful information for job seekers conveniently available online so that they can more easily obtain the job they want.

Service Canada exceeded its target by ensuring that information and transactional services were available through electronic channels to clients more than 99% of the time.

¹ Additional statistics are available in the Human Resources and Social Development Canada 2006–2007 Departmental Performance Report (Ottawa: HRSDC, November 2007), <http://www.tbs-sct.gc.ca/dpr-rmr/2006-2007/inst/csd/csd00-eng.asp>.

II. Transformation of Service Delivery

1. Service Transformation

A number of service transformation initiatives were undertaken to improve the quality, speed and accessibility of EI program services. In keeping with its citizen-centric view of client service, Service Canada has leveraged advances in telephony while promoting Internet services to deliver an end-to-end electronic client service experience. Service Canada provides integrated one-stop information to workers who have lost their job.

2. EI Services to Individuals

2.1 Information and Enquiries

My Employment Insurance Information On-line (MEIIO) enables clients to receive information on their current and previous EI claims via the Internet. It allows them to change their mailing address, telephone number and direct deposit banking information. In addition, MEIIO provides clients with links to other electronic services, such as the Internet Reporting Service (IRS). In 2006/07, 18.4% of clients used MEIIO to obtain information on their claim.

Client information is also available via the automated 24-hour telephone information system and via service delivery representatives, who provide telephone and in-person service during business hours. Service delivery representatives in EI call centres answered 6.1 million calls in 2006/07.

All call centres that deliver the EI Program across Canada provide the same hours of service: Monday to Friday, 8:30 a.m. to 4:30 p.m. local time.

2.2 Application for Benefits

To claim EI benefits, a person must complete an application. The online Application for Employment Insurance Benefits has become the channel of preference for claimants. Since the online application's inception in 2002, its use has steadily increased from 17% in the first year to 95% of all new claim applications in 2006/07.

In 2006/07, 2.1 million claimants filed their application via the Internet. Of the 2.1 million claims received electronically, 38% of clients used the Citizen Access Workstation Service (CAWS) located in Service Canada points of service and 62% did so from external locations.

2.3 Bi-Weekly Reporting and Payment

To receive EI benefits, claimants—other than those receiving maternity, parental or compassionate care benefits—must complete and submit bi-weekly reports confirming their availability for work, hours worked and monies received.

Clients can submit their reports via the Internet, by telephone or by mail. Service Canada encourages the use of its electronic reporting services: the toll-free Telephone Reporting Service (TRS) and the Internet Reporting Service.

The new TRS was implemented on March 6, 2007, with enhancements to address integrity concerns and to increase the number of claims the automated system can handle, thus reducing the number of calls to agents. In addition, clients can now report earlier on Fridays; this extension has helped shift the call demand from Mondays.

A Saturday service pilot program was introduced, from January 20, 2007 to March 31, 2007, with some call centres open on Saturdays. This pilot program was successful in further reducing call demand during the week. The Saturday service pilot for EI also improved service levels, increasing them by 20% during the pilot period. As a result, five core EI call centres now support Saturday service on an ongoing basis: Vancouver, Montreal, Shawinigan, Sudbury and Glace Bay. These centres were chosen as they support time zone coverage and bilingual capacity. Other call centres, such as St. John's, Edmonton and Toronto, also provide ad hoc support to Saturday service during peaks.

In combination with direct deposit, these electronic services provide faster and more reliable payment for clients than traditional paper processes do. They also reduce printing and mailing expenses, allowing for a more efficient and effective reporting process. The percentage of payments made via direct deposit levelled out at 79.8% in 2006/07.

2.4 Claims Processing

In 2006/07, claims processing was streamlined by merging the workload from 121 local centres in 75 regionally managed centres. Two of the smaller regions, Saskatchewan and Manitoba, became one claims processing region. This approach maximized processing capacity by ensuring a more constant, standardized and flexible use of resources. As a result, a citizen in Winnipeg, for example, was no longer limited to using processing agents in Winnipeg but could now count on a greater pool of processing agents in locations that included Brandon, Saskatoon and Regina.

In addition, the Automated Claims Processing (ACP) initiative continued to improve service for clients. ACP mimics current manual processes, but it allows citizens to have their claims finalized and paid much more quickly and efficiently.

Successful automation of new claims was dependent on the availability of electronic Record of Employment (ROE) data. The employer community provides these data, which are used to determine eligibility, benefit rate and duration of a claim. In May 2006, the first initial claim was automated using a Web ROE; by March 2007, the total number of initial claims processed electronically had reached 21,000.

To further support ACP activities, all ROE data were harmonized into a single ROE database in 2006/07. As a result, ACP gained immediate electronic access to 28 million ROEs rather than the previous 2.4 million, thereby substantially increasing the volume of claims that can be automatically processed.

3. EI Services to Businesses

To streamline payment of EI benefits in a timely and accurate manner, Service Canada works with employers, payroll service providers and payroll software vendors to provide for electronic filing of ROEs and payroll information. ROE Web, a web-based reporting system for filing ROEs, facilitates electronic business-to-government transactions over the Internet. The system permits the acceptance of secure web-based transmissions of ROE data from employers, using public key infrastructure technology that provides authentication, encryption and digital signature of the transactions.

In consultation with all stakeholders, a strategy was developed and implemented to phase out the ROE laser print technology. Users were advised of a transition period and given a final date of April 2008. At the same time, they were invited to convert to ROE Web, an application that offers more advantages to employers, such as reduced paper burden and data entry workload, as well as the convenience of Internet technology.

The ROE Web Business Service Centre help desk in Bathurst assists employer clients with technical issues related to ROE Web. In 2006/07, the help desk responded to 140,730 calls from employers, providing assistance on various issues such as registration for ROE Web, as well as ongoing technical support.

By the end of March 2007, 56,935 businesses had registered for ROE Web, including 20,669 new businesses, and employers had submitted a total of 1,984,942 ROEs electronically. With the implementation of new releases, feedback from these businesses has been positive. It indicates that tangible benefits have accrued, outweighing any costs of support on businesses' local networks. An independent 2006 survey by Decima Research on awareness and use of ROE Web rated the overall service impression as high. In addition, 87% of ROE Web users said the product provides excellent or good business value.

The goal for 2007/08 is to continue improving the existing service, in addition to adding new functionalities and promoting the service to businesses. The majority of school boards in Canada have signed up for ROE Web. Service Canada has established a strong partnership with the business community including payroll service providers, payroll software vendors and stakeholders.

The Paperwork Burden Reduction Initiative (PBRI) is a public-private sector partnership with the target of reducing by 20% the costs of paperwork and regulatory compliance for business by November 2008. Service Canada fully supports the government's priority of reducing the paper burden on small and medium-sized business, and it is committed to finding practical ways to improve service delivery to citizens. ROE Web is one of those ways. ROE Web eliminates the need to order or store paper ROEs, keep copies on file or send copies to Service Canada. That saves employers time and money in administration, storage and postage.

4. Premium Reduction Program

The Premium Reduction Program (PRP) was introduced through legislation in 1971, when sickness benefits were initiated for unemployment resulting from illness, injury, disability and pregnancy. Many employers had similar sickness and disability benefit coverage for employees under group plans. As those plans would yield savings to the EI Program, it was decided to provide a means of returning these savings to employers and their employees.

EI premium reductions are granted because private wage-loss replacement plans, also known as disability income insurance, substitute for EI sickness benefits. Accordingly, when replacement plans qualify, employers' and employees' premiums are reduced. The reductions are

set to match the EI savings for sickness benefits, determined through actuarial estimates, approved each year by the EI Commission.

Employers share five twelfths of their EI premium reduction in cash or in kind with their employees. Currently, 32,398 employers participate in the PRP and over 40% of insured workers, or about 6 million individuals, are covered by a registered plan.

5. Appeals of Employment Insurance Decisions

Through the EI appeals process, claimants and employers can go before an independent, external authority to challenge an administrative decision that they believe was made in error or with which they are dissatisfied. There are two levels of appeal under the *Employment Insurance Act*: a Board of Referees and the Umpire. Further recourse is available at the Federal Court of Appeal and, finally, at the Supreme Court of Canada.

A Board of Referees is an independent, impartial tribunal. Each three-member panel consists of a chairperson appointed by the Governor-in-Council, a member appointed by the Commissioner for Employers and a member appointed by the Commissioner for Workers. Approximately 900 part-time board members hear appeals in 83 board centres across Canada.

In 2006/07, Boards of Referees heard 21,688 appeals; 87.1% of the appeals were scheduled on a hearing date that fell within 30 days of receipt of the appeal notice. Boards' decisions are normally issued within seven days of the hearing. Approximately 25% of the cases heard by the boards resulted in a reversal of the department's decisions.

Claimants, employers, claimant and employer associations, and the EI Commission can appeal a Board of Referees decision to the Umpire, an independent, administrative tribunal. Some 20 to 40 Federal Court judges or retired provincial Superior Court judges sit alone as Umpires and hear cases across Canada.

In 2006/07, 1,759 client appeals were filed with the Umpire; the department prepared and sent 99.6% of the client appeal dockets to the Office of the Umpire within 60 days of receipt of the appeal notice. The EI Commission filed 555 appeals with the Umpire. Approximately 19% of the Umpire's decisions were favourable to the client.

Claimants, employers and the EI Commission can seek judicial review of an Umpire's decision at the Federal Court of Appeal. In 2006/07, the Federal Court of Appeal rendered 44 decisions on cases related to EI benefits; 16% of those decisions were favourable to the client.

In 2006/07, a new integrated national training curriculum was implemented for Board of Referee members. The curriculum was developed in collaboration with the EI Commissioners, a Board of Referees Advisory Group and an independent legal training firm. The training is delivered by accredited trainers and external consultants and covers a wide range of topics, including knowledge of the EI legislation, hearing skills, decision-writing skills, principles of natural justice and diversity awareness. This training helps to ensure that Board of Referee members apply the law correctly, conduct fair hearings for clients, and write well-reasoned, clear decisions.

III. Quality

1. Payment and Processing Accuracy

The accuracy rate of EI benefit payments is measured by the results of the National Payment Accuracy Review (PAAR). The PAAR determines the "most likely" value of incorrectly paid benefits and is used to improve program delivery and sustain program integrity. The Office of the Auditor General relies on this work.

After significant increases in past years, the payment accuracy rate declined slightly from 95% in 2005/06 to 94.8% in 2006/07. This drop was mainly attributable to the increase in errors in the calculation of the benefit rate, linked to legislative changes. It is anticipated that these errors will decrease as simplified claims processing measures, introduced in November 2006, continue to be implemented. For the second consecutive year, claimant and employer errors decreased.

The EI processing accuracy rate refers to the level of compliance with legislative instruments in claims processing activities. It is measured by the results from the PAAR, which also identifies areas for improvement in processing. A new processing accuracy indicator (80% objective) was implemented in 2005/06, to measure the percentage of initial claims “in order.” With the active participation of the regions, the processing accuracy rate climbed from 72% in 2005/06 to 80.7% in March 2007. An action plan, established annually, will ensure continued improvement.

Also, the three-year National EI Quality Assurance Plan (2003–2006) has been completed. The Plan was introduced to address recommendations resulting from a 2002 audit by Internal Audit and Risk Management Services and from the Office of the Auditor General’s 2004 Report. The latter report recommended that the department “review the implementation process to ensure that the quality initiative produces fully reliable information.”

Service Canada has committed to providing high quality, consistent service to clients. In response to the Auditor General’s observation that Service Canada did not have a quality program for EI call centres, it developed a robust National Quality Assurance Program (NQA) for the 11 EI call centres, as well as the call centres delivering both EI and other programs, such as the Canada Pension Plan (CPP). This program will establish a single, uniform, organization-wide definition of quality and approach to measuring and achieving quality targets in call centres. The call centres will be able to measure the current level of service with a view to consistent improvement in all locations.

2. Insurability

The Minister of National Revenue is authorized to administer Part IV (Insurable Earnings and Collection of Premiums) and Part VII (Benefit Repayment) of the *Employment Insurance Act*. They govern a range of activities, including the following:

- issuing rulings to HRSDC and the public in instances where the insurability of employment, earnings or hours is in question;
- making decisions on appeals of rulings and assessments;
- raising assessments against employers for outstanding premiums;
- collecting outstanding amounts from employers;

- processing information returns;
- processing remittances from employers;
- responding to enquiries related to the collection of premiums; and
- maintaining systems required to support the above activities.

Of all the above activities, the issuance of rulings by the Canada Revenue Agency (CRA) has the most impact on claims for EI benefits. In situations where a claim for benefits has been filed and there are doubts as to the insurability of employment, earnings or hours, the department can request a ruling from CRA to ensure that the claimant will receive the amount of EI benefits to which he or she is entitled. When payment of a claim is pending the issuance of a ruling, CRA has 15 calendar days in which to issue the ruling. In addition, members of the public and CRA employees can request rulings directly. These requests are made to confirm whether EI premiums should or should not have been withheld, either for purposes of raising an assessment for outstanding EI premiums or refunding EI premiums that have been paid in error.

In 2006/07, Service Canada requested 15,073 rulings from CRA. That marked a decline of about 13% from 2005/06. CRA also received 17,969 requests directly from the public and another 16,654 requests from within CRA.

IV. Integrity

HRSDC takes a balanced approach to detection and prevention activities. While detection activities and systems—such as the Computer Post Audit, Report on Hirings and Automated Earnings Reporting Systems—are important, HRSDC has increased its focus on education and prevention activities such as Claimant Information Sessions, resulting in less misuse and improved total savings.

The Integrity Program remains focused on prevention and effective risk management. Through information sessions, meetings with employers, brochures, the HRSDC Web site and other means, it informs claimants, employers and the general public about EI requirements and the consequences of abusing the EI system, such as penalties or prosecutions.

In 2006/07, HRSDC held 8,853 information sessions, which 98,270 claimants attended. It also conducted 773,465 investigations, which resulted in a total of \$187 million in savings for the EI fund. HRSDC conducted an additional 9,100 investigations on possible misuse of the Social Insurance Number.

1. Integrity Quality Initiatives

The Auditor General noted that the quality of investigation and control activities was inconsistent in different regions. That made it difficult to compare quality across regions.

In 2004/05, a national Quality Unit was established to guide the revitalization of the national quality management function. It evaluates and enhances the quality of investigative functions, and works with regional offices to identify program risks and implement mitigating strategies. Monitoring visits to help regions meet their goals and improve operational performance continued this year. In 2006/07, unit staff visited Quebec, Prince Edward Island and New Brunswick. These visits will continue to take place regularly every year.

2. Risk Management

Given the large scale of the EI Program, Canadians expect sound stewardship and accountability for its integrity. Service Canada is responsible for ensuring that the right amounts of EI benefits go to the right recipients for the intended purpose. In her report, the Auditor General indicated that HRSDC should base its objectives for savings from integrity activities and programs on two factors: an assessment of compliance risks; and the Integrity Program's expected results for detecting and deterring non-compliance by claimants, employers and third parties with the *Employment Insurance Act* and Regulations.

To address that concern, in 2006/07 the Integrity Program continued to emphasize the use of risk management strategies in investigations to improve overall program integrity and to ensure that the correct payments go only to eligible claimants. It also created the Risk Management Directorate within the Integrity Services Branch.

The Risk Management Directorate oversees four broad areas of responsibility:

- integrity-related policies (such as the integrity framework, and values and behaviours for the organization and employees);
- integrity risk management policies (such as risk identification and management tools and processes);
- quality management policies and frameworks (for risks related to quality management issues); and
- quantitative risk analysis (such as analysis of emerging risk issues and the effectiveness of existing measures).

V. Conclusion

Fiscal 2006/07 was a significant year for the EI Program. The program made considerable progress in the modernization and transformation of service delivery by expanding electronic initiatives such as the following:

- ACP, which automates and streamlines various aspects of claims processing, resulting in faster and more accurate payments for claimants; and
- ROE Web, a web-based system for filing ROEs that offers employers the advantages of alleviating paper burden and data entry workload.

At the same time, program delivery evolved towards a more integrated approach. For example, there are now links on the Web site to other programs and services that may be useful to clients. Service Canada continues to strive to improve the delivery of the EI Program to Canadians in ways that meet their needs.

Chapter 5 Impacts and Effectiveness of the Employment Insurance Program

This chapter analyzes the impact and effectiveness of Employment Insurance (EI) for individuals by examining both access to and adequacy of benefits. The analysis also examines the EI Program's effect on work force attachment, the impacts of Employment Benefits and Support Measures (EBSMs), and the program's role in the workplace.

The main findings and methodologies of the research studies cited in this chapter are outlined in greater detail in Annex 5.

I. EI and Individuals

As indicated in chapters 2 and 3, there were 1,777,870 new EI claims for income support in 2006/07, compared to 1,827,300 in the previous fiscal year, which represents a decrease of 2.7%. Also, more than 618,000 individuals participated in EBSMs¹ (-1.5% compared to 2005/06). This section assesses the impact and effectiveness of EI from the individual's perspective by examining both the accessibility and adequacy of the EI Program.

A. ACCESS TO AND ELIGIBILITY FOR BENEFITS

The EI Program provides temporary income support and assistance to Canadians during periods of unemployment. It is a social insurance program that pays benefits to replace lost income for those who have made contributions to the Program for a specified period. To be eligible for regular EI benefits, an individual must have contributed to the Program; be available for work after the termination of employment, which must not have been for cause or due to a voluntary quit;² and meet regional entrance requirements with a sufficient number of hours of insurable work in the

last year. The minimum number of hours required depends on the regional unemployment rate. The hours required are higher for workers who have entered the labour market for the first time (new entrants) and those who have limited work experience in the last two years (re-entrants). These two groups are known collectively as NEREs.³

1. Unemployed Population

Statistics Canada's Employment Insurance Coverage Survey (EICS) provides an array of information on eligibility for the EI Program and can be used to calculate a number of measures.⁴ A summary of the various EICS eligibility measures is presented in Chart 1, Table 1 and Annex 5.

The EICS estimated there were an average of 1,039,400 unemployed people in Canada in 2006⁵ (shown as U in Chart 1). Unemployment has declined steadily in recent years, consistent with sustained job growth over the period. The EICS also estimated that among the unemployed in 2006, 706,800 had been EI contributors (UC in Chart 1). This represents 68.0% of all unemployed people, while the remaining 32.0% had not contributed to the program through premiums. The latter group comprised people who had been self-employed, who had been unemployed for

¹ Since most Employment Benefits and Support Measures (EBSMs) participants also collect Part I income benefits, adding these numbers would overstate the total number of individuals benefiting from the program.

² Section 29 of the *Employment Insurance Act* identifies 13 specific circumstances that constitute just cause for voluntarily leaving employment. Just cause for voluntarily leaving employment is not limited to the situations currently defined in the Act. Jurisprudence has shown there to be 40 main reasons deemed just cause for voluntarily leaving employment. Within the terms of the Act, just cause for voluntarily leaving employment exists where, given all circumstances, the claimant had no reasonable alternative to leaving employment.

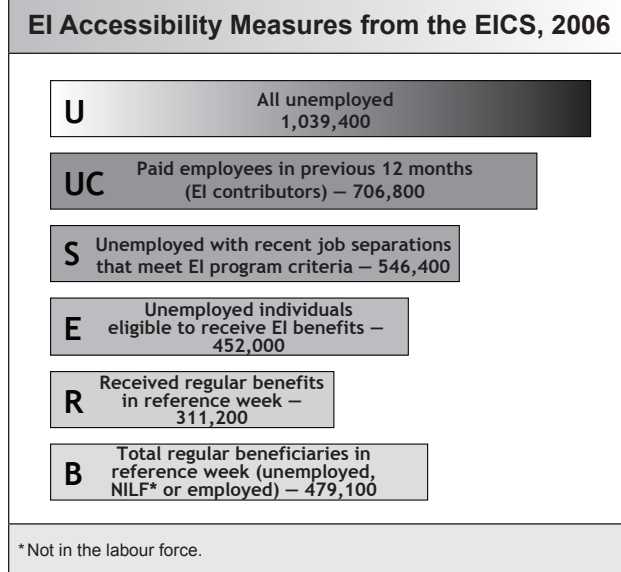
³ An individual who has received at least one week of maternity or parental benefits in the last five years is not a new entrant or re-entrant.

⁴ Statistics Canada, *Employment Insurance Coverage Survey* (Ottawa: Statistics Canada, 2007).

⁵ The Labour Force Survey (LFS) estimate was an average 1,107,900 unemployed people for 2006.

more than 12 months or who had never worked. The proportion of the unemployed who had been contributing to EI has been fairly stable over the last five years.

Chart 1



Unemployed contributors who also had a recent job separation that met EI program criteria numbered 546,400 (S in Chart 1), representing 52.6% of the unemployed (S divided by U). Since eligibility for EI depends on recent contributions to the Program and on the type of job separation, the remaining 47.4% of unemployed people fell outside the existing program parameters.

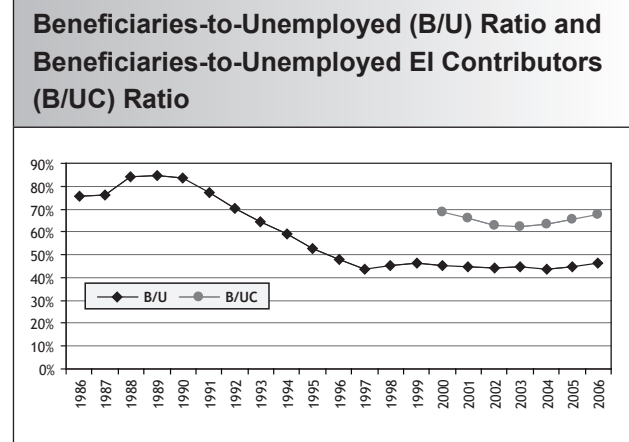
The number of unemployed individuals eligible to receive EI benefits (E) divided by the number of unemployed with recent job separations that met EI program criteria (S), provides the best indication of the ability of individuals to accumulate sufficient hours of insured work to meet EI entrance requirements, given existing program parameters for access. In 2006, among unemployed individuals who had been contributors and had a recent job separation that qualified under the EI Program, 82.7% were eligible to receive EI benefits. This proportion has been relatively stable in recent years. The remaining 17.3% had worked too few insurable hours to qualify for benefits, representing 94,400 unemployed.

For a number of years, access to EI has also been broadly measured using the beneficiaries-to-unemployed

(B/U) ratio.⁶ Past reports have documented its limitations; still, the B/U ratio has the advantage of simplicity and historical availability.

Since 1997, the B/U ratio has tended to be around 45.0% and was 46.1% in 2006 (See Chart 2).

Chart 2



The B/UC ratio is a modification of the B/U ratio in which the number of unemployed is replaced by the number of unemployed who had been paying EI premiums in the previous 12 months. In 2006, the B/UC ratio was 67.8%, up from 63.1% four years earlier.

Hours-based eligibility for EI is determined by work patterns. EI eligibility for some sub-groups is presented in Table 1, based on the number of unemployed individuals eligible to receive EI benefits, divided by the number of unemployed individuals with recent job separations that met EI program criteria. As mentioned earlier, the eligibility rate for all unemployed individuals with a recent job separation that qualified under the EI Program was 82.7% in 2006. As shown in Table 1, the eligibility rate in 2006 for youth (aged 15–24) with a recent job separation that qualified under EI was lower than for much of the rest of the population, at 47.0%. Youth are more likely to have worked in part-time or temporary jobs that provide fewer hours of insurable employment. Also, the eligibility rate for adult men with a recent job separation that qualified under EI was 91.5%, compared to 85.4% for adult women.

⁶ Historical B/U ratios are recalculated each year and may vary from past calculations when historical revisions are made to the LFS. EI administrative data on the number of regular beneficiaries can also be obtained from Statistics Canada, CANSIM Table 276-0001.

Table 1

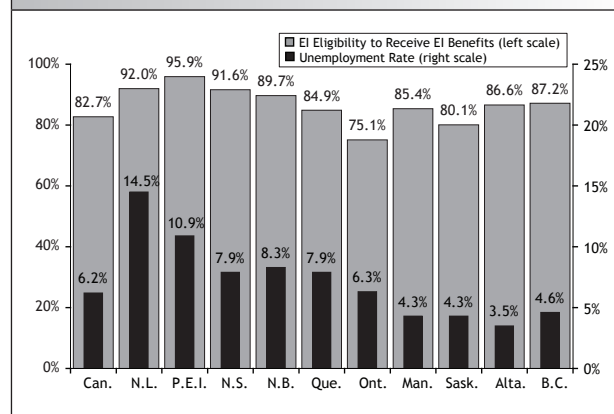
Eligibility Measures from the EICS				
	2006 (%)	2005 (%)	2004 (%)	2003 (%)
B/U ratio	46.1	44.8	43.6	44.4
B/UC ratio	67.8	63.5	63.5	62.5
Eligibility rate for unemployed people with a recent job separation that qualified under EI	82.7	83.4	80.4	84.0
...for unemployed youth	47.0	49.8	48.5	60.8
...for unemployed adult women	85.4	87.2	82.3	84.7
...for unemployed adult men	91.5	90.2	89.6	91.6
...for people who had worked full time	86.7	90.4	87.6	91.9
...for people who had worked part time	53.8	43.1	42.8	51.4
...for people who had worked full and part time	68.9	77.3	80.5	78.2
...for immigrants	77.5	77.3	75.0	80.1

As described in Chapter 1, unemployment rates were at record low levels in 2006/07, with some variance in labour market performance across provinces and territories. The EI Program adjusts eligibility requirements and entitlement to reflect regional unemployment rates. As shown in Chart 3, eligibility for regular benefits among the unemployed who had been paying premiums and then had a recent job separation ranged from 75.1% in Ontario to 95.9% in Prince Edward Island in 2006. It should be noted that due to sample size, EICS estimates at the provincial level can fluctuate widely from year to year.

While the above sections analyze EI eligibility, it is also possible to measure EI receipt among unemployed people with qualifying separations (the unemployed who received regular benefits in the reference week divided by the unemployed with a recent job separation that met EI program criteria). This measurement is expressed as R/S. Receipt of benefits can differ from eligibility, since not all those who are eligible file a claim for benefits. In 2006,

Chart 3

Eligibility to Receive EI Benefits Among Unemployed with Qualified Separations, and Annual Average Unemployment Rate, by Province (EICS), 2006



among unemployed people with a recent job separation that met EI criteria, an average of 58.6% were receiving regular or special benefits during the reference week.

1.1 Immigrants

According to the EICS, among the unemployed population with recent job separations accepted under EI rules, immigrants' eligibility rate for regular benefits was 77.5% in 2006. In all but one year since 2000, immigrants have been somewhat less likely than Canadian-born workers to be eligible for EI benefits.

To better understand EI receipt among immigrants, HRSDC also conducted an analysis based on Statistics Canada's Longitudinal Immigration Database (IMDB). This database analysis shows, among other things, the proportion of immigrant⁷ tax filers with EI income among immigrant tax filers with employment earnings. Analysis indicates that for tax year 2004, few very recent immigrants received benefits. But, as Chart 4 indicates, access among immigrants increases within two to three years of landing, and then declines as the number of years since landing increases. Overall, immigrants tend to use the Program in a proportion slightly above that of all tax filers in Canada (15.1% versus 13.9%).

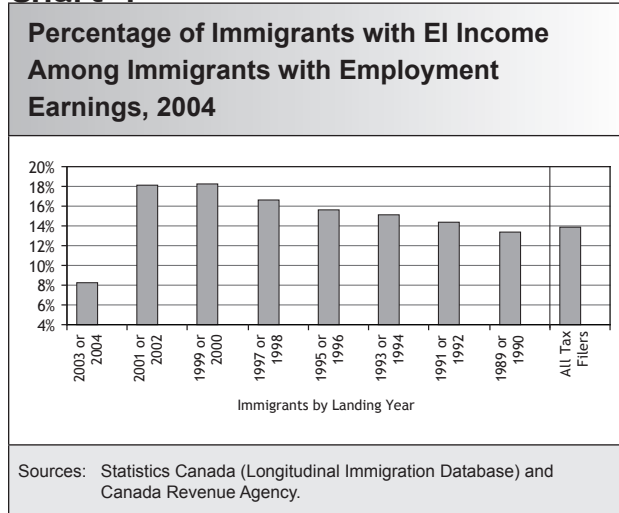
Analysis indicating this pattern of EI receipt among immigrants is supported by an HRSDC study⁸ that shows that immigrant workers who have lived in Canada for between 2 and 5 years are more likely than other workers

⁷ IMDB data are based on immigrants who are permanent residents of Canada.

⁸ HRSDC, *New Entrants/Re-Entrants and Immigrants* (Ottawa: HRSDC, Evaluation Directorate, forthcoming a).

to use EI while they build labour force attachment. Immigrant workers least likely to use EI are those who have lived in Canada for less than 2 years (new entrants) or over 10 years (among whom the rate of EI receipt is similar to that among Canadian-born workers). Immigrants who have lived in Canada for over 10 years have stronger labour market performance and earnings, making them less likely to need EI.

Chart 4



2. Employed Population

The main analysis of this section is based on the Survey of Labour and Income Dynamics (SLID),⁹ and an analysis of the hours worked by employees according to a hypothetical layoff scenario. The analysis measures whether employees laid off in December 2005 would have had sufficient insured hours to meet regional EI entrance requirements. Results of the simulation suggest that 87.7% of individuals who were working as employees would have had sufficient hours and could have qualified for benefits had they been laid off in December 2005. The remaining 12.3% would not have had enough hours of insured employment to meet the eligibility requirements for establishing an EI claim. Estimates of potential eligibility among the employed are higher than the estimates of eligibility among the unemployed, which are based on the EICS. This difference reflects the different characteristics and labour market experiences of those in ongoing employment and the unemployed.

Over recent years, the SLID indicator has remained fairly constant at around 88.0%, which shows that the

majority of employees have full-time, stable employment and that, as expected, qualifying for EI benefits would not be an issue. The proportion of individuals with sufficient hours to claim EI benefits was consistent across the country, with rates ranging from 86.3% in British Columbia to 90.5% in Atlantic provinces. The Prairies (87.4%), Quebec (87.6%) and Ontario (87.8%) had similar potential eligibility rates. In December 2005, potential eligibility was 88.0% for adult women and 94.3% for adult men, both increased from the previous year.

The EI Program has specific provisions for contributors who are unlikely to qualify for benefits. Individuals with insured earnings of less than \$2,000 are entitled to a refund of their EI premiums when they file an income tax return. According to Canada Revenue Agency data, in 2005, 1.1 million individuals were eligible for an EI premium refund, representing 7.0% of those in paid employment.

2.1 Job Separation and Record of Employment

There are approximately 8 million job separations per year in Canada. For each of these, the employer files a Record of Employment (ROE), which includes information on the reason for separation, such as being laid off, quitting one's job, being ill, returning to school or staying home to care for a newborn child. Not all job separations result in EI claims, since many job leavers are moving to other employment, while others separate for reasons that are outside the parameters of the EI Program.

In 2006, approximately 3 million job separations in Canada were layoffs. On average, individuals had worked slightly under 700 insured hours in the 52 weeks before these layoffs occurred.

As mentioned above, to qualify for regular benefits, workers must have accumulated a minimum number of hours in the year prior to becoming unemployed or since their last claim (whichever period is shorter). The hours required vary, depending on the unemployment rate at the time of the layoff. This provision is known as the Variable Entrance Requirement (VER). The VER ranges from 420 hours in regions where the unemployment rate is above 13.0% to 700 hours where the rate is below 6.1%.

In 2006, a larger proportion of laid-off individuals in high unemployment regions had accumulated enough hours to meet the VER than those in low unemployment

⁹ Constantine Kapsalis and Pierre Tourigny, *Potential EI Eligibility of Paid Workers in December 2005* (Ottawa: Data Probe Economic Consulting Inc., forthcoming b).

regions. When a region's unemployment rate was 13.1% or higher, 83.5% of laid-off workers would have met the VER of 420 hours. Meanwhile, the proportion of laid-off workers who would have met the VER of 700 hours when a region's unemployment rate was less than 6.1% was lower, at 65.5%. In these more favourable labour markets, there were likely more job opportunities and less need for EI benefits.

As reported in a forthcoming study,¹⁰ the proportion of job separations that occurred after sufficient hours had been accumulated to qualify for EI regular benefits declined between 1991 and 2006 as the unemployment rate declined. In 1991, when the annual average unemployment rate was 10.3%, an average of 81.7% of job separations occurred after sufficient hours to qualify for regular benefits had been accumulated. In 2006, the unemployment rate averaged 6.3% and 69.3% of ROEs reported hours that would have met the VER. Improved labour market conditions and increased job opportunities in 2006 meant unemployed individuals were more likely to find new employment quickly.

2.2 Youth

The new entrants and re-entrant (NERE) provision requires these individuals to work at least 910 insured hours, rather than the VER, before submitting a claim for EI, to ensure these workers remain in the work force longer before establishing a claim. Youth, of course, are more likely to be new to the labour force and thus be affected by the NERE provision. A recent study¹¹ finds that this provision appears to achieve its objective, resulting in an increase in the hours of work accumulated by the affected population. As expected, the study shows that NEREs are less likely to be eligible for or collect EI benefits than their non-NERE counterparts.

The study confirms that youth generally have less work experience and are more likely to work part time than workers aged 25 and over. Compared to adult NEREs, youth NEREs are less likely to qualify for and collect benefits, since they generally work fewer hours per week and spend fewer weeks on the job. Youth are also more likely to be laid off than members of other groups and are therefore more likely to have an insufficient number of hours to qualify for benefits.

Analysis based on data from the SLID indicates that in December 2005, 67.2% of all youth paid employees (17 to 24 years old) would have had sufficient hours of insured work to be eligible to receive EI benefits. While

youth represented only 15.0% of all employees, youth accounted for 37.5% of paid employees who were NEREs. According to the SLID, 42.3% of youth who were NEREs would have had sufficient insurable hours to receive EI benefits (more than 910 insurable hours). It is also noteworthy that among youth who were not NEREs, 89.9% would have had sufficient insurable hours to meet the VER in their region, which is similar to the rate for adults who were not NEREs. Results also indicated that full-time students accounted for 28.2% of paid employees who were NEREs, while they represented 10.2% of all paid employees. Finally, potential eligibility among youth part-time workers who were not NEREs was almost four times greater than among those who were NEREs (79.9% versus 21.4%).

2.3 Older Workers

The SLID analysis reveals that 87.7% of employees aged 55 to 69 could have qualified for EI benefits had they been laid off in December 2005. Most older workers have a strong and enduring attachment to the labour force, and thus are able to meet EI's hours-based requirements. The latest EICS data show among the employed aged 45 and over¹² who had been contributing to EI and then had a job separation accepted under the Program, 87.6% were eligible to receive benefits in 2006.

Older workers, meanwhile, are more likely to use all the EI benefits to which they are entitled. On average, in 2005/06, older workers received 20.9 weeks of regular benefits, down from 21.4 weeks in the previous fiscal year. This compares to an overall average of 19.0 weeks of regular benefits used by claimants. The proportion of older workers exhausting their regular benefits was 33.8%, compared to 28.0% for all claimants.

3. Access to Fishing Benefits

In recent years, fishing benefits have come to represent a smaller share of total EI benefits paid (1.8% of total income benefits paid in 2006/07, compared to 2.0% in 2005/06 and 2.3% in 2004/05). Still, fishing benefits continue to play an important role in providing support in fishing communities. Unlike other EI income benefits, fishing benefits are for the self-employed. Measuring hours worked by the self-employed would be difficult and onerous for claimants. Thus, access to fishing benefits is based on insured earnings, rather than hours worked.

¹⁰ HRSDC, *ROE-Based Measures of Eligibility* (Ottawa: HRSDC, Evaluation Directorate, forthcoming c).

¹¹ HRSDC, *Formative Evaluation of New Entrants and Re-Entrants (NEREs)* (Ottawa: HRSDC, Evaluation Directorate, forthcoming d).

¹² The EICS does not provide a breakdown for the 55 and over age group.

Following a decrease of 7.2% in 2005/06, the number of self-employed fishers receiving EI fishing benefits declined by an additional 7.0% in 2006/07, to 23,820. For the second consecutive year, the number of fishing claims also declined, particularly in Newfoundland and Labrador (-1,670 claims in 2006/07 or -11.4%), where most claimants of EI fishing benefits live. In 2006/07, fishers in Newfoundland and Labrador accounted for 40.8% of all fishing claims, down from 47.2% in 2004/05, when the number of claims for fishing benefits was at its highest.

Two separate qualifying periods exist during which a fisher can accumulate enough insured earnings to qualify for benefits. Some fishers are active in both qualifying periods, and may be eligible for up to 26 weeks of benefits twice per year. The number of fishers making two claims (multiple claimants) declined for a second consecutive year. In 2006/07, there were 7,840 fishers who were multiple claimants, a 5.8% decline from the previous year. Multiple claimants of fishing benefits represent about one-third of total fishers making EI claims.

In 2006/07, \$242 million was paid in fishing benefits, a 6.6% decline from the previous year. Total fishing benefits in British Columbia rose by 5.4%, but the 13.5% decline in Newfoundland and Labrador far outweighed this increase. There were smaller declines in fishing benefits paid in Nova Scotia (-3.4%), New Brunswick (-2.5%) and Prince Edward Island (-0.7%). These decreases were consistent with the overall reduced numbers of claims for fishing benefits during the year.

In 2006/07, there was a slight increase in average weekly fishing benefits (to \$381 per week), while the average duration of fishing claims remained relatively stable at 20.3 weeks. The share of claimants receiving the maximum weekly benefit increased only slightly from 64.3% in 2005/06 to 66.3% in 2006/07. Since a high proportion of self-employed fishers receive EI every year, a decline in the number of fishing claims combined with a slight increase in average weekly benefits would indicate that those who left the industry had lower than average wages.

4. Access to Special Benefits

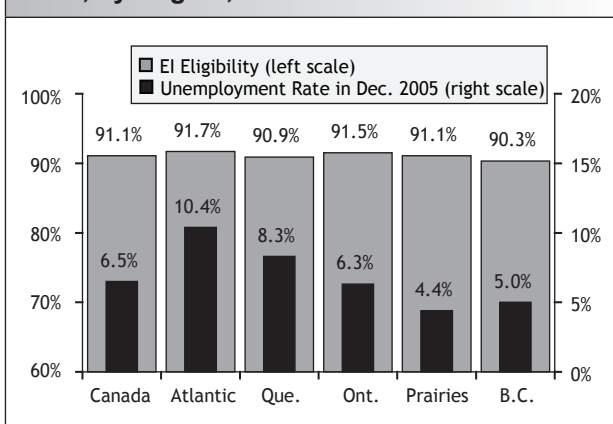
In addition to assisting Canadians who are unemployed and seeking to re-enter the work force, EI plays an important role in supporting working Canadians who are too sick to

work, who need to stay at home with newborn or newly adopted children, or who take a temporary leave from work to provide care or support to a gravely ill family member. This section examines access to special benefits, particularly maternity and parental benefits. While the hours of insured work required to be eligible for regular benefits varies according to regional unemployment rates, access to special benefits is based on 600 hours of insured work regardless of unemployment rate.

According to the SLID, as of December 2005, 91.1% of employees would have had sufficient insurable hours to collect EI special benefits had they needed to at that time. Over the last few years, potential eligibility for special benefits has been relatively stable. At a regional level, the potential eligibility rate was consistently high across the country, ranging from 90.3% in British Columbia to 91.7% in the Atlantic provinces, indicating the eligibility threshold for special benefits is providing equitable access for those who contribute to EI, regardless of the unemployment rate in their province (see Chart 5). Overall, potential eligibility for full-time employees was 97.0% for both men and women. Among part-time employees, 66.0% of women and 59.0% of men would have been eligible to collect EI special benefits.

Chart 5

Potential EI Eligibility for Special Benefits Among Paid Employees, and Unemployment Rate, by Region, December 2005



4.1 Maternity and Parental Benefits

As described in Chapter 2, there were 162,770 maternity claims in provinces other than Quebec in 2006/07,¹³ an increase of 3.4% over the previous fiscal year.

¹³ Quebec introduced its own parental insurance plan on January 1, 2006, which has replaced EI maternity and parental benefits in the province.

According to the EICS, there were an estimated 365,000 mothers in 2006 with a child up to 12 months old, among whom 76.5% had insurable employment in the 12 months prior to childbirth. Of these mothers, 83.5% received maternity or parental benefits, up from 2000, when 79.0% received maternity or parental benefits.¹⁴

The number of biological parental claims established by men (outside Quebec) went up by 4.5% (+980) in 2006/07, compared to the previous period. Over the last five years, the number of parental claims established by men has been increasing. EICS data for 2006 indicate the proportion of fathers who claimed or intended to claim parental benefits was 20.0%, up from 15.0% in 2005. Women continued to establish the vast majority of parental claims (87.3%) and collected 31.7 weeks of parental benefits, on average, compared to 16.8 weeks for men.¹⁵

B. ADEQUACY OF BENEFITS

The examination of the adequacy of EI benefits is based on average weekly benefits, and on the duration of regular and special benefits. This section includes analysis for claimants from low income families with children.

1. Level of Benefits

Under the *Employment Insurance Act*, maximum insurable earnings (MIE) for EI reflect the calculated value of annual average earnings, called projected annual average earnings (PAAE).¹⁶ The PAAE is based on the average weekly earnings of the industrial aggregate in Canada, as published by Statistics Canada.

The MIE was \$39,000 in 2006 and \$40,000 in 2007. Accordingly, the maximum weekly benefit was \$413 in 2006 and \$423 in 2007. For 2008, the MIE was set at \$41,100, which increased the maximum weekly EI benefit to \$435.

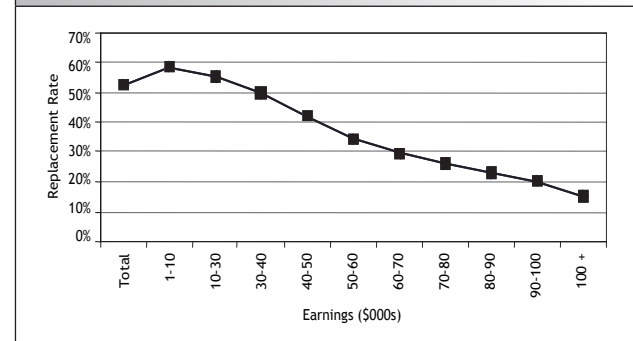
From 2005/06 to 2006/07, the average weekly benefit increased from \$324 to \$335, the tenth consecutive increase. In addition to the growth in the average weekly benefit rate, the proportion of clients receiving the maximum benefit was also analyzed. As average wages of

employees have grown, this proportion has increased over the years and reached 41.3% in 2006/07, up from 36.8% in 2005/06.

Since the maximum weekly benefit is based on the MIE, for those with earnings above the MIE, the effective earnings replacement from EI was less than 55% of total earnings. In 2005, the overall average replacement rate was 52.3%. One in four claimants had an effective replacement rate that was lower than 55%. The average replacement rate for these claimants was 38.1%. Chart 6 shows the effective replacement rate by total earnings of claimants.¹⁷

Chart 6

Average Effective Replacement Rate by Earnings, 2005



Men had lower average replacement rates than women (50.2% and 54.5% respectively), reflecting the higher wages men earned as well as the higher proportion of women who received the Family Supplement, which increases the replacement rate. In 2005, claimants in receipt of the Family Supplement had an average replacement rate of 70.8%.

Chart 7 shows that the likelihood of receiving the maximum weekly benefit differs based on the type of claimant. In fact, claimants of fishing benefits and frequent claimants of regular benefits are almost twice as likely to receive the maximum benefit as other claimants. In 2006/07, 66.3% of fishing claimants received the maximum weekly benefit, compared to about 33% of first-time claimants of regular benefits.

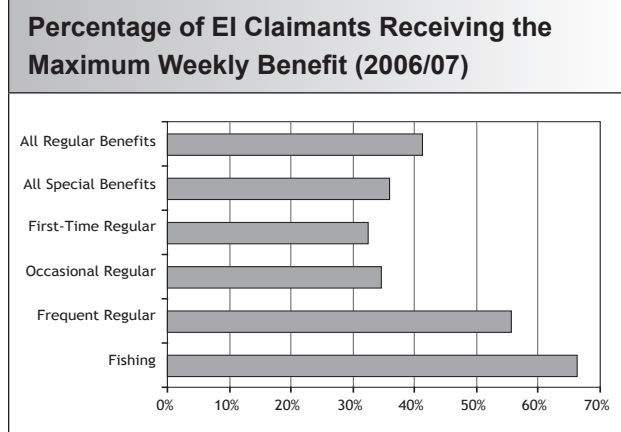
¹⁴ The proportions reported above include parents in Quebec receiving benefits from the provincial program. EICS data from Statistics Canada, "Employment Insurance Coverage Survey, 2006," *The Daily*, Wednesday, October 3, 2007.

¹⁵ In order to measure only completed claims, data and analysis on claim duration are for claims established in 2005/2006.

¹⁶ The methodology used to obtain the PAAE is outlined in the *Employment Insurance Act* and in the *Report on the Maximum Yearly Insurable Earnings* (Ottawa: HRSDC, Chief Actuary), http://www.hrsdc.gc.ca/en/employment/ei/premium_rate/2008/index.shtml.

¹⁷ The benefit repayment provision makes the effective replacement rate lower still for those earning more than \$48,750. The repayment provision is not taken into account in this analysis.

Chart 7



2. Benefit Repayment

To reflect insurance principles, claimants of regular or fishing benefits who have high earnings and are not first-time claimants repay part of the benefits they receive.¹⁸ In 2005, repeat EI beneficiaries whose net income exceeded \$48,750 repaid the lesser of 30 cents of every dollar in benefits they received, or 30 cents for every dollar of net income above the threshold.

A total of 131,910 claimants repaid a portion of their benefits for tax year 2005, an 8.3% increase over the previous year. In total, these claimants repaid \$132 million, or an average of \$1,000 per individual. Those who repaid a portion of their benefits were on claim for an average of 9.5 weeks and had received about \$4,000 in EI benefits.

Men remained the vast majority (90.3% in 2005) of those who repaid benefits. The numbers of men and women subject to benefit repayment grew at nearly equal rates (+8.3% and +8.1%, respectively). The number of older workers (aged 55 plus) who repaid some benefits also continued to grow, and older workers represented 22.8% of those who repaid benefits. Older workers repaid an average of \$1,200 and were on claim for an average of 12.3 weeks.

Provincially, individuals in the Atlantic provinces who repaid benefits had longer benefit durations and higher repayment amounts than the rest of Canada. In 2005, those in Prince Edward Island repaid an average of \$2,200 and received an average of 20 weeks of benefits. Those who repaid benefits in the other three Atlantic provinces had average benefit durations around 15 weeks and repaid, on

average, between \$1,400 and \$1,700. Individuals in British Columbia repaid, on average, less than \$900 and received an average 8.8 weeks of benefits. Claimants in Alberta who repaid benefits received fewer weeks of benefits than claimants in British Columbia (7.7 weeks) but repaid a higher amount (\$915).

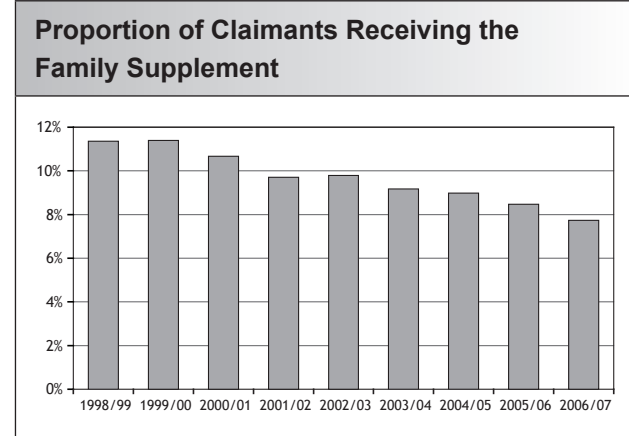
3. Benefits to Low Income Families: Family Supplement

The adequacy of EI benefits is also assessed by examining the effectiveness of the Family Supplement in providing additional income support to low income families with children.¹⁹ The Family Supplement can increase the basic benefit rate of 55% to a maximum of 80% for claimants with low net family incomes of \$25,921 or less.²⁰

As indicated in Chapter 2, approximately 137,600 individuals received the Family Supplement top-up in 2006/07, compared to about 154,700 in the previous reporting period, an 11.1% decrease.

The proportion of EI claimants receiving the Family Supplement top-up declined to 7.7% in 2006/07, the seventh annual decrease since 1999/00, when the proportion was 11.4% (see Chart 8). As mentioned in previous reports, the decline in the share of Family Supplement claims is due largely to the fact that family incomes have risen while the Family Supplement threshold has remained fixed.

Chart 8



In 2006/07, more than \$151 million in additional benefits was paid to low income families through the Family Supplement, a decrease of 10.8% from 2005/06, with an

¹⁸ See Annex 6 for further details on the benefit repayment provision.

¹⁹ This assessment includes all claims types (regular, fishing and special).

²⁰ Like other claimants, those receiving the Family Supplement are subject to the maximum weekly benefit.

average weekly top-up of \$43, unchanged from the previous reporting period. Total Family Supplement payments for men and women decreased by 12.3% and 10.4%, respectively. Payments to both men and women in every age group decreased during this period.

The primary recipients of the Family Supplement continue to be women. In fact, women accounted for 68.3% of regular EI claims with the Family Supplement and 88.5% of special benefit claims with the Family Supplement. For all types of benefits, 12.7% of female claimants were entitled to the Family Supplement, in comparison to 3.5% of men who claimed EI.

Recipients of the Family Supplement top-up used three more weeks of regular benefits (21.8 weeks), on average, than those not receiving the Family Supplement (18.7 weeks). In addition, those who received the top-ups used an average of 70.4% of their total entitlement, compared to 58.9% among those who did not receive the Family Supplement.

4. Regular Claim Duration

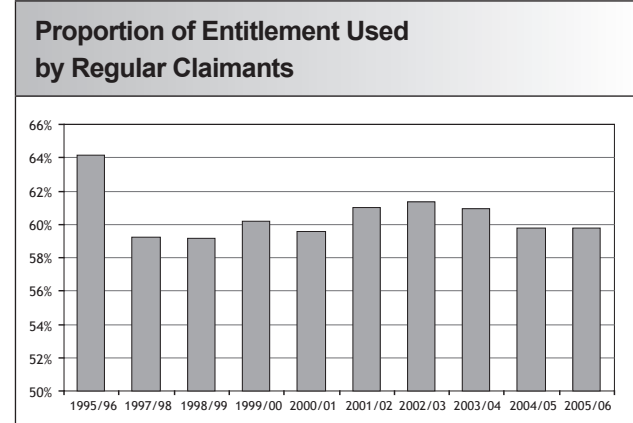
Regular EI beneficiaries are entitled to between 14 and 45 weeks of income support, depending on the number of insurable hours worked and the unemployment rate of the region in which they establish a claim. On average, regular claimants received 19.0 weeks of benefits in 2005/06,²¹ compared to 19.2 weeks the previous year. The average EI claim paid \$5,798 in 2005/06, up slightly from \$5,712 in 2004/05, as a result of the increase in average weekly benefits.

In 2005/06, regular beneficiaries used 59.8% of their entitlement on average, unchanged from 2004/05 (see Chart 9). Even though Canada's economic performance has varied from year to year, the proportion of entitlement used has remained relatively stable, with claimants using less than two thirds of their weeks of entitlement. Longer term analysis indicates that, on average, the proportion of entitlement used by regular claimants is down compared to its 1995/96 level (64.1%), even though maximum entitlement was 50 weeks in 1995/96, compared to 45 since then.

Consistent with the previous reporting period, in 2005/06 the percentage of EI entitlement used was highest in Newfoundland and Labrador (66.5%), Prince Edward Island (65.4%), Nova Scotia (64.7%) and New Brunswick (61.8%). It should be noted, however, that the proportion of entitlement used by claimants from New Brunswick has

declined over the last four reporting periods, from 66.0% in 2002/03 to 61.8% in 2005/06, closer to the Canadian average. For the second consecutive reporting period, the lowest percentage of entitlement used occurred in Saskatchewan, at 55.0%.

Chart 9



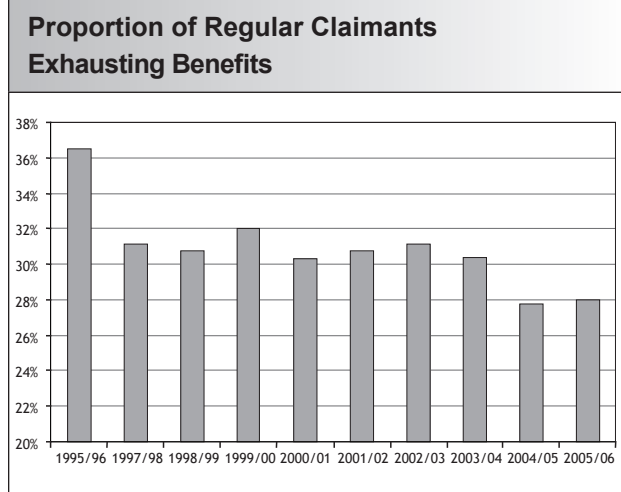
Men and women used similar proportions of entitlement in 2005/06. Men, on average, used 59.4% of their entitlement to regular benefits during this period, consistent with 2004/05 (59.2%), while women used 60.2% of their entitlement on average, also little changed from the previous period (60.4%). Among all age groups, older workers continued to use the highest percentage of their EI entitlement, at 66.8%, compared to 57.4% for youth. The proportion of entitlement used also varied somewhat by claim history, as frequent claimants, on average, used less of their entitlement (57.6%) in 2005/06 than first-time claimants (62.4%). That is consistent with the claim patterns of frequent claimants, most of whom are seasonal workers who establish claims each year in the off season.

Generally, trends showing a decline in the proportion of entitlement used by regular claimants are consistent with studies mentioned in previous reports that found the average duration of unemployment has been falling.

Another way to assess the adequacy of EI entitlement is to examine the degree to which claimants exhaust all weeks of benefits. After two years of consecutive decline, the proportion of regular claimants exhausting benefits, at 28.0% in 2005/06, was little changed from 2004/05. The proportion of claimants who exhaust their benefits remains well below the 1995/96 level (36.5%), as claimants are generally able to return to work before their entitlement runs out (see Chart 10).

²¹ In order to measure only completed claims, data and analysis on claim duration are for claims established in 2005/06.

Chart 10



A larger proportion of women than men exhaust their benefits. In 2005/06, 30.4% of women and 26.3% of men used all the weeks of benefits they were entitled to receive, both proportions similar to the previous year. The slightly higher exhaustion rate for women may be due to the fact that women, on average, are entitled to fewer weeks of benefits (32.0, versus 33.6 for men), since women generally have fewer hours of insurable employment.

For the second period in a row, claimants aged 45 to 54 had the lowest rate of exhaustion, at 25.8%, while 27.9% of youth claimants used all their entitlement. Consistent with previous reporting periods, older workers (55 and older) had the highest exhaustion rate, at 33.8%, and longer durations of unemployment than other age groups. In 2005/06, first-time claimants were almost twice as likely as frequent claimants to exhaust their benefits (36.0% versus 19.6%).

5. Special Benefits Claim Duration

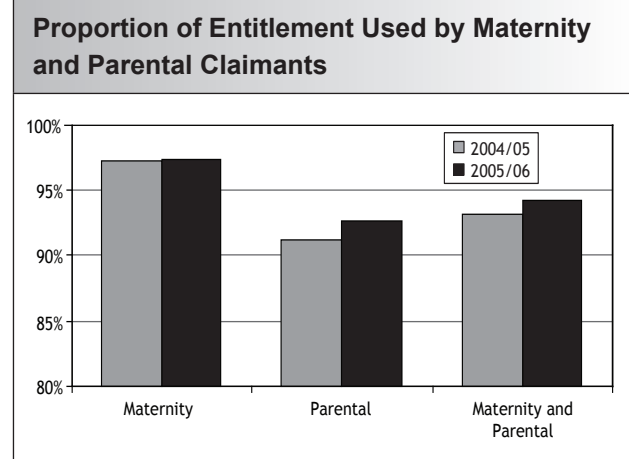
5.1 Maternity and Parental Benefits

As was the case in previous periods, analysis for 2005/06²² indicates that almost all of the available entitlement to EI maternity and parental benefits is being collected (see Chart 11). When parental benefits are combined with maternity benefits and the waiting period, administrative data for 2005/06 claims indicate that parents used 94.6% of the full year available to them, a slight increase from 93.5% in 2004/05.

Low income claimants receiving the Family Supplement collected, on average, the same number of weeks of maternity and parental benefits (47.3 weeks) in 2005/06 as higher income claimants not receiving the Family Supplement

(47.4 weeks). This is in contrast to the analysis for regular benefits above, which noted that claimants receiving the Family Supplement remained on claim longer than claimants not receiving the supplement.

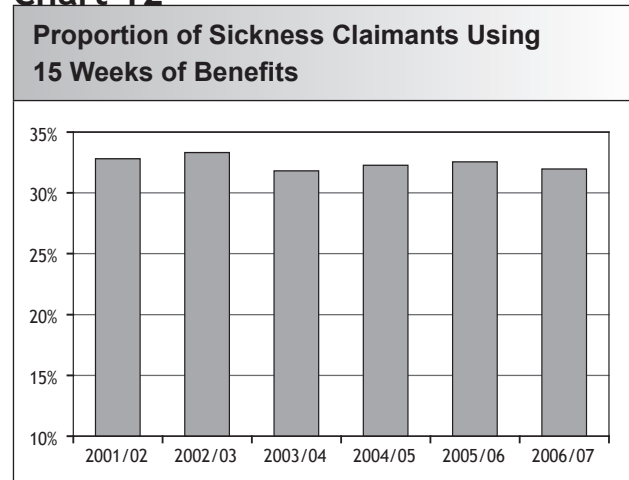
Chart 11



5.2 Sickness

EI provides up to 15 weeks of sickness benefits to help clients who are absent from work due to short-term illness, injury or quarantine. Analysis of the adequacy of sickness benefits is based on the number of weeks of sickness benefits collected. On average, in 2006/07, claimants collected 9.5 weeks, or 63.2% of the maximum entitlement, for an average total of \$2,745 paid in sickness benefits. Historically, the average duration has been relatively stable. In addition, 32.0% of sickness claimants collected the maximum 15 weeks of benefits. Among older workers, 40.0% collected all 15 weeks of benefits, down slightly from 2005/06. The overall proportion of sickness claimants using all 15 weeks has also been relatively stable over the last few reporting periods (see Chart 12).

Chart 12



²² In order to measure only completed claims, data and analysis on claim duration are for claims established in 2005/06.

It should also be noted that 48.3% of sickness claimants collected between 11 and 15 weeks of benefits (including the 32.0% who collected 15 weeks), 22.4% received between 6 and 10 weeks, and 29.4% collected between 1 and 5 weeks.

A recent study²³ finds that EI sickness claimants tend to be older than claimants for other types of benefits and are more likely to be women. The average age of non-sickness claimants was 38.6 in 2005, compared to 41.3 for sickness claimants. Also, sickness claims are increasingly likely to come from Quebec, and decreasingly likely to come from Ontario, though Ontario still has the overall highest number of sickness claims.

5.3 Compassionate Care Benefits

In 2006/07, there were 5,680 new compassionate care benefits (CCB) claims, up 9.6% from 2005/06. Benefits paid also increased, by 16.5%, to \$9.1 million.

Women continued to represent the majority of CCB claimants (75.1%) in 2006/07. Average benefit durations (4.7 weeks) and the proportion of claimants receiving the maximum entitlement of six weeks (58.5%) also remained unchanged from the previous year. Though men accounted for relatively few CCB claims, the average weekly benefit for men was higher (\$364) than for women (\$318), while both increased from the previous reporting period (\$361 and \$306, respectively). The average total benefit for CCB claimants was \$1,542, a slight increase from the previous reporting period.

In June 2006, a regulatory change was made to ensure siblings, grandparents, grandchildren, in-laws, aunts, uncles, nieces, nephews, foster parents, wards or any individuals considered by the gravely ill person or his or her representative to be family members are eligible for the CCB. The extension of the definition of a family member means there are essentially no relationships that would not be accepted for the purposes of establishing a CCB claim.

6. Combining Special Benefits

Different types of benefits can be combined within a single claim, under certain circumstances, to a maximum of 71 consecutive weeks.²⁴

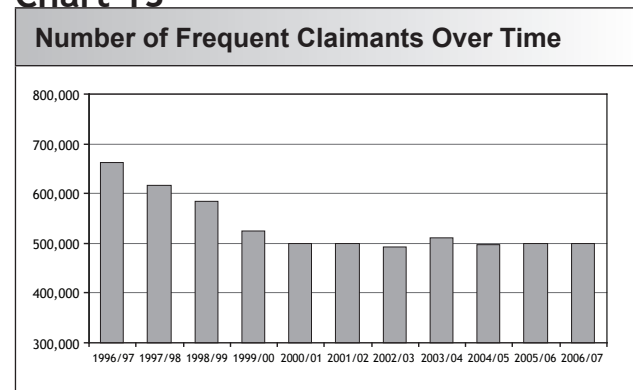
For 2005/06,²⁵ 17,850 biological mothers, representing 4.9% of all women who received special benefits, used more than 50 weeks, up from 16,930 in 2004/05. Among these mothers, over three quarters were first-time claimants, and over three quarters were aged 25 to 44.

According to an HRSDC study,²⁶ lower income claimants and claimants from British Columbia or Atlantic Canada are more likely to combine special benefits than higher income claimants and claimants from Ontario. Individuals receiving the Family Supplement are also more likely to combine special benefits than those not receiving the Family Supplement. Most women who combine special benefits receive sickness benefits before maternity benefits.

7. Trends in Seasonal Claims

In 2006/07, nearly 500,000 claims for regular benefits were established by frequent claimants²⁷ (see Chart 13). Of these, an estimated 408,490 claims (or 81.7%) were made by seasonal claimants,²⁸ a slight decrease from the previous year. Seasonal claimants were mainly men (63.0%) and more than half were aged 45 and over (53.5%). Only 2.7% of all seasonal regular claimants were youth (24 and younger).

Chart 13



Industries with the highest proportion of seasonal claimants were construction (21.6%), educational services (14.1%), manufacturing (13.8%), and agriculture, forestry and hunting (10.3%). There were seasonal claims from all provinces, though Quebec accounted for the largest share, with 39.5% of all seasonal claims. That could be at least partially due to the high level of seasonality in Quebec's construction industry. For instance, employment in Quebec's

²³ HRSDC, *Use of EI Sickness Claims* (Ottawa: HRSDC, Evaluation Directorate, forthcoming e).

²⁴ Combining weeks of special benefits to reach the maximum of 71 weeks is possible if the weeks of special benefits are consecutive and uninterrupted by any period of regular benefits.

²⁵ In order to measure only completed claims, data and analysis on claim duration are for claims established in 2005/06.

²⁶ HRSDC, *The Combination of Special Benefits by Women* (Ottawa: HRSDC, Evaluation Directorate, forthcoming f).

²⁷ Frequent claimants are individuals who have had three or more active claims in the five years prior to the current claim.

²⁸ Seasonal claimants are frequent claimants who started previous claims at about the same time of year as the current claim.

construction industry is less than half that of Ontario's, yet Quebec had more than twice the number of seasonal claims in construction (41,360 versus 17,060) in 2006/07. Ontario (19.4%), Newfoundland and Labrador (9.2%), New Brunswick (8.9%) and British Columbia (6.6%) were the other provinces accounting for high proportions of total seasonal claims.

Seasonal claimants tend to work a shorter period of time than regular claimants overall before establishing EI claims, though otherwise their claim characteristics are similar. The average number of weeks of entitlement (33.1 for seasonal claimants compared to 32.9 for all regular claimants) and the number of weeks of benefits used (18.2 versus 19.0 for all regular claimants) were comparable in 2005/06.²⁹ The average total amount of regular benefits paid was also roughly similar for seasonal claimants and for all regular claimants (\$5,951 and \$5,798, respectively). Almost three quarters of both seasonal claimants (73.0%) and regular claimants (78.0%) worked at least 11 weeks more than the minimum entrance requirement prior to their claim in 2006/07. However, analysis of longer work spells indicates 25.6% of seasonal claimants had durations of insured employment of more than six months beyond the minimum entrance requirement, compared to 40.0% of regular claimants.

An HRSDC study³⁰ indicates that, on average, seasonal workers receive more in benefits each year than they pay in premiums. The study also found that seasonal workers are largely able to find subsequent employment following a spell of unemployment, which is consistent with the work patterns of seasonal workers, who often return to their former employer. Recent related research in the United States shows that the incentive effects of unemployment insurance programs differ across groups of workers, and finds that unemployed workers who are likely to return to their previous employer are less likely to be responsive to changes in the parameters of the insurance system.³¹

As described in previous *Monitoring and Assessment Reports*, some seasonal claimants have a combined work-benefit period of less than 52 weeks per year. This fact can result in a period where income from neither work nor EI is available to these workers, if the seasonal job to which they are returning is not yet available. In regions of high unemployment, a pilot project is offering 5 additional weeks of entitlement (up to a maximum of 45 weeks) to

all claimants, including seasonal claimants, with a combined work-benefit period of less than 52 weeks. The pilot project is testing whether an additional 5 weeks of benefits helps address the annual income gap faced by seasonal workers whose weeks of work and EI benefits may not provide income throughout the year, and whether this approach has any adverse labour market effects. Results from the evaluation of this pilot project will be included in future *Monitoring and Assessment Reports*.

Administrative data indicate that in 2006/07, there were 21,090 seasonal claimants whose combined work-benefit period was shorter than 52 weeks, up from 18,730 in 2005/06. Of the 21,090 seasonal claimants, 38.5% were in a pilot region, while 61.5% were in non-pilot regions, and over 90% of the increase occurred in the pilot regions. The pilot project has been extended to June 2009 in the interest of gathering more comprehensive information on the project's potential impacts.

On average, seasonal claimants (in pilot and non-pilot regions) without full-year income worked and received benefits for a combined 46 weeks, leaving 6 weeks with neither work nor EI. On average, these individuals worked 20.7 weeks and received EI benefits for 23.2 weeks (the waiting period accounts for an additional 2 weeks).

There were large differences among provinces in work and benefit periods. In Newfoundland and Labrador, for instance, claimants averaged 14.2 weeks of work and 33.9 weeks on claim, for an average period of 3.9 weeks with neither EI nor earnings. In Ontario, seasonal claimants without full-year income averaged 23.6 weeks of work and 22.5 weeks of benefits.

Claimants without full-year income are more prevalent in the Atlantic provinces and Quebec, where there is relatively more seasonal work. Based on the VER, claimants in areas where unemployment rates are generally higher than in other parts of the country qualify for benefits with fewer weeks of work. Shorter work spells increase the likelihood of having a work-benefit period of less than 52 weeks. In Newfoundland and Labrador, for instance, an individual can be on claim for 35 weeks (33 weeks of benefits plus a 2-week waiting period) based on 12 weeks (or 420 hours) of insured work. In a region such as Southern Saskatchewan,

²⁹ In order to measure only completed claims, data and analysis on claim duration are for claims established in 2005/06.

³⁰ HRSDC, *An Evaluation Overview of Seasonal Employment* (Ottawa: HRSDC, Evaluation Directorate, forthcoming g).

³¹ Walter Nicholson and Karen Needels, "Unemployment Insurance: Strengthening the Relationship between Theory and Policy," *Journal of Economic Perspectives*, Volume 20, Number 3, Summer 2006, pp. 47-70.

where the unemployment rate has been much lower (less than 7%), a worker with 420 hours of insured employment would not qualify for benefits.

8. Performance of EI in Major Urban Centres

Canada's largest cities contain vast and diverse labour markets that are very different from those in rural Canada, where a region may depend on a limited number of industries to sustain its labour market. Although workers in general tend to earn more in major urban centres than they do in rural areas, claimants of EI regular benefits appear to have similar profiles in both locales. A study indicates that in 2003, the proportion of workers who lived in low income households was roughly the same in urban and rural areas.³²

In 2006/07, regular claimants in major urban centres had average weekly benefits of \$333, while those in rural areas received an average of \$336 per week. Further, the proportion of claimants receiving the maximum weekly benefit was almost equal in both rural and major urban areas (42.0% and 41.0%, respectively).

In 2006/07, claimants in major urban centres had an average entitlement of 30.0 weeks, while those in rural areas were entitled to 35.5 weeks. The percentage of entitlement used by claimants in both these locales was similar in 2006/07, at 56.7% in major urban centres and 54.1% in rural areas.

The difference in utilization of EI regular benefits between claimants in major urban centres and those in rural regions lies in the likelihood of claimants using all their benefits. In 2005, the latest year for which information is available, 34.0% of regular claimants in major urban centres used all weeks to which they were entitled. Only 23.8% of claimants in rural areas exhausted all their weeks of benefits.

There were interesting divergences in the way claimants in each of the major urban centres used EI. In Montreal, for instance, where the labour force is 32.0% smaller than that in Toronto, there were 17.0% more regular claims in 2006/07 (158,000 versus 135,000). Among the six major urban centres, claimants in Montreal had the lowest average insured hours and the highest average number of weeks of benefit entitlement. Regular claimants in Vancouver used the highest proportion of the weeks to which they were entitled, at 65.7%, while claimants in Edmonton used 55.7%, the lowest among Canada's major urban centres. Claimants in Edmonton received the highest average weekly benefit (\$368) while those in Montreal received the lowest (\$322).

II. Promoting Work Force Attachment

The EI Program includes features intended to strengthen the link between work effort and benefits. While several features of the Program encourage labour market attachment, the analysis in this chapter focuses on three specific elements: the divisor, the Working While on Claim provision and the Small Weeks provision.

1. Divisor

A claimant's weekly benefit amount is determined by dividing earnings over the 26-week period prior to the establishment of the claim by the number of weeks the claimant worked during that period. To encourage claimants to accumulate as much work as possible, a minimum divisor is applied that is 2 weeks more than the minimum number of weeks of work required to qualify for benefits. For instance,

Table 2

Key Statistics for Major Urban Centres, 2006/07							
	Average Unemployment Rate	Share of Total Employment	Share of Total Regular Claims	Average Insured Hours	Average Weeks of Benefit Entitlement	% of Entitlement Used	Average Weekly Benefit Rate
Montreal	8.0%	11.3%	11.9%	1,381	31.2	59.5%	\$322
Ottawa	5.1%	2.9%	1.3%	1,458	27.1	59.9%	\$343
Toronto	6.5%	17.0%	10.2%	1,495	30.0	61.8%	\$340
Calgary	3.2%	4.0%	1.2%	1,513	28.4	58.0%	\$363
Edmonton	3.8%	3.4%	1.5%	1,494	28.0	55.7%	\$368
Vancouver	4.2%	7.2%	3.4%	1,432	26.7	65.7%	\$328

³² Statistics Canada, "A comparison of rural and urban workers living in low income," *The Daily*, January 14, 2008.

if a claimant lives in a region with an unemployment rate of 9.5%, earnings over the 26-week rate calculation period will be divided by the greater of 18 weeks or the number of weeks in which the claimant had earnings. Claimants have a strong incentive to work additional weeks to avoid a reduced weekly benefit.

Since October 2005, a pilot project in regions of high unemployment has altered the application of the divisor for claimants in those regions. The Best 14 Weeks pilot project is testing the impact of determining weekly benefits based on a claimant's highest 14 weeks of earnings in the 52 weeks preceding the claim.

In 2006/07, 38.1% of all regular claims were established in regions included in this pilot. The previous report noted that, proportionally, the divisor affects more claimants in the Atlantic provinces and Quebec than in other provinces. Since October 2005, the pilot project has greatly reduced the proportion of regular claims affected by the divisor. In 2006/07, the divisor affected just 2.4% of regular claims in regions not included in the pilot project. Administrative data indicate that the divisor would have affected 4.8% of regular claims in regions in the pilot project, had the pilot project not been in place.

2. Working While on Claim

The Working While on Claim provision is designed to encourage work force attachment by allowing claimants to accept available work without being penalized. Claimants may earn the greater of 25% of their weekly benefit rate or \$50, without a reduction in their weekly benefit rate. Employment earnings above the allowable earnings threshold are deducted dollar for dollar from the claimant's weekly benefit. If a claimant's weekly benefit is reduced to zero, then that week of entitlement may be deferred for later use within the benefit period. A pilot project, implemented in December 2005 in regions of high unemployment, is testing the impact of increasing the threshold to 40% of the benefit rate or \$75, whichever is greater.

In 2005/06, in regions not included in the pilot project, 48.7% of regular claims involved Working While on Claim, slightly less than was the case in 2004/05 (49.4%). Over the same period, in regions included in the pilot project, the proportion of claims involving Working While on Claim increased slightly, from 64.3% in 2004/05 to 65.5% in 2005/06.

To ensure valid year-over-year comparisons, the rest of this section is limited to regions not included in the pilot project. As mentioned in the previous report, frequent claimants accounted for a disproportionate share of those who worked while on claim. In 2005/06, frequent claimants made up 26.9% of regular claimants but 31.8% of those who worked while on claim. First-time claimants were somewhat under-represented among those who worked while on claim (38.7% of regular claims and 32.9% of those who worked while on claim).

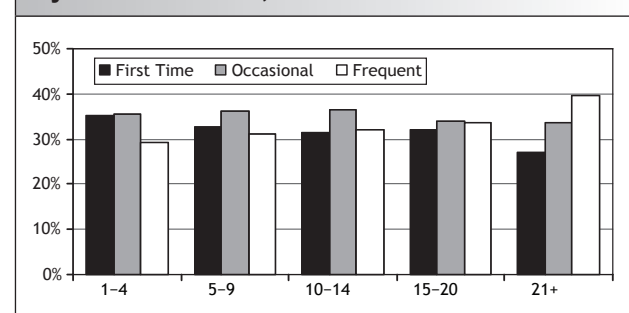
In 2005/06, 63.2% of weeks worked while on claim reduced the benefit payable for that week to zero and maintained the week of entitlement. Use of the Working While on Claim provision varied according to claimants' past program use. Among first-time claimants, only 47.0% of weeks worked resulted in the deferral of that week, while 77.2% of the weeks worked by frequent claimants reduced the week's benefits to zero.

First-time claimants were more inclined to accept work that partially reduced their benefits. In 2005/06, nearly 40.0% of the weeks worked by first-time claimants resulted in reduced benefit payments, while only 17.0% of weeks worked by frequent claimants resulted in reduced benefit payments.

Frequent claimants tended to work longer while on claim than either first-time or occasional claimants (see Chart 14). In 2005/06, frequent claimants represented 29.3% of those who worked 1 to 4 weeks while on claim, and 39.5% of claimants who worked 21 or more weeks.

Chart 14

Claimants Who Worked While on Claim, by Weeks Worked, 2005/06



3. Small Weeks

The Small Weeks provision also encourages individuals to accept all available work. The provision excludes weeks of earnings below \$225 from the benefit rate calculation, provided the number of weeks of earnings exceeds the minimum divisor. It should be noted that, as of November 2005, the Small Weeks provision does not apply in 23 EI regions included in the Best 14 Weeks pilot project. Accordingly, the following analysis is based on the other 35 EI regions.

In 2006/07, 123,819 claims (10.6% of all claims) benefited from the Small Weeks provision, down slightly from the previous year.

As mentioned in the previous report, the Small Weeks provision is most beneficial to youth, women and first-time claimants. In 2006/07, of all claims established by youth, 15.1% benefited from the Small Weeks provision. The proportion of claims from older workers benefiting from the provision was 9.9%.

Among all first-time claimants, 11.6% had higher weekly benefits because of the Small Weeks provision, which affected only 7.8% of frequent claimants. The share of claims by women with increased weekly benefits due to the Small Weeks provision was twice that of men (14.2% vs. 7.1%).

In 2006/07, claims affected by the Small Weeks provision paid, on average, an additional \$10 per week than would have been the case without the provision. Had it not been for the provision, average weekly benefit rates of Small Weeks claims would have been \$231, instead of \$241. As Small Weeks claims had an average duration of 20.1 weeks, an additional \$200 per claim was paid, the equivalent of nearly one additional week of benefits.

4. Pilot Projects

Four pilot projects were in effect during the 2006/07 reporting period. Pilot projects allow the government to test a potential change to provisions of the *Employment Insurance Act* before considering a permanent change. EI pilot projects in regions of high unemployment provide valuable information on the effects of program changes in labour markets where EI plays a particularly important role. Current pilot projects in regions of high unemployment are related to extended EI benefits, Working While on Claim, NEREs and the benefit rate calculation. Together, the pilot

projects increase access to and the generosity of EI in regions of high unemployment, while encouraging labour force participation. Results from evaluations of the pilots will be included in future *Monitoring and Assessment Reports*.

III. Evaluation of EBSMs

Evaluations of the Employment Benefits and Support Measures (EBSMs) are a requirement under the terms of the bilateral Labour Market Development Agreements (LMDAs). All LMDAs stipulate a two-phase approach calling for a formative and a summative evaluation. Formative evaluations examine issues of program design, delivery and implementation, while summative evaluations are conducted to measure net impacts and determine the extent to which programs successfully achieve their goals, remain relevant to government priorities and are cost effective.

1. Evaluation Design

The core summative evaluation methodology relies on data from client surveys, on EI and Social Assistance (SA) records, and on Canada Revenue Agency income tax data in some jurisdictions. Based on the pre- and post-program experiences of participants in comparison to similar individuals who did not participate in the program, incremental impacts (results attributable to the program) are measured. In calculating net impacts, the evaluations focus on start and end dates of program participation,³³ and report program results based on clients' principal EBSM.

2. Status of Summative Evaluations

Formative evaluations were completed for all jurisdictions between 1999 and 2002. Summative evaluations are currently underway, with findings available for seven jurisdictions—British Columbia, Alberta, Ontario,³⁴ Quebec, Nunavut, Newfoundland and Labrador, and New Brunswick—accounting for the majority of federal government investment in active employment measures. The reports from Quebec (2003 and 2005) and British Columbia (2006) have been published. The reports for Nunavut and Newfoundland and Labrador are expected to be published in early 2008.

Significant progress has been made on the summative evaluations for Saskatchewan, Nova Scotia, Prince Edward

³³ Based on administrative data, a unit of analysis called an Action Plan Equivalent is derived and used in summative evaluations. It is defined as either a single intervention, or a series of interventions that are no more than six months (four months in Quebec) apart.

³⁴ Ontario recently signed a transfer Labour Market Development Agreement to deliver EBSMs. The agreement took effect on January 1, 2007.

Island and Yukon, with preliminary findings planned for spring 2008. Summative evaluation results for Manitoba and the Northwest Territories are expected by spring 2009.

3. Key Findings

The following summary of results is based on net impact findings from six of the seven completed³⁵ summative evaluations—British Columbia, Alberta, Ontario, Quebec, Newfoundland and Labrador, and New Brunswick. To situate Canada’s evaluation findings within a broader context, a brief overview of outcomes from international evaluations of active measures implemented in Organisation for Economic Co-operation and Development (OECD) countries is also included.

Table 3 examines four key performance indicators—employment, earnings, use of EI benefits and use of SA—by client and program types. The evaluation findings for each province and territory were treated as equal in the summary table. No particular weight was assigned based on the size of the client base or the level of expenditures on EBSMs in each jurisdiction.

4. Major Trends

Based on the net impact estimates available to date, EBSMs appear to yield some modest positive impacts for participants, though such findings were not consistent across all jurisdictions. An overview of evaluation findings suggests the following.

- For active clients, Skills Development (SD) was the most effective intervention, particularly in increasing earnings. For these clients, SD also increased employment and reduced use of EI and SA.
- For former clients, TWS was the most effective intervention, particularly for increasing employment and earnings, and reducing use of SA. Given that these clients may have been out of the labour market for some time, the practical job experience this intervention is designed to provide may be particularly relevant to them.
- SE was an effective intervention for both active and former clients, resulting in increased employment and decreased EI use.³⁶

Table 3

EBSM Impact Summary								
INDICATOR	CLIENT TYPE							
	ACTIVE				FORMER			
	Program Type ³⁷				Program Type			
	SD	TWS	JCP	SE	SD	TWS	JCP	SE
Employment	Some positive impacts	Some positive impacts	Non-significant results	Mostly positive impacts	Mixed results	Mostly positive impacts	Mostly non-significant results	Mostly positive impacts
Earnings	Mostly positive impacts	Some positive impacts	Mixed results	Some negative impacts	Mixed results	Mostly positive impacts	Mostly negative impacts	Mixed results
EI Use	Some positive impacts (some decreases in EI use)	Mixed results	Some positive impacts (some decreases in EI use)	Positive impacts (decreases in EI use)	Some positive impacts (some decreases in EI use)	Mostly negative impacts (increases in EI use)	Mixed results	Some positive impacts (some decreases in EI use)
SA Use	Mostly positive impacts (decreases in SA use)	Some positive impacts (some decreases in SA use)	Some positive impacts (some decreases in SA use)	Mixed results	Non-significant results	Mostly positive impacts (decreases in SA use)	Some positive impacts (some decreases in SA use)	Some positive impacts (some decreases in SA use)

³⁵ This discussion focuses on evaluations that assessed net impacts of EBSMs. In Nunavut, the formative and summative evaluations were combined; however, net impacts could not be measured due to methodological constraints.

³⁶ SE participants do not pay EI premiums and thus do not qualify for EI benefits. Also, while evaluation results suggest that SE participants worked more hours, this rise was not accompanied by earnings gains. That is not surprising, given the long time often required to develop stable, income-generating businesses.

³⁷ Refer to Chapter 3 and Annex 3 for EBSM program descriptions and overview. In Table 3, program names are abbreviated as follows: Skills Development (SD), Targeted Wage Subsidies (TWS), Job Creation Partnerships (JCPs) and Self-Employment (SE).

Notes on Table 3

Positive impacts	All net impact estimates are statistically significant positive, based on results for six jurisdictions.
Mostly positive impacts	Statistically significant positive net impacts in the majority (three or more) of jurisdictions.
Some positive impacts	One or two jurisdictions show a statistically significant positive net impact, with all other jurisdictions showing a non-significant result.
Mixed results	There is no dominant trend: it's a mix of statistically significant positive net impacts, statistically significant negative net impacts and non-significant results.
Mostly negative impacts	Statistically significant negative net impacts in the majority (three or more) of jurisdictions.
Some negative impacts	One or two jurisdictions show a statistically significant negative net impact, with all other jurisdictions showing a non-significant result.
Mostly non-significant results	Majority (three or more) show non-significant results, with one jurisdiction showing a negative net impact.
Non-significant results	All evaluations show non-statistically significant results. Program impacts may occur, though not to a significant extent based on the sample analyzed. Impact estimates may be constrained by small sample sizes, particularly for former clients of Self-Employment (SE), Job Creation Partnerships (JCPs) and Targeted Wage Subsidies (TWS). Small sample sizes reflect the low number of participants in a specific EBSM.

A summary of results for each employment benefit suggests the following.

- Participation in TWS and SE was more likely than participation in other EBSMs to lead to increased employment.
- Participation in SD and TWS was more likely to lead to increased earnings.
- Participation in SD and SE was more likely to lead to a decrease in EI use.
- Participation in JCP and TWS was more likely to lead to a decrease in SA use.

5. Findings by Intervention Type

The following is a summary of results for the four Employment Benefits and one Support Measure.

5.1 Skills Development

Positive results were found for active clients, with earnings increases reported by the majority of jurisdictions. For these clients, some positive impacts were also found on employment and use of EI, while the results were mostly positive for use of SA. However, these gains would have to persist for a number of years for the program to pass a cost-benefit test.

For former clients who participated in SD, there were mixed results for earnings and employment, and some positive impacts on the use of EI. Overall, SD participants reported a high level of satisfaction, potentially due to the program's emphasis on individual client needs.

5.2 Targeted Wage Subsidies

Among former clients, TWS delivered mostly positive impacts on employment, earnings and use of SA; the only exception to these positive findings was the increased use of EI. This trend emerged less strongly among active clients, with some positive results for employment, earnings and use of SA, and mixed results for use of EI. The hours worked under this program are insurable, so they help participants build entitlement for a future EI claim. In some cases, employers kept TWS clients on after the subsidy program ended—a positive indicator of clients' strengthening labour market attachment and of the program's potential to meet employer needs.

5.3 Self-Employment

SE appeared to be effective for some indicators, showing mostly positive impacts on employment and use of EI for both former and active clients. On use of SA, former clients reported some positive impacts, while active clients showed mixed results. Neither client group reported positive impacts on earnings. While there were reductions in EI use, SE participants do not pay EI premiums and thus do not qualify for benefits. SE participants reported positive outcomes in terms of skills gained and satisfaction levels. The evaluations did not examine issues related to the long-term viability of the businesses or the opportunity costs involved in starting them.

5.4 Job Creation Partnerships

JCP results showed no dominant trend. Some positive impacts were reported for active clients who had decreased use of EI and SA, but employment and earnings results were non-significant and mixed. Former clients reported some positive impacts on SA use only; on the remaining indicators—employment, earnings and EI use—they reported mostly non-significant, mostly negative and mixed results, respectively.

5.5 Employment Assistance Services

Employment Assistance Services (EAS) generally last a short time and have a relatively low cost. They are often used in combination with other “major” interventions. Post-program impacts of EAS were not measured for clients accessing EAS only. EAS clients reported strong levels of satisfaction, job readiness and interest in further training.

6. Other Results

Summative evaluations reported high levels of client satisfaction and increased skills levels as a result of EBSM participation, generating interest in further skills growth. Some evaluations noted the need to better address labour market requirements, including those of employers, and to better serve clients in remote and rural areas. Evaluations have also underscored the issue of access. Given that EBSM eligibility is based on EI entitlement, access is limited for some people, particularly those with weak labour market attachment. Some evaluations also highlighted low EBSM participation rates among lower skilled people and individuals facing barriers to labour market participation.

7. International Comparisons

In 2001, the OECD³⁸ reviewed evaluation findings among OECD member nations, examining which interventions worked and did not work, and for whom. The review concluded that active labour market programs had limited effects on ending high unemployment or ameliorating poor labour market conditions.

Findings generally showed small to modest net impacts for most programs, with certain interventions working better than others: private employment subsidies were more effective than public training programs or direct job creation initiatives; public training programs worked best for women but showed mixed results for men; self-employment programs

had successful outcomes in some cases; and job creation in the public sector did not help unemployed people gain regular employment.

The EBSM findings showed some similarities to the international findings in that TWS worked best, followed by SD and SE. JCP results varied widely; no clear patterns emerged to serve as a basis for comparison with international findings. The varied impacts reported in the EBSM summative evaluations are not out of line with these findings, despite the different methodologies used in other countries.

The mixed pattern of EBSM results suggests that local labour market conditions and client characteristics may affect program effectiveness. This theory underscores the importance of tailoring the range of programming to local requirements.

8. Management Action Plans for Improving Results

A management action plan (MAP) is an integral component of HRSDC evaluation reports. The primary purpose of the MAP is to demonstrate how evaluation findings will contribute to policy and program improvements. To do so, it identifies and highlights key findings, and sets out a plan for action. MAPs for LMDA/EBSM evaluations are developed by HRSDC and Service Canada; by the province or territory in which the employment programming is being implemented; or by both.³⁹

The MAPs currently available propose concrete actions to address the LMDA/EBSM evaluation findings. Overall, these actions focus on:

- improving client access to programs;
- determining how to improve participation outcomes for specific client groups;
- examining ways to better address the human resources needs of employers;
- enhancing program flexibility to meet local labour market needs;
- enhancing program outcomes measurement; and
- increasing the relevance of performance indicators.

Ongoing work coordinated between the various areas of responsibility continues to identify, implement and monitor concrete responses. Service Canada and

³⁸ John P. Martin and David Grubb, *What Works and for Whom: A Review of OECD Countries' Experiences with Active Labour Market Policies* (Paris: Organisation for Economic Co-operation and Development, 2001).

³⁹ Quebec has sole responsibility for evaluations and is not required to develop a management action plan.

British Columbia have taken steps to coordinate program delivery to eliminate duplication and overlap. An example is the joint work by the LMDA partners to coordinate British Columbia's Skills Connect program and Service Canada's EAS to better meet the needs of recent immigrants. Regional and local planning priorities reflect the need for and support of such cooperation.

IV. EI and the Workplace

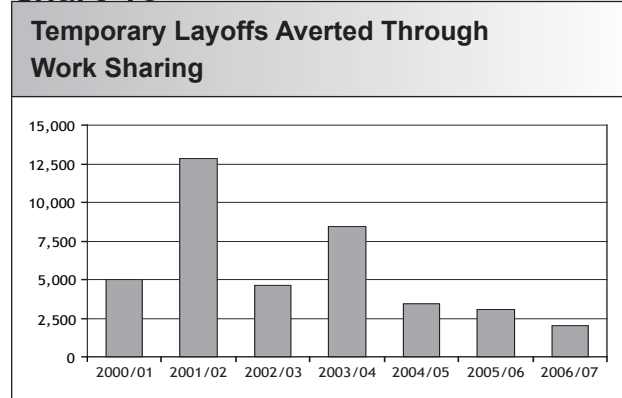
1. Work Sharing

The Work Sharing provision is intended to prevent layoffs by redistributing work among employees of a firm. Work Sharing provides income support to workers eligible for EI benefits who are willing to work a temporarily reduced work week when there is a reduction in the normal level of business activity that is beyond the control of the employer.

As mentioned in the previous report, Work Sharing has proven useful in supporting firms and employees through times of unexpected business disruptions. Firms benefit by retaining skilled workers, thus reducing their hiring and training costs over time. Employee participants experience reduced stress and fewer difficulties than comparison groups of unemployed workers.

In 2006/07, the estimated number of temporary layoffs averted through the Work Sharing provision was 1,982.⁴⁰ Still, some layoffs averted by the provision may occur after agreements expire. In the context of a relatively strong economy and low unemployment rates, use of the Work Sharing provision declined and the number of layoffs averted decreased by 35.9% (see Chart 15).⁴¹

Chart 15



⁴⁰ These are provisional data, subject to revision.

⁴¹ HRSDC, *Usage of the Work Sharing Program, 1990/91 to 2006/07* (Ottawa: HRSDC, Evaluation Directorate, forthcoming h).

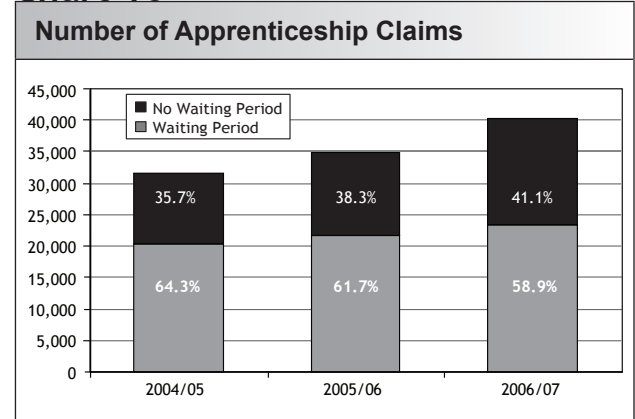
The dominant user of the Work Sharing provision in recent years has been the manufacturing industry. In 2006/07, this industry accounted for 76.6% of total new Work Sharing claims (as mentioned in Chapter 2), compared to a 12.7% share of total employment (as mentioned in Chapter 1). The high concentration of manufacturing firms in Quebec and Ontario partly explains why workers in these two provinces accounted for such a high share of Work Sharing participants.

2. Apprentices

Apprenticeships allow workers to acquire—during short, frequent sessions—new skills that are immediately applicable in the workplace. This approach helps firms remain competitive. The EI Program facilitates apprenticeship by providing benefits to apprentices in approved courses during periods of classroom training. Apprentices who are collecting EI while away from work on training are required to serve only one two-week waiting period per apprenticeship, even if the apprenticeship program includes multiple separate training segments.

In 2006/07, 39,760 claims for apprenticeship were established, an increase of 13.7% over the previous reporting period. Of apprenticeship claims in 2006/07, 16,350 (or 41.1%) were not subject to a waiting period, a slight increase from the previous reporting period (see Chart 16). The proportion of apprentices who are not subject to a waiting period has been consistently rising since 2002, when the waiting period rule was changed for apprentices. Almost all apprenticeship claimants were younger than 45 years of age, and roughly half were under the age of 25. Men accounted for 96.3% of apprenticeship claims in 2006/07 (38,280).

Chart 16



Since 2000/01, the number of EI claims by apprentices has increased by 35.7%, with the majority of claims coming from the construction and manufacturing sector (63.3% combined). Over this time, 84.8% of apprenticeship claims have come from Ontario, Alberta and British Columbia.

Total benefits paid to apprenticeship claimants increased to \$127.0 million in 2006/07, an increase of over 21% from the previous reporting period. Compared to regular claimants, apprentices received higher average weekly benefits (\$372 versus \$335). Further, 53% of apprenticeship claimants received the maximum weekly benefit, compared to 41% of all regular claimants.

For Canadian firms, research and development evolve rapidly, and ongoing skills training is critical to stay competitive. The EI Program supports unemployed individuals while they participate in training to enhance their skills and employability. An HRSDC study⁴² indicates that a significant portion of the unemployed participate in training while unemployed (12.7%). The report also states that those who participate in training while unemployed are more likely to collect EI. Of those participating in training, one third are in trade vocational courses.

According to a Canadian Council on Learning report,⁴³ labour shortages are most pronounced in highly skilled trades, such as construction and mechanical trades, but they will be felt increasingly in other vocations as the work force ages and the number of trainees completing apprenticeship programs declines. Some trainees may not finish their apprenticeships due to the cost they incur while taking leave for training.⁴⁴

3. Premium Reduction Program

The Premium Reduction Program reduces EI premiums for employers if their employees are covered by a short-term disability plan that meets or exceeds certain requirements set by the EI Commission. To be eligible, employers must demonstrate how the employee share of the premium reduction is returned to workers. Reduced premiums are paid on about 60% of all insurable earnings in Canada.

Between 1995 and 2006, the number of employees covered by an employer-sponsored short-term disability plan increased by roughly 600,000 (+11.8%) to 5.77 million employees. However, the number of participating employers⁴⁵ in the program (currently 32,398) has been declining, likely due to firm consolidation and amalgamation. Total premium reductions increased between 2005 and 2006, from \$604 million to \$649 million.⁴⁶

V. EI and the Economy

1. Income Distribution

As reported in previous *Monitoring and Assessment Reports*, the EI Program results in some income redistribution from high earners to low earners and from provinces of low unemployment to provinces of high unemployment.

To gauge redistribution, total premiums collected are compared to regular benefits paid, with the resultant ratio adjusted to equal 1.0 overall.⁴⁷ An adjusted ratio higher than 1.0 indicates that a province or territory received relatively more in benefits than it paid in premiums, while a low ratio demonstrates relatively little reliance on EI. As can be seen in Chart 17, the Atlantic provinces and Quebec had adjusted ratios well above 1.0, while Ontario and the western provinces continued to have low adjusted ratios.

In 2005, industries with a high degree of seasonality continued to have adjusted ratios higher than 1.0. Agriculture, fishing and logging, as well as construction and arts and recreation, continued to have high adjusted ratios. Annex 2.17 provides a detailed look at premiums and regular benefits across provinces and industries.

Men, youth and older workers were all net beneficiaries, according to the adjusted benefits-to-contributions ratios for regular benefits. Prime-aged workers (aged between 25 and 44) accounted for nearly half of EI premiums and received half of total regular benefits, and thus had an adjusted

⁴² HRSDC, *Training While Unemployed* (Ottawa: HRSDC, Evaluation Directorate, forthcoming i).

⁴³ Canadian Council on Learning, *Report on Learning in Canada 2006, Canadian Post-Secondary Education: A Positive Record—An Uncertain Future* (Ottawa: Canadian Council on Learning, December 2006).

⁴⁴ Andrew Sharpe and James Gibson, *The Apprenticeship System in Canada: Trends and Issues* (Ottawa: Canadian Study for Living Standards, September 2005).

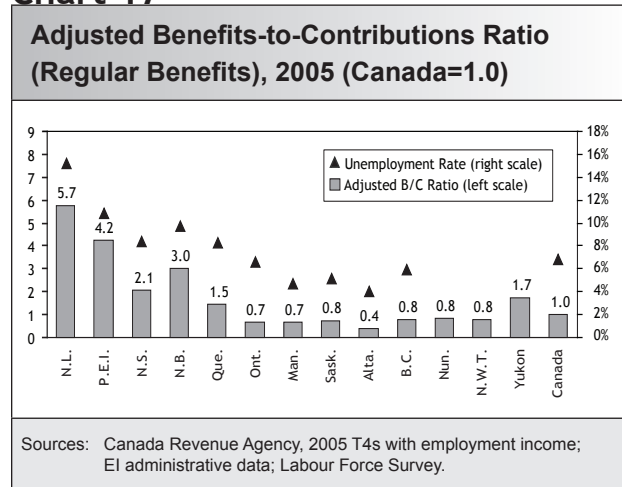
⁴⁵ Refers to business numbers of employers that the Canada Revenue Agency uses to administer reduced premiums. An employer may have more than one business number.

⁴⁶ HRSDC, *Report of the Chief Actuary on the Employment Insurance Rates of Premium Reduction for Registered Wage-Loss Replacement Plans* (Ottawa: HRSDC, Actuary's Office, 2007).

⁴⁷ In the absence of this adjustment, the ratio for Canada would be lower than 1.0, mostly because the numerator represents regular benefits only and does not include other EI payments. Province and territory are determined by the location of the employer for premiums and of the claimant for benefits.

benefit-to-contributions ratio of 1.0 in 2005. The adjusted ratio for men, which was above 1.0 in 2005, was unchanged from 2004.

Chart 17



The above analysis considers only regular benefits. When special benefits are also included, the analysis of the redistributive impacts of EI changes. In 2005, for instance, when including special benefits paid in the comparison to premiums collected, women were net beneficiaries while men's adjusted benefits-to-contributions ratio was below 1.0. As noted in Chapter 2, women represent 71.9% of new claims for special benefits. Older workers, who were net beneficiaries when considering only regular benefits, were net contributors when special benefits were also considered, since older workers are less likely to receive maternity or parental benefits.

When special benefits are included in the analysis, it is clear the EI Program is less redistributive across provinces and territories, and across industries.

2. Job Search by the Long-Term Unemployed

An unemployed person who has been looking for work for more than a year is considered "long-term" unemployed. According to an HRSDC study,⁴⁸ job search activities of the long-term unemployed are similar to those of people who are unemployed for shorter durations. Older and less educated workers had more risk of long-term

unemployment following a job separation, while the risk of long-term unemployment was lower for men than for women.

There tend to be proportionately fewer long-term unemployed in Canada than in other OECD countries. According to the Labour Force Survey, between 2001 and 2005, the proportion of individuals unemployed for more than a year among the total unemployed remained stable at 4.4%.⁴⁹ Also, according to the Canadian Out-of-Employment Panel, the trend between 1995 and 2003 suggests that men had a lower risk of becoming long-term unemployed after a job separation than women.

Research indicates that increased time spent looking for work each week can reduce the risk of being unemployed for more than a year. Other activities, such as job-related training or the use of Service Canada Centres, did not have a significant impact on long-term unemployment.

3. Labour Mobility

According to Statistics Canada demographic estimates, labour mobility increased in 2006/07. Preliminary estimates indicate about 380,000 individuals moved from one province to another in 2006/07, a 15.7% increase from the previous year.⁵⁰ Two provinces had positive net migration outcomes, Alberta (+55,000) and British Columbia (+9,600). In 2006/07, the number of migrants leaving Saskatchewan was roughly equal to the number who settled there, following a year in which the province lost 11,000 individuals to migration. Every other province in Canada had negative net migration outcomes, most notably Newfoundland and Labrador, where the net out-migration represented 0.8% of the province's population.

Research into the impacts of the EI Program on labour mobility has been extensive in recent years, and results have been mixed. Since access to EI benefits and the duration of entitlement are determined by the prevailing regional unemployment rate, research has focused on the impacts of differences in EI access and entitlement on an individual's propensity to relocate from one region to another. A recent study,⁵¹ based on two regions in New Brunswick, found that frequent claimants in areas where the unemployment rate was higher (implying access to EI was easier and benefit entitlements were longer) were less likely to move out of

⁴⁸ HRSDC, *Job Search by the Long-Term Unemployed* (Ottawa: HRSDC, Evaluation Directorate, forthcoming j).

⁴⁹ Long-term unemployment is defined as 53 weeks or more, since eligibility is based on insured work in the previous 52 weeks.

⁵⁰ Statistics Canada, *Quarterly Demographic Estimates, January to March 2007, Preliminary Report* (Cat. no. 91-002-XIE).

⁵¹ HRSDC, *The Impact of EI Regional Boundary Revisions on Mobility and EI Receipt in New Brunswick* (Ottawa: HRSDC, Evaluation Directorate, forthcoming k).

the region. Still, other research has found that EI Program parameters have little impact on individual mobility decisions, which are based more on moving costs, wage differentials and family circumstances.⁵²

VI. EI Finances

1. Trends in Contributions and Expenditures

The EI Program is financed entirely by contributions from employees and employers, via premiums paid on insured earnings up to the maximum insurable earnings (MIE). Employers pay a 1.4 multiple of the employee premium rate. Basic employee premiums per \$100 of insured earnings have declined annually from \$3.07 in 1994 to \$1.73 in 2008, while employer premiums have gone from \$4.30 in 1994 to \$2.42 in 2008. The effect of declining premiums on revenues has been at least partially offset by a generally rising participation rate, which has increased the total number of insured persons paying into the EI Program, and in recent years by an increasing MIE. The MIE increased to \$40,000 for 2007 (from \$39,000) and to \$41,100 for 2008.

In addition to annual changes to EI revenues, there have been important shifts in the make-up of EI expenditures. For instance, in 2006/07, special benefits accounted for a larger share of total income benefits paid under EI than was the case prior to 2000/01, when parental benefits were enhanced. Special benefits represented over 30% of total income benefits paid in 2006/07, compared to less than 20% in 2000/01.

2. The EI Account

The EI Account is not an account containing cash; rather, it is an accounting mechanism that keeps track of total premiums collected and total benefits paid out. Since 1986, the EI Account has been consolidated in the Summary Financial Statements of Canada. Revenues under the Act are credited to the account and deposited in the government's Consolidated Revenue Fund (CRF). Similarly, program costs are charged to the account and paid out of the CRF. As a result, any annual EI surplus or deficit affects the government's fiscal balance and is included in statements of the government's overall budget surplus or deficit.

Information on the status of the EI Account is provided annually in the HRSDC Departmental Performance Report (DPR). The 2006/07 DPR indicated that total EI premiums and penalties (\$17.165 billion) exceeded EI expenditures (\$15.815 billion) by \$1.351 billion for that fiscal year. Including notional interest of \$2.0 billion, the notional cumulative surplus in the EI Account was reported to be \$54.1 billion at March 31, 2007.⁵³

Analysis presented earlier in this chapter indicated that the Premium Reduction Program represented \$649 million in reduced premiums for participating employers in 2006. In addition, the premium reduction in Quebec in respect of that province's separate parental insurance plan represented \$786 million in 2006. These premium reductions also reflected reduced EI expenditures, since both resulted in reduced claims and reduced benefits for the Program.

⁵² Kathleen Day and Stanley L. Winer, *Policy-Induced Internal Migration: An Empirical Investigation of the Canadian Case*, CESifo Working Paper Series No. 1605 (Munich, Germany: Center for Economic Studies and Ifo Institute for Economic Research, November 2005).

⁵³ HRSDC, *2006-2007 Departmental Performance Report* (Ottawa: HRSDC, November 2007), <http://www.tbs-sct.gc.ca/dpr-rmr/2006-2007/inst/csd/csd00-eng.asp>.

Annex 1 Key Labour Market Statistics

- 1.1 Unemployment Rate, by EI Region (%)
- 1.2 Employment, by Province, Sex and Age
- 1.3 Employment, by Industry
- 1.4 Unemployment Rate
- 1.5 Unemployment Rate and Employment, by Education Level

Annex 1.1

Unemployment Rate, by EI Region (%)								
	June 2005	Sept. 2005	Dec. 2005	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007
Newfoundland and Labrador								
St. John's	9.5	9.2	8.1	8.8	8.8	8.0	7.7	7.3
Newfoundland and Labrador	19.2	19.1	19.8	20.1	19.5	19.9	18.6	19.1
Prince Edward Island								
Prince Edward Island	10.5	11.6	11.1	11.0	10.9	11.0	11.1	11.1
Nova Scotia								
Eastern Nova Scotia	15.0	13.7	14.7	15.0	13.8	14.4	12.4	14.3
Western Nova Scotia	8.8	8.5	9.4	9.4	9.1	9.7	9.8	8.8
Halifax	5.8	5.6	5.4	5.0	5.2	5.3	4.9	4.3
New Brunswick								
Fredericton-Moncton-Saint John	6.0	7.4	7.8	7.4	6.6	6.2	6.1	5.4
Madawaska-Charlotte ¹	11.5	12.5	12.0	10.1	10.0	10.6	10.0	9.5
Restigouche-Albert	15.2	14.7	15.8	14.4	14.1	14.2	14.6	13.0
Quebec								
Gaspésie-Îles-de-la-Madeleine	18.3	18.0	17.1	18.1	20.2	17.6	18.7	17.4
Quebec	5.7	7.0	5.2	5.3	4.3	4.7	6.1	5.6
Trois-Rivières	10.2	8.4	8.1	9.0	8.3	8.4	7.6	8.0
Quebec Centre South	6.2	5.9	5.7	5.4	4.9	6.2	7.7	5.7
Sherbrooke	7.7	7.2	7.3	7.7	7.7	7.9	7.9	7.0
Montréal	7.2	8.2	6.8	6.7	7.0	8.5	8.4	7.2
Montreal	8.3	8.4	9.1	9.7	8.9	8.3	8.0	7.5
Central Quebec	9.2	8.9	8.4	7.7	8.9	9.3	8.3	9.2
North Western Quebec	10.6	10.3	11.4	9.6	10.4	12.2	11.3	10.9
Bas-Saint-Laurent-Côte-Nord ¹	11.8	11.6	11.5	11.7	12.0	11.4	12.4	12.2
Hull	7.4	6.5	6.5	5.4	6.1	4.6	5.6	6.5
Chicoutimi-Jonquière	8.3	11.0	11.1	7.6	8.9	9.2	8.6	9.8
Ontario								
Ottawa	6.9	7.2	6.0	5.0	4.7	4.8	5.5	5.5
Eastern Ontario	6.6	7.6	7.0	6.8	6.3	6.8	7.6	7.5
Kingston	6.2	7.1	5.2	5.7	6.9	6.9	5.2	4.9
Central Ontario	6.8	5.6	6.3	5.3	6.7	6.5	5.8	4.9
Oshawa	6.7	6.5	6.1	6.8	6.0	6.4	6.9	6.4
Toronto	7.5	7.1	6.5	6.7	6.4	6.3	6.9	6.5
Hamilton	4.9	5.3	6.1	5.8	5.4	6.1	6.4	6.3
St. Catharines	6.8	8.1	7.0	6.8	6.0	6.0	6.7	6.4
London	6.8	6.7	6.9	6.1	5.7	7.0	6.4	5.7
Niagara	8.5	8.7	8.7	8.5	7.9	8.0	7.7	8.5
Windsor	8.1	7.3	6.9	9.0	9.0	9.0	8.6	9.9
Kitchener	6.3	5.8	5.8	5.3	5.0	5.0	5.2	5.8
Huron	7.3	8.2	8.2	6.5	6.6	7.5	6.8	7.6
South Central Ontario	4.3	4.9	5.1	5.1	4.9	4.7	4.5	5.2
Sudbury	7.3	7.7	8.2	7.6	7.7	6.9	7.1	6.0
Thunder Bay	7.4	7.1	6.4	7.0	7.9	8.3	7.2	6.7
Northern Ontario	8.8	10.5	9.5	9.9	10.2	10.7	10.7	11.0

Annex 1.1 (continued)

Unemployment Rate, by EI Region (%)								
	June 2005	Sept. 2005	Dec. 2005	March 2006	June 2006	Sept. 2006	Dec. 2006	March 2007
Manitoba								
Winnipeg	5.2	5.1	4.6	4.4	4.8	4.3	4.5	4.9
Southern Manitoba	6.3	4.8	5.3	5.8	4.4	4.9	4.7	4.3
Northern Manitoba	23.5	24.5	23.1	23.3	24.9	25.8	25.7	26.6
Saskatchewan								
Regina	4.4	4.9	5.2	4.9	5.3	4.8	4.8	4.0
Saskatoon	4.6	4.6	5.4	5.5	5.0	5.0	3.2	3.8
Southern Saskatchewan	6.8	6.6	7.3	5.9	6.1	6.9	6.1	6.0
Northern Saskatchewan	14.2	14.8	15.2	15.7	15.0	13.6	14.4	13.9
Alberta								
Calgary	3.5	3.3	4.4	4.0	3.3	3.6	2.9	3.2
Edmonton	4.4	4.9	4.5	4.1	3.7	4.5	3.9	3.8
Northern Alberta	6.5	7.1	6.9	7.4	8.0	8.6	7.7	7.9
Southern Alberta	4.6	4.5	4.9	4.2	4.2	4.5	4.4	4.6
British Columbia								
Southern Interior B.C.	6.8	6.9	6.6	6.3	6.2	7.2	6.7	6.4
Abbotsford	6.1	4.7	5.3	4.5	5.9	3.9	4.0	4.2
Vancouver	6.2	6.2	4.8	4.9	4.4	4.0	4.5	4.4
Victoria	5.4	4.1	5.0	4.7	5.2	3.8	4.4	3.8
Southern Coastal B.C.	8.4	8.1	7.5	6.6	5.7	6.5	6.7	6.5
Northern B.C.	10.0	8.8	9.9	9.1	8.2	8.5	9.9	8.0
Territories²								
Yukon	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Northwest Territories	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Nunavut	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
CANADA	7.3	7.3	7.1	7.0	6.7	6.8	6.8	6.6

Source: Labour Force Survey.

1. Unemployment rates for these regions have been determined using a transition formula prescribed in the *EI Regulations*.

2. The Yukon, Northwest Territories and Nunavut unemployment rates are set at 25% for EI purposes.

Annex 1.2 ■ Employment, by Province, Sex and Age

Employment, by Province, Sex and Age ¹									
	(000s)								
% Change 2005/06– 2006/07	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	1999/00	
NATIONAL	16,586.8	16,242.7	16,002.4	15,730.3	15,441.7	14,991.5	14,820.5	14,512.5	
Province									
Newfoundland and Labrador	216.7	213.4	214.3	212.9	208.9	205.1	198.6	201.0	
Prince Edward Island	69.0	68.2	67.5	66.2	65.0	63.6	62.9	61.2	
Nova Scotia	443.7	442.9	443.6	433.0	425.8	416.8	411.4	407.2	
New Brunswick	355.8	352.9	350.6	343.3	345.1	332.8	331.4	326.4	
Quebec	3,781.8	3,728.9	3,694.1	3,636.7	3,597.6	3,459.3	3,411.9	3,353.6	
Ontario	6,519.3	6,424.1	6,328.9	6,237.6	6,093.8	5,939.3	5,853.7	5,683.6	
Manitoba	589.0	581.6	578.1	571.7	568.7	556.3	553.8	544.0	
Saskatchewan	496.9	482.4	482.7	475.9	472.1	458.8	470.8	474.3	
Alberta	1,897.8	1,799.1	1,764.8	1,728.6	1,682.8	1,638.5	1,593.8	1,556.0	
British Columbia	2,216.7	2,149.0	2,077.9	2,024.3	1,981.7	1,920.9	1,932.1	1,905.3	
Sex									
Men	8,764.7	8,632.0	8,509.4	8,370.2	8,247.2	8,046.2	7,995.5	7,857.6	
Women	7,822.0	7,610.7	7,493.0	7,360.0	7,194.4	6,945.3	6,825.0	6,654.9	
Age									
Under 25	2,547.6	2,490.6	2,470.4	2,440.3	2,424.6	2,332.7	2,308.4	2,215.8	
25 to 54	11,671.5	11,508.2	11,418.8	11,293.7	11,204.4	11,027.1	10,964.6	10,804.7	
55 and Over	2,367.7	2,243.9	2,113.3	1,996.3	1,812.8	1,631.8	1,547.6	1,491.9	

Source: Labour Force Survey.

1. Calculated using annual averages of seasonally adjusted data over fiscal years.

Annex 1.3 ■ Employment, by Industry

Employment, by Industry ¹										
Industry	% Change 2005/06- 2006/07	(000s)								
		2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	1999/00	
ALL INDUSTRIES	2.1	16,586.8	16,242.7	16,002.4	15,730.3	15,441.7	14,991.5	14,820.5	14,512.5	
Goods-Producing	-0.1	3,992.1	3,998.0	4,002.0	3,931.0	3,915.4	3,771.5	3,820.3	3,776.3	
Agriculture	-1.5	343.0	348.3	324.6	331.3	333.7	315.4	358.1	401.1	
Forestry, Fishing, Mining, Oil and Gas	8.3	337.0	311.3	290.9	282.3	271.6	278.3	276.4	263.8	
Utilities	-0.2	124.1	124.4	131.0	132.0	132.0	125.8	116.8	114.7	
Construction	4.0	1,080.5	1,038.5	970.3	911.8	877.0	828.2	814.0	782.8	
Manufacturing	-3.1	2,107.7	2,175.5	2,285.0	2,273.6	2,301.2	2,223.8	2,255.1	2,213.9	
Services-Producing	2.9	12,594.7	12,244.7	12,000.5	11,799.3	11,526.3	11,220.0	11,000.2	10,736.1	
Trade	1.9	2,640.2	2,591.5	2,524.2	2,477.2	2,428.4	2,373.8	2,312.6	2,232.8	
Transportation and Warehousing	0.7	805.8	799.9	791.1	796.7	771.2	766.4	774.9	750.3	
Finance, Insurance, Real Estate and Leasing	5.8	1,052.1	994.7	974.0	924.3	900.4	879.9	862.7	858.3	
Professional, Scientific and Technical Services	3.3	1,098.9	1,063.8	1,023.5	1,005.4	992.5	983.4	954.0	904.8	
Business, Building and Other Support Services	5.2	696.6	662.3	633.1	612.3	592.8	545.2	538.2	511.7	
Educational Services	3.0	1,163.8	1,129.4	1,044.2	1,028.1	1,014.7	990.5	969.2	978.1	
Health Care and Social Assistance	4.3	1,810.3	1,734.9	1,735.5	1,694.9	1,640.2	1,550.4	1,522.2	1,459.0	
Information, Culture and Recreation	1.9	751.6	737.3	738.2	722.4	710.9	713.7	676.6	633.6	
Accommodation and Food Services	3.1	1,032.3	1,001.0	1,013.0	1,006.8	990.8	954.3	935.7	925.8	
Other Services	1.9	706.4	693.5	697.9	707.4	694.8	669.6	680.4	708.6	
Public Administration	0.1	836.8	836.3	826.0	823.7	789.7	792.8	773.6	773.0	

Source: Labour Force Survey.

1. Calculated using annual averages of seasonally adjusted data over fiscal years.

Unemployment Rate ¹										
	Unemployed (000s)	Unemployment Rate (%)								
		2006/07	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	1999/00
NATIONAL	1,102.2	6.2	6.6	7.1	7.6	7.5	7.5	6.9	7.3	
Province										
Newfoundland and Labrador	36.9	14.5	15.4	15.5	16.3	16.6	16.3	16.4	17.0	
Prince Edward Island	8.4	10.8	11.1	11.0	10.9	11.6	12.3	12.0	13.3	
Nova Scotia	37.9	7.9	8.2	8.8	9.2	9.4	9.8	9.2	9.4	
New Brunswick	32.1	8.3	9.6	9.7	10.2	10.0	11.0	10.4	9.8	
Quebec	322.5	7.9	8.3	8.4	9.1	8.5	8.9	8.5	9.0	
Ontario	440.8	6.3	6.5	6.8	7.0	7.0	6.6	5.8	6.1	
Manitoba	26.7	4.3	4.6	5.3	5.0	5.0	5.2	4.8	5.6	
Saskatchewan	22.5	4.3	5.2	5.2	5.6	5.7	5.8	5.4	5.5	
Alberta	68.2	3.5	3.8	4.3	5.0	5.3	4.7	5.0	5.5	
British Columbia	106.1	4.6	5.4	6.9	8.0	8.2	8.2	7.1	7.9	
Gender										
Men	609.6	6.5	6.8	7.4	8.0	7.9	7.9	7.0	7.5	
Women	492.5	5.9	6.4	6.8	7.2	7.1	7.0	6.7	7.1	
Age										
Under 25	330.2	11.5	12.2	13.0	13.8	13.4	13.3	12.6	13.6	
25 to 54	644.2	5.2	5.6	6.0	6.4	6.4	6.4	5.8	6.2	
55 and Over	127.8	5.1	5.1	5.5	5.8	5.8	5.7	5.2	5.2	

Source: Labour Force Survey.
 1. Calculated using annual averages of seasonally adjusted data over fiscal years.

Annex 1.5 ■ Unemployment Rate and Employment, by Education Level

Unemployment Rate and Employment, by Education Level ¹											
Education level	Unemployment Rate (%)	Employment % Change	Employment (000s)								
	2006/07	2005/06–2006/07	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	1999/00	
ALL	6.2	2.1	16,586.0	16,242.3	16,001.2	15,731.0	15,441.3	14,992.5	14,820.6	14,510.7	
Eight Years or Less	12.6	-2.5	451.6	463.2	486.7	505.8	500.0	490.0	533.0	578.1	
Some High School	12.2	1.7	1,779.6	1,749.3	1,782.9	1,801.2	1,879.6	1,898.7	1,933.7	1,952.2	
High School Diploma	6.3	1.1	3,407.4	3,368.9	3,277.8	3,180.9	3,179.1	3,120.4	3,109.4	3,040.3	
Some Post-Secondary	7.1	-3.4	1,334.9	1,381.6	1,557.3	1,579.1	1,480.6	1,392.4	1,449.3	1,380.5	
Post-Secondary Certificate or Diploma	5.0	2.6	5,746.5	5,600.9	5,488.1	5,347.0	5,239.3	5,047.4	4,849.7	4,750.9	
University Degree	3.8	5.1	3,866.1	3,678.3	3,408.4	3,317.0	3,162.8	3,043.6	2,945.5	2,808.6	

Source: Labour Force Survey.

1. Calculated using annual averages of unadjusted data over fiscal years.

Annex 2 Income Benefits Data Tables

- 2.1 Total Income Benefits
- 2.2 Total Income Benefits, by Industry
- 2.3 Regular Benefits
- 2.4 Distribution of Claims for Regular Benefits, by Duration of Insured Employment
- 2.5 Fishing Benefits
- 2.6 Frequent Claimants
- 2.7 Special Benefits
- 2.8 Maternity Benefits
- 2.9 Parental Benefits (Biological)
- 2.10 Parental Benefits (Adoptive)
- 2.11 Sickness Benefits
- 2.12 Compassionate Care Benefits
- 2.13 Family Supplement
- 2.14 Working While on Claim
- 2.15 Benefit Repayment Provision
- 2.16 Contributors to the Program, 2005
- 2.17 Benefits-to-Contributions Ratios, 2005

Annex 2.1 ■ Total Income Benefits

Total Income Benefits															
Province/Territory	New Claims ¹			Average Weekly Benefit ²						Amount Paid ²					
	% Change 2005/06- 2006/07	(000s)			% Change 2005/06- 2006/07	(\$)			% Change 2005/06- 2006/07	(\$ Millions)					
		2006/07	2005/06	2004/05		1995/96	2006/07	2005/06		2004/05	1995/96	2006/07	2005/06	2004/05	1995/96
Newfoundland and Labrador	-2.7	90	93	97	86	328	319	313	274	1.5	778.2	766.9	764.9	589.9	
Prince Edward Island	-2.5	24	24	25	25	335	318	301	260	5.3	188.0	178.6	168.3	157.7	
Nova Scotia	-4.0	84	88	90	98	325	310	297	261	2.2	625.7	612.2	608.2	571.2	
New Brunswick	-2.9	90	93	94	104	323	310	299	263	2.6	685.5	668.2	661.3	642.0	
Quebec	-7.4	531	573	584	663	327	318	310	268	-11.3	3,382.8	3,813.0	3,730.7	3,793.3	
Ontario	1.8	553	543	530	611	339	332	326	289	2.3	3,912.7	3,825.1	3,791.2	3,277.0	
Manitoba	-0.6	54	54	56	65	319	306	300	256	2.1	351.3	344.2	350.0	314.3	
Saskatchewan	-1.6	42	43	45	51	332	315	307	262	5.1	290.2	276.2	285.9	241.8	
Alberta	-0.3	117	118	129	158	353	337	329	280	2.9	846.1	822.4	900.0	863.0	
British Columbia	-2.9	187	193	207	262	335	323	318	296	-3.9	1,272.2	1,324.3	1,432.6	1,434.9	
Nunavut	3.1	1	1	1	N/A	380	363	346	N/A	20.1	13.8	11.5	10.5	N/A	
Northwest Territories	3.3	2	2	2	4	394	382	372	327	-9.0	19.8	21.7	20.8	28.9	
Yukon	-8.7	2	3	3	3	385	364	356	328	-5.9	20.5	21.8	22.2	22.8	
Sex															
Men	-1.1	961	972	990	1,161	360	351	343	312	0.9	6,383.3	6,328.7	6,449.6	7,138.0	
Women	-4.5	817	855	872	969	302	291	283	237	-5.6	6,003.6	6,357.4	6,296.9	4,798.8	
Age															
Under 25	-4.1	207	216	230	301	294	279	266	213	-1.9	1,226.7	1,249.9	1,276.0	1,274.2	
25 to 44	-5.8	920	976	1,012	1,293	342	332	325	287	-6.0	7,133.3	7,585.6	7,705.2	7,534.3	
45 to 54	0.8	402	398	393	354	337	328	321	293	3.0	2,446.1	2,375.0	2,359.4	2,012.1	
55 and Over	5.2	250	237	227	182	325	316	311	286	7.1	1,580.7	1,475.6	1,405.9	1,116.2	
EI History³															
First-Time Claimants	-2.9	736	758	772	688	323	312	305	263	-4.2	5,703.6	5,952.7	5,972.3	3,922.8	
Occasional Claimants	-4.3	500	522	543	702	326	315	306	259	-3.0	3,158.1	3,255.0	3,331.8	3,659.1	
Frequent Claimants	-0.9	542	547	547	740	354	345	339	308	1.3	3,525.2	3,478.3	3,442.4	4,354.9	
NATIONAL	-2.7	1,778	1,827	1,862	2,130	333	323	315	278	-2.4	12,386.8	12,686.1	12,746.5	11,936.8	

Source: EI administrative data.

N/A = not applicable.

1. Includes claims on which at least \$1 of EI benefits was paid.
2. Takes into account benefit payments under regular, fishing, special (sickness, maternity, parental, compassionate), employment (section 25 of the *Employment Insurance Act*) and Work Sharing benefits. Payments under Part II of the *Employment Insurance Act* are not included. Dollar figures encompass Family Supplement top-ups paid.
3. First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as individuals who have had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who have had three or more active claims in the five years prior to their current claim.

Annex 2.2

Total Income Benefits, by Industry

	% Change	(\$ Millions)		
	2005/06– 2006/07	2006/07	2005/06	2004/05
Goods-Producing Industries				
Agriculture, Forestry, Fishing and Hunting	-1.0	662.3	668.9	641.6
Fish Harvesting (Self-Employed) ¹	-6.0	248.3	264.1	293.2
Mining and Oil and Gas Extraction	12.4	173.2	154.0	172.5
Utilities	-6.2	35.6	37.9	42.8
Construction	6.0	1,654.1	1,560.0	1,554.0
Manufacturing	-2.0	1,967.0	2,007.1	2,004.8
Services-Producing Industries				
Wholesale Trade	-4.5	522.9	547.8	533.6
Retail Trade	-3.7	833.3	864.9	844.3
Transportation and Warehousing	-1.9	439.3	447.7	429.4
Information and Cultural Industries	-3.9	188.2	195.7	212.9
Finance and Insurance	-7.8	309.9	336.0	336.3
Real Estate and Rental and Leasing	-3.9	162.2	168.7	176.0
Professional, Scientific and Technical Services	-4.0	563.2	586.5	628.4
Management of Companies and Enterprises	-9.8	75.1	83.3	76.8
Administrative and Support, Waste Management and Remediation Services	2.8	732.2	712.6	677.3
Educational Services	-2.1	764.0	780.8	769.2
Health Care and Social Assistance	-9.5	771.8	852.8	850.8
Arts, Entertainment and Recreation	-1.6	230.7	234.5	230.5
Accommodation and Food Services	-2.0	563.6	574.9	557.0
Other Services	-4.6	452.5	474.2	482.2
Public Administration	-1.9	839.2	855.4	864.0
Unclassified	-28.8	198.2	278.3	368.8
ALL INDUSTRIES	-2.4	12,386.8	12,686.1	12,746.5

Source: EI administrative data.

1. Includes fishing benefits paid to self-employed fishers, as well as other types of benefits collected by these claimants, such as special benefits. Employment Benefits (Part II) are excluded.

Annex 2.3 ■ Regular Benefits

Regular Benefits																
Province/Territory	New Claims ¹				Average Weekly Benefit ²				Amount Paid ²							
	% Change	(000s)			% Change	(\$)			% Change	(\$ Millions)						
	2005/06-2006/07	2006/07	2005/06	2004/05	1995/96	2005/06-2006/07	2006/07	2005/06	2004/05	1995/96	2005/06-2006/07	2006/07	2005/06	2004/05	1995/96	
Newfoundland and Labrador	-2.1	71	73	74	74	3.3	322	311	298	265	3.4	597.3	577.5	551.1	481.4	
Prince Edward Island	-3.8	18	18	19	21	6.2	327	308	287	245	5.6	130.9	124.0	113.9	121.5	
Nova Scotia	-4.7	64	67	71	83	5.1	323	307	293	249	2.4	445.2	434.8	434.9	447.5	
New Brunswick	-3.2	73	75	78	94	4.3	324	311	298	261	1.4	520.4	513.2	512.6	554.3	
Quebec	-0.3	468	470	474	596	3.5	331	320	311	268	3.2	2,815.7	2,728.0	2,677.2	3,205.8	
Ontario	1.0	385	381	374	497	2.2	343	335	328	287	0.6	2,166.7	2,153.1	2,171.3	2,427.4	
Manitoba	-3.9	35	36	39	53	4.4	323	309	301	255	-1.7	182.0	185.2	196.4	230.8	
Saskatchewan	0.2	30	30	34	42	5.4	338	321	311	263	2.6	167.5	163.3	181.1	186.0	
Alberta	-7.2	61	66	82	132	6.0	361	340	336	282	-8.8	334.5	366.8	460.2	671.3	
British Columbia	-7.2	119	129	146	219	3.7	340	328	321	296	-11.8	671.5	761.4	882.4	1,115.3	
Nunavut	-17.2	1	1	1	N/A	5.6	378	358	342	N/A	4.6	7.5	7.2	6.7	N/A	
Northwest Territories	4.1	2	1	2	3	2.5	393	384	371	325	-10.7	12.6	14.2	13.9	21.5	
Yukon	-11.8	2	2	2	3	6.8	391	366	358	328	-8.3	15.3	16.7	17.3	19.2	
Sex																
Men	-0.9	794	801	828	1,066	2.7	360	351	343	311	0.9	5,297.4	5,251.0	5,388.3	6,333.1	
Women	-2.6	534	548	565	752	4.8	298	285	276	226	-0.9	2,769.8	2,794.3	2,830.8	3,148.8	
Age																
Under 25	-5.0	143	151	166	261	5.4	302	286	273	214	-1.7	742.7	755.8	782.5	1,005.3	
25 to 44	-3.7	645	670	707	1,077	3.5	343	331	323	284	-2.4	3,930.4	4,028.7	4,240.6	5,695.5	
45 to 54	0.7	336	333	332	319	3.0	339	330	322	293	2.6	2,058.7	2,006.8	2,000.4	1,778.8	
55 and Over	4.4	205	196	188	161	3.1	328	318	312	285	6.5	1,335.5	1,254.0	1,195.6	1,002.2	
EI History³																
First-Time Claimants	-2.0	414	422	445	490	4.3	320	307	299	252	-2.2	2,625.1	2,685.3	2,814.3	2,539.8	
Occasional Claimants	-3.0	415	427	451	623	3.7	329	317	308	260	0.2	2,375.4	2,371.5	2,464.3	3,009.7	
Frequent Claimants	-0.1	500	500	498	705	2.6	353	344	336	306	2.6	3,066.7	2,988.5	2,940.4	3,932.3	
NATIONAL	-1.6	1,328	1,350	1,394	1,818	3.5	335	324	315	276	0.3	8,067.2	8,045.3	8,219.1	9,481.9	

Source: EI administrative data.

N/A: Not applicable.

1. Includes claims on which at least \$1 of regular benefits was paid.
2. Takes into account Family Supplement top-ups paid to regular claimants.
3. First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as individuals who have had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who have had three or more active claims in the five years prior to their current claim.

Annex 2.4 ■ Distribution of Claims for Regular Benefits, by Duration of Insured Employment

	New Claims ¹														
	% Change						2005/06			2004/05			1995/96		
	2005/06-2006/07		2006/07		2005/06		2004/05			1995/96					
	Short Spells ²	Medium Spells ³	Long Spells ⁴	Short Spells ²	Medium Spells ³	Long Spells ⁴	Short Spells ²	Medium Spells ³	Long Spells ⁴	Short Spells ²	Medium Spells ³	Long Spells ⁴			
Province/Territory															
Newfoundland and Labrador	3.8	-2.9	-2.6	7,380	42,510	21,520	7,110	43,770	22,100	7,380	44,530	21,640	20,700	37,290	16,500
Prince Edward Island	-3.8	-4.5	-2.5	1,760	10,430	5,500	1,830	10,920	5,640	1,790	11,640	5,220	6,480	10,950	3,370
Nova Scotia	-12.1	-7.0	0.9	4,060	37,350	22,770	4,620	40,150	22,560	4,980	40,650	25,370	13,850	45,680	23,550
New Brunswick	3.7	-5.6	0.4	4,460	44,120	24,400	4,300	46,750	24,310	4,680	47,600	25,720	24,340	50,200	19,480
Quebec	-1.3	-0.4	-0.2	24,890	266,000	177,020	25,220	266,960	177,350	24,040	273,640	176,420	51,290	334,440	210,730
Ontario	4.6	-1.3	3.3	12,300	192,150	180,140	11,760	194,770	174,420	11,780	186,440	175,480	21,480	263,750	212,100
Manitoba	-8.7	-3.4	-4.2	1,360	20,240	13,210	1,490	20,960	13,790	1,410	22,310	15,080	3,270	30,150	19,230
Saskatchewan	-13.5	0.3	1.2	830	17,460	11,850	960	17,400	11,710	1,210	19,700	12,940	2,140	26,750	13,560
Alberta	-12.3	-11.7	-1.4	1,860	30,780	28,570	2,120	34,840	28,970	2,670	41,810	37,020	6,310	71,090	54,220
British Columbia	-15.7	-4.9	-9.5	5,430	69,700	44,210	6,440	73,320	48,860	6,540	79,240	60,240	14,680	118,470	85,700
Nunavut	100.0	-22.2	-19.4	60	420	290	30	540	360	70	520	300	N/A	N/A	N/A
Northwest Territories	50.0	-8.2	19.3	60	780	680	40	850	570	110	830	590	260	1,940	1,030
Yukon	-70.0	-21.1	6.9	30	900	930	100	1,140	870	110	1,250	760	240	1,690	850
Sex															
Men	-0.4	-3.2	1.9	35,060	410,090	349,320	35,210	423,450	342,750	36,120	432,450	359,800	103,350	610,960	351,220
Women	-4.5	-1.9	-3.7	29,420	322,750	181,770	30,810	328,920	188,760	30,650	337,710	196,980	61,690	381,440	309,100
Age															
Under 25	-19.1	-4.9	-2.9	6,600	88,030	48,540	8,160	92,580	49,980	7,410	103,260	55,510	22,100	162,380	76,060
25 to 44	-2.7	-4.5	-2.9	29,090	342,190	273,620	29,910	358,230	281,720	33,020	375,180	298,830	97,400	574,840	404,680
45 to 54	1.9	-1.7	3.9	15,740	182,450	137,610	15,450	185,570	132,400	15,180	180,850	136,020	28,520	169,390	121,240
55 and Over	4.4	3.6	5.8	13,050	120,170	71,320	12,500	115,990	67,410	11,160	110,870	66,420	17,020	85,790	58,340
EI History⁵															
First-Time Claimants	3.3	-3.5	-0.9	8,710	179,150	226,070	8,430	185,620	228,130	8,430	193,190	243,660	8,450	204,310	277,100
Occasional Claimants	-10.0	-3.6	-1.0	24,480	225,060	164,990	27,210	233,520	166,650	27,760	247,500	175,200	48,390	327,560	246,990
Frequent Claimants	3.0	-1.4	2.4	31,290	328,630	140,030	30,380	333,230	136,730	30,580	329,470	137,920	108,200	460,530	136,230
NATIONAL	-2.3	-2.6	-0.1	64,480	732,840	531,090	66,020	752,370	531,510	66,770	770,160	556,780	165,040	992,400	660,320

Source: EI administrative data.

N/A: Not applicable.

1. Includes claims on which at least \$1 of regular benefits was paid.

2. Short spells: Duration of insured employment is at the minimum entrance requirement or up to two weeks above the minimum entrance requirement.

3. Medium spells: Duration of insured employment is at least three weeks greater than the minimum entrance requirement but less than or equal to six months.

4. Long spells: Duration of insured employment is more than six months longer than the minimum entrance requirement.

5. First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as individuals who have had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who have had three or more active claims in the five years prior to their current claim.

Fishing Benefits																
Province/Territory	New Claims ¹				Average Weekly Benefit ²				Amount Paid ²							
	% Change	2006/07	2005/06	2004/05	1995/96	% Change	2006/07	2005/06	2004/05	1995/96	% Change	2006/07	2005/06	2004/05	1995/96	
	2005/06-2006/07					2005/06-2006/07	(\$)	(\$)	(\$)	(\$ Millions)	2005/06-2006/07					
Newfoundland and Labrador	-11.4	12,935	14,604	17,753	7,127	1.2	377	372	386	374	-13.5	98.3	113.7	136.2	62.8	
Prince Edward Island	-1.7	3,468	3,527	3,515	2,299	0.5	400	397	394	409	-0.7	27.0	27.2	27.4	22.1	
Nova Scotia	-2.5	5,749	5,896	5,760	6,821	0.0	390	390	387	421	-3.4	42.9	44.4	45.5	58.6	
New Brunswick	-6.6	3,104	3,325	3,337	2,452	-0.2	398	399	395	410	-2.5	23.7	24.3	24.9	24.2	
Quebec	-9.0	1,630	1,791	1,768	1,207	1.2	395	390	393	422	0.7	11.0	10.9	11.2	13.0	
Ontario	-31.1	73	106	102	156	-3.6	337	349	339	367	-18.8	0.6	0.7	0.8	1.9	
Manitoba	-11.9	771	875	940	561	4.2	363	348	350	330	-3.6	7.4	7.6	8.0	3.7	
Saskatchewan	-9.2	118	130	149	53	10.6	330	298	292	331	-35.3	0.4	0.6	1.1	0.5	
Alberta	-32.3	44	65	43	36	2.2	365	357	378	379	-9.7	0.3	0.4	0.2	0.2	
British Columbia	4.0	3,732	3,587	4,219	4,271	5.0	354	337	354	365	5.4	30.2	28.6	33.0	31.8	
Nunavut	28.0	32	25	17	N/A	7.2	375	350	330	N/A	24.9	0.2	0.2	0.1	N/A	
Northwest Territories	-50.0	9	18	26	34	25.0	413	330	289	384	-71.8	0.1	0.4	0.2	0.1	
Yukon	N/A	0	0	2	5	N/A	0	0	413	392	N/A	0.0	0.0	0.0	0.1	
Sex																
Men	-7.5	26,013	28,122	31,237	21,961	1.0	386	382	387	401	-7.4	200.0	215.9	239.2	194.2	
Women	-3.0	5,652	5,827	6,394	3,061	2.9	361	351	363	335	-2.6	42.0	43.2	49.5	24.7	
Age																
Under 25	-23.3	1,479	1,928	2,620	2,529	0.5	360	358	366	367	-14.7	12.5	14.7	19.4	20.3	
25 to 44	-13.2	13,012	14,989	17,388	13,773	1.1	384	380	384	396	-11.4	102.8	116.0	135.3	118.5	
45 to 54	-2.2	9,613	9,834	10,473	5,573	1.4	383	378	386	396	-4.2	70.5	73.6	78.4	50.9	
55 and Over	5.0	7,561	7,198	7,150	3,147	1.4	379	373	380	394	2.8	56.3	54.8	55.6	29.2	
EI History³																
First-Time Claimants	-13.2	801	923	1,125	863	2.0	350	343	352	349	-0.5	6.8	6.9	10.4	5.6	
Occasional Claimants	-9.1	2,270	2,498	3,241	3,550	1.4	349	344	355	375	-3.2	18.3	18.9	23.7	20.7	
Frequent Claimants	-6.3	28,594	30,528	33,265	20,609	1.2	385	380	387	406	-7.0	217.0	233.3	254.6	192.6	
NATIONAL	-6.7	31,665	33,949	37,631	25,022	1.2	381	377	383	393	-6.6	242.1	259.1	288.7	218.9	

Source: EI administrative data.

N/A: Not applicable.

1. Includes claims on which at least \$1 of fishing benefits was paid.

2. Takes into account Family Supplement top-ups paid to fishing claimants.

3. First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as individuals who have had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who have had three or more active claims in the five years prior to their current claim.

Annex 2.6 ■ Frequent Claimants

Frequent Claimants ¹																
Province/Territory	New Claims ²				Average Weekly Benefit ³				Amount Paid ³							
	% Change	2006/07	2005/06	2004/05	1995/96	% Change	2006/07	2005/06	2004/05	1995/96	% Change	2006/07	2005/06	2004/05	1995/96	
	2005/06-2006/07					2005/06-2006/07	(\$)	(\$)	(\$)	(\$)	2005/06-2006/07	(\$ Millions)	(\$ Millions)	(\$ Millions)	(\$ Millions)	
Newfoundland and Labrador	-3.3	58,572	60,545	62,987	53,245	1.6	346	340	336	296	-1.1	495.2	500.6	495.5	397.6	
Prince Edward Island	-0.6	15,134	15,220	15,648	16,143	4.5	353	338	321	282	2.9	115.2	112.0	107.2	111.0	
Nova Scotia	-3.7	38,135	39,600	40,252	49,949	3.2	347	336	324	292	3.2	283.0	274.3	267.2	308.8	
New Brunswick	-2.8	46,669	48,003	48,957	60,269	2.9	341	332	322	286	-0.1	359.7	360.1	356.0	394.2	
Quebec	1.7	198,975	195,742	193,339	262,740	2.5	353	345	338	303	4.7	1,197.5	1,143.8	1,089.5	1,524.0	
Ontario	3.5	96,660	93,424	85,298	143,772	1.7	368	362	355	324	4.5	436.0	417.2	410.4	660.8	
Manitoba	-5.5	12,142	12,842	12,556	18,606	3.1	348	338	333	292	-0.7	64.5	65.0	66.2	84.1	
Saskatchewan	-0.9	10,535	10,628	11,468	16,003	1.6	351	346	344	302	1.1	57.2	56.5	63.7	77.2	
Alberta	-3.4	13,572	14,054	15,852	32,831	2.8	374	364	369	333	-3.0	66.4	68.5	83.2	176.5	
British Columbia	-6.8	36,833	39,512	43,482	70,042	3.5	361	349	348	337	-6.8	197.8	212.4	244.0	375.7	
Nunavut	2.4	129	126	163	N/A	9.4	388	355	364	N/A	28.9	1.2	1.0	1.0	N/A	
Northwest Territories	19.9	458	382	492	825	1.7	404	397	372	355	-12.4	3.7	4.2	4.5	5.9	
Yukon	-7.6	730	790	761	1,164	1.1	399	395	386	383	0.2	6.4	6.4	6.4	9.1	
Sex																
Men	-1.0	346,589	350,009	353,869	479,343	1.7	380	373	368	347	1.0	2,423.2	2,398.5	2,404.9	3,162.0	
Women	0.6	181,955	180,859	177,386	246,246	4.7	307	293	283	234	4.5	860.6	823.3	790.1	962.9	
Age																
Under 25	-5.8	14,467	15,361	16,598	30,833	2.9	358	348	336	277	-7.9	95.5	103.7	101.8	174.9	
25 to 44	-3.6	231,481	240,177	250,017	453,239	2.8	364	354	346	312	-1.8	1,448.1	1,474.3	1,527.4	2,572.9	
45 to 54	1.1	169,335	167,438	162,225	159,105	2.3	352	344	338	311	4.1	1,019.1	979.1	949.3	890.0	
55 and Over	5.0	113,261	107,892	102,415	82,412	2.5	340	331	326	299	8.5	721.0	664.8	616.5	487.1	
Seasonality⁴																
Seasonal	-0.8	437,084	440,558	439,265	547,599	2.4	355	347	342	311	2.2	2,701.9	2,644.4	2,593.6	3,155.8	
Non-Seasonal	1.3	91,460	90,310	91,990	177,990	3.0	351	341	327	302	0.8	581.9	577.5	601.4	969.1	
NATIONAL	-0.4	528,544	530,868	531,255	725,589	2.5	355	346	339	309	1.9	3,283.7	3,221.9	3,195.0	4,124.9	

Source: EI administrative data.

N/A: Not applicable.

1. This table includes both regular and fishing claims.
2. Includes claims on which at least \$1 of regular or fishing benefits was paid.
3. Takes into account Family Supplement top-ups paid to frequent claimants.
4. Individuals who started previous claims at about the same time of the year as their current claim are considered seasonal claimants.

Annex 2.7 - Special Benefits

Special Benefits ¹											
Province/Territory	New Claims ²						Amount Paid ³				
	% Change	2006/07	2005/06	2004/05	1995/96		% Change	2006/07	2005/06	2004/05	1995/96
	2005/06- 2006/07						2005/06- 2006/07				
Newfoundland and Labrador	5.5	10,170	9,640	9,700	5,800		7.4	59.8	55.7	57.1	21.3
Prince Edward Island	8.6	4,550	4,190	4,200	2,030		8.9	22.7	20.9	20.2	6.2
Nova Scotia	-0.5	20,550	20,660	19,490	13,030		4.2	119.4	114.5	111.7	45.0
New Brunswick	4.0	23,080	22,200	20,990	12,100		7.5	117.0	108.8	101.4	38.1
Quebec	-31.0	97,030	140,610	147,900	99,600		-53.3	451.5	966.3	933.6	382.2
Ontario	1.8	180,760	177,600	170,470	138,850		3.7	1,647.2	1,589.0	1,526.2	683.9
Manitoba	3.7	18,410	17,750	16,700	13,280		8.4	141.2	130.2	124.8	55.4
Saskatchewan	-6.4	12,180	13,010	11,960	9,920		9.6	110.0	100.3	92.9	41.1
Alberta	2.2	47,000	45,970	45,230	31,650		11.1	448.7	403.9	390.2	132.7
British Columbia	3.1	70,370	68,250	66,060	53,520		7.3	527.4	491.3	472.3	213.6
Nunavut	114.3	600	280	370	N/A		61.4	5.4	3.4	3.4	N/A
Northwest Territories	16.4	640	550	550	880		-5.7	6.0	6.3	5.2	5.2
Yukon	39.0	570	410	480	350		1.9	4.4	4.3	4.2	1.7
Sex											
Men	-4.8	154,770	162,640	154,770	93,680		-1.0	593.6	599.8	562.7	230.6
Women	-7.6	331,140	358,480	359,330	287,330		-9.7	3,067.1	3,395.1	3,280.6	1,395.7
Age											
Under 25	-9.2	49,570	54,610	56,680	41,100		-6.4	341.8	365.2	362.1	121.0
25 to 44	-11.0	294,630	331,210	333,100	266,970		-10.9	2,868.3	3,220.4	3,097.9	1,321.7
45 to 54	1.5	84,220	82,970	76,550	45,510		8.2	271.1	250.6	237.2	111.2
55 and Over	9.9	57,490	52,330	47,770	27,430		13.1	179.5	158.7	146.0	72.4
NATIONAL	-6.8	485,910	521,120	514,100	381,010		-8.4	3,660.7	3,994.9	3,843.2	1,626.3

Source: EI administrative data.

N/A: Not applicable.

1. For a breakdown of maternity, parental, sickness and compassionate care benefits, please see tables 2.8, 2.9, 2.10, 2.11 and 2.12.
2. Includes claims on which at least \$1 of maternity, parental, sickness or compassionate care benefits was paid.
3. Takes into account Family Supplement top-ups paid to claimants with special benefits.

Maternity Benefits																					
	New Claims ¹			Average Number of Weeks Paid			Average Weekly Benefit ²			Amount Paid ²											
	% Change	2005/06 - 2006/07	2004/05	2005/06	2006/07	1995/96	% Change	2005/06 - 2006/07	2006/07	2005/06	2004/05	1995/96	% Change	2005/06 - 2006/07	2006/07	2005/06	2004/05	1995/96			
Province/Territory																					
Newfoundland and Labrador	2.8	2,610	2,540	2,730	2,000	14.4	2.0	14.6	14.3	14.2	14.4	6.2	311	293	290	283	11.7	11.2	11.6	8.2	
Prince Edward Island	7.4	1,010	940	970	660	14.4	4.9	14.6	14.0	14.5	14.4	13.9	317	278	277	250	4.7	3.8	4.1	2.3	
Nova Scotia	3.4	5,530	5,350	5,180	4,360	14.5	-0.6	14.3	14.4	14.5	14.5	2.0	307	300	293	256	23.6	23.5	23.1	16.8	
New Brunswick	-5.9	4,650	4,940	4,700	3,400	14.3	-0.5	14.4	14.5	14.5	14.3	5.4	309	293	282	254	21.1	21.2	19.4	12.8	
Quebec	-99.9	20	34,330	47,460	42,590	14.4	-59.1	6.0	14.7	14.5	14.4	16.0	370	319	309	271	1.3	206.2	218.0	167.7	
Ontario	2.8	85,080	82,760	81,570	71,760	14.6	0.1	14.6	14.6	14.6	14.6	1.8	334	328	324	305	414.2	400.7	386.5	321.4	
Manitoba	6.8	7,660	7,170	6,730	6,180	14.7	0.4	14.7	14.6	14.7	14.5	2.9	307	298	296	263	33.7	31.5	29.5	24.2	
Saskatchewan	-4.2	5,980	6,240	5,380	5,140	14.7	0.6	14.7	14.6	14.7	14.5	3.8	312	301	290	264	27.6	26.8	22.6	19.4	
Alberta	6.1	24,460	23,050	20,920	16,010	14.7	0.0	14.7	14.7	14.6	14.4	3.2	326	316	305	275	115.7	104.6	95.0	61.7	
British Columbia	4.2	24,870	23,860	22,980	19,760	14.6	0.1	14.6	14.6	14.5	14.5	2.6	318	310	303	295	114.9	108.5	102.8	82.9	
Nunavut	161.5	340	130	150	N/A	14.2	-2.3	14.2	14.5	14.8	N/A	-0.9	376	380	360	N/A	1.6	0.8	0.8	N/A	
Northwest Territories	37.5	330	240	290	560	14.8	-1.6	14.8	15.0	14.1	14.1	7.1	390	364	370	345	1.6	1.5	1.3	2.7	
Yukon	78.6	250	140	300	160	14.4	0.6	14.4	14.4	14.0	13.7	8.3	361	333	327	317	1.1	0.9	1.3	0.7	
Age																					
Under 25	-13.2	24,450	28,170	29,700	20,610	14.5	0.3	14.5	14.4	14.4	14.3	3.4	229	221	209	193	81.7	96.7	94.6	57.7	
25 and Over	-15.4	138,340	163,520	169,660	151,970	14.6	-0.1	14.6	14.6	14.6	14.5	2.5	344	335	330	300	691.2	844.6	821.7	663.2	
NATIONAL	-15.1	162,790	191,690	199,360	172,580	14.6	0.0	14.6	14.6	14.6	14.5	2.5	326	318	312	287	772.9	941.4	916.2	720.9	

Source: EI administrative data.

N/A: Not applicable.

1. Includes claims on which at least \$1 of maternity benefits was paid.

2. Takes into account Family Supplement top-ups paid to claimants with maternity benefits.

Annex 2.9 - Parental Benefits (Biological)

Parental Benefits (Biological)																	
Province/Territory	New Claims ¹				Average Number of Weeks Paid ²				Average Weekly Benefit ³				Amount Paid ⁴				
	% Change	2006/07	2005/06	2004/05	1995/96	% Change	2005/06-2006/07	2005/06*	2004/05*	1995/96	% Change	2005/06-2006/07	2006/07	2005/06	2004/05	1995/96	
Newfoundland and Labrador	6.0	2,810	2,650	2,740	1,840	1.9	29.5	28.9	28.1	9.1	4.3	320	307	25.9	24.4	4.9	
Prince Edward Island	8.5	1,150	1,060	1,010	640	5.3	28.4	27.0	25.5	9.1	11.7	326	292	9.4	8.9	1.2	
Nova Scotia	5.8	6,230	5,890	5,720	4,180	1.2	26.9	26.5	27.6	9.2	2.8	326	317	53.4	52.2	10.6	
New Brunswick	-3.6	5,140	5,330	5,020	3,200	3.1	28.5	27.6	27.2	9.4	4.2	321	308	47.6	45.2	8.0	
Quebec	-95.4	2,120	46,260	58,750	41,980	-69.5	7.9	25.9	25.0	9.3	15.2	387	335	182.1	506.8	110.2	
Ontario	3.1	95,070	92,230	89,610	70,550	-0.2	29.2	29.3	29.0	9.5	1.5	343	338	950.2	913.7	204.5	
Manitoba	8.8	8,530	7,840	7,650	5,980	0.7	29.4	29.2	29.2	9.5	2.5	318	310	76.3	69.5	15.9	
Saskatchewan	-4.6	6,420	6,730	5,880	4,860	0.8	29.8	29.6	29.2	9.3	3.9	324	312	63.9	55.7	12.0	
Alberta	6.9	26,040	24,350	22,370	14,860	1.8	30.6	30.1	30.1	9.4	2.8	336	327	257.0	225.6	36.3	
British Columbia	3.7	27,380	26,410	25,120	19,220	0.1	29.5	29.5	28.7	9.4	2.0	330	323	265.1	246.8	51.6	
Nunavut	105.9	350	170	190	N/A	25.9	30.7	24.4	28.3	N/A	-1.7	378	385	2.8	1.9	2.0	
Northwest Territories	25.8	390	310	360	480	4.7	28.8	27.5	23.9	9.5	5.8	400	378	3.3	3.7	3.1	
Yukon	33.3	240	180	300	150	45.4	31.4	21.6	29.1	8.9	2.6	362	353	2.4	2.6	0.5	
Sex																	
Men	-26.7	24,950	34,060	33,210	8,030	4.3	14.9	14.3	14.2	7.7	1.6	382	376	163.3	193.2	20.6	
Women	-15.3	156,920	185,350	191,510	159,910	1.5	31.3	30.8	30.3	9.5	2.3	330	323	1,776.0	1,963.7	436.5	
Age																	
Under 25	-14.9	24,170	28,410	29,660	18,850	3.0	30.4	29.5	28.7	9.2	2.6	243	237	195.6	208.7	34.9	
25 and Over	-17.4	157,700	191,000	195,060	149,090	1.9	28.7	28.2	27.8	9.4	2.0	352	345	1,743.7	1,948.2	422.2	
NATIONAL	-17.1	181,870	219,410	224,720	167,940	2.0	28.9	28.4	27.9	9.4	1.9	337	331	1,939.3	2,156.9	467.1	

Source: EI administrative data.

N/A: Not applicable.

1. Includes claims on which at least \$1 of parental benefits (biological) was paid.
2. As of December 31, 2000, the number of weeks of entitlement for parental benefits was increased from 10 to 35.
3. Takes into account Family Supplement top-ups paid to claimants with parental (biological) benefits.
4. To ensure that the analysis of weeks paid is based on completed claims, the data cover only claims commencing during the first half of the period.

Annex 2.10 - Parental Benefits (Adoptive)

Parental Benefits (Adoptive)																				
Province/Territory	New Claims ¹			Average Number of Weeks Paid ²			Average Weekly Benefit ³			Amount Paid ⁴										
	% Change	2006/07	2005/06	2004/05	1995/96	% Change	2006/07 ¹	2005/06 ¹	2004/05 ¹	1995/96	2006/07	2005/06	2004/05	1995/96						
	2005/06 - 2006/07				2005/06 - 2006/07															
Newfoundland and Labrador	50.0	30	20	20	10	133.3	35.0	15.0	34.5	11.0	366	271	413	445	436.8	0.30	0.06	0.63	0.05	
Prince Edward Island	N/A	20	0	10	10	N/A	10.0	0.0	35.0	10.0	418	0	401	252	731.4	0.07	0.01	0.16	0.01	
Nova Scotia	-42.9	80	140	130	20	12.0	27.5	24.6	22.5	6.0	401	364	382	373	-50.8	0.71	1.45	1.23	0.05	
New Brunswick	16.7	70	60	60	40	46.4	20.5	14.0	28.7	10.3	311	333	317	254	-26.2	0.31	0.43	0.54	0.14	
Quebec	-92.1	50	630	960	650	-47.9	13.8	26.5	28.5	11.2	413	379	374	353	-71.9	2.04	7.26	10.61	2.26	
Ontario	3.7	1,130	1,090	1,130	360	7.5	28.2	26.2	25.4	11.8	391	382	386	345	-5.7	11.31	11.98	11.09	1.54	
Manitoba	-33.3	60	90	130	50	29.5	33.7	26.0	32.6	10.0	319	329	317	360	-21.7	0.79	1.01	1.02	0.21	
Saskatchewan	-50.0	40	80	90	30	26.0	30.7	24.3	32.0	11.0	334	324	356	329	-54.3	0.42	0.93	1.03	0.14	
Alberta	-9.4	290	320	190	110	1.3	29.8	29.4	27.8	10.5	375	379	367	324	-13.4	2.60	3.00	2.63	0.37	
British Columbia	14.3	400	350	300	220	10.0	28.6	26.0	29.8	9.2	379	371	394	335	21.5	4.17	3.43	4.74	0.65	
Nunavut	233.3	100	30	70	N/A	17.3	17.6	15.0	20.3	N/A	414	345	335	N/A	91.2	0.64	0.34	0.32	N/A	
Northwest Territories	100.0	40	20	10	50	N/A	13.0	0.0	35.0	8.6	416	413	259	357	322.9	0.31	0.07	0.14	0.15	
Yukon	N/A	0	0	0	0	N/A	0.0	0.0	0.0	0.0	0	0	0	0	N/A	0.00	0.00	0.00	0.00	
Sex																				
Men	-20.9	530	670	610	230	5.0	17.7	16.8	17.5	9.7	400	403	397.7	387	-17.1	4.13	4.99	4.76	0.69	
Women	-17.6	1,780	2,160	2,490	1,320	2.8	30.3	29.5	29.6	11.0	379	365	370.0	337	-21.8	19.55	24.99	29.38	4.87	
Age																				
Under 25	-100.0	0	20	20	30	-100.0	0.0	35.0	35.0	10.0	0	307	345.5	306	-73.3	0.05	0.20	0.16	0.07	
25 and Over	-17.8	2,310	2,810	3,080	1,520	3.5	27.0	26.0	27.5	10.8	384	374	375.6	345	-20.6	23.63	29.77	33.97	5.49	
NATIONAL	-18.4	2,310	2,830	3,100	1,550	3.5	27.0	26.1	27.5	10.8	384	374	375.4	344	-21.0	23.68	29.97	34.14	5.56	

Source: EI administrative data.

N/A: Not applicable.

1. Includes claims on which at least \$1 of parental benefits (adoptive) was paid.
2. As of December 31, 2000, the number of weeks of entitlement for parental benefits was increased from 10 to 35.
3. Takes into account Family Supplement top-ups paid to claimants with parental (adoptive) benefits.
4. To ensure that the analysis of weeks paid is based on completed claims, the data cover only claims commencing during the first half of the period.

Annex 2.11 - Sickness Benefits

Sickness Benefits																				
	New Claims ¹						Average Number of Weeks Paid			Average Weekly Benefit ²			Amount Paid ²							
	% Change	2006/07	2005/06	2004/05	1995/96	2005/06-2006/07	% Change	2006/07	2005/06	2004/05	1995/96	2006/07	2005/06	2004/05	1995/96					
	2005/06-2006/07					2005/06-2006/07														
Province/Territory																				
Newfoundland and Labrador	5.2	7,920	7,530	7,400	3,940	-0.3	9.4	9.4	9.2	8.8	6.0	288	272	266	249	9.1	21.9	20.0	20.1	8.2
Prince Edward Island	8.4	3,630	3,350	3,340	1,410	3.0	8.1	7.8	7.8	8.5	9.8	317	289	270	234	6.8	8.6	8.0	7.1	2.7
Nova Scotia	-2.5	15,060	15,450	14,270	8,760	-1.6	9.0	9.1	9.1	8.9	5.4	295	280	268	234	11.3	41.4	37.1	35.5	17.5
New Brunswick	5.3	18,630	17,700	16,520	8,900	-1.5	8.2	8.3	8.3	8.2	5.8	303	287	276	240	14.3	47.8	41.8	38.5	17.2
Quebec	-0.1	94,260	94,310	88,680	54,550	-0.2	9.0	9.0	8.9	8.3	2.7	299	291	281	244	8.1	264.8	244.9	228.4	102.0
Ontario	0.7	87,410	86,840	81,500	66,370	-0.7	9.9	10.0	9.9	9.3	2.5	308	301	293	265	3.2	267.5	259.3	242.5	156.4
Manitoba	1.2	10,150	10,030	9,260	7,050	-1.1	10.0	10.1	10.1	9.1	4.8	296	282	274	240	7.2	29.9	27.9	26.2	15.1
Saskatchewan	-7.5	6,050	6,540	6,240	4,920	1.4	9.9	9.8	9.6	8.9	8.2	298	276	275	238	7.6	17.9	16.6	17.0	9.6
Alberta	-1.4	22,180	22,490	23,760	15,850	-1.4	10.1	10.3	10.1	9.3	5.8	318	301	292	243	4.0	72.6	69.8	70.6	34.3
British Columbia	4.0	45,960	44,190	42,860	34,240	0.2	10.0	10.0	10.0	9.1	4.0	307	295	290	271	8.0	142.0	131.4	125.7	78.4
Nunavut	37.5	110	80	120	N/A	-4.2	9.8	10.3	7.3	N/A	-4.0	370	366	347	N/A	23.9	0.4	0.3	0.2	N/A
Northwest Territories	-21.4	220	280	180	300	8.1	9.2	8.5	9.8	7.6	2.2	376	367	377	329	-35.7	0.7	1.1	0.7	0.8
Yukon	29.2	310	240	220	190	12.4	10.6	9.4	8.4	7.6	19.9	377	315	322	331	4.6	0.9	0.9	0.6	0.5
Sex																				
Men	1.0	128,710	127,430	120,550	85,600	-1.0	9.2	9.3	9.1	8.8	3.3	343	332	325	300	6.2	424.0	399.2	375.6	209.3
Women	0.9	183,180	181,600	173,800	120,880	-0.2	9.7	9.7	9.7	9.0	4.0	277	266	257	222	7.0	492.2	459.9	437.6	233.4
Age																				
Under 25	-1.4	28,960	29,360	29,770	21,010	0.8	8.5	8.4	8.4	7.4	4.6	247	236	226	190	8.3	64.3	59.4	56.8	28.3
25 to 44	-2.1	144,990	148,110	143,800	112,970	-1.2	9.2	9.3	9.2	8.5	3.7	310	299	290	259	2.8	421.1	409.5	392.8	232.8
45 to 54	1.6	81,270	79,980	73,910	45,110	0.1	9.8	9.8	9.8	9.6	3.4	313	303	296	264	8.3	253.6	234.2	220.6	109.5
55 and Over	9.9	56,670	51,560	46,870	27,390	-1.5	10.3	10.5	10.4	10.5	3.6	306	296	289	265	13.5	177.1	156.1	142.9	72.1
NATIONAL	0.9	311,890	309,030	294,350	206,480	-0.5	9.5	9.5	9.5	8.9	3.7	304	293	285	254	6.6	916.2	859.2	813.2	442.7

Source: EI administrative data.

N/A: Not applicable.

1. Includes claims on which at least \$1 of sickness benefits was paid.

2. Takes into account Family Supplement top-ups paid to claimants with sickness benefits.

Annex 2.12 - Compassionate Care Benefits

Compassionate Care Benefits																
Province/Territory	New Claims ¹			Average Number of Weeks Paid			Average Weekly Benefit ²			Amount Paid ²						
	% Change	2005/06	2005/06	2004/05	% Change	2005/06	2005/06	2004/05	% Change	2005/06	2005/06	2004/05				
	2005/06-2006/07	2006/07	2005/06	2004/05	2005/06-2006/07	2006/07	2005/06	2004/05	2005/06-2006/07	2006/07	2005/06	2004/05				
	5.6	76	72	61	-2.3	4.7	4.8	4.7	9.6	302	276	266	29.4	125.1	96.7	76.8
Newfoundland and Labrador	-6.1	31	33	34	2.0	5.1	4.3	4.3	-3.8	303	314	310	-22.5	46.5	60.0	43.1
Prince Edward Island	-1.0	195	197	181	2.8	4.9	4.8	4.9	8.6	306	282	282	4.1	290.9	279.4	234.5
Nova Scotia	31.9	153	116	123	-0.4	4.7	4.7	4.6	-0.3	291	292	277	30.6	218.5	167.3	144.8
New Brunswick	7.6	935	869	809	-1.6	4.4	4.5	4.4	2.5	315	308	296	10.0	1,339.4	1,217.6	1,075.8
Quebec	7.1	2,447	2,284	1,883	0.3	4.7	4.7	4.7	2.8	338	329	324	17.5	4,064.5	3,458.8	2,796.1
Ontario	10.7	227	205	189	6.3	4.9	4.6	4.5	-3.4	303	314	306	13.6	327.3	288.3	277.4
Manitoba	23.0	182	148	162	1.6	4.7	4.6	4.8	6.3	321	302	300	20.1	255.8	212.9	226.2
Saskatchewan	-2.6	491	504	515	6.3	5.0	4.7	4.8	1.5	334	329	328	8.6	866.2	797.6	776.4
Alberta	28.4	922	718	808	-2.1	4.8	4.9	4.8	4.5	341	327	322	30.4	1,526.0	1,169.8	1,235.7
British Columbia	0.0	7	7	3	-18.4	4.4	5.4	4.3	5.3	406	386	371	-33.6	12.7	19.2	2.8
Nunavut	-75.0	3	12	7	-13.7	3.7	4.3	4.3	3.4	413	400	348	-49.2	8.3	16.4	17.8
Northwest Territories	-46.2	7	13	7	-23.5	4.0	5.2	4.0	15.4	409	355	384	-37.8	14.2	22.8	12.8
Yukon																
Sex																
Men	3.1	1,414	1,372	1,256	-1.7	4.7	4.8	4.7	1.0	364	361	357	2.8	2,523.7	2,455.1	2,139.1
Women	12.0	4,262	3,806	3,526	1.3	4.7	4.6	4.6	4.0	318	306	299	22.8	6,571.8	5,351.8	4,781.0
Age																
Under 25	-1.7	118	120	122	-1.5	4.8	4.8	4.9	-3.0	262	270	259	-7.3	152.9	165.0	155.0
25 to 44	5.7	2,371	2,244	2,177	0.3	4.6	4.6	4.5	3.0	340	331	325	11.9	3,923.4	3,505.7	3,129.6
45 to 54	12.3	2,069	1,843	1,602	1.5	4.6	4.6	4.7	3.1	334	323	315	22.4	3,312.7	2,707.2	2,374.1
55 and Over	15.1	1,118	971	881	-1.0	4.9	5.0	4.9	3.1	307	297	295	19.4	1,706.4	1,429.0	1,261.4
NATIONAL	9.6	5,676	5,178	4,782	0.5	4.7	4.7	4.7	2.9	330	320	314	16.5	9,095.5	7,806.9	6,920.2

Source: EI administrative data.

1. Includes claims on which at least \$1 of compassionate care benefits was paid.

2. Takes into account Family Supplement top-ups paid to claimants with compassionate care benefits.

Family Supplement ¹										
Province/Territory	New Claims ² with Supplement	% of All Claims with Supplement	Average Weekly Top-Up (\$)	Average Weekly Benefit (\$)	Amount Paid (\$000s) 2006/07	Share of Total Amount (%)	Amount Paid			
							% Change 2005/06-2006/07	2005/06	2004/05	1995/96
Newfoundland and Labrador	5,780	6.4	42	275	7,203	4.8	-5.9	7,654	7,825	5,498
Prince Edward Island	1,600	6.7	45	294	2,342	1.5	-6.1	2,493	2,650	2,164
Nova Scotia	7,620	9.1	44	275	9,564	6.3	-2.1	9,769	9,665	6,100
New Brunswick	7,820	8.7	41	277	8,705	5.8	-7.0	9,357	9,788	6,615
Quebec	33,600	6.3	42	289	33,335	22.1	-28.3	46,510	48,770	35,769
Ontario	43,240	7.8	42	268	46,183	30.6	-3.3	47,755	48,358	27,083
Manitoba	6,630	12.3	50	284	8,409	5.6	9.0	7,713	8,649	4,083
Saskatchewan	4,690	11.1	51	280	6,128	4.1	-8.5	6,694	6,193	2,791
Alberta	9,640	8.2	42	277	10,778	7.1	-8.3	11,748	12,721	7,927
British Columbia	16,700	8.9	43	278	18,119	12.0	-5.4	19,154	20,636	10,224
Nunavut	120	9.1	44	319	115	0.1	-14.7	135	123	N/A
Northwest Territories	80	3.7	38	267	122	0.1	-36.6	193	199	168
Yukon	110	4.8	26	314	110	0.1	-48.3	213	215	92
Sex										
Men	33,700	3.5	44	317	31,802	21.0	-12.3	36,273	39,801	25,355
Women	103,930	12.7	43	265	119,312	79.0	-10.4	133,115	135,990	83,159
Age										
Under 25	19,360	9.4	38	233	24,896	16.5	-10.2	27,733	28,669	10,376
25 to 44	98,950	10.8	45	285	111,807	74.0	-11.5	126,334	131,946	84,067
45 to 54	17,510	4.4	38	285	13,032	8.6	-5.5	13,783	13,663	11,863
55 and Over	1,810	0.7	36	286	1,379	0.9	-10.2	1,535	1,513	2,208
EI History³										
First-Time Claimants	71,840	9.8	43	262	85,763	56.8	-9.5	94,719	98,479	37,582
Occasional Claimants	41,110	8.2	45	285	43,137	28.5	-14.7	50,561	52,276	42,737
Frequent Claimants	24,680	4.6	41	309	22,214	14.7	-7.9	24,107	25,035	28,195
NATIONAL	137,630	7.7	43	278	151,114	100.0	-10.8	169,387	175,791	108,514

Source: EI administrative data.

N/A: Not applicable.

1. Includes all claim types (regular, fishing and special).

2. Includes claims on which at least \$1 of EI benefits was paid.

3. First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as individuals who have had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who have had three or more active claims in the five years prior to their current claim.

Working While on Claim ¹												
Province/Territory	New Regular Claims				Percentage Change				As % of New Regular Claims			
	2005/06 ²	2004/05	2003/04	1996/97	2004/05-2005/06	2003/04-2004/05	1996/97-1997/98	2005/06	2004/05	2003/04	1996/97	
Newfoundland and Labrador	51,580	52,150	50,870	50,520	-1.1	2.5	-0.8	70.3	70.3	67.7	72.1	
Prince Edward Island	11,820	11,470	11,530	14,040	3.1	-0.5	2.6	64.1	61.2	59.4	68.3	
Nova Scotia	41,240	42,760	43,030	53,150	-3.6	-0.6	-4.8	60.8	59.8	59.7	70.1	
New Brunswick	52,810	53,400	54,100	62,280	-1.1	-1.3	0.0	69.7	67.9	67.3	69.6	
Quebec	283,830	281,280	290,760	369,110	0.9	-3.3	-7.7	59.6	58.6	57.2	67.9	
Ontario	176,310	177,070	184,870	231,710	-0.4	-4.2	-11.3	45.4	46.4	45.4	53.7	
Manitoba	16,890	19,050	20,250	24,940	-11.3	-5.9	-6.4	46.0	48.6	46.9	55.1	
Saskatchewan	15,150	17,120	18,330	20,600	-11.5	-6.6	-6.2	49.8	50.2	51.5	58.0	
Alberta	31,620	39,360	47,070	61,430	-19.7	-16.4	-14.4	46.9	47.5	48.3	59.4	
British Columbia	70,060	80,580	93,250	120,270	-13.1	-13.6	-1.6	53.8	54.6	54.7	61.4	
Nunavut	450	510	470	N/A	-11.8	8.5	N/A	48.4	56.0	47.5	N/A	
Northwest Territories	700	820	920	1,800	-14.6	-10.9	-13.3	47.9	53.6	44.9	62.5	
Yukon	1,130	1,190	1,220	1,570	-5.0	-2.5	14.6	53.3	54.3	53.7	57.3	
Sex												
Men	441,200	452,600	485,490	590,650	-2.5	-6.8	-4.1	60.7	53.8	53.1	62.8	
Women	312,390	324,160	331,180	420,770	-3.6	-2.1	-11.1	32.8	56.6	55.2	62.2	
Age												
Under 25	79,260	86,720	95,340	132,760	-8.6	-9.0	-11.2	51.9	51.6	51.3	62.3	
25 to 44	376,700	397,560	432,500	615,600	-5.2	-8.1	-8.4	55.5	55.4	54.6	64.3	
45 to 54	201,290	202,570	201,430	190,600	-0.6	0.6	-0.7	59.4	59.9	58.1	64.0	
55 and Over	96,340	89,910	87,400	72,460	7.2	2.9	-4.2	48.5	47.4	46.0	48.5	
Weekly Benefit Rate												
Less than \$50	190	240	340	410	-20.8	-29.4	197.6	42.2	34.8	43.0	51.9	
\$50-\$100	4,320	5,920	7,510	26,390	-27.0	-21.2	-4.3	49.5	50.3	51.8	57.9	
\$101-\$150	25,330	31,880	39,310	101,580	-20.5	-18.9	-5.4	52.1	52.6	54.0	59.5	
\$151-\$200	62,570	76,410	84,590	147,670	-18.1	-9.7	-6.0	51.2	53.0	51.9	59.6	
Greater than \$200	661,180	662,310	684,920	735,370	-0.2	-3.3	-7.7	55.6	55.4	54.2	63.8	
NATIONAL	753,590	776,760	816,670	1,011,420	-3.0	-4.9	-7.0	55.0	55.0	53.9	62.6	

Source: EI administrative data.

N/A: Not applicable.

1. The definition of working while on claim includes all claimants who earned income during their EI benefits period.
2. The data are lagged by one year to ensure that claims are completed.

Annex 2.15 ■ Benefit Repayment Provision

Benefit Repayment Provision											
Province/Territory	People Who Repaid Benefits					% Change 2004-2005	% Change 2004-2005	Amount Repaid (\$ Millions)			
	2005	2004	2003	1997	2005			2004	2003	1997	
	2005	2004	2003	1997	2005			2004	2003	1997	
Newfoundland and Labrador	5,500	4,751	4,052	2,136	6.6	7.66	7.18	7.41	2.62		
Prince Edward Island	814	608	696	417	34.9	1.79	1.33	1.59	0.81		
Nova Scotia	5,889	4,938	5,425	2,749	23.5	9.86	7.98	9.84	3.50		
New Brunswick	3,712	3,171	2,461	1,449	24.4	5.38	4.33	3.41	1.65		
Quebec	34,559	31,205	26,700	15,969	14.2	32.68	28.62	23.79	14.95		
Ontario	43,871	41,586	42,248	30,906	27.4	40.61	31.88	32.95	25.81		
Manitoba	1,850	1,608	1,368	1,387	26.0	1.76	1.40	1.23	1.21		
Saskatchewan	3,176	2,603	2,535	1,617	21.9	3.12	2.56	2.41	1.22		
Alberta	16,832	15,583	14,377	8,336	2.7	15.41	15.00	13.90	6.40		
British Columbia	15,073	15,215	13,979	14,120	1.5	13.43	13.22	12.82	11.54		
Nunavut	0	0	0	N/A	N/A	0.00	0.00	0.00	N/A		
Northwest Territories	346	294	266	372	10.7	0.36	0.32	0.25	0.35		
Yukon	278	239	231	266	14.9	0.29	0.25	0.26	0.25		
Sex											
Men	119,117	109,977	103,407	67,451	15.7	121.43	104.9	100.8	58.2		
Women	12,791	11,831	10,944	12,285	19.6	10.92	9.1	9.1	12.2		
Age											
Under 25	3,529	2,824	2,372	1,280	30.3	3.10	2.4	2.1	0.8		
25 to 44	58,549	56,614	54,973	43,138	13.1	54.35	48.0	49.0	35.7		
45 to 54	39,806	35,969	33,794	20,790	17.4	38.39	32.7	31.6	18.3		
55 and Over	30,024	26,401	23,212	14,528	17.9	36.51	31.0	27.2	15.5		
NATIONAL¹	131,908	121,808	114,351	79,736	16.0	132.35	114.08	109.88	70.33		

Source: Benefit Repayment Administrative File (September 2007).

N/A: Not applicable.

1. Provincial figures do not add up to the national total because non-residents are included.

Annex 2.16 - Contributors to the Program, 2005

Contributors to the Program, 2005 ¹												
Province/Territory of Employer	EI Premiums				Employment Income				Workers			
	Total		Employers ²		Total		% of National		Number of Workers	% of National	Emp. Income per Worker	Insurable Earnings per Worker
	(\$ Millions)	% of National	(\$ Millions)	(\$ Millions)	(\$ Millions)	% of National	Total	Total				
	227	1.3%	133	95	6,541	1.1%	4,771	245,450	1.5%	26,649	19,437	
Newfoundland and Labrador	66	0.4%	38	27	1,802	0.3%	1,392	75,550	0.4%	23,847	18,431	
Prince Edward Island	478	2.6%	279	199	14,051	2.3%	10,087	479,270	2.9%	29,317	21,046	
Nova Scotia	384	2.1%	224	160	10,873	1.8%	8,109	396,260	2.4%	27,438	20,464	
New Brunswick	4,153	22.9%	2,423	1,731	123,033	20.5%	87,400	3,918,710	23.3%	31,396	22,303	
Quebec	7,239	39.9%	4,223	3,016	249,891	41.7%	151,363	6,469,040	38.5%	38,629	23,398	
Ontario	623	3.4%	363	260	18,480	3.1%	13,128	600,730	3.6%	30,763	21,854	
Manitoba	491	2.7%	287	205	15,099	2.5%	10,320	483,250	2.9%	21,356	15,611	
Saskatchewan	2,186	12.0%	1,275	911	82,394	13.8%	44,890	1,956,410	11.6%	42,115	22,945	
Alberta	2,212	12.2%	1,291	922	73,863	12.3%	46,207	2,117,450	12.6%	34,883	21,822	
British Columbia	19	0.1%	11	8	681	0.1%	396	18,290	0.1%	37,255	21,657	
Nunavut	40	0.2%	23	17	1,524	0.3%	799	32,360	0.2%	47,087	24,699	
Northwest Territories	22	0.1%	13	9	674	0.1%	457	20,370	0.1%	33,095	22,459	
Yukon												
Sex												
Men	10,273	56.6%	5,992	4,280	376,273	62.8%	213,559	8,752,393	52.1%	43,084	24,456	
Women	7,868	43.4%	4,590	3,278	222,632	37.2%	165,761	8,060,747	47.9%	27,679	20,611	
Age												
Under 25	1,623	8.9%	945	675	36,531	6.1%	34,370	3,235,253	19.2%	11,316	10,648	
25 to 44	9,193	50.7%	5,363	3,831	284,908	47.6%	191,500	7,497,434	44.6%	38,083	25,601	
45 to 54	4,940	27.2%	2,882	2,058	182,231	30.4%	103,273	3,774,204	22.4%	48,388	27,426	
55 and Over	2,387	13.2%	1,392	995	95,235	15.9%	50,177	2,306,249	13.7%	41,384	21,807	
Industries												
Agriculture, Forestry, Fishing and Hunting	246	1.4%	144	103	7,956	1.3%	5,155	330,440	2.0%	24,076	15,602	
Mining and Oil and Gas Extraction	279	1.5%	163	116	14,621	2.4%	5,565	177,820	1.1%	82,223	31,295	
Utilities	177	1.0%	103	74	7,192	1.2%	3,710	112,520	0.7%	63,921	32,976	
Construction	1,057	5.8%	617	440	35,783	6.0%	21,550	939,820	5.6%	38,074	22,930	
Manufacturing	2,826	15.6%	1,648	1,177	93,237	15.6%	59,306	2,165,640	12.9%	43,053	27,385	
Wholesale Trade	1,005	5.5%	586	419	35,747	6.0%	21,029	842,240	5.0%	42,443	24,968	
Retail Trade	1,470	8.1%	858	613	42,084	7.0%	31,034	1,946,810	11.6%	21,617	15,941	
Transportation and Warehousing	877	4.8%	511	365	27,482	4.6%	18,358	695,400	4.1%	39,520	26,400	
Information and Cultural Industries	474	2.6%	277	198	17,061	2.8%	9,880	355,460	2.1%	47,996	27,796	
Finance and Insurance	830	4.6%	484	346	36,262	6.1%	17,395	618,790	3.7%	58,602	28,111	
Real Estate and Rental and Leasing	285	1.6%	166	119	10,833	1.8%	5,952	297,950	1.8%	36,357	19,976	
Professional, Scientific and Technical Services	1,001	5.5%	584	417	41,275	6.9%	20,645	872,870	5.2%	47,287	23,652	
Management of Companies and Enterprises	137	0.8%	80	57	6,946	1.2%	2,837	129,210	0.8%	53,760	21,953	
Administrative and Support, Waste Management and Remediation Services	711	3.9%	415	296	20,366	3.4%	14,939	873,300	5.2%	23,321	17,106	
Educational Services	1,405	7.7%	819	585	42,595	7.1%	29,545	1,133,680	6.7%	37,573	26,062	
Health Care and Social Assistance	1,584	8.7%	924	660	44,474	7.4%	33,030	1,288,220	7.7%	34,523	25,645	
Arts, Entertainment and Recreation	202	1.1%	118	84	5,677	0.9%	4,256	276,220	1.6%	20,551	15,386	
Accommodation and Food Services	600	3.3%	350	250	15,077	2.5%	12,718	1,179,310	7.0%	12,784	10,784	
Other Services	626	3.4%	365	261	18,175	3.0%	13,143	689,970	4.1%	26,341	19,049	
Public Administration	1,694	9.3%	988	706	54,454	9.1%	35,639	1,209,920	7.2%	45,006	29,456	
Unclassified	656	3.6%	383	273	21,609	3.6%	13,633	677,550	4.0%	31,892	20,121	
NATIONAL	18,141	100.0	10,582	7,559	598,906	100.0	379,320	16,813,140	100.0	35,621	22,561	

Source: Canada Revenue Agency, 2005 T4s with employment income.

1. As premium payments are administered through the tax system, the most recent data available are for the 2005 taxation year.

2. Employer contributions are 1.4 times employee contributions.

Annex 2.17 ■ Benefits-to-Contributions Ratios, 2005

Benefits-to-Contributions Ratios, 2005 ¹								
	Total EI Premiums		Regular Benefits in 2005		Regular and Special Benefits in 2005 (\$ Millions)	Regular Benefits-to-Contributions Ratios	Adjusted Regular Benefits-to-Contributions Ratios ²	Adjusted Regular and Special Benefits-to-Contributions Ratios ²
	(\$ Millions)	% of National Total	(\$ Millions)	% of National Total				
Province/Territory³								
Newfoundland and Labrador	227	1.3	563	7.0	639	2.48	5.56	4.10
Prince Edward Island	66	0.4	122	1.5	149	1.85	4.14	3.30
Nova Scotia	478	2.6	435	5.4	567	0.91	2.04	1.73
New Brunswick	384	2.1	518	6.4	646	1.35	3.03	2.46
Quebec	4,153	22.9	2,706	33.5	3,785	0.65	1.46	1.33
Ontario	7,239	39.9	2,147	26.6	3,804	0.30	0.67	0.77
Manitoba	623	3.4	190	2.3	339	0.30	0.68	0.79
Saskatchewan	491	2.7	172	2.1	279	0.35	0.79	0.83
Alberta	2,186	12.0	393	4.9	840	0.40	0.40	0.56
British Columbia	2,212	12.2	801	9.9	1,328	0.36	0.81	0.88
Nunavut	19	0.1	7	0.1	11	0.37	0.84	0.84
Northwest Territories	40	0.2	14	0.2	21	0.36	0.81	0.78
Yukon	22	0.1	17	0.2	22	0.77	1.74	1.49
Sex								
Men	10,273	56.6	5,293	65.4	6,142	0.52	1.16	0.87
Women	7,968	43.4	2,794	34.6	6,289	0.36	0.80	1.17
Age								
Under 25	1,621	8.9	762	9.4	1,238	0.47	1.06	1.11
25 to 44	9,193	50.7	4,082	50.5	7,501	0.44	1.00	1.19
45 to 54	4,940	27.2	2,002	24.8	2,288	0.41	0.91	0.68
55 and Over	2,387	13.2	1,240	15.3	1,404	0.52	1.17	0.86
Industries								
Agriculture, Forestry, Fishing and Hunting	246	1.4	593	7.3	665	2.41	5.40	3.94
Mining and Oil and Gas Extraction	279	1.5	129	1.6	156	0.46	1.03	0.82
Utilities	177	1.0	24	0.3	40	0.14	0.31	0.33
Construction	1,057	0.6	1,356	1.7	1,556	1.28	2.88	2.15
Manufacturing	2,826	15.6	1,458	18.0	2,008	0.52	1.16	1.04
Wholesale Trade	1,005	5.5	369	4.6	548	0.37	0.82	0.80
Retail Trade	1,470	8.1	472	5.8	855	0.32	0.72	0.85
Transportation and Warehousing	877	4.8	320	4.0	444	0.36	0.82	0.74
Information and Cultural Industries	474	2.6	97	1.2	196	0.20	0.46	0.60
Finance and Insurance	830	4.6	120	1.5	335	0.14	0.32	0.59
Real Estate and Rental and Leasing	285	1.6	108	1.3	172	0.38	0.85	0.88
Professional, Scientific and Technical Services	1,001	5.5	347	4.3	593	0.35	0.78	0.86
Management of Companies and Enterprises	137	0.8	51	0.6	82	0.38	0.84	0.87
Administrative and Support, Waste Management and Remediation Services	711	3.9	474	5.9	703	0.67	1.49	1.44
Educational Services	1,405	7.7	386	4.8	776	0.27	0.62	0.81
Health Care and Social Assistance	1,584	8.7	245	3.0	849	0.15	0.35	0.78
Arts, Entertainment and Recreation	202	1.1	183	2.3	235	0.91	2.04	1.70
Accommodation and Food Services	600	3.3	302	4.7	569	0.64	1.43	1.39
Other Services	626	3.4	303	3.7	480	0.48	1.09	1.12
Public Administration	1,694	9.3	468	5.7	852	0.27	0.61	0.73
Unclassified	656	3.6	212	2.6	317	0.32	0.73	0.71
NATIONAL	18,141	100.0	8,087	100.0	12,431	0.45	1.00	1.00

Source: Canada Revenue Agency, 2005 T4s with employment income; EI administrative data.

1. As premium payments are administered through the tax system, the most recent data available are for the 2005 taxation year.

2. For ease of analysis, the benefits-to-contributions ratios have been adjusted so the national figure equals one.

3. Province, territory and industry are determined by the location of the employer for premiums, and of the claimant for benefits.

Annex 3 Employment Benefits and Support Measures Data Tables

- 3.1 Overview of Labour Market Development Agreements
- 3.2 Employment Insurance (EI) Part II – General Definitions
- 3.3 EBSMs – Program Definitions
- 3.4 EBSM Overview
- 3.5 EBSM Clients – Clients Served, by Client Type
- 3.6 New Interventions
- 3.7 EBSM Designated Members – Women
- 3.8 EBSM Designated Members – Persons with Disabilities
- 3.9 EBSM Designated Members – Aboriginal People
- 3.10 EBSM Designated Members – Visible Minorities
- 3.11 EBSMs and Pan-Canadian Activities: Part I – Final Expenditures
- 3.12 EBSMs: Part II – Final Expenditures
- 3.13 EI Part II Pan-Canadian – Final Expenditures
- 3.14 Returns to Employment and Unpaid Benefits Indicators
- 3.15 Returns to Employment, by Intervention (EBSMs)

Annex 3.1

Overview of Labour Market Development Agreements

Federal/Provincial/Territorial						
Province/ Territory	Type of Agreement	Signature Date	Implementation Date	Allocation (\$000s) ¹		
				2007/08	2006/07	2005/06
Newfoundland and Labrador	Co-Management	March 24, 1997	March 24, 1997	132,434	131,888	131,434
Prince Edward Island	Co-Management	April 26, 1997	April 26, 1997	26,680	26,470	26,292
Nova Scotia	Co-Management (Strategic Partnership)	April 24, 1997	November 1, 1997	81,083	81,034	81,045
New Brunswick	Transfer	December 13, 1996	April 1, 1997	92,574	92,325	92,242
Quebec	Transfer	April 21, 1997 November 28, 1997	April 1, 1998	596,855	595,774	596,049
Ontario	Co-Management until December 31, 2006 Transfer effective January 1, 2007	November 23, 2005	January 1, 2007	529,212	526,701	525,028
Manitoba	Transfer	April 17, 1997	November 27, 1997	46,666	47,046	47,349
Saskatchewan	Transfer	February 6, 1998	January 1, 1999	38,882	38,972	39,009
Alberta	Transfer	December 6, 1996	November 1, 1997	107,388	108,850	109,691
British Columbia	Co-Management	April 25, 1997	April 25, 1997	288,337	290,868	291,656
Northwest Territories	Transfer	February 27, 1998	October 1, 1998	3,356	3,402	3,467
Yukon	Co-Management	January 24, 1998	January 24, 1998	3,802	3,887	3,973
Nunavut	Transfer	May 11, 2000	April 1, 2000	2,731	2,783	2,765
Canada				1,950,000	1,950,000	1,950,000

1. This chart does not include funds that are transferred to cover administration costs.

Eligibility for Employment Benefits and Support Measures (EBSMs) or similar programs funded under Part II

To be eligible for Employment Benefits, individuals must be unemployed and have a current EI claim as an “active EI client” or a claim that ended in the preceding three years as a “former EI client.” Those who began a maternity or parental claim in the preceding five years, after which they left the labour market to care for their newborn or newly adopted children, also qualify as former EI clients and are eligible for Employment Benefits upon re-entry into the labour market. Unemployed individuals who are neither active nor former EI clients are considered “non-insured” and are eligible only for those employment services available under the Employment Assistance Services (EAS) support measure or other employment services provided by the National Employment Service.

Labour Market Development Agreements (LMDAs)

LMDAs provide the frameworks in which EBSM delivery takes place. These agreements exist in two forms: co-managed agreements and transfer agreements. Nova Scotia has a Strategic Partnership. In those jurisdictions with co-managed agreements, each provincial or territorial government has assumed joint responsibility for the planning and evaluation of active employment measures, while Human Resources and Social Development Canada (HRSDC) continues to deliver programs and services through its service delivery network. In those jurisdictions with transfer agreements, provincial and territorial governments have assumed full responsibility for the design and delivery of active employment measures funded through the EI Program, with evaluation remaining a joint responsibility (except in Quebec, where evaluation is the responsibility of the province, which discusses it with HRSDC). In Ontario, active employment measures were co-managed until December 31, 2006, at which time the province assumed full responsibility for the design and delivery of these measures. For more information on LMDAs, please refer to the *2000 Employment Insurance Monitoring and Assessment Report* at <http://www.hrsdc.gc.ca/en/ei/reports/eimar.shtml>.

Apprentices

Funding for apprentices comes mainly from Part I. Individuals in receipt of EI Part I who take part in the classroom portion of apprenticeship training are given referrals under the authority of section 25 of the *Employment Insurance Act* so that they can continue to receive Part I benefits while doing so. In addition to Part I income benefits, depending on the model adopted by jurisdictions, apprentices may receive Part II support to cover additional expenses, such as travel. Although individuals are responsible for paying their own tuition costs, and apprenticeship is tuition free in some jurisdictions, it should be pointed out that agreements, which vary from region to region, are in place with the provinces and territories to cover certain expenses. In some jurisdictions, apprentices are included in these agreements.

Aboriginal Human Resources Development Strategy (AHRDS)

HRSDC negotiates agreements with Aboriginal organizations to design and deliver employment programs and services for Aboriginal people at the community level. Aboriginal Human Resources Development Agreement (AHRDA) holders typically perform a number of activities in the delivery of their programs and services. These activities may include, but are not limited to, negotiating budgets and targets; building organizational capacity; promoting programs; identifying, counselling and approving clients; determining client needs; and evaluating program results.

Under the AHRDS, there are 80 AHRDA holders across the country serving Aboriginal people. Funding in the amount of \$333 million is allocated annually to AHRDAs across the country using an allocation model, which includes certain variables, such as the unemployment rate, working-age population, employment income and remoteness. Of the \$333 million yearly allocation, approximately 27% comes from EI Part II.

Job Bank

Job Bank is an Internet service that helps connect employers to suitable workers and workers to suitable employment. It is the largest web-based network of job advertisements across Canada and is available to Canadian employers and job seekers free of charge. See <http://jb-ge.hrdc-drhc.gc.ca>.

Employment Benefits (Programs)

Targeted Wage Subsidies assist eligible unemployed individuals to obtain on-the-job work experience by providing employers with financial assistance towards the wages of insured participants whom they hire. This benefit encourages employers to hire unemployed individuals whom they would not normally hire in the absence of a subsidy.

Targeted Earnings Supplements enable some people currently on EI or the longer term unemployed to accept low-wage jobs. Temporarily topping up wages for low-wage jobs means that people who would not enter the work force at the lower wage rate can do so. (The Supplément de retour au travail in Quebec is the only intervention currently in place that is similar to this program.)

Self-Employment provides financial assistance and business planning advice to EI-eligible participants to help them start their own business. This financial assistance is intended to cover personal living expenses and other expenses during the initial stages of the business.

Job Creation Partnerships projects provide insured participants with opportunities to gain work experience that will lead to ongoing employment. Activities of the project help develop the community and the local economy.

Skills Development helps insured participants obtain employment skills through direct financial assistance to the participants that enables them to select, arrange for and pay for their own training.

Support Measures (Services)

Employment Assistance Services provides funding to organizations to enable them to provide employment services to unemployed persons. These services may include counselling, action planning, job search skills, job finding clubs, job placement services, the provision of labour market information, case management and follow-up.

Labour Market Partnerships provide funding to help employers, employee and employer associations, and communities to improve their capacity for dealing with human resources requirements and to implement labour force adjustments. These partnerships involve developing plans and strategies, and implementing adjustment measures.

The Research and Innovation measure supports activities that identify better ways of helping people to prepare for or keep employment and to be productive participants in the labour force. Funds are provided to eligible recipients to enable them to carry out demonstration projects and research for this purpose.

Annex 3.4

EBSM Overview

2006/07

Clients Served	
Sex	
Men	56.0%
Women	44.0%

Age ¹	
15 to 19	4.8%
20 to 24	13.6%
25 to 29	13.7%
30 to 34	12.8%
35 to 39	13.2%
40 to 44	13.5%
45 to 49	11.5%
50 to 54	8.3%
55 and over	7.3%
Unknown	1.3%

EI Clients Served	
Active Claimants	79.3%
Former Claimants	20.7%

Intervention-to-Client Ratio	
Clients	618,202
Interventions	949,537
Ratio	1.54

Participation in Interventions as a Percentage of Total	
Targeted Wage Subsidies	2.0%
Self-Employment	1.2%
Job Creation Partnerships	0.7%
Skills Development – Regular	9.2%
Skills Development – Apprentices	5.7%
Employment Assistance	44.4%
Group Services	4.7%
Individual Counselling	29.4%
Supplément de retour au travail (Quebec only)	0.7%
Pan-Canadian	1.9%

Designated Group Participation in EBSMs	
Women	49.4%
Aboriginal People ²	6.9%
Persons with Disabilities ²	5.3%
Visible Minorities ²	7.9%

Labour Market	
Employment	16,586,800
Unemployment Rate	6.2%

Source: Client and Participant datasets.

1. Group services and apprentices are excluded from the distribution because the date of birth is not collected.
2. Reported counts are generally lower than actual numbers because data are collected through self-identification.

Annex 3.5

EBSM Clients — Clients Served, by Client Type¹

2006/07						
Region	EI Clients				Non-Insured Clients Served	Total Clients Served
	EI Active Claimants		Former Clients Served	Total Clients Served		
	Target ²	Served				
Newfoundland and Labrador	13,957	14,279	3,060	17,339	1,871	19,210
Prince Edward Island	2,673	2,846	560	3,406	868	4,274
Nova Scotia	8,140	9,027	2,281	11,308	3,503	14,811
New Brunswick	11,170	11,812	2,592	14,404	3,381	17,785
Quebec	136,538	113,417	22,797	136,214	31,247	167,461
Ontario	83,546	89,353	18,044	107,397	39,898	147,295
Manitoba	12,500	13,489	3,084	16,573	8,567	25,140
Saskatchewan	7,800	8,699	3,345	12,044	651	12,695
Alberta	37,000	38,087	15,528	53,615	54,348	107,963
British Columbia	40,000	40,326	11,552	51,878	31,991	83,869
Northwest Territories	220	319	85	404	188	592
Yukon	261	330	93	423	159	582
Nunavut	175	161	112	273	204	477
National Headquarters	N/A	0	0	0	3	3
EBSMs Total	N/A	342,145	83,133	425,278	176,879	602,157
Aboriginal Pan-Canadian	15,000	7,720	8,325	16,045	N/A	16,045
Canada	N/A	349,865	91,458	441,323	176,879	618,202

Source: Client dataset.

N/A = Not applicable.

1. This table includes clients served between April 1, 2006, and March 31, 2007, one count per client served.
2. Targets refer to the number of EI active clients served except in Quebec, where it includes both active and former clients served.

New Interventions ¹															
2006/07															
	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta. ²	B.C.	N.W.T.	Y.T.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	729	223	306	2,805	6,739	4,074	238	926	161	2,710	59	1	15	0	18,986
Self-Employment	218	158	518	294	2,702	4,392	259	157	388	2,254	6	4	4	0	11,354
Job Creation Partnerships	2,912	249	400	0	0	1,275	276	0	678	732	0	13	0	0	6,535
Skills Development – Regular	8,504	1,551	3,765	5,427	34,000	19,410	3,297	1,958	2,384	7,119	145	93	162	0	87,815
Skills Development – Apprentices	1,248	307	1,266	2,038	0	14,916	2,607	3,820	18,494	9,566	136	137	36	0	54,571
Total Employment Benefits	13,611	2,488	6,255	10,564	43,441	44,067	6,677	6,861	22,105	22,381	346	248	217	0	179,261
Employment Services															
Employment Assistance	1,045	1,841	9,837	12,887	97,206	74,447	9,245	2,953	160,395 ²	51,137	0	212	282	1	421,488
Group Services	38	0	58	0	40,209	3,949	0	332	0	23	0	0	0	0	44,609
Individual Counselling	14,492	1,462	7,543	15,870	751	155,139	19,543	7,983	0	55,471	423	191	0	3	278,871
Supplément de retour au travail (Quebec only) ³	0	0	0	0	7,079	0	0	0	0	0	0	0	0	0	7,079
Total Employment Services	15,575	3,303	17,438	28,757	145,245	233,535	28,788	11,268	160,395	106,631	423	403	282	4	752,047
Total Employment Services – Without Group Services	15,537	3,303	17,380	28,757	105,036	229,586	28,788	10,936	160,395	106,608	423	403	282	4	707,438
Total – Benefits and Services	29,186	5,791	23,693	39,321	188,686	277,602	35,465	18,129	182,500	129,012	769	651	499	4	931,308
Aboriginal Pan-Canadian	211	55	328	154	1,081	4,209	4,538	1,515	1,778	3,738	322	88	119	93	18,229
Grand Total – Benefits and Services	29,397	5,846	24,021	39,475	189,767	281,811	40,003	19,644	184,278	132,750	1,091	739	618	97	949,537
Grand Total – Without Group Services	29,359	5,846	23,963	39,475	149,558	277,862	40,003	19,312	184,278	132,727	1,091	739	618	97	904,928

Source: Participant dataset.

1. Interventions in this table refer to all new starts between April 1, 2006, and March 31, 2007.

2. In Alberta, Employment Assistance includes all types of Employment Services interventions (Employment Assistance, Group Services and Individual Counselling).

3. Provides active and former claimants with a supplement of up to \$500 to help cover expenses related to returning to work (such as new tools, office materials or clothing).

EBSM Designated Members – Women¹															
New Starts by Intervention (%)—2006/07															
	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Y.T.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	59.1	55.6	51.3	40.6	49.3	54.9	40.8	42.5	50.3	59.5	47.5	100.0	60.0	0.0	50.8
Self-Employment	56.9	39.9	52.1	35.7	39.0	59.5	41.3	42.7	56.2	64.2	66.7	75.0	25.0	0.0	53.5
Job Creation Partnerships	55.5	39.4	48.8	0.0	0.0	59.3	23.2	0.0	44.8	56.0	0.0	53.8	0.0	0.0	52.8
Skills Development – Regular	35.7	52.9	51.0	42.0	48.2	54.9	49.7	41.5	59.9	59.4	22.8	58.1	27.8	0.0	49.3
Skills Development – Apprentices	2.6	3.9	2.2	1.7	0.0	3.5	1.3	2.0	5.1	3.6	4.4	5.1	0.0	0.0	3.8
Total Employment Benefits	38.5	44.9	41.1	33.7	47.8	38.1	29.1	19.7	13.5	36.0	20.5	29.0	25.3	0.0	36.0
Employment Services															
Employment Assistance	47.2	53.2	56.9	46.4	47.5	59.1	48.2	38.1	47.1	57.1	0.0	53.8	52.1	0.0	50.7
Individual Counselling	45.9	58.0	56.6	44.7	44.2	58.9	48.0	44.4	0.0	59.5	45.9	64.4	0.0	0.0	56.3
Supplément de retour au travail (Quebec only)	0.0	0.0	0.0	0.0	44.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	44.9
Total Employment Services	46.0	55.3	56.8	45.5	47.3	59.0	48.1	42.7	47.1	58.3	45.9	58.8	52.1	0.0	52.8
Aboriginal Pan-Canadian	29.4	50.9	38.7	52.6	46.5	46.3	52.2	49.8	36.6	42.3	59.3	35.2	45.4	79.6	46.4
Grand Total – Benefits and Services	42.4	50.9	52.4	42.3	47.4	55.5	45.4	35.1	43.0	54.1	41.8	46.0	41.4	76.3	49.4

Source: Participant dataset.

1. All percentages are based on new start interventions only (the number of interventions started in this fiscal year).

EBSM Designated Members – Persons with Disabilities ¹															
New Starts by Intervention (%)—2006/07															
	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Y.T.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	2.1	8.1	20.9	1.8	2.6	4.5	4.2	8.7	18.0	7.6	0.0	0.0	0.0	0.0	4.4
Self-Employment	0.5	1.9	10.8	1.4	1.3	3.2	2.7	8.3	2.8	5.2	0.0	0.0	0.0	0.0	3.4
Job Creation Partnerships	1.3	3.6	9.8	0.0	0.0	2.7	2.2	0.0	4.7	5.5	0.0	0.0	0.0	0.0	3.0
Skills Development – Regular	0.8	5.0	14.3	4.0	2.1	3.4	2.6	7.5	3.0	7.3	0.0	6.5	0.6	0.0	3.5
Skills Development – Apprentices	0.1	0.0	0.4	0.2	0.0	0.0	0.0	1.2	0.0	0.2	0.0	0.0	0.0	0.0	0.2
Total Employment Benefits	0.9	4.3	11.2	2.6	2.1	2.3	1.6	4.2	0.7	4.0	0.0	2.4	0.5	0.0	2.6
Employment Services															
Employment Assistance	1.1	17.6	19.3	8.9	4.1	6.8	8.7	22.5	2.0	8.9	0.0	4.2	1.8	100.0	5.1
Individual Counselling	1.2	13.8	22.2	8.3	2.5	5.5	3.7	9.9	0.0	13.2	0.9	3.1	0.0	33.3	7.5
Supplément de retour au travail (Quebec only)	0.0	0.0	0.0	0.0	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.4
Total Employment Services	1.2	15.9	20.6	8.6	4.0	5.9	5.3	13.3	2.0	11.1	0.9	3.7	1.8	50.0	6.0
Aboriginal Pan-Canadian	1.9	5.5	3.0	2.6	1.2	1.1	5.2	0.7	3.2	2.8	1.2	2.3	2.5	2.2	2.7
Grand Total – Benefits and Services	1.1	10.9	17.9	7.0	3.4	5.3	4.7	9.1	1.8	9.7	0.7	3.1	1.5	4.1	5.3

Source: Participant dataset.

1. All percentages are based on new start interventions only (the number of interventions started in this fiscal year). These reported counts are generally lower than actual numbers because data are collected through self-identification.

EBSM Designated Members – Aboriginal People¹															
New Starts by Intervention (%)—2006/07															
	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Y.T.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	0.7	0.0	0.7	0.0	0.4	1.4	5.5	18.1	6.2	6.8	47.5	0.0	93.3	0.0	2.7
Self-Employment	2.3	0.6	2.7	0.0	0.2	1.0	6.9	10.2	3.4	4.5	16.7	0.0	0.0	0.0	1.9
Job Creation Partnerships	1.3	1.6	2.5	0.0	0.0	5.0	13.4	0.0	12.5	19.9	0.0	15.4	0.0	0.0	5.9
Skills Development – Regular	2.0	1.2	1.8	0.0	0.2	1.5	8.2	7.4	7.5	8.5	51.7	15.1	90.1	0.0	2.3
Skills Development – Apprentices	1.8	0.3	0.7	0.4	0.0	0.4	3.2	4.6	0.6	0.9	7.4	2.9	0.0	0.0	1.0
Total Employment Benefits	1.8	1.0	1.6	0.1	0.2	1.2	6.3	7.3	1.8	5.0	32.9	8.1	73.7	0.0	2.1
Employment Services															
Employment Assistance	0.6	0.3	0.9	0.0	0.2	1.9	7.8	14.8	14.6	7.3	0.0	12.3	85.5	0.0	7.2
Individual Counselling	1.1	0.7	1.5	0.0	0.1	1.6	6.4	15.6	0.0	8.4	56.3	14.1	0.0	0.0	3.6
Supplément de retour au travail (Quebec only)	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3
Total Employment Services	1.0	0.5	1.2	0.0	0.2	1.7	6.8	15.4	14.6	7.8	56.3	13.2	85.5	0.0	5.7
Aboriginal Pan-Canadian	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Grand Total – Benefits and Services	2.1	1.6	2.6	0.4	0.9	3.1	17.3	19.2	13.9	10.0	61.8	21.8	84.1	95.9	6.9

Source: Participant dataset.

1. All percentages are based on new start interventions only (the number of interventions started in this fiscal year). These reported counts are generally lower than actual numbers because data are collected through self-identification.

EBSM Designated Members – Visible Minorities¹

New Starts by Intervention (%)—2006/07

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Y.T.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	0.5	0.4	3.6	0.0	0.0	8.1	5.9	2.9	10.6	8.7	5.1	0.0	0.0	0.0	3.4
Self-Employment	0.0	1.9	2.9	0.0	0.0	8.0	3.1	4.5	9.5	7.1	0.0	0.0	0.0	0.0	5.1
Job Creation Partnerships	0.7	0.0	4.0	0.0	0.0	5.3	7.2	0.0	16.7	6.4	0.0	0.0	0.0	0.0	4.4
Skills Development – Regular	0.3	1.0	4.7	0.0	0.0	19.5	10.1	2.7	29.0	11.7	8.3	1.1	1.9	0.0	6.8
Skills Development – Apprentices	0.0	0.0	0.3	0.0	0.0	0.1	0.5	0.7	0.1	0.1	0.0	0.0	0.0	0.0	0.1
Total Employment Benefits	0.4	0.8	3.5	0.0	0.0	10.3	5.8	1.6	3.9	5.7	4.3	0.4	1.4	0.0	4.2
Employment Services															
Employment Assistance	0.4	5.4	6.4	0.0	0.0	9.6	7.7	9.3	14.1	20.1	0.0	0.5	1.1	0.0	9.9
Individual Counselling	0.1	8.1	4.2	0.0	0.0	9.4	9.2	5.0	0.0	7.6	9.2	0.0	0.0	0.0	7.7
Supplément de retour au travail (Quebec only)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Employment Services	0.1	6.6	5.4	0.0	0.0	9.5	8.7	6.2	14.1	13.6	9.2	0.2	1.1	0.0	8.9
Aboriginal Pan-Canadian ²	0.0	0.0	4.0	0.0	12.5	2.0	0.9	0.0	0.1	4.6	3.7	4.5	0.8	1.1	2.6
Grand Total – Benefits and Services	0.2	4.1	4.9	0.0	0.1	9.5	7.3	4.1	12.7	12.0	6.0	0.8	1.1	1.0	7.9

Source: Participant dataset.

1. All percentages are based on new start interventions only (the number of interventions started in this fiscal year). These reported counts are generally lower than actual numbers because data are collected through self-identification.

2. Some Aboriginal clients self-identified as being members of visible minority groups.

EBSMs and Pan-Canadian Activities: Part I – Final Expenditures

In \$000s, by Intervention—2006/07

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Y.T.	Nun.	NHQ	Canada
Self-Employment	678	610	1,683	2,598	11,660	8,830	1,743	515	2,361	5,998	—	9	1	—	36,686
Job Creation Partnerships ¹	2,344	435	708	19	306	2,160	520	—	—	697	—	15	—	—	7,204
Skills Development	20,827	6,747	15,193	22,441	79,779	81,301	20,380	12,741	64,728	39,145	39	905	5	9	364,240
Total	23,849	7,792	17,584	25,058	91,745	92,291	22,643	13,256	67,089	45,840	39	929	6	9	408,130

Source: Corporate Management System.

1. In Quebec, this amount refers only to pan-Canadian activities.

EBSMs: Part II – Final Expenditures

In \$000s by Intervention—2006/07

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont. ¹	Man.	Sask.	Alta.	B.C.	N.W.T.	Y.T.	Nun.	NHQ ²	Canada
Employment Benefits³															
Targeted Wage Subsidies	4,695	977	1,358	10,439	32,785	20,555	1,134	5,319	1,011	16,083	207	29	169	-	94,761
Self-Employment	3,992	1,322	4,740	3,450	28,489	63,767	1,614	328	2,939	33,106	221	158	-	-	144,126
Job Creation Partnerships	16,500	3,708	6,200	-	-	19,573	2,386	-	3,298	9,100	-	49	-	206	61,020
Skills Development	87,394	14,534	45,519	60,587	319,317	201,890	26,946	23,892	55,874	115,440	1,422	2,326	2,308	-	957,449
Total Employment Benefits	112,581	20,541	57,817	74,476	380,591	305,785	32,080	29,539	63,122	173,729	1,850	2,562	2,477	206	1,257,356
Support Measures (Services)³															
Employment Assistance	13,740	4,324	21,612	10,527	111,939	208,902	8,334	5,528	44,077	111,440	702	1,237	153	-	542,515
Supplément de retour au travail (Quebec only)	-	-	-	-	3,519	-	-	-	-	-	-	-	-	-	3,519
Total Support Measures (Services)	13,740	4,324	21,612	10,527	115,458	208,902	8,334	5,528	44,077	111,440	702	1,237	153	-	546,034
Sub-Total: Employment Benefits and Support Measures (Services)	126,321	24,865	79,429	85,003	496,049	514,687	40,414	35,067	107,199	285,169	2,552	3,799	2,630	206	1,803,390
Other Support Measures³															
Labour Market Partnerships	5,281	1,600	1,402	6,817	98,591	10,992	5,736	3,245	1,651	3,471	263	88	-	-	139,137
Research and Innovation	-	-	-	505	1,134	-	896	660	-	-	-	-	-	-	3,195
Total Other Support Measures	5,281	1,600	1,402	7,322	99,725	10,992	6,632	3,905	1,651	3,471	263	88	-	-	142,332
Total EBSMs – Regular	131,602	26,465	80,831	92,325	595,774	525,679	47,046	38,972	108,850	288,640	2,815	3,887	2,630	206	1,945,722
Overcontribution⁴	-	-	-	-	-	-	-	-	-	-	587	-	154	-	741
Pan-Canadian (see details in Annex 3.13)	2,348	460	2,204	1,517	10,677	17,917	14,601	10,895	13,423	14,671	2,844	1,219	2,833	54,666	150,275
Adjustment ⁵	(340)	393	(416)	(44)	(170)	(6,273)	25	(39)	(812)	(87)	(791)	198	(609)	(883)	-9,848
Total Including Pan-Canadian	133,610	27,318	82,619	93,798	606,281	537,323	61,672	49,828	121,461	303,224	5,455	5,304	5,008	53,989	2,086,890
Administrative Costs Related to LMDAs⁶ (Transfer regions only)															
				8,922	58,866	19,432	6,078	6,021	9,518	1,450	721				111,008

Source: Corporate Management System and provincial and territorial audited statements.

1. Ontario expenditures are based on internal audit assurance review for the period January 1, 2007, to March 31, 2007.

2. NHQ includes expenditures for third-party liability insurance contracted and paid on behalf of co-managed provinces.

3. Includes expenditures (\$7.7 million) for aboriginal groups in Nova Scotia, Ontario and British Columbia.

4. Overcontribution will be recovered during fiscal 2007/08.

5. Adjustment to reflect overpayments established, refunds of previous years' expenditures and other accounting adjustments.

6. Administration costs include \$99.4 million (salary and non-salary) to administer LMDAs, \$5.5 million for rent, \$5.5 million for the Ontario LMDA Supplementary Agreement and \$0.7 million for Ontario office re-fit expenditures.

EI Part II Pan-Canadian – Final Expenditures															
In \$000s, by Intervention—2006/07															
	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Y.T.	Nun.	NHQ	Canada
Aboriginal Human Resources Development Strategy¹	1,999	244	1,913	1,302	9,346	16,699	14,214	10,781	12,882	14,228	2,644	980	2,564	1,000	90,796
Other															
Labour Market Partnerships	349	216	291	215	1,331	1,218	387	114	541	443	200	239	269	38,506	44,319
Research and Innovation	—	—	—	—	—	—	—	—	—	—	—	—	—	15,160	15,160
Total Other	349	216	291	215	1,331	1,218	387	114	541	443	200	239	269	53,666	59,479
Grand Total	2,348	460	2,204	1,517	10,677	17,917	14,601	10,895	13,423	14,671	2,844	1,219	2,833	54,666	150,275

Source: Corporate Management System.

1. Excludes expenditures (\$7.7 million) for Aboriginal groups in Nova Scotia, Ontario and British Columbia.

Annex 3.14 ■ Returns to Employment and Unpaid Benefits Indicators

Returns to Employment and Unpaid Benefits Indicators

2006/07

	Clients Who Returned to Employment ¹											Unpaid Benefits (\$ Millions) ¹				
	Results					Results vs. Targets %					Results					
	Targets ²	Apprentices	Group Services	Other ³	Total	Targets ²	Apprentices	Group Services	Other ³	Total ⁴	Targets ²	Apprentices	Group Services	Other	Total ⁴	Results vs. Targets %
Newfoundland and Labrador	6,677	993	7	7,275	8,275	124%	19.7	7.8	0.0	16.3	24.1	122%				
Prince Edward Island	2,027	238	0	1,795	2,033	100%	5.4	2.3	0.0	3.5	5.8	108%				
Nova Scotia	5,000	908	12	5,063	5,983	120%	14.7	8.3	0.1	10.1	18.4	125%				
New Brunswick	9,482	1,327	0	8,449	9,776	103%	27.4	11.4	0.0	21.1	32.5	119%				
Quebec	50,855	0	8,891	41,595	50,486	99%	156.2	0.0	61.8	122.0	183.8	118%				
Ontario ⁵	52,498	10,596	1,249	42,696	54,541	104%	204.6	86.5	8.3	116.6	211.4	103%				
Manitoba	9,000	1,704	0	7,379	9,083	101%	32.0	13.3	0.0	20.9	34.2	107%				
Saskatchewan	4,800	2,004	75	3,165	5,244	109%	21.2	17.6	0.4	10.7	28.7	135%				
Alberta	23,500	14,814	0	9,987	24,801	106%	162.0	138.7	0.0	48.1	186.8	115%				
British Columbia	29,150	7,230	8	25,646	32,884	113%	118.0	66.5	0.1	59.0	125.5	106%				
Northwest Territories	225	75	0	146	221	98%	2.4	1.0	0.0	1.4	2.4	102%				
Yukon	225	110	0	126	236	105%	1.6	1.4	0.0	0.5	1.9	119%				
Nunavut	115	19	0	110	129	112%	0.5	0.3	0.0	0.4	0.7	131%				
National Headquarters	0	0	0	0	0	0%	0.0	0.0	0.0	0.0	0.0	N/A				
Canada	193,554	40,018	10,242	153,432	203,692	105%	765.7	355.1	70.7	430.5	856.3	112%				

Source: Results dataset.

N/A: Not applicable.

1. AHRDS activity resulted in 7,512 returns to work and \$15.2 million in unpaid benefits.

2. Targets are for regular EBSM clients only.

3. The "other" category includes all other Employment Benefits and Employment Services, e.g., Targeted Wage Subsidies, Self-Employment, Job Creation Partnerships, Skills Development-Regular, Employment Assistance, Individual Counselling, and Supplément de retour au travail (Quebec only). Skills Development-Apprentices and Group Services are reported separately because a different methodology is used to calculate returns to employment for these two measures.

4. Some unpaid benefit figures have been rounded.

5. The 2006/07 results reflect EBSM delivery by both HRSDC and the Province of Ontario.

Annex 3.15 ■ Returns to Employment, by Intervention (EBSMs)

Returns to Employment, by Intervention (EBSMs) ¹															
2006/07															
	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont. ²	Man.	Sask.	Alta.	B.C.	N.W.T.	Y.T.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	274	164	161	2,426	2,178	1,826	179	215	98	1,890	3	4	11	0	9,429
Self-Employment	129	114	324	225	1,890	2,354	166	36	351	1,621	1	6	6	0	7,223
Job Creation Partnerships	715	136	235	0	0	741	137	0	375	372	0	1	0	0	2,712
Skills Development – Regular	3,789	830	1,883	2,833	10,920	8,085	1,499	645	719	4,128	89	39	66	0	35,525
Skills Development – Apprentices ³	993	238	908	1,578	0	10,596	1,797	2,295	14,814	7,230	75	110	19	0	40,653
Total Benefits	5,900	1,482	3,511	7,062	14,988	23,602	3,778	3,191	16,357	15,241	168	160	102	0	95,542
Employment Services															
Employment Assistance	406	316	1,562	1,069	20,252	11,048	1,958	361	8,444	7,966	0	45	27	0	53,454
Group Services	7	0	12	0	8,891	1,249	0	75	0	8	0	0	0	0	10,242
Individual Counselling	1,962	235	898	1,645	837	18,642	3,347	1,617	0	9,669	53	31	0	0	38,936
Supplément de retour au travail (Quebec only)	0	0	0	0	5,518	0	0	0	0	0	0	0	0	0	5,518
Total Services	2,375	551	2,472	2,714	35,498	30,939	5,305	2,053	8,444	17,643	53	76	27	0	108,150
Total	8,275	2,033	5,983	9,776	50,486	54,541	9,083	5,244	24,801	32,884	221	236	129	0	203,692
Target	6,677	2,027	5,000	9,482	50,855	52,498	9,000	4,800	23,500	29,150	225	225	115	0	193,554
Results vs. Targets (%)	124%	100%	120%	103%	99%	104%	101%	109%	106%	113%	98%	105%	112%	N/A	105%

N/A: Not applicable.

1. Results associated solely with the AHRDS are not included here.

2. The 2006/07 results reflect EBSM delivery by both HRSDC and the Province of Ontario.

3. Results for SD – Apprentices are different than in Table 3.14 because the results are associated with the last intervention in which a client participated, with Employment Benefit participation superseding participation in an Employment Service.

Annex 4 Community Profiles

4.1 Community Profiles – Part I

4.2 Community Profiles – Part II

Annex 4.1

Community Profiles – Part I											
Regions	Unemployment Rate (%)			VER (Hours)		# Claims		Average Insurable Hours		Average Weeks Paid	
	2006/07	Δ	High/Low	High	Low	2006/07	Δ	2006/07	Δ	2006/07	Δ
Newfoundland and Labrador											
St. John's	8.1	-0.8	9.0/7.3	630	595	14,660	-3.7%	1,370.30	0.3%	21.1	-2.3%
Newfoundland and Labrador	19.3	-0.2	20.1/18.4	420	420	76,300	-3.0%	1,130.00	0.4%	24.9	-0.4%
Prince Edward Island											
Prince Edward Island	11.1	0.1	11.4/10.4	525	490	23,880	-1.7%	1,249.30	0.5%	23.0	1.3%
Nova Scotia											
Eastern Nova Scotia	13.8	-0.9	14.5/12.4	455	420	28,120	-5.3%	1,169.70	1.0%	23.7	-0.4%
Western Nova Scotia	9.4	0.3	9.8/8.8	595	560	37,930	-2.6%	1,332.10	0.6%	21.2	2.9%
Halifax	5.0	-0.6	5.6/4.3	700	700	18,360	-3.6%	1,480.40	1.5%	18.9	-3.1%
New Brunswick											
Fredericton–Moncton–Saint John	6.3	-0.8	7.5/5.4	700	630	24,870	-4.3%	1,436.60	1.3%	18.3	-2.7%
Madawaska–Charlotte	10.1	-1.5	11.2/9.5	560	490	16,740	-1.6%	1,329.10	1.0%	20.3	0.5%
Restigouche–Albert	14.1	-1.0	14.7/13.0	455	420	48,340	-3.2%	1,157.30	2.6%	23.9	1.3%
Quebec											
Gaspésie–Îles-de-la-Madeleine	18.7	0.9	20.7/17.4	420	420	30,690	-2.0%	1,083.70	-0.1%	24.5	-1.2%
Quebec	5.2	-0.5	6.1/4.1	700	665	43,000	-11.5%	1,423.40	0.2%	13.9	-15.2%
Trois-Rivières	8.1	-0.9	8.9/7.4	630	595	10,850	-2.3%	1,354.50	0.3%	17.4	-5.4%
Quebec Centre South	6.1	0.1	7.7/4.8	700	630	13,370	-8.1%	1,416.60	-0.8%	13.4	-12.4%
Sherbrooke	7.8	0.4	8.3/7.0	665	595	11,780	-8.5%	1,405.90	0.9%	15.0	-8.0%
Montréal	7.8	0.5	8.6/7.0	665	595	36,300	-6.1%	1,417.80	0.3%	15.8	-10.2%
Montreal	8.3	-0.5	9.5/7.5	630	560	182,810	-11.2%	1,399.80	-0.9%	17.0	-13.3%
Central Quebec	8.7	0.0	9.3/8.0	630	560	88,550	-4.2%	1,341.10	-0.7%	17.6	-4.3%
North Western Quebec	11.1	0.4	12.2/9.7	560	455	28,710	-0.1%	1,239.20	-3.4%	20.3	-0.5%
Bas-Saint-Laurent–Côte-Nord	12.0	0.3	12.5/11.4	490	455	59,030	-0.1%	1,247.80	0.1%	19.9	-0.5%
Hull	5.6	-1.0	6.5/4.6	700	665	12,530	-16.5%	1,410.00	-0.5%	14.2	-20.7%
Chicoutimi–Jonquière	8.9	-0.8	9.8/7.7	630	560	13,900	-10.4%	1,307.70	2.3%	17.4	-7.9%
Ontario											
Ottawa	5.1	-1.3	5.7/4.5	700	700	29,650	-2.7%	1,511.10	0.6%	20.1	-2.9%
Eastern Ontario	7.0	-0.1	7.9/5.8	700	630	23,080	1.9%	1,454.30	0.2%	18.0	-0.6%
Kingston	6.1	-0.1	7.3/4.9	700	630	5,930	2.6%	1,477.30	1.0%	20.2	5.2%
Central Ontario	6.0	-0.1	6.7/4.9	700	665	52,970	-1.4%	1,453.30	-0.4%	17.4	-2.8%
Oshawa	6.5	-0.1	6.9/6.0	700	665	16,030	-1.2%	1,503.50	-0.7%	17.6	1.7%
Toronto	6.5	-0.5	6.8/6.2	665	665	201,140	1.7%	1,516.10	0.6%	21.5	-1.4%
Hamilton	6.0	0.5	6.5/5.4	700	665	28,740	2.1%	1,510.90	1.2%	19.5	0.5%
St. Catharines	6.3	-0.8	6.7/5.8	700	665	21,440	-2.3%	1,439.70	-0.4%	17.7	-2.2%
London	6.3	-0.3	7.0/5.7	700	665	21,540	5.3%	1,518.70	1.0%	17.8	-1.7%
Niagara	8.1	-0.4	8.7/7.6	630	595	15,410	1.7%	1,469.30	1.5%	18.1	-0.5%
Windsor	9.1	1.4	9.9/8.6	595	560	22,060	9.5%	1,520.30	-2.0%	17.0	10.4%
Kitchener	5.2	-0.6	5.8/4.8	700	700	21,760	6.5%	1,540.60	1.7%	19.2	-2.0%
Huron	7.0	-0.6	7.6/6.0	700	630	19,400	11.4%	1,495.50	3.1%	18.2	5.8%
South Central Ontario	4.8	0.0	5.2/4.5	700	700	22,680	5.4%	1,522.00	-0.2%	17.5	2.3%
Sudbury	7.1	-0.6	8.1/6.0	700	595	8,990	-3.2%	1,407.20	-0.2%	19.1	-4.0%
Thunder Bay	7.6	0.6	8.3/6.7	665	595	7,410	-8.6%	1,463.80	1.4%	17.2	1.2%
Northern Ontario	10.5	0.8	11.0/9.9	560	525	34,760	1.3%	1,367.80	0.4%	20.1	1.5%

Annex 4.1 (continued)

Community Profiles – Part I

Regions	Unemployment Rate (%)			VER (Hours)		# Claims		Average Insurable Hours		Average Weeks Paid	
	2006/07	Δ	High/Low	High	Low	2006/07	Δ	2006/07	Δ	2006/07	Δ
Manitoba											
Winnipeg	4.6	-0.2	5.0/4.3	700	700	29,540	-1.3%	1,496.30	1.5%	18.6	-0.5%
Southern Manitoba	4.7	-1.0	5.2/4.2	700	700	15,070	0.9%	1,426.00	-1.2%	17.5	-2.2%
Northern Manitoba	25.4	1.7	26.6/23.7	420	420	9,340	0.1%	1,261.00	0.4%	24.4	2.5%
Saskatchewan											
Regina	4.8	0.0	5.3/4.0	700	700	7,440	-0.9%	1,485.20	0.7%	18.7	-2.1%
Saskatoon	4.4	-0.7	5.4/3.2	700	700	9,390	-6.2%	1,471.80	0.7%	18.4	-3.2%
Southern Saskatchewan	6.3	-0.4	7.0/5.9	700	665	12,410	-4.3%	1,404.60	-1.3%	18.0	-1.1%
Northern Saskatchewan	14.4	-0.5	15.8/13.5	420	420	14,000	1.7%	1,347.40	1.5%	22.0	2.3%
Alberta											
Calgary	3.3	-0.6	3.7/2.7	700	700	34,460	-5.6%	1,538.70	0.7%	20.9	2.5%
Edmonton	4.0	-0.6	4.5/3.7	700	700	38,820	1.3%	1,520.70	-0.1%	18.4	-2.6%
Northern Alberta	8.0	1.0	8.6/7.4	630	595	10,620	10.6%	1,470.30	1.3%	19.8	2.6%
Southern Alberta	4.4	-0.2	4.6/4.1	700	700	30,610	3.2%	1,506.70	1.2%	18.4	-0.5%
British Columbia											
Southern Interior B.C.	6.7	-0.1	7.2/6.2	665	630	35,360	-2.6%	1,404.40	1.8%	17.3	-5.5%
Abbotsford	4.5	-0.9	5.9/3.9	700	700	9,730	3.2%	1,354.20	2.6%	19.3	3.8%
Vancouver	4.4	-1.3	4.9/4.0	700	700	78,810	-2.3%	1,471.80	0.2%	19.9	-1.0%
Victoria	4.4	-0.6	5.2/3.8	700	700	11,490	-3.2%	1,478.30	1.2%	18.0	-2.2%
Southern Coastal B.C.	6.3	-1.6	7.2/5.7	700	630	27,810	-7.8%	1,371.50	-0.4%	18.1	-4.7%
Northern B.C.	8.7	-0.9	9.7/8.0	630	560	23,400	-3.5%	1,358.90	3.1%	20.3	4.1%
Territories¹											
Yukon	25.0	0.0	---	420	420	2,340	-9.7%	1,313.20	5.7%	22.3	7.2%
Northwest Territories	25.0	0.0	---	420	420	2,200	1.9%	1,355.90	3.2%	24.5	5.2%
Nunavut	25.0	0.0	---	420	420	1,320	6.5%	1,304.00	1.7%	26.5	15.2%
CANADA	6.7	-0.5	6.9/6.6	665	665	1,777,870	-2.7%	1,398.80	0.4%	19.4	-2.5%

1. The Yukon, Northwest Territories and Nunavut unemployment rates are set at 25% for EI purposes.

Annex 4.2

Community Profiles – Part II							
Regions	Average Entitlement Weeks		% of Entitlement Weeks Paid		Average Weekly Benefits		% of Earners Receiving EI Benefits
	2006/07	Δ	2006/07	Δ	2006/07	Δ	Δ (2005)
Newfoundland and Labrador							
St. John's	34.7	-3.9%	60.8	-0.1	\$324	4.8%	22.4%
Newfoundland and Labrador	40.0	0.5%	63.8	-0.3	\$327	2.2%	49.8%
Prince Edward Island							
Prince Edward Island	35.3	-1.1%	66.9	1.6	\$335	5.1%	35.0%
Nova Scotia							
Eastern Nova Scotia	38.6	-1.0%	62.6	0.4	\$334	4.2%	35.5%
Western Nova Scotia	35.8	1.7%	60.7	0.4	\$321	6.0%	25.3%
Halifax	27.7	0.4%	62.5	-2.3	\$313	2.1%	14.1%
New Brunswick							
Fredericton–Moncton–Saint John	28.4	-3.4%	61.2	-0.6	\$308	2.6%	18.1%
Madawaska–Charlotte	36.9	-4.9%	57.1	3.4	\$329	5.7%	32.3%
Restigouche–Albert	40.1	-1.5%	60.7	1.6	\$327	3.6%	41.2%
Quebec							
Gaspésie–Îles-de-la-Madeleine	42.2	0.0%	59.1	-0.4	\$340	3.2%	46.0%
Quebec	26.8	0.4%	54.5	-4.7	\$321	2.3%	16.6%
Trois-Rivières	34.9	-4.1%	52.1	0.0	\$334	4.7%	20.3%
Quebec Centre South	28.2	2.5%	50.8	-4.6	\$310	0.9%	24.4%
Sherbrooke	30.2	2.4%	52.7	-2.3	\$312	0.8%	20.2%
Montréal	31.2	4.3%	53.7	-4.9	\$321	2.5%	19.5%
Montreal	31.6	-4.2%	55.8	-3.0	\$318	1.1%	15.4%
Central Quebec	35.6	-1.1%	52.0	-0.6	\$332	5.0%	24.4%
North Western Quebec	37.7	-0.5%	55.9	0.5	\$345	3.2%	27.4%
Bas-Saint-Laurent–Côte-Nord	38.8	1.6%	53.7	-0.6	\$338	3.7%	30.0%
Hull	26.7	-6.0%	55.7	-4.6	\$334	1.4%	13.4%
Chicoutimi–Jonquière	35.2	-3.8%	52.1	-1.0	\$338	7.2%	25.0%
Ontario							
Ottawa	28.3	-5.0%	62.1	-0.3	\$347	2.4%	9.4%
Eastern Ontario	30.1	0.0%	58.3	-0.4	\$327	3.2%	15.0%
Kingston	28.5	-1.4%	62.8	1.5	\$322	2.1%	10.5%
Central Ontario	28.1	-0.7%	57.9	-1.0	\$327	1.3%	12.7%
Oshawa	29.8	-2.6%	53.5	1.4	\$352	-0.9%	12.8%
Toronto	30.5	-2.9%	63.9	-0.2	\$339	1.4%	10.7%
Hamilton	29.5	2.8%	60.3	-0.8	\$339	0.4%	11.1%
St. Catharines	28.1	-6.0%	59.8	1.2	\$322	2.8%	14.5%
London	30.0	-0.3%	55.4	-0.9	\$346	3.1%	11.5%
Niagara	32.3	-1.8%	55.0	0.4	\$330	2.2%	14.1%
Windsor	35.2	6.0%	48.1	2.0	\$353	-0.3%	13.9%
Kitchener	29.1	1.7%	60.3	-1.2	\$339	1.5%	11.0%
Huron	30.6	-3.2%	56.9	4.0	\$338	2.9%	13.9%
South Central Ontario	28.7	0.0%	56.4	1.4	\$339	2.0%	10.8%
Sudbury	34.4	-2.8%	54.7	-1.3	\$340	2.1%	14.5%
Thunder Bay	31.2	4.3%	54.5	-1.3	\$352	0.4%	15.0%
Northern Ontario	38.5	4.1%	52.8	-1.2	\$345	4.7%	17.0%

Annex 4.2 (continued)

Community Profiles – Part II

Regions	Average Entitlement Weeks		% of Entitlement Weeks Paid		Average Weekly Benefits		% of Earners Receiving EI Benefits
	2006/07	Δ	2006/07	Δ	2006/07	Δ	Δ (2005)
Manitoba							
Winnipeg	28.0	1.8%	59.6	-1.2	\$322	4.8%	11.1%
Southern Manitoba	26.4	-4.0%	60.2	0.5	\$306	1.8%	13.4%
Northern Manitoba	42.3	0.7%	58.8	0.9	\$325	3.8%	19.1%
Saskatchewan							
Regina	27.7	1.1%	59.1	-1.4	\$336	4.8%	9.8%
Saskatoon	27.4	1.1%	59.3	-1.6	\$324	4.4%	10.9%
Southern Saskatchewan	27.4	-4.2%	59.8	1.2	\$317	3.7%	13.1%
Northern Saskatchewan	42.5	-0.9%	51.9	2.0	\$346	7.5%	16.8%
Alberta							
Calgary	28.9	0.7%	59.9	-0.8	\$354	4.3%	9.2%
Edmonton	28.5	0.0%	56.0	-1.7	\$356	4.2%	10.1%
Northern Alberta	33.4	-5.1%	56.9	3.7	\$368	5.9%	11.3%
Southern Alberta	28.2	1.4%	56.5	-1.4	\$340	4.1%	9.7%
British Columbia							
Southern Interior B.C.	28.8	-11.9%	57.6	2.5	\$332	4.9%	15.8%
Abbotsford	25.0	1.2%	67.0	-0.1	\$299	3.0%	17.0%
Vancouver	27.5	-2.8%	63.6	0.3	\$327	1.8%	11.4%
Victoria	27.5	0.4%	57.9	-1.6	\$334	4.5%	10.4%
Southern Coastal B.C.	27.4	-21.0%	62.3	7.5	\$346	4.2%	16.4%
Northern B.C.	35.7	-1.4%	57.6	2.8	\$363	5.5%	17.9%
Territories							
Yukon	43.9	0.5%	50.3	2.7	\$384	5.5%	19.8%
Northwest Territories	43.9	0.7%	55.2	2.0	\$395	3.8%	12.2%
Nunavut	43.7	0.7%	59.5	6.4	\$378	4.4%	12.5%
CANADA	32.2	-1.8%	58.4	-0.5	\$332	2.9%	14.9%

Δ = Change between 2005/2006 and 2006/2007 (expressed in percentage points)

NOTE: The local unemployment rates presented in this annex are those of the EI economic regions. These regional rates come from the Labour Force Survey, with an adjustment made to include unemployment rates for status Indians living on Indian reserves, as per section 54(x) of the *Employment Insurance Act*. If this adjustment were performed on the national unemployment rate, the figure of 6.2% presented in Chapter 1 for 2006/07 would become 6.7%.

Annex 5 Key Studies Referenced in Chapter 5

1. Employment Insurance Coverage Survey

Author: *Statistics Canada*

Objective: The Employment Insurance Coverage Survey (EICS) provides information on unemployed individuals, whether or not they are eligible for or apply for Employment Insurance (EI) benefits.

Methodology: The EICS is an annual supplement to Statistics Canada's Labour Force Survey. It identifies those individuals who have been paying EI premiums and those who have worked enough insurable hours to be eligible to receive benefits from the EI Program.

Key Findings:

- In 2006, 82.7% of unemployed individuals who had been paying premiums and had a recent job separation that met EI Program criteria were eligible to receive EI benefits; 58.6% were receiving benefits during the survey reference week.

Reliability: At a confidence level of 95% (19 times out of 20), the 82.7% coverage figure is accurate within plus or minus 2.7 percentage points. Only estimates deemed to be reliable according to Statistics Canada's guideline of a coefficient of variation below 16.5% are used and reported.

Availability: Findings for the 2006 EICS are available at Statistics Canada's web site at <http://www.statcan.ca/Daily/English/071003/d071003a.htm>.

2. New Entrants/Re-Entrants and Immigrants

Author: *Strategic Evaluation, Human Resources and Social Development Canada (HRSDC)*

Objective: This study looks at the impact of the new entrant/re-entrant (NERE) provision on immigrants. It tests the hypothesis that recent immigrants are more likely to be subject to the NERE requirements, given that they are new to Canada. Thus, they may be less likely to be eligible for Unemployment Insurance (UI) or EI benefits. In addition, this paper compares the benefit receipt rates of immigrants and Canadian-born workers.

Methodology: The analysis uses census data for the 1981 to 2001 period. Individuals who were under 15 or over 64 at the time of the census have been excluded from the sample, since these age groups have low labour force participation. The sample is also restricted to those who received employment earnings in the year prior to the census year. Descriptive statistical techniques are used to compare receipt of UI/EI benefits by immigrant workers and by Canadian-born workers, and the receipt of UI/EI benefits by recent immigrants and by immigrants who have been in Canada longer.

Key Findings:

- The benefit receipt rates for recent immigrants appear to support the hypothesis that those most likely to be NEREs—very recent immigrants (those who immigrated within the previous two years)—have lower benefit receipt rates than immigrants who have been in Canada longer. However, it is unclear whether this is due to the NERE rules or to the weaker labour force attachment of more recent immigrants.
- The longer that immigrants live in Canada, the more likely it is that their labour force performance and earnings will improve, thus reducing their dependence on transfer payments such as UI/EI. For instance, there is a noticeable drop-off in benefit receipt rates for immigrants who have been in Canada for 11 years or more. Also, benefit receipt rates appear to be lowest among immigrants who have arrived in Canada at a young age and have, therefore, been in Canada for a prolonged period.
- When the sample of workers is restricted to those residing in one of the seven census metropolitan areas (CMAs), immigrants have a higher benefit receipt rate than Canadian-born workers in each of the CMAs. However, the opposite is true outside these CMAs.

Reliability: An external academic peer reviewed this study.

Availability: This report will be released once the analysis becomes final.

Table 1

Eligibility for EI Benefits, 2006 Employment Insurance Coverage Survey (EICS)		
	Eligibility Rate for Unemployed with Recent Job Separation That Met EI Criteria ¹ %	Receipt Rate for Unemployed with Recent Job Separation That Met EI Criteria ¹ %
Overall	82.7	58.6
Sex		
Women	78.8	53.3
Men	84.9	61.6
Age and Sex		
Unemployed youth (15 to 24 years old)	47.0	28.2
Unemployed adult women (25 to 69 years old)	85.4	57.3
Unemployed adult men (25 to 69 years old)	91.5	68.2
Region		
Atlantic	91.6	76.5
Quebec	84.9	65.1
Ontario	75.1	44.0
Prairies	85.0	58.0
British Columbia	87.2	62.9
Full-Time/Part-Time Employment Status Over the Last 12 Months		
Unemployed who worked part time only in the last 12 months	53.8	33.6
Unemployed who worked full time only in the last 12 months	87.6	63.0
Unemployed who worked part time and full time in the last 12 months	68.9	49.2
Work Pattern of Last Employment		
Permanent		
Full time	89.9	63.8
Part time	63.6	42.1
Non-permanent		
Seasonal	83.5	61.8
Other non-standard ²	70.2	49.4
Immigrant Status		
Canadian-born	83.8	61.6
Immigrants	77.5	42.1
<p>1. The unemployed with a recent job separation that met EI criteria are individuals who have lost a job or quit a job with just cause, under current EI rules, in the previous 12 months. This figure includes all those who have done some work in the last 12 months, were not self-employed, did not leave their job to go to school and did not quit their job for a reason considered invalid according to current EI rules.</p> <p>2. "Other non-standard" refers to non-permanent paid jobs that were temporary, term, contractual, casual or non-permanent in some other way (but not seasonal). These unemployed people were not self-employed.</p>		

3. Potential EI Eligibility of Paid Workers in December 2005

Authors: *Constantine Kapsalis and Pierre Tourigny, Data Probe Economic Consulting Inc.*

Objective: The study aims to provide an estimate, using the Survey of Labour and Income Dynamics (SLID), of the proportion of employees who would have sufficient insurable hours to be eligible for EI benefits if they were to lose their job or quit with just cause. The report also provides the data used in Chapter 5 on potential access to special benefits among the employed population.

Methodology: The SLID is a longitudinal Statistics Canada survey that follows individuals over six consecutive years. Every three years, a new panel of individuals is added to the survey. The SLID provides information on people and their jobs, including weekly labour force activity; characteristics of each job held in a year; and personal, family and household characteristics. Coverage measures from the SLID are determined using a simulated scenario on the paid employed population.

Key Findings:

- Simulations indicate that 87.7% of individuals who were working as paid employees in December 2005 would have been eligible for EI regular benefits if they had lost their job at the end of that month. The proportion of individuals with sufficient hours to claim EI benefits was consistent across the country, with rates ranging from 86.3% in British Columbia to 90.5% in the Atlantic. Table 2 provides more detailed findings.

Reliability: At a confidence level of 95% (19 times out of 20), the 87.7% potential eligibility figure is accurate within plus or minus approximately 1.0 percentage point. Only estimates that are deemed to be reliable according to Statistics Canada's guideline of a coefficient of variation below 16.5% are used and reported.

Availability: SLID data are available from Statistics Canada. See <http://www.statcan.ca/Daily/English/070719/b070719a.htm>.

4. Record of Employment-Based Measures of Eligibility

Author: *Strategic Evaluation, HRSDC*

Objective: This study provides evidence to answer three questions: What percentage of individuals with job separations is eligible for EI? What percentage of

EI contributors receives EI upon unemployment? Did EI reform have a disproportionate impact on any particular group?

Methodology: This technical report examines two measures of EI eligibility. The first measure is the percentage of Records of Employment (ROEs) with enough hours of employment to meet the Variable Entrance Requirement (VER), calculated two different ways: the percentage of ROEs that met the VER using the insured hours from only one ROE, and the percentage of ROEs that met the VER using combined insured hours from the last 52 weeks (using multiple ROEs). The second measure is the percentage of ROEs that led to an EI claim, also calculated two different ways: the percentage of ROEs that led to a claim any time after the ROE was issued, and the percentage that led directly to a claim (within five weeks of job loss). Each measure was calculated separately for workers who lost their job due to layoff.

Key Findings:

- The percentage of individual ROEs that met the VER ranged from 55.2% in 1991 to 43.5% in 2006, while the percentage of ROEs that met the VER with combined hours from ROEs in the last 52 weeks ranged from 81.7% in 1991 to 69.3% in 2006. The decrease over time in the overall percentage of ROEs that met requirements is solely due to falling unemployment rates over the period. Consequently, EI reform and other legislative changes that occurred between 1991 and 2005 did not have a noticeable impact on the overall percentage of ROEs that met the VER.
- The overall percentage of ROEs that led to an EI claim also decreased over time, from 32.0% in 1991 to 21.8% in 2005. The decrease in the percentage of ROEs leading to a claim is also partially due to declining unemployment rates over the same period. In addition, legislative changes in 1993 (Bill C-113) and 1994 (Bill C-17) appear to have had an effect on the percentage of ROEs leading to a claim in the year after each change.
- Before EI reform in 1996, the percentage of ROEs that met requirements was lower in economic regions with higher unemployment rates in scenarios where the required number of insured weeks was held constant at 20. In contrast, the VER increases the percentage of ROEs meeting requirements in regions with higher unemployment rates.

Table 2

Simulated EI Eligibility¹ as a Proportion of Employees in December, Using the Survey of Labour and Income Dynamics (SLID), Various Groups, December 2005	
	December 2005 %
All Employees	87.7
Sex	
Women	84.0
Men	91.0
Age and Sex	
Employed youth (16 to 24 years old)	67.2
Employed adult women (25 years old and over)	88.0
Employed adult men (25 years old and over)	94.3
Region	
Atlantic	90.5
Quebec	87.6
Ontario	87.8
Prairies	87.4
British Columbia	86.3
Full-Time/Part-Time Employment Status Over the Last 12 Months	
Employed who worked part time only in the last 12 months	54.9
Employed who worked full time only in the last 12 months	95.5
Employed who worked part time and full time in the last 12 months	87.6
Sex and Full-Time/Part-Time Employment Status Over the Last 12 Months	
Employed who worked full time only in the last 12 months	
Women	94.5
Men	96.2
Employed who worked part time only in the last 12 months	
Women	57.2
Men	49.1
Employed who worked part time and full time in the last 12 months	
Women	86.8
Men	96.1
1. Simulated scenario: Individuals with paid employment in December 2005 are laid off at the end of the month. The longitudinal segment of the SLID is used to calculate insurable hours of employment under EI. Rules in effect in December are used to calculate eligibility for regular benefits under EI.	

- After EI reform in 1996, the percentage of ROEs that met requirements was stable across economic regions in scenarios where the required number of insured hours was held constant at 700 hours. In contrast, the VER increases the percentage of ROEs meeting requirements in regions with higher unemployment rates.

Reliability: This report is an update of an earlier study undertaken for the summative evaluation of EI. An external academic peer reviewed this study.

Availability: This report will be released once the analysis becomes final.

5. Formative Evaluation of New Entrants/ Re-Entrants (NEREs) Provision

Author: *Strategic Evaluation, HRSDC*

Objective: This evaluation project examines the extent to which the NERE rules have reduced the frequent use of EI benefits. It also investigates the potential impacts of treating NEREs as three separate groups: new entrants, re-entrants and immigrants.

Methodology: The formative evaluation of the NERE provision attempts to answer specific questions in five broad categories: program rationale; achievement of program objectives; impacts and effects of the program; cost effectiveness and program alternatives; and program delivery. This evaluation project uses multiple lines of evidence, including the following evaluation methods: file review, literature review, data analysis and focus groups.

Key Findings:

- Program rationale
 - There is little evidence to suggest that the level of frequent use of EI benefits is linked to the NERE rules.
 - Service to NEREs might be improved if specific EI rules were made for each group.
- Achievement of program objectives
 - The EI rules encourage NEREs to work more hours before they are able to collect EI benefits.
- Impacts and effects of the program
 - NEREs are far less likely to be eligible for EI benefits and to collect them than their non-NERE counterparts.
 - The NERE rules have their largest impact on youth.
- Cost effectiveness and program alternatives

- The 1996 EI reform affected costs significantly. The higher entrance requirement for NEREs under Bill C-12 (1996) may have reduced total regular benefits payments by about \$520 million per year.

- Program delivery
 - Determining NERE status is not an easy task. Therefore, Service Canada field officers must make numerous judgements when determining an individual's NERE status.

Reliability: An external academic peer reviewed this study.

Availability: This report will be released once the analysis becomes final.

6. Use of EI Sickness Claims

Author: *Strategic Evaluation, HRSDC*

Objective: This paper examines the trends in the use of EI sickness benefits and the extent to which sickness claimants differ from claimants of other types of benefits.

Methodology: This report is based on EI administrative data, specifically the Status Vector (SV). The research covers the period from 1990 to 2005.

Key Findings:

- There has been a pronounced upward trend both in the number of sickness claims and in the share of sickness claims among all EI claims, particularly in the case of claims comprising only sickness benefits.
- The differences between sickness claimants and claimants of other types of benefits are substantial in some cases. Sickness claimants are, on average, three to four years older than other claimants, and sickness claimants are more likely to be female.
- Sickness claims are more prevalent in some industries than in others. Individuals in the trade and health care industries are more likely to collect sickness benefits than those in the primary, construction and education industries.
- Sickness claimants are more likely to come from the Atlantic region and Quebec, and less likely to come from Ontario.

Reliability: An external academic peer reviewed this study.

Availability: This report will be released once the analysis becomes final.

7. The Combination of Special Benefits by Women

Author: *Strategic Evaluation, HRSDC*

Objective: In 2001, Bill C-32 increased the duration of combined special benefits from 30 weeks to 50 weeks. In 2002, Bill C-49 increased the maximum number of combined weeks of special benefits from 50 to 65 weeks. In January 2004, the maximum number of combined weeks of special benefits increased from 65 weeks to 71 weeks after the introduction of compassionate care benefit.

This study examines to what extent female claimants combine special EI benefits, the socio-economic characteristics of these women, the stage at which sickness benefits are taken and to what extent sickness benefits are used. The study also examines the effect of combining special benefits on eligibility for a subsequent claim.

Methodology: A sample of 200,000 female EI claimants was drawn from the HRSDC EI Databank covering the period from June 1995 to June 2007. Only female claimants who received at least \$1 of EI special benefits were kept in the sample. This sample was further divided into three categories of claimants: claimants who received only maternity or parental benefits; claimants who received only sickness benefits; and claimants who combined special benefits. The rate of combined benefits was calculated as the percentage of claimants combining special benefits over claimants who received special benefits.

Key Findings:

- In 1995, approximately 286,000 females received special benefits, compared to 300,000 in 2006. On average, 5.3% of special benefit claimants combined more than one special benefit. Of those who combined special benefits, very few used the maximum number of weeks.
- When comparing female claimants combining special benefits with female claimants receiving only maternity or parental benefits, the analysis shows the following:
 - Younger claimants were more likely to combine benefits than older claimants.
 - Claimants living in Atlantic Canada and British Columbia were more likely to combine special benefits than claimants living in Ontario.
 - Claimants having higher income were less likely to claim a combination of special benefits than those having lower income.

- Claimants having a longer gap between two claims were less likely to combine their special benefits.
- Measuring the impact of combining special benefits on eligibility for a subsequent claim shows the following:
 - Claimants who combined special benefits were as likely to be eligible for a next claim as claimants who only received maternity or parental benefits.
 - The introduction of Bill C-32 increased the probability that former claimants would be eligible for the next claim. Bill C-49 decreased the probability of being eligible for a subsequent claim, as it allowed claimants to extend their benefit period over 50 weeks.

Reliability: An external academic peer reviewed this study.

Availability: This report will be released once the analysis becomes final.

8. An Evaluation Overview of Seasonal Employment

Author: *Strategic Evaluation, HRSDC*

Objective: This study provides an overview of the impact of EI on seasonal employment in terms of employment behaviour.

Methodology: This study using Canadian Out-of-Employment Panel (COEP) data provides descriptive analysis regarding the impact of EI on seasonal workers.

Key Findings:

- Seasonal workers make up a small but distinct portion of the labour market. They are more likely to be male, have a lower level of education and have fewer family dependents.
- The seasonally unemployed are able to cope better than non-seasonal workers with spells of unemployment. They are more likely to find subsequent employment and less likely to experience a drop in their household consumption after periods of unemployment.
- In general, workers in seasonal industries contribute less to the EI system than they collect in benefits.
- There is a strong positive relationship between seasonal work claims and repeat claims.
- The EI reform implemented in 1996 has affected seasonal workers. The move to the hours system may have encouraged seasonal workers to work more hours per week over shorter periods of time. In addition, due

to the hours system, the number of seasonal workers who experience periods when they are neither collecting EI benefits nor receiving employment income has decreased.

Reliability: An external academic peer reviewed this study.

Availability: This report will be released once the analysis becomes final.

9. Unemployment Insurance: Strengthening the Relationship Between Theory and Policy

Authors: *Walter Nicholson (Amherst College, Massachusetts) and Karen Needels (Mathematica Policy Research, Inc., New Jersey)*

Objective: This study focuses on the ways economic theory can help clarify the challenges that unemployment insurance programs face.

Methodology: The authors summarize the salient characteristics of the unemployment insurance programs in the United States and then examine the literature on theoretical and econometric research.

Key Findings:

- This study discusses the key policy issues for unemployment insurance programs and ways policy-makers may be able to use economic analysis to adjust such programs so that they remain effective in addressing the needs of unemployed workers.

Reliability: This study was published in the *Journal of Economic Perspectives*, Volume 20, Number 3, Summer 2006, pages 47 to 70.

Availability: This study can be found in the *Journal of Economic Perspectives* at <http://www.atypon-link.com/doi/abs/10.1257/jep.20.3.47?cookieset=1>.

10. Usage of the Work Sharing Program, 1990/91 to 2006/07

Author: *Strategic Evaluation, HRSDC*

Objective: The report examines the extent to which the Work Sharing provision is used; expenditures on Work Sharing benefits; and the characteristics and experiences of Work Sharing participants.

Methodology: The report is based on EI administrative data (Status Vector file). Descriptive statistical techniques were applied to examine aggregate information on claims—such as the average length of claim and the average amount of benefits received—as well as some of the characteristics of claimants, such as gender, age, region and industry.

Key Findings:

- Program usage and expenditures on benefits varied widely during the study period, from a high of 125,262 participants in 1990/91 to a low of 7,319 participants in 2006/07.
- Program usage and expenditures are counter-cyclical. The program is used more intensively during periods of economic downturn and less intensively during periods of economic recovery.
- There also appears to be a seasonal component to program usage. The program is used most heavily in the fourth and first quarters and least heavily in the third quarter.
- Annual program usage varies widely by region, with Ontario and Quebec accounting for the largest number of users.
- The manufacturing industry has always been the primary user of the Work Sharing program and accounts for about two thirds of the total number of participants.
- About two thirds of Work Sharing participants are male and about 80% of participants are of prime age (25 to 54 years old) each year.
- The average Work Sharing claim for benefits lasts about 17.5 weeks, with an average work reduction of about 28.4%, or 1.5 work days per week for a full-time employee. The average weekly benefit is roughly \$53 when measured in 2002 dollars.
- The estimated number of layoffs averted or postponed by the Work Sharing provision varied over time, from a high of 36,319 in 1990/91 to a low of 1,982 in 2006/07.

Reliability: This is an update of an earlier evaluation of the Work Sharing provision and the results have not changed. This study was not peer reviewed.

Availability: This report will be released once the analysis becomes final.

11. Training While Unemployed

Author: *Strategic Evaluation, HRSDC*

Objective: This monitoring report examines the participation of individuals in training. It investigates the following:

- the range of training undertaken by the unemployed, including types of training and time spent training;
- the characteristics of the unemployed who take training, such as gender, age, region and factors relevant to job search; and
- the opinions of the unemployed concerning the perceived value of the training taken.

Methodology: The report provides a descriptive analysis of participation in training activities using data from the COEP survey. The analysis is based on individuals who had a job separation between the fourth quarter of 2001 and the third quarter of 2002.

Key Findings:

- This report shows that 12.7% of the unemployed participate in some form of training while unemployed.
- Half of the unemployed who take training take courses that require between 6 and 30 hours per week, and half of the unemployed who take training take courses that last between 1 and 13 weeks.
- About 73% of the courses taken by the unemployed are trade vocational courses (32.6%), courses provided by post-secondary institutions (17.4%) or highly specialized courses (22.8%).
- Individuals in regions where the unemployment rate is lower than 10% are more likely to engage in computer training (10.8% versus 6.2%) or to enrol in a post-secondary course (18.5% versus 11.9%) than those in high unemployment rate regions.
- Youth are far more likely to take training than other age groups. Among equity groups—females, Aboriginal people, members of visible minorities and people with disabilities—Aboriginal people are far more likely to take training while unemployed.
- Education appears to be a key factor in determining who partakes in training. University graduates are much more likely to take training than those who did not complete high school.

- Overall, almost 83% of the unemployed who took one type of training while unemployed perceived the training to be helpful, although there was some variation among the different types of training.

Reliability: An external academic peer reviewed this study.

Availability: This report will be released once the analysis becomes final.

12. Canadian Post-Secondary Education: A Positive Record, an Uncertain Future

Author: *Canadian Council on Learning*

Objective: This report is a resource to help Canadians, their governments, and individuals and organizations involved in post-secondary education consider critical issues regarding the future direction of post-secondary education in Canada.

Methodology: The Canadian Council on Learning's report examines post-secondary education in Canada from a nationwide perspective.

Key Findings:

- This report aims to inform Canadians on the extent to which Canada's post-secondary education sector is contributing to Canadians' social and economic objectives; its ability to respond to a fast-changing global environment; and the way Canada's approach to higher education compares with that in other leading developed countries.

Reliability: This report was published by the Canadian Council on Learning.

Availability: This study can be found on the Canadian Council on Learning's web site at <http://www.ccl-cca.ca/NR/rdonlyres/BD46F091-D856-4EEB-B361-D83780BFE78C/0/PSEReport2006EN.pdf>.

13. Apprenticeship System in Canada: Trends and Issues

Authors: *Andrew Sharpe and James Gibson, Centre for the Study of Living Standards*

Objective: This report provides an overview of the trends and issues related to the apprenticeship system in Canada.

Methodology: The report examines apprenticeship registration and completion trends up to 2002.

Key Findings:

- This report evaluates the apprenticeship system in terms of its overall performance and its ability to meet the aspirations of policy-makers.

Reliability: This report was published by the Centre for the Study of Living Standards.

Availability: This report can be found on the Centre for the Study of Living Standards' web site at <http://www.csls.ca/reports/csls2005-04.pdf>.

14. Job Search by the Long-Term Unemployed

Author: *Strategic Evaluation, HRSDC*

Objective: This report examines job search activities and the usage of EI programs by the long-term unemployed. It investigates the factors correlated with the risk of staying out of the workplace for more than a year. It also discusses the various indicators of long-term unemployment.

Methodology: The analysis uses COEP data for the period from 1995 to 2003. Individuals who were not working for at least one week due to one of the following reasons—layoff, end of a contract or dismissal—are included in the research sample. Descriptive and multivariate statistical techniques are used to analyze the job search activities of the long-term unemployed and the determinants of being unemployed for more than one year.

Key Findings:

- The job search activities of the long-term unemployed are very similar to those used by workers unemployed for less than one year.
- The long-term unemployed increased their use of the Internet as a job search method during the second year of unemployment. The use of the Internet surpassed the use of Service Canada Centres during the second year of unemployment.
- The older and less educated face more risk of being unemployed for more than a year following a job separation than other workers do.
- The number of job search hours per week is weakly correlated with a reduction in the risk of long-term unemployment.

Reliability: An external academic peer reviewed this study.

Availability: This report will be released once the analysis becomes final.

15. The Impact of EI Regional Boundary Revisions on Mobility in New Brunswick

Author: *Strategic Evaluation, HRSDC*

Objective: This study sets out to identify the effect of the EI regional boundary revision on the mobility of repeat EI claimants in New Brunswick. The analysis focuses on a selected sample of EI claimants, who received EI benefits during the pre-2000 period in New Brunswick. A change in EI regional boundaries allowed the authors to study the impact of EI program rules on mobility separate from the effects of other socioeconomic forces.

Methodology: The analysis focuses on a selected sample of EI claimants who received EI benefits in the pre-2000 period in New Brunswick. The report adopts a difference-in-difference statistical technique to measure the impact of the EI Program on mobility separate from the effects of other socioeconomic forces. This study uses EI administrative data drawn from the Status Vector file and the ROE master file for the periods of 1997/99 and 2001/03. It examines the impacts of the EI boundary revision implemented in July 2000 on mobility across EI regions within New Brunswick. The report focuses on recurring EI claimants—those with at least two consecutive EI claims—who received EI benefits in New Brunswick during the pre-2000 period.

Key Findings:

- The empirical estimation illustrates that the relatively higher level of EI benefits available in the eastern region was correlated with reduced mobility from this region to other parts of New Brunswick, especially after the EI regional boundary revision was implemented in 2000 (after controlling for the effects of the unemployment rate, industry, age and gender).
- The study did not find significant evidence that the phasing-in of EI regional boundary reform reduced the incidence of recurring EI claimants moving out of the western region of New Brunswick.

Reliability: An external academic peer reviewed this study.

Availability: This report will be released once the analysis becomes final.

16. Policy-Induced Internal Migration: An Empirical Investigation of the Canadian Case

Authors: *Kathleen M. Day and Stanley L. Winer*

Objective: This study aims to investigate the influence of public policy on interprovincial migration in Canada.

Methodology: The study uses aggregated migration data from personal income tax files for the period from 1974 to 1996.

Key Findings:

- The prime determinants of interprovincial migration are differentials in earnings, employment prospects and moving costs.

Reliability: This paper was published by the CESifo Group as Working Paper Series Number 1605.

Availability: This paper is available online through CESifo at http://portal.ifo.de/pls/guestci/download/CESifo%20Working%20Papers%202005/CESifo%20Working%20Papers%20November%202005/cesifo1_wp1605.pdf.

Annex 6 Recent Changes to Employment Insurance

Elements of EI Reform: Bill C-12 (1996 and 1997)

Element	Rationale
<p>Reduction in Maximum Insurable Earnings (MIE)</p> <ul style="list-style-type: none"> The MIE was reduced to \$750 (the equivalent of \$39,000 per year) in 1996 and frozen at this level until 2000. This reduced the maximum weekly benefit to \$413 (55% of \$750) from \$448 in 1995 and \$465 for the first six months of 1996. 	<ul style="list-style-type: none"> Bases the MIE on a formula that takes into account average wage increases over the previous eight years. Because the high inflation and wage increases of the 1980s continued to be considered in setting the MIE, it had escalated faster than wages, making EI benefits competitive with wages in some parts of the country and in some industries.
<p>Reduced Maximum Benefit Duration</p> <ul style="list-style-type: none"> Effective July 1996, the maximum length of a claim was reduced from 50 to 45 weeks. 	<ul style="list-style-type: none"> Reflects the fact that most claimants find work within the first 40 weeks of receiving benefits. Only affects workers in high unemployment regions who work for long spells prior to unemployment.
<p>New Entrants and Re-Entrants</p> <ul style="list-style-type: none"> Effective July 1996, new entrants and re-entrants to the labour force needed 26 rather than 20 weeks of work to qualify for EI. In January 1997, the 26 weeks were converted to 910 hours. This rule applies only to those who have had minimal or no labour market attachment over the past two years. Workers who have at least 490 hours of work in the first year of employment need only 420 to 700 hours the next year. Time on EI, workers' compensation, disability benefits and sick leave counts as time worked. 	<ul style="list-style-type: none"> Discourages a cycle of reliance: <ul style="list-style-type: none"> ensures that workers, especially young people, develop a significant attachment to the labour force before collecting EI benefits. Returns insurance principles to the system: <ul style="list-style-type: none"> workers must make a reasonable contribution to the system before collecting benefits. Strengthens the relationship between work effort and entitlement to benefits.
<p>Benefit Calculation</p> <ul style="list-style-type: none"> Weekly benefits are calculated as follows. Total earnings over the 26-week period preceding the establishment of the claim are divided by the number of weeks of work in this period or the minimum divisor of 14 to 22 (depending on the regional rate of unemployment), whichever is higher. The result is multiplied by 55% to determine the weekly benefit. 	<ul style="list-style-type: none"> Creates a strong incentive to work more than the minimum amount of time to qualify for benefits (at least two more weeks than the old entrance requirement). Provides an incentive to work in the "shoulder" season. Ensures a better relationship between flow of benefits and normal earnings.

Elements of EI Reform: Bill C-12 (1996 and 1997) *(continued)*

Element	Rationale
<p>Hours-Based System</p> <ul style="list-style-type: none"> • Effective January 1997, EI eligibility is based on hours rather than weeks worked. • For regular benefits, claimants need 420 to 700 hours instead of 12 to 20 insured weeks. • For special benefits, claimants need 700 hours instead of 20 insured weeks. 	<ul style="list-style-type: none"> • Is a better measure of time worked. • Removes inequities and anomalies of the weeks system: <ul style="list-style-type: none"> – recognizes the intense work patterns of some employees; – corrects the anomaly that existed under Unemployment Insurance (UI), when 15 hours or 50 hours both counted as one week; and – eliminates the 14-hour job trap—under UI, those working fewer than 15 hours (either all the time or some of the time) with a single employer were not insured or not fully insured. • Is fairer and more equitable (all hours count).
<p>Family Supplement</p> <ul style="list-style-type: none"> • Claimants with children and an annual net family income of up to \$25,921 receive a top-up of their basic insurance benefits. • The Family Supplement increased the maximum benefit rate to 65% in 1997, to 70% in 1998, to 75% in 1999 and to 80% in 2000. 	<ul style="list-style-type: none"> • Better targets assistance to those most in need: <ul style="list-style-type: none"> – the 60% rate under UI was very poorly targeted—about 45% of low income families did not qualify; and – about 30% of those who did receive the 60% rate had a family income over \$45,000.
<p>Allowable Earnings While on Claim</p> <ul style="list-style-type: none"> • Effective January 1997, claimants can earn \$50 or 25% of their weekly benefit, whichever is higher. 	<ul style="list-style-type: none"> • Helps low income claimants. • Encourages claimants to maintain labour force attachment and increase their earnings from work.
<p>Benefit Repayment (Clawback)</p> <ul style="list-style-type: none"> • Benefits are repaid at the rate of \$0.30 for every \$1 of net income above the threshold. • For those who have collected 20 or fewer weeks of benefits in the last five years, the threshold is \$48,750 of net income (the former level was \$63,750). The maximum repayment remains at 30% of benefits received. • For those with more than 20 weeks of benefits in the last five years, the threshold is \$39,000 of net income. The maximum repayment varies from 50% to 100% of benefits received. 	<ul style="list-style-type: none"> • Is fairer and more accurately reflects insurance principles. • Discourages repeat use of EI by those with high annual income.
<p>Intensity Rule</p> <ul style="list-style-type: none"> • The intensity rule reduces the benefit rate by one percentage point for every 20 weeks of regular or fishing benefits collected in the past five years. • The maximum reduction is five percentage points. 	<ul style="list-style-type: none"> • Introduces an element of experience-rating to the program, since heavy users of the system bear more of the costs. • Discourages use of EI as a regular income supplement rather than insurance for times of unpredictable job loss, while not excessively penalizing those who make long or frequent claims. • Creates a better balance between contributions made and benefits received.
<p>First-Dollar Coverage</p> <ul style="list-style-type: none"> • Effective January 1997, all earnings, from the first dollar, are insurable, up to the annual MIE. There are no weekly minimums or maximums for determining earnings. 	<ul style="list-style-type: none"> • Creates a more equitable and balanced system— all work is insurable. • Substantially decreases paper burden for employers.

Elements of EI Reform: Bill C-12 (1996 and 1997) *(continued)*

Element	Rationale
<p>Premium Refunds</p> <ul style="list-style-type: none"> Beginning in 1997, workers earning \$2,000 or less per year have their premiums refunded. 	<ul style="list-style-type: none"> Helps workers who must pay premiums but will not have enough hours to qualify for benefits.
<p>Increased Sanctions for Fraud</p> <ul style="list-style-type: none"> Effective July 1996, penalties for fraud by employers and claimants were increased. Effective January 1997, claimants who committed fraud after June 1996 face higher entrance requirements. 	<ul style="list-style-type: none"> Protects the integrity of the EI Program.

Enhanced Parental Benefits: Bill C-32 (2000)

Element	Rationale
<p>Parental Benefits</p> <ul style="list-style-type: none"> Effective December 31, 2000, the duration of parental benefits was increased from 10 to 35 weeks. 	<ul style="list-style-type: none"> Helps parents spending time with their child during the critical first year of his or her life. Helps working parents to better balance their work and family responsibilities.
<p>Entrance Requirement</p> <ul style="list-style-type: none"> Effective December 31, 2000, the number of hours of insurable employment required to qualify for maternity, parental or sickness benefits was reduced from 700 to 600 hours. 	<ul style="list-style-type: none"> Improves access to special benefits.
<p>Waiting Period</p> <ul style="list-style-type: none"> Effective December 31, 2000, a second parent sharing parental leave is no longer required to serve a second two-week waiting period. 	<ul style="list-style-type: none"> Improves flexibility by allowing parents who share benefits to serve only one waiting period.
<p>Allowable Earnings While on Claim</p> <ul style="list-style-type: none"> Effective December 31, 2000, claimants can earn \$50 or 25% of their weekly parental benefit, whichever is higher. 	<ul style="list-style-type: none"> Helps low income claimants. Improves flexibility by allowing parents to work while receiving parental benefits.

A More Responsive EI Program: Bill C-2 (2001)

Element	Rationale
<p>Intensity Rule</p> <ul style="list-style-type: none"> Effective October 1, 2000, the intensity rule was eliminated. 	<ul style="list-style-type: none"> This rule was proven to be ineffective and had the unintended effect of being punitive.
<p>Benefit Repayment (Clawback)</p> <ul style="list-style-type: none"> Effective retroactive to the 2000 taxation year: <ul style="list-style-type: none"> first-time claimants of regular or fishing benefits are now exempt from the benefit repayment; claimants of special benefits (maternity, parental and sickness benefits) are no longer required to repay any of those benefits; and the benefit repayment threshold for regular and fishing benefits is at one level: \$48,750 of net income, with a repayment rate of 30% (the maximum repayment is the lesser of 30% of excess net income above the threshold of \$48,750 or 30% of the claimant's benefits). 	<ul style="list-style-type: none"> Corrects a discrepancy. Analysis indicated that the benefit repayment provision was having a disproportionate impact on middle income claimants. Focuses on repeat claimants with high incomes and simplifies the provision.
<p>Re-Entrant Parents</p> <ul style="list-style-type: none"> Effective retroactive to October 1, 2000, the rules governing re-entrant parents were adjusted so that these claimants now require the same number of hours as other workers to qualify for regular benefits. 	<ul style="list-style-type: none"> Ensures that parents returning to the work force following an extended absence to raise young children are not penalized.
<p>MIE</p> <ul style="list-style-type: none"> The MIE will remain at \$39,000 until the average earnings exceed this level, at which time the MIE will be based on average earnings. 	<ul style="list-style-type: none"> Corrects a discrepancy. The MIE was higher than the average industrial wage.

Access to Special Benefits: Bill C-49 (2002)

Element	Rationale
<p>Period to Claim Parental Benefits</p> <ul style="list-style-type: none"> Effective April 21, 2002, parents of a newborn or newly adopted child who is hospitalized for an extended period now have a window of up to two years, instead of one year, to claim parental benefits. 	<ul style="list-style-type: none"> Provides flexibility for parents who choose to wait until their child arrives home before collecting parental benefits.
<p>Period to Claim Special Benefits</p> <ul style="list-style-type: none"> Effective March 3, 2002, the maximum number of combined weeks of special benefits was increased from 50 to 65 weeks. 	<ul style="list-style-type: none"> Ensures full access to special benefits for biological mothers who claim sickness benefits prior to or following maternity or parental benefits.

Compassionate Care Benefits: Bill C-28 (2003)

Element	Rationale
<p>Compassionate Care Benefits</p> <ul style="list-style-type: none"> • Effective January 4, 2004, compassionate care benefits are available to help eligible family members to provide or arrange care for a gravely ill family member who faces a significant risk of death within a 26-week period. The duration of the benefits is up to six weeks within the 26-week window. • Flexibility is a key feature of the new benefits. Claimants can choose how and when to claim benefits within the 26-week window. Eligible family members can decide to have one person claim all six weeks or decide to share the benefit. Eligible family members can claim weeks of compassionate care benefits concurrently or consecutively. 	<ul style="list-style-type: none"> • Provides support to workers during temporary absences from work due to the need to provide care or support to a gravely ill family member who faces a significant risk of death within a 26-week period.

