



MONITORING AND ASSESSMENT REPORT

2009

Employment Insurance



Canada Employment Insurance
Commission (CEIC)

Commission de l'assurance-emploi
du Canada (CAEC)

Canada
CEIC-001B-04-10E



March 2010

The Honourable Diane Finley
Minister of Human Resources and Skills Development
Place du Portage, Phase IV
140 Promenade du Portage
Gatineau, Quebec
K1A 0J9

Dear Minister Finley:

We are pleased to present the *2009 Employment Insurance Monitoring and Assessment Report*, the thirteenth in a series of annual reports submitted by the Canada Employment Insurance Commission under section 3 of the *Employment Insurance Act*.

This report provides information on the period from April 1, 2008, to March 31, 2009, and includes analysis of the overall effectiveness of Employment Insurance (EI) income benefits and active measures. Please note that information about claims starting in late 2008/09 are not currently available, as it often takes several months for an EI claim to end and, therefore, for all the details about the claim to be available for analysis.

Results for 2008/09 are compared with results for the previous fiscal year and with longer term trends. This year, we have additionally incorporated some results by quarter to highlight the changes in the economic climate throughout the reporting period.

Since this report looks at the period ending March 31, 2009, the results presented within do not describe the recession to its full extent. With more data available next year, the 2009/10 report will provide a clear assessment of the impacts and effectiveness of the EI program in addressing the needs of Canadian workers and employers throughout the recession.

We have used key studies and evaluations to complement EI administrative data and to provide a deeper analysis. Information on each of the studies referenced in the report is included in an annex. The report also provides information on Employment Benefits and Support Measures delivered under Labour Market Development Agreements with provinces and territories.

Finally, we would like to express our appreciation to Service Canada employees for their outstanding efforts and success in dealing with the unforeseen and extraordinarily high volumes of claims resulting from the recession.

We trust you will find the report informative.

Janice Charette
Chairperson

Patricia Blackstaffe
Commissioner for Workers

André Piché
Commissioner for Employers



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2009

Employment Insurance

Submitted to:

The Minister of Human Resources and
Skills Development Canada

March 31, 2010

By:

The Canada Employment
Insurance Commission

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Introduction

The monitoring and assessment of the Employment Insurance (EI) program helps provide a clear understanding of its impact on the Canadian economy and its effectiveness in addressing the needs of Canadian workers and employers.

The sound evidence provided through regular monitoring and assessment has informed modifications to the EI program. These changes include enhancements of maternity and parental benefits, modifications of the rules concerning small weeks, the implementation of compassionate care benefits, the introduction of several pilot projects that test the impacts of measures in regions of high unemployment, the implementation of temporary measures to help Canadians during the economic downturn and the modernization of service delivery. To ensure that sound evidence continues to inform its direction, the Government of Canada will continue to monitor and assess the EI program.¹

Chapter 1 of this report provides an overview of the Canadian labour market in 2008/09. 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 senior associate deputy minister of Human Resources and Skills 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 annually monitor and assess the impacts of EI reform. The Commission must provide the Minister of Human Resources and Skills Development Canada 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 preparation of the *Monitoring and Assessment Report* involves using many sources of information to analyze the effects of the program on individuals, communities and the economy, which include Human Resources and Skills Development Canada (HRSDC) administrative data, Canadian Out-of-Employment Panel (COEP) studies, information from Statistics Canada and 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*.

Executive Highlights

The 2009 Employment Insurance Monitoring and Assessment Report provides an examination of the Employment Insurance (EI) program for the fiscal year ending March 31, 2009.

Lowest employment growth in 15 years, due to the global recession in 2008/09

- Annual average employment grew by 117,900 in 2008/09 (+0.7%).
- This was the lowest employment growth in level terms since 1993/94 (+94,800) and slowest growth in percentage terms since 1992/93 (-0.8%).
- The annual average unemployment rate for 2008/09 was 6.6%.

Access to benefits was high among those who contributed to the program

- Among those who had been paying EI premiums and were then laid off, 82.2% were eligible for EI benefits in 2008.
- Of those working in December 2007, 87.0% would have had sufficient hours to qualify for EI regular benefits and 90.9% would have had sufficient hours to qualify for EI special benefits.

Regular EI claims increased in 2008/09, in the midst of the first recession since 1991/92

- The number of new regular claims increased by 26.9% in 2008/09, to 1.6 million.
- Regular benefits paid also increased (+19.4%) to \$9.9 billion, while average weekly benefits increased by \$17 to reach \$364.
- In 2007/08,¹ the average regular claim lasted 18.7 weeks and represented 60.6% of the average number of weeks to which claimants were entitled.
- As was the case in the previous year, in 2007/08, 28.4% of regular claimants used all the weeks to which they were entitled.

Total regular and special benefits paid increased for both men and women

- In 2008/09, total regular benefits paid increased by 21.8% for men and 14.5% for women.
- Total special benefits paid increased by 8.6% for men and 6.3% for women.

Maternity and parental claims increased

- Maternity (+2.5%) and parental (+2.9%) claims increased in all provinces in 2008/09, other than Quebec, which has its own parental insurance plan.
- On average, parents used 91.0% of the year of parental leave to which they were entitled.

Fishing claims continued to decrease

- While more concentrated in British Columbia (-12.8%), there was a decrease in fishing claims in all other major fish-producing provinces, including Newfoundland and Labrador.

There was a significant increase in the number of Work Sharing agreements

- In 2008/09, 69,380 claims were established, an increase of 416% from 2007/08.
- Of the 2,305 agreements signed, 44.9% related to the manufacturing industry.

Active employment measures helped Canadians prepare for, obtain and maintain employment

- A total of 693,221 clients participated in Employment Benefits and Support Measures, taking part in a total of 1,088,877 interventions.

¹ Data and analysis on duration of payments are for claims established in 2007/08 to ensure that all claims were completed. Note that many of these claims were completed in 2008/09.

Chapter 1

Labour Market Context

This chapter outlines key labour market developments and the economic context that prevailed in the 2008/09 fiscal year, the period for which this report assesses the Employment Insurance (EI) program.¹ More detailed information on various elements discussed in this chapter is available in Annex 1.

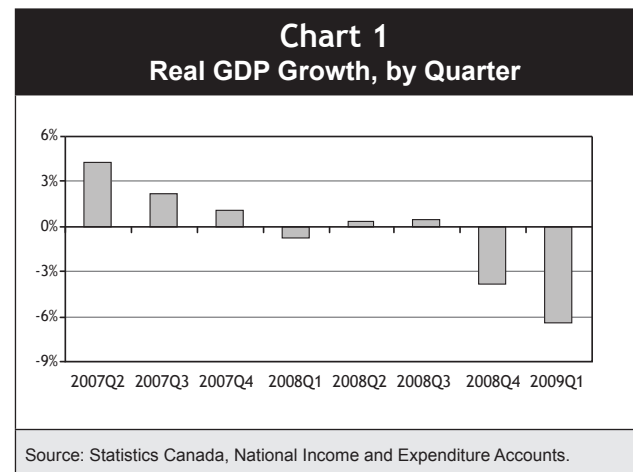
I. Overview

The worldwide financial crisis and the consequent global recession in 2008/09 significantly affected the Canadian economy. The sub-prime mortgage crisis in the U.S. housing market and weakly regulated banking standards are considered key factors in what became the worst financial crisis experienced by developed countries since the 1930s. This in turn affected nations around the world. In conjunction with depressed international trade and a volatile commodity market, the situation led to a significant decline in the confidence and spending of consumers and businesses globally. Policy makers from governments, central banks and institutions acted with extraordinary, synchronized measures to contain the global recession.

Within this economic context, the level of activity of the Canadian economy remained relatively stable in the first two quarters of the fiscal year, before falling into a recession in the latter two quarters. The decline in Canadian and global consumer confidence weakened consumption and exports, affecting industries such as manufacturing and trade, while the North American housing market crisis and fluctuating oil prices weakened investment, affecting industries in Canada such as forestry, oil and gas, and construction.

The Canadian economy recorded a 0.6% decline in real gross domestic product (GDP)² in 2008/09, which was the first contraction since 1991/92, when real GDP declined by 1.0%. Canada entered a recession in the fourth quarter of 2008 after relatively little turbulence in

the previous two quarters, posting a 3.7% decline (annual rate) in real GDP (see Chart 1). The economy then contracted steeply in the first quarter of 2009, posting a 6.2% decline (annual rate). This was the sharpest quarterly decline in Canada's real GDP since comparable data were first recorded in 1961.



Labour productivity³ in Canada declined by 0.9% in 2008/09, the first decrease since 1990/91 and the greatest decline posted since comparable data were first published in 1981/82. Previously, it had increased by 0.2% in 2007/08 and 0.4% in 2006/07. The decline in productivity was most noticeable in industries such as construction, trade, and finance, real estate and company management.

¹ The reporting period analyzed is the fiscal year from April 1, 2008, to March 31, 2009. Unless otherwise indicated, data in this chapter are taken from Statistics Canada's Labour Force Survey (LFS) and annual data are seasonally unadjusted averages, while quarterly and monthly data are seasonally adjusted.

² Canada's gross domestic product (GDP) is defined as the total unduplicated value of the goods and services produced in Canada. Annual GDP data have been seasonally adjusted at annual rates and are expressed in chained (2002) dollars. From Statistics Canada, National Income and Expenditure Accounts.

³ Labour productivity is defined as the ratio of output to hours worked. For output, a Fisher-chained index method that builds up the real value added (or real GDP) in the business sector and its component two-digit industries is used to produce quarterly estimates, for productivity measurement. Hours worked represent the total number of hours that a person devotes to work, whether paid or unpaid. From Statistics Canada, Labour Productivity Measures.

Future Watch

Only labour productivity growth can raise living standards in the long run.

Source: Andrew Sharpe, Jean-François Arsenault and Peter Harrison, *The Relationship Between Labour Productivity and Real Wage Growth in Canada and OECD Countries* (Ottawa: Centre for the Study of Living Standards, December 2008).

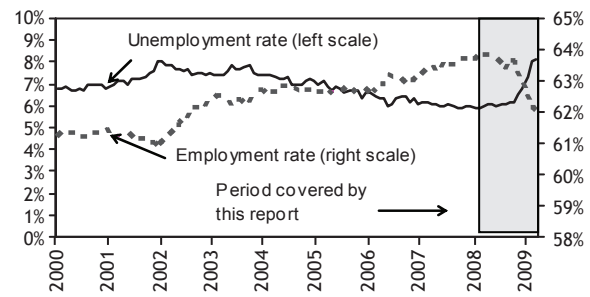
Employment⁴ grew by 0.7% in 2008/09, which was slower than the sustained pace of the previous few years. This was also the lowest growth rate since 1992/93, when it decreased by 0.8%. Employment remained relatively stable for the last three quarters of 2008, but decreased by 1.5% in the first quarter of 2009, one of the most severe quarterly declines in employment since comparable data were first recorded in 1976.

Unemployment⁵ increased by 13.2% in 2008/09, the sharpest increase since 1991/92, when the number of unemployed people rose by 19.0%. In the first quarter of 2009, the number of unemployed people in Canada increased by 20.3%, which was the fastest quarterly increase in unemployment since comparable data were first published in 1976.

The annual average unemployment rate rose to 6.6% in 2008/09 (see Chart 2), from 6.0% in 2007/08, which was the lowest rate since comparable data were first recorded in 1976/77. The unemployment rate increased for all demographic groups, whether by gender or by age group.

For the fourth consecutive year, employment in the services sector grew at a faster rate than that in the goods-producing sector. While the services sector saw a 1.1% increase in employment, this was the slowest increase since 1992/93. Employment in the goods-producing sector decreased by 0.6% in 2008/09, as a result of a 5.0% decline in employment in the first quarter of 2009, the steepest quarterly decline in the goods-producing sector since comparable data were first published in 1976.

Chart 2
Economic Context



Source: Statistics Canada, Labour Force Survey.

Saskatchewan (+2.6%) and Alberta (+1.9%) recorded the strongest job growth among all provinces. Quebec (-0.1%) saw a slight decrease in employment, as it became the first province in three years to record a net loss of jobs. Similarly, Ontario recorded its weakest employment growth (+0.5%) since 1993/94. In addition, in the first quarter of 2009, Ontario, British Columbia and Alberta recorded some of their worst quarterly declines.

Employment did increase somewhat for Canadians with higher education attainment levels. Those who did not finish high school and high school graduates who did not pursue further education were the only groups for whom employment did not increase in 2008/09.

II. Employment

Notwithstanding the global economic crisis, Canadian employment rose for the 16th consecutive year in 2008/09, with the addition of 117,900 jobs (+0.7%). Overall, however, the annual growth in employment was weaker than recorded in the previous year, when it had risen by 367,900 (+2.2%). The increase in employment in 2008/09 was the lowest in level terms since 1993/94, when it rose by 94,800 jobs (+0.7%). Employment has increased by 4.3 million since 1992/93, which was the last year it decreased (-105,700; -0.8%). In 2008/09, for the first time in five years, the labour force⁶ in Canada grew at a faster rate than employment.

⁴ Employment is defined as persons who, during the reference week, did any work for pay or profit, or had a job and were absent from work.

⁵ Unemployment is defined as persons who, during the reference week, were available for work and were either on temporary layoff, had looked for work in the past four weeks or had a job to start within the next four weeks.

⁶ Labour force is defined as the civilian non-institutional population 15 years of age and over who, during the Labour Force Survey reference week, were employed or unemployed.

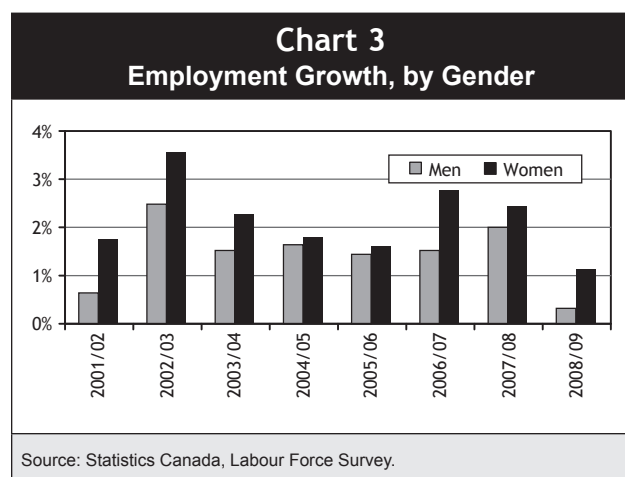
Future Watch

Baby boomers currently comprise almost 30% of the Canadian population, and their departure from the labour force will significantly reduce labour supply...this will...weaken growth in GDP.

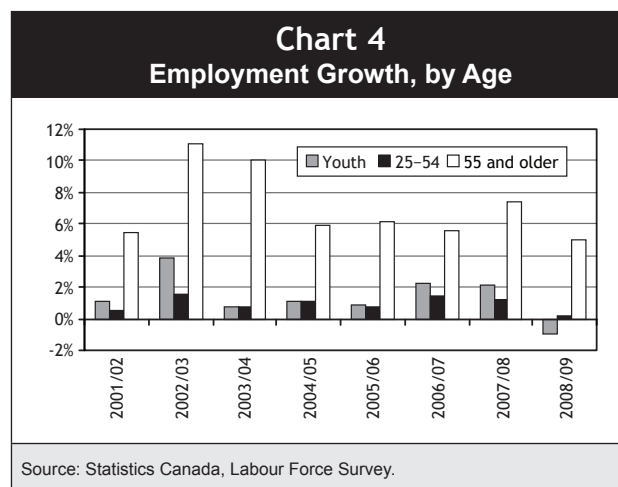
Source: The Conference Board of Canada, *Canadian Outlook Long-Term Economic Forecast: 2009* (Ottawa: The Conference Board of Canada, June 2009).

The number of employed people remained relatively stable at around 17.1 million for the last three quarters of 2008. A net loss of 257,500 jobs in the first quarter of 2009, however, represented a 1.5% decline in three months. It was the largest quarterly decrease in national employment since the third quarter of 1982, when employment declined by 1.5%.

In 2008/09, for the ninth consecutive year, employment grew faster among women (+1.1%) than men (+0.3%) (see Chart 3). Among women, it grew by 90,500, while it grew by 27,300 for men. Women are accounting for an increasingly larger share of the labour force, and statistics show that the gap between the proportion of jobs held by women and those held by men has been declining. In 2008/09, women held 47.5% of all jobs in the labour market, compared with 37.3% in 1976/77. Women's share of the job market is comparable to their proportion of the population,⁷ which was 50.8% during the reporting period, and to their proportion of the labour force, which was 47.1%.



In 2008/09, individuals aged 55 and older experienced the largest net job growth of all age groups, at 5.0% (+126,400). As shown in Chart 4, since 2001/02, this age group has consistently experienced the fastest employment growth. This can be explained primarily by the entry of the baby boomer cohort into this age group. Among those aged 55 and older, employment grew by 3.6% for men and 6.7% for women. In 2008/09, workers 55 and older held 15.6% of all jobs, while this proportion was only 10.4% in 2000/01.



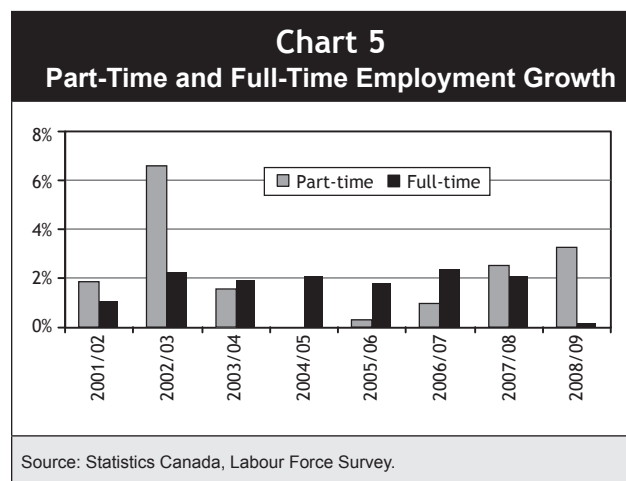
Employment growth was mixed among the other two age groups. Employment declined by 0.9% among youth⁸ (-23,800), and rose by 0.1% among those aged 25 to 54 (+15,300). This was the first decline in youth employment since 1997/98, when this age group experienced a 1.1% decline. The current decline is a reflection, to some extent, of a decrease in employment among men in this age group (-1.7%), as there was less of a decrease (-0.1%) in employment among women under 25. Youth accounted for 15.1% of national employment in 2008/09. This proportion has remained in the range of 15% to 16% for the past 10 years. Among workers aged 25 to 54, there was a marginal decrease in employment among men (-0.03%), and a slight increase among women (+0.3%). Core-aged workers' share of employment has declined every year since 1997/98, from 75.5% in 1997/98 to 69.3% in 2008/09, which was the lowest share since 1987/88.

In 2008/09, part-time employment grew at a faster rate (+3.3%) than full-time employment (+0.1%), as shown in Chart 5. Among women, part-time jobs witnessed a 2.5% net growth, while full-time jobs grew by 0.6%. For men, while part-time employment grew by 4.9%,

⁷ Population is defined by Statistics Canada as all persons aged 15 years and over residing in the provinces only, with some exceptions (those living on reserves, full-time members of the regular Armed Forces and those living in institutions).

⁸ Youth are defined as persons aged 15 to 24.

full-time employment declined by 0.3%. In terms of employment levels, there were more part-time jobs created than full-time jobs for the first time since 1993/94. In fact, 85.0% of net job creation (+100,200) was due to part-time jobs. While the number of these jobs increased in all four quarters of the fiscal year, the number of full-time jobs remained relatively stable throughout the last three quarters of 2008 before declining by 287,800, or 2.1%, in the first quarter of 2009.



The part-time share of total employment rose to 18.6% in 2008/09. This share has hovered in the range of 18% to 19% over the last decade. Of all those working part time, over three out of four decided to do so, due to school attendance, personal preference, family or personal responsibilities, or personal illness.

Women account for a large proportion of part-time employees, as do youth. In 2008/09, women over 25 who worked part time accounted for 46.3% of part-time employment, or 8.6% of national employment. In addition to the reasons given above, this result is partly due to the fact that the types of industries with high proportions of part-time positions are the industries that employ the greatest numbers of women: accommodation and food services, trade, and information, culture and recreation.

After recording a sharp rise in 2007/08, the number of self-employed workers rose slightly in 2008/09, registering a growth of 0.4% (+11,400). The growth in self-employment was lower than the growth in the number of employees, which was 0.7% (+106,500).

Despite the slight growth in self-employed workers, their share of total employment remained stable at 15.5%. This share has remained relatively stable at this level for the last few years.

The share of employees with temporary work arrangements, such as seasonal, contract or casual work, fell to 12.2% in 2008/09, for the third year in a row. Temporary work arrangements have accounted for 12.2% to 13.2% of total employment in recent years. Women accounted for 51.3% of employees with temporary work arrangements in 2008/09.

In 2008/09, 885,400 individuals held more than one job, a decrease of 1.5% over the previous year. This was the largest decline in multiple jobholders since 1991/92, when the number declined by 3.1%, and the first decline in five years. This is an indication that, due to weak economic conditions, the labour market has tightened enough to impede the increase in the number of multiple jobholders.

1. Participation Rate

In 2008/09, the participation rate⁹ reached its highest level (67.7%) since comparable data were first recorded in 1976/77. This was a marginal increase from 2007/08. The participation rate has hovered around 67% since 2002/03, after having increased from 64.7% in 1996/97.

The participation of older workers in the labour market has continued to increase. After reaching a low of 23.7% in 1995/96, the participation rate for workers 55 and older has risen each year and reached 34.5% in 2008/09.

2. Employment Rate

The employment rate¹⁰ declined slightly in 2008/09 to 63.2% after reaching 63.6% in 2007/08, which was the highest employment rate since comparable data were first published in 1976/77. The employment rate had been increasing nearly every year up until 2007/08, after having reached a low of 57.9% in 1993/94.

With continued growth in the employment rate for women, the gap between women's and men's rates continues to narrow. While the employment rate for men has fluctuated between 65.0% and 68.2% during the last 15 years, the employment rate for women has risen from 52.1% in 1994/95 to 59.1% in 2008/09.

⁹ Participation rate is defined as the total labour force as a share of the population aged 15 years and over.

¹⁰ Employment rate is defined as the number of employed people as a share of the population 15 years of age and over.

Future Watch

The aging of the labour force will result in proportionately more experienced workers.

Source: The Conference Board of Canada, *Canadian Outlook Long-Term Economic Forecast 2009* (Ottawa: The Conference Board of Canada, June 2009).

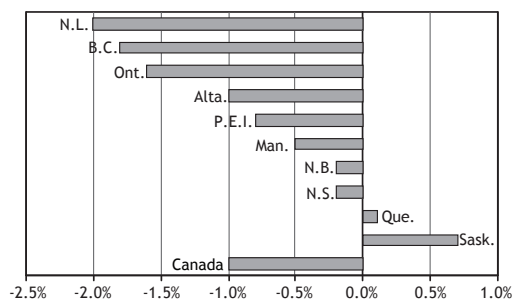
Employment rates declined for all age groups in 2008/09, except for the 55 and older group. The employment rate among youth decreased to 58.8%, from 59.6% in the previous year, which had represented a 17-year high for this age group. Among workers aged 25 to 54, the employment rate declined to 81.9%, from 82.3% in 2007/08, the highest it had been since 1976/77, when comparable data were first recorded. Baby boomers entering the 55 and older age group increased the employment rate for this demographic to 32.6%, the highest rate recorded for this age group since 1976/77.

3. Hours Worked

Total hours worked in Canada decreased in 2008/09 for the first time in seven years and only the second time in the last 16 years, with a decline of 1.0%. This was mainly due to the weak economic conditions and related reduction in employment growth. Saskatchewan (+0.7%) and Quebec (+0.1%) were the only provinces that registered an increase in hours worked in 2008/09 (see Chart 6). The largest decrease in the number of hours worked was in Newfoundland and Labrador (-2.0%). Alberta, which had the highest growth in hours worked for the last three reporting periods, saw a 1.0% decrease in total hours worked.

After increasing to 37.2 hours in 2007/08, average weekly hours worked decreased to 36.6 in 2008/09. They decreased for both men (to 39.7 hours) and women (to 33.2 hours). Among full-time workers they dropped to 40.7 hours, reflecting an average of 42.4 hours for men and 38.3 hours for women. The average number of hours worked by part-time workers also fell slightly, to 18.6 hours, with weekly hours worked averaging 18.2 hours for men and 18.8 hours for women. Average weekly hours worked by part-time workers had been stable around 18.9 hours for the last eight years.

Chart 6
Change in Total Actual Hours Worked,
2008/09 (%)



Source: Statistics Canada, Labour Force Survey.

4. Income

Weekly nominal wages grew by 4.0% in 2008/09 to \$791. For the eighth consecutive year, they grew faster for women (+4.2%) than for men (+4.0%). Since 2000/01, women's weekly nominal wages as a proportion of men's have risen from 69.2% to 73.4%.

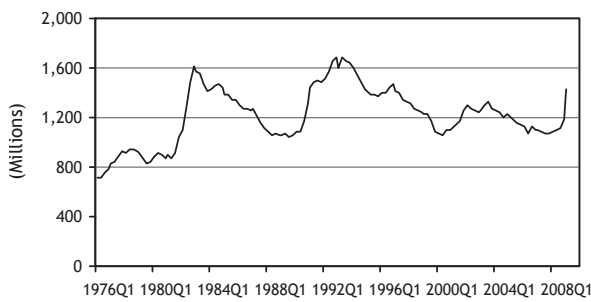
In 2008/09, for the seventh time in eight years, hourly wages for women (+4.5%) grew at a slightly faster pace than those for men (+4.3%). Average hourly wages for men and women in 2008/09 were \$23.42 and \$19.67 per hour, respectively. Thus, women's average hourly wages were 84.0% of men's in 2008/09, a proportion comparable to the previous year (83.9%), and the highest since comparable data were first published in 1997/98.

Combined with the increase in the number of employees in the year, these wage gains led to a rise in total wage payments of 4.8% in 2008/09. Wage payments determine both the premiums employers and employees pay into the EI program, and the weekly benefits that EI claimants receive.

III. Unemployment

In 2008/09, for the first time in five years, the annual average number of unemployed individuals rose by 142,000 (+13.2%). This was the largest increase in unemployment since 1991/92, when the number of unemployed people went up by 239,100 (+19.0%). The largest increase for comparable Labour Force Survey (LFS) data, however, was in 1982/83, when the number of unemployed people rose by 499,800 (+50.8%) (see Chart 7).

**Chart 7
Unemployment**

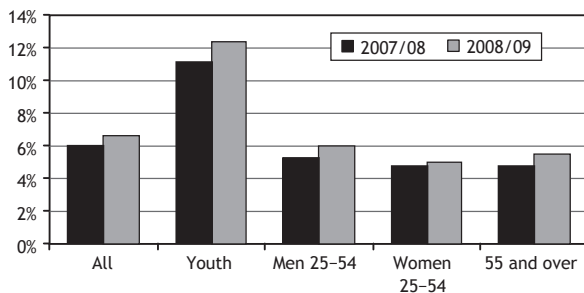


Source: Statistics Canada, Labour Force Survey.

The first quarter of 2009 saw the largest quarterly increase in unemployment since comparable data were first recorded in 1976. The number of unemployed individuals increased during this period by 241,400 (+20.3%). Previously, the largest quarterly increase in unemployment occurred in the third quarter of 1982, when it rose by 210,100 individuals.

Canada's annual average unemployment rate increased for the first time in five years in 2008/09, rising to 6.6%. It was 6.0% the previous year, which was the lowest rate since comparable data were first published in 1976/77. The unemployment rate remained relatively stable through the second and third quarters of 2008, before rising steadily through the fourth quarter and increasing significantly in the first quarter of 2009, reaching 8.1% in March 2009.

**Chart 8
Unemployment Rate, by Age and Gender**



Source: Statistics Canada, Labour Force Survey.

The unemployment rate increased across all demographic groups. It reached 12.4% for youth, 5.6% for those aged 25 to 54, and 5.5% for those aged 55 and older (see Chart 8). The rate for those aged 25 to 54 had been 5.0% in 2007/08, the lowest since 1976/77, when comparable data were first published.

The fiscal year 2008/09 was the first since 1991/92 that all provinces recorded an increase in their unemployment rates. In the previous year, British Columbia, Manitoba, Quebec and New Brunswick had all reached their lowest rates since comparable data were first recorded in 1976/77.

Future Watch

Canada's fiscal stimulus package should have a relatively large effect in stemming job losses. The OECD estimates that employment will fall by 0.7%–1.1% less in 2010 than if there had been no fiscal stimulus package.

Source: OECD, *Employment Outlook 2009* (Paris: OECD, September 2009).

Annual average unemployment rates in Western Canada remained considerably lower than the national average due to the region's strong economic performance of the past decade. In 2008/09, Alberta registered an unemployment rate of 4.1%, followed by Saskatchewan at 4.3%, Manitoba at 4.4% and British Columbia at 5.3%. Since 2004/05, Alberta has consistently had the lowest provincial unemployment rate in Canada. However, among these four provinces, Alberta and British Columbia witnessed the largest yearly increases, with Alberta posting a 0.6 percentage point increase (3.5% in 2007/08) and British Columbia showing a 1.1 percentage point increase (4.2% in 2007/08). Significant monthly increases were seen in these two provinces as well, with Alberta's unemployment rate increasing from a low of 3.5% in November 2008 to 6.1% in March 2009, and British Columbia's unemployment rate rising to 7.5% in March 2009, from 4.8% in November 2008. Alberta, in particular, endured the effects of the tumult in the volatile world energy market, while British Columbia felt the aftermath of the breakdown of the North American housing market and decreased overall international trade.

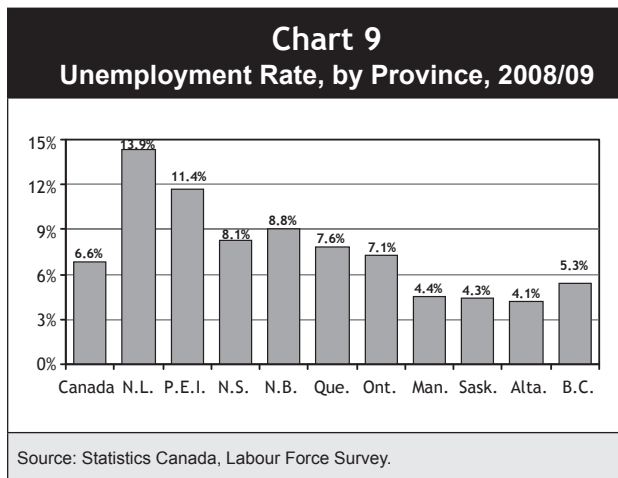
For the third consecutive year, the unemployment rate in Ontario was higher than the Canadian average. Prior to this period, Ontario's rate had not been higher than the Canadian average since comparable data were first published in 1976/77. Ontario's unemployment rate rose 0.8 percentage points over the previous year, reaching 7.1% in 2008/09. This was the highest rate for Ontario in 11 years. More specifically, Ontario experienced a significant increase in the fourth quarter of 2008 and first quarter of

2009, when the unemployment rate went from 6.6% in October 2008 to 8.9% in March 2009. This significant increase reflected the slowdown in the North American automobile market, a decline in consumer confidence and demand, and the weak financial performance of North American businesses.

Quebec's unemployment rate increased to 7.6% in 2008/09, from 7.0% in 2007/08, its first increase in five years. Although Ontario's unemployment rate has historically been lower than Quebec's, the gap between the two provinces has been substantially reduced in recent years and this trend was, in fact, reversed by January 2009. Quebec's unemployment rate fluctuated between 7.2% and 7.6% in the last three quarters of 2008, before increasing to 8.5% by March 2009. The weakness of the U.S. economy strongly affected Quebec, and especially its export-oriented goods-producing sector.

All Atlantic provinces recorded a rise in the unemployment rate in 2008/09. In Nova Scotia, the rate increased slightly from 8.0% to 8.1%. It rose from 13.1% to 13.9% in Newfoundland and Labrador, from 7.8% to 8.8% in New Brunswick, and from 10.3% to 11.4% in Prince Edward Island. The percentage point increase in Prince Edward Island was the same as that in British Columbia and these were the largest increases among all provinces for 2008/09.

See Chart 9 for a comparison of unemployment rates by province.



Although the Atlantic provinces had the highest unemployment rates in the country, Ontario and Quebec had the highest numbers of unemployed people. In 2008/09, the metropolitan regions of Toronto and Montréal alone

had 236,100 and 160,200 unemployed people, respectively, while all of the Atlantic provinces combined had 119,500.

There are a number of reasons that an individual could experience an interruption in employment and these reasons are one factor in determining EI eligibility. In 2008/09, 23.9% of individuals who became unemployed had left their jobs with just cause, while nearly half (45.8%) of them had lost their jobs (those who have lost their jobs have comprised close to 45% of the unemployed for the last five fiscal years). The remaining 30.4% had had an absence from the labour market of one year or more and were re-entering the labour market, or were entering it for the first time. Both of these groups face stricter eligibility requirements.

The long-term unemployed, those who had been unemployed for more than a year, accounted for 3.8% of the total unemployed in 2008/09, representing an annual average of 46,000 individuals. This proportion has dropped significantly in the last two decades, and has reached a level not seen since 1979/80. Sustained employment growth in the past decade has been a factor in reducing the proportion of long-term unemployed.

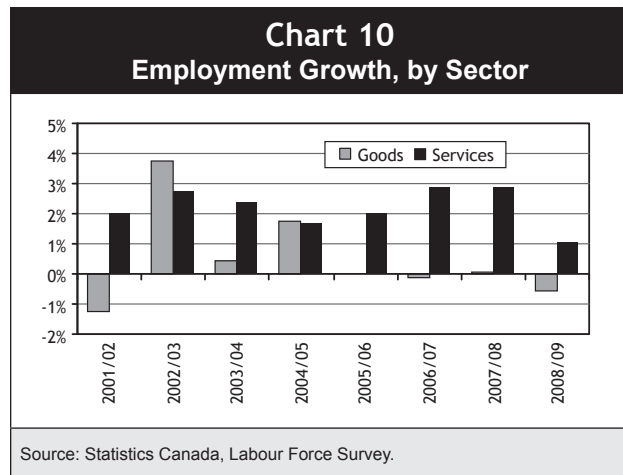
In 2008/09, 66.5% of the long-term unemployed were men. Youth accounted for 5.7%, while those aged 25 to 54 accounted for 67.8%. Those aged 55 and older accounted for 26.5%, although they accounted for only 12.9% of all unemployed.

The average duration of unemployment dropped to 13.7 weeks in 2008/09 from 13.9 in 2007/08, the lowest since comparable data were first recorded in 1976/77. The Canadian average has consistently declined in recent years from 16.6 weeks in 2000/01. It did, however, increase in three provinces during the fiscal year, including Ontario, which recorded an increase from 13.5 weeks in the first quarter of 2008 to 14.1 weeks in the first quarter of 2009.

IV. Labour Markets, by Sector and Size of Employer

The services sector drove the national employment gains in 2008/09, with a net gain of 140,900 jobs (+1.1%). This was, however, the lowest employment gain for the services sector since 1996/97, when the sector expanded by 109,400 jobs (+1.1%), as well as the slowest employment growth in the sector since 1992/93, when employment in the sector grew by 0.1%.

In contrast to the services sector, employment in the goods-producing sector decreased by 23,100 jobs (-0.6%), the largest decline since 2001/02 (see Chart 10), when the sector had a net loss of 48,700 jobs (-1.3%). Since 2000/01, 93.3% of employment growth (+2.1 million jobs) has been registered in the services sector, while only 6.7% (+150,600 jobs) has occurred in the goods-producing sector. During the first quarter of 2009, employment in the goods-producing sector declined by 199,100 jobs (-5.0%), the greatest quarterly employment loss in the sector since comparable data were first published in 1976.



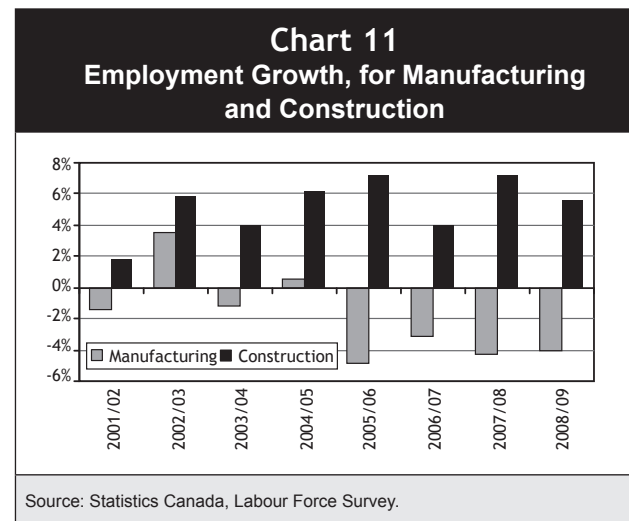
This loss was due in large part to the manufacturing industry, which has been experiencing difficulty in recent years. If the manufacturing industry were excluded from the goods-producing sector numbers, employment in the sector would have in fact grown by 2.9% in 2008/09.

In 2008/09, the manufacturing industry posted job losses for the fourth consecutive year, and the sixth out of the last eight years. Employment in this industry declined by 80,600 in 2008/09, representing a 4.0% decrease. Last year was the first time since 1996/97 that the annual average number of manufacturing jobs fell below 2 million. The largest losses were seen during the first quarter of 2009, when employment dropped by 106,500 (-5.5%). Such quarterly losses in manufacturing jobs have not been posted since comparable data were first published in 1976.

In 2000/01, manufacturing accounted for 15.2% of all jobs; seven years later, this proportion had dropped to 11.9%. In 2008/09, this decline continued to 11.3%, the lowest figure since comparable data were first recorded in 1976/77.

In 2008/09, for the sixth year in a row, the construction industry had the greatest employment gains in the goods-producing sector, posting a net job growth of 64,900 (+5.6%). The industry was supported by investment growth in both the residential and non-residential sectors. Since 2000/01, construction has been one of the most prolific sources of employment growth in the country, generating 409,400 jobs. It suffered through the first quarter of 2009, however, when 76,800 jobs (-6.2%) were lost, the largest quarterly loss in employment in the industry since 1976, when comparable data were first published.

Chart 11 illustrates the trends over the past decade for both manufacturing and construction.



The utilities industry experienced a gain of 7,400 jobs (+5.2%), while employment grew by 900 jobs (+0.3%) in the forestry, fishing, mining, quarrying, and oil and gas industry. Employment in the agriculture industry experienced a decline of 15,800 jobs (-4.7%). The agriculture industry is the only industry other than manufacturing to suffer a net loss of jobs since 2000/01. In total, there has been a net loss of 36,700 jobs in this industry over the last eight years.

In the services sector, the health care and social assistance industry contributed the most to net job growth, with a net gain of 67,900 jobs (+3.7%). Since 2000/01, this industry has generated the most services sector jobs (+401,700), accounting for 19.1% of all new jobs in the sector. Other services sector industries that experienced strong net job growth in 2008/09 were professional, scientific, and technical services, with 42,500 jobs (+3.7%), and public administration, with 41,500 jobs (+4.7%).

Nevertheless, employment declined in several services sector industries in 2008/09 for the first time in three years. The business, building and other support services industry experienced a net loss of 32,900 jobs (-4.7%), its first loss since 1990/91. The information, culture and recreation industry suffered a net loss of 25,900 jobs (-3.3%), and the trade industry lost 25,500 (-0.9%), its first loss since 1992/93.

Employment gains were greater in the public sector (+84,300; +2.5%) than in the private sector (+22,300; +0.2%) for only the second time since 1993/94.

In 2008/09, according to Statistics Canada's Survey of Employment, Payrolls and Hours (SEPH),¹¹ 54.8% of Canadian workers (8.1 million of a total 14.7 million employees)¹² worked for small and medium-sized enterprises (SMEs), firms with fewer than 500 employees.

The proportion of employees working for SMEs has been on a slight downward trend since the beginning of the decade; it was 56.6% in 2000/01 and has declined each year since, until slightly increasing in 2008/09. Among all SMEs, enterprises with fewer than 20 employees accounted for 20.6% of the workforce, while those with 20 to 99 employees accounted for another 19.1% of employed Canadians. Enterprises with 100 to 499 employees made up 15.1% of the workforce and the remaining 45.2% of the workforce worked in large firms (500 employees or more).

In 2008/09, large enterprises accounted for 40.6% of all net job growth, while those with 100 to 499 employees accounted for 16.0%. Firms with 20 to 99 employees made up 26.5% of net job creation, and the remaining 16.8% occurred in enterprises with fewer than 20 employees.

Statistics Canada's Labour Force Survey (LFS) indicates that 2.64 million workers were self-employed¹³ in 2008/09, an increase of 0.4% from the previous year, and that 857,200 of these people had employees working for them, which was an increase of 0.1%.

¹¹ The following industries are not included: agriculture, fishing and trapping, private household services, religious organizations and defence services (military personnel).

¹² Employees are defined in the SEPH as persons receiving pay for services rendered in Canada or for paid absence, and for whom the employer is required to complete a Canada Revenue Agency T-4 Supplementary Form. These persons may work on a full-time, part-time, casual or temporary basis.

¹³ Self-employed people are defined as working owners of an incorporated business, farm or professional practice, or working owners of an unincorporated business, farm or professional practice. The latter group also includes self-employed workers who do not own a business.

V. Provincial Labour Markets

Despite the economic downturn in the second half of 2008/09, there were employment gains in almost all provinces during the fiscal year, with the exception of Quebec. For the first time since 1996/97, Quebec had a marginal decline of 0.1%. Saskatchewan experienced the highest yearly rate of employment growth (+2.6%), followed by Alberta (+1.9%), Manitoba (+1.4%) and Nova Scotia (+1.4%) (see Table 1). This was the first time that Saskatchewan held the top rank in employment growth since comparable data were first recorded in 1976/77.

Table 1
Employment Growth, by Province, 2008/09

	(000s)	(%)
Saskatchewan	13.2	2.6
Alberta	38.5	1.9
Manitoba	8.3	1.4
Nova Scotia	6.2	1.4
British Columbia	19.0	0.8
Ontario	33.5	0.5
New Brunswick	1.3	0.4
Prince Edward Island	0.2	0.3
Newfoundland and Labrador	0.3	0.1
Quebec	-2.7	-0.1
Canada	117.9	0.7

Despite the employment gains in the last three quarters of 2008, the first quarter of 2009 witnessed losses in all provinces, except Saskatchewan. The most significant quarterly losses were recorded in British Columbia, Alberta and Ontario, all of which posted their largest quarterly losses since comparable data were first published in 1976.

Employment growth in Saskatchewan in recent years has been driven primarily by the construction industry and the health care and social assistance industry. Since 2000/01, these industries have generated 26,000 new jobs, accounting for over half of all new jobs. Net job creation in the construction industry in 2008/09 accounted for 4,300 jobs (+13.0%), or more than one third of total jobs

gained in the province during the fiscal year, while the health care and social assistance industry added 3,100 jobs (+5.1%). The forestry, fishing, mining, oil and gas industry added 2,600 jobs (+11.5%) and the finance, real estate, insurance and leasing industry added 2,100 jobs (+7.8%), contributing to net job creation in the province. Saskatchewan's unemployment rate edged up slightly in 2008/09 to 4.3%.

Alberta registered its highest employment rate (71.6%) since comparable data were first recorded in 1976/77. Its unemployment rate also increased, however, to 4.1% from 3.5% the previous year, which had been its lowest since comparable data were first published in 1976/77. Industries that contributed most to the yearly net growth in employment in 2008/09 included trade (+16,200 jobs), professional, scientific and technical services (+15,200 jobs), and finance, insurance, real estate and leasing (+9,000 jobs). After five years of employment growth, employment in the forestry, fishing, mining, oil and gas industry declined by 0.5%. The business, building and other support services industry suffered a heavier decline in employment, with net job losses of 11,700 (-15.8%), while the information, culture and recreation industry also suffered a notable decline in employment, with net job losses of 4,200 (-5.5%). During the first quarter of 2009, Alberta experienced a net loss of 31,600 jobs (-1.6%), its largest quarterly loss in employment since 1976, when comparable data were first published.

With a 1.4% increase, Manitoba recorded the third-strongest employment growth. The industries with the strongest growth were health care and social assistance with 7,000 new jobs (+9.0%), and construction with 4,200 new jobs (+12.2%). The utilities industry also had notable employment growth, with 1,500 new jobs (+27.3%). Manitoba's unemployment rate was 4.4% in 2008/09, continuing a period of some of the lowest rates in the province since comparable data were first recorded in 1976/77.

After three years of being among the top two provinces for employment growth, British Columbia experienced the lowest growth in employment since 2001/02. There were net losses in jobs in the manufacturing industry, with 19,100 jobs lost (-9.5%); the trade industry, with 13,300 jobs lost (-3.6%); the agriculture industry, with 6,100 jobs lost (-16.3%); and the forestry, fishing, mining,

and oil and gas industry, with 1,900 jobs lost (-4.0%). The employment growth posted by the province was led by the construction industry, although this was the first year since 2003/04 that it was not the primary driver of job creation. It recorded an additional 12,900 jobs (+6.3%) and the other services industry posted an additional 10,400 jobs (+11.5%). British Columbia experienced a net loss of 47,300 jobs in the first quarter of 2009, which was the worst quarterly employment loss in that province since comparable data were first published in 1976.

Ontario's 0.5% employment growth was its slowest in 16 years. The manufacturing industry continued to experience losses, with employment in that industry falling from 1.1 million in 2003/04 to 879,300 in 2008/09, representing a net loss of 212,700 jobs over five years. In 2008/09 alone, the manufacturing industry lost 58,800 jobs (-6.3%), the worst loss in the industry in the province since 1991/92.

Ontario's information, culture and recreation industry lost 20,300 jobs (-6.2%) and the business, building and other support services industry lost 14,900 jobs (-4.9%). Overall, however, the province's labour market managed positive growth in employment for 2008/09, with net job gains of 26,000 (+8.5%) in the transportation and warehousing industry, 22,600 (+3.3%) in the health care and social assistance industry, 21,100 (+6.2%) in the public administration industry, and 19,600 (+4.7%) in the construction industry. Notwithstanding these gains, Ontario's unemployment rate increased by 0.8 percentage points to 7.1%. Furthermore, the net loss of 123,400 jobs in the first quarter of 2009 was the worst quarterly net loss in jobs since comparable data were first recorded in 1976.

In Quebec, the manufacturing industry rebounded slightly this year from last year's performance, its worst since 1991/92, with a net gain of 5,400 jobs (+1.0%). However, a net loss of 22,700 jobs in the trade industry (-3.5%), 9,500 jobs in agriculture (-14.0%), 8,200 jobs in educational services (-3.2%), and 6,300 jobs in other services (excluding public administration) (-3.5%) resulted in Quebec becoming the only province to experience a decline in annual average employment in three years. Additionally, Quebec's unemployment rate increased to 7.6% in 2008/09, from 7.0% the previous year, which had been the lowest rate in the province since comparable data were first published in 1976/77.

Employment growth was higher in Canada's urban areas¹⁴ (+0.8%) than in rural areas (+0.1%) in 2008/09. Of the 117,900 net jobs added in 2008/09, 96.4% were in urban areas, compared with 3.7% in rural regions. This rural share of employment growth was the lowest since comparable data were first recorded in 2001/02.

VI. Education

Canada has the highest proportion of working-age people¹⁵ with tertiary education among all Organisation for Economic Co-operation and Development (OECD) countries. This is partly due to school attendance rates, which have been rising since the mid-1990s, as well as to the recent entrance into the labour market of a youth cohort that has higher education attainment rates than previous cohorts.¹⁶ The proportion of the population aged 15 years and over with a post-secondary certificate or diploma, or a university degree, has increased steadily from 32.7% in 1990/91 to 50.5% in 2008/09.

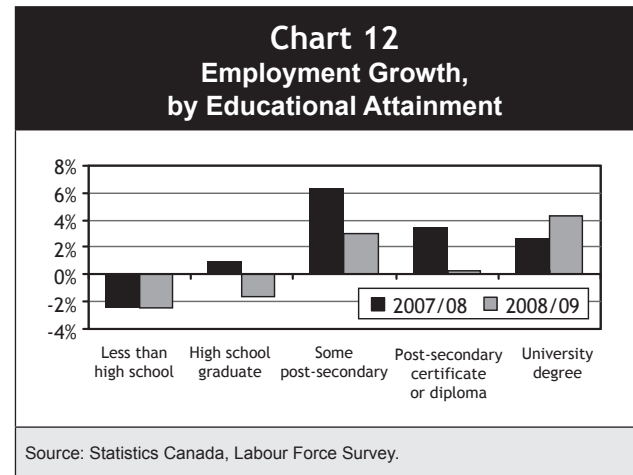
Future Watch

The surge in university enrolment following the 1990/91 recession signals a trend that will increase the share of highly educated workers in the labour force.

Source: The Conference Board of Canada, *Canadian Outlook Long-Term Economic Forecast: 2009* (Ottawa: The Conference Board of Canada, June 2009).

The Canadian economy has fostered employment growth for workers of all education levels, but individuals with higher education levels have generally found greater success in the labour market. Employment growth among those with a university degree was strong in 2008/09, at 4.3%, compared with 2.6% in 2007/08 (see Chart 12). With a growth rate of 0.3% in 2008/09, people with a post-secondary certificate or diploma had a lower employment growth rate than did individuals with a university degree, and posted their lowest growth rate since 1991/92. As well, employment decreased by 1.7% among high school graduates. That made 2008/09 the

first year of decline in the last 11 years for this group. In contrast, individuals with some post-secondary education¹⁷ saw a 3.0% increase in employment. Employment declined by 2.5% for those who did not finish high school.



The unemployment rate among individuals with a university degree was 4.3% in 2008/09, compared with 5.3% among those with a post-secondary certificate or diploma, and 7.2% among those with a high school diploma. The unemployment rate was 7.5% for those who had some post-secondary education and 12.9% for those who did not complete high school. All five groups recorded an increase in their unemployment rate in 2008/09 for the first time since 2001/02.

¹⁴ Urban areas are defined as areas with a population of more than 100,000 (urban cores) or areas that have a high degree of integration, both social and economic, with urban cores.

¹⁵ The working-age population is defined as persons aged 25 to 64.

¹⁶ Organisation for Economic Co-operation and Development, *Education at a Glance 2009* (Paris: OECD, September 2009).

¹⁷ Some post-secondary is defined as those who worked toward, but did not complete, a degree, certificate (including a trade certificate) or diploma from an educational institution, including a university, beyond the secondary level.

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 outlines changes to claims and benefits paid in 2008/09.¹ The second section examines income support provided through EI regular benefits to individuals who lose their jobs. The third section examines the role EI plays in assisting Canadians to balance work commitments with family responsibilities and personal illness through special benefits that include maternity, parental, sickness and compassionate care benefits.

The analysis in this chapter uses EI administrative data and is based on a 10%² sample of claims as of August 2009.³ Throughout the chapter, data for 2008/09 are compared with 2007/08 data. In some instances, 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 global recession had a significant impact on the Canadian economy in 2008/09. As a result, Canada recorded an increase in the total number of claims made in 2008/09.

Total income benefits include regular and special benefits, as well as fishing benefits, and benefits paid under Work Sharing agreements. In 2008/09, a total of 2.14 million income benefit claims were made, compared with 1.76 million in 2007/08, an increase of 21.7%. This was the first increase following four years of consecutive decreases. It followed the same pattern as the average annual unemployment rate, which also increased for the first time in four years. While most of the recorded growth was due to an increase in regular claims established (+26.9%), the number of special claims also grew (+3.6%).

Total benefits paid to Canadians increased by 15.2% in 2008/09 to reach \$14.2 billion. This was the result of a 4.7% increase in the average weekly benefit, which rose from \$345 to \$361, as well as a larger total claim volume.

Additionally, Canada's Economic Action Plan (see Table 1) provides beneficiaries with five extra weeks of regular EI benefits. This assisted more than 100,000 claimants in the first two months of implementation and further contributed to the higher total in benefits paid out.

Canada's Economic Action Plan also provides long-tenured workers⁴ with the Career Transition Assistance initiative, consisting of two temporary measures. The first allows for the extension of regular benefits for up to 104 weeks for eligible claimants who are undertaking long-term training, including benefits for up to 12 weeks following completion of the training for job search. The second measure provides earlier access to regular benefits for eligible claimants who financed their own training with their severance monies. The Economic Action Plan also changed the Work Sharing program by easing the criteria for employers applying for the program, streamlining the application process and extending the duration of agreements. The EI premium rate has also been frozen for 2010 at the same rate as for 2008 and 2009.

¹ Claims refer to new claims established in 2008/09. Some of the benefits paid in 2008/09, 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 2008/09 are used, to ensure reliability.

³ Administrative data in this report provide a snapshot of claims in August 2009. A snapshot based on a different time period would provide different results.

⁴ A long-tenured worker is defined as someone who has contributed to the EI program by paying at least 30% of the annual maximum EI premiums for at least 7 out of 10 calendar years, and who has received regular EI benefits for no more than 35 weeks in the last five years. For the purposes of the Career Transition Assistance initiatives, long-tenured workers' claims must have started on or after January 25, 2009, but not later than May 29, 2010.

The impact of these extraordinary measures, which will be principally observed in the 2009/10 fiscal year, will be discussed and assessed in the *2010 Employment Insurance Monitoring and Assessment Report*. Canada's

Economic Action Plan also provides additional funding for training, including training through Employment Benefits and Support Measures (EBSMs), which is discussed in Chapter 3.

Table 1
EI Part I Measures in the Economic Action Plan

Initiative	Rationale	Timelines	Legislative Change/ Pilot Project
Extension of EI Regular Benefits			
All individuals with an active claim for EI regular benefits between March 1, 2009, and September 11, 2010, are automatically eligible for five additional weeks of regular benefits, up to a maximum of 50 weeks.	Provides all regular EI clients with additional financial support while they find new employment.	Duration: Five additional weeks Start date: March 1, 2009 End date: September 11, 2010	A five-week extension was introduced in 2004 as a pilot project in high unemployment regions. The pilot project was extended in 2007. A legislative change in the <i>Budget Implementation Act 2009</i> extended the measure nationally and replaced the pilot project.
Career Transition Assistance Initiative			
The initiative consists of two measures: 1. The Extended Employment Insurance Training Initiative (EEITI) extends EI regular benefits for eligible claimants undertaking eligible training. 2. The Severance Investment Training Initiative (SITI) removes restrictions on EI regular benefits for all eligible claimants who invest part or all of their separation monies in eligible training.	Improves incentives to renew or upgrade skills. Encourages claimants to invest in their own training. Encourages claimants to undertake long-term training in order to improve their re-employability.	Duration: Maximum of 104 weeks of regular benefits for EEITI participants, including up to 12 weeks of EI regular benefits for job search. Start date: Active claims as of January 25, 2009 End date: May 29, 2010	EEITI: Pilot project SITI: Temporary regulatory amendment.
Changes to the Work Sharing Program			
For applications received from February 1, 2009, until April 3, 2010, the maximum agreement duration was increased by 14 weeks to a maximum of 52 weeks. Access to Work Sharing agreements was also improved by increasing flexibility in the qualifying criteria and streamlining processes for employers.	Gives businesses and workers additional support in order to avoid potential layoffs.	Duration: Maximum of 52 weeks Start date: February 1, 2009 End date: April 3, 2010	The EI Commission's directions have been changed temporarily.
Premium Rate Freeze			
Budget 2009 froze EI premium rates for employees at \$1.73 per \$100 for 2010, the same rate as 2009 and 2008.	Maintains premium rate stability during the economic downturn despite higher EI costs.	Start date: January 2010 End date: December 2010	Legislative change as part of the <i>Budget Implementation Act 2009</i> .

Regular benefits accounted for just over two thirds of total income benefits paid in 2008/09. This share increased by 2.3 percentage points from 64.5% in 2007/08 (see Table 2). As the economy weakened during the fiscal year, regular benefit payments accounted for a larger proportion of total income benefits. In contrast, special benefits are less sensitive to economic conditions and are more sensitive to changes in labour force characteristics, such as the participation rate. As the proportion of labour force participants in the population grows, Canadians are more likely to access special benefits. Special benefit payments represented 27.8% of total income benefits, of which parental benefits accounted for the largest share. Special benefits accounted for a smaller proportion of total benefits in 2008/09, down from 30.0% in 2007/08. Other types of benefits, made up of all income benefits to Employment Benefits and Support Measures (EBSM) participants, fishing benefits, and benefits paid under Work Sharing agreements, comprised 5.5% of total income benefit payments.

Type of Benefit	Benefits Paid (\$ Millions)	%
Regular	9,488.7	66.8
Special		
Parental	2,049.5	14.4
Maternity	876.2	6.2
Sickness	1,008.8	7.1
Compassionate Care	9.9	0.1
EBSM Participants	476.4	3.4
Fishing	246.2	1.7
Work Sharing	56.4	0.4
Total	\$14,212.3	100%

Provincial and territorial labour markets vary in demographic and industrial composition. This is reflected in their differing EI claims and the proportions of total employees (see Table 3).

Atlantic Canada constituted 14.0% of total EI claims in 2008/09, while making up 6.5% of all employees. Together, the Atlantic provinces had the largest percentage point difference between share of EI claims and percentage of employees.

Province or Territory	% of Total EI Claims	% of Employees	Average Weekly Benefit (\$)
Newfoundland and Labrador	4.4	1.3	360
Prince Edward Island	1.1	0.4	359
Nova Scotia	4.2	2.7	349
New Brunswick	4.3	2.1	347
Quebec ⁶	26.7	22.8	351
Ontario	34.2	38.4	366
Manitoba	2.9	3.8	345
Saskatchewan	2.2	3.0	364
Alberta	7.8	12.0	389
British Columbia	11.9	13.1	366
Nunavut	0.1	0.1	403
Northwest Territories	0.1	0.2	420
Yukon	0.1	0.1	413
Canada	100%	100%	\$361

Quebec and Ontario had the largest share of employees, with 22.8% of the national employment found in Quebec and 38.4% in Ontario. The two provinces also had the largest share of total EI claims, at 26.7% and 34.2%, respectively.

In the Prairie provinces, the share of claims represented 12.9% of the total, while the proportion of employees was 18.8%. British Columbia had 11.9% of total EI claims while accounting for 13.1% of total employees.

Average weekly benefits increased in every jurisdiction in Canada, with notable increases in Yukon, Saskatchewan, the Northwest Territories and Alberta; all four jurisdictions recorded an increase of over \$20. Their totals ranged from \$345 in Manitoba to \$420 in the Northwest Territories; the highest average weekly benefits were recorded in the three territories.

The economic contraction in 2008/09 affected all sectors and industries, but affected some industries more than others. The goods-producing sector registered a significant increase in the total number of claims established, with a growth of 31.7% in 2008/09. The manufacturing and construction

⁵ Statistics Canada, *Employment, Earnings and Hours* (Ottawa: Statistics Canada, monthly), Cat. No. 72-002-XIB.

⁶ Quebec claims do not include claims for maternity and parental benefits, as the province has its own program—the Quebec Parental Insurance Plan (QPIP)—that provides such benefits.

industries, which together accounted for over 80% of total claims from the goods-producing sector, recorded increases of 47.2% and 26.4%, respectively. The largest growth in the sector, however, came from the mining and oil and gas extraction industry, where the number of total claims increased by 55.1%.

The services-producing sector also saw an increase in the total number of claims, with 14.2% more claims in 2008/09 than in the previous year. Increases in claims from the management of companies and enterprises industry (+40.5%), professional, scientific and technical services industry (+35.7%), real estate, rental and leasing industry (+30.3%), and information and cultural industry (+29.3%) were the most significant. The educational services industry, which posts the largest total number of claims in the sector, recorded a 4.7% increase.

There was a greater increase in the number of claims established by men than those established by women, at 30.1% compared with 11.9%. This difference is linked to the higher increase in the number of claims from the goods-producing sector, where over 75% of employees were men.⁷ The proportion of total EI claims established by women, including for special benefits, decreased from 46.1% in 2007/08 to 42.4% in 2008/09.

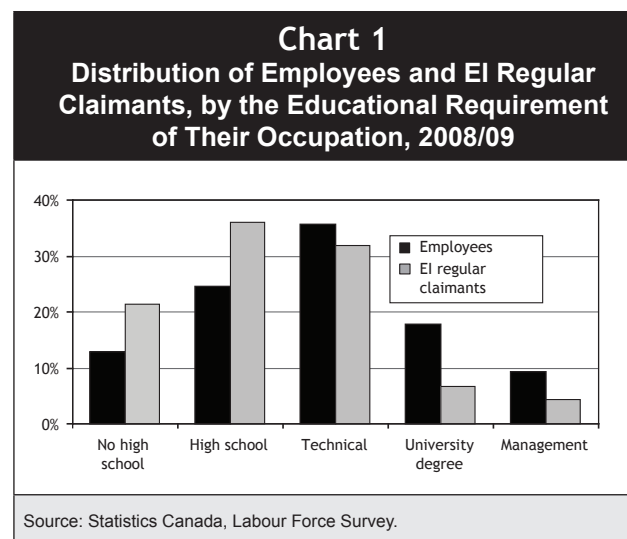
With respect to payment amounts, there was a 20.0% increase in total benefits paid to men, which reflects the combined effect of a 21.8% increase in regular benefit payments and an 8.6% increase in special benefit payments. Women received 10.3% more in total benefit payments in 2008/09, with a 14.4% increase in regular benefits and a 6.3% increase in special benefits. The larger increase in benefit payments for men reflects the greater increase in their total number of claims and their weaker performance in the labour force.

All age groups posted a significant increase in total EI claims. The largest of these increases related to individuals aged 45 to 54 and those aged 55 and above, at 25.1% and 24.2%, respectively. A similar increase of 22.7% was recorded for the youth⁸ cohort, which was the first increase after four years of consecutive decreases. There was a 19.2% increase among individuals aged 25 to 44.

The Family Supplement⁹ provides additional benefits to low-income families with children, giving eligible claimants a benefit top-up for the well-being of their children. In 2008/09, a total of 126,310 claimants received higher weekly benefits due to the Family Supplement. This represented a 0.8% decline from the previous year, while Family Supplement payments decreased by 3.9% to \$130.2 million in 2008/09. The average weekly top-up provided by the Family Supplement was \$42. Chapter 5 provides additional analysis of Family Supplement trends.

As discussed in Chapter 1, the unemployment rate of individuals with higher educational attainments is somewhat lower than that of those with less education. Chart 1 compares the distribution of employees categorized by the educational attainment required for their occupation with the distribution of EI regular claimants by educational attainment. Employees in occupations that did not require a high school diploma accounted for 12.8% of employees but represented 21.2% of EI regular claimants. However, employees in occupations that required a university degree accounted for 17.8% of employment, while representing 6.8% of regular claimants.

In 2007, the most recent year for which tax data are available, 17.7 million workers in Canada received employment income. In the same year, \$17.1 billion was paid in EI premiums: \$7.4 billion by employees and \$9.7 billion by employers.¹⁰ Annex 2.16 shows the distribution of total EI premiums by province, gender, age and industry.



⁷ Statistics Canada, *Labour Force Information* (Ottawa: Statistics Canada, monthly), Cat. No. 71-001-XIE.

⁸ Youth are defined as workers under the age of 25.

⁹ Low-income families are defined as families with a net income of up to \$25,921 per year.

¹⁰ Employer contributions are calculated as 1.4 times employee contributions, with the exception of employers that qualify for the Premium Reduction Program, which contribute less than that factor. Premium reductions amounted to about \$788 million in 2008.

II. Assisting Canadians During 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 regular benefit entitlement when regional unemployment rates vary. There are 58 designated EI economic regions and the adjustment is known as the Variable Entrance Requirement (VER). Annex 4 provides a breakdown of unemployment rates by EI regions.

1. Regular Benefits

In 2008/09, there were 1.6 million new regular claims, a 26.9% increase compared with the previous year. The economic downturn in the latter half of the fiscal year contributed to this increase. In particular, there was a 68.5% increase in new regular claims in the fourth quarter of 2008/09 in comparison to the fourth quarter of 2007/08. Total regular benefits increased by 19.2% to \$9.5 billion. As well, there was a considerable increase of 41.1% in total regular benefits in the fourth quarter of 2008/09 in comparison to the fourth quarter of 2007/08.

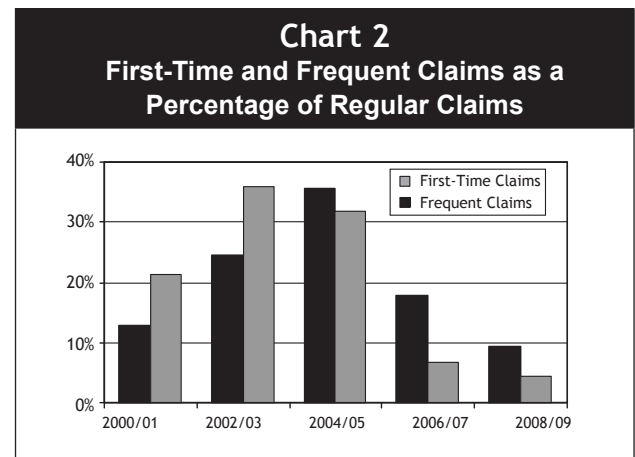
The average weekly benefit for regular claims rose by \$17 to \$364 in 2008/09. This rise was a result of the combined effect of the 4.0% increase in average weekly wages over the period (see Chapter 1) and the increase in the maximum weekly benefit rate, which rose from \$435 in 2008 to \$447 in 2009.

In 2008/09, the number of regular claims increased in every province. The largest increases occurred in Alberta (+83.9%), British Columbia (+47.8%) and Ontario (+41.8%). In Manitoba and Saskatchewan, the number of claims increased by 22.9% and 19.1%, respectively. In the Atlantic provinces, increases in regular claims ranged from 4.4% in New Brunswick to 11.9% in Nova Scotia. Quebec, which accounts for about one third of all regular claims annually, recorded an 11.9% increase in regular claims over the previous year. For all provinces, the largest year-over-year increases were seen when comparing the fourth quarter of 2007/08 and the fourth quarter of 2008/09.

The first effects of the economic downturn were felt most in the goods-producing sector, where new regular claims increased 35.3% in 2008/09. The larger number of claims reflected increases in both manufacturing (+47.4%)

and construction (+32.0%), the two largest industries in this sector, and in the mining and oil and gas extraction industry (+66.9%). The agriculture, forestry and hunting industry (-0.8%) was the only industry to post a decrease in the number of regular claims.

Overall, the increase in regular claims in the services-producing sector was less pronounced (+19.5%) than in the goods-producing sector. The largest increases occurred in the management of companies and enterprises (+49.8%), professional, scientific and technical services (+48.8%), information and cultural (+43.0%), and real estate and rental and leasing (+41.1%) industries.



By gender, in 2008/09, the number of new regular claims increased more for men (+33.9%) than for women (+16.4%).

Regular claimants qualified in 2008/09 with more insured hours than in the previous year (1,413 and 1,363, respectively). Average insured hours increased in 2008/09, despite the fact that, on average, employees worked slightly fewer hours per week than they did the previous year (see Chapter 1). This indicates that more full-time, full-year employees established EI claims in 2008/09.

The downturn in the economy saw many claimants applying to the EI program for the first time. In 2008/09, regular benefit claims established by first-time claimants increased by 50.9%, while claims from frequent claimants rose 6.6%. As a result, first-time claimants' share of all regular benefit claims increased to 37.9%, from 31.9% the previous year. In contrast, the proportion of regular claims made by frequent claimants decreased from 37.1% in 2007/08 to 31.2% in 2008/09. Chart 2 further illustrates the trends for first-time and frequent claimants.

Table 4
Seasonal Claims as a Percentage of Regular Claims, by Province and Territory, 2008/09

Province or Territory	Seasonal Claims as a %
Prince Edward Island	50.8
Newfoundland and Labrador	48.9
New Brunswick	46.8
Nova Scotia	37.8
Quebec	32.4
Saskatchewan	26.9
Manitoba	23.4
Yukon	23.4
Northwest Territories	17.0
Ontario	16.1
British Columbia	14.6
Nunavut	11.8
Alberta	9.7
Canada	25.1

There is considerable variation in seasonal patterns of claims across the country. As shown in Table 4, provinces in Eastern Canada have economies that rely more heavily on seasonal industries than elsewhere. As a result, they have the highest proportion of seasonal claimants. Ontario, British Columbia and Alberta continue to record some of the lowest proportions of seasonal claimants.

2. Work Sharing

The Work Sharing program helps employers and employees avoid temporary layoffs. Work Sharing provides income support to workers who are EI-eligible and willing to work a temporarily reduced work week when a firm's normal level of business activity is reduced beyond the control of the employer.¹¹ Work Sharing agreements must be approved by both employee and employer representatives and by the EI Commission. They can range in duration from 6 to 26 weeks, with the possibility of extension up to a maximum of 38 weeks. Changes to the policy introduced as part of the Economic Action Plan have extended Work Sharing agreements by 14 weeks to a maximum of 52 weeks for applications received between February 1, 2009, and April 3, 2010. These changes have improved access to Work Sharing agreements by increasing flexibility in the qualifying criteria and streamlining processes for employers (see Table 1).

Employers benefit from Work Sharing agreements since they allow them to stabilize their workforce, 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 they are 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 a five-fold increase (+415.8%) in the number of Work Sharing claims in 2008/09. There were 69,380 Work Sharing claims compared with 13,450 in 2007/08, an indication that more employers faced temporary slowdowns during the year. Total Work Sharing benefits rose by 287.5% to \$56.4 million in 2008/09, from \$14.5 million in 2007/08.

The manufacturing industry accounted for 81.3% of all Work Sharing claims in 2008/09, a proportion 2.6 percentage points lower than the previous year (83.9%). The smaller proportion reflects the greater participation of other industries. There were significant increases in Work Sharing claims in the wholesale trade, construction, and administrative and support, waste management and remediation services industries. Although Ontario and Quebec continue to represent the vast majority of total Work Sharing claims (53.6% and 22.9%, respectively), Manitoba's share increased to 4.8% in 2008/09 from 3.6% in 2007/08, and Alberta's share increased to 2.4% in 2008/09 from 0.4% in 2007/08.

The majority of Work Sharing agreements over the reference period were with small to medium-sized enterprises. In 2008/09, over half (51.1%) were agreements with firms of 50 employees or fewer. A further 29.4% of agreements were with firms of 51 to 499 employees. Only 7.0% of agreements were with large firms employing 500 or more employees.

3. Fishing Benefits

Fishing benefits are administered either directly or indirectly by four federal organizations: Fisheries and Oceans Canada (DFO), Human Resources and Skills Development Canada (HRSDC), Service Canada, and the Canada Revenue Agency (CRA). DFO grants fishing licences, CRA determines who is eligible as a self-employed

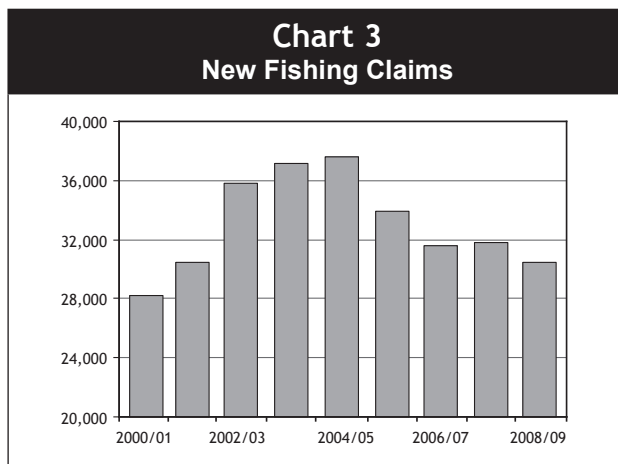
¹¹ Information on the Work Sharing program is available on the Service Canada Web site at http://www.servicecanada.gc.ca/eng/work_sharing/index.shtml.

fisher, and HRSDC and Service Canada determine qualification for and pay EI fishing benefits, which are based on insured earnings rather than on insured hours.

3.1 Claims

Fishing claims are a small portion of total EI claims but represent a significant part of the economy in communities that rely on the industry. In 2008/09, the number of fishing claims decreased to 30,529 (-4.2%) (see Chart 3). Fishing claims in nearly all major fish-producing provinces continued to decline. Claims in British Columbia dropped by 12.8%. New Brunswick (-6.0%), Nova Scotia (-3.9%), Prince Edward Island (-3.2%), and Newfoundland and Labrador (-2.5%) all had fewer fishing claims as well.

According to DFO, primary fisheries production decreased slightly in 2008, with revenues of \$1.85 billion (-2.2%) generated for fishers. Commercial landings continued to decrease, with slightly less than 1 million metric tonnes reported in 2008 (-6.6% compared with 2007).



In 2008/09, fishing claims established by men decreased by 4.2%. Similarly, those established by women decreased by 4.3%. Of all fishing claims, 91.5% were made by frequent claimants. The number of fishing claims made by occasional claimants decreased by 12.0% in 2008/09, while those made by frequent claimants and first-time claimants saw decreases of 3.5% and 8.3%, respectively.

In 2008/09, fewer prime-aged fishers claimed benefits than in the previous year (-9.6%). In fact, older workers (aged 55 and above) were the only age cohort with a slight overall increase in fishing claims; they made 2.7% more claims than they did in 2007/08. Claims by youth and those aged 45 to 54 decreased by 6.2% and 2.6%, respectively.

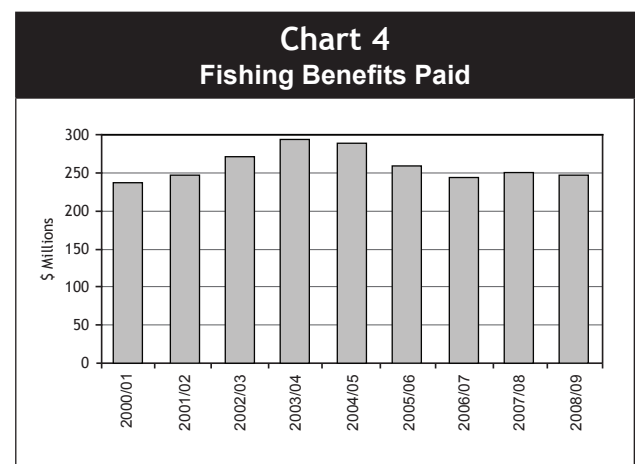
In most fishing regions, there are two seasons of activity and fishers have the opportunity to claim benefits twice in the same year. Just as the number of fishing claims decreased in 2008/09, so too did the number of fishers claiming benefits (-6.1%), to reach 21,695.

In British Columbia, where fishing takes place almost exclusively in the summer, 13.5% fewer fishers claimed benefits. All other fish-producing provinces had declines in the number of fishers claiming benefits, with a notable decline in Newfoundland and Labrador (-5.5%).

Overall, 2.0% fewer fishers made two claims in the same year, while the number of fishers who made a single claim decreased by 8.7%. Single claimants in Newfoundland and Labrador declined by 12.8%, while multiple claimants increased by 3.7%. While the number of men making multiple claims decreased by 2.6%, the number of women doing so increased by 1.7%. The number of men and the number of women who made a single claim both declined, by 8.4% and 9.7%, respectively.

3.2 Benefits

In 2008/09, fishing benefits comprised 1.7% of total EI benefits paid, 0.3 percentage points lower than in the previous year. For the vast majority of fishers, who are self-employed and reside in communities with limited employment opportunities, EI benefits are a significant part of their yearly income. A total of \$246.2 million in EI fishing benefits was paid in 2008/09, a 1.1% decrease from 2007/08 (see Chart 4). Specifically, fishing benefits decreased in British Columbia (-6.7%), Nova Scotia (-2.4%), Prince Edward Island (-2.0%) and New Brunswick (-1.2%), while they increased in Newfoundland and Labrador (+0.4%).



In 2008/09, average weekly fishing benefits rose by 2.7% to \$404. The average weekly benefit for fishers remains higher than that for regular benefit claimants (\$364).

In 2008/09, the average duration of all fishing claims was 20.3 weeks, unchanged from the previous year. Women claimed 2.4 weeks more than men (22.2 compared with 19.8 weeks). Typically, fishers who make two claims in the same year do not remain on claim for as many weeks as single claimants because they return to fishing activities for a second season. Overall, single claimants were on claim for an average of 22.9 weeks, while multiple claimants received an average of 19.3 weeks on their first claim and 17.4 weeks on their second to total 36.7 weeks of benefits on average.

III. Supporting Working Canadians and Their Families

1. Overview

The EI program includes four types of special benefits to support workers when they experience an 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 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 who is gravely ill with a significant risk of death.

In 2008/09, there were a total of 514,570 new special benefits claims in Canada, a 3.6% increase from 2007/08. As mentioned in section I, the number of special benefits claims is usually larger when the participation rate is high. Women continued to receive a large proportion of special benefits, accounting for 67.2% of the total in 2008/09.

Total special benefits paid in 2008/09 rose by 6.7% to \$3.9 billion, following a 1.0% increase in 2007/08 and an 8.4% decrease in 2006/07.¹² The following sections do not include data for maternity and parental benefits in Quebec, as these benefits are offered under the Quebec Parental Insurance Plan.

2. Maternity Benefits

In 2008/09, women made 172,650 maternity claims, a 2.5% increase from the previous year. Maternity claims increased in all provinces; however, the most notable increase occurred in Prince Edward Island (+13.2%).

In 2008/09, 85.0% of all maternity claims were made by women aged between 25 and 44, up slightly from 84.7% in 2007/08, while 14.8% of maternity claims were made by women under 25. The number of claims made by women aged 25 to 54 (+2.8%) grew slightly faster than the number made by women under 25 (+0.6%).

Although the vast majority of mothers received the full 15 weeks to which they were entitled, average duration of maternity benefits has always been around 14.6 weeks. The average weekly benefit continued to rise in 2008/09, reaching \$350, up from \$338 in 2007/08.

3. Parental Benefits

In 2008/09, parental claims established by biological parents rose by 2.9% to 191,880. Growth in fathers' claims (+7.0%) was greater than growth in mothers' claims (+2.3%) in 2008/09. During the reference period, the average duration of parental claims was 29.8 weeks.¹³

Prince Edward Island had the largest increase in biological parental claims, with 25.3% more claims, consistent with the province's increase in maternity claims. Similarly, all other provinces recorded increases.

There were 15,970 men who shared the biological parental benefit with their partner in 2008/09, a 3.6% increase over the previous year. This figure represented 61.9% of all biological parental claims established by men. By comparison, 6.4% of women who established biological parental claims shared them with their partner. Men who shared the benefit with their partner took an average of 10.8 weeks of benefits in 2008/09. In total, parents who

¹² The 8.4% decrease in total special benefits paid in 2006/07 arises from the implementation of the Quebec Parental Insurance Plan on January 1, 2006. For all other provinces, total special benefits paid increased by 6.0% in 2006/07.

¹³ Data on duration of parental benefits cover claims that began during the first half of 2008/09 to ensure data are based on completed claims.

shared the parental benefit used an average of 32.0 weeks. The average claim duration by parents who chose not to share the benefit was similar, at 32.3 weeks.

The average weekly parental benefit rose by 3.4% to \$360 in 2008/09 compared with \$348 in the previous year. Men continued to receive higher weekly benefits than women; however, the gap has continued to shrink for the past several years (in 2008/09, men received \$401 and women received \$353).

In contrast to biological parental claims, the number of adoptive parental claims decreased in 2008/09 to 2,100 (-0.9%). The proportion of adoptive parental claims made by women decreased to 75.2%, from 81.1% the previous year. Among all adoptive parental claims, the average duration was 26.8 weeks in 2008/09.

4. Sickness Benefits

In 2008/09, the number of sickness claims reached 332,220, a 4.1% increase over the previous year. The number of sickness claims increased for both men (+7.4%) and women (+1.8%). As was the case in 2007/08, a large share of this increase can be attributed to individuals aged 55 and older (+7.3%), commensurate with the increase in employment for workers in this age group.

The average weekly benefit for sickness claims increased by 3.8% to \$327 in 2008/09. Sickness claimants received benefits for an average of 9.4 weeks, a figure marginally lower than that for 2007/08. Sickness benefit payments increased by 5.6% to \$1.01 billion. Of all individuals who claimed sickness benefits, 31.4% used all 15 weeks, which was slightly below the proportion in 2007/08, when it was 31.5%.

5. Compassionate Care Benefits

In 2008/09, there were 5,837 claims established for compassionate care benefits, a 2.3% increase over the previous year. The average weekly benefit increased to \$352 (+4.1%). Nearly half (43.3%) of all compassionate care claims were established in Ontario, while Quebec accounted for 18.5%. Total compassionate care benefits amounted to \$9.9 million during the reference period, a 3.3% increase from 2007/08.

Although family members have the opportunity to share the six-week benefit, 96.7% chose not to do so in 2008/09. Of all individuals who claimed compassionate care benefits, 57.5% used all of their six weeks of entitlement. On average, claimants used 4.7 weeks of compassionate care benefits. Many compassionate care claimants combined the benefit with other types of EI benefits over the course of their claim. In 2008/09, among claimants who used all six weeks of compassionate care, 46.3% also received another type of benefit. Of those who used another type of benefit after having exhausted their compassionate care benefits, the vast majority used regular benefits (50.1%) and sickness benefits (44.8%).

Chapter 3

Employment Benefits and Support Measures and the National Employment Service

Activities delivered under Part II of the Employment Insurance Act help Canadians to prepare for, find and maintain employment. These activities include Employment Benefits and Support Measures, pan-Canadian programming, and functions of the National Employment Service.

The purpose of Part II of the *Employment Insurance Act* is to help maintain a sustainable Employment Insurance (EI) system by establishing employment benefits for insured participants and maintaining a National Employment Service (NES). Under Part II, the Canada Employment and Insurance Commission is authorized to establish Employment/ Benefits to help insured participants obtain employment. Part II also provides that the Commission shall maintain an NES to help workers find suitable employment and help employers find suitable workers, and further provides that the Commission may establish Support Measures to advance the work of the NES.

The objective of Part II Employment Benefits and Support Measures (EBSMs) is to assist individuals to prepare for, obtain and maintain employment. Since a return to employment means that individuals do not continue to receive EI benefits, this results in savings to the EI Account. Consequently, a return on investment is achieved through reduced dependency on EI and social assistance and through additional tax revenues generated from increased employment.

Labour Market Agreements

In 2008 and 2009, Canada signed new Labour Market Agreements (LMAs) with all of the provinces and territories to expand and enhance Canada's labour force. These agreements, worth \$3 billion over six years, are helping individuals not eligible for programs under Part II of the *Employment Insurance Act*, as well as low-skilled workers.

It is recognized that provincial and territorial authorities are uniquely placed to determine the mix of employment programs and services required to meet the needs of their local and regional labour markets. Accordingly, provinces and territories deliver most EBSM and EBSM-similar programming, as well as certain NES functions, through transfer Labour Market Development Agreements (LMDAs). To support this activity, Human Resources and Skills Development Canada (HRSDC) transfers LMDA funding to the provinces and territories and focuses on accountability, evaluation and ongoing policy development. HRSDC also delivers pan-Canadian programming and maintains, in partnership with the provinces and territories, specific NES services mandated under Part II of the *Employment Insurance Act*.

In addition, in jurisdictions where LMDAs take the form of co-managed agreements, HRSDC/Service Canada delivers the EBSMs established under Part II of the *Employment Insurance Act*. These EBSMs comprise five Employment Benefits: Skills Development, Targeted Wage Subsidies, Self-Employment, Job Creation Partnerships, and Targeted Earnings Supplements.¹ EBSMs also comprise three Support Measures: Employment Services, Labour Market Partnerships, and Research and Innovation. In jurisdictions with transfer agreements, provinces and territories design and deliver employment programs similar to these Part II EBSMs.

¹ A measure similar to Targeted Earnings Supplements is used in Quebec, where it is reported under Employment Services as the Supplément de retour au travail.

Section I of this chapter provides a national overview of EBSM activities delivered across the country through LMDAs.² Section II summarizes provincial and territorial EBSM activity in the context of each jurisdiction's distinct labour market conditions and employment programming priorities. Section III discusses the role of HRSDC, including the administration of certain NES functions and the delivery of pan-Canadian activities that are beyond the scope of LMDAs.

I. National Overview

As discussed in Chapter 1, economic conditions in most parts of Canada were generally stable in the first half of 2008/09, followed by accelerating weakness through the second half of the year. As the global recession took hold in the fall and winter, unemployment increased. Consequently, the number of clients accessing EBSMs rose 13.3% during the reporting period, to 694,053.³ These individuals participated in 1,087,854 interventions, an increase of 13.2% year over year.⁴ As in 2007/08, each client took part in an average of 1.57 interventions. The total national expenditure for employment programming funded under Part II of the *Employment Insurance Act* was \$2.11 billion, an increase of 0.8% from 2007/08. The large increase in the number of interventions was possible in the context of relatively stable funding due to a sharp increase in the number of EI Part I active claimants served. Since these clients did not receive significant income support from EI Part II, an increase in the number of interventions delivered to active claimants did not result in higher EBSM expenditures. In addition, there was a shift in interventions toward shorter, less costly interventions, and away from long-term, more expensive Employment Benefits interventions. Therefore, more interventions were delivered without a corresponding increase in expenditures.

HRSDC monitored the impacts of EBSMs through three key performance indicators: the number of active EI claimants served; the number of EI clients who returned to employment following an intervention; and the amount of unpaid EI Part I benefits that resulted from the return to employment.⁵ In 2008/09, the number of active EI claimants served rose 15.3% to 388,714. The number

of EI clients who returned to employment following an intervention was also higher, up 5.8% to 207,927. As a result, there was an increase in unpaid benefits. Total unpaid benefits, which are a savings to the EI Account, rose for the third consecutive year, jumping 21.9% to \$1.06 billion in 2008/09. This increase may be partially attributed to the 4.7% increase in the average weekly benefit noted in Chapter 2.

1. Client Profile and Participation

Three types of clients participate in EBSMs: active claimants, former claimants and non-insured clients (see Table 1). Active claimants, who have an active claim for EI Part I benefits, typically have stronger recent labour force attachment, and tend to be able to return to work more quickly than those with weaker ties to the labour market. Active claimants often seek out short-term interventions under EI Part II.

As noted above, 388,714 active claimants accessed EBSMs, a year-over-year increase of 15.3%. This increase reflects the increase in EI claims, which expanded the pool of clients eligible for employment programming. As indicated in Chapter 2, the total number of EI claims rose by 21.7% in 2008/09. That included a substantial increase in regular claims (+26.9%).

Former claimants are no longer eligible for EI Part I; however, they remain eligible for EI Part II EBSMs under certain criteria (see Table 1). Because these individuals have typically been unemployed or out of the labour market for an extended period, interventions delivered to them are usually more extensive than those delivered to active claimants. Following a two-year decline, the number of former claimants participating in EBSM interventions rose 6.9%, from 89,315 last year to 95,468.

Non-insured clients are those who have no substantive or recent labour force attachment, including new labour force participants and individuals who were formerly self-employed. While these clients are not eligible for Employment Benefits under EI Part II, they are eligible for Employment Services. The number of non-insured clients accessing these services rose for the fourth consecutive year, climbing 12.7% from 186,159 in 2007/08 to 209,871.

² The data used to analyze EBSM activities were collected by Service Canada and by provinces and territories with transfer LMDAs. Accordingly, the data were processed through several systems, using a variety of sources. Governments continue to improve data quality and collection to ensure accurate, reliable and consistent information. While all datasets are verified before publication, systems changes and operational improvements may affect the comparability of data from year to year. These instances are noted, where applicable.

³ Client data exclude self-serve options, such as Job Bank and Labour Market Information, because clients do not have to register to access those services.

⁴ All subsequent intervention and expenditure comparisons are to fiscal 2007/08, unless otherwise noted.

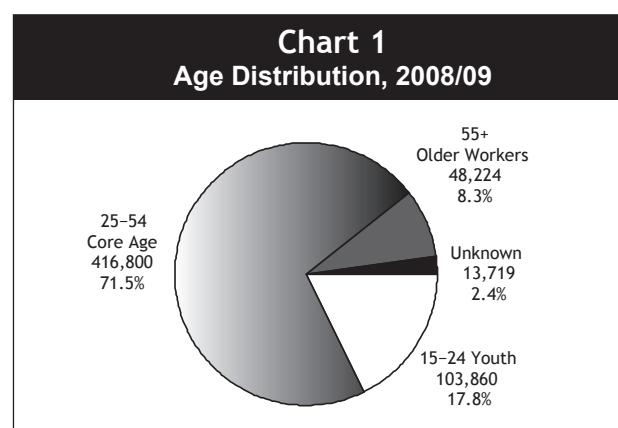
⁵ Section III of Chapter 5 includes a thorough discussion of the impacts of EBSMs.

Table 1
Eligibility, by Client Type

Client Type	2008/09 Distribution		Eligibility for Income Support, EBSMs and NES Self-Services			
	%	Change	Income Support	Employment Benefits	Employment Services	NES Self-Services ⁶
Active Active EI claim	56.0%	↑	EI Part I	✓	✓	✓
Former Benefit period established or ended within preceding 36 months OR Benefit period established during previous 60 months and meets other criteria ⁷	13.8%	↓	May be eligible under EI Part II	✓	✓	✓
Non-Insured No former or active claim	30.2%	↓	Not eligible	Not eligible	✓	✓

There were also changes in the distribution of clients by client type. Active claimants, who are traditionally the majority of EBSM clients, saw their share of total clients served rise from 55.0% last year to 56.0%. Former claimants' share of total clients fell for the third consecutive year, dropping from 14.6% in 2007/08 to 13.8%. The relative share of non-insured clients was 30.2%, down from 30.4% last year.

Slight shifts also occurred in the distribution of clients by age (see Chart 1).⁸ Traditionally, the smallest EBSM age group has been older workers, those clients who are 55 and older. While still the smallest at 48,224, this age group expanded for the third consecutive year (+20.1%). This was also the only age group whose share increased in 2008/09, rising from 7.8% last year to 8.3%. The share for youth between the ages of 15 and 24 fell from 18.3% to 17.8%. The share for the largest age group, core age clients between the ages of 25 and 54, was also lower, falling from 72.4% to 71.5%.



In support of equity principles, HRSDC collects information on the EBSM participation of women, Aboriginal people, members of visible minorities and persons with disabilities. This information is collected at the intervention level and is derived from the participant dataset.⁹ Since participants voluntarily self-identify, year-over-year fluctuations may be attributed in some degree

⁶ Self-services are not included in EBSMs.

⁷ A detailed definition of former claimants can be found in article 58(1) of the *Employment Insurance Act*.

⁸ Date of birth is not collected for clients in Skills Development-Apprentices and Group Services. As a result, client data in Chart 1 do not match the client total in Annex 3.5.

⁹ Since an individual client can participate in multiple interventions, the number of interventions delivered is always greater than the number of clients served. Note that the number of *participants* always equals the number of interventions.

to changes in the rate of self-identification. In 2008/09, there were declines in the relative share of EBSM participation for all four participant groups.

Women participated in 497,548 interventions in 2008/09, representing 48.0% of all participants, down slightly from 48.2% last year. Persons with disabilities participated in 53,299 interventions and represented 5.1% of all EBSM participants, down from 6.1% last year.

Members of visible minorities participated in 58,849 interventions and represented 5.6% of all EBSM participants, down from 7.2% last year. This decline was concentrated in Employment Services interventions, which fell 15.5%. In comparison, the participation of members of visible minorities in Employment Benefits actually rose 8.8%, a trend that was most pronounced in Skills Development-Regular (+14.7%) and Skills Development-Apprentices (+15.3%).

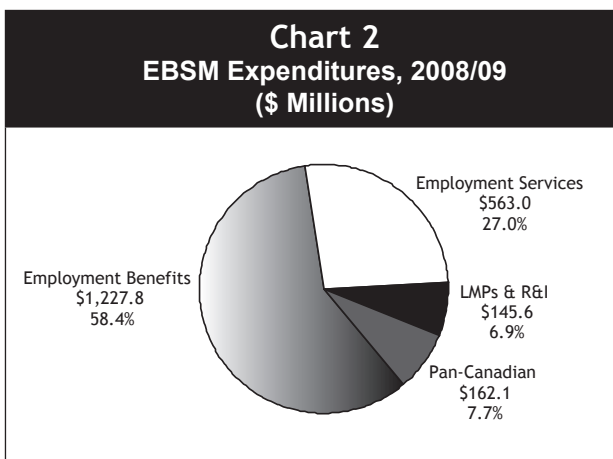
Aboriginal people participated in 61,686 interventions, representing 5.9% of all participants, down from 6.7% in 2007/08. However, the number of interventions delivered through the Aboriginal Human Resources Development Strategy (AHRDS) and the Aboriginal Skills and Employment Partnership (ASEP) increased for the fifth consecutive year, climbing 2.4% to a record high of 58,861 in 2008/09.¹⁰ In addition, the number of clients served through the AHRDS and ASEP rose 4.6% to 36,401. Moreover, the number of clients who returned to work or to school as a result of an EBSM, AHRDS or ASEP intervention rose 11.0% to 25,965.

Since 2004/05, the intervention shares for each of these designated groups have changed. The women's share has climbed from 46.7% in 2004/05 to 48.0% this year. The share for persons with disabilities rose from 4.5% to 5.1%. The share for Aboriginal people fell from 6.6% in 2004/05 to 5.9%, while the share for members of visible minority groups fell from 6.2% to 5.6% this year.

2. Expenditures

The total national expenditure of \$2.11 billion mainly comprised investments in programming delivered directly to participants through Employment Benefits and Employment Services. The total also included expenditures on two support measures—Labour Market Partnerships

(LMPs) and Research and Innovation (R&I)—that are not delivered directly to clients, and on pan-Canadian activities. Expenditures in each of these categories of programming increased in 2008/09, with the exception of Employment Benefits, which fell for the second consecutive year. Even so, Employment Benefits remained the largest category of expenditures, representing 58.4% of the total, down from 59.1% last year. Employment Services' share of total expenditures edged slightly higher to 27.0% from 26.4% in 2007/08. Similarly, pan-Canadian activities went from 7.6% to 7.7% of the total, while the share represented by LMPs and R&I was unchanged at 6.9%.¹¹



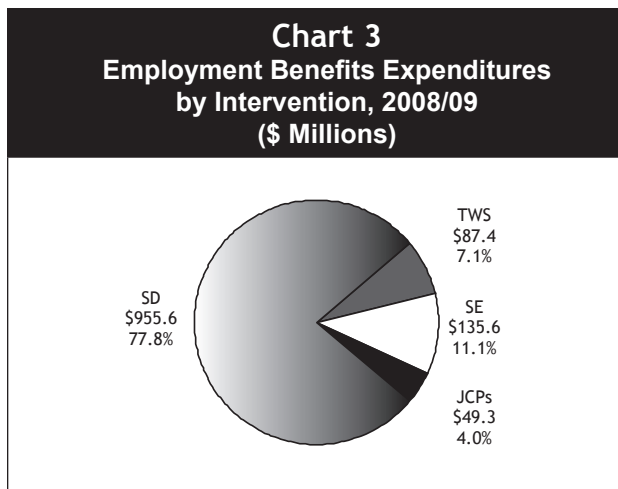
3. Employment Benefits

Employment Benefits generally involve long-term interventions that can last from several weeks to a year or more. Benefits interventions comprise Skills Development-Regular (SD-Regular), Skills Development-Apprentices (SD-Apprentices), Targeted Wage Subsidies (TWS), Self-Employment (SE), Job Creation Partnerships (JCPs) and Targeted Earnings Supplements (TES).

While expenditures for Employment Benefits declined for the second consecutive year, falling 1.2% to \$1.2 billion, the number of Employment Benefits interventions delivered to clients rose 9.3% to 190,078. Employment Benefits accounted for 17.5% of the total EBSM interventions delivered in 2008/09, down from 18.1% in 2007/08. Notable increases occurred in SD-Regular (+10.0%) and SD-Apprentices (+13.3%).

¹⁰ For further information on the AHRDS, please refer to Section III, subsection 2.1 of this chapter. Additional information on ASEP, which is not funded by EI Part II, can be found at http://www.hrsdc.gc.ca/eng/employment/aboriginal_training/index.shtml.

¹¹ Chart 2 does not include overcontributions or adjustments. Refer to Annex 3.12 for additional information on 2008/09 expenditures.



3.1 Skills Development

SD, which includes SD-Regular and SD-Apprentices, helps participants obtain employment by providing direct financial assistance that enables them to select, arrange and pay for training in skills ranging from basic to advanced. SD-Regular participants receive financial assistance to defray basic living costs and training costs, including tuition. Participants in SD-Apprentices interventions are supported during the classroom portion of apprenticeship training, primarily through EI Part I. These individuals may also receive Part II support for additional classroom-related expenses.

Consistent with the high priority placed on addressing skills shortages across the country, SD traditionally accounts for the largest proportion of Employment Benefits interventions and expenditures, and these trends intensified in 2008/09. SD interventions rose 11.4% to 159,011. This total accounted for 83.7% of all Employment Benefits interventions delivered in 2008/09, up from 82.1% last year. SD expenditures were slightly lower, falling 0.7% to \$955.6 million. Even with this decline, SD expenditures accounted for a greater share of all Employment Benefits expenditures, edging up from 77.4% last year to 77.8%. Following last year's decline, the number of SD-Regular interventions rose 10.0% to 91,118. The number of SD-Apprentices interventions increased for the fourth consecutive year, climbing 13.3% to 67,893. Of this year's SD-Apprentices participants, 74.4% (50,518) returned to employment following the intervention, compared with 77.7% last year. Generally, participants return to work for the same employer.

EBSMs in Action: SD

- ◆ Since the release of *All the Skills To Succeed: Report of the Newfoundland and Labrador Skills Task Force* in 2007, the Government of Newfoundland and Labrador has taken many steps to address identified skills gaps and help individuals train for projected employment opportunities on large-scale projects. In response, the use of SD-Apprentices has increased tremendously. Over the past three years, Newfoundland and Labrador has seen a 135% jump in the number of individuals registering as apprentices and a 16% increase in the number of Red Seal journeyman certificates issued.
- ◆ In the winter of 2009, Nunavut's Department of Education formed a partnership with Northern Transportation and Communications Ltd. (NTCL). Through this partnership, clients were trained as bridge watchmen and deckhands at the NTCL facility in Hay River. Several clients obtained employment with NTCL and the Canadian Coast Guard.

3.2 Targeted Wage Subsidies

TWS help participants obtain employment through the acquisition of work experience and on-the-job training. TWS encourages employers to hire individuals whom they would not normally hire in the absence of a subsidy. Financial assistance is provided to the employer to cover a portion of the participants' wages, as well as other employment-related costs.

EBSMs in Action: TWS

- ◆ Once a client completes a skills training program, his or her lack of experience can remain a barrier to employment. In Nunavut, TWS was used to create internship or mentoring opportunities with various mining companies, which helped graduates of programs such as heavy equipment operator training. This programming gave the graduates experience that employers respect.

In 2008/09, 15,412 TWS interventions were delivered across the country, a decrease of 2.9%. This type of intervention has declined in each of the last eight years. The TWS share of all Employment Benefits interventions fell from 9.1% last year to 8.1%. TWS expenditures were also lower, falling 2.7% to \$87.4 million.

3.3 Self-Employment

SE enables participants to obtain employment by helping them to start their own business or become self-employed. It provides financial assistance for basic living expenses and other personal needs while the participants are developing and implementing their business plan. SE also funds coordinators who ensure participants have access to business planning advice and expertise.

EBSMs in Action: SE

- ◆ In response to the economic downturn and growing demand for alternatives to seasonal employment in the small B.C. communities of Whistler and Squamish, the Community Futures Development Corporation of Howe Sound—a local community organization responsible for administering SE—received funding for additional program participants. One participant submitted a plan to start a business in the industry from which she had been laid off. Within a month of opening her business, she had hired two additional employees.

The number of SE participants rose for the first time in five years, climbing 2.2% to 10,380. Even with this year's increase, SE interventions have declined 13.6% since 2004/05. SE represented 5.5% of all Employment Benefits interventions in 2008/09, down from 5.8% last year. Expenditures for SE also declined year over year, falling 3.0% to \$135.6 million.

3.4 Job Creation Partnerships

JCPs give participants the opportunity to gain work experience to improve their prospects of obtaining and maintaining employment. Financial assistance is provided to short-term projects that offer work experience to participants. Because these employment opportunities are generated through locally developed projects in the public and non-profit sectors, JCPs also benefit the community and the local economy.

In 2008/09, there were 5,275 participants in JCPs, an increase of 3.0% year over year. This was the first increase in JCPs since 2002/03. Even with this small gain, the number of JCP participants has declined by 49.9% since 2002/03.

JCP interventions comprised 2.8% of total Employment Benefits interventions, down from 2.9% last year. Expenditures were relatively stable at \$49.3 million compared with \$49.5 million in 2007/08.

EBSMs in Action: JCPs

- ◆ In August 2009, Prince Edward Island hosted the Canada Summer Games. Through JCPs, participants had the opportunity to gain valuable skills and work experience. At the same time, this project contributed to the Games' success. Participants constructed all of the signage for the Games, made some facility improvements and handled most of the small carpentry projects (such as cabinets, gazebos and sport storage areas).
- ◆ In Alberta, JCP funds support *Experience for Hire*, an integrated training program for workers 50 and older. Services provided during the eight-week classroom component include employability assessments, computer training, and the development of skills ranging from employability and employment maintenance to job search, life and communications skills. The program, which concludes with two weeks of work experience, has helped older workers obtain new employment.

3.5 Targeted Earnings Supplements

TES assists participants to obtain and maintain employment by offering temporary financial incentives that encourage them to accept new employment. TES was not delivered in 2008/09. However, Quebec uses a similar measure—the *Supplément de retour au travail*—to help with expenses related to returning to work, such as the costs of new tools, office materials or clothing. Quebec's total expenditure for this measure was \$3.3 million in 2008/09.

4. Support Measures

Support Measures are key elements of the NES that are authorized by Part II of the *Employment Insurance Act*. They consist of Employment Services, Labour Market Partnerships (LMPs), and Research and Innovation (R&I). Through LMDAs, the provinces and territories assumed responsibility for delivering some of these measures. (Section III of this chapter includes a discussion of the continuing federal role in delivering pan-Canadian LMPs and R&I.)

4.1 Employment Services

Employment Services are available to any unemployed person in Canada who requires assistance to enter or return to the labour force. There are three types of Employment Services interventions: Employment Assistance Services (EAS), Group Services and Individual Counselling.¹² Total expenditures for Employment Services rose 2.2% to \$566.3 million in 2008/09. The number of interventions delivered rose at a significantly higher rate of 14.4% to 878,254. As the economy worsened during the last half of the year, an increasing number of individuals sought Employment Services to facilitate a quick return to the labour market, or, conversely, needed multiple interventions as they developed a return-to-work action plan.

4.1.1 Employment Assistance Services

EAS interventions comprise a variety of services that support participants as they prepare to enter or re-enter the

labour force. 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. EAS interventions may be combined with other EBSM programming for which the client is eligible.

A total of 512,198 EAS interventions were delivered in 2008/09, which was a year-over-year increase of 15.1%. EAS interventions accounted for 58.3% of all Employment Services interventions delivered during the year.

4.1.2 Group Services

Group Services interventions focus on short-term job search and re-entry activities. Though commonly delivered when clients are establishing a new EI claim, these services are available to all client types.

EBSMs in Action: EAS

- ◆ Since 1997, TEAM Work Cooperative (TWC) has provided specialized cross-disability employment services in the Halifax Regional Municipality. This organization fosters cooperation and collaboration among a network of 28 member organizations that deliver employment-related services to persons with disabilities, ensuring that service to this client group is maximized. Through the client assessment and case management services it provides under its current three-year EAS agreement, TWC will assist 2,250 persons with disabilities to prepare for, secure and maintain employment or become self-employed.
- ◆ When Kitchener Frame closed in December 2008, the Joint Rapid Response Action Plan—a partnership between Ontario and HRSDC/Service Canada—was put in motion. Services were offered to the municipality, the employer and the affected workers, as represented by the Canadian Auto Workers. Under the Adjustment Advisory Program, an adjustment agreement was developed to assist more than 1,100 workers affected by the company's closure. An action centre was established, which has become the hub of activity for the unemployed Kitchener Frame workers. The centre offers workshops and presentations on employment services and training options, including Second Career and Skills Development. Staff members from Service Canada and other government agencies also provide information on income support and other programs and services.
- ◆ In the Northwest Territories, the Yellowknives Dene First Nation (YKDFN) received EAS funds to deliver *Believing in Yourself*. This 24-week program was designed to assist unemployed and underemployed individuals receiving EI or income security programming to overcome their barriers and transition into employment, further education or other development opportunities. *Believing in Yourself* took a holistic approach, and early activities focused on identifying barriers and why they existed. Participants learned about their history and culture, and how to use traditional healing techniques and support systems to work through their issues. Once the participants were able to identify and address their barriers and personal issues, the program focussed on occupational skills development, with emphasis on personal management and life skills, job readiness, and safety certification. The final six weeks of the program included a work placement, in which 90% of the participants gained work experience. The remaining participants attended treatment to deal with unresolved drug and alcohol issues.

¹² The Supplément de retour au travail is reported as an Employment Service delivered in Quebec. These interventions comprised 0.8% of the total Employment Services interventions delivered in 2008/09.

Following four consecutive annual declines, the number of Group Services interventions rose 13.3% to 40,595 in 2008/09, mirroring the increase in active EI claimants served during the year. Group Services' share of total Employment Services interventions was almost unchanged at 4.6% compared with 4.7% in 2007/08.

4.1.3 Individual Counselling

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.

The number of Individual Counselling interventions rose 13.9% to 318,607. Over the past five years, the number of Individual Counselling interventions has increased

by 82.0%. This type of intervention's relative share of all Employment Services interventions has also increased. In 2008/09, Individual Counselling represented 36.3% of all Employment Services interventions, up from 22.1% in 2004/05.

4.2 Labour Market Partnerships

LMPs encourage and support partnerships that facilitate human resource planning and labour market adjustment. LMP funding is used to improve the capacity of employers, employer and employee associations, and communities to respond to local labour market adjustment issues. In 2008/09, expenditures for LMPs rose 1.6% to \$143.0 million.

EBSMs in Action: LMPs

- ◆ Each year in the Acadian Peninsula of New Brunswick, LMP funds are used to support *Je reviens, J'y reste*. Through this program, post-secondary graduates from the Acadian Peninsula are invited to participate in a weekend of activities to help them rediscover the Peninsula and learn about employment opportunities available there. The Youth Initiative at Entreprise Péninsule delivers the weekend's activities. The Initiative has two objectives: to promote the entrepreneurial sector to youth and to encourage young people to return home to the Acadian Peninsula.
- ◆ In 2008/09, weakening commodity prices had an impact on profitability in the mining and forestry industries of rural and northern Manitoba, which resulted in production curtailments and plant closures. In response to these layoffs, LMP funds were used to form worker adjustment committees to provide services for affected employees. These services were designed to minimize the impact of workforce downsizing by assisting employers to develop strategies to retrain and retain these skilled workers in the local labour market.
- ◆ As the global recession took hold, companies in the manufacturing and service sectors in rural Manitoba and Winnipeg faced declining demand for their products and services. Manitoba used LMPs to hire Employment Officers to work with individuals affected by layoffs in these sectors. Employment Officers helped clients develop return-to-work action plans and provided support with job search, retraining and career exploration.
- ◆ B.C.'s pulp and paper industry was severely affected by the global recession and a declining pulp market, and many companies were considering laying off long-term employees. Through the Employer Sponsored Training (EST) component of LMPs, training was provided to enable the affected workers to enhance their qualifications and keep their jobs. That training also improved their employability and earning potential by helping them obtain skills that are in demand in the labour market.

4.3 Research and Innovation

R&I funding supports local projects that identify better ways of helping persons to prepare for, return to or keep employment and be productive members of the labour force. R&I projects were funded in five provinces in 2008/09. Expenditures decreased 27.6% to \$2.6 million.

EBSMs in Action: R&I

◆ R&I funded the 2009 *Saskatchewan Wage Survey*, which provides current wage information on 244 occupations collected from 1,100 employers representing nearly 90,000 employees in the province. Occupational wage information includes data on hourly rates of pay; full-time and part-time work; gender; union and non-union status; mean, median, maximum, minimum and percentile pay rates; and breakdowns by industry, where applicable. Results also include sub-provincial data for Saskatoon, Regina and the rest of the province. This survey provides reliable, timely wage information that helps employers enhance their competitiveness, and attract and retain employees; students and job seekers get career information; and researchers and policy analysts develop policy. The online report is searchable alphabetically by occupational title and by National Occupational Classification (NOC) code, and is available at <http://www.aeel.gov.sk.ca/saskatchewan-wage-survey-2009>.

II. Provincial and Territorial EBSM Activities

To address the unique labour market challenges of its jurisdiction, each province and territory delivers EBSMs under an individually negotiated LMDA. In 2008/09, 9 of 13 agreements were devolved.¹³ The remaining co-managed agreements governed federal delivery of EBSMs according to priorities and plans jointly established by federal and provincial/territorial authorities.

This section analyzes the employment programming delivered in each province and territory in 2008/09 to facilitate a better understanding of EI Part II activities across Canada. Trends in expenditures and interventions are linked to programming priorities, responses to local labour market conditions and differences in program delivery.¹⁴

Overall, labour market conditions across the country were generally stable when compared on an annual average, year-over-year basis. However, for many jurisdictions, this comparison masks important underlying trends. While no province or territory was completely immune to the global recession, the timing and severity of its impact varied. In most cases, stronger conditions prevailed in the first six months, followed by employment declines in the latter half of the fiscal year. These declines were most pronounced in the last quarter (January to March 2009).

As the global recession began to take hold across the country, layoffs mounted and unemployment began to climb. Most jurisdictions experienced higher client caseloads and sharp increases in the demand for services and programs, and they modified plans and priorities throughout the year to respond to client needs. Further, most jurisdictions experienced increases in the number of active claimants served, which in many cases reduced Part II expenditures, since clients received income support through EI Part I. Expenditures were also lower in some cases, because many of these clients required less expensive, short-term interventions to re-enter the labour market. At the same time, however, long-tenured workers facing their first layoff in many years required more intensive Employment Services interventions to prepare long-term return-to-work action plans.

The Government of Canada, through its Economic Action Plan (EAP), announced new support to help provinces and territories respond to the needs of unemployed Canadians hit hard by the economic downturn. These measures included additional funding for employment and training programs for individuals, whether or not they qualify for EI, and further assistance to long-tenured workers.¹⁵

¹³ As of February 2010, transfer agreements will be implemented in all provinces and territories. (See Annex 3.1.)

¹⁴ Labour market data from the provinces and territories come from Statistics Canada's Labour Force Survey. Data for Canada and the provinces are fiscal-year averages, calculated using unadjusted data. Monthly data are seasonally adjusted. Data for the Northwest Territories, Yukon and Nunavut are calculated using four points of three-month moving average data. In discussions of employment trends by industry, standard industry titles are taken from the North American Industry Classification System (NAICS).

¹⁵ For additional information, refer to the EAP website at <http://www.actionplan.gc.ca/index.asp> and the Budget 2009 website at <http://www.budget.gc.ca/2009/home-accueil-eng.htm>.

Table 2
Measures in the Economic Action Plan

Initiative	Rationale	Timelines
\$1 billion increase to LMDA funding	Provide provinces and territories with additional funding to meet the increased demand for training	Duration: Two years Start date: April 1, 2009 End date: March 31, 2011
\$500 million for the Strategic Training Transition Fund (STTF) from the Consolidated Revenue Fund (CRF)	Provide additional funding for training through Labour Market Agreements	Duration: Two years Start date: April 1, 2009 End date: March 31, 2011
Career Transition Assistance (CTA), ¹⁶ consisting of two measures: <ul style="list-style-type: none"> • the Extended Employment Insurance and Training Initiative (EEITI) • the Severance Investment in Training Initiative (SITI) 	Target unemployed individuals who have previously been employed for a significant length of time and have made only limited use of EI: <ul style="list-style-type: none"> • EEITI increases the duration of EI Part I income support offered to long-tenured workers pursuing long-term training • SITI allows earlier access to EI Part I regular benefits for eligible claimants who invest in their own training using all or part of their severance package 	Duration: Maximum of 104 weeks of regular benefits for EEITI participants, including up to 12 weeks of regular benefits for job search. Start date: Active claims as of January 25, 2009 End date: May 29, 2010

While data and analysis are presented according to the traditional EBSM intervention categories, transfer jurisdictions may deliver EBSM-similar programming using different names. A list of these names, together with the corresponding EBSM intervention category, is included in the summary for each transfer jurisdiction. Note that inter-jurisdictional comparisons may be misleading, due to differences in programming and labour market conditions, and that EBSM administrative data presented in this section do not include pan-Canadian activities.

1. Newfoundland and Labrador

Overall, labour market conditions in Newfoundland and Labrador in 2008/09 were similar to those that prevailed in 2007/08. While employment growth occurred in the first half of the year, weaker conditions prevailed in the second half, when the impact of the global economic downturn began to emerge. While St. John's was fairly insulated from this downturn, there was a greater effect on areas outside of the capital. Though the level of employment was virtually unchanged year over year, there were changes

in the distribution of employment by industry. Employment in the services-producing industries increased slightly. Health care and social assistance employment reached a record high, and public administration expanded for the third consecutive year. However, some of these gains were offset by losses in trade employment, which hit a 10-year low. On the goods-producing side of the economy, employment fell 2.0%. Despite a sharp downturn in the last quarter of the year, construction employment reached a record-high annual average. However, these gains did not compensate for a significant decline in manufacturing, where employment fell to its lowest level in 12 years. While net employment was almost unchanged compared with 2007/08, the labour force expanded by 1.1%. This resulted in higher unemployment, and Newfoundland and Labrador's unemployment rate rose to 13.9%, up from 13.1% last year.

In 2008/09, Newfoundland and Labrador planned a continued focus on the priorities established in the province's *Business Plan 2007–2008 and Beyond*.¹⁷ This plan identified several strategic priorities to address the province's labour market challenges. These priorities were designed

¹⁶ For additional information on the Career Transition Assistance initiative, refer to Chapter 2, Table 1.

¹⁷ Government of Newfoundland and Labrador, Department of Human Resources, Labour and Employment, *Business Plan 2007/08 and Beyond* (St. John's: Labour Market and Career Information for Newfoundland and Labrador, 2008).

Newfoundland and Labrador Key Facts

Co-Managed Agreement

Labour Market

	2008/09	Change, 2007/08– 2008/09
15 Years +		
Employment	218,800	300 ↑
Unemployment Rate	13.9%	0.8 ↑

Client Type and Age¹ Distribution

Active	Former	Non-Insured
72.1%	12.9%	15.0%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
25.9%	65.7%	7.4%

Intervention-to-Client Ratio

Ratio, 2008/09	Change, 2007/08 – 2008/09
1.46	0.01 ↑

Interventions and Expenditures % Change, 2007/08 – 2008/09

	Employment Benefits	Employment Services
New Interventions	11.6% ↓	5.8% ↑
Expenditures	0.8% ↓	9.8% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2008/09	Percentage Point Change, 2007/08– 2008/09
Employment Benefits	37.8%	4.3 ↓
Employment Services	62.2%	4.3 ↑

Clients Served, 2008/09

EI	Non-Insured	Pan-Canadian
14,529	2,561	234

¹ Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

to enhance the responsiveness of employment programming by strengthening partnerships with stakeholders and by ensuring that labour market information was available to support decision-making and planning. With a focus on providing the best possible services to enable their clients to maximize their potential in the labour market, Newfoundland and Labrador planned to address labour and skill shortages, increase labour force participation, and reduce employment barriers. The province also planned to respond to labour market needs by emphasizing lifelong learning and workplace training.

A total of 17,090 clients participated in EBSMs in Newfoundland and Labrador in 2008/09, a decline of 2.1% year over year. This was the lowest number of clients served in the province since 2001/02 and is likely a reflection of the province's declining population, particularly in the 20 to 45 age group, from which most EBSM participants come. The number of interventions delivered was also lower, falling 1.5% to 24,911. A higher cost per intervention caused expenditures to edge up from \$127.7 million in 2007/08 to \$128.3 million.

1.1 Employment Benefits

Newfoundland and Labrador delivered 9,414 Employment Benefits interventions in 2008/09. This was 11.6% lower than the 2007/08 total. While increased interest in trades-related employment caused SD-Apprentice interventions to jump 42.6% to 1,966, and SE rose 10.2% to 183, declines occurred in the remaining three Employment Benefits. SD-Regular fell at the fastest rate (-25.7%), followed by TWS (-12.5%) and JCPs (-5.9%). The overall decline in Employment Benefits, particularly in SD-Regular, was primarily the result of a significant decrease in the delivery of short-term training interventions in support of the fishing industry. In recent years, a large number of SD-Regular interventions were associated with this Transport Canada-mandated safety training. The need for this relatively low-cost training has been satisfied, resulting in a decline in short-term SD-Regular interventions. Due to the relatively low costs associated with this short course in previous years, and generally higher costs per intervention in 2008/09, expenditures fell at a much lower rate of 0.8%, dropping from \$112.0 million last year to \$111.1 million.

1.2 Employment Services

Employment Services interventions were 5.8% higher year over year. Though not widely used in the province, EAS interventions increased significantly in response to

a mill closure in Grand Falls–Windsor, when an EAS agreement was amended to increase the level of employment services available for the 800 affected workers. Individual Counselling interventions were also higher year over year, climbing 4.8% to a three-year high of 15,178. Employment Services expenditures rose to \$17.1 million, an increase of 9.8% from last year's total of \$15.6 million.

2. Prince Edward Island

Conditions in the Prince Edward Island labour market were slightly stronger in the first half of 2008/09. However, employment fell sharply in the second half of the year, bringing annual average employment on par with 2007/08. Employment in public administration was higher (+1,100). However, this gain was offset by losses in other services-producing sectors on the Island. The labour force continued a long-term expansionary trend, increasing 1.5% over the year. This combination of stable employment and labour force growth increased unemployment. As a result, Prince Edward Island's unemployment rate climbed from 10.3% in 2007/08 to a six-year high of 11.4%.

In 2008/09, Prince Edward Island introduced a new initiative—*Island Prosperity: A Focus for Change*.¹⁸ This \$200-million, five-year investment strategy was designed to foster innovation in knowledge sectors through investments in labour market, business and infrastructure development. With the goal of working to ensure that Islanders were well equipped to participate in the labour market, the LMDA was identified as a key component of the Island Prosperity strategy. Specific employment programming priorities were developed based on this strategy, as well as the labour market challenges the Island faces. These challenges include shortages of both skills and labour that have been created by a combination of rising skills demands, an aging population and the out-migration of educated youth.

In 2008/09, 4,619 clients participated in EBSMs on Prince Edward Island. This was a record high for the Island, and 5.6% higher than the number of clients served last year. A total of 6,338 interventions were delivered. This was a four-year high and an increase of 5.4% year over year. Expenditures were slightly higher, rising 0.9% from \$24.7 million in 2007/08 to \$24.9 million.

2.1 Employment Benefits

The number of Employment Benefits interventions delivered on Prince Edward Island rose 4.6% to 2,291.

¹⁸ The Government of Prince Edward Island, *Canada/Prince Edward Island Labour Market Development Agreement Annual Plan 2008–2009* (Charlottetown: Government of Prince Edward Island, 2009).

Prince Edward Island Key Facts

Co-Managed Agreement

Labour Market

15 Years +	2008/09	Change, 2007/08– 2008/09
Employment	69,800	200 ↑
Unemployment Rate	11.4%	1.1 ↑

Client Type and Age¹ Distribution

Active	Former	Non-Insured
65.7%	11.1%	23.2%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
25.1%	66.0%	7.7%

Intervention-to-Client Ratio

Ratio, 2008/09	Change, 2007/08 – 2008/09
1.37	0.00 —

Interventions and Expenditures % Change, 2007/08 – 2008/09

	Employment Benefits	Employment Services
New Interventions	4.6% ↑	5.9% ↑
Expenditures	0.1% ↓	5.1% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2008/09	Percentage Point Change, 2007/08– 2008/09
Employment Benefits	36.1%	0.3 ↓
Employment Services	63.9%	0.3 ↑

Clients Served, 2008/09

EI	Non-Insured	Pan-Canadian
3,547	1,072	73

¹ Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

JCPs increased at the fastest pace, jumping 30.5% to 197. The number of SD-Apprentices interventions was also significantly higher, up 25.9% year over year, while SE rose 20.2%. TWS continued to fall, dropping 15.4% from 2007/08 and 65.6% compared with 2004/05. Even with a small decline this year (-1.7%), SD-Regular continued to be the most frequently used intervention on the Island, representing 64.3% of all Employment Benefits interventions. Employment Benefits expenditures were stable at \$20.1 million.

2.2 Employment Services

Employment Services interventions rose 5.9% to a four-year high of 4,047. EAS increased 23.8% to 2,188. Higher unemployment bolstered demand for these services, primarily job search skills and résumé-writing assistance. At the same time, Individual Counselling dropped 9.4% to 1,859. Expenditures rose at roughly the same pace as interventions, up 5.1% to \$4.8 million from \$4.6 million in 2007/08.

3. Nova Scotia

Labour market conditions in Nova Scotia were slightly stronger in 2008/09. Moderate employment growth of 1.4% (+6,200) was split between the province's goods- and services-producing industries. Year-over-year gains were particularly strong in three sectors: professional, scientific and technical services; construction; and public administration. Two sectors posted significant losses: business, building and other support services; and manufacturing. The labour force expanded for the second consecutive year, climbing 1.5% to a record high of 494,300. Since this expansion was similar to the province's employment growth, Nova Scotia's unemployment rate was almost unchanged at 8.1% compared with 8.0% last year.

Four key priorities were identified in Nova Scotia's 2008/09 Skills and Learning Framework. *Labour market attachment* focused on skills development, employment counselling and career development. *Workplace skills and education* focused on human resource and management skills, as well as skills enhancement for existing employees. The third priority centered on achieving the most efficient and effective method for developing and disseminating *labour market information*. The final priority centered on Nova Scotia's *youth* and included creating opportunities for youth to develop the skills, knowledge and experience needed for work, as well as providing work opportunities, and addressing cultural and social barriers to employment.

Nova Scotia Key Facts

Strategic Partnership Agreement

Labour Market

15 Years +	2008/09	Change, 2007/08– 2008/09
Employment	454,300	6,200 ↑
Unemployment Rate	8.1%	0.1 ↑

Client Type and Age¹ Distribution

Active	Former	Non-Insured
61.0%	14.9%	24.2%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
22.1%	69.1%	7.3%

Intervention-to-Client Ratio

Ratio, 2008/09	Change, 2007/08 – 2008/09
1.96	0.13 ↑

Interventions and Expenditures % Change, 2007/08 – 2008/09

	Employment Benefits	Employment Services
New Interventions	5.0% ↑	21.2% ↑
Expenditures	2.4% ↓	3.3% ↓

Employment Benefits and Services Change in Relative Share

	Relative Share, 2008/09	Percentage Point Change, 2007/08– 2008/09
Employment Benefits	16.8%	2.1 ↓
Employment Services	83.2%	2.1 ↑

Clients Served, 2008/09

EI	Non-Insured	Pan-Canadian
12,874	4,101	323

¹ Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

New Brunswick Key Facts

Transfer Agreement

Labour Market

15 Years +	2008/09	Change, 2007/08– 2008/09
Employment	366,100	1,300 ↑
Unemployment Rate	8.8%	1.0 ↑

Client Type and Age¹ Distribution

Active	Former	Non-Insured
66.1%	13.4%	20.5%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
22.4%	66.6%	7.5%

Intervention-to-Client Ratio

Ratio, 2008/09	Change, 2007/08–2008/09
2.11	0.07 ↓

Interventions and Expenditures % Change, 2007/08 – 2008/09

	Employment Benefits	Employment Services
New Interventions	4.9% ↓	5.5% ↓
Expenditures	2.7% ↑	0.4% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2008/09	Percentage Point Change, 2007/08– 2008/09
Employment Benefits	27.9%	0.1 ↑
Employment Services	72.1%	0.1 ↓

Clients Served, 2008/09

EI	Non-Insured	Pan-Canadian
13,618	3,512	222

¹ Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

A total of 16,975 clients accessed EBSM interventions in Nova Scotia in 2008/09. This was a nine-year high, and 10.0% higher than the number of Nova Scotians served in 2007/08. These clients participated in 33,320 interventions, an increase of 18.1% year over year. Despite these increases, total expenditures decreased 2.6%, falling from \$80.4 million last year to \$78.3 million, indicating a trend toward the use of less costly interventions.

3.1 Employment Benefits

In 2008/09, the number of Employment Benefits interventions delivered in Nova Scotia increased 5.0% to 5,605. There were increases in SD-Apprentices and SE, which climbed 15.9% and 8.4%, respectively. After dropping to 186 in 2007/08, the number of JCP interventions rose to 265. TWS interventions declined for the third consecutive year, falling 5.0% to 192. SD-Regular interventions decreased 1.6% to 3,158 year over year. Employment Benefits expenditures fell 2.4%, from \$58.0 million in 2007/08 to \$56.6 million.

3.2 Employment Services

Nova Scotia continued to expand its delivery of Employment Services interventions, which reached a record high of 27,720 in 2008/09. The moderate strength of Nova Scotia's labour market meant that clients with relatively few employment barriers could more readily find employment without any type of programming intervention. This left those individuals who needed more assistance and multiple interventions as a greater percentage of clients. While all types of Employment Services interventions rose over the year, Group Services increased at the fastest pace (+25.0%), which was related to an increase in the number of active claimants served in the province. Significant increases were also noted for both Individual Counselling (+23.8%) and EAS (+18.6%). At the same time, expenditures for Employment Services declined, falling 3.3% from \$22.4 million in 2007/08 to \$21.6 million. This decline was due in part to the standardization of administrative and wage costs in Nova Scotia's EAS agreements.

4. New Brunswick

Conditions in the New Brunswick labour market were consistent with those in the national labour market in 2008/09. Employment in the province rose in the first half of the year but weakened in the second half, resulting in a level of employment that was on par with that in 2007/08. There was modest growth in the services-producing

group of industries, led by two sectors: public administration, and health care and social assistance. However, much of the services growth was offset by a decrease of 1.6% in goods-producing employment, primarily due to a 6.0% decline in the province’s manufacturing sector. New Brunswick’s labour force expanded for the second year in a row, climbing 1.5% to a record high of 401,500. Combined with the lack of employment growth, this expansion resulted in higher unemployment, and New Brunswick’s unemployment rate rose from 7.8% last year to a three-year high of 8.8%.

In 2008/09, New Brunswick planned to make strategic investments in its citizens through innovative programs, services and partnerships. These investments were designed to help New Brunswickers secure and maintain full-time employment. They would also enable New Brunswick to develop the energetic and skilled labour force required to achieve the province’s goal of achieving self-sufficiency by 2026. At the same time, the province identified several labour market challenges, including a lack of literacy skills among many New Brunswickers, and the emergence of skills shortages across the province. New Brunswick planned to address these challenges by working with employers to enhance adult literacy, promoting continuous learning, assisting workers with job matching and collaborating with stakeholders to meet their training needs.

New Brunswick EBSM-Similar Programming	
Employment Benefits	
TWS	Workforce Expansion—Employer Wage Subsidy
SE	Workforce Expansion—Self-Employment Benefit
SD	Training and Skills Development Program
Support Measures	
ES	Employment Assistance Services
LMPs	Adjustment Services
R&I	Research and Innovation

In 2008/09, 17,130 clients participated in EBSM-similar interventions in New Brunswick. A six-year low, this was 2.3% lower than the number of clients served last year. The number of interventions delivered in the province fell to a four-year low of 36,102, which was 5.3% lower than the total delivered in 2007/08. At the

same time, total expenditures for EBSM-similar programming rose 2.5% to \$87.4 million, up from \$85.3 million in 2007/08. These changes can be attributed in part to changes in the mix of clients seeking assistance. Many clients faced multiple barriers to employment, and required lengthier and therefore more costly interventions to make a successful transition to the labour market.

4.1 Employment Benefits

The number of Employment Benefits interventions delivered in New Brunswick fell 4.9% to 10,084. The number of interventions was lower in all types of Employment Benefits with the exception of SD-Apprentices, which rose 6.6% year over year. This increase reflected accelerated construction activity during the year, most notably in Moncton and Saint John. Employment Benefits expenditures were 2.7% higher, rising from \$74.9 million last year to \$76.9 million. As noted above, many clients faced multiple employment barriers and therefore required lengthier, more costly interventions. For example, the average duration of an SD-Regular intervention in New Brunswick was 9.0% longer year over year.

4.2 Employment Services

Employment Services interventions also declined in 2008/09, falling 5.5% to a four-year low of 26,018. Individual Counselling fell 7.0%, while EAS interventions decreased 3.1%. Expenditures were virtually unchanged at \$10.4 million.

5. Quebec

The Quebec labour market was slightly weaker in 2008/09. Employment increased in the first half of the year but fell back, particularly in the last quarter, leaving employment almost unchanged year over year. There were, however, some shifts in the distribution of employment by industry. On the goods-producing side of the economy, there were employment gains in construction and in manufacturing. However, these gains were offset by losses in agricultural employment, leaving goods-producing employment relatively stable year over year. Similar changes occurred within Quebec’s services-producing industries, with gains in health care and social assistance and in public administration offset by losses in over half of the other sectors in the group, led by trade. While the overall level of employment was generally stable, the labour force expanded at a very modest rate. This combination resulted in higher unemployment, and Quebec’s unemployment rate rose from 7.0% last year to 7.6%.

Quebec Key Facts		
Transfer Agreement		
Labour Market		
		Change, 2007/08– 2008/09
15 Years +	2008/09	
Employment	3,868,500	2,700 ↓
Unemployment Rate	7.6%	0.6 ↑
Client Type and Age¹ Distribution		
Active	Former	Non-Insured
67.4%	12.7%	19.9%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
16.2%	73.9%	9.9%
Intervention-to-Client Ratio		
		Change, 2007/08–2008/09
Ratio, 2008/09		
1.15		0.01 ↑
Interventions and Expenditures % Change, 2007/08 – 2008/09		
	Employment Benefits	Employment Services
New Interventions	7.5% ↑	15.7% ↑
Expenditures	0.4% ↓	0.9% ↓
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2008/09	Percentage Point Change, 2007/08– 2008/09
Employment Benefits	22.6%	1.3 ↓
Employment Services	77.4%	1.3 ↑
Clients Served, 2008/09		
EI	Non-Insured	Pan-Canadian
150,920	37,408	2,137

¹ Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

Quebec structured its 2008/09 LMDA annual plan around two strategic priorities. These priorities were designed to resolve structural labour market issues, and to reduce unemployment, underemployment, poverty and social exclusion. The first priority was to facilitate increased participation in the Quebec labour force by supporting labour market information-sharing services, helping workers get sustainable new jobs quickly and assisting workers whose skills are in demand. The second priority was related to increasing productivity by helping employers adapt to demographic, commercial and technological change. To this end, Quebec planned to invest in developing the skills of its workforce, developing credentials recognition mechanisms and addressing other human resource management issues. Toward the end of the year, additional investments were made to prevent layoffs when possible, while continuing to support skills upgrading for employed workers during the economic slowdown.

In 2008/09, 188,328 clients participated in EBSM-similar programming in Quebec. A three-year high, this was an increase of 12.9% year over year. The number of interventions also climbed to a three-year high, rising 13.7% to 216,402. Total expenditures were relatively stable at \$489.8 million compared with \$492.4 million last year.

Quebec EBSM-Similar Programming	
Employment Benefits	
SD	Manpower Training Measure Job Readiness
TWS	Wage Subsidy
SE	Support for Self-Employment Measure
Support Measures	
ES	Labour Market Information Job Placement Job Research and Assistance Services
LMPs	Job Cooperation Services Manpower Training Measure for Enterprises
R&I	Research and Innovation Strategy
TES	Supplément de retour au travail

5.1 Employment Benefits

The number of Employment Benefits interventions delivered in Quebec rose to a five-year high of 48,953, an increase of 7.5% from 2007/08. Reflecting the high priority Quebec assigned to skills development, SD-Regular

Ontario Key Facts

Transfer Agreement

Labour Market

15 Years +	2008/09	Change, 2007/08– 2008/09
Employment	6,656,800	33,500 ↑
Unemployment Rate	7.1%	0.8 ↑

Client Type and Age¹ Distribution

Active	Former	Non-Insured
64.1%	12.1%	23.8%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
11.2%	78.2%	8.5%

Intervention-to-Client Ratio

Ratio, 2008/09	Change, 2007/08 – 2008/09
1.71	0.33 ↓

Interventions and Expenditures % Change, 2007/08 – 2008/09

	Employment Benefits	Employment Services
New Interventions	6.5% ↑	5.9% ↓
Expenditures	2.2% ↓	3.1% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2008/09	Percentage Point Change, 2007/08– 2008/09
Employment Benefits	14.9%	1.5 ↑
Employment Services	85.1%	1.5 ↓

Clients Served, 2008/09

EI	Non-Insured	Pan-Canadian
121,684	37,923	3,027

¹ Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

interventions rose 10.3% to 40,363. Interventions were lower in TWS (-4.1%) and in SE (-3.9%). Employment Benefits expenditures were slightly lower, dropping 0.4% to \$374.3 million from \$375.7 million in 2007/08.

5.2 Employment Services

The number of Employment Services interventions delivered in Quebec rose to a three-year high of 167,449, up 15.7% year over year. With the exception of the Supplément de retour au travail, which fell 9.7%, interventions were higher in all types of Employment Services. Individual Counselling climbed at the fastest pace (+19.8%), followed by EAS (+19.0%) and Group Services (+11.1%). Employment Services expenditures totalled \$115.5 million, down 0.9% from \$116.6 million last year.

6. Ontario

Labour market conditions in Ontario were weaker in 2008/09, particularly in the second half of the year. Employment started on a positive note but declined considerably in the second half of the year. The net result was an extremely small employment gain (+0.5%) year over year. However, annual comparisons do not fully reflect the sharp downturn that began in the second half of the fiscal year. The deepening U.S. recession had a significant impact on Ontario's automotive and forestry sectors, as manufacturing employment continued to contract, falling 6.3% to a 14-year low of 879,300. At the same time, the construction sector expanded nearly 5.0%, which offset some of the manufacturing losses. Even so, employment in the goods-producing group of industries fell 2.5% year over year. There were notable gains in three services-producing sectors—transportation and warehousing, health care and social assistance, and public administration—that helped push services-producing employment 1.4% higher over the year. However, labour force growth outpaced this small employment gain, and unemployment climbed to a 16-year high of 674,900 in March 2009. As a result, Ontario's unemployment rate climbed from 6.3% in 2007/08 to an 11-year high of 7.1%.

According to Ontario's 2008/09 LMDA Annual Plan, Ontario planned to provide employment programs and services that would enable its clients to succeed in the labour market and that also supported competitiveness, innovation and the development of a highly skilled workforce. As well, the province planned to fund counselling and training, to continue to expand apprenticeship opportunities, and to encourage employers to support

workforce training. Building on the establishment of its four regional offices, Employment Ontario planned to develop effective local planning processes to ensure that EBSMs respond to distinct local needs. Ontario also prioritized addressing the needs of those who are underrepresented or face particular barriers to participating fully in the labour market, including Aboriginal people and recent immigrants.

Planning for 2008/09 could not anticipate the effect of the economic downturn on the U.S.—Canada’s largest trading partner—and the subsequent impacts on the Ontario labour market. As the year progressed, significant changes in the economic climate resulted in unforeseen stresses on Ontario’s employment and training system. The economic downturn increased the urgency of providing rapid adjustment services to individuals affected by layoffs and closures in manufacturing, forestry and other distressed sectors. This led to the launch of the Joint Rapid Response Action Plan (JRRAP), a partnership between Ontario and HRSDC/Service Canada. This initiative focused on providing information and services to laid-off workers at action centres that the province established in conjunction with employer and employee representatives.

The economic downturn generated greater client interest in skill training. In 2008/09, 159,607 clients participated in EBSM-similar programming in Ontario, an increase of 14.1% year over year. The number of interventions delivered in Ontario fell 4.2% to 272,585. At \$521.5 million, expenditures were almost unchanged from last year’s expenditures of \$521.8 million.

Ontario EBSM-Similar Programming	
Employment Benefits	
TWS	Ontario Targeted Wage Subsidy
SE	Ontario Self-Employment Benefit
JCPs	Ontario Job Creation Partnerships
SD	Ontario Skills Development
Support Measures	
ES	Ontario Employment Assistance Services
LMPs	Ontario Labour Market Partnerships
R&I	Research and Innovation

6.1 Employment Benefits

The number of Employment Benefits interventions delivered in Ontario rose 6.5% to 40,557. Reflecting the province’s intention to expand skill training and apprenticeship opportunities, SD-Regular interventions were 17.6% higher, while SD-Apprentices interventions rose 8.1%. Interventions declined in the remaining types of Employment Benefits, with TWS falling at the fastest pace (-23.7%), followed by SE (-14.2%). The number of JCPs was also lower (-1.6%) and has dropped 60.7% over the past five years. Despite the significant increase in Employment Benefits interventions, expenditures fell 2.2% to \$300.3 million, down from \$307.2 million last year.

6.2 Employment Services

Employment Services interventions fell 5.9% in 2008/09, dropping to 232,028. All of this decrease was confined to EAS, which declined 43.1% to 46,406. Group Services interventions jumped 69.2% to 2,849. This increase may be attributed to the increased emphasis on the JRRAP as the year progressed, since group information sessions were a key component of that initiative. The number of Individual Counselling interventions was also higher, rising 11.9% year over year. Expenditures for Employment Services rose 3.1% to \$221.2 million, up from \$214.6 million in 2007/08.

7. Manitoba

Due in large part to its diversified economy, Manitoba was relatively shielded from the early impacts of the economic downturn, and its labour market remained strong throughout most of 2008/09. The labour force expanded for the third consecutive year, climbing to a record high of 635,000. Employment rose sharply at the beginning of the year and remained relatively stable before falling slightly at year-end. The net result was a year-over-year increase of 1.4%, most of which was in full-time employment. Three-quarters of the gains occurred in Manitoba’s services-producing industries, led by two sectors—health care and social assistance, and other services. On the goods-producing side of the labour market, construction rose more than 12.0%. Since the province’s labour force expansion was slightly higher than its employment gain, the province’s unemployment rate edged up from 4.3% in 2007/08 to 4.4%. The unemployment rate rose slowly during the last half of the year as the economic downturn finally began to weaken Manitoba’s economy.

Manitoba Key Facts

Transfer Agreement

Labour Market

15 Years +	2008/09	Change, 2007/08– 2008/09
Employment	607,400	8,300 ↑
Unemployment Rate	4.4%	0.1 ↑

Client Type and Age¹ Distribution

Active	Former	Non-Insured
49.8%	11.0%	39.2%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
21.9%	69.6%	7.4%

Intervention-to-Client Ratio

Ratio, 2008/09	Change, 2007/08 – 2008/09
1.42	0.03 ↑

Interventions and Expenditures % Change, 2007/08 – 2008/09

	Employment Benefits	Employment Services
New Interventions	9.2% ↑	10.6% ↑
Expenditures	2.8% ↑	3.1% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2008/09	Percentage Point Change, 2007/08– 2008/09
Employment Benefits	18.0%	0.2 ↓
Employment Services	82.0%	0.2 ↑

Clients Served, 2008/09

EI	Non-Insured	Pan-Canadian
17,300	11,180	2,896

¹ Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

Manitoba's strategic priorities for 2008/09 were structured to address ongoing challenges associated with low unemployment, increasing skills and labour shortages, an aging workforce, and a shrinking labour pool. Manitoba planned to optimize the participation of the existing labour supply and to assist Manitobans who faced barriers to entering and remaining in the labour market. This group included Aboriginal people, underemployed workers and income assistance recipients. Manitoba also continued to focus on assisting immigrants to successfully integrate into the labour market. To enable Manitobans to meet employers' requirements for skilled workers, the province planned to collaborate with its network of partners from industry, labour, other groups and associations, and the community, as well as third-party service providers, to promote and support skills development. Manitoba planned to enhance and expand the apprenticeship system to meet the demands of its changing labour market. With its partners, Manitoba planned to disseminate labour market information for effective program planning and implementation. Provincial programs already in place would continue to support employment and training opportunities for eligible individuals in need of assistance.

In 2008/09, 28,480 clients participated in EBSM-similar programming in Manitoba. A four-year high, this was an increase of 7.8% year over year. While Manitoba's diversified economy helped to shield the province from the full effects of the economic downturn, certain regions and industries were particularly affected. As a result, demand for programming increased in some areas of the province. The number of interventions delivered in Manitoba rose to a five-year high of 40,398, an increase of 10.3% from 2007/08. Expenditures rose at a slower pace of 2.8%, climbing from \$40.4 million last year to \$41.6 million.

Manitoba EBSM-Similar Programming

Employment Benefits

TWS	Wage Subsidies
SE	Self-Employment
JCPs	Employment Partnerships
SD	Skills Development

Support Measures

ES	Employment Assistance Services
LMPs	Labour Market Partnerships
R&I	Research and Innovation

Saskatchewan Key Facts¹

Transfer Agreement

Labour Market

	2008/09	Change, 2007/08– 2008/09
15 Years +		
Employment	516,200	13,200 ↑
Unemployment Rate	4.3%	0.1 ↑

Client Type and Age² Distribution

Active	Former	Non-Insured
58.8%	38.9%	2.3%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
9.2%	41.2%	3.4%

Intervention-to-Client Ratio

Ratio, 2008/09	Change, 2007/08–2008/09
1.18	0.10 ↓

Interventions and Expenditures % Change, 2007/08–2008/09

	Employment Benefits	Employment Services
New Interventions	29.8% ↑	55.1% ↑
Expenditures	4.6% ↑	27.1% ↓

Employment Benefits and Services Change in Relative Share

	Relative Share, 2008/09	Percentage Point Change, 2007/08– 2008/09
Employment Benefits	46.9%	4.5 ↓
Employment Services	53.1%	4.5 ↑

Clients Served, 2008/09

EI	Non-Insured	Pan-Canadian
14,497	351	1,707

¹ Due to data collection systems issues, interventions data for TWS, SE and EAS were incomplete for 2008/09. Complete client data by age, client type, gender and designated group for these interventions were therefore unavailable. Intervention and client data for TWS, SE and EAS are estimates based on the Province of Saskatchewan's management information system.

² Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

7.1 Employment Benefits

Employment Benefits interventions were 9.2% higher year over year, with increases in four of five interventions. Reflecting the province's plan to expand apprenticeship opportunities, SD-Apprentices rose at the highest rate (+14.3%), climbing to 3,270. TWS and SD-Regular were also higher, with increases of 11.4% and 6.2%, respectively. JCPs were modestly higher (+0.9%), while SE had the lone decrease, falling 2.9%. Expenditures increased at a slower pace of 2.8%, rising from \$31.9 million in 2007/08 to \$32.8 million in 2008/09.

7.2 Employment Services

The number of Employment Services interventions was also higher year over year, increasing 10.6% to a four-year high of 33,114. Individual Counselling rose 13.3% to 20,186, while EAS interventions climbed 6.5% to a six-year high of 12,928. Expenditures rose from \$8.5 million last year to \$8.8 million, an increase of 3.1%.

8. Saskatchewan

Conditions in the Saskatchewan labour market continued to strengthen in 2008/09. Employment rose steadily throughout the year, for an annual average gain of 2.6%, which was evenly split between the goods- and the services-producing sides of the economy. The construction sector posted the largest actual gain (+4,300). With this growth, the sector has expanded more than 50.0% over the past five years. In services, the finance, insurance, real estate and leasing sector increased at the highest rate (+7.8%), while health care and social assistance had the largest actual gain (+3,100). The strength of Saskatchewan's economy attracted higher levels of interprovincial and international migration. As a result, the labour force continued to grow, expanding 2.7% year over year. Since the labour force expansion was slightly higher than the employment gain, the provincial unemployment rate edged up from 4.2% last year to 4.3%. Signs of weakness began to emerge toward the end of 2008/09, with rising unemployment in some sectors.

Saskatchewan's growing economy has created significant demand for skilled and trained workers. The province's LMDA Annual Plan for 2008/09 predicted that approximately 79,000 job opportunities will be created over the next five years.¹⁹ Moreover, most of these new jobs will require at least high school completion or on-the-job

¹⁹ Government of Saskatchewan, *Canada-Saskatchewan Labour Market Development Agreement Annual Plan 2008–2009* (Regina: Government of Saskatchewan, 2009).

training. At the same time, demographic pressures, including an aging labour force and a declining birth rate, will constrain future labour supply.

To respond to these challenges, Saskatchewan planned to continue its concerted efforts to increase the labour force participation of its growing young First Nations and Métis populations, as well as members of other underrepresented groups. The province also planned to increase skills training opportunities, to increase individualized employment service interventions for clients with multiple employment barriers and to improve the overall effectiveness of its employment services.

In 2008/09, a total of 14,848 clients accessed EBSM-similar interventions in Saskatchewan. This was an increase of 53.6% year over year. These clients participated in 17,517 interventions, an increase of 42.1%. Total expenditures were relatively stable at \$34.6 million. In Saskatchewan's strong economy, many clients only needed short-term interventions to re-enter the labour force quickly. These interventions were relatively inexpensive, resulting in lower expenditures year over year.

Saskatchewan EBSM-Similar Programming	
Employment Benefits	
TWS	Work Placement Community Works Bridging Job Start/Future Skills
SE	Self-Employment Program
JCPs	Employment Programs
SD	Skills Training Benefit Provincial Training Allowance
Support Measures	
ES	Bridging to Employment Career and Employment Services Development
LMPs	Sector Partnerships Regional Planning Partnerships

8.1 Employment Benefits

The number of Employment Benefits interventions delivered in Saskatchewan rose 29.8% to 8,224 in 2008/09. Because Saskatchewan's strong economy has led to unprecedented demand for apprentices, SD-Apprentices rose 25.7% year over year. SD-Apprentices also continued

to account for the majority of Saskatchewan's Employment Benefits interventions, representing 67.1% of this year's total. At the same time, however, SD-Regular interventions fell 7.1% to a five-year low of 1,618. This decline was also related to the province's stronger labour market conditions, since clients are more likely to re-enter a strong labour market for wages rather than access long-term skill training opportunities. Expenditures for Employment Benefits rose 4.6% to \$30.5 million, up from \$29.2 million in 2007/08.

8.2 Employment Services

A total of 9,293 Employment Services interventions were delivered in Saskatchewan in 2008/09, an increase of 55.1% year over year. Individual Counselling rose 4.8% to 5,454, a reflection of the province's plan to increase individualized interventions for its clients facing multiple employment barriers. While EAS interventions were significantly higher, total expenditures for Employment Services fell 27.1%, from \$5.6 million last year to \$4.1 million.

9. Alberta

The Alberta labour market experienced mixed results in 2008/09. Though employment increased in the middle of the year, losses accelerated sharply during the last quarter as the economic downturn took hold. This reduced much of the impact of earlier growth and left the annual average employment gain at 1.9%. The province's services-producing industries generated more than half of this increase, led by two sectors—trade, and professional, scientific and technical services. The goods-producing side of the labour market expanded at a faster rate, climbing 2.8% on the strength of solid gains in agriculture, construction and manufacturing. Alberta's labour force also expanded, rising 2.6% to 2,100,300. Since this growth outpaced the province's employment gain, unemployment increased. As a result, Alberta's unemployment rate rose from 3.5% last year to a four-year high of 4.1%.

In its 2008/09 Plan for Programs and Services, Alberta identified numerous labour market challenges, including skill and labour shortages, and out-migration.²⁰ If unresolved, these issues threatened to constrain the province's economic growth and prosperity. To address rising labour shortages, Alberta planned to develop new strategies to encourage the full labour force participation of mature workers and underrepresented groups. This included working to increase the participation of the province's

²⁰ Government of Alberta, *2008/2009 Plan for Programs and Services Under the Canada-Alberta Labour Market Development Agreement (LMDA)* (Edmonton: Government of Alberta, 2009).

Alberta Key Facts¹

Transfer Agreement

Labour Market

	2008/09	Change, 2007/08– 2008/09
15 Years +		
Employment	2,013,900	38,500 ↑
Unemployment Rate	4.1%	0.6 ↑

Client Type and Age² Distribution

Active	Former	Non-Insured
35.2%	12.3%	52.5%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
25.0%	66.1%	6.5%

Intervention-to-Client Ratio

Ratio, 2008/09	Change, 2007/08–2008/09
2.05	0.33 ↑

Interventions and Expenditures % Change, 2007/08–2008/09

	Employment Benefits	Employment Services
New Interventions	18.1% ↑	39.8% ↑
Expenditures	8.3% ↓	10.1% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2008/09	Percentage Point Change, 2007/08– 2008/09
Employment Benefits	11.4%	1.8 ↓
Employment Services	88.6%	1.8 ↑

Clients Served, 2008/09

EI	Non-Insured	Pan-Canadian
62,630	69,072	2,006

¹ The Province of Alberta continues to implement a new integrated management information system in phases. Therefore, portions of 2008/09 LMDA data for Alberta were unavailable. Interventions data are estimates based on Alberta's 2008/09 Plan for Programs and Services, as well as the audited financial statement for that period. Since similar challenges occurred in 2007/08, a year-over-year comparison of client data is not possible. The Province has confirmed that the client and intervention data reported herein are complete and correct, based on audited financial expenditures for programs and services.

² Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

First Nations, Métis and Inuit populations. To address the province's rising skills shortages, Alberta would continue to help clients take occupational skills training with an emphasis on high-demand occupations, and to strongly support apprenticeship training.

In 2008/09, 131,702 clients participated in EBSM-similar programming in Alberta, an increase of 15.0% year over year. The number of interventions the province delivered rose 36.9% to 269,564. Total expenditures were relatively stable at \$104.3 million compared with \$105.2 million last year.

9.1 Employment Benefits

The number of Employment Benefits interventions delivered in 2008/09 rose 18.1% to 30,748. There were increases in four of the five types of Employment Benefits interventions. SD-Regular rose at the highest rate (+78.4%), followed by SD-Apprentices (+10.1%), which reflected the high priority Alberta placed on apprenticeship training as a means of addressing skill shortages. JCPs (+5.7%) and TWS (+1.6%) were also higher year over year. SE recorded the lone decline, falling 7.3% to 370 interventions. Despite the increased interventions, Employment Benefits expenditures fell 8.3%, from \$62.5 million last year to \$57.3 million.

9.2 Employment Services

Alberta's EAS interventions—the only type of Employment Services intervention delivered in the province—rose for the fourth consecutive year, climbing 39.8% to a record high of 238,816 in 2008/09. Expenditures were also higher, rising from \$42.7 million in 2007/08 to \$47.0 million, an increase of 10.1%. As the recession took hold in the latter part of the year, demand for career and information services rose sharply.

10. British Columbia

The British Columbia labour market was slightly stronger in 2008/09. The labour force continued to expand, rising 2.0% to a record high of 2,428,600. Employment rose nearly 1.0%, with most of the gains occurring in the first half of the year. In the second half, the province began to feel the impact of the economic downturn, as employment declined and unemployment began to increase. Despite strong construction growth, employment in the province's goods-producing industries fell 2.5%, primarily driven by a 9.5% (-19,100) decline in manufacturing. These losses were offset by gains in most of British Columbia's

British Columbia Key Facts

Transfer Agreement¹

Labour Market

	2008/09	Change, 2007/08– 2008/09
15 Years +		
Employment	2,299,900	19,000 ↑
Unemployment Rate	5.3%	1.1 ↑

Client Type and Age² Distribution

Active	Former	Non-Insured
45.4%	11.1%	43.5%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
19.7%	68.7%	9.3%

Intervention-to-Client Ratio

Ratio, 2008/09	Change, 2007/08 – 2008/09
1.55	0.07 ↑

Interventions and Expenditures % Change, 2007/08 – 2008/09

	Employment Benefits	Employment Services
New Interventions	20.8% ↑	23.7% ↑
Expenditures	2.2% ↓	1.9% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2008/09	Percentage Point Change, 2007/08– 2008/09
Employment Benefits	17.6%	0.4 ↓
Employment Services	82.4%	0.4 ↑

Clients Served, 2008/09

EI	Non-Insured	Pan-Canadian
54,288	41,736	3,801

¹ With the signing of the Canada–British Columbia LMDA, the Province assumed full responsibility for designing and delivering active employment measures, effective February 2, 2009.

² Age distribution does not equal 100%, as the “unknown” category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

services-producing industries, led by other services, and health care and social assistance. However, because the labour force expansion outpaced this employment growth, unemployment increased. As a result, British Columbia’s unemployment rate climbed to a three-year high of 5.3%.

British Columbia identified several labour market issues in 2008/09, including the emergence of skills shortages in trades and other construction occupations, as well as the need to reconnect with the demand side of the labour market. To this end, the province identified several key priorities. These included investing in skills training to respond to labour market requirements and supporting the full labour force participation of underrepresented groups. As well, the province planned to assist employers to attract and retain workers, and to facilitate human resource planning processes to address a range of labour market issues. British Columbia also planned to help communities, businesses and individuals affected by resource-based industry issues, including mill closures, industry restructuring and economic volatility.

In British Columbia, 2008/09 was a transition year for the delivery of EBSMs. With the signing of the Canada–British Columbia LMDA, the province assumed full responsibility for designing and delivering active employment measures, effective February 2, 2009. Therefore, EBSM activity in 2008/09 reflects EBSM delivery by both HRSDC/Service Canada and the Province of British Columbia.

A total of 96,024 clients accessed EBSMs in the province in 2008/09, an increase of 17.3% year over year. These clients participated in a four-year high of 148,515 interventions, up 23.1% from 2007/08. However, expenditures were relatively stable at \$275.0 million compared with \$276.5 million last year.

10.1 Employment Benefits

In 2008/09, 26,184 Employment Benefits interventions were delivered in British Columbia. A nine-year high, this was an increase of 20.8% year over year and reflected rising demand, greater awareness of programming and increased responsiveness to unique client needs. The number of interventions rose in each type of Employment Benefit. SE rose at the highest rate (+39.6% or +737), while the largest actual increase occurred in SD-Apprentices (+2,064 or 18.5%). The number of interventions in SD-Apprentices has jumped 101.9% over the past five years.

Northwest Territories Key Facts

Transfer Agreement

Labour Market

15 Years +	2008/09	Change, 2007/08– 2008/09
Employment	21,900	300 ↓
Unemployment Rate	5.4%	0.8 ↓

Client Type and Age¹ Distribution

Active	Former	Non-Insured
50.5%	12.9%	36.6%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
27.2%	66.7%	6.1%

Intervention-to-Client Ratio

Ratio, 2008/09	Change, 2007/08–2008/09
1.46	0.03 ↓

Interventions and Expenditures % Change, 2007/08–2008/09

	Employment Benefits	Employment Services
New Interventions	3.5% ↓	46.6% ↑
Expenditures	19.6% ↑	51.1% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2008/09	Percentage Point Change, 2007/08– 2008/09
Employment Benefits	34.2%	9.9 ↓
Employment Services	65.8%	9.9 ↑

Clients Served, 2008/09

EI	Non-Insured	Pan-Canadian
485	280	261

¹ Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in Group Services and SD-Apprentices.

While total interventions increased, expenditures for Employment Benefits declined, falling 2.2% from \$165.3 million in 2007/08 to \$161.7 million.

10.2 Employment Services

Despite a large decline in Group Services (-58.6%), Employment Services interventions rose 23.7% to a four-year high of 122,331. Individual Counselling rose 31.0% to 62,468. Interventions of this type have increased 79.8% over the past five years. The number of EAS interventions was also higher, rising 17.0% to 59,822. These increases likely reflected the characteristics of many of the workers who were most affected by the economic downturn that took hold in the second half of the fiscal year. Many clients were long-tenured workers with few transferable skills and low education levels, who required multiple interventions to return to employment. Employment Services expenditures totalled \$113.3 million, up 1.9% from \$111.2 million last year.

11. Northwest Territories

Labour market conditions in the Northwest Territories weakened in 2008/09.²¹ The labour force contracted (-2.3%) for the second consecutive year. Employment was also lower, falling 1.6% to a five-year low. However, because the labour force declined at a faster pace, unemployment decreased. As a result, the Territories' unemployment rate fell from 6.2% last year to 5.4%.

The Northwest Territories identified several labour market challenges in its 2008/09 LMDA Plan. One of the most significant employment barriers its citizens faced was low levels of education. At the same time, the business community experienced significant challenges in hiring qualified workers. Critical skill shortages continued in industry sectors such as health, financial services, and mining, oil and gas. Providing training assistance to women seeking access to non-traditional employment was a high priority. As well, supporting training, including apprenticeships, was seen as a key element in the Territories' ability to capitalize on its growing mining sector. A continued focus on underrepresented segments of the population, including the Aboriginal community, was also planned.

A total of 765 clients accessed EBSM-similar programming in the Northwest Territories in 2008/09, an increase of 27.1% year over year. The number of

²¹ "Since 2001, the Labour Force Survey (LFS) has been administered in the Northwest Territories, using an alternative methodology that accommodates some of the operational difficulties inherent to remote locales. These estimates are not included in national totals." Statistics Canada, *Labour Force Information* (Ottawa: Statistics Canada, April 2008), p. 51, Cat. No. 71-001-X200803. Note: Fiscal-year annual average data were calculated using four points of three-month moving average data (June, September, December and March).

Yukon Key Facts

Co-Managed Agreement

Labour Market

15 Years +	2008/09	Change, 2007/08– 2008/09
Employment	17,000	300 ↑
Unemployment Rate	5.6%	0.5 ↑

Client Type and Age¹ Distribution

Active	Former	Non-Insured
42.9%	12.2%	44.9%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
22.6%	60.3%	9.8%

Intervention-to-Client Ratio

Ratio, 2008/09	Change, 2007/08 – 2008/09
1.12	0.4 ↓

Interventions and Expenditures % Change, 2007/08 – 2008/09

	Employment Benefits	Employment Services
New Interventions	4.1% ↓	49.4% ↑
Expenditures	11.2% ↑	8.6% ↓

Employment Benefits and Services Change in Relative Share

	Relative Share, 2008/09	Percentage Point Change, 2007/08– 2008/09
Employment Benefits	28.8%	9.9 ↓
Employment Services	71.2%	9.9 ↑

Clients Served, 2008/09

EI	Non-Insured	Pan-Canadian
365	297	209

¹ Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in Group Services and SD-Apprentices.

interventions delivered during the year was also higher, climbing 24.5% to 1,118. Both of these trends may be attributed to the impact of the economic downturn on the economy of the Northwest Territories. Information sessions delivered to laid-off workers raised awareness of EBSM-similar programming, and generated increased demand, particularly for Employment Services. Total expenditures rose 29.3% to \$2.8 million.

11.1 Employment Benefits

The number of Employment Benefits interventions delivered in the Northwest Territories declined in 2008/09, falling 3.5% from 396 to 382. TWS declined (-33 or -44.6%), partly due to a decrease in the number of employers who were willing or able to offer employment opportunities in a weaker labour market. The number of SD-Regular interventions was also lower. At the same time, SD-Apprentices rose 12.6% (+17), while SE was 62.5% higher (+10). Expenditures for Employment Benefits rose 19.6% to \$1.8 million, up from \$1.5 million in 2007/08.

11.2 Employment Services

In the third year of delivery, Individual Counselling interventions—the only type of Employment Services interventions offered in the Northwest Territories—continued to expand. In 2008/09, 736 interventions were delivered, an increase of 46.6% from the 502 delivered in 2007/08. Expenditures rose at a similar pace, rising 51.1% to \$1.0 million. In addition to the greater demand for Employment Services noted above, the Northwest Territories increased its capacity to deliver services and improved its data collection capacity during the year.

12. Yukon

The Yukon labour market experienced mixed results in 2008/09.²² The labour force expanded by 2.1%, rising to a four-year high of 17,900. With an increase of 2.0%, employment also climbed to a four-year high. All of this growth occurred in the first half of the year, compensating for declines in the second half. However, because the labour force expansion outpaced the net employment gain, unemployment was higher. As a result, Yukon's unemployment rate edged up from 5.1% last year to 5.6%.

²² "Since 1992, the Labour Force Survey (LFS) has been conducted in the Yukon Territory, using an alternative methodology that accommodates some of the operational difficulties inherent to remote locales. These estimates are not included in the national totals." Statistics Canada, *Labour Force Information* (Ottawa: Statistics Canada, April 2008), p. 51, Cat. No. 71-001-X200803. Note: Fiscal-year annual average data were calculated using four points of three-month moving average data (June, September, December and March).

The Yukon labour market has changed significantly over the past few years, and is characterized by both skills and labour shortages. A strengthening economy has generated new employment opportunities in sectors ranging from mining exploration to retail trade. At the same time, however, the labour force has aged and there are fewer young people available to fill vacancies. To meet these challenges, Yukon identified several priorities for 2008/09. These included support for skill training, including apprenticeships, as well as support for underrepresented groups, including Aboriginal people, immigrants, persons with disabilities, women and youth. Yukon also planned to offer support to individuals facing multiple barriers to employment who are not able to secure or retain employment, even in a stronger economy. To that end, Yukon placed a high priority on encouraging employers to hire individuals who lack work experience and skills. Yukon also planned to explore different approaches to human resource planning issues.

A total of 662 clients accessed EBSM programming in Yukon in 2008/09. A five-year high, this represented an increase of 29.3% (+150) from 2007/08. The number of interventions delivered rose to a four-year high, climbing 28.7% to 739, compared to last year's total of 574. Total expenditures were also higher, rising 3.9% from \$3.5 million in 2007/08 to \$3.6 million.

12.1 Employment Benefits

Employment Benefits interventions fell 4.1% year over year, dropping to a record low of 213. Interventions declined in TWS (-33.3%) and in SD-Apprentices (-12.6%), but were higher in SE and SD-Regular. Expenditures for Employment Benefits increased year over year, rising 11.2% from \$2.2 million in 2007/08 to \$2.5 million.

12.2 Employment Services

Employment Services interventions rose to a four-year high, climbing 49.4% to 526. While Individual Counselling fell from 127 to 104, a decrease of 18.1%, EAS interventions jumped 87.6% to 422. Expenditures fell 8.6%, dropping from \$1.3 million last year to \$1.2 million.

13. Nunavut

The Nunavut labour market weakened in 2008/09.²³ Following three years of expansion, the labour force contracted. Employment also declined, falling to a four-year low. Moreover, since this decline was larger than the labour force contraction, unemployment increased. Consequently, Nunavut's unemployment rate rose from 8.7% last year to a three-year high of 10.4%.

In 2008/09, Nunavut continued to focus on preparing its labour force to meet the needs of a changing economy. As Nunavut makes the transition from a traditional to an industrial economy, and as the population continues to grow, young workers require support to develop the knowledge, skills and job readiness required to meet new labour market demands. Education and training remained high priorities in order to address skills shortages. Nunavut planned to provide literacy, upgrading and skill training, with an emphasis on trades, trades-related and preparatory programs.

A total of 507 clients accessed EBSM-similar programming in Nunavut in 2008/09. A three-year low, this was 15.8% fewer than the number of clients served in 2007/08. These clients participated in 549 interventions, a decrease of 17.7% year over year. High staff turnover at the Department of Education (GN Education) and limited training infrastructure had an adverse impact on client service delivery. An unexpected downturn in the development

Nunavut EBSM-Similar Programming	
Employment Benefits	
TWS	Training on the Job
SE	Self-Employment Option
JCPs	Job Creation Partnerships
SD	Building Essential Skills
Support Measures	
ES	Employment Assistance Services
LMPs	Labour Market Partnerships
R&I	Research and Innovation

²³ "Since 2004, the Labour Force Survey (LFS) 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. The 10 largest communities are Iqaluit, Cambridge Bay, Baker Lake, Arviat, Rankin Inlet, Kugluktuk, Pond Inlet, Cape Dorset, Pangnirtung, Igloolik." Statistics Canada, *Labour Force Information* (Ottawa: Statistics Canada, April 2008), p. 51, Cat. No. 71-001-X200803. Note: Fiscal-year annual average data were calculated using four points of three-month moving average data (June, September, December and March).

Nunavut Key Facts

Transfer Agreement

Labour Market

15 Years +	2008/09	Change, 2007/08– 2008/09
Employment	8,400	800 ↓
Unemployment Rate	10.4%	1.7 ↑

Client Type and Age¹ Distribution

Active	Former	Non-Insured
26.8%	18.7%	54.5%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
33.2%	64.2%	1.8%

Intervention-to-Client Ratio

Ratio, 2008/09	Change, 2007/08 – 2008/09
1.08	0.03 ↓

Interventions and Expenditures % Change, 2007/08 – 2008/09

	Employment Benefits	Employment Services
New Interventions	21.9% ↓	16.2% ↓
Expenditures	23.7% ↓	4.7% ↑

Employment Benefits and Services Change in Relative Share

	Relative Share, 2008/09	Percentage Point Change, 2007/08– 2008/09
Employment Benefits	25.3%	1.4 ↓
Employment Services	74.7%	1.4 ↑

Clients Served, 2008/09

EI	Non-Insured	Pan-Canadian
231	276	164

¹ Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in Group Services and SD-Apprentices.

of mining operations in two regions reduced opportunities for employment and training. Total expenditures fell 22.1% to \$2.0 million.

13.1 Employment Benefits

The number of Employment Benefits interventions delivered in Nunavut decreased in 2008/09, falling 21.9% to an eight-year low of 139. Declines occurred in most types of Employment Benefits interventions, with the largest actual decrease in SD-Regular (-43). The lone exception was SD-Apprentices, with an increase of 61.3% (+19). As noted, there is a lack of training infrastructure in Nunavut. However, capacity will be increased with the construction of trades training facilities at Nunavut Arctic College. Employment Benefits expenditures totalled \$1.8 million, a decrease of 23.7% from 2007/08.

13.2 Employment Services

After climbing to a record high of 489 last year, EAS interventions—the only type of Employment Services interventions delivered in Nunavut—fell back 16.2% to 410. As noted, part of this decline was due to staff turnover. A comprehensive staff training strategy has been implemented and GN Education sought other partners to assist with the delivery of EAS interventions. Employment Services expenditures rose 4.7% to \$156,000.

III. The National Employment Service and Pan-Canadian Activities

As noted in the introduction to this chapter, HRSDC maintains a significant role in the delivery of EBSMs. In addition to transferring LMDA funding to most provinces and territories, HRSDC focuses on accountability, evaluation and ongoing policy development. These activities are guided by national policy priorities designed to achieve the strategic outcome of “enhanced Canadian productivity and participation through efficient and inclusive labour markets, competitive workplaces and access to learning”.²⁴ HRSDC also helps to achieve this outcome by maintaining certain functions of the National Employment Service (NES) and delivering pan-Canadian programming.

²⁴ HRSDC, 2008 – 2009 Estimates: A Report on Plans and Priorities (Ottawa: HRSDC, March 2008), p. 15.

In 2008/09, HRSDC realized several key accomplishments relative to EBSMs, pan-Canadian activities and the NES, in support of the strategic outcome described above.

- HRSDC contributed significantly to the development of a new labour market architecture by:
 - transferring the design and delivery of programs and services under the LMDA to the Province of British Columbia on February 2, 2009;
 - signing transfer agreements with the remaining co-managed provinces—Nova Scotia, Prince Edward Island, and Newfoundland and Labrador—for implementation in 2009/10;
 - assessing, developing and implementing options for a post-2009/10 Aboriginal labour market strategy; and
 - concluding four new bilateral Labour Market Agreements with provinces to extend employment and skills training to those who are not eligible for EI-funded training.
- In the midst of a global economic downturn, HRSDC ensured that the EI program continued to respond to the needs of unemployed Canadians by:
 - helping to develop a program mix and investment strategy in co-managed jurisdictions that best supported both regional and local labour market demands and worker mobility;
 - supporting sectoral initiatives and developing new approaches to improving workplace partnerships;
 - investing an additional \$1 billion over two years through the Economic Action Plan (EAP) to expand the availability of employment programming delivered through LMDAs, to begin April 1, 2009;²⁵ and
 - developing the Career Transition Assistance (CTA) initiative to help long-tenured workers renew or upgrade their skills while receiving regular EI benefits, for implementation early in 2009/10.
- With the Province of Alberta, HRSDC co-hosted a national workshop in June 2008 to give provincial and territorial labour market officials an opportunity to share LMDA best practices and challenges, and to highlight federal experiences regarding pan-Canadian programming.

- HRSDC re-launched the National Occupational Classification (NOC) and Career Handbook web site. The site is now fully accessible and offers several new functions, including advanced search features and information on various web service offerings. The site, which approximately 200,000 users visit every month, is located at <http://www5.hrsdc.gc.ca/NOC/English/NOC/2006/Welcome.aspx>.

HRSDC achieved many of these outcomes by maintaining certain NES functions and delivering pan-Canadian programming.

1. National Employment Service

HRSDC/Service Canada administers two NES services—Job Bank and Labour Market Information (LMI)—that are key tools in assisting Canadians to find suitable employment, particularly during periods of economic downturn. These services connect job seekers and employers, and help individuals complete their return-to-work action plans. Job Bank and LMI are available to everyone online. Since clients access them on a self-serve basis, with no registration required, data on usage and results for these services are challenging to collect and to attribute to specific interventions.

1.1 Job Bank

In partnership with the provinces and territories, HRSDC maintains Job Bank. This electronic labour exchange is an integral part of the NES, fostering efficient and inclusive labour markets by connecting employers and job seekers. Skills supply and demand are matched according to the NOC Code, which standardizes all work descriptions in Canada. Job Bank also provides specialized tools to help job seekers and employers connect. These tools include the Résumé Builder, Job Match, Job Alert and Career Navigator. In addition, the site features a Training and Careers section that provides users with information on acquiring the skills needed to manage their career. Job Bank is fully bilingual and is free of charge.

In 2008/09, more than 70 million Job Bank user sessions took place and 1.1 million job orders were advertised on the site. More than 85,000 job alerts were sent each day to notify job seekers of potential job opportunities for a total of over 20 million per year. At the end of the year,

²⁵ For additional information about the 2009/10 EAP allocation, see the introduction to Section II and Annex 3.1.

Job Bank had more than 165,000 active employer accounts and 869,000 job seeker accounts. Job Bank is located at <http://www.jobbank.gc.ca>.

1.2 Labour Market Information

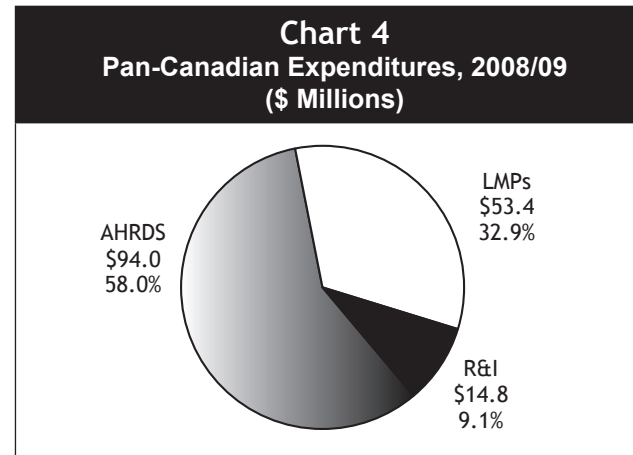
The LMI service provides local, regional and national information on topics such as job prospects, labour market conditions and projections, education and training opportunities, and human resource needs. Canadians ranging from job seekers to policy makers use this information to make decisions that lead to a better match between worker skills and employer needs, helping the labour market to function more efficiently.

A Regional LMI Network of analysts and economists continually monitors and analyzes socio-economic data and events to identify labour market trends. LMI staff members also work with partners—including employers, educational institutions and other levels of government—to ensure that clients have access to high-quality LMI. National guidelines are used to create LMI products that identify community, occupational and industrial trends. These products are available across the country at <http://www.labourmarketinformation.ca>, which sees over 1 million visitor sessions annually.

2. Pan-Canadian Activities

Continuously improving the range of programs and services required to develop a productive, skilled and adaptable labour force helps ensure that Canadians enjoy sustained economic growth and prosperity. Part II of the *Employment Insurance Act* authorizes HRSDC to support the development of strategies for dealing with labour force adjustments and meeting human resource requirements. Part II also authorizes HRSDC to support research and innovation projects to identify better ways of helping people prepare for, return to or keep employment, and become productive members of the labour force. To this end, the pan-Canadian programming delivered by HRSDC enhances the Canadian economic union by contributing to the pool of skilled labour and to a flexible, efficient and inclusive labour market. This programming, which is beyond the scope of LMDAs, comprises activities and interventions that respond to interprovincial or national labour market issues, thereby addressing significant challenges in the Canadian labour market and reducing risks to the EI Account.

Pan-Canadian activities comprise employment programming provided under the Aboriginal Human Resources Development Strategy (AHRDS), pan-Canadian Labour Market Partnerships (LMPs), and pan-Canadian Research and Innovation (R&I). In 2008/09, the total expenditure for these activities rose 1.0% to \$162.1 million.



2.1 Aboriginal Human Resources Development Strategy

The AHRDS represents a significant investment in Aboriginal labour market programming. It provides funding to Aboriginal organizations to design, develop and implement employment and human resource programs for Aboriginal people. Since 1999, the AHRDS has helped First Nations, Inuit, and Métis men and women prepare for, find and maintain employment. Originally announced as a five-year, \$1.6-billion strategy, the AHRDS was extended to March 31, 2010, in September 2008.

AHRDS programs and services are delivered through Aboriginal Human Resources Development Agreements (AHRDAs) with Aboriginal organizations across the country. These organizations develop and implement employment programs and services best suited to meeting the unique needs of their communities. With 80 agreement holders and more than 400 points of service, this national infrastructure has allowed Aboriginal people to access culturally relevant programming. In 2008/09, the AHRDS assisted 33,734 Aboriginal clients, who participated in 55,145 interventions. Of the \$351.6 million spent on labour market programming through AHRDAs in 2008/09, EI Part II expenditures totalled \$94.0 million. The remainder came from the Consolidated Revenue Fund.

Pan-Canadian Programming in Action: AHRDS

- ◆ In Nova Scotia, HRSDC/Service Canada, Indian and Northern Affairs Canada, and AHRDA holders worked together with the Nova Scotia Boatbuilders Association and a community college to develop a customized boat building training program. Geared to the needs of the Aboriginal learner, the program included work experience and led to jobs in the boat building industry.
- ◆ In Ontario, a partnership between the Shooniiyaa Wa-iiitong Training and Employment Centre AHRDA and the Weyerhaeuser Company led to employment for 57 Aboriginal people at the company's Kenora plant. Aboriginal employees now account for 26% of the Weyerhaeuser workforce, in positions ranging from management to production to maintenance.
- ◆ In Manitoba, 14 Aboriginal students graduated from the Licensed Practical Nurse training program. A joint initiative funded in part by Aboriginal Health Human Resources and the Manitoba Keewatinook Ininew Okimowin (MKO) AHRDA, this was the first community-based nurse training program in Canada.
- ◆ Funded by two Inuit AHRDAs, the Nunavut Sivuniksavut Training Program is a unique eight-month college program based in Ottawa. The program was designed to help young Inuit people make a successful transition from school to work. Approximately 85% of the program's participants find employment or return to school. Almost all of the graduates (95%) return to Nunavut to pursue employment with the Government of Nunavut, Inuit organizations or the private sector.

2.2 Pan-Canadian Labour Market Partnerships

Pan-Canadian LMPs are a support measure designed to encourage and facilitate human resource planning and labour market adjustment. This measure provides funding to employers, employer and employee associations, and communities to improve their capacity to respond and adapt to labour market change. In 2008/09, total expenditures for pan-Canadian LMPs rose 5.0% to \$53.4 million. This funding was delivered through a variety of programming activities.

2.2.1 Sector Council Program

The Sector Council Program (SCP) supports non-profit organizations—sector councils—in key areas of the Canadian economy. Within their specific sector, these councils facilitate partnerships among a consortium of interests, including employers, labour, industry associations and educators. Together, sector council members address skills and human resource issues within and across the industries that comprise their sector.

In 2008/09, the SCP focused on human resource issues arising from the recession. It also worked to ensure that sectors were aware that Canada will continue to face skill shortages over the medium and long terms, despite the impact of the economic downturn on employment. Additional priorities in 2008/09 included building partnerships to

support a more responsive approach to cross-sectoral labour market issues, and developing the capacity to facilitate sectoral labour market transitions.

A total of 34 sector councils were operational in 2008/09, representing over 50% of the Canadian labour market, including key sectors such as automotive, aviation, biotechnology, childcare, environment, mining, petroleum, policing and steel. EI Part II expenditures for sector councils totalled \$38.5 million in 2008/09.

The SCP also supports skills tables, which are industry-driven skills development organizations comprising key stakeholders that can include, as required, sector councils, local and regional training institutions, business, labour, industry associations, Aboriginal groups, and provincial/territorial or local governments. For example, the Asia-Pacific Gateway Skills Table (APGST), located in British Columbia, was incorporated as a society in fall 2008. Its mission is to ensure that the labour force is equipped with the skills and training required to meet the needs of the Asia-Pacific Gateway. As part of its activities, the APGST acts as a clearinghouse between industry sectors for project and labour market information, promotes working in the Asia-Pacific Gateway, and helps the industries associated with the Asia-Pacific Gateway and Corridor Initiative address skills gaps. In 2008/09, the EI Part II expenditure for skills tables was \$362,000.

Pan-Canadian Programming in Action: SCP

- ◆ Since December 2008, the Petroleum Human Resources Council has helped workers move into occupations that are in demand in the oil and gas sector. The Petroleum Labour Market Transition Project aims to increase the petroleum industry's access to skilled and experienced workers from declining sectors. This pilot project features a transition service that addresses current and short-term labour needs within the upstream component of the petroleum industry, from an employer perspective.

For example, 240 workers were laid off from a pulp and paper mill in Campbell River, B.C., in December 2008. Under the auspices of this pilot project, the Petroleum Human Resources Council worked with employers, the community and the downsized workforce to help about 60 of these laid-off employees move into the oil and gas sector. Given the economic downturn, this project may be modified in the near future to meet the needs of workers within the petroleum sector.

2.2.2 Youth Awareness

The national Youth Awareness program provides financial assistance for projects designed to address labour market issues facing communities. The program is aimed at heightening awareness among employers and communities that young people are the labour force of the future. It can be used to develop and implement human resource strategies targeted at youth to meet employers' current and future human resource needs. In 2008/09, program priorities included raising awareness of skilled trades and technologies among youth, and improving opportunities for youth in small rural communities. Delivered at the national, regional and local levels, Youth Awareness projects are funded from EI Part II and leverage funds from many other sources, including provincial governments. The total Part II expenditure for Youth Awareness in 2008/09 was \$9.7 million.

Pan-Canadian Programming in Action: Youth Awareness

- ◆ In the Halifax Regional Municipality, the Saint Mary's Business Development Centre hosted a Career Exploration Program for youth. This two-day educational event focused on teaching youth important employability skills, and provided them with valuable information and resources on industries and occupations they were interested in pursuing as career options.
- ◆ In the Edmundston, N.B., area, 100 young people participated in life sciences workshops. These workshops, presented by the Collège communautaire du Nouveau-Brunswick's Centre d'excellence en sciences agricoles et biotechnologiques, provided these youth with the opportunity to participate in interactive workshops with the goal of promoting life sciences opportunities in the region.

2.2.3 National Essential Skills Initiative

Research suggests that individuals with low levels of literacy and essential skills face numerous labour market challenges, including lower earning potential, a greater risk of being unemployed, more difficulty in finding a new job if they do become unemployed, and a lack of access to training and skills upgrading. The National Essential Skills Initiative was designed to help adult Canadians succeed in the workplace by overcoming these challenges. Projects focus on providing the practical tools and supports that employers, practitioners and other stakeholders need to improve adult literacy and essential skills.

The initiative comprises two components: Essential Skills Workplace Services, which develops national partnerships with workplace stakeholders to focus on demand-side literacy and essential skills outcomes; and the Essential Skills Initiative, which raises awareness of essential skills and supports the development of workplace tools and applications. In 2008/09, the total EI Part II expenditure for the National Essential Skills Initiative was \$3.5 million.

Pan-Canadian Programming in Action: National Essential Skills Initiative—Essential Skills Workplace Services

- ◆ The Workplace Education Manitoba Steering Committee is testing a model for large-scale essential skills delivery with public and private sector companies, including small and medium-sized enterprises. Responding to an identified workplace demand, the model will be based on flexible delivery strategies that respond to a wide variety of needs. The project will promote the inclusion of essential skills in workplace practices as a means of solving challenges, enhancing human resource practices and increasing the number of essential skills solutions delivered in the workplace.

Pan-Canadian Programming in Action: National Essential Skills Initiative—Essential Skills Initiative

- ◆ With its partners, the Centre for Education and Training in Mississauga developed a model to demonstrate the use and benefits of essential skills profiles, tools and resources. The model, which a broad range of employers in various industries can implement, is being shared through a series of workshops and seminars targeting more than 300 employers. Through these workshops, the Centre hopes to increase awareness, understanding and use of essential skills practices in the workplace.

2.2.4 Reducing Barriers to Interprovincial Mobility

The Labour Market Mobility Initiative invests in strategies to reduce barriers to regulated occupations across Canada. Sustained federal investment will make it more likely that regulatory authorities will achieve the goal of removing barriers to labour mobility as set out in the amended Chapter 7 (Labour Mobility) of the *Agreement on Internal Trade (AIT)*.²⁶

Pan-Canadian Programming in Action: Reducing Barriers to Interprovincial Mobility

- ◆ Moving toward common standards: Regulatory authorities for paramedicine engaged in dialogue and improved their knowledge of the jurisdictional differences in licensing requirements and occupational standards. Through this project, regulatory authorities identified strategies to reconcile differences between jurisdictions and started developing an implementation plan to ensure barrier-free mobility for paramedics.
- ◆ Sustaining labour mobility beyond 2009: The Canadian Network of National Associations of Regulators (CNNAR) held a national forum on mobility in spring 2009. Recognizing that national regulatory organizations have a critical role to play and that organizations can learn from each other, CNNAR organized the forum to provide information, share best practices and discuss changes to the AIT. Forum attendees included representatives of national, provincial and territorial regulatory authorities and the federal government, as well as labour mobility coordinators.

In 2008/09, activities were undertaken in two areas to help regulatory authorities reduce barriers to labour mobility. In the first area—moving toward common standards—funding was used to help national groups of regulators develop common and transferable regulatory practices, such as competency-based standards and assessment methods, across all jurisdictions. In the second area—sustaining labour mobility beyond 2009—funding supported the development of mechanisms to sustain interprovincial mobility through a forum for key stakeholders (educators, unions, regulators, employers and governments) to share best practices on interprovincial recognition of workers and labour mobility issues. The total Part II expenditure for this initiative in 2008/09 was \$930,000.

²⁶ These amendments were approved by the Ministers responsible for internal trade in December 2008 and endorsed by First Ministers in January 2009.

2.2.5 Labour Market Transition Initiative

Employers in a number of sectors of the Canadian labour market are facing acute skill shortages. At the same time, other sectors are reducing permanent employment and releasing skilled workers who could remain active in the labour market if they had access to skills upgrading and practical links with growing sectors.

The Labour Market Transition Initiative (LMTI) was designed to improve the efficient functioning of the labour market by increasing the quantity of skilled workers available in sectors facing skill shortages. This initiative is an employer-focused, coordinated approach that provides sectoral support for skills development and skills matching in rapid-growth sectors. It supports the re-skilling of experienced workers facing job loss in contracting sectors and helps them move into growth sectors.

Pan-Canadian Programming in Action: Labour Market Transition Initiative

- ◆ The Environmental Careers Organization of Canada developed the Environmental Sector Transition Initiative project. This project was designed to better enable employers in the high-growth environmental sector to access and hire displaced skilled workers from declining sectors. Under this project, 16 environmental sector employers used a national internship program to hire workers moving from declining sectors. These transitioning workers had a broad range of educational backgrounds and came from many sectors, including manufacturing and construction.

Through the LMTI, information-based tools and services help employers in growth sectors identify sources of skilled workers and undertake training activities to help their new employees make the transition. In 2008/09, three LMTI projects were operational in the environmental, petroleum and forestry sectors. The total EI Part II expenditure for this initiative was \$471,000.

2.3 Pan-Canadian Research and Innovation

The pan-Canadian R&I measure funds activities that identify better ways of helping people prepare for, find and maintain employment. The total expenditure for pan-Canadian R&I was \$14.8 million in 2008/09, a decrease of 3.6% from \$15.3 million in 2007/08.

2.3.1 Pan-Canadian Innovations Initiative

Approximately two thirds of R&I funding is delivered through the Pan-Canadian Innovations Initiative (PCII). This initiative provides funding to eligible recipients for time-limited, research-oriented projects. These projects test new approaches to helping people become productive participants in the Canadian labour force. As such, PCII is a catalyst to encourage participating governments and stakeholders to work in partnership to test new and creative ideas that push the boundaries of jurisdictional, industry or organizational experience. These ideas are incremental to activities supported by existing policies, programs and practices.

Pan-Canadian Programming in Action: PCII

- ◆ In Newfoundland and Labrador, the *Workplace-Based Career Orientation and Mentoring Program* is developing and offering career orientation courses and opportunities for job shadowing in construction-related skilled trades to at-risk youth. The project is expected to increase the number of young people seeking training or employment in skilled trades. It is also expected that more young people will have the knowledge they need to choose the trade most suitable for them, as well as to obtain employment or achieve certification in that trade.
- ◆ In New Brunswick, the *Partners Building Futures* project is designing and testing a strategy to introduce women in receipt of social assistance to non-traditional apprenticeship trades. This project provides participants with a 10-week pre-employment module, as well as support over the life of their apprenticeship.
- ◆ In northwestern British Columbia, the *B.C. Reclamation and Prospecting* project will test the effectiveness of a comprehensive, hands-on, residential camp-based training program in improving the employment outcomes of Aboriginal youth and young adults, as well as the mining and prospecting industries' perceptions of this client group.

PCII projects must partner with provinces or territories and may focus on one or more of the following priorities: literacy and essential skills, immigrants, Aboriginal people, underrepresented groups, workplace training, and apprenticeship. To support the sharing of best practices and knowledge, stakeholders broadly disseminate evaluation results from these projects. By the end of 2008/09, HRSDC had 12 active PCII projects, with an additional three under development. The total expenditure for PCII was \$9.7 million in 2008/09, up 67.2% from \$5.8 million in 2007/08.

Pan-Canadian Programming in Action: Learn\$ave

◆ Learn\$ave targeted low-income Canadians between the ages of 20 to 65 who earned less than 120% of the low income cut-off (Statistics Canada's measure of low income). A total of 4,827 low-income Canadians were initially enrolled in the project. However, due to the random selection process, 3,626 low-income Canadians (approximately 75% of the original total), received the policy intervention. The project, which relied on local community organizations, operated in 10 communities: Digby, Halifax, Fredericton, Montréal, Kitchener, Owen Sound, Toronto, Winnipeg, Calgary and Vancouver.

The Learn\$ave approach was based on the participants having a personal stake in dealing with their low-income problem. Participants volunteered to set aside a small amount of savings each month. This amount was matched by federal funding, typically on a 3:1 basis, to a maximum of \$4,500. Participants had up to three years to build up their accounts. Then, after reaching their savings goal, participants had up to one year to use their accounts to pursue their learning or small business goals.

2.3.2 Learn\$ave

R&I funds were used to support Learn\$ave, a nine-year demonstration project that tested an alternate use of EI Part II funds to encourage low-income Canadians—particularly those who are hard to employ—to invest in their own human capital, thereby increasing their opportunities to find and maintain employment. It was

expected that financial incentives supplemented by basic financial management training would give Learn\$ave participants the motivation and tools to change their economic behaviour. This rigorously designed experiment included a control group comprising participants who did not receive incentives and other services. This enabled analysis of what would have happened to the participants in the absence of Learn\$ave.

The planned total cost over the nine years of the project was approximately \$35 million. Administration costs were funded through R&I, while the project's matching savings credits came from the Consolidated Revenue Fund. In 2008/09, the total R&I expenditure for Learn\$ave was \$1.6 million.

The data collection phase of the project was completed in 2008/09 and the final results are expected in late 2009/10. However, the interim report, which covers participants' experiences over their first 40 months in the project, provides intermediate results on the way participants' budgeting, saving activities, and enrolment in educational courses and programs changed as a result of their participation in Learn\$ave. These results show that Learn\$ave had a positive effect on enrolment in adult education and training above and beyond what participants would have done otherwise. One of the strongest results recorded related to enrolment in educational programs leading to a certificate or a degree: the matched credits and financial management training increased enrolment in such programs by 22%.

2.3.3 Measuring the Impacts of Labour Market Information

This research program was developed to provide reliable evidence on the impacts of Labour Market Information (LMI) content, format and delivery on a range of clients. Research will be conducted using laboratory and small-scale experiments. This three-year program has a \$1-million budget; EI Part II expenditures totalled \$362,000 in 2008/09.

The first project in this research program was implemented in December 2008. It focussed on recent post-secondary graduates who graduated between one and five years ago, are aged 25 to 40, and are either unemployed or underemployed.

In response to a call for concept papers issued in January 2009, HRSDC received 14 submissions. Four of these projects were further developed and will be implemented in 2009/10. These projects will cover a range of target groups with different goals, including older workers, immigrants and persons with disabilities.

This research program will provide, for the first time, rigorous evidence on the impacts of LMI across different types of users in different circumstances.

Chapter 4

Program Administration

Volumes

- Service Canada processed 3.1 million initial and renewal Employment Insurance (EI) claims, a 17.8% increase over the previous year,¹ with an improved payment accuracy rate of 95.7%.
- Continued high levels of intake through the fourth quarter slightly outpaced processing capacity and led to a year-end result for 2008/09 of 79.1%, just 0.9 of a percentage point below the key performance indicator of 80% of claims processed within 28 days.
- Over 3 million claimants filed their applications via the Application for Employment Insurance Benefits Online.
- Almost all claimants (99.7%) used the electronic reporting services—the telephone Reporting Service and the Internet Reporting Service (a web-based biweekly reporting tool)—to complete 10,951,572 and 12,165,304 reports, respectively.
- 80.3% of claimants chose to receive their payments by direct deposit.
- The Insurance Telephone Information Service answered 16.8 million enquiries for clients.
- EI Call Centre employees responded to 6.5 million calls.
- Citizen service officers in Service Canada Centres (SCCs) responded to 5.06 million enquiries.
- Service Canada scheduled 72.3% of all appeals to the Board of Referees to be heard within 30 days of receipt of the appeal letter.
- The EI program was delivered through more than 600 points of service, and via telephone and the Internet.

Modernization and Transformation of Service Delivery

- As a result of automated claims processing, 97.2% of EI claims were registered on receipt. In addition, 707,462 (27.9%) of all initial claims and 315,854 (59.9%) of all renewal claims were processed with only partial manual intervention or fully automated for faster, more accurate payments and improved service to Canadians.
- 27,312 new businesses registered for Record of Employment on the Web (ROE Web), a web-based system for filing ROEs.
- Employers produced nearly 4 million electronic ROEs using ROE Web and ROE Secure Automated Transfer (ROE SAT), a secure communication line for submitting unlimited ROE data.

Toward an Integrated Service

- The National Workload System (NWS), which allows Service Canada to move work across regions and channels for optimum efficiency, was piloted in Manitoba and Saskatchewan in 2007. The pilot was further expanded to include sites in the Ontario Region in 2008/09.

¹ Additional statistics are available in the Human Resources and Skills Development Canada 2008–2009 *Departmental Performance Report* (Ottawa: HRSDC, 2009), http://www.hrsdc.gc.ca/eng/publications_resources/dpr/dpr/index.shtml.

I. Context

Service Canada was created in 2005 to improve the delivery of government programs and services to Canadians. As a dedicated service delivery organization, Service Canada provides citizens with access to a growing number of significant government services and programs, including the EI program, through the channel of their choice—by Internet (click), by telephone (call) or in person (visit).

In 2008/09, specifically in the last six months, Service Canada faced unforeseen and extraordinary challenges due to the high volumes of EI claims resulting from the global economic downturn. The responsiveness of the Department was demonstrated by the way in which those challenges were met, as set out in subsection II.2.1 (Claims Processing).

While focussing on meeting the increased processing requirements, Service Canada continued to work on improving the quality of service to Canadians to better meet their needs and expectations, by working to develop and implement client-driven service strategies to improve and ensure uninterrupted delivery of core services such as EI. To this end, Service Canada has done the following:

- transformed its forecasting ability so that regions have a more precise and detailed analytical approach to workload management;
- simplified policies and procedures to streamline processing and payment of EI benefits;
- standardized practices to ensure that clients are treated equitably across the national benefits processing network and to move Service Canada forward toward one national process for EI claims;
- simplified and standardized processes to facilitate automation, thereby improving the speed and accuracy of payments to clients; and
- continued to expand and enhance electronic benefit processing and service offerings that are easy to access and simple to use.

II. Service Delivery

1. Service Transformation

Service Canada continued to invest in the design and use of technologies to support automated application processing and improve Internet services, thus improving the delivery of EI services to Canadians. The improvements

in benefit processing are transforming the application processing network, giving it increased flexibility to respond to fluctuating workload volumes. A national processing network is evolving, characterized by standardized processes that are paperless, electronic and automated, resulting in more accurate, timely and equitable service for Canadians.

In 2008/09, Service Canada continued to focus on enhancing EI electronic services for clients and businesses, and simplifying, standardizing and automating EI processing activities related to the 3.1 million claims and \$14 billion in payments it handled during the year, with an average of 812,260 beneficiaries per month. The results were as follows.

- Clients had access to an array of Internet services, which enabled internal processing activities to be automated:
 - o Service Canada received 97.2% of all EI applications and 99.5% of biweekly reports electronically.
 - o The processing of 32.5% of level 1 (straightforward or non-complex assessment) initial claims and 64.9% of level 1 renewal claims was automated. The long-term vision is to fully or partially automate processing of 70% of EI initial claims and 80% of EI renewal claims.
- Businesses continued to benefit from Record of Employment on the Web (ROE Web), which significantly reduces their administrative burden. In 2008/09, employers issued almost 4 million electronic ROEs out of 9.5 million ROEs.
- Effective March 15, 2009, significant changes were made to the EI Regulations to improve service for employers who submit ROEs electronically. This increased the accuracy of the information sent to Service Canada. In addition, the availability of electronic data from ROE Web enables the automation of EI claims adjudication, resulting in faster, more accurate service for clients. Service Canada continues to market ROE Web to the business community.

In March 2008, Service Canada Call Centres launched the Cross Channel Support Service, which allows In-Person Client Service Officers priority access to contact centres in order to expedite the resolution of specific EI transactions for claimants at Service Canada Centres (SCCs).

The priority service was driven by the following primary criteria: accessibility, quality and first contact resolution. The project initially focussed on four types of transactions

that were identified as comprising a large volume of those forwarded to the processing and payment sector: replacement payments, sickness benefit extensions, rejected electronic reports and amendments to original reports. Following an evaluation, the pilot was considered a success and was deployed nationally. In 2008/09, the service responded to more than 150,000 client interactions with a resolution rate of 69%. Further analysis is underway to determine whether the service can be expanded to incorporate additional transactions.

Service Canada gave call centre front-line staff greater authority to complete certain additional EI transactions at first point of contact: converting claims, removing disentitlements for missing medical certificates when the details were clearly documented, and enabling benefits to continue when a planned return to work did not occur. These additional transactions are expected to reduce processing burden and improve client service.

2. EI Services to Individuals

2.1 Claims Processing

The downward spiral of the economy in 2008/09 was reflected in the exponential increase in the volume of EI claims. Service Canada processed 3.1 million claims, a 17.8% increase over 2007/08. Intake of EI claims over the last quarter of 2008/09 increased by 42.2% compared with the same period the previous year.

As soon as claim intakes began to increase in October 2008, Service Canada took swift action to ensure it was well positioned to sustain its service standard, including:

- hiring and training additional staff;
- recalling recent retirees who had the current knowledge and skills necessary to process EI claims without the need for training;
- increasing overtime on a voluntary basis;
- reassigning staff from other areas of the Department who were not involved in processing benefits; and
- extending hours of service at the EI Call Centres.

These measures were in addition to Service Canada's routine distribution of the EI workload among regions as a way to ensure that service levels were met across the country. Claims from any given region were quickly and efficiently moved to another region to balance service levels nationally.

Enhancements as a result of simplification and standardization have led to increased automation of claims, thus improving quality, timeliness and accuracy of benefit processing for Canadians.

In spite of the significantly increased volumes, Service Canada not only maintained service levels but also achieved a payment accuracy rate of 95.7%, which exceeded the target of 95%, and surpassed the previous year's rate (94.6%) by more than a percentage point.

To process claims virtually and to move the automation agenda forward, Service Canada implemented the National Workload System (NWS) in additional locations in the Ontario Region in 2008/09, after piloting it in the Manitoba and Saskatchewan Region in 2007/08. NWS is key to achieving long-term automation objectives, as it makes it possible to separate the EI application into discrete elements, which can be forwarded to an agent if manual intervention is needed or directed for automated processing. This allows for increased levels of performance due to the capacity to balance workload and optimize the workforce via the transparent movement of work to the next available agent. In the past, files had to be printed and shipped, a process that was time consuming and costly.

Performance data available from the new system will also enable increased management of the total national workload and workforce. Discussions are ongoing to determine long-term deployment strategies.

2.2 Information and Enquiries

Individuals who wish to receive information on their EI claim have access to an online service. The EI section of the online My Service Canada Account (MSCA-EI) enables clients to view information on their current and previous EI claims. It allows them to change their mailing address, telephone number and direct deposit banking information. In addition, MSCA-EI provides clients with links to other electronic services, such as the Internet Reporting Service. In 2008/09, 23.6% of clients used MSCA-EI to obtain information on their claim.

Client information is also available via the automated 24-hour telephone information system. In addition, Citizen Service Officers (CSOs) provide services via telephone and in person during business hours. CSOs in the EI Call Centres answered 6.5 million calls in 2008/09 and SCC staff answered 5.06 million EI-related requests.

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. Beginning in February 2009, some call centres provided additional support until 6:00 p.m. local time.

In addition, the Registration and Authentication Help Desk Officers assist EI clients who are unsuccessful in accessing several MSCA online services, such as MSCA-EI. These officers are available from 8:30 a.m. to 4:30 p.m. local time and help clients who experience online access difficulties due to a mismatch between the information they supply and the data in our records, such as their EI access code, Social Insurance Number (SIN) or date of birth.

2.3 Application for Benefits

In order to claim EI benefits, a person must complete an application. The Application for Employment Insurance Benefits Online has become the channel of preference for claimants. Since the Application for Employment Insurance Benefits Online was launched in 2002, its use has steadily increased from 17% in the first year to 97.2% of all applications received to initiate a new claim for benefits in 2008/09.

In 2008/09, more than 3 million claimants filed their application via the Internet; 29% of these clients filed via the Citizen Access Workstation Service in Service Canada's points of service and 71% did so from external locations.

2.4 Biweekly Reporting and Payment

To receive EI benefits, claimants other than those receiving maternity, parental or compassionate care benefits, or referred to an apprenticeship program, must complete and submit biweekly reports confirming their availability for work, hours worked and monies received.

As a result of a regulatory change, effective March 15, 2009, Work Sharing claimants are also now exempted from submitting biweekly reports, unless they have exceptional conditions to report, such as other employment. Previously, Work Sharing claimants were required to submit a paper report every two weeks. Employers had to review and co-sign these reports and submit a copy of their Work Sharing ledger.

Service Canada obtains the information needed to issue Work Sharing benefits directly from the employers' Work Sharing ledgers, which employers will be able to

submit electronically to Service Canada starting in 2009/10. That will improve the speed of payment to Work Sharing claimants and reduce the administrative burden for their employers.

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

The call centres' Saturday Service pilot program to assist claimants from 8:00 a.m. to 4:00 p.m. to complete their EI reports was extended for 2008/09 and continues to be successful. Overall call volumes have risen 15% over the previous year's.

In combination with direct deposit, these electronic services provide faster and more reliable payment for clients than the traditional paper processes do. They also reduce printing and mailing expenses, allowing for a more efficient and effective reporting process. In 2008/09, 80.3% of payments were made via direct deposit.

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. ROE Web, a web-based reporting system for filing ROEs, facilitates electronic business-to-government transactions.

By the end of March 2009, 135,075 businesses, including 27,312 new ones, had registered for electronic ROE products, ROE Web and ROE SAT. Businesses submitted almost 4 million ROEs electronically in 2008/09, a 37% increase over last year. With the implementation of new releases, feedback from these businesses was positive and indicated that tangible benefits accrued and outweighed any costs of support on their local networks.

The ROE Web Business Service Centre help desk in Bathurst assists employer clients to address technical and registration issues related to ROE Web. In 2008/09, help desk staff responded to 100,414 calls from employers, an increase of 28% over the previous year.

Focus testing was conducted on ROE Web in 2008/09 to determine its relevance, overall usability and

perceptions of the tool. Feedback from small and medium businesses was positive and indicated that they found the tool much more efficient and practical than paper ROEs.

The goal for 2009/10 is to continue improving the service and to increase business intelligence to support marketing efforts. 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 is a public-private sector partnership aimed at reducing the costs of paperwork and regulatory compliance for business. Service Canada fully supports the government's priority of reducing the paper burden on small and medium-sized businesses, and is committed to finding practical ways to improve service delivery to citizens. ROE Web is one of those ways, because it eliminates the need to order or store paper ROEs, keep copies on file or send copies to Service Canada. This saves employers time and money in administration, storage and postage.

As part of Service Canada's commitment to finding practical ways to improve service delivery to citizens, two major changes were made to the EI Regulations, effective March 15, 2009. One of these changes aligned the issuance of electronic ROEs with employers' payroll cycles and exempted employers filing electronic ROEs from printing paper copies for the employee. In addition, employees registered with My Service Canada Account can now view and print their electronic ROEs on the same day that the records are submitted to Service Canada.

The changes to the Work Sharing regulations outlined in subsection II.2 under the heading "Biweekly Reporting and Payment" also reduced the administrative burden for employers.

4. Premium Reduction Program

The Premium Reduction Program was introduced through legislation in 1971, when sickness benefits were initiated for unemployment resulting from illness, injury, disability or pregnancy. Many employers had similar sickness and disability benefit coverage for employees under group plans and because those plans would yield savings to the 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.

EI employer premium reductions are shared 5/12 with employees, in cash or in kind, based on the EI premium rate. In 2008/09, the number of employers participating in the EI Premium Reduction Program decreased from 33,097 to 32,105 due to the amalgamation of businesses. The number of employees covered by a registered plan remained the same at over 40% of the insured population, or about 6 million workers.

5. Appeals of Employment Insurance Decisions

The EI appeals process provides claimants and employers with a means to challenge, before an independent, external authority, 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*: the Board of Referees and the Umpire. Further recourse is available at the Federal Court of Appeal and finally at the Supreme Court of Canada.

The 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 2008/09, the Boards of Referees heard 23,661 appeals; 72.3% 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 24% 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 Board of Referees' decisions to the Office of 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 2008/09, 1,486 client appeals were filed with the Umpire; 96.7% of the client appeal dockets were prepared and sent by the Department to the Office of the Umpire within 60 days of receipt of the appeal notice. The EI Commission filed 444 appeals with the Umpire. Approximately 21% of the decisions rendered by the Umpire 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 2008/09, the Federal Court of Appeal rendered 74 decisions on cases related to EI benefits; 31% of those decisions were favourable to the client.

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 EI PAAR consists of a random sampling of approximately 500 EI claims per year, reviewed twice. Each review provides detailed information on the causes and dollar value of undetected errors at the time of adjudication. This includes overpayments and underpayments attributable to claimants, employers and Service Canada. The PAAR determines the "most likely" value of incorrectly paid benefits. The results are used to improve program delivery and sustain program integrity. The Office of the Auditor General relies on this work.

In spite of the massive increase in claim intakes, the EI payment accuracy rate increased from 94.6% in 2007/08 to 95.7% in 2008/09. This was mainly attributable to a decrease in errors caused when claimants incorrectly declared earnings or when Service Canada employees incorrectly processed claims. Further improvement from Service Canada is expected as work under the Simplification and Standardization Initiative, introduced in November 2006, continues over the years.

The EI National Processing Accuracy Review provides national results of a review of a random sampling of approximately 28,000 claims per year and verifies that applications for benefits are adjudicated and calculated in accordance with legislation. The EI processing accuracy rate refers to the level of compliance with the *Employment Insurance Act* and Regulations in claims-processing activities. In 2005/06, Service Canada implemented a processing accuracy indicator to measure the percentage of initial claims "in order," with an objective of 80%. With the continued participation of the regions, the processing accuracy rate climbed from 84% in 2007/08 to 84.8% in 2008/09, even as the volume of claims soared. An annual action plan ensures continued improvement.

2. Information and Transaction Accuracy

The EI Call Centres launched and progressively implemented a National Quality Assurance (NQA) program in 2008/09. The program measures quality by the accuracy and timeliness of the information provided and the manner in which it is delivered, using knowledge and skills to ensure that clients receive fair treatment. The goals of the NQA program are to:

- ensure quality of service to clients;
- identify training needs and/or opportunities for improvement; and
- provide ongoing feedback and support to employees.

Calls are monitored silently and rated using the following measurements.

Does Not Meet Expectations	Partially Meets Expectations	Meets Expectations	Exceeds Expectations
Serious deficiencies in one or more areas.	Some areas require improvement.	Minor improvements could be made.	No improvement needed.
Quality Call Scale			
< 50%	50%–69%	70%–90%	91%–100%

In 2008/09, a total of 2,808 calls were monitored for 479 Citizen Service Officers (CSO). The results yielded a rating of 66.23% (partially meeting expectations). CSOs are expected to meet the expectations. Service Canada is evaluating the program framework and coaching needs to ensure that performance improves and NQA goals are maintained.

3. Insurability

The Minister of National Revenue is responsible for the administration of Part IV (Insurable Earnings and Collection of Premiums) and Part VII (Benefit Repayment) of the *Employment Insurance Act*, including the following activities:

- issuing rulings to HRSDC and the public in instances when the insurability of employment, earnings or hours are 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;
- collecting EI benefit repayments from high-income claimants, where applicable; 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. When a claim for benefits has been filed and there is doubt as to the insurability of employment, earnings or hours, HRSDC can request a ruling from CRA to ensure that claimants will receive the amount of EI benefits to which they are 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, the public and CRA staff can request rulings directly. These requests are made to confirm whether EI premiums should or should not have been withheld, either to raise an assessment for outstanding EI premiums or refund EI premiums that have been paid in error.

In 2008/09, Service Canada requested 12,569 rulings from CRA. This marked an increase of about 6% from 2007/08, attributable to the higher number of claims, since the criteria for requesting rulings have not changed. CRA also received 7,655 requests directly from the public and another 31,671 requests for rulings from within CRA.

IV. Integrity

Given the large scale of the EI program, Canadians expect sound stewardship and accountability for the integrity of the program. HRSDC has a balanced approach between detection, deterrence and prevention activities. The Integrity program remains focused on detection activities using a variety of programs and systems, such as Computer Post Audit, Report on Hirings and Automated Earnings Reporting Systems. In addition, Service Canada carries out a number of education and prevention activities, such as Claimant Information Sessions, to inform claimants, employers and the general public about EI requirements and the consequences of abusing the EI system, including penalties or prosecution.

In 2008/09, Service Canada held 9,678 information sessions, which a total of 119,135 claimants attended. It also conducted 582,996 investigations, which resulted in a total of \$561.7 million in savings for the EI Account.

1. Integrity Quality Initiatives

A national quality team is in place to ensure consistent quality management of regional Integrity units and their investigations. This includes ensuring that every region has quality advisors and coordinators, includes quality management plans in business planning, and conducts consistent monitoring. National Headquarters conducts regular monitoring visits of regional Integrity units to evaluate the delivery of the Integrity program.

Service Canada has taken significant steps to implement a quality management and reporting system for the SIN program's database, the Social Insurance Register (SIR). In addition, Service Canada has started implementing a quality management strategy for new data as they are entered into the SIR when someone applies for a SIN.

2. Risk Management

Service Canada is responsible for ensuring that the right amounts of EI benefits go to the right recipients for the intended purpose. In 2008/09, the Integrity Services Branch continued to emphasize the use of risk management strategies in its approach to investigations to improve the overall integrity of the program and ensure that the correct payments go only to eligible claimants.

The Risk Management Directorate specifically designs and guides the measurement of compliance with legislative requirements and regulations. It is testing the use of state-of-the-art statistical modelling to predict areas of greatest risks in investigations.

Although this modelling currently applies only to investigations, the hope is that in the future, it will assist the organization to focus its resources on the prevention of errors in complex cases at all phases of processing a claim. With more attention on prevention, compliance with legislation is key. New performance measures are currently being developed to quantify prevention efforts. Respecting the privacy and security of client personal information remains a high priority throughout the initiative.

V. Conclusion

In 2008/09, Service Canada continued to make progress in the modernization and integration of service delivery of the EI program to claimants, employers and stakeholders. Many of these developments were valuable in helping Service Canada sustain service standards in a year made notable by the extraordinary challenges faced and met in the delivery of the EI program. The economic downturn resulted in massive increases in EI claim volumes. In spite of the exponential increase in the number of claims, Service Canada was able to maintain service standards while exceeding the target for payment accuracy.

Chapter 5

Impacts and Effectiveness of Employment Insurance

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

Annexes 2 and 4 provide the detailed EI administrative data used in this chapter, while Annex 5 outlines the main findings and methodologies of the research studies cited here. Unless otherwise indicated, tables and charts in this chapter are based on EI administrative data.

I. EI and Individuals

As indicated in chapters 2 and 3, there were 2,138,900 new EI claims for income support in 2008/09, an increase of 21.7% over the 1,757,500 claims established in the previous year. Also, more than 694,000 individuals participated in EBSMs,¹ an increase of 13.3% from 2007/08. This section assesses the impact and effectiveness of EI from the individual's perspective by examining both the access to and the adequacy of EI benefits.

A. Access to and Eligibility for Benefits

The EI program provides temporary income support and assistance to Canadian workers during periods of unemployment. It is an insurance program that pays benefits to replace lost income for those who have made contributions to the EI program for a specified period. To be eligible for regular EI benefits, an individual must have contributed to the EI 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 to qualify for regular benefits 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 (new entrants/re-entrants).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. It provides a picture of who does or does not have access to EI benefits among the jobless.⁴ Summaries of the various EICS eligibility measures are presented in Chart 1, Table 1 and Annex 5.

According to the 2008 EICS, there was an estimated average of 1,094,600 unemployed people in Canada (shown as U in Chart 1) in 2008.⁵ The survey estimated that 767,100 of these individuals had been paying EI premiums before becoming unemployed (UC in Chart 1),

¹ Since most EBSM participants also collect Part I income benefits, adding these numbers would overstate the total number of individuals benefiting from the program.

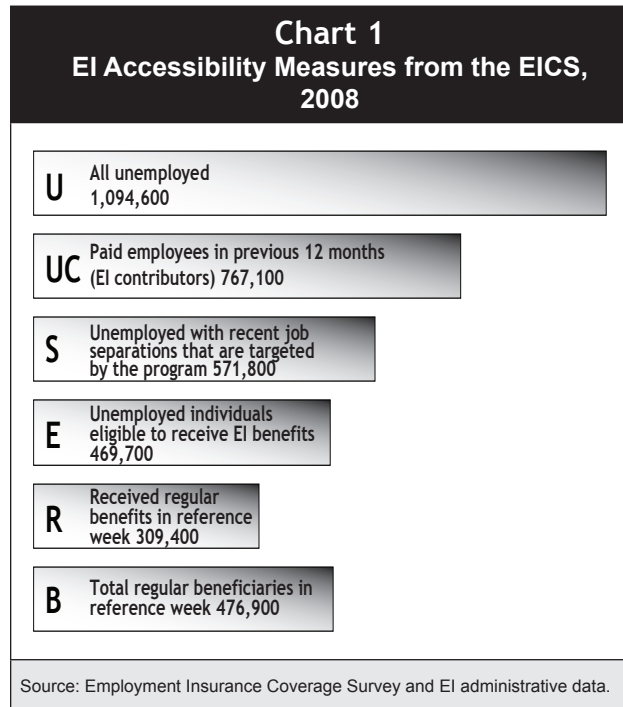
² Section 29 of the *Employment Insurance Act* identifies 13 specific circumstances that constitute just cause for voluntarily leaving employment. Just cause for voluntarily leaving employment is not limited to the situations currently defined in the Act. Jurisprudence has shown there to be 40 main reasons 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 five-year period preceding the termination of employment is not a new entrant or re-entrant.

⁴ Statistics Canada, *Employment Insurance Coverage Survey* (Ottawa: Statistics Canada, 2008).

⁵ The EICS estimate of the number of unemployed people is slightly different than the Labour Force Survey (LFS) estimate, as the EICS figure is calculated by taking 4 out of the 12 months used by the LFS.

representing 70.1% of all unemployed people. Those who had not been paying premiums included self-employed workers, individuals who were unemployed for more than 12 months and people who had never worked. The proportion of unemployed individuals who had been contributing to EI has been fairly stable over the past several years.

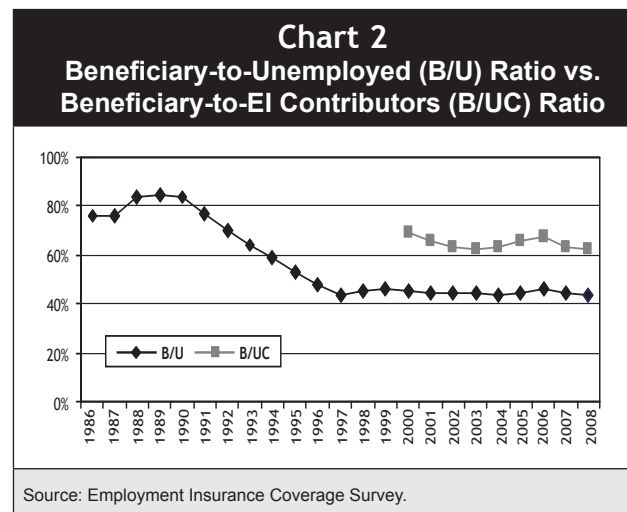


The 2008 EICS also estimated that among all unemployed, 571,800 had a job separation that was acceptable under the program parameters and were therefore targeted by the program (S in Chart 1). They represented 52.2% of the unemployed (S divided by U). The remaining 47.8% of unemployed individuals fell outside of the program parameters. According to the EICS, among the unemployed individuals who had been paying premiums, 74.5% had a recent job separation that was acceptable under the program parameters (S divided by UC). Of those who did not, 9.9% were ineligible because they had returned to school and 15.5% had left their job without just cause.

Among unemployed individuals who had been contributors and had a recent job separation that qualified under the EI program criteria, 82.2% were eligible to receive EI benefits in 2008 (E divided by S in Chart 1). This is a more relevant measure of coverage of the EI program than the other measures, as it considers unemployed individuals targeted by the program. The remaining 17.8% (representing

102,100 unemployed individuals) had a qualifying job separation, but had not worked enough insurable hours to qualify for benefits.

The beneficiaries-to-unemployed ratio (B divided by U) is often used as an indicator of access to the EI program. The B/U ratio⁶ has the advantage of simplicity and historical availability. It has, however, limitations as it includes many people who are outside the parameters of the EI program, as previously indicated. As shown in Chart 2, since 1997 the annual average B/U ratio has been fairly stable around 44.5%. In 2008, the ratio was 43.6%. The B/UC ratio is a modification of the B/U ratio in which the total number of unemployed individuals is replaced by the number of unemployed individuals who had been paying EI premiums in the previous 12 months. In 2008, the B/UC ratio was 62.2% compared with 63.1% in 2007.



Hours-based eligibility for EI is influenced by work patterns and can vary depending on job tenure and individual characteristics. EI eligibility for some sub-groups is presented in Table 1 and is based on the number of unemployed individuals eligible for EI benefits, divided by the number of unemployed individuals with a recent job separation that met EI program criteria (E/S ratio). The eligibility rate for youth (aged 15 to 24) with a recent job separation who qualified under EI was among the lowest at 51.9% in 2008. It was, however, higher than in the previous four years. The lower eligibility rate reflects the fact that youth are more likely to have worked part time or in temporary jobs that provide fewer hours of insurable employment. Part-time workers had the lowest eligibility rate in 2008, at 35.8%.

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.

	2008 (%)	2007 (%)	2006 (%)	2005 (%)
B/U ratio	43.6	44.2	46.1	44.8
B/UC ratio	62.2	63.1	67.8	65.4
Eligibility rate for unemployed people with a recent job separation that qualified under EI (E/S)	82.2	82.3	82.7	83.4
...for unemployed youth	51.9	45.9	47.0	49.8
...for unemployed adult women	86.4	87.7	85.4	87.2
...for unemployed adult men	90.6	90.4	91.5	90.2
...for people who had worked full time	91.1	90.0	87.6	90.4
...for people who had worked part time	35.8	33.6	53.8	43.1
...for people who had worked full and part time	70.0	81.0	68.9	77.3
...for immigrants	81.6	87.6	77.5	77.3

The eligibility rate for adult men with a recent job separation who qualified under EI was 90.6% compared with 86.4% for adult women.

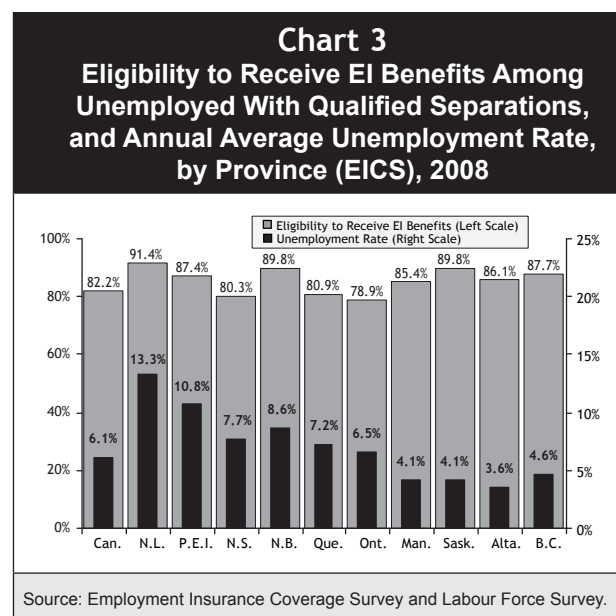
As mentioned in Chapter 1, unemployment rates increased in 2008/09, although some variance in labour market performance remained across provinces and territories. The EI program adjusts eligibility requirements and entitlements to reflect regional unemployment rates. As shown in Chart 3, eligibility rates fluctuated across the country from 78.9% in Ontario to 91.4% in Newfoundland and Labrador.⁷

While the above sections analyze EI eligibility, it is also possible to measure EI receipt among unemployed people with qualifying separations—the number of unemployed individuals who received regular benefits in the EICS reference week divided by the number of unemployed individuals with a recent job separation that met EI program criteria (R/S in Chart 1).

⁷ Due to sample size, EICS estimates at the provincial level can fluctuate widely from year to year.

⁸ IMDB data are based on immigrants who are permanent residents of Canada.

⁹ The analysis is based on the most recent information available for the tax system.



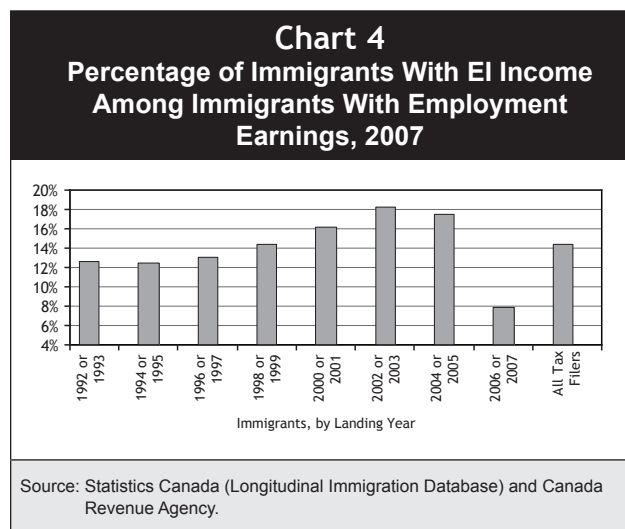
Receipt of benefits (R/S) can differ from eligibility, since not all those who are eligible file a claim for benefits. In 2008, among unemployed individuals with a recent job separation that met EI criteria, an average of 54.1% received regular benefits during the reference week. That same year, among those who had sufficient hours to make a claim, 65.9% received regular benefits (R/E in Chart 1).

1.1 Immigrants

The EICS estimated that, among the unemployed population with recent job separations accepted under EI rules, the eligibility rate of immigrants for regular benefits was 81.6% in 2008, down from 87.6% in 2007. Since 2000, when the first EICS results became available, immigrants have generally been less likely than Canadian-born workers to be eligible for EI benefits. In 2002 and 2007, however, the eligibility rate was greater for immigrants than for Canadian-born workers.

To better understand EI receipt among immigrants, Human Resources and Skills Development Canada (HRSDC) also conducted an analysis based on Statistics Canada's Longitudinal Immigration Database (IMDB) and tax data. The analysis shows the proportion of all immigrant⁸ tax filers who reported EI income in addition to their employment earnings. For the 2007 taxation year,⁹ results show that, as they enter the labour force, recent immigrants (those who landed in 2006 or 2007) have EI usage similar to that of youth, regardless of their age.

As shown in Chart 4, few recent immigrants (about 8%) who had employment earnings received EI benefits in 2007. As immigrants build labour force attachment, more of them access the EI program and receive benefits. Data show that in 2007, EI usage was highest among immigrants who had arrived in 2002 or 2003, four to five years after they had landed. Overall in 2007, immigrants tended to use the program in a proportion similar to that of all tax filers in Canada.



2. Employed Population

The main analysis in this section is based on the Survey of Labour and Income Dynamics (SLID)¹⁰ and an analysis of the hours worked by employees according to a hypothetical layoff scenario. The analysis measures the proportion of employees who would have had sufficient insured hours over the qualifying period to meet regional EI entrance requirements (ranging from 420 to 700 hours, depending on the unemployment rate in the economic region), if all workers had been laid off in December of the year studied. The SLID simulation¹¹ suggests that 87.0% of individuals who were working as employees in December 2007 would have been eligible for EI regular benefits if they had been laid off that month. The remaining 13.0% would not have had enough hours of insured employment to meet the eligibility requirements for establishing an EI claim. Estimates of potential eligibility among employed individuals are higher than the estimates of eligibility among unemployed individuals, which are based on the EICS. The gap in the estimates reflects the different characteristics and labour market experiences of employed and unemployed individuals.

¹⁰ 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.

¹¹ Constantine Kapsalis and Pierre Tourigny, *Potential EI Eligibility of Paid Workers in December 2007* (Ottawa: Data Probe Economic Consulting Inc., 2009).

The eligibility rate among employed individuals was slightly lower than the previous year (87.5% in December 2006). In fact, it has remained fairly constant since 1997 at around 87.5%, 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 for most individuals.

The proportion of individuals with sufficient hours to claim EI benefits was similar across the country in 2007, with coverage rates ranging from 84.2% in British Columbia to 89.4% in Atlantic provinces. Ontario (87.0%), Quebec (87.1%) and the Prairies (87.7%) had similar potential eligibility rates. EI potential eligibility was somewhat lower for employed adult women (87.4%) than for employed adult men (94.3%), primarily because women are more likely than men to work part time. Among full-time workers, however, there was a smaller difference between women and men (92.7% vs. 95.1%, respectively).

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 2007, 1.1 million individuals were eligible for an EI premium refund, representing 6.5% of those in paid employment.

2.1 Job Separation and Record of Employment

In 2008, there were approximately 8.8 million job separations in Canada. For each of these, the employer filed a Record of Employment (ROE), which includes information on the reason for separation. Among the different reasons for separation, the most common include layoff, voluntary quit, injury or illness, return to school, and the decision to stay home to care for a newborn child. The ROE is the single most important document in establishing an EI claim. Service Canada uses the information contained on an ROE to determine whether a person qualifies for EI benefits, the benefit rate, and the duration of his or her claim. It is important to note that not all job separations result in EI claims, as many job leavers are moving to other employment, while others separate for reasons that are outside the parameters of the EI program.

In 2008, approximately 3.3 million job separations in Canada were layoffs. On average, individuals had worked 746 insured hours in the 52 weeks before these layoffs occurred.

As mentioned above, to qualify for regular benefits, workers must have worked a minimum number of hours in the year before becoming unemployed or since their last claim (whichever period is shorter). The hours of work required vary, depending on the local 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%. The rationale behind the VER is to adjust entry requirements by taking into account differences in regional unemployment rates.

A study examining job separations between 1990 and 2008¹² shows that, in 2008, almost 70% of job separations occurred in regions where the unemployment rate was 7% or less. In these regions, people needed at least 665 hours to qualify for EI regular benefits. This is to be expected, since most people choose to live where employment is most available.

As mentioned in previous *Monitoring and Assessment Reports*, the proportion of job separations that occur after sufficient hours to qualify for EI regular benefits have been accumulated declines as the unemployment rate declines. In 2008, in regions of 13.1% unemployment or higher, 85.2% of job separations occurred after enough hours of work had been accumulated to meet the VER. Conversely, in regions of low unemployment rate (6.0% or lower), only 69.6% of job separations occurred after sufficient hours of work had been accumulated to meet the VER.

The above-mentioned study concludes that the change from weeks-based coverage to hours-based coverage and other legislative changes have increased the percentage of ROEs that meet the VER in high unemployment regions compared with those in lower unemployment regions. The study also finds that the unemployment rate and the overall percentage of job separations meeting the VER, combining weeks and hours from ROEs in the previous 52 weeks, have both been declining over time. This result

is explained by the fact that as employment increases and the unemployment rate decreases, the VER becomes more stringent and individuals require more hours of insurable employment to be eligible for EI regular benefits.

2.2 Non-Standard Workers

Non-standard work is typically defined as part-time (less than 30 hours a week), seasonal, cyclical, temporary or own-account self-employed work, as opposed to standard work, which is usually full-time, full-year work. With respect to demographics, a recent study¹³ shows that women are more likely to hold permanent part-time jobs and that youth make up 41.3% of all temporary part-time workers. More older workers, particularly men, are self-employed when compared with core-aged men (30% and 18%, respectively).¹⁴ Further, those with less than a high school education make up a significant portion of temporary part-time workers (28.3%). Finally, workers from the Atlantic Region comprise a high share of full-time temporary workers (15.4%) and almost half (47.1%) of all temporary part-time workers in Canada are from Quebec.

According to the Labour Force Survey (LFS), over 27% of individuals who worked part time in 2008/09 did so as a personal preference and over 30% did so because they were going to school. Other reasons to work part time stated in the survey included personal or family responsibilities (3.4%), their own illness (3.8%), and childcare responsibilities (10.4%). Among part-time workers, about 10% indicated that they were working part time due to the lack of full-time work. Individuals working part time for a full year can qualify for EI benefits with as little as 8 to 14 hours of work per week.

Workers who are new to the workforce or returning from an extended absence are subject to the new entrant/re-entrant (NERE) provision under EI, which requires that they work at least 910 insured hours, rather than the VER, to be eligible for EI. This provision is meant to ensure these workers have established significant work attachment before accessing regular benefits. Youth account for a disproportionate share of employees who are NEREs. According to the SLID, while youth represented 14.9% of all employees in 2007, they accounted for 32.3% of those who were NEREs.

¹² HRSDC, *ROE-Based Measures of Eligibility* (Ottawa: HRSDC, Evaluation Directorate, 2009).

¹³ HRSDC, *Employment Insurance Access for Part-Time and Short-Term Workers* (Ottawa: HRSDC, Evaluation Directorate, 2009).

¹⁴ Katherine Marshall and Vincent Ferrao, *Perspectives on Labour and Income: Participation of Older Workers* (Ottawa: Statistics Canada, 2007).

Analysis of access based on data from the 2007 SLID indicates that youth and NEREs had lower coverage rates, 64.7% and 58.4%, respectively, due to their lower number of insured hours and the NERE requirement to work at least 910 hours to qualify for benefits. However, 43.2% of youth who were NEREs had sufficient insured hours to receive EI benefits. The 2007 SLID also indicates that part-time workers had lower coverage, at 53.3%. Women who worked part time, however, had better coverage than their male counterparts (55.1% versus 48.3%).

As will be discussed in section II, a simulation of the SLID 2007 data in the 23 EI pilot regions shows that the lowering of the entrance requirement for NEREs from 910 hours to 840 hours raised their EI coverage rate from 53.2% to 58.1%.

Seasonal workers have access rates closer to those of standard workers. The EICS indicates that 85.0% of seasonal workers who had been contributing to EI and then had a job separation accepted under the program were eligible for benefits in 2008. This proportion has been higher than that of all employees since 2004.

An HRSDC study¹⁵ profiling EI access among part-time and short-term workers indicates that the three main reasons for individuals not claiming EI benefits are that they did not think they had sufficient insurable hours, they found another job immediately or they felt no need to use EI benefits. The study also indicates that multiple-job holders are not negatively affected by eligibility requirements but are more likely to collect EI benefits than single-job holders. In terms of regional comparisons, the study reveals that part-time workers in the Atlantic Region and Quebec have higher eligibility rates than their counterparts in the other provinces, except in the case of part-time temporary workers in Ontario.

2.3 Women

It has been argued that women may find it harder to qualify for EI benefits due to their part-time employment status and their family obligations, which reduce their ability to accumulate sufficient work hours. A recent study¹⁶ has found that approximately one quarter of couples are in a relationship in which both parties do the same amount of unpaid work,¹⁷ and that the complementary-traditional

model, in which men do more paid work and women do more unpaid work, is becoming less common. The latter, however, remains the largest category, representing one third of couples. Furthermore, another 25% of couples are classified as “women’s double burden” in which the woman does the same amount of paid work as her husband, or more, as well as more unpaid work. The presence of children is a major determinant of these categories. Families with children are more likely to be categorized as complementary-traditional or women’s double-burden models.

As discussed in Chapter 1, women account for 47.5% of all workers. They also represent a large proportion (70.1%) of part-time workers who are also NEREs. The Labour Force Survey (LFS) indicates that women represent a similar share of temporary employees (51%) as men do (49%). They account, however, for a higher proportion of term or contract workers, whereas men account for a higher proportion of seasonal workers. In terms of part-time workers, women account for 68% and men account for 32%. Women represent the majority of those who decide to work part time and one of the main reasons they do so is to care for children. Their high incidence of part-time work is also linked to their employment in the types of industries with high proportions of part-time positions, such as accommodation and food services, trade, and information, culture and recreation.

According to the Employment Insurance Coverage Survey (EICS), women’s access to EI regular benefits is high; over three quarters (77.8%) of unemployed women who had been paying premiums and then were laid off or quit with just cause were eligible for regular benefits, compared with 84.6% for men.

Several reasons can prevent unemployed individuals from qualifying for EI benefits. The lack of insurable hours is not, however, as significant a factor as not having worked in the past 12 months. The 2008 EICS indicates that among all unemployed workers, only 10.1% of women and 8.8% of men were not eligible for regular benefits due to lack of hours. Considered from a different angle, of those who claimed and received regular benefits in 2008/09, over 95% qualified with more than the maximum number of hours required (700). This proportion is the same for men and women.

¹⁵ HRSDC, *Employment Insurance Access for Part-Time and Short-Term Workers* (Ottawa: HRSDC, Evaluation Directorate, 2009).

¹⁶ Roderic Beaujot, Zenaida Ravanera and Jianye Liu, *Models of Earning and Caring: Trends, Determinants and Implications* (London: University of Western Ontario, Population Change and Lifecourse Strategic Knowledge Cluster, December 2009).

¹⁷ Paid work covers work for pay plus unpaid work in family businesses or farms. In time-use studies, training and studies in relation to work are also usually included. Unpaid work covers all the other work done in the household or community, such as civic and voluntary activity, and all care activities, including elder and childcare.

2.4 Older Workers

Over the last several years, the labour force proportion of workers aged 55 and over has been increasing, while the proportion of workers under 45 has been declining. This development reflects the aging of the Canadian labour force. A study on the participation of older workers¹⁸ concludes that during the past decade, the participation of men and women aged 55 to 64 has climbed steadily, reaching 60% in the first half of 2007. This increase is explained by the higher participation of women in the labour force, rising educational attainment and an increasing desire of those above 55 to continue working.

Older workers usually have a strong and enduring attachment to the labour force, and are therefore able to meet the EI hours-based requirements. The 2007 Survey of Labour and Income Dynamics (SLID) data reveal that 87.4% of employees aged 55 to 69 could have qualified for EI benefits if they had been laid off in December 2007. Also, the latest EICS data show that among employed people aged 45 and older¹⁹ who had been contributing to EI and then had a job separation accepted under the program, 90.6% were eligible to receive benefits in 2008.

The aforementioned study also finds that earnings and occupations of older and core-age workers are strikingly similar. These findings are consistent with those observed in the EI program, as the characteristics of older workers who claim regular benefits are similar to those of other workers, most notably in the 25 to 44 age category.

The trend over the past 10 years has seen regular claims increasing only among older workers, remaining stable for workers aged 45 to 54 and decreasing for those under 45. In 2008/09, however, regular claims increased significantly for all age groups.

3. Access to Fishing Benefits

EI fishing benefits are paid to self-employed fishers. These benefits provide important income support in many rural communities. As discussed in Chapter 2, eligibility for fishing benefits is determined by the claimant's insurable earnings, rather than the number of hours worked. The amount of earnings required to qualify ranges between \$2,500 and \$4,200 annually, depending on the regional unemployment rate, amounts that have remained the same since 1996. Those who have just started working as

self-employed fishers or have returned to fishing after an absence of a year or more preceding their qualifying period, however, may need a minimum of \$5,500 to qualify. In 2008/09, over 90% of fish harvesters qualified for benefits with earnings above this amount, unchanged from previous years.

To account for the fact that there are two separate fishing seasons in parts of the country, there are two separate benefit periods for fishing benefits: a summer qualifying period that can be established starting in October and a winter qualifying period that can be established starting in April.

As discussed in Chapter 2, in 2008/09 the number of fishing claims decreased by 4.2% to reach 30,529 claims, but the actual number of fishers who made these claims declined more to reach 21,695 claimants (-6.1%). The difference between the number of fishing claims and the number of fishing claimants can be attributed to the fact that, due to the two separate fishing seasons in one year, some fishers are active in both seasons and are allowed to claim fishing benefits twice a year. In fact, 8,827 fishing claimants, or 40.7%, made multiple fishing claims in 2008/09.

The number of fishing claims in British Columbia dropped to 2,701 (-12.8%), following a 17.0% decrease the previous year. They accounted for 8.8% of the national total. Since 2003/04, fishing claims in this province have dropped by more than one third (-38.7%). Between 2003 and 2008, the provincial total for commercial landings decreased by 31.8%. These decreases are influenced by the regulations of Fisheries and Oceans Canada, which, in coordination with the United States, has set quotas at lower levels to conserve resources in the Pacific in recent years.

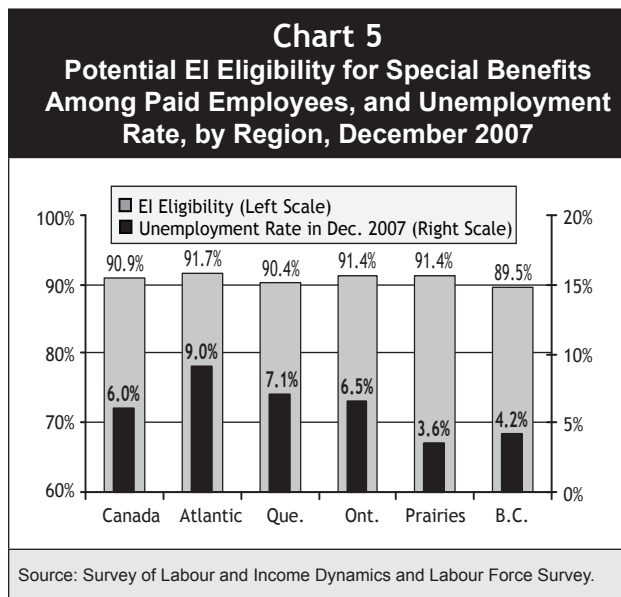
As mentioned before, fishers in Newfoundland and Labrador are likely to be active in both seasons. Fishing claims in that province made up 44.4% of all fishing claims in 2008/09, up slightly from 43.7% in 2007/08. The number of claims decreased, however, by 2.5% to 13,569. There were 4,363 fishing claims established in the province in the first quarter (April claims), a 2.2% increase over the previous year. The number of claims established in the third quarter (October claims), however, decreased by 6.1%.

¹⁸ Katherine Marshall and Vincent Ferrao, *Perspectives on Labour and Income: Participation of Older Workers* (Ottawa: Statistics Canada, 2007).

¹⁹ The EICS does not provide a breakdown for the 55 and older age group.

4. Access to Special Benefits

In addition to assisting Canadians who are unemployed and seeking to re-enter the workforce, 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 SLID data, in December 2007, an estimated 90.9% of employees would have had sufficient hours to qualify for special benefits, had they needed them at the time. Eligibility for special benefits has consistently been over 90% for the past several years. Provincially, there was little variation in access to special benefits, with less than 3 percentage points separating British Columbia (89.5%) and the Atlantic provinces, which had the highest access at 91.7% (see Chart 5). This indicates that the 600-hour eligibility threshold is equitable, regardless of the regional unemployment rate of insured workers. Nearly all full-time workers (96.6%) would have had sufficient hours to qualify for special benefits, regardless of gender.

Among part-time employees, 64.8% of women and 60.1% of men would have been eligible to collect EI special benefits.

4.1 Maternity and Parental Benefits

As described in Chapter 2, there were 172,650 maternity claims in provinces other than Quebec in 2008/09,²⁰ an increase of 2.5% over the previous fiscal year.

According to the EICS, the number of mothers with a child up to 12 months old rose by 2.6% in 2008, to nearly 387,000. More than three quarters of these mothers (77.0%) had insurable income before having or adopting their child and 88.1% of them had received maternity or parental benefits. Overall, two thirds (67.8%) of mothers received special benefits in 2008, a proportion that has remained relatively stable since 2003.

The proportion of fathers who claimed or intended to claim parental benefits increased to 28.2% in 2008, from 26.8% in 2007, 20.0% in 2006 and 15.0% in 2005. This increase mainly reflects the trend in Quebec following the introduction of the Quebec Parental Insurance Plan (QPIP) on January 1, 2006.²¹

The number of biological parental claims established by men outside Quebec rose by 7.0% (+1,680) in 2008/09, continuing a six-year trend of increased take-up by men. Women continued to establish the vast majority of parental claims (86.5%) and collected 31.7 weeks of parental benefits, on average, compared with 16.8 weeks for men.²²

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, seasonal workers, and claimants living in urban and rural regions.

To ensure timeliness and accuracy of the analysis of the duration of benefits, different sets of data are used, depending on the type of EI benefits being considered. For the longer maximum duration of regular benefits, including the analysis of the Working While on Claim and Family Supplement provisions, claims established in 2007/08 are considered. This ensures all claims were completed. A large proportion of these claims terminated

²⁰ Quebec introduced its own parental insurance plan on January 1, 2006, which has replaced EI maternity and parental benefits in the province.

²¹ The proportions reported above originate from the EICS and include parents in Quebec receiving benefits from the provincial program.

²² Data on claim duration cover only claims commencing during the first half of the period to ensure data are based on completed claims.

in 2008/09. For the duration of parental benefits, claims established in the first half of 2008/09 are used to ensure data are based on completed claims. Finally, given the shorter duration of maternity, sickness and compassionate care benefits, claims established in 2008/09 are used.

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).²³ The PAAE is based on the average weekly earnings of the industrial aggregate in Canada, as published by Statistics Canada.

The MIE was \$40,000 in 2007, \$41,100 in 2008, and \$42,300 in 2009. Accordingly, the maximum weekly benefit was \$423 in 2007, \$435 in 2008 and \$447 in 2009. The MIE was raised for the fourth consecutive year to reach \$43,200 for 2010, which increased the maximum weekly EI benefit to \$457.

From 2007/08 to 2008/09, the average regular weekly benefit increased by 4.7%, from \$347 to \$364, the 12th consecutive increase. Growth in average weekly benefits was strong for almost all benefit types, with the exception of fishing benefits (see Table 2). Average weekly benefit growth rates for all other types of regular and special benefits were stronger for women than for men in 2008/09. While average weekly benefits reflect the earnings gap between men and women, the continuing trend of stronger growth in women's average weekly benefits means that the gap is gradually closing. Average regular weekly benefits for women now represent 84% of men's.

An analysis²⁴ based on the 2006/07 SLID panel data estimates the average EI replacement rate in 2007 and explores differences by employee characteristics. The results show the replacement rate ranged from 55% for those with weekly earnings below \$750 (71% of all claimants in 2007) to 22% for those with weekly earnings above \$1,500 (3% of all claimants in 2007). The differences in the replacement rate reflect differences in average weekly earnings, no matter the individual characteristics. For example, the replacement rate declines with age, a reflection of the fact that earnings tend to increase with age. Also, in general, women have lower average wages

		2007/08 (\$)	2008/09 (\$)	Growth (%)
Regular	Men	373	387	3.9
	Women	310	324	4.5
	Both	347	364	4.7
Fishing	Men	397	408	2.7
	Women	377	386	2.4
	Both	393	404	2.7
Parental (Biological)	Men	390	401	2.8
	Women	342	353	3.4
	Both	348	360	3.4
Maternity	Men	n/a	n/a	n/a
	Women	338	350	3.5
	Both	338	350	3.5
Sickness	Men	354	367	3.4
	Women	288	298	3.5
	Both	316	327	3.8
Compassionate Care	Men	374	384	2.5
	Women	326	339	4.3
	Both	338	352	4.1

and, as a result, a higher replacement rate than men. There are small regional differences, again explained by differences in average earnings. Finally, among different types of claimants, occasional claimants have a relatively higher replacement rate.

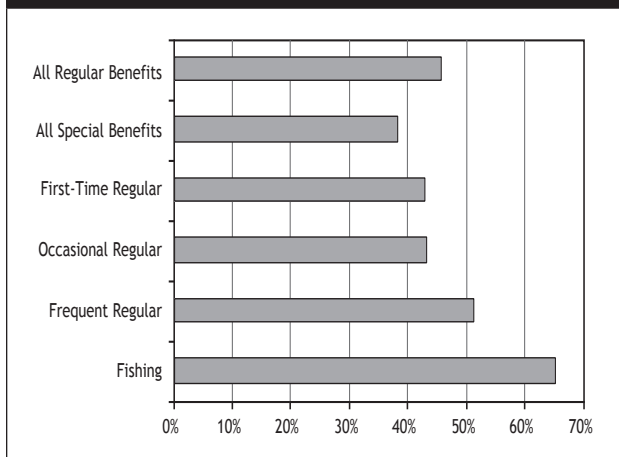
With the increases in average wages over time, the proportion of clients receiving the maximum weekly benefit has also been rising consistently. It increased to 44.8% in 2008/09, up from 42.3% in 2007/08 and 41.3% in 2006/07.

The work pattern of some claimants increases the likelihood that they will receive the maximum weekly benefit, as illustrated in Chart 6. Generally, fishers and regular frequent claimants are much more likely to receive the maximum benefit than other claimants. In 2008/09, 65.1% of fishing claimants received the maximum weekly benefit. This is in contrast to a proportion of 42.6% for first-time regular claimants.

²³ 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, 2009), http://www.hrsdc.gc.ca/en/employment/ei/premium_rate/2009/index.shtml.

²⁴ Costa Kapsalis and Pierre Tourigny, *Effective EI Replacement Ratio* (Ottawa: Data Probe Economic Consulting Inc., 2009).

Chart 6
Percentage of EI Claimants Receiving the
Maximum Weekly Benefit, 2008/09



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.²⁵ In 2007, repeat EI beneficiaries whose net income exceeded \$50,000 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.

For the 2007 taxation year, 148,989 claimants of regular or fishing benefits repaid \$146.2 million. The number of claimants who repaid benefits rose by 1.5% and the amount repaid was 1.4% higher than the amount observed in 2006. On average, claimants repaid \$981, essentially unchanged from the previous year. In 2007, claimants who repaid a portion of their benefits were on claim for an average of 8.7 weeks, or 0.8 week less than in 2006, continuing a downward trend that has persisted since 2003. These shorter durations resulted in individual claimants receiving \$272 less in EI benefits during the year (\$3,433 compared with \$3,705 in 2006). The fact that claimants were on claim for shorter periods is consistent with the improved labour market conditions in 2006, which reduced the time claimants needed to find a new job. At this time, data are only available for 2007. Future reports will analyze the effects on benefit repayment of the deteriorating economic conditions in 2008 and 2009.

Men remained the vast majority of those who repaid benefits. They accounted for 89.2% of the total in 2007, a slight increase from the 88.9% share they represented in

2006. The number of men who repaid a portion of their benefits increased by 1.8% in 2007, whereas the number of women who repaid a portion of their benefits decreased by 1.0% in 2007. This is in contrast with the growth observed in 2006, when the number of women who repaid benefits grew at nearly three times the rate observed for men that year (27.2% compared with 9.6%). As in 2006, the average repayment women made in 2007 was about 20% lower than that of men (\$822 compared with \$1,000).

The number of claimants who repaid a portion of their benefits in the younger age groups increased, by 17.2% for those under 25 and by 8.1% for those aged 25 to 44. Older workers (aged 55 and older) continued to be overrepresented among those who repaid benefits. In 2007, they accounted for 21.3% of all claimants who repaid benefits, while they represented 16.1% of all regular claims. As noted above, the number of youths who repaid benefits increased notably, although they represented only 3.1% of all those who repaid benefits. Older workers were the only age group whose average repayment amount decreased in 2007, to \$1,206 from an average of \$1,230 the previous year.

Provincially, individuals in the Atlantic provinces who repaid benefits repaid higher amounts than did claimants in the rest of Canada. This is due to the fact that even high-income EI claimants require more weeks to find a new job in regions of high unemployment. In fact, claimants who repaid a portion of their benefits in Prince Edward Island were on claim for an average of 17.5 weeks, while their counterparts in provinces outside Atlantic Canada all had benefit durations of 9.6 weeks or less. Claimants in three provinces who had seen decreases in their average repayment amounts in 2006 saw increases in 2007: Saskatchewan (+\$89), Nova Scotia (+\$49) and Manitoba (+\$22). Claimants in two other provinces saw increases in their average repayment amounts: Newfoundland and Labrador (+\$14) and British Columbia (+\$11). Claimants in the other five provinces saw declines in their average repayments, ranging from \$3 in New Brunswick to \$164 in Prince Edward Island.

3. Benefits to Low-Income Families: Family Supplement

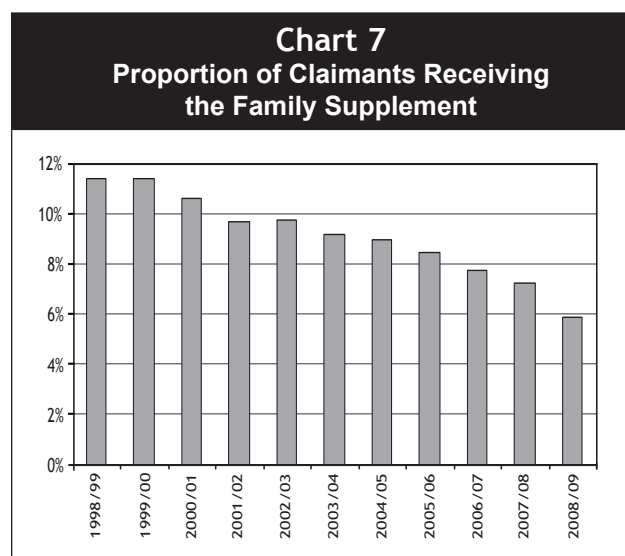
The adequacy of EI benefits is also assessed by examining the effectiveness of the Family Supplement in providing additional income support to low-income families with

²⁵ See Annex 6 for further details on the benefit repayment provision.

children.²⁶ The Family Supplement can increase the benefit rate of 55% to a maximum of 80% for claimants with net family incomes of \$25,921 or less.²⁷

As indicated in Chapter 2, approximately 126,310 individuals received the Family Supplement top-up in 2008/09, a number that declined only slightly from the previous year (127,340).

With the exception of 2002/03, the proportion of EI claimants receiving the Family Supplement top-up has been declining consistently since 1999/00, reaching 5.9% in 2008/09 (see Chart 7). As mentioned in previous reports, the decline in the share of these claims is due largely to the fact that the threshold has remained fixed while family incomes have risen.



In 2008/09, total Family Supplement payments to men declined more rapidly (-7.5%) than did payments to women (-3.0%). Women are more likely to receive the Family Supplement. In 2008/09, 10.7% of women who claimed EI were entitled to the Family Supplement compared with 2.4% of men. Similarly, in 2008/09, women represented the vast majority (76.4%) of Family Supplement recipients. This number has increased almost every year since the beginning of the decade, when it was 69.0%. This proportion was higher for special benefits (89.0%) than for regular benefits (69.1%).

Although total Family Supplement payments declined for all age groups in 2008/09, claimants aged 25 to 44 experienced the largest decline with a 4.8% decrease.

In 2008/09, low-income families received \$130.2 million in additional benefits through the Family Supplement. These payments have been declining since 2003/04, when \$187.0 million was paid. In 2008/09, the average weekly top-up decreased for a second consecutive year, although slightly, dropping to \$42.00 from \$42.10 the previous year. Previously, the top-up amount had hovered around \$43 since 1999/00.

Recipients of the Family Supplement top-up collected more weeks of regular benefits and used a higher percentage of their entitlement than non-recipients. In 2007/08,²⁸ recipients of the Family Supplement used almost 3 more weeks of regular benefits (21.5 weeks), on average, than those not receiving the Family Supplement (18.6 weeks). In addition, those who received the top-up used an average of 72.1% of their total entitlement compared with 59.8% for those who did not receive the Family Supplement.

4. Regular Claim Duration

Before 2008/09, regular EI beneficiaries were entitled to between 14 and 45 weeks of income support, depending on the number of insured hours worked and the unemployment rate of the region in which they established a claim. In response to the economic downturn, a suite of measures was introduced as part of the Economic Action Plan (EAP) to help unemployed workers facing transitions in tough economic times. The measures include a temporary legislative change that went into effect on March 31, 2009, for all individuals with regular benefit claims that are active between March 1, 2009, and September 11, 2010. It provides five additional weeks of EI regular benefits to claimants in all regions. In addition, the maximum duration of benefits available under the EI program in regions of high unemployment has been increased from 45 weeks to 50. Future reports will cover the outcomes of these measures.

On average, regular claimants who started a claim in 2007/08 received 18.7 weeks of benefits, unchanged from the previous year.

²⁶ This assessment includes all claim types (regular, fishing and special).

²⁷ Like other claimants, those receiving the Family Supplement are subject to the maximum weekly benefit.

²⁸ Data and analysis on the duration of Family Supplement payments relate to claims established in 2007/08 to ensure that all claims were completed. Note that many of these claims were completed in 2008/09.

For the last four years, the proportion of entitlement that regular claimants use has remained relatively stable at about 60%. In 2007/08, it increased by 0.9 percentage point to 60.6%. This stability has persisted even though Canada's economic performance has varied from year to year. In fact, since 2001/02, regular claimants have, on average, consistently used less than 62% of their entitlement.

As in previous periods, the average percentage of EI entitlement used in 2007/08, on average, was highest in the Atlantic provinces, ranging from 64.8% in New Brunswick to 67.7% in Prince Edward Island. Alberta has had the lowest percentage of entitlement used in the last two years, at 52.3% for 2007/08 and 54.3% for 2006/07. Of all provinces, Alberta also registered the biggest decrease in the percentage of EI entitlement used (-2.0 percentage points).

Historically, women and men have used a similar proportion of their EI entitlement. That was also the case in 2007/08, when men used an average of 60.2% of their entitlement and women used 61.1%. Both figures increased from the previous year. Among all age groups, older workers continued to use the highest percentage of their EI entitlement, at 67.9%, compared with 57.6% for youth, 59.0% for claimants aged between 25 to 44, and 60.1% for those aged 45 to 54. All age groups saw their average EI entitlement use increase over the previous year.

While eligibility for EI benefits is not an issue for the majority of older workers, it is also true that, once unemployed, older workers receive EI for a longer period and are more likely to use all the benefits to which they are entitled. On average, in 2007/08, older workers received 20.7 weeks of regular benefits, almost unchanged from 20.8 weeks the previous year. In comparison, among all claimants who received regular benefits, the average duration was 18.7 weeks.

Of regular claims started in 2007/08, many of which were completed in 2008/09, all claimants used a proportion of their EI entitlement similar to that of occasional and frequent claimants; first-time claimants used 62.0% of their entitlement, occasional claimants used 61.2% and frequent claimants used 58.8%.

Another way to assess the adequacy of EI entitlement is to examine the degree to which claimants exhaust their

benefit entitlement. Of all completed claims initiated in 2007/08, 28.4% were exhausted. This proportion has hovered around 28% for the last few years.

The exhaustion rate has always been higher for women than for men. That was still the case for claims initiated in 2007/08, as 30.4% of women and 27.1% of men used all the weeks of benefits to which they were entitled. The slightly higher exhaustion rate for women may be due to the fact that women, on average, are entitled to fewer weeks of regular benefits (30.9 versus 32.9 for men), since women generally have fewer hours of insurable employment.

In recent years, claimants aged 45 to 54 have had the lowest rate of exhaustion, while those aged 25 to 44 have had the second lowest rate. For completed claims started in 2007/08, these were 26.0% and 27.7%, respectively. Youth (24 and younger) had an exhaustion rate of 28.5%, while older workers (55 and older) continued to register the highest exhaustion rate (34.3%), compared with 28.4% for all claimants. The likelihood of exhausting benefits varies by claim history. For claims initiated in 2007/08, many of which ended in 2008/09, 34.4% of first-time claimants exhausted their benefits compared with 21.1% of frequent claimants.

5. Fishing Claim Duration

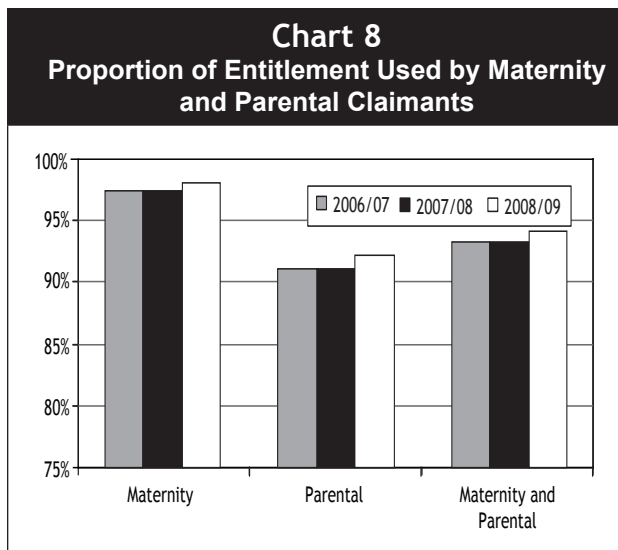
Fishing claimants received an average of 20.3 weeks of benefits in 2008/09. Fishers in British Columbia, who have only one fishing season, had the longest average benefit duration at 22.9 weeks. Benefit durations in the Atlantic provinces varied between 19.1 and 20.5 weeks. Fishers with two claims received, on average, 19.3 weeks of benefits on their first claim and 17.4 on their second claim compared with an average duration of 22.9 weeks among fishers who established just one claim during the year.

6. Special Benefits Claim Duration

6.1 Maternity and Parental Benefits

As in previous fiscal years, analysis indicates that in 2008/09, parents used almost all of the EI maternity and parental weeks to which they were entitled. As indicated in Chart 8, parents used 94.2% of the full year²⁹ available to them, a proportion relatively unchanged from the previous year (93.3%).

²⁹ Recipients receive a full year of benefits when they combine maternity benefits with parental benefits and the waiting period.



As previously mentioned, regular claimants receiving the Family Supplement remained on claim longer than those not receiving the supplement. This is not the case, however, for claimants who received maternity and parental benefits, as low-income and high-income families received their benefits over a comparable period of time. In fact, low-income claimants receiving maternity and parental benefits and the Family Supplement collected an average of 46.6 weeks of benefits, similar to the number of weeks collected by high-income claimants not receiving the Family Supplement (47.0 weeks). This shows that low-income parents (who are entitled to the Family Supplement because of their combined low income) use, on average, a similar amount of combined maternity and parental benefits as high-income parents (who are not entitled to the Family Supplement). Thus, the level of income does not seem to affect the amount or duration of parental and maternity benefits used.

6.2 Sickness Benefits

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. In 2008/09, claimants collected an average of 9.4 weeks, or 62.7% of the maximum entitlement. Since 2000/01, the average duration has been relatively stable, ranging from 9.3 weeks to 9.6 weeks. In addition, in 2008/09, 31.4% of sickness claimants collected the maximum 15 weeks of benefits. This proportion has also been relatively stable over the last few years.

Older workers were slightly overrepresented among those who collected the maximum 15 weeks of benefits. In 2008/09, they represented 19.7% of all EI sickness claims but 24.0% of those who collected all 15 weeks of benefits.

Slightly less than half of sickness claimants (46.8%) in 2008/09 collected between 11 and 15 weeks of benefits (including the 31.4% who collected 15 weeks), 24.0% received between 6 and 10 weeks, and 29.2% collected between 1 and 5 weeks.

6.3 Compassionate Care Benefits

A recent study³⁰ indicates that the majority of employed Canadians have caregiving responsibilities. Just over one in four (27.8%) employed Canadians care for elderly dependents, twice as many have childcare responsibilities (54.2%), and almost one in five (16.8%) have responsibilities for both childcare and eldercare—in other words, they have dual demands at home in addition to demands related to being employed. The study finds that those who have childcare responsibilities alone are under less pressure than those caring for elders (either elders alone or elders in combination with children), although they still face substantive challenges related to the need to balance work and childcare.

The number of compassionate care benefit (CCB) claims has grown every year since the introduction of the benefit, but the growth has varied. After two consecutive years of strong growth (8.3% in 2005/06 and 9.6% in 2006/07), it grew by only 0.5% in 2007/08 and 2.3% in 2008/09.

Women have consistently represented about three quarters of all CCB claimants. They continued to do so in 2008/09, when they accounted for 71.9% of all CCB claims. Of all the claimants receiving compassionate care benefits, 57.5% received the maximum entitlement of 6 weeks. On average, however, claimants received 4.7 weeks of benefits in 2008/09, and the vast majority (96.7%) did not share the benefits (the benefits may be shared among family members). All results remained almost unchanged from the previous year.

³⁰ Linda Duxbury, Chris Higgins and Bonnie Schroeder, *Balancing Paid Work and Caregiving Responsibilities: A Closer Look at Family Caregivers in Canada* (Ottawa: Canadian Policy Research Networks, 2009).

6.4 Combining Benefits

Different types of special benefits can be combined within a single claim, under certain circumstances, to a maximum of 71 consecutive weeks.³¹

For 2007/08,³² 5.6% of all women who received special benefits used more than 50 weeks, representing 19,290 women, up 7.9% from 17,880 the previous year. On average, these women received 58.6 weeks of benefits, for this fiscal year as well as the last. Among these women, almost four out of five (78.9%) were first-time claimants. In 2008/09, women claimed 67.2% of total special claims and received 83.6% of total special benefits.

As mentioned in the previous report, low-income claimants and individuals receiving the Family Supplement are more likely to combine special benefits than are high-income claimants and individuals not receiving the Family Supplement.

When considering all types of income benefits paid in relation to premiums paid, women benefit more from the EI program than do men.

7. Seasonal Claims

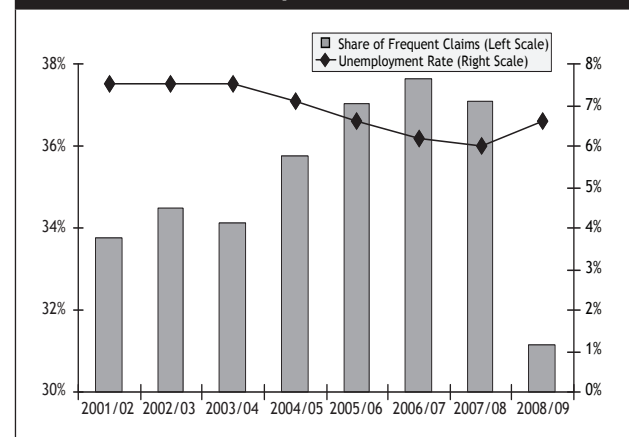
Following two consecutive years of decline, the number of regular claims established by frequent claimants rose in 2008/09, reaching 511,810.³³ Seasonal claimants make the vast majority of frequent claims.³⁴ During the reference period, seasonal claimants made 80.6% of frequent claims compared with 82.3% in 2007/08.

In 2008/09, seasonal workers claiming regular benefits were mainly men (63.0%) and a majority (57.8%) were 45 and older. The volume of frequent regular claims is less affected by labour market conditions than that of non-frequent regular claims.

With the declining unemployment rate observed since 2003/04, the total number of regular claims also dropped, notably first-time and occasional claims. As a result, the share of regular claims established by frequent claimants has increased over this time (see Chart 9). This trend was reversed in 2008/09. Over the period, the number

of frequent claims increased by 31,670 (+6.6%), while the number of first-time claims increased by 209,910 (+50.9%) and the number of occasional claims increased by 106,830 (+26.6%). As a result, in 2008/09, the proportion of total claims that were frequent claims decreased from 37.1% to 31.2%, while the share of first-time claims increased from 31.9% to 37.9%.

Chart 9
Percentage of Regular Claims That Are Frequent Claims



The industrial makeup of seasonal claimants goes a long way toward explaining the other characteristics of these individuals. Two of the three industries with the most seasonal claimants are male-dominated. Also, two of the three industries with an important share of seasonal claims account for large portions of total EI regular claims. Construction, an industry in which men make almost all regular claims (93.2%), accounted for 23.1% of all seasonal claims and 17.0% of total regular claims in 2008/09. Manufacturing represented 13.3% of all seasonal claims and 20.7% of total regular claims. In this industry, men established over 70% of these seasonal claims. The educational services industry, where women established 81.8% of regular claims, was the other industry with a large number of seasonal claimants; it accounted for 15.5% of all seasonal claims and 8.2% of total regular claims in 2008/09. Unlike education and construction, manufacturing is underrepresented among seasonal claims.

³¹ Claimants can combine weeks of special benefits to reach the maximum of 71 weeks if the weeks of special benefits are consecutive and uninterrupted by any period of regular benefits.

³² Data and analysis on duration relate to claims established in 2007/08 to ensure all claims were completed. Note that many of these claims were completed in 2008/09.

³³ Frequent claimants are individuals who have had three or more active claims in the five years before the current claim.

³⁴ Seasonal claimants are frequent claimants who started previous claims at about the same time of year as the current claim.

Although there are seasonal claimants in all provinces, the incidence of these claims is higher in provinces where a large portion of employment is concentrated in seasonal industries. Quebec has a high incidence of seasonality; the province accounts for 39.6% of total seasonal claims compared with 30.6% of all regular claims. Conversely, Ontario accounts for 21.0% of seasonal claims but 32.7% of total regular claims. The disparity is partially explained by differences in the seasonality of their construction industries. Quebec had over twice as many seasonal construction claims (47.4%) as Ontario did (19.1%), in spite of the fact that Ontario's construction industry employed over twice as many workers as did Quebec's.

The Atlantic provinces, which have a seasonal industrial makeup, all had high incidences of seasonal claims. The four Atlantic provinces together accounted for 26.0% of seasonal claims but only 14.5% of total regular claims. British Columbia, on the other hand, accounted for only 6.4% of total seasonal claims and 11.0% of all regular claims.

A recent study³⁵ on seasonal workers concludes that this type of worker is more likely to be male, have a low level of education and have fewer family dependants than workers in general. These workers are also more prominent in eastern provinces and in primary industries.

Some seasonal claimants have a combined work-benefit period of less than 52 weeks per year. This 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. To address the issue of income gaps that seasonal workers face, a pilot project providing five additional weeks of entitlement to EI regular benefits ran from June 6, 2004, to February 28, 2009, in regions of high unemployment.³⁶ The project tested whether an additional five weeks of benefits would 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 would have any adverse labour market effects. An evaluation of the pilot project³⁷ reports that the pilot project achieved its primary objective: reducing the number of seasonal workers facing income gaps. The evaluation also showed that other workers, such as non-seasonal workers and non-gappers,

also received extra weeks of benefits. As a result, the pilot project incurred additional costs. The study finds that almost 75% of the payments made under the pilot project went to claimants who were neither gappers nor seasonal workers.

As mentioned in previous reports, the likelihood of becoming a seasonal claimant without full-year income is higher in regions of high unemployment, where claimants require fewer hours to qualify for benefits. Many seasonal claimants accumulate their hours over a short period, averaging 50 or more hours of work per week. Among people who initiated claims in 2007/08,³⁸ most of which were completed in 2008/09, there were 12,970 seasonal claimants whose combined work-benefit period was shorter than 52 weeks, down 36.1% from 20,300 in the previous year. Part of this decline can be explained by the temporary measure introduced through Canada's Economic Action Plan (EAP), which provided 5 additional weeks to claimants in all regions across Canada and increased the maximum number of weeks to 50 from 45. As a result, some seasonal claimants received enough EI benefits and were able to avoid an income gap.

Seasonal claimants who did not have a full year of income averaged 20.7 weeks of work and 26.0 weeks of EI (including the waiting period). This left a gap of 5.3 weeks in which they had no income.

Among the provinces, Quebec had a large proportion of seasonal gappers (41.7%), followed by Ontario (12.5%) and British Columbia (12.5%). The Atlantic Region accounted for 24.7% of all seasonal gappers. The regions containing Canada's three largest cities (Toronto, Montréal and Vancouver) accounted for 2.9%, 13.3% and 3.5% of seasonal gappers, respectively.

8. Regular Benefits in Major Urban Centres and Rural Regions

The Canadian economy comprises urban regions containing major metropolitan centres that are significant economic hubs, as well as rural regions that preserve industries essential to the functioning of the economy. Canada's regions have diverse labour market characteristics and, as a result, the use of regular benefits differs among these

³⁵ HRSDC, *An Evaluation Overview of Seasonal Employment: Update* (Ottawa: HRSDC, Evaluation Services, 2009).

³⁶ The pilot project was scheduled to end on June 6, 2009. It was replaced, however, by a temporary legislative change extending the extra five weeks of benefit entitlement to all active claims across the country from March 1, 2009, until September 11, 2010.

³⁷ HRSDC, *An Evaluation of the Pilot Project to Extend Employment Insurance Benefits by Five Weeks: 2004–2009* (Ottawa: HRSDC, Evaluation Services, 2010).

³⁸ Data analysis is based on all completed claims initiated in 2007/08 to ensure that all claims in question have been terminated.

regions. The six largest census metropolitan areas in terms of population—Vancouver, Calgary, Edmonton, Toronto, Ottawa and Montréal—have the largest populations in their census metropolitan areas and are used to characterize the profiles of EI regular benefits in urban regions.

In 2008/09, average weekly benefits for regular claimants increased by \$17 in both major urban centres (\$363) and rural regions (\$365) from the previous year. This reflected the 4.7% increase in average weekly benefits for regular claims. The proportion of regular claimants receiving the maximum weekly benefit was also similar in urban and rural regions (45.1% and 45.8%, respectively).

Regular claimants in major urban centres had an average entitlement of 35.2 weeks in 2008/09, while those in rural regions were entitled to an average of 38.0 weeks.³⁹ The urban figure rose significantly over that in the previous year, when claimants in major urban centres had an average entitlement of 28.8 weeks and claimants in rural regions had an entitlement of 34.8 weeks. Regular claimants in major urban centres qualified with 1,489 insured hours, on average, while those in rural regions qualified with 1,341 insured hours, on average.

The difference in average entitlement between regular claimants in major urban centres and those in rural regions is reflected in the duration of regular benefits. In 2007/08, regular benefit claimants in major urban centres received an average of 17.6 weeks of benefits compared with 20.5 weeks for those in rural regions.⁴⁰

The usage of EI in major urban centres across Canada diverged in various aspects, and there were patterns similar to those seen in the previous year (see Table 3). Among claimants in the six major urban centres, regular benefit claimants in Toronto had the highest number of average weeks paid (19.2) and one of the highest percentages of entitlement used (64.1%).⁴¹ Regular benefit claimants in Calgary and Edmonton had the two highest numbers of average insured hours (1,560 and 1,550, respectively), the two highest amounts of average weekly benefits (\$399 and \$402), the two lowest numbers of average weeks paid (14.5 and 13.6) and the two lowest percentages of entitlement used (52.3% and 49.6%). Calgary and Edmonton showed

the same characteristics of regular benefits use in the previous year. Regular claimants in Montréal had the lowest number of average insured hours (1,410) and the lowest amount of average weekly benefits (\$345), which was also true in 2007/08. Finally, as was the case in the previous year, regular claimants in Ottawa had the lowest number of average entitlement weeks (32.7). More detailed information on the various elements discussed in this section can be found in Annex 4.

The difference in the composition of the labour market in various major urban centres can help explain the differences in the usage of regular benefits. The proportion of non-standard workers⁴² in a labour market can account for some of the differences, as non-standard workers have labour market characteristics that differ from those of standard workers. A recent study found that non-standard workers were significantly less well paid than standard workers in major urban centres.⁴³ The study also found that non-standard workers had lower employment tenure than standard workers. In 2008, Vancouver had the highest share of non-standard workers (33.0%), followed by Montréal (29.0%), while Calgary had the lowest share of non-standard workers (26.1%).

All six major urban centres across Canada had a lower share of total regular claims relative to their share of total employment in Canada. Toronto exemplified this case, comprising 17.0% of total employment, while accounting for 11.8% of total regular claims. Montréal had been the only major urban centre to have a lower share of total employment than its share of total regular claims in the previous reporting period, but in 2008/09, it comprised 11.0% of total employment while accounting for 10.4% of total regular claims.

³⁹ Benefit entitlement was affected by the five additional weeks of benefits provided in the Economic Action Plan (EAP), which became effective March 1, 2009.

⁴⁰ Data on claim duration relate to claims established in 2007/08 to ensure all claims were completed.

⁴¹ Data on entitlement used are for claims established in 2007/08 to ensure all claims were completed.

⁴² Non-standard workers are those engaged in part-time, seasonal, cyclical, temporary or own-account self-employed work, as opposed to full-time, full-year work.

⁴³ HRSDC, *Trends in Employment Insurance (EI) Eligibility and EI Benefit Adequacy of Non-standard Workers in Large Urban Centres* (Ottawa: HRSDC, Evaluation Services, 2009).

Table 3
Key Statistics for Regular Benefits in Major Urban Centres, 2008/09

	Average Unemployment Rate ⁴⁴	Share of Total Employment	Share of Total Regular Claims	Average Insured Hours	Average Entitlement Weeks	Average Weeks Paid ⁴⁵	Average Weekly Benefit
Montréal	7.6%	11.0%	10.4%	1,410	35.3	17.3	\$345
Ottawa	4.8%	2.9%	1.2%	1,488	32.7	15.9	\$373
Toronto	7.0%	17.0%	11.8%	1,529	36.4	19.2	\$364
Calgary	3.6%	4.1%	2.1%	1,560	34.5	14.5	\$399
Edmonton	3.9%	3.6%	2.0%	1,550	34.2	13.6	\$402
Vancouver	4.5%	7.2%	4.2%	1,509	33.3	16.9	\$364

II. Promoting Workforce Attachment

The EI program strives to find a balance between providing adequate income benefits and encouraging workforce attachment. Several features of the program encourage labour market attachment; however, the analysis in this chapter focuses on four specific elements: the divisor, the EI pilot projects (Extended Weeks, Working While on Claim, NERE, and Best 14 Weeks), the Working While on Claim provision and the Small Weeks provision.

1. Divisor

A claimant's weekly benefit amount is determined by dividing earnings accumulated during the 26-week period before 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. The minimum divisor is two weeks more than the minimum number of weeks of work⁴⁶ required to qualify for benefits, and ranges from 14 to 22 weeks, depending on the regional rate of unemployment. For instance, if a claimant lives in a region with an unemployment rate of 9.5%, earnings accumulated during 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. The divisor encourages

longer workforce attachment, as claimants have a strong incentive to work additional weeks before claiming EI benefits to avoid a reduced weekly benefit.

In 2008/09, the divisor affected just 2.3% of regular claims in regions not included in the Best 14 Weeks pilot project.⁴⁷ This percentage has declined gradually from 2.5% in 2005/06. Among those in the non-pilot regions who were affected by the divisor, 55.2% were men and 44.8% were women, only 11.7% were under 25 years old, and over 42.8% were above 45 years of age. Administrative data indicate that the divisor would have affected 4.0% of regular claims in regions included in the pilot project, had the pilot project not been in place.

2. Pilot Projects

Four pilot projects were in effect during 2008/09. Pilot projects allow the government to assess the labour market impacts of new approaches that are designed to assist unemployed individuals, before considering a permanent change. EI pilot projects provide valuable information on the effects of program changes in labour markets where EI plays a particularly important role. Together, the pilot projects increase access to and the generosity of EI in regions of high unemployment,⁴⁸ while encouraging labour force participation. In 2008/09, 36.5% of all regular claims were established in regions that benefited from one or more of these pilots.

⁴⁴ The local unemployment rates presented are those of EI economic regions. These regional rates come from the LFS, 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*.

⁴⁵ Data on claim duration relate to claims established in 2007/08 to ensure all claims were completed. Note that many of these claims were completed in 2008/09.

⁴⁶ Hours required by the VER are converted into weeks of 35 hours.

⁴⁷ The Best 14 Weeks pilot project is currently in effect in 25 of the 58 EI economic regions. The divisor applies in the remaining 33 EI economic regions.

⁴⁸ Pilot projects were initially implemented in regions that had an unemployment rate of 10% or higher before implementation. When they were renewed in 2008, they included regions with a rate of 8% or higher before the renewal.

The following pilot projects were in effect in regions of high unemployment in 2008/09:

- The *Extended EI Benefits* pilot project provided an additional five weeks of EI benefits to claimants in high unemployment regions to test a mechanism for helping seasonal workers who experience an annual income gap due to limited work alternatives in their regions. The pilot project ran from June 6, 2004, to February 28, 2009, and was replaced by a temporary legislative change extending the benefits to all EI regions from March 1, 2009, until September 11, 2010.
- The *Working While on Claim* pilot project tested whether an increased earnings threshold would provide a greater incentive for individuals to accept all available work while receiving EI benefits. The pilot project ran from December 11, 2005, to December 6, 2008, and was extended to all regions from December 7, 2008, to December 4, 2010.
- The *New Entrant/Re-Entrant* (NERE) pilot project tested whether enabling individuals who are new to the labour market—or returning after an extended absence—to gain access to EI benefits after 840 hours of work rather than 910 hours, and informing them of EI employment training programs, would improve their employability and help reduce their future reliance on EI benefits. The pilot project began on December 11, 2005, and was scheduled to run until December 2008. To better assess its effects, however, it was extended until December 2010.
- The *Best 14 Weeks* pilot project tests a method to make EI benefit levels more reflective of full-time work earnings for those with sporadic work patterns, and to encourage claimants to accept all available work by calculating EI benefits based on the “best 14 weeks” of earnings over the 52 weeks preceding a claim. The pilot project came into effect on October 30, 2005, and was scheduled to end on October 25, 2008, but was extended to October 23, 2010.

Even though the pilot projects cannot be fully evaluated before they are completed, recent studies evaluate the pilot projects’ performance based on preliminary data. For instance, an evaluation study of the NERE pilot project⁴⁹ finds that the pilot increased the proportion of NEREs who were eligible for EI income benefits. This increase was not only the direct result of a lower EI access requirement for NEREs, but it also reflected the fact that a higher proportion of NEREs accumulated between 840 and 910 hours of work as a result of the pilot project. This last result suggests that workers and employers in the regions where the NERE pilot project applied have some flexibility in adapting their work patterns to EI rules. Despite the fact that a larger proportion of NEREs had access to EI income benefits, there is no evidence that the pilot increased the participation of this group in training activities offered under EI Part II.

Another evaluation study⁵⁰ finds that the Best 14 Weeks pilot project led claimants to work additional weeks and to increase their number of insurable hours and insurable earnings. This study also estimates that during 2006 and 2007, 66% of claimants in the pilot project regions benefited from the Best 14 Weeks pilot project. For a summary of the Extended EI Benefits pilot project, see section I.B, Seasonal Claims.

A recent report⁵¹ detailing the profile of claimants in pilot regions indicates that some demographic groups are more likely to benefit from certain pilots than others. Preliminary results indicate that claimants who received higher weekly benefits due to the Best 14 Weeks pilot tended to be youth, women, part-time workers, low-skilled workers and workers in low-income families. Similarly, regular claimants benefiting from the NERE pilot were more likely to be youth, single individuals, members of low-income families and those whose last employment was in a temporary, non-seasonal job. The Working While on Claim pilot, however, was more neutral in relation to family income status and was more likely to affect part-time workers, those aged 35 to 44, women, and non-seasonal temporary workers.

⁴⁹ Carole Vincent, *The NERE Pilot Project Evaluation: Summary of Results for the 2009 Employment Insurance Monitoring and Assessment Report* (Ottawa: Social Research and Demonstration Corporation, 2009).

⁵⁰ HRSDC, *Summary of Results from Best 14 Weeks Pilot Project Evaluation* (Ottawa: HRSDC, Evaluation Directorate, 2009).

⁵¹ Constantine Kapsalis, *Technical Report on the Profile of Workers with Variable Work Hours, New Entrants and Re-entrants to the Workforce, and Workers Who Work While on Claim* (Ottawa: Data Probe Economic Consulting Inc., 2008).

3. Working While on Claim

The Working While on Claim provision⁵² is designed to encourage workforce attachment by allowing claimants to accept available work without being penalized. Under the provision, claimants may earn the greater of 25% of their weekly benefit level 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 was tested in 23 EI economic regions from December 11, 2005, to December 6, 2008. This project tested the effects of increasing the amount a beneficiary could earn while working part time and receiving EI benefits, by allowing an individual to earn the greater of \$75 or 40% of weekly benefits. As of December 7, 2008, the pilot project was extended to all regions of Canada until December 4, 2010.

EI administrative data show that over half of regular claimants use the provision. In 2007/08,⁵³ in regions not included in the Working While on Claim pilot project, 47.2% of regular claimants worked while on claim, a slightly smaller proportion than was the case in 2006/07 (48.3%) and 2005/06 (48.7%). The proportion of claimants who worked while on claim in regions included in the pilot project was 65.0% in 2006/07 and 2007/08, a marginal decline from 65.5% in 2005/06. This demonstrates that the likelihood of finding employment, even if for a short period, is high both in high unemployment regions participating in the pilot project and in non-pilot regions.

Consistent with the past few years, frequent claimants were more likely to work while on claim than other claimants. In 2007/08, frequent claimants from non-pilot regions made up 27.1% of regular claimants and 32.0% of those who worked while on claim. In pilot regions, they made up 52.4% of regular claimants and 56.3% of those who worked while on claim. These results reflect the fact that many frequent claimants have sporadic work spells throughout the year, which are interspersed with periods during which they draw EI benefits. This work pattern allows them to accumulate sufficient hours during their 52-week benefit period to subsequently qualify for another claim.

First-time claimants continued to be underrepresented among those who worked while on claim. First-time claimants from regions not included in the pilot project accounted for 39.6% of regular claims and 33.7% of those who worked while on claim. In contrast, first-time claimants from pilot regions represented 20.3% of regular claims and 17.7% of those who worked while on claim.

EI administrative data show that for almost two thirds of weeks for which claimants declared earnings, they declared sufficient earnings to reduce their benefits to zero, allowing claimants to defer that week. In 2007/08, 65.1% of weeks worked while on claim in the non-pilot regions reduced the benefit payable for that week to zero and, thus, preserved that week of entitlement. This proportion was slightly lower for those in pilot regions, at 62.7%. Similar results were observed in 2006/07. Therefore, not only are people able to find work while on claim, but they also often find full weeks of work.

Use of the Working While on Claim provision varies according to claimants' past use of the program. For first-time claimants, only 51.0% of weeks worked in regions outside the pilot project resulted in the deferral of that week, compared with 46.9% in pilot regions. For frequent claimants, however, 77.0% of weeks worked in non-pilot regions did so, while 69.2% of weeks worked in pilot regions did so. For occasional claimants, the proportion fell somewhere between first-time and frequent claimants, with 65.1% in regions not included in the pilot project and 56.8% in pilot regions.

First-time claimants were more inclined than other claimants to accept work that partially reduced their benefits. In 2007/08, among claimants outside of pilot regions, 36.2% of the weeks worked by first-time claimants reduced their benefit payments, while only 16.6% of weeks worked by frequent claimants reduced their benefits. In the pilot regions, those proportions were slightly lower, at 30.0% for first-time claimants and 14.2% for frequent claimants.

Claimants who worked while on claim used, on average, 11.6 weeks of benefits, virtually unchanged from the previous year. The average duration of these claims in pilot regions was 14.4 weeks compared with 9.2 weeks in non-pilot regions.

⁵² The provision applies to regular, parental and compassionate care benefits.

⁵³ Data and analysis on the Working While on Claim provision relate to claims established in 2007/08 to ensure all claims were completed.

Frequent claimants worked more while on claim (13.3 weeks), on average, than first-time claimants (9.6 weeks). Notable differences were observed, however, between claimants participating in the pilot projects and those from non-pilot regions. Frequent claimants from pilot regions received an average of 15.2 weeks of benefits compared with 10.4 weeks for those from non-pilot regions. For first-time claimants, the average benefit duration was shorter, with 12.5 weeks of benefits, on average, in pilot regions and 8.3 weeks in non-pilot regions.

4. Small Weeks

As previously mentioned, EI benefits are calculated using earnings in the 26 weeks preceding the last day of employment. During that period, weeks with relatively lower earnings could reduce the amount of benefits claimants receive. The objective of the Small Weeks provision is to encourage individuals to accept all available work by excluding weeks of earnings below \$225 from the benefit rate calculation, provided that the number of weeks of earnings exceeds the minimum divisor.

Before becoming a permanent feature of EI in November 2001, the Small Weeks provision was tested through pilot projects, first from 1997 to 1998 and again from 1998 to 2001. An evaluation study on the later pilot project⁵⁴ reports that 9.0% of male claimants and 17.8% of female claimants received higher average weekly benefits as a result of the pilot project. These claimants significantly increased their total weeks of work in the 26 weeks before their job separations: 2.1 weeks for male claimants and 2.4 weeks for female claimants, respectively.

As of November 2005, the Small Weeks provision did not apply in the EI regions included in the Best 14 Weeks pilot project. Accordingly, the following analysis is based on the non-pilot⁵⁵ EI regions.

In 2008/09, 226,093 claims benefited from the Small Weeks provision, an increase of 22.6% from the previous year. Small Weeks claims as a proportion of all claims, however, remained virtually unchanged from the previous year, decreasing from 16.1% to 15.9%. Since the introduction of this provision in 2001, the number of claimants benefitting from it has fluctuated from year to year.

As noted in previous reports, the Small Weeks provision is most beneficial to youth, women and first-time claimants. In 2008/09, 24.0% of youth benefited from the Small Weeks provision, while only 16.8% of older workers benefited from it. The share of women who benefitted was almost twice that of men (21.2% vs. 11.5%). Among all first-time claimants, 16.7% received higher weekly benefits as a result of the Small Weeks provision. This compares with 11.7% of frequent claimants.

In 2008/09, claimants affected by the Small Weeks provision received, on average, approximately \$14 more per week than they would have without the provision. Had it not been for the provision, average weekly benefit rates of Small Weeks claims would have been \$251 instead of \$264.

Overall, the Small Weeks provision has been effective in increasing the attachment of unemployed workers to the labour force by encouraging them to accept part-time and temporary jobs. Not only were workers encouraged to take on more work, but they also received higher weekly benefits than they would have had the Small Weeks provision not been in place.

III. Evaluation of EBSMs

The objective of Part II Employment Benefits and Support Measures (EBSMs) is to assist individuals to prepare for, obtain and maintain employment. Evaluations of the Employment Benefits and Support Measures (EBSMs) are a requirement under the terms of the bilateral Labour Market Development Agreements (LMDAs). A two-phased approach calling for a formative and a summative evaluation is stipulated in all LMDAs. Formative evaluations examine issues of program design, delivery and implementation. Summative evaluations measure net impacts and determine the extent to which programs successfully achieve their goals, remain relevant to government priorities and are cost effective.

1. Status of the Evaluations

Formative evaluations were completed for all jurisdictions between 1999 and 2002. Summative evaluations have been completed with findings available for 12 jurisdictions:

⁵⁴ HRSDC, *An Evaluation of the EI Pilot Project on Small Weeks, 1998-2001* (Ottawa: HRSDC, Evaluation Directorate, 2001).

⁵⁵ The Best 14 Weeks pilot project applied to 23 EI economic regions from October 2005 until October 2008. The project has been extended from October 2008 until October 2010 in 25 EI economic regions.

British Columbia, Alberta, Ontario,⁵⁶ Quebec, Nunavut, Newfoundland and Labrador, New Brunswick, Saskatchewan, Nova Scotia, Prince Edward Island, the Northwest Territories and Yukon. Preliminary findings for Manitoba are expected in summer 2010.

2. Summative Evaluation Design

The core summative evaluation methodology compares the pre- and post-program experiences of participants to those of similar individuals who did not participate in the program, in order to measure incremental impacts (results attributable to the program).⁵⁷ In calculating net impacts, the evaluations focus on start and end dates of program participation,⁵⁸ and report program results based on the principal EBSM taken by clients.

3. Summary of Key Findings

Table 4 summarizes net impact findings from 11 of the 12 completed⁵⁹ summative evaluations: British Columbia, Alberta, Ontario, Quebec, Newfoundland and Labrador, New Brunswick, Saskatchewan, Nova Scotia, Prince Edward Island, the Northwest Territories and Yukon. Overall, these 11 evaluations cover 97% of the total Canadian labour force.⁶⁰

The table presents results for three outcome indicators (annual hours of employment, annual earnings and number of weeks per year in receipt of EI benefits), by type of EBSM, and for active and former EI claimants.⁶¹

As a context for understanding the results summarized and discussed below, these evaluations were undertaken during different years and client impacts were measured relative to different reference periods. The reference periods for all of the completed evaluations fall between 1998 and

2004.⁶² The EBSMs examined (Skills Development, Targeted Wage Subsidies, Self-Employment and Job Creation Partnerships), are designed and delivered by each jurisdiction in slightly different ways. See Annex 3.3 for definitions of the categories of interventions funded by LMDAs.

4. Findings, by Intervention Type

4.1 Skills Development (SD)

Active claimants who participated in SD increased their earnings in seven jurisdictions, representing 33% of the national labour force covered by the evaluations. The typical estimated gain in annual earnings was in the \$2,000 to \$5,000 range. In proportional terms, the earnings gains are large by international standards—about 10 to 20 percentage points.

The impact on employment was positive (an increase of 211 hours per year or about five weeks) for active claimants in one jurisdiction, representing 15% of the national labour force covered by these evaluations. Smaller increases were reported in the remaining jurisdictions reporting on this measure, representing 85% of the labour force covered. However, these results did not meet the level of statistical significance required for reporting.

Both positive and negative net impacts were found for EI use among active claimants. Predominantly positive findings were found for EI use in six jurisdictions (decreases of between 1.2 to 3.15 weeks in EI use per year), representing 57% of the national labour force covered. Negative results (increases of 1.8 weeks in EI use per year) were found in two jurisdictions, representing 17% of the national labour force covered by these evaluations.

⁵⁶ Ontario signed a transfer LMDA to deliver EBSMs that took effect on January 1, 2007. The Ontario summative evaluation results presented in this summary pertain to EBSMs that were delivered federally.

⁵⁷ A reference group was used in some jurisdictions when it was not possible to find an adequate comparison group.

⁵⁸ Based on administrative data, a unit of analysis, termed an Action Plan Equivalent (APE), is derived and used in the summative evaluations. It is defined as either a single intervention, or a series of interventions that are no more than six months apart. The APE used in the summative evaluation conducted by the Province of Quebec was defined as either a single intervention, or a series of interventions that are no more than four months apart.

⁵⁹ This discussion focuses on evaluations that assessed the net impacts of EBSMs. In Nunavut, the formative and summative evaluations were combined; however, net impacts could not be measured due to methodological constraints.

⁶⁰ The coverage of the Canadian labour force varies by type of outcome and EBSM. For example, the coverage varies from 87% to 97% for Skills Development (SD), Targeted Wage Subsidies (TWS) and Self-Employment (SE). For Job Creation Partnerships (JCPs), the coverage varies from 65% to 68%. Because all of the jurisdictions are not delivering programs under JCPs, a lower proportion of the Canadian labour force is represented by the evaluations of these interventions. The population of EBSM participants is not entirely representative of the Canadian labour force. In particular, many employed workers may never take an EBSM during their lifetime, and some former claimants may be out of the labour force.

⁶¹ In labour market terms, active claimants are those with strong labour market attachment (in other words, a person with an active claim at the time of the intervention) and former claimants are those with weaker labour market attachment (that is, a person who closed an EI claim in the three years preceding the intervention or began a parental or maternity claim in the preceding five years).

⁶² The reference period for each evaluation needed to be early enough that sufficient data were available for post-program analysis. Generally, this meant an interval of three years after the end of the reference period. Some evaluations focused on one-year reference periods, while others had reference periods of two or more years to account for smaller numbers of participants.

Mixed results were found for former claimants in relation to employment (ranging from decreases of 235 hours or about 6 weeks per year to increases of 342 hours or about 9 weeks per year), earnings (ranging from decreases of \$3,900 per year to increases of \$5,300 per year) and EI use (ranging from decreases of 2.5 weeks per year to increases of 4.3 weeks per year).

The relatively positive results for active claimants may be explained in part by the focus of many of these interventions on obtaining credentials. A majority of SD participants reported that they received some sort of credential after completing the program, and there is empirical evidence that such credentials may signal productivity to prospective employers.⁶³

4.2 Targeted Wage Subsidies (TWS)

Significant employment and earnings gains were reported for former claimants who participated in TWS. Four jurisdictions, representing 87% of the national labour force covered, reported increases in employment between 194 to 419 hours (about 5 to 10 weeks) per year. Similarly, former claimants who participated in TWS recorded increases in annual earnings ranging from \$2,600 to \$4,400 in four jurisdictions, representing 85% of the national labour force covered by the evaluations. Post-program gains of 15% to 20% in employment and earnings are roughly in line with findings in the United States.⁶⁴

Significant post-program earnings gains were found for active claimants who participated in TWS in two jurisdictions, representing 15% of the national labour force covered. The typical estimated gain in annual earnings was in the \$4,200 to \$4,800 range. A positive net impact on employment (an increase of 296 hours or about 7 weeks per year) was also found in one jurisdiction, representing 15% of the national labour force covered.

The impact on EI use was mixed for active claimants, ranging between a decrease of 1.8 weeks per year and an increase of 2.7 weeks per year. For former claimants, the impact was negative, with increases in EI use of between 0.2 and 8.5 weeks per year in four jurisdictions, representing

84% of the labour force covered. The negative impact on EI use may, in part, reflect eligibility effects. Employment under a TWS program is insurable under EI, so eligibility is more or less automatic for most participants. Even if there are employment gains after the intervention, it is still possible that some of those who lose their subsidized jobs will collect EI.

The more consistent positive impacts on employment and earnings among former claimants are not surprising. Many former claimants have been out of the labour force for substantial periods of time, and a temporary subsidy reduces employers' costs of getting them "up to speed" in their jobs. On the other hand, active claimants have recent employment experiences, so their potential gains from TWS are not as great.

4.3 Self-Employment (SE)

SE showed positive net impacts on employment for both active and former claimants. The jurisdictions with positive employment outcomes represented 98% of the national labour force covered by the evaluations for active claimants and 87% of the national labour force covered for former claimants. Increases of 20% to 30% in annualized hours worked were reported, with much larger gains being reported in some provinces (increases ranging from 170 to 1,800 hours or about 4 to 45 weeks per year). These strong gains suggest that many SE participants remain self-employed after the formal intervention ends⁶⁵ and that they generally report working full time on such jobs.

Increases in the annual number of hours SE participants worked were often not accompanied by increases in earnings. In some cases, the evaluations reported significant declines in earnings (up to \$2,600 per year). In contrast, however, some increases in earnings (up to \$4,700 per year) were found for former claimants in one jurisdiction, representing 26% of the national labour force covered.

Both types of claimants experienced significant decreases in EI use in the post-program period. Specifically, reductions in EI use of up to 16 weeks per year for active claimants were found in seven jurisdictions, representing 86% of the

⁶³ 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).

⁶⁴ Howard Bloom, et al., "The Benefits and Costs of JTPA Title II-A Programs Key Findings for the National Job Training Partnership Act Study," *The Journal of Human Resources* 32, 3 (1997), pp. 549–576. Judith M. Gueron and Edward Pauly, *From Welfare to Work* (New York: Manpower Demonstration Research Corp., 1991). Manpower Demonstration Research Corporation, Board of Directors, *Summary and findings of the national supported work demonstration* (New York: Russell Sage Foundation, 1991).

⁶⁵ The evaluations that do report continued self-employment generally find that between 50% and 70% of participants in SE continue to be self-employed at the time of the survey (18 to 24 months after the program).

national labour force. Similarly, reductions in EI use of up to 4 weeks per year for former claimants were found in three jurisdictions, representing 87% of the national labour force covered by the evaluations. Because weeks in self-employment are not insurable under EI, it is likely that these outcomes largely reflect eligibility effects rather than a decline in EI collection among eligible workers. When this decline is accompanied by declining earnings, workers pursuing self-employment may experience serious income declines, especially in the short run. Although this sort of impact was not found in all of the evaluations, the possibility that self-employed people may experience large short-run declines in income suggests that further research is required to examine the long-term impacts of SE programs.

4.4 Job Creation Partnerships (JCP)

The net impact estimates for JCP were generally quite varied. For active claimants, a positive net impact was found on hours worked in one jurisdiction (an increase of 285 hours or about 7 weeks per year), representing 20% of the national labour force of the jurisdictions in which this outcome was assessed. Mixed results were found for impacts on earnings. Increases of \$3,600 per year were found in one jurisdiction, representing 17% of the national labour force, while in another jurisdiction, representing 58% of the national labour force, decreases of \$2,500 per year were reported. No significant results were reported for EI weeks for these claimants.

Employment results for former claimants who participated in JCP were mixed (ranging from a decrease of 259 hours or about 6 weeks worked per year to an increase of 85 hours or about 2 weeks worked per year). JCP had negative impacts on earnings for former claimants (decreases ranging from \$2,100 to \$3,800 per year) in three jurisdictions, representing 40% of the national labour force. A negative impact was found for EI weeks

in one jurisdiction (an average increase of 1.5 weeks), representing 60% of the national labour force covered by the evaluations.

4.5 Employment Assistance Service (EAS)

EAS programs are generally short and relatively low cost, and are often provided in combination with another employment benefit program. Post-program impacts of EAS were not measured for clients taking only EAS. EAS participants reported strong levels of program satisfaction, job readiness and interest in further training.

5. Overall Conclusions

Based on the net impact estimates available to date, EBSMs appeared to yield some modest positive impacts for participants, though such findings were not consistent across all the jurisdictions. In general, two trends emerged from these evaluations:

- SD was the most effective intervention in increasing earnings for active claimants; and
- TWS was the most effective intervention in increasing employment and earnings for former claimants.

5.1 Other Results

The 12 completed summative evaluations reported high levels of client satisfaction and increased skill levels as a result of EBSM participation, which generated interest in further skills development. Some evaluations noted the need to better address labour market requirements, including those of employers and those of participants 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, particularly those with weak labour market attachment. Some evaluations also highlighted low participation rates in EBSMs among the less skilled and individuals with barriers to labour market participation.

Table 4
Summary of Outcome Measures from the EBSM Evaluations

Outcome or Intervention	Skills Development (SD)	Targeted Wage Subsidies (TWS)	Self-Employment (SE)	Job Creation Partnerships (JCP)
ACTIVE CLAIMANTS⁶⁶				
Employment (hrs/yr)	Increased employment representing 15% of labour force	Increased employment representing 15% of labour force	Increased employment representing 98% of labour force	Increased employment representing 20% of labour force
	Non-significant impacts representing 85% of labour force	Non-significant impacts representing 85% of labour force	Non-significant impacts representing 2% of labour force	Non-significant impacts representing 80% of labour force
Earnings (\$/yr)	Increased earnings representing 33% of labour force	Increased earnings representing 15% of labour force	Increased earnings representing 3% of labour force	Increased earnings representing 17% of labour force
	Non-significant impacts representing 67% of labour force	Non-significant impacts representing 85% of labour force	Decreased earnings representing 17% of labour force	Decreased earnings representing 58% of labour force
			Non-significant impacts representing 80% of labour force	Non-significant impacts representing 25% of labour force
EI (wks/yr)	Decrease in EI use representing 57% of labour force	Decrease in EI use representing 43% of labour force	Decrease in EI use representing 86% of labour force	Non-significant impacts representing 100% of labour force
	Increase in EI use representing 17% of labour force	Increase in EI use representing 38% of labour force		
	Non-significant impacts representing 26% of labour force	Non-significant impacts representing 19% of labour force	Non-significant impacts representing 14% of labour force	
FORMER CLAIMANTS				
Employment (hrs/yr)	Increased employment representing 38% of labour force	Increased employment representing 87% of labour force	Increased employment representing 87% of labour force	Increased employment representing 20% of labour force
	Decreased employment representing 15% of labour force			Decreased employment representing 2% of labour force
	Non-significant impacts representing 47% of labour force	Non-significant impacts representing 13% of labour force	Non-significant impacts representing 13% of labour force	Non-significant impacts representing 78% of labour force
Earnings (\$/yr)	Increased earnings representing 25% of labour force	Increased earnings representing 85% of labour force	Increased earnings representing 26% of labour force	Decreased earnings representing 40% of labour force
	Decreased earnings representing 15% of labour force		Decreased earnings representing 15% of labour force	
	Non-significant impacts representing 60% of labour force	Non-significant impacts representing 15% of labour force	Non-significant impacts representing 59% of labour force	Non-significant impacts representing 60% of labour force

⁶⁶ Outcome estimates were not reported separately for active and former claimants in Nova Scotia and Prince Edward Island. In the summary table, the net impact results are reported under active claimants, as they represent the majority of participants in these two jurisdictions.

Table 4 (continued)
Summary of Outcome Measures from the EBSM Evaluations

Outcome or Intervention	Skills Development (SD)	Targeted Wage Subsidies (TWS)	Self-Employment (SE)	Job Creation Partnerships (JCP)
EI (wks/yr)	Decrease in EI use representing 25% of labour force	Increase in EI use representing 84% of labour force	Decrease in EI use representing 87% of labour force	Increase in EI use representing 60% of labour force
	Increase in EI use representing 5% of labour force	Non-significant impacts representing 16% of labour force	Non-significant impacts representing 13% of labour force	Non-significant impacts representing 40% of labour force
	Non-significant impacts representing 70% of labour force			

Source: Final summative evaluation reports from the 11 jurisdictions.

Note: Each box in the table indicates the proportion of the national labour force represented by jurisdictions where the impact was estimated (for instance, for SD, there was a significant impact on employment in jurisdictions representing 15% of the labour force covered by the evaluations).

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. It does so by spreading the work reductions across all of the employees in the work unit rather than laying off a portion of the unit. For example, a firm considering laying off 20 of its 100 workers could instead decrease the hours of work for all 100 employees by 20%. All of the employees would face one day per week of unemployment, rather than 20 laid-off employees shouldering the entire burden of the work reduction. In this way, 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. Reduced levels of business activity that result from seasonal slowdowns are not eligible for Work Sharing agreements.

The Economic Action Plan (EAP) eased the criteria for employers applying for the program, streamlined the application process and extended the length of agreements. Up until February 1, 2009, a Work Sharing agreement could be signed for a minimum of 6 weeks to a maximum of 26 weeks, with the possible extension to a total of 38 weeks. The EAP allowed a maximum of 52 weeks for applications received between February 1, 2009, and April 3, 2010.

In 2008/09, the federal government signed 2,305 Work Sharing agreements. More specifically, in just the first two months of 2009, as a result of the economic downturn, the number of Work Sharing agreements increased significantly. Large Work Sharing agreements (each valued at more than \$600,000) have risen from only one in 2006 to four in 2007, nine in 2008 and 24 in the first quarter of 2009 (that is, from January 1 to March 5, 2009⁶⁷). The number of smaller agreements (each valued at under \$600,000) also rose; there were 318 in 2006, 376 in 2007, 847 in 2008 and 945 in the first quarter of 2009 (January 1 to March 5, 2009). The number of employees covered by these agreements also increased, from 14,044 in 2007 to 32,749 in 2008 and 37,444 in the first quarter of 2009 (January 1 to March 5, 2009).

Of the 2,305 agreements signed in 2008/09, 44.9% were in the manufacturing industry. By comparison, the second-highest percentage of agreements was in the forestry industry, at 12.2%.

Ontario, British Columbia and Quebec had the highest numbers of Work Sharing agreements signed (1,036; 698; and 427, respectively). The majority of Work Sharing agreements signed in each of these provinces originated in manufacturing (56.7% of all Ontario agreements, 55.5% of all Quebec agreements and 23.8% of all British Columbia agreements). Given the concentration of manufacturing in Ontario and Quebec, the high usage of Work Sharing in these provinces was to be expected.

⁶⁷ Although announced at the end of January 2009, the EAP changes were not fully implemented until the beginning of March 2009. As such, these data do not fully reflect the impact of the EAP changes.

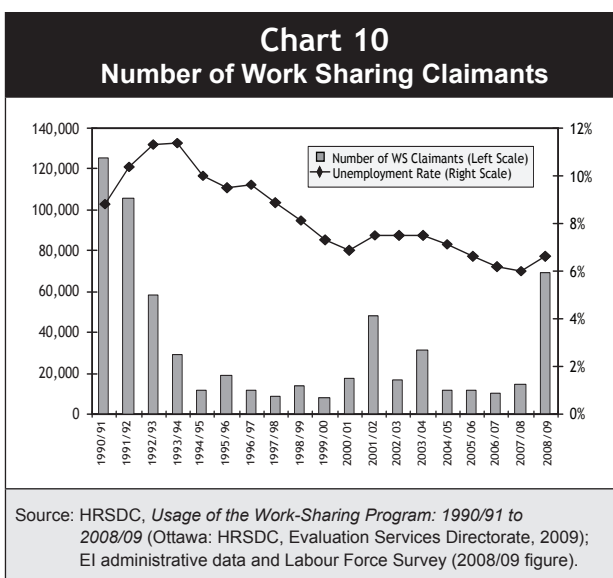
Small and medium-sized enterprises sign the majority of Work Sharing agreements. In 2008/09, over half (51.1%) of these agreements were with firms of fewer than 50 employees. A further 29.4% of agreements were with firms of 51 to 499 employees. Only 7.1% of agreements were with large firms employing 500 or more people.⁶⁸

The number of claims established does not always reflect the number of participants listed in a Work Sharing agreement. Firms estimate the number of employees they anticipate that their Work Sharing agreement will affect. The situation may, however, change by the time the Work Sharing period is reached. For example, employees may find other work or an unexpected contract may come in, reducing the number of employees who need to reduce their hours of work. As a result, fewer employees would establish claims than was stated in the agreement.

It is clear that Work Sharing claims peak during periods of rising unemployment and that the program is used less during times of economic recovery. Chart 10 illustrates this trend. While the 69,380 Work Sharing claims established in 2008/09 did not reach the historical high of 1990/91 (125,262 new claims⁶⁹), these data represent a significant increase over recent years (13,450 new claims in 2007/08 and 10,130 in 2006/07).

Work Sharing claims have also been associated historically with the manufacturing industry's production levels, as this industry accounts for the majority of these claims. This industry has accounted for as much as 83.9% of total Work Sharing claims (in 2007/08) and never less than 57.0% (in 1992/93).⁷⁰ The trend continued in 2008/09, when 81.3% of Work Sharing claims were attributed to this sector. This is down slightly from the previous year, because the economic downturn has provided an impetus for other industries to use the Work Sharing program to a greater degree.

As mentioned in Chapter 2, Quebec and Ontario continued to account for a large portion of Work Sharing claims in 2008/09 (76.5% combined, up slightly from 75.2% the previous year). British Columbia's share, which had increased substantially to 18.5% in 2007/08 from 2.7% in 2006/07, declined to 14.4% in 2008/09. Of the 63,100 Work Sharing claims originating in Ontario, Quebec and British Columbia, 21.4% were made in the



third quarter and 63.3% were made in the last quarter of 2008/09. Within Ontario, 86.8% of Work Sharing claims originated in the manufacturing industry; 76.4% of Quebec claims and 63.2% of British Columbia claims also originated in that industry.

Consistent with the demographics of the manufacturing industry, each year about two thirds of Work Sharing participants are male and about 80% of participants are aged between 25 and 54. In 2008/09, men made 73.0% of Work Sharing claims and people aged 25 to 54 made 79.9% of Work Sharing claims.

2. Apprentices

Apprenticeship is a key component of Canada's training system and an important contributor to our national competitive advantage and the long-term well-being of Canadian men and women. It is a structured system of supervised on-the-job training supported by periods of intensive in-class technical instruction through which apprentices develop new skills and gain experiential learning, both of which they can use immediately in the workplace. An apprenticeship leads to a certification in a skilled trade. Apprenticeship training takes from two to five years, depending on the trade. As of 2007, there were 298,190 registered apprentices in Canada. The EI program facilitates apprenticeship by providing income benefits to apprentices in approved courses during periods of classroom training.

⁶⁸ Firms do not have to complete the "total employees" field in the Work Sharing agreement form; therefore, the remainder of firms (12.5%) fell into the "unknown" category.

⁶⁹ HRSDC, *Usage of the Work-Sharing Program: 1990/91 to 2008/09* (Ottawa: HRSDC, Evaluation Services Directorate, 2009).

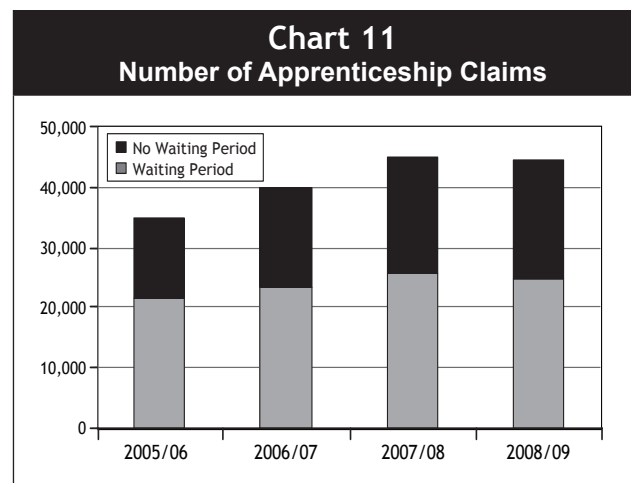
⁷⁰ HRSDC, *Usage of the Work-Sharing Program: 1990/91 to 2008/09* (Ottawa: HRSDC, Evaluation Services Directorate, 2009).

In 2008/09, individuals established 44,620 claims for apprenticeship, a slight decrease of 1.2% over the previous year. This is the first year since 2000/01 that apprenticeship claims have decreased. Total benefits paid to apprenticeship claimants increased to \$165.1 million in 2008/09, an increase of over 17% from the previous year. Even though the number of claims decreased, the average duration per claim increased from 8.9 to 10.6 weeks (+19.3%) so that the increase in average duration more than offset the decrease in the number of claims. Apprentices received higher average weekly benefits than the average claimant (\$403 versus \$361).

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. Of all 2008/09 apprenticeship claims, 19,750 (or 44.3%) were not subject to a waiting period, a slight increase from the previous year (see Chart 11). The proportion of apprentices who are not subject to a waiting period has been rising consistently since 2002, when the waiting period rule was changed for apprentices. Almost all apprenticeship claimants were younger than 45, and just over half were under 25 (50.8%). Claims made by men accounted for over 95% of all apprenticeship claims in 2008/09 (42,720).

For the second consecutive year, Newfoundland and Labrador experienced the largest growth in apprenticeship claims, with an increase of 144%; however, claims in this province account for only 3.4% of all apprenticeship claims. Since 2000, Ontario, Alberta and British Columbia have accounted for approximately 80% of all claims by apprentices. Consistent with previous years, over half of all apprenticeship claims (24,260) came from the construction industry, while manufacturing, wholesale and retail trade combined accounted for just under a quarter (10,610).

According to a report by the Canadian Apprenticeship Forum,⁷¹ 30% of employers without apprentices indicated they would be interested in hiring apprentices, if they had better access to them. Further, employers have indicated that although the economy is experiencing a downturn, they wanted to keep their apprentices, as they would need skilled workers in the future.



3. Premium Reduction Program

The Premium Reduction Program (PRP) 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 show how they return the employee share of the premium reduction to workers. Premiums are reduced on about 60% of all insurable earnings in Canada.

In 2008, approximately 6 million employees were covered by an employer-sponsored short-term disability plan. The number of participating employers⁷² in the program, however, declined over the same period, from 39,800 in 1995 to 32,500 in 2008. The main reason for this decline is that the Canada Revenue Agency introduced new remittance methods that made it easier for companies to amalgamate their payrolls, leading to a decline in the number of employer units enrolled, but not necessarily the number of employers. A recent study states that from 2000 to 2006 the share of employers enrolled in PRP declined from 3.4% to 2.9% while the share of all employees covered varied between 41% and 43%.⁷³

According to the same study, in 2006, almost 45% of large enterprises (those with 500 employees or more) received EI premium reductions through the PRP. In contrast, only 1.4% of firms with fewer than 25 employees received premium reductions. This is significant because small enterprises represent 88.1% of all firms, while large enterprises represent 0.5%.

⁷¹ R.A. Malatest & Associates Ltd., *It Pays to Hire an Apprentice: Calculating the Return on Training Investment for Skilled Trades Employers in Canada* (Ottawa: Canadian Apprenticeship Forum, June 2009).

⁷² This refers to the business numbers of employers that the Canada Revenue Agency uses to administer reduced premiums. An employer may have more than one business number.

⁷³ HRSDC, *Summary Evaluation of the EI Premium Reduction Program* (Ottawa: HRSDC, Evaluation Directorate, 2009).

The majority of employers (63.3%) participating in the EI premium reduction program in 2006 were in the public administration industry, with a participation rate of 23.7%, followed by the utilities industry, at 21.0%, and the education industry and manufacturing industry, at 9.3% each.

From 2000 to 2006, the percentage of employers participating in the EI premium reduction program declined in every province and territory except Prince Edward Island. In 2006, Saskatchewan (6.0%) had the greatest participation rate, followed by Manitoba (5.1%), Quebec (4.1%) and the Northwest Territories (3.1%). Ontario ranked seventh with a 2.4% participation rate. The data show also that employer take-up was lowest in Atlantic Canada.

Finally, in 2008, employers received \$788 million in premium reductions, \$83 million more than they received in 2007.⁷⁴

V. EI and the Economy

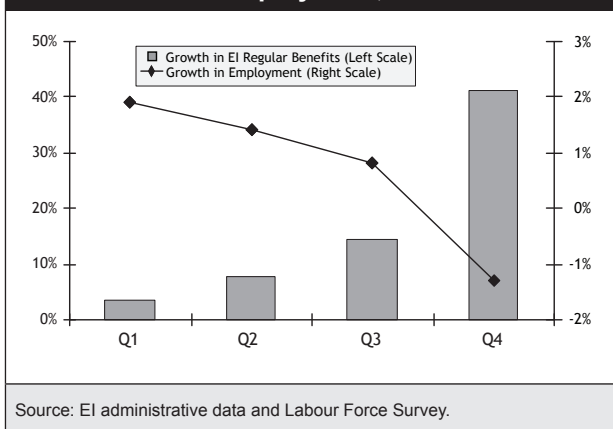
1. Responsiveness to the Economic Downturn

The EI program has played an important role in steadying the economy during the economic downturn, as shown by the increase in claims established and benefits paid, especially in the last quarter of 2008/09. Its effectiveness as a stabilizing force in the economy is further demonstrated by its responsiveness, nationally and regionally, to fluctuations in unemployment rates across the country. The built-in flexibility of the Variable Entrance Requirement (VER), which is specifically designed to respond to changes in local labour markets, allowed for timely adjustments to entrance requirements and benefit entitlements during the economic downturn. This, in turn, gave claimants in the provinces and regions most affected by the downturn easier access to the program and longer benefit durations.

As reported in Chapter 2, EI claim volume for regular benefits increased by 26.9% in 2008/09, compared with the previous year, in response to the decline in employment in the fourth quarter of the fiscal year. In particular, there was a 68.5% year-over-year increase in regular claims in the fourth quarter of 2008/09, which witnessed the largest quarterly employment decline in over 30 years.

In addition, regular EI benefits paid increased by \$1.5 billion or 19.2% in 2008/09, while the year-over-year increase in payments became apparent in the third quarter of the fiscal year and surged during the fourth quarter (refer to Chart 12). The considerable increases in regular benefits paid occurred during periods of employment decline and contributed to economic stability.

Chart 12
Year-Over-Year Growth of EI Regular Benefits and Employment, 2008/09



As noted above, the EI program responds automatically to changes in local labour markets as unemployment rates fluctuate. The VER decreases and lengths of benefit entitlement increase as unemployment rates rise across the 58 EI regions. From October 2008 to March 2009, 26 of these regions experienced a significant increase in their unemployment rate and witnessed a corresponding decrease in entrance requirements and increase in lengths of benefit entitlement.

The increases in the length of entitlement due to the changes in regional unemployment rates are in addition to the five additional weeks for all economic regions provided through Canada's Economic Action Plan (see Table 1 in Chapter 2). Also, the maximum duration of benefits available in areas of high unemployment rose from 45 to 50 weeks. For example, when the unemployment rate⁷⁵ in Toronto increased from 6.9% in October 2008 to 8.3% in March 2009, the entrance requirement declined from 665 to 595 hours to reflect the increased difficulty of finding work in the region. The maximum duration of

⁷⁴ HRSDC, *Report of the Chief Actuary to the Employment Insurance Commission on the Employment Insurance Break-Even Premium Rate and Maximum Insurable Earnings* (Ottawa: HRSDC, Actuary's Office, 2010).

⁷⁵ The local unemployment rates presented in this chapter are those of 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*. The monthly unemployment rate is calculated taking a three-month moving average of seasonally adjusted unemployment rates.

benefits increased from 38 to 47 weeks, as a result of the automatic adjustment of the VER and the five additional weeks of benefits. More detailed information on the regional unemployment rates and the VER discussed can be found in Annex 4.

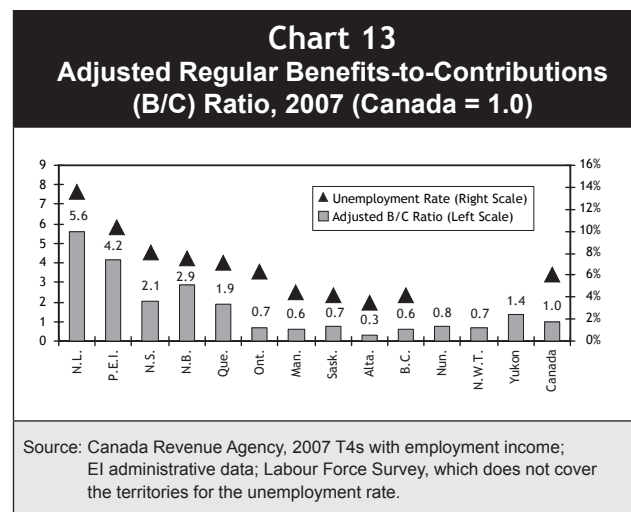
2. Income Distribution

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

To measure redistribution, each province's share of total premiums collected is compared with that province's share of total regular benefits paid, with the overall adjusted result equal with 1.0.⁷⁶ This resulting ratio indicates whether a given province receives more in benefits than it contributes to the program or, conversely, pays more in premiums than it receives. A province or territory with an adjusted ratio greater than 1.0 receives relatively more in benefits than it pays in premiums, making that province or territory a net beneficiary of the program. A province with an adjusted ratio below 1.0 demonstrates little reliance on EI and is a net contributor to the program. Based on the latest tax data available, the Atlantic provinces and Quebec continued to be net beneficiaries of the program in 2007, while Ontario and the western provinces remained net contributors (refer to Chart 13).

In 2007, industries with a high degree of seasonality, such as agriculture, forestry, fishing and hunting, as well as construction and arts and recreation, continued to be net beneficiaries of the program. Manufacturing, which does not demonstrate the same degree of seasonality as the industries previously mentioned, also remained a net beneficiary. Annex 2.17 provides a detailed account of premiums and benefits across different groups.

Men and older workers also continued to be net beneficiaries, according to the adjusted benefits-to-contributions ratios for regular benefits. In 2005, youth were net beneficiaries of regular benefits, but they became net contributors with an adjusted ratio of 0.98 in 2006 and 0.94 in 2007.



An HRSDC study⁷⁷ states that older workers (aged 55 and older) are net beneficiaries of EI. Those aged 65 and older contribute more to the program than they receive in benefits; however, their premiums amount to about 8% of what older workers in total contribute. Workers between the ages of 55 and 64, who represent the vast majority of older workers, more than offset this trend.

EI premiums are collected to pay for all types of EI benefits, not just regular benefits. When special benefits are also included, the redistributive impacts of EI change. The analysis shows that women received more in regular and special benefits relative to what they paid in EI premiums in 2007 than did men. Similarly, workers aged 25 to 44 received relatively more in regular and special benefits than they contributed to EI compared with the other age groups. The 25 to 44 age group accounted for close to 60% of special benefits claims, as they received the vast majority of maternity and parental benefits. Conversely, when special benefits are also considered, older workers are net contributors to the program. While the benefit-to-contribution ratios of the Atlantic provinces remained high when special benefits were included, each was lower than it was when only regular benefits were considered. The opposite applied to Ontario, British Columbia and the Prairie provinces, which displayed higher adjusted benefit-to-contribution ratios once special benefits were taken into account.

⁷⁶ 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.

⁷⁷ HRSDC, *EI Payments and the GIS System* (Ottawa: HRSDC, Evaluation Directorate, 2008).

3. EI and Industries

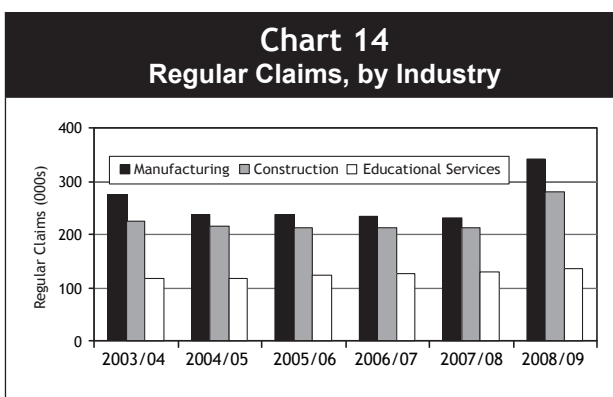
In the context of the global economy and structural changes occurring in key Canadian industries, it is interesting to examine how usage of the EI program varied across industries, and how the parameters of the EI program interacted with the changes occurring within these industries. Construction, manufacturing and educational services combined accounted for almost 46% of all regular EI claims in 2008/09. Manufacturing and construction claimants tended to use a similar proportion of their entitlement weeks⁷⁸—58.9% and 57.5%, respectively—whereas claimants from the educational services industry used 39.1% of their entitlement. In 2008/09, average weekly benefits for claimants from these industries were all higher than the national average of \$364, with \$407 in construction, \$372 in education and \$378 in manufacturing.

Since 2003/04, regular claims in the manufacturing and construction industries have declined at an average rate of 4.0% and 1.4%, respectively. This trend was reversed in 2008/09, however, as regular claims increased sharply by 47.4% in manufacturing and 32.0% in construction (see Chart 14). The educational services industry has followed a different path since 2003/04, with regular claims increasing at a relatively stable 3.1% average growth rate.

The recession that started in October 2008 did not affect all industries equally. For instance, during the first quarter of 2009, three industries—mining, oil and gas extraction; professional, scientific and technical services; and management of companies and enterprises—experienced increases in new regular claims of over 120% when compared with the same quarter a year before. In contrast, during the same period, agriculture, forestry and hunting, educational services, and public administration experienced increases of below 13%, the lowest among all industries. A more complete analysis of the way the recession affected different industries will be included in upcoming *Monitoring and Assessment Reports*.

Overall, employment in the Canadian auto sector dropped by 2.4% in 2008, after growing by 27.6% (+107,000) between 1992 and 2004, and remaining stable at 495,000 between 2005 and 2007. Auto manufacturing activities in Canada, which have been experiencing a long-term decline, account for 30% of the auto sector's employment and represent about 13.9% of total North American auto

manufacturing employment. The recession both worsened the outlook for manufacturing and slowed growth in the rest of the industries within the auto sector. Administrative data show that all auto industries registered a steep increase (over 50%) in EI regular claims in the last quarter of 2008/09 when compared with the same period a year before. In the auto manufacturing industry however, the steep increase in regular claims happened mainly in the second and third quarters of 2008/09, with regular claims increasing by 143.6% in the former and 97.6% in the latter when compared with the same periods a year before. In sum, even though the recession hit all industries in the auto sector, the auto manufacturing industry was hit earlier and harder than the rest.



A recent HRSDC study⁷⁹ explores the differences between claimants across industries in terms of eligibility, proportion of entitlement used and weeks of unemployment covered by EI. The study finds that claimants in some industries differ markedly from the rest in terms of EI outcomes. For instance, during the period the survey took place,⁸⁰ claims in agriculture were characterized by high eligibility, high benefit exhaustion and a large number of weeks of benefits being used. Claims from education workers were characterized by high eligibility, but low exhaustion rates, fewer EI entitlement weeks and fewer benefit weeks being used. These findings are consistent with the length of the seasonal component in the education and agriculture industries. Lastly, claims in retail trade were characterized by low eligibility, high benefit exhaustion and fewer EI entitlement weeks. These outcomes were partially due to the temporary and part-time nature of retail sector jobs.

⁷⁸ Proportion of entitlement weeks used relates to all completed claims initiated in 2007/08. Many of these claims were completed in 2008/09.

⁷⁹ HRSDC, *Use of Employment Insurance by Industrial Sector* (Ottawa: HRSDC, Evaluation Directorate, 2008).

⁸⁰ The COEP survey covered the second and third quarters of 2001, 2002, 2005 and 2006.

In some communities, workers face a restricted form of employment tied to the strength of a single dominant industry and sometimes even a single employer. The capacity of the dominant industry or employer to absorb workers determines the employment and unemployment patterns in these towns. A study about displaced workers in 10 dominant-industry communities⁸¹ finds that these workers have access, entitlement and usage of EI benefits similar to those of workers in other communities. This finding suggests that there is no inherent bias in the EI system that either favours or works against claimants in dominant-industry communities.

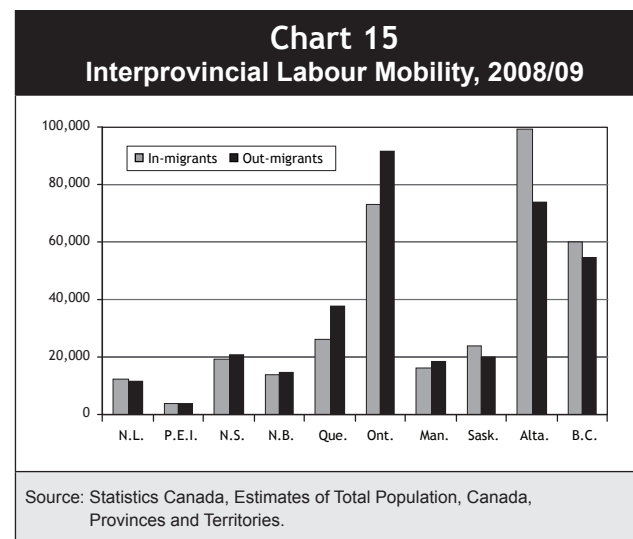
4. Labour Mobility

As described in Chapter 1, the unemployment rate rose in 2008/09 to reach 6.6%. Although the national average unemployment rate increased, regional variations still existed, which suggests that some amount of rigidity exists in the Canadian labour market. Despite job availability in some regions of the country, workers are not necessarily willing or able to move, and this contributes to pockets of higher unemployment.

The movement of labour that does take place, however, typically occurs from regions of high unemployment and lower wages to regions of low unemployment and higher wages.

Preliminary demographic estimates from Statistics Canada indicate that labour mobility in 2008/09 continued to follow the same trends as in the previous year. Ontario and Quebec continued to have negative migration outcomes (-18,200 and -11,600, respectively). Alberta (+25,500), British Columbia (+5,700), Saskatchewan (+3,900) and Newfoundland and Labrador (+700) received a greater number of migrants than they lost⁸² (see Chart 15).

There are two current trends in labour mobility in Canada: a clear movement from the east to the west, and movement among the provinces in the west. Most workers leaving the Atlantic provinces relocate to Ontario and, to a slightly lesser extent, Alberta. The majority of those leaving Quebec move to Ontario while, for the most part, those leaving Ontario move to Alberta and British Columbia. The majority of those leaving British Columbia move to Alberta and vice versa.



A number of studies in the past decade have looked at the determinants of labour mobility and whether EI played a role in the decision to migrate for employment. Results of these studies indicate that factors such as personal and labour market characteristics, and moving costs, play a key role in mobility decisions. It appears that EI is not a barrier to mobility, as eliminating regional EI extended benefits and regional EI differences in qualifying requirements would increase the volume of migration by less than 1%.

On January 16, 2009, the Government of Canada, provincial governments and territorial leaders agreed to full labour mobility across Canada by endorsing two key amendments to the Agreement on Internal Trade (AIT). Each amendment will mark significant progress toward eliminating internal trade barriers and enhancing labour mobility in Canada.⁸³ The revised labour mobility chapter of the AIT provides that any worker certified for an occupation by a regulatory authority of one province or territory is to be recognized as qualified for that occupation by all other provinces and territories. The agreement on full labour mobility came into effect on April 1, 2009.

Ongoing monitoring may show the impact of the agreement on labour mobility and the extent to which it may help reduce regional labour market performance disparities.

⁸¹ HRSDC, *Employment Insurance and Displaced Workers in Dominant Industry Communities* (Ottawa: HRSDC, Evaluation Directorate, 2009).

⁸² Labour migration occurs within Canada, with workers moving from provinces with negative rates to provinces with positive rates.

⁸³ For more details on the changes to the AIT, see <http://www.pm.gc.ca/eng/media.asp?id=2385>.

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 every year for over a decade, from \$3.07 in 1994 to \$1.73 in 2008, and are being kept at that level in 2009 and 2010 in order to ensure that premium rates for workers and employers remain low during the downturn. Over the same period, employer premiums have declined from \$4.30 to \$2.42. The effect of declining premiums on revenues has been partially offset by a general increase in the participation rate and, in recent years, by increases in the MIE. The MIE increased to \$42,300 for 2009 and to \$43,200 for 2010. It had increased previously from \$39,000 in 2006 to \$40,000 in 2007 and to \$41,100 in 2008.

Despite the rises in wages and the MIE, EI expenditures began gradually declining in 2003, due to the combined effect of the declining unemployment rate and the implementation of the Quebec Parental Insurance Plan (QPIP) in 2006.⁸⁴ This declining trend was reversed in 2007/08 and more notably in 2008/09 when expenditures grew by 12.9%. This recent reversal in EI expenditures reflects the increase in EI regular benefit payments, due to the recession that started in October 2008.

On the premium side, a declining premium rate and an increase in the number of contributors have kept the overall level of contributions to the EI Account relatively stable since 2005/06. The combination of stable contributions and rising expenditures has brought the EI Account into an operational deficit for 2008/09.

Employers and provinces that offer insurance plans resulting in both reduced claims and reduced benefits under the EI program are entitled to premium reductions. As discussed earlier in this chapter, the PRP represented \$788 million in reduced premiums for participating employers in 2008.⁸⁵ In addition, the premium reductions in Quebec related to the QPIP represented \$878 million in 2008.⁸⁶

⁸⁴ Maternity and parental benefits payable under the QPIP replaced maternity and parental benefits payable under EI in Quebec.

⁸⁵ HRSDC, *Report of the Chief Actuary to the Employment Insurance Commission on the Employment Insurance Break-Even Premium Rate and Maximum Insurable Earnings* (Ottawa: HRSDC, Actuary's Office, 2010).

⁸⁶ HRSDC, *Report of the Chief Actuary to the Employment Insurance Commission on the Employment Insurance Break-Even Premium Rate and Maximum Insurable Earnings* (Ottawa: HRSDC, Actuary's Office, 2010).

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 *Employment Insurance Act* are credited to the EI 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.

In Budget 2008, the government announced it would improve the management and governance of the EI Account by creating the Canada Employment Insurance Financing Board (CEIFB), an independent Crown corporation that will manage a separate bank account and implement an improved EI premium rate-setting mechanism.

The new rate-setting process will ensure EI revenues and expenditures break even over time by taking into account surpluses and deficits that occurred after December 31, 2008, as well as investment income. The process will also contribute to the relative stability of premium rates by limiting changes in the EI premium rate to 15 cents annually.

In Budget 2009, the Government of Canada committed to freezing the premium rate for 2010 at \$1.73 to ensure it remains low during the recession. In addition, it was announced that for 2011 and beyond, the CEIFB would begin setting premium rates on a break-even basis. To ensure that premium rate increases are gradual enough to support a strong economic recovery, the CEIFB will not recover the portion of the EI deficit attributable to the two-year estimated \$2.9 billion of enhanced EI benefits announced in Budget 2009.

Each year, the HRSDC *Departmental Performance Report* (DPR) provides information on the status of the EI Account. The 2008/09, DPR indicated that EI expenditures (\$18.137 billion) exceeded total EI premiums and penalties (\$17.258 billion) by \$879 million for that fiscal year. Including notional interest of \$1.0 billion and \$0.1 billion in additional funding for measures introduced

in Budget 2009, the notional cumulative surplus in the EI Account was reported to be \$57.2 billion as of March 31, 2009.⁸⁷

Table 5 presents the summary results of EI expenditures and revenues for 2008/09.

Table 5			
Employment Insurance Expenditures and Revenues for 2008/09 (\$ Millions)			
<i>EI Expenditures</i> ⁸⁸			
Income Benefits (Part I)			14,212.3
Regular		9,488.7	
Fishing		246.2	
Special		3,944.7	
Sickness	1,008.8		
Maternity	876.2		
Parental	2,049.5		
Compassionate Care	9.9		
Work Sharing		56.4	
Apprentices		165.1	
Part II Clients		311.3	
EBSMs (Part II) and Pan-Canadian Activities			2,112.0
Employment Benefits		1,227.8	
Targeted Wage Subsidies	87.4		
Self-Employment	135.6		
Job Creation Partnerships	49.3		
Skills Development	955.6		
Support Measures		711.9	
Employment Assistance Services	563.0		
Supplément de retour au travail ⁸⁹	3.3		
Labour Market Partnerships	143.0		
Research and Innovation	2.6		
Pan-Canadian Activities ⁹⁰		162.1	
Adjustment ⁹¹		10.2	
Total Benefits and Support Measures			16,324.3
Administration Costs ⁹²			1,801.2
Adjustment Factors ⁹³			11.0
Total Employment Insurance Expenditures			18,136.5
<i>EI Revenues</i>			
Total Premium Revenues ⁹⁴			17,258.0

Note: Totals may not add up due to rounding.

⁸⁷ HRSDC, 2008–2009 Estimates, Departmental Performance Report (Ottawa: HRSDC, November 2009), <http://www.tbs-sct.gc.ca/dpr-rmr/2008-2009/inst/csd/csd00-eng.asp>.

⁸⁸ Due to a different methodology, the results for individual expenditure components do not match those reported in the financial statements of the Employment Insurance Account.

⁸⁹ Applies to Quebec only.

⁹⁰ Pan-Canadian Activities include the Aboriginal Human Resources Development Strategy, Labour Market Partnerships, and Research and Innovation.

⁹¹ This adjustment reflects over contributions, overpayments, refunds of previous years' expenditures and other accounting adjustments.

⁹² These costs include administration costs incurred by provinces and territories.

⁹³ These factors include bad debt and other accounting adjustments.

⁹⁴ These revenues include benefit overpayment and penalties, and are net of reduced premiums for employers participating in the Premium Reduction Program.

Annex 1

Key Labour Market Statistics

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

Annex 1.1 • Unemployment Rate, by EI Region (%)

	March 2009	Dec. 2008	Sept. 2008	June 2008	March 2008	Dec. 2007	Sept. 2007	June 2007
Newfoundland and Labrador								
St. John's	7.4	7.6	7.7	8.3	7.6	6.7	6.3	7.3
Newfoundland and Labrador	19.9	18.4	17.1	15.6	16.2	18.6	18.8	16.9
Prince Edward Island								
Prince Edward Island	12.2	11.5	10.3	10.5	10.3	10.4	10.6	10.0
Nova Scotia								
Eastern Nova Scotia	14.6	13.7	12.6	15.0	13.5	13.1	14.3	14.9
Western Nova Scotia	9.7	8.7	7.6	8.9	9.1	9.6	9.5	8.8
Halifax	5.9	5.2	5.6	5.0	4.4	5.2	6.1	5.2
New Brunswick								
Fredericton–Moncton–Saint John	5.6	5.5	6.1	5.6	5.4	5.7	4.6	4.7
Madawaska–Charlotte ¹	11.2	10.8	11.0	10.6	10.0	10.2	9.5	9.4
Restigouche–Albert	14.9	14.8	15.0	14.1	13.7	12.7	13.8	12.8
Quebec								
Gaspésie–Îles-de-la-Madeleine	18.9	19.3	18.4	18.0	16.7	17.1	17.7	17.2
Québec	4.0	4.3	4.7	5.1	4.9	5.6	4.6	4.9
Trois-Rivières	7.8	7.5	8.2	8.9	8.2	7.3	8.0	7.8
South Central Quebec	6.8	6.6	5.0	4.9	6.0	5.0	5.6	6.1
Sherbrooke	6.3	6.4	6.0	6.0	5.9	6.4	5.8	6.4
Montréal	7.7	7.1	8.0	7.6	6.9	8.1	7.0	6.9
Montréal	8.2	7.6	7.5	7.7	7.2	7.0	7.1	6.8
Central Quebec	8.0	7.8	8.4	8.0	7.3	7.5	7.9	9.5
North Western Quebec	11.3	11.2	9.5	10.0	9.5	11.3	12.7	12.8
Bas-Saint-Laurent–Côte-Nord ¹	12.8	12.2	12.3	11.1	10.6	11.0	11.0	12.2
Hull	5.6	4.7	4.9	5.3	4.2	5.0	6.0	5.6
Chicoutimi–Jonquière	8.8	7.3	8.6	9.5	9.1	8.0	8.3	9.7
Ontario								
Ottawa	4.7	4.7	5.2	4.9	4.6	4.7	5.3	5.6
Eastern Ontario	6.9	5.4	6.0	5.9	6.0	6.6	7.0	7.2
Kingston	5.4	5.6	5.7	5.6	5.7	5.9	5.7	4.5
Central Ontario	7.4	6.4	6.3	6.6	7.5	5.5	5.7	5.9
Oshawa	8.0	7.8	6.3	8.0	6.3	5.7	6.5	5.9
Toronto	8.3	7.0	7.0	6.5	6.5	6.6	7.0	6.9
Hamilton	8.4	6.5	5.6	6.1	5.9	6.0	5.5	6.1
St. Catharines	9.5	8.2	6.9	7.2	6.3	7.0	7.7	5.7
London	8.5	6.8	6.6	7.1	6.7	6.0	6.1	6.0
Niagara	9.5	8.8	8.0	9.4	8.8	7.5	7.7	7.9
Windsor	12.1	10.3	9.6	7.9	8.4	8.7	9.7	9.3
Kitchener	9.1	6.4	5.5	5.6	5.1	5.3	5.6	5.6
Huron	9.9	7.8	7.3	8.4	7.0	6.0	7.8	8.6
South Central Ontario	7.5	5.7	5.0	4.6	4.9	4.7	5.3	5.9
Sudbury	7.0	5.9	5.6	6.0	5.6	5.4	5.7	5.9
Thunder Bay	7.6	5.9	6.3	6.1	5.3	7.1	6.7	6.7
Northern Ontario	10.4	10.3	10.4	10.4	10.7	10.4	10.2	10.4

Annex 1.1 - Unemployment Rate, by EI Region (%) (continued)

	March 2009	Dec. 2008	Sept. 2008	June 2008	March 2008	Dec. 2007	Sept. 2007	June 2007
Manitoba								
Winnipeg	4.8	4.6	4.2	4.3	4.4	4.6	4.2	5.0
Southern Manitoba	5.3	4.9	4.7	5.2	4.9	4.4	5.7	5.2
Northern Manitoba	26.9	26.0	25.5	25.6	25.0	25.1	25.8	26.2
Saskatchewan								
Regina	3.5	3.6	4.0	4.3	3.8	5.0	6.0	4.7
Saskatoon	4.6	4.0	4.2	3.9	3.5	3.9	4.6	3.9
Southern Saskatchewan	6.3	5.5	5.8	6.0	6.1	5.8	6.2	5.7
Northern Saskatchewan	15.5	15.5	16.4	14.9	15.2	14.8	14.4	14.2
Alberta								
Calgary	4.8	3.7	3.6	3.1	2.9	3.1	3.3	3.5
Edmonton	4.6	3.8	3.6	4.0	3.8	4.4	4.0	3.7
Northern Alberta	8.6	8.5	8.2	8.1	7.4	7.4	7.5	7.7
Southern Alberta	6.4	4.8	4.3	4.4	4.8	4.5	4.4	4.7
British Columbia								
Southern Interior B.C.	8.5	7.8	6.2	6.4	6.1	6.2	6.2	5.5
Abbotsford	6.1	5.2	4.2	4.8	4.5	4.1	4.4	4.7
Vancouver	5.6	4.5	4.2	4.2	3.9	4.3	3.9	4.2
Victoria	5.5	4.0	4.0	3.7	4.1	3.4	4.5	4.1
Southern Coastal B.C.	7.6	6.4	5.4	5.7	5.2	5.3	5.5	6.3
Northern B.C.	9.9	9.5	10.1	9.6	8.6	8.7	8.3	7.6
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
NATIONAL	7.7	6.8	6.6	6.5	6.3	6.4	6.5	6.6

Source: Statistics Canada, Labour Force Survey.

1. Unemployment rates for these regions have been determined using a transition formula prescribed in the EI Regulations.
2. Yukon, Northwest Territories and Nunavut unemployment rates are set at 25% for EI purposes.

Annex 1.2 - Employment, by Province, Gender and Age¹

	% Change 2007/08 – 2008/09	(000s)									
		2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	
NATIONAL	0.7	17,071.8	16,953.9	16,586.0	16,242.3	16,001.2	15,731.0	15,441.3	14,992.5	14,820.6	
Province											
Newfoundland and Labrador	0.1	218.8	218.5	216.7	213.6	214.4	213.1	208.6	204.9	198.4	
Prince Edward Island	0.3	69.8	69.6	69.0	68.2	67.6	66.3	65.0	63.7	62.9	
Nova Scotia	1.4	454.3	448.1	443.7	442.8	443.7	432.8	425.7	416.8	411.3	
New Brunswick	0.4	366.1	364.8	355.7	352.9	350.7	343.5	345.1	332.8	331.6	
Quebec	-0.1	3,868.5	3,871.2	3,781.5	3,728.9	3,693.2	3,637.5	3,597.5	3,459.3	3,411.7	
Ontario	0.5	6,656.8	6,623.3	6,519.6	6,423.9	6,328.2	6,237.2	6,093.6	5,939.9	5,853.9	
Manitoba	1.4	607.4	599.1	588.9	581.6	578.0	571.7	568.8	556.4	553.8	
Saskatchewan	2.6	516.2	503.0	496.9	482.5	482.7	476.0	472.2	458.8	470.8	
Alberta	1.9	2,013.9	1,975.4	1,897.5	1,798.8	1,764.4	1,728.5	1,682.9	1,638.7	1,593.9	
British Columbia	0.8	2,299.9	2,280.9	2,216.4	2,148.9	2,078.4	2,024.4	1,981.9	1,921.1	1,932.3	
Gender											
Male	0.3	8,967.0	8,939.7	8,763.9	8,631.5	8,509.3	8,371.0	8,246.6	8,046.1	7,994.7	
Female	1.1	8,104.7	8,014.2	7,822.1	7,610.7	7,492.0	7,360.0	7,194.7	6,946.3	6,825.9	
Age											
Under 25	-0.9	2,576.2	2,600.0	2,546.6	2,490.1	2,468.0	2,441.8	2,423.9	2,333.3	2,307.9	
25 to 54	0.1	11,826.4	11,811.1	11,671.8	11,508.4	11,420.0	11,293.5	11,204.4	11,027.1	10,964.8	
55 and Over	5.0	2,669.2	2,542.8	2,367.5	2,243.7	2,113.3	1,995.7	1,812.9	1,632.0	1,547.9	

Source: Statistics Canada, Labour Force Survey.

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

Annex 1.3 - Employment, by Industry¹

INDUSTRY	% Change 2007/08- 2008/09	(000s)									
		2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	
ALL INDUSTRIES	0.7	17,071.8	16,953.9	16,586.0	16,242.3	16,001.2	15,731.0	15,441.3	14,992.5	14,820.6	
Goods-Producing	-0.6	3,971.6	3,994.7	3,992.2	3,998.2	3,999.5	3,930.6	3,914.4	3,772.3	3,821.0	
Agriculture	-4.7	322.2	338.0	343.1	348.4	324.0	331.0	333.2	315.7	358.9	
Forestry, Fishing, Mining, Oil and Gas	0.3	338.4	337.5	336.8	311.2	290.9	282.4	271.3	278.5	276.4	
Utilities	5.2	150.8	143.4	124.1	124.4	131.0	132.0	132.0	125.8	116.8	
Construction	5.6	1,223.4	1,158.5	1,080.5	1,038.7	968.6	911.9	876.6	828.5	814.0	
Manufacturing	-4.0	1,936.7	2,017.3	2,107.7	2,175.5	2,284.9	2,273.2	2,301.2	2,223.6	2,255.0	
Services-Producing	1.1	13,100.1	12,959.2	12,593.8	12,244.1	12,001.7	11,800.4	11,526.9	11,220.2	10,999.6	
Trade	-0.9	2,665.4	2,690.9	2,640.0	2,591.3	2,523.7	2,477.6	2,428.7	2,374.1	2,312.8	
Transportation and Warehousing	2.5	853.9	833.0	805.8	800.0	791.6	796.6	771.0	766.4	774.7	
Finance, Insurance, Real Estate and Leasing	1.2	1,078.4	1,065.6	1,052.1	994.8	973.9	924.4	900.3	879.8	862.6	
Professional, Scientific and Technical Services	3.7	1,199.5	1,157.0	1,098.9	1,063.7	1,023.4	1,005.6	992.4	983.4	953.9	
Business, Building and Other Support Services	-4.7	673.1	706.0	696.7	662.3	632.5	612.4	592.9	545.2	538.2	
Educational Services	0.0	1,187.1	1,187.4	1,163.2	1,129.6	1,045.3	1,029.2	1,015.2	990.2	969.1	
Health Care and Social Assistance	3.7	1,923.9	1,856.0	1,810.2	1,734.8	1,735.3	1,694.4	1,640.3	1,550.4	1,522.2	
Information, Culture and Recreation	-3.3	755.6	781.5	751.7	737.1	738.7	722.2	711.3	713.6	676.0	
Accommodation and Food Services	1.4	1,079.1	1,064.5	1,032.0	1,001.0	1,013.5	1,007.0	990.8	954.3	935.9	
Other Services	3.5	757.1	731.8	706.6	693.5	698.2	707.8	694.2	670.2	680.6	
Public Administration	4.7	927.0	885.5	836.6	836.1	825.6	823.2	789.6	792.7	773.6	

Source: Statistics Canada, Labour Force Survey.

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

Annex 1.4 - Unemployment Rate and Unemployment¹

	Unemployment (000s)	Unemployment Rate (%)									
	2008/09	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	
NATIONAL	1,213.8	6.6	6.0	6.2	6.6	7.1	7.5	7.5	7.5	6.9	
Province											
Newfoundland and Labrador	35.3	13.9	13.1	14.6	15.5	15.5	16.3	16.7	16.4	16.5	
Prince Edward Island	8.9	11.4	10.3	10.8	11.2	11.0	11.1	11.7	12.5	12.0	
Nova Scotia	39.9	8.1	8.0	7.9	8.2	8.8	9.2	9.4	9.8	9.2	
New Brunswick	35.4	8.8	7.8	8.3	9.6	9.7	10.1	10.0	11.0	10.5	
Quebec	317.8	7.6	7.0	7.9	8.3	8.4	9.1	8.5	9.0	8.5	
Ontario	511.0	7.1	6.3	6.3	6.5	6.8	6.9	7.0	6.6	5.9	
Manitoba	27.6	4.4	4.3	4.3	4.6	5.3	5.0	5.0	5.2	4.8	
Saskatchewan	23.0	4.3	4.2	4.3	5.1	5.1	5.6	5.7	5.8	5.3	
Alberta	86.4	4.1	3.5	3.5	3.8	4.4	5.0	5.3	4.7	5.0	
British Columbia	128.7	5.3	4.2	4.6	5.4	6.9	8.0	8.2	8.2	7.2	
Gender											
Male	703.9	7.3	6.3	6.5	6.8	7.4	7.9	7.9	7.9	7.1	
Female	509.9	5.9	5.6	5.9	6.4	6.8	7.1	7.1	7.0	6.7	
Age											
Under 25	363.1	12.4	11.1	11.5	12.2	13.1	13.8	13.4	13.3	12.6	
25 to 54	694.9	5.6	5.0	5.2	5.6	6.0	6.4	6.4	6.4	5.8	
55 and Over	155.9	5.5	4.7	5.1	5.1	5.5	5.8	5.9	5.7	5.3	

Source: Statistics Canada, Labour Force Survey.

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

Annex 1.5 - Unemployment Rate and Employment, by Education Level¹

Education Level	Unemployment Rate (%)	Employment % Change	Employment (000s)									
	2008/09	2007/08-2008/09	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	
ALL	6.6	0.7	17,071.8	16,953.9	16,586.0	16,242.3	16,001.2	15,731.0	15,441.3	14,992.5	14,820.6	
Eight Years or Less	13.6	-7.4	397.0	428.8	451.6	463.2	486.7	505.8	500.0	490.0	533.0	
Some High School	12.8	-1.3	1,724.8	1,747.5	1,779.6	1,749.3	1,782.9	1,801.2	1,879.6	1,898.7	1,933.7	
High School Diploma	7.2	-1.7	3,383.7	3,441.1	3,407.4	3,368.9	3,277.8	3,180.9	3,179.1	3,120.4	3,109.4	
Some Post-Secondary	7.5	3.0	1,461.8	1,419.0	1,334.9	1,381.6	1,557.3	1,579.1	1,480.6	1,392.4	1,449.3	
Post-Secondary Certificate or Diploma	5.3	0.3	5,967.5	5,949.3	5,746.5	5,600.9	5,488.1	5,347.0	5,239.3	5,047.4	4,849.7	
University Degree	4.3	4.3	4,137.1	3,968.1	3,866.1	3,678.3	3,408.4	3,317.0	3,162.8	3,043.6	2,945.5	

Source: Statistics Canada, 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 Regular Benefits
- 2.3 Regular Benefits, by Industry
- 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, 2007
- 2.17 Benefits-to-Contributions Ratios, 2007

Annex 2.1 - Total Income Benefits

Province/Territory	New Claims ¹				Average Weekly Benefit ²				Amount Paid ²				
	% Change 2007/08- 2008/09	(000s)			% Change 2007/08- 2008/09	(\$)			% Change 2007/08- 2008/09	(\$ Millions)			
		2008/09	2007/08	2006/07		2005/06	2008/09	2007/08		2006/07	2005/06	2008/09	2007/08
Newfoundland and Labrador	3.2	93.4	90.4	90.4	92.9	343	328	319	6.6	838.3	786.2	778.2	766.9
Prince Edward Island	4.6	24.4	23.3	23.8	24.4	346	335	318	5.4	201.9	191.6	188.0	178.6
Nova Scotia	8.8	89.9	82.7	84.1	87.6	334	325	310	9.1	696.7	638.9	625.7	612.2
New Brunswick	3.4	91.9	88.9	89.9	92.6	335	323	310	5.8	723.9	684.5	685.5	668.2
Quebec	11.7	571.8	511.8	530.6	573.3	339	327	318	7.2	3,342.9	3,117.0	3,382.8	3,813.0
Ontario	32.6	731.3	551.7	553.1	543.4	349	339	332	21.9	4,922.8	4,037.8	3,912.7	3,825.1
Manitoba	20.8	62.0	51.4	54.1	54.4	329	319	306	11.7	390.5	349.7	351.3	344.2
Saskatchewan	14.9	46.2	40.2	42.2	42.9	342	332	315	9.3	321.4	294.2	290.2	276.2
Alberta	41.0	166.4	117.9	117.1	117.5	368	353	337	23.0	1,078.6	877.2	846.1	822.4
British Columbia	31.5	255.3	194.2	186.9	192.5	350	335	323	25.7	1,636.2	1,301.4	1,272.2	1,324.3
Nunavut	51.0	1.5	1.0	1.3	1.3	383	380	363	12.8	13.0	11.5	13.8	11.5
Northwest Territories	20.6	2.3	1.9	2.2	2.1	396	394	382	7.7	23.3	21.6	19.8	21.7
Yukon	16.3	2.6	2.3	2.3	2.5	387	385	364	6.4	22.6	21.2	20.5	21.8
Gender													
Male	30.1	1,232.6	947.7	961.2	972.3	372	360	351	20.0	7,582.9	6,321.7	6,383.3	6,328.7
Female	11.9	906.3	809.8	816.7	855.0	314	302	291	10.3	6,629.4	6,011.2	6,003.6	6,357.4
Age													
Under 25	22.7	249.4	203.3	206.7	215.5	308	294	279	17.3	1,418.9	1,209.7	1,226.7	1,249.9
25 to 44	19.2	1,057.5	887.3	920.0	976.4	355	342	332	12.1	7,807.2	6,961.4	7,133.3	7,585.6
45 to 54	25.1	510.3	408.0	401.6	398.3	349	337	328	20.0	2,995.4	2,495.1	2,446.1	2,375.0
55 and Over	24.2	321.7	258.9	249.6	237.1	335	325	316	19.5	1,990.8	1,666.6	1,580.7	1,475.6
EI History³													
First-Time Claimants	32.9	997.0	750.1	736.1	758.2	336	323	312	19.2	6,874.3	5,768.4	5,703.6	5,952.7
Occasional Claimants	21.7	589.8	484.7	499.6	521.9	339	326	315	17.7	3,635.1	3,088.8	3,158.1	3,255.0
Frequent Claimants	5.6	552.0	522.8	542.2	547.3	365	354	345	6.5	3,702.8	3,475.6	3,525.2	3,478.3
NATIONAL	21.7	2,138.9	1,757.5	1,777.9	1,827.3	345	333	323	15.2	14,212.3	12,332.9	12,386.8	12,686.1

Source: EI administrative data.

1. Includes claims for 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 - Regular Benefits

Province/Territory	New Claims ¹				Average Weekly Benefit ²				Amount Paid ²				
	% Change 2007/08- 2008/09	(000s)			% Change 2007/08- 2008/09	(\$)			% Change 2007/08- 2008/09	(\$ Millions)			
		2008/09	2007/08	2006/07		2005/06	2008/09	2007/08		2006/07	2005/06	2008/09	2007/08
Newfoundland and Labrador	5.4	74.1	70.3	71.4	73.0	354	337	322	311	633.9	591.2	597.3	577.5
Prince Edward Island	5.7	18.6	17.6	17.7	18.4	353	339	327	308	143.3	133.7	130.9	124.0
Nova Scotia	11.9	70.2	62.7	64.2	67.3	347	331	323	307	494.3	447.5	445.2	434.8
New Brunswick	4.4	75.2	72.0	73.0	75.4	349	336	324	311	541.1	514.9	520.4	513.2
Quebec	11.9	503.4	449.7	467.9	469.5	355	344	331	320	2,926.8	2,722.6	2,815.7	2,728.0
Ontario	41.8	537.5	378.9	384.6	381.0	369	353	343	335	2,957.5	2,207.7	2,166.7	2,153.1
Manitoba	22.9	39.6	32.2	34.8	36.2	349	331	323	309	199.2	169.3	182.0	185.2
Saskatchewan	19.1	31.1	26.1	30.1	30.1	371	349	338	321	170.2	160.6	167.5	163.3
Alberta	83.9	106.6	58.0	61.2	65.9	398	375	361	340	442.0	309.3	334.5	366.8
British Columbia	47.8	181.4	122.8	119.3	128.6	372	356	340	328	939.3	667.0	671.5	761.4
Nunavut	67.2	1.0	0.6	0.8	0.9	414	390	378	358	9.0	6.6	7.5	7.2
Northwest Territories	28.6	1.7	1.3	1.5	1.5	423	392	393	384	15.1	12.8	12.6	14.2
Yukon	16.8	2.1	1.8	1.9	2.1	417	388	391	366	17.0	14.5	15.3	16.7
Gender													
Male	33.9	1,038.6	775.4	794.5	801.4	387	373	360	351	6,350.5	5,215.7	5,297.4	5,251.0
Female	16.4	603.9	518.7	534.0	548.5	324	310	298	285	3,138.2	2,742.0	2,769.8	2,794.3
Age													
Under 25	34.6	184.4	137.0	143.2	150.7	333	316	302	286	876.5	714.4	742.7	755.8
25 to 44	25.9	763.2	606.4	644.9	669.9	372	356	343	331	4,382.0	3,758.1	3,930.4	4,028.7
45 to 54	26.1	427.7	339.2	335.8	333.4	369	352	339	330	2,539.8	2,089.5	2,058.7	2,006.8
55 and Over	26.3	267.2	211.6	204.6	195.9	354	338	328	318	1,690.4	1,395.6	1,335.5	1,254.0
EI History³													
First-Time Claimants	50.9	622.4	412.5	413.9	422.2	357	335	320	307	3,424.9	2,621.7	2,625.1	2,685.3
Occasional Claimants	26.6	508.3	401.4	414.6	427.4	360	341	329	317	2,837.9	2,329.1	2,375.4	2,371.5
Frequent Claimants	6.6	511.8	480.1	500.0	500.3	376	363	353	344	3,225.9	3,006.9	3,066.7	2,988.5
NATIONAL	26.9	1,642.5	1,294.1	1,328.4	1,349.9	364	347	335	324	9,488.7	7,957.6	8,067.2	8,045.3

Source: EI administrative data.

1. Includes claims for 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 2.3 - Regular Benefits, by Industry

	New Claims ¹				Average Weekly Benefit				Amount Paid					
	% Change 2007/08- 2008/09	(000s)			% Change 2007/08- 2008/09	(\$)			% Change 2007/08- 2008/09	(\$ Millions)				
		2008/09	2007/08	2006/07		2005/06	2008/09	2007/08		2006/07	2005/06	2008/09	2007/08	2006/07
Goods-Producing Industries	35.3	732.6	541.4	549.5	549.9	391	374	362	352	24.3	4,512.7	3,631.8	3,658.3	3,556.3
Agriculture, Forestry, Fishing and Hunting ²	-0.8	73.1	73.7	77.1	80.3	3.3	365	344	335	0.9	573.4	568.4	593.8	599.0
Mining, and Oil and Gas Extraction	66.9	35.1	21.0	20.5	17.5	4.0	430	403	396	33.8	210.1	157.1	138.9	125.4
Utilities	12.4	4.5	4.0	3.4	3.6	3.8	422	399	395	17.3	28.1	23.9	22.0	23.1
Construction	32.0	279.3	211.6	213.5	212.4	3.2	407	382	376	23.5	1,687.7	1,366.1	1,426.8	1,354.9
Manufacturing	47.4	340.6	231.1	235.0	236.1	5.8	378	345	333	32.8	2,013.4	1,516.3	1,476.8	1,453.9
Services-Producing Industries	19.5	876.9	734.2	757.0	771.3	4.2	342	317	304	14.0	4,810.1	4,218.5	4,271.9	4,306.6
Wholesale Trade	28.8	63.4	49.2	49.5	52.6	4.6	355	340	316	17.4	415.6	354.1	349.4	363.7
Retail Trade	24.1	93.8	75.6	80.2	82.9	4.6	300	286	264	15.2	514.5	446.4	465.3	476.2
Transportation and Warehousing	25.5	73.8	58.8	55.8	56.8	6.1	360	340	319	19.3	405.3	339.7	324.0	322.7
Information and Cultural Industries	43.0	16.9	11.8	13.0	13.4	3.8	381	367	346	18.4	105.7	89.2	96.9	97.5
Finance and Insurance	33.6	19.3	14.4	14.5	15.7	5.5	370	351	326	24.4	133.4	107.2	108.6	119.4
Real Estate, and Rental and Leasing	41.1	19.7	14.0	16.0	15.2	5.6	348	329	311	21.8	116.7	95.9	102.2	103.8
Professional, Scientific and Technical Services	48.8	68.7	46.2	49.8	50.2	4.7	382	364	340	29.3	409.2	316.5	332.9	343.1
Management of Companies and Enterprises	49.8	9.0	6.0	6.4	7.0	-0.2	357	358	324	28.2	54.1	42.2	45.8	51.8
Administrative and Support, Waste Management and Remediation Services	31.8	106.0	80.4	83.2	82.1	4.3	331	318	296	20.5	607.5	504.3	501.3	480.0
Educational Services	5.1	135.2	128.7	125.9	123.1	2.2	372	364	336	7.7	461.3	428.1	406.3	387.3
Health Care and Social Assistance	6.0	45.8	43.2	43.5	46.4	4.7	329	314	293	7.7	254.2	236.2	235.3	242.3
Arts, Entertainment and Recreation	7.1	32.3	30.2	31.7	32.8	3.4	315	305	285	7.5	185.2	172.3	181.2	182.0
Accommodation and Food Services	12.1	75.4	67.2	68.7	73.0	4.2	282	270	245	7.9	409.0	379.2	374.4	383.2
Other Services	16.7	50.8	43.5	47.1	48.5	5.6	325	308	283	10.0	299.9	272.8	288.2	296.9
Public Administration	2.9	66.8	65.0	71.7	71.6	3.9	370	356	339	0.9	438.5	434.4	460.1	456.7
Unclassified	77.8	33.0	18.6	21.9	28.7	4.6	341	326	305	54.5	166.0	107.5	136.9	182.5
ALL INDUSTRIES	26.9	1,642.5	1,294.1	1,328.4	1,349.9	4.7	364	347	324	19.2	9,488.7	7,957.6	8,067.2	8,045.3

Source: EI administrative data.

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

2. Due to small numbers, regular benefits received under fish harvesting (self-employed) have been counted here as part of the agriculture, forestry, fishing and hunting section. Note that the majority of fish harvesting (self-employed) claims are counted toward fishing claims (see Annex 2.5 for fishing claims).

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

Province/Territory	New Claims ¹																	
	% Change			2007/08 - 2008/09			2008/09			2007/08			2006/07			2005/06		
	Short Spells ²	Medium Spells ³	Long Spells ⁴	Short Spells	Medium Spells	Long Spells	Short Spells	Medium Spells	Long Spells	Short Spells	Medium Spells	Long Spells	Short Spells	Medium Spells	Long Spells	Short Spells	Medium Spells	Long Spells
Newfoundland and Labrador	-6.3	0.9	17.7	6,500	41,980	25,650	6,940	41,600	21,800	7,380	42,510	21,520	7,110	43,770	22,100			
Prince Edward Island	-9.4	3.6	15.7	1,840	10,640	6,130	2,030	10,270	5,300	1,760	10,430	5,500	1,830	10,920	5,640			
Nova Scotia	-4.7	8.2	21.3	4,260	39,320	26,610	4,470	36,340	21,930	4,060	37,350	22,770	4,620	40,150	22,560			
New Brunswick	-14.5	0.8	14.6	3,720	44,040	27,390	4,350	43,710	23,910	4,460	44,120	24,400	4,300	46,750	24,310			
Quebec	1.1	5.4	24.3	25,360	277,850	200,130	25,080	263,600	161,010	24,890	266,000	177,020	25,220	266,960	177,350			
Ontario	33.2	21.2	65.0	16,050	232,280	289,120	12,050	191,600	175,260	12,300	192,150	180,140	11,760	194,770	174,420			
Manitoba	17.1	12.5	39.5	1,370	21,170	17,090	1,170	18,820	12,250	1,360	20,240	13,210	1,490	20,960	13,790			
Saskatchewan	-11.2	10.3	36.6	950	17,090	13,050	1,070	15,490	9,550	830	17,460	11,850	960	17,400	11,710			
Alberta	66.9	60.5	109.2	2,320	46,310	57,980	1,390	28,850	27,710	1,860	30,780	28,570	2,120	34,840	28,970			
British Columbia	29.7	28.7	77.5	6,990	89,230	85,170	5,390	69,340	47,990	5,430	69,700	44,210	6,440	73,320	48,860			
Nunavut	150.0	-2.3	243.8	50	420	550	20	430	160	60	420	290	30	540	360			
Northwest Territories	0.0	-6.5	87.8	70	720	920	70	770	490	60	780	680	40	850	570			
Yukon	-36.4	15.0	29.5	70	1,230	790	110	1,070	610	30	900	930	100	1,140	870			
Gender																		
Male	8.0	18.3	55.5	38,010	478,900	521,680	35,190	404,700	335,510	35,060	410,090	349,320	35,210	423,450	342,750			
Female	8.9	8.3	32.7	31,540	343,380	228,900	28,950	317,190	172,460	29,420	322,750	181,770	30,810	328,920	188,760			
Age																		
Under 25	17.3	24.3	56.7	7,600	106,440	70,330	6,480	85,610	44,880	6,600	88,030	48,540	8,160	92,580	49,980			
25 to 44	7.5	12.8	44.5	29,390	365,030	368,740	27,340	323,700	255,270	29,090	342,190	273,620	29,910	358,230	281,720			
45 to 54	6.9	11.2	48.7	17,030	207,620	203,020	15,930	186,750	136,500	15,740	182,450	137,610	15,450	185,570	132,400			
55 and Over	7.9	13.8	52.1	15,530	143,190	108,490	14,390	125,830	71,320	13,050	120,170	71,320	12,500	115,990	67,410			
EI History⁵																		
First-Time Claimants	41.9	32.0	66.1	11,550	235,130	375,690	8,140	178,170	226,160	8,710	179,150	226,070	8,430	185,620	228,130			
Occasional Claimants	10.2	15.9	44.1	27,540	253,520	227,190	24,980	218,820	157,610	24,480	225,060	164,990	27,210	233,520	166,650			
Frequent Claimants	-1.8	2.7	18.9	30,460	333,630	147,700	31,020	324,900	124,200	31,290	328,630	140,030	30,380	333,230	136,730			
NATIONAL	8.4	13.9	47.8	69,550	822,280	750,580	64,140	721,890	507,970	64,480	732,840	531,090	66,020	752,370	531,510			

Source: EI administrative data.

1. Includes claims for 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.

Annex 2.5 - Fishing Benefits

Province/Territory	New Claims ¹				Average Weekly Benefit ²				Amount Paid ²							
	% Change	2008/09	2007/08	2006/07	2005/06	% Change	2007/08 - 2008/09	2007/08	2006/07	2005/06	% Change	2007/08 - 2008/09	2007/08	2006/07	2005/06	
								(\$)	(\$)	(\$)			(\$ Millions)	(\$ Millions)	(\$ Millions)	
Newfoundland and Labrador	-2.5	13,569	13,920	12,935	14,604	2.2	404	395	377	372	0.4	107.13	106.75	98.30	113.69	
Prince Edward Island	-3.2	3,220	3,327	3,468	3,527	2.2	415	406	400	397	-2.0	25.24	25.76	27.03	27.21	
Nova Scotia	-3.9	5,518	5,744	5,749	5,896	1.6	407	400	390	390	-2.4	43.44	44.51	42.89	44.38	
New Brunswick	-6.0	2,871	3,054	3,104	3,325	3.8	419	404	398	399	-1.2	23.38	23.67	23.65	24.27	
Quebec	-2.3	1,601	1,639	1,630	1,791	3.0	421	409	395	390	2.8	11.79	11.47	11.03	10.95	
Ontario	-17.5	66	80	73	106	-0.7	360	363	337	349	22.2	0.71	0.58	0.61	0.75	
Manitoba	-2.5	809	830	771	875	4.0	382	367	363	348	6.0	8.86	8.36	7.35	7.62	
Saskatchewan	-0.9	111	112	118	130	16.4	353	303	330	298	-6.6	0.34	0.36	0.40	0.61	
Alberta	-25.0	24	32	44	65	1.2	391	386	365	357	-77.8	0.12	0.52	0.33	0.36	
British Columbia	-12.8	2,701	3,098	3,732	3,587	4.8	368	351	354	337	-6.7	24.89	26.69	30.16	28.62	
Nunavut	42.9	10	7	9	18	13.4	384	339	413	330	-18.1	0.13	0.16	0.22	0.18	
Northwest Territories	21.7	28	23	32	25	2.2	404	395	375	350	195.5	0.15	0.05	0.12	0.42	
Yukon	N/A	1	0	0	0	N/A	353	0	0	0	N/A	0.00	0.00	0.00	0.00	
Gender																
Male	-4.2	24,963	26,049	26,013	28,122	2.7	408	397	386	382	-1.2	200.46	202.80	200.04	215.91	
Female	-4.3	5,566	5,817	5,652	5,827	2.4	386	377	361	351	-0.8	45.71	46.08	42.04	43.15	
Age																
Under 25	-6.2	1,414	1,507	1,479	1,928	2.0	384	377	360	358	-6.2	11.00	11.73	12.51	14.67	
25 to 44	-9.6	11,340	12,548	13,012	14,989	2.6	407	396	384	380	-8.1	94.75	103.07	102.78	116.03	
45 to 54	-2.6	9,539	9,795	9,613	9,834	2.8	407	395	383	378	2.8	74.52	72.50	70.49	73.60	
55 and Over	2.7	8,236	8,016	7,561	7,198	2.7	399	389	379	373	7.0	65.90	61.59	56.30	54.76	
EI History³																
First-Time Claimants	-8.3	742	809	801	923	1.1	370	366	350	343	-12.6	5.84	6.69	6.82	6.86	
Occasional Claimants	-12.0	1,854	2,108	2,270	2,498	3.7	374	361	349	344	-12.4	15.23	17.39	18.26	18.87	
Frequent Claimants	-3.5	27,933	28,949	28,594	30,528	2.6	407	396	385	380	0.1	225.09	224.80	217.00	233.33	
NATIONAL	-4.2	30,529	31,866	31,665	33,949	2.7	404	393	381	377	-1.1	246.17	248.88	242.08	259.06	

Source: EI administrative data.

N/A: Not applicable.

1. Includes claims for 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 Claimants¹

	New Claims ²				Average Weekly Benefit ³				Amount Paid ⁴				
	% Change 2007/08- 2008/09	New Claims ²			% Change 2007/08- 2008/09	Average Weekly Benefit ³			% Change 2007/08- 2008/09	Amount Paid ⁴			
		2008/09	2007/08	2006/07		2005/06	2008/09	2007/08		2006/07	2005/06	2008/09	2007/08
Province/Territory													
Newfoundland and Labrador	-1.1	58,051	58,713	60,545	4.2	375	360	340	3.0	515.4	500.5	495.2	500.6
Prince Edward Island	0.9	14,774	14,649	15,134	4.0	374	360	338	0.5	117.9	117.3	115.2	112.0
Nova Scotia	2.4	38,235	37,330	38,135	3.1	368	357	347	4.4	292.9	280.7	283.0	274.3
New Brunswick	0.1	45,545	45,521	46,669	3.8	366	353	341	1.7	357.5	351.3	359.7	360.1
Quebec	4.7	202,398	193,262	198,975	2.6	376	366	353	4.5	1,229.6	1,176.5	1,197.5	1,143.8
Ontario	19.1	108,266	90,911	96,660	3.7	389	375	368	22.6	533.6	435.2	436.0	417.2
Manitoba	0.8	11,514	11,419	12,142	3.2	366	354	348	4.6	64.3	61.5	64.5	65.0
Saskatchewan	0.8	9,781	9,708	10,535	4.9	376	359	351	0.9	55.2	54.6	57.2	56.5
Alberta	15.9	13,835	11,935	13,572	4.3	403	386	374	11.0	66.3	59.7	66.4	68.5
British Columbia	4.5	36,084	34,533	36,833	3.4	380	367	361	11.8	205.9	184.1	197.8	212.4
Nunavut	43.1	166	116	128	3.3	436	422	388	83.7	1.4	0.8	1.2	1.0
Northwest Territories	6.1	384	362	459	2.3	430	421	404	16.6	4.3	3.7	3.7	4.2
Yukon	12.7	710	630	730	4.1	421	404	399	15.3	6.6	5.8	6.4	6.4
Gender													
Male	7.7	355,522	330,158	346,589	3.2	402	390	380	7.6	2,533.9	2,355.4	2,423.2	2,398.5
Female	3.0	184,221	178,931	181,955	3.4	331	320	307	4.6	917.0	876.3	860.6	823.3
Age													
Under 25	8.9	15,272	14,020	14,467	4.4	387	370	358	9.4	101.1	92.3	95.5	103.7
25 to 44	3.7	219,031	211,199	231,481	3.5	389	376	364	2.6	1,401.3	1,366.4	1,448.1	1,474.3
45 to 54	6.1	178,256	167,966	169,335	3.4	376	363	352	8.3	1,113.4	1,028.4	1,019.1	979.1
55 and Over	9.7	127,184	115,904	113,261	3.5	361	349	339	12.2	835.2	744.6	721.0	664.8
Seasonality⁴													
Seasonal	3.9	440,593	424,109	437,084	3.2	378	366	355	5.3	2,817.2	2,676.1	2,701.9	2,644.4
Non-seasonal	16.7	99,150	84,980	91,460	4.4	377	361	352	14.1	633.7	555.6	581.9	577.5
NATIONAL	6.0	539,743	509,089	528,544	3.4	378	365	355	6.8	3,451.0	3,231.7	3,283.7	3,221.9

Source: EI administrative data.

1. This table includes both regular and fishing claims.
2. Includes claims for 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 Benefits¹

	New Claims ²										Amount Paid ³									
	% Change 2007/08 - 2008/09	2008/09	2007/08	2006/07	2005/06	2007/08 - 2008/09	2008/09	2007/08	2006/07	2005/06	% Change 2007/08 - 2008/09	(\$ Millions)								
												2008/09	2007/08	2006/07	2005/06					
Province/Territory																				
Newfoundland and Labrador	-0.3	10,790	10,820	10,170	9,640	9.8	71.8	65.4	59.8	55.7										
Prince Edward Island	13.0	5,300	4,690	4,550	4,190	8.3	26.8	24.8	22.7	20.9										
Nova Scotia	5.9	22,060	20,830	20,550	20,660	10.0	143.3	130.3	119.4	114.5										
New Brunswick	1.9	25,100	24,640	23,080	22,200	9.3	134.6	123.2	117.0	108.8										
Quebec	1.3	99,130	97,810	97,030	140,610	3.1	282.2	273.6	451.5	966.3										
Ontario	2.3	188,090	183,880	180,760	177,600	5.2	1,829.0	1,738.1	1,647.2	1,589.0										
Manitoba	7.8	19,140	17,750	18,410	17,750	2.2	153.4	150.1	141.2	130.2										
Saskatchewan	5.0	14,210	13,530	12,180	13,010	13.4	134.6	118.7	110.0	100.3										
Alberta	6.9	52,210	48,860	47,000	45,970	10.8	551.1	497.4	448.7	403.9										
British Columbia	6.0	76,890	72,520	70,370	68,250	7.9	603.0	558.8	527.4	491.3										
Nunavut	61.3	500	310	600	280	-23.1	3.4	4.5	5.4	3.4										
Northwest Territories	-1.6	610	620	640	550	-10.3	6.7	7.5	6.0	6.3										
Yukon	12.5	540	480	570	410	-11.1	4.8	5.4	4.4	4.3										
Gender																				
Male	7.3	168,970	157,480	154,770	162,640	8.6	645.0	594.1	593.6	599.8										
Female	1.9	345,600	339,260	331,140	358,480	6.3	3,299.7	3,103.6	3,067.1	3,395.1										
Age																				
Under 25	2.2	51,530	50,430	49,570	54,610	7.6	374.6	348.2	341.8	365.2										
25 to 44	2.3	303,000	296,260	294,630	331,210	6.3	3,045.9	2,864.6	2,868.3	3,220.4										
45 to 54	6.2	93,510	88,080	84,220	82,970	8.3	309.3	285.6	271.1	250.6										
55 and Over	7.4	66,530	61,970	57,490	52,330	7.8	214.8	199.3	179.5	158.7										
NATIONAL	3.6	514,570	496,740	485,910	521,120	6.7	3,944.7	3,697.6	3,660.7	3,994.9										

Source: EI administrative data.

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 for 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.

Annex 2.8 - Maternity Benefits

	New Claims ¹				Average Number of Weeks Paid				Average Weekly Benefit ²				Amount Paid ²							
	% Change 2007/08- 2008/09	2008/09	2007/08	2006/07	2005/06	% Change 2007/08- 2008/09	2008/09	2007/08	2006/07	2005/06	% Change 2007/08- 2008/09	2008/09	2007/08	2006/07	2005/06					
Province/Territory																				
Newfoundland and Labrador	2.2	2,790	2,730	2,610	2,540	0.7	14.4	14.3	14.6	14.3	7.4	341	317	311	293	13.1	14.0	12.4	11.7	11.2
Prince Edward Island	13.2	1,030	910	1,010	940	4.3	14.7	14.1	14.6	14.0	8.7	351	323	317	278	8.3	4.8	4.4	4.7	3.8
Nova Scotia	3.4	6,140	5,940	5,530	5,350	-0.3	14.4	14.4	14.3	14.4	4.5	333	319	307	300	5.0	29.5	28.1	23.6	23.5
New Brunswick	4.0	4,970	4,780	4,650	4,940	-0.8	14.4	14.5	14.4	14.5	2.0	327	320	309	293	5.2	23.8	22.6	21.1	21.2
Quebec ³	N/A	0	0	20	34,330	N/A	0	0	6.0	14.7	N/A	0	0	370	319	N/A	0.0	0.0	1.3	206.2
Ontario	1.3	87,930	86,830	85,080	82,760	0.1	14.6	14.6	14.6	14.6	3.3	356	345	334	328	4.6	456.8	436.6	414.2	400.7
Manitoba	4.2	7,910	7,590	7,660	7,170	0.1	14.7	14.7	14.7	14.6	3.8	326	314	307	298	0.3	36.7	36.6	33.7	31.5
Saskatchewan	4.0	7,070	6,800	5,980	6,240	0.3	14.6	14.6	14.7	14.6	2.3	332	324	312	301	7.7	33.8	31.4	27.6	26.8
Alberta	3.1	27,920	27,070	24,460	23,050	0.1	14.6	14.6	14.7	14.7	3.6	356	343	326	316	6.6	143.0	134.1	115.7	104.6
British Columbia	4.2	26,170	25,120	24,870	23,860	0.8	14.7	14.6	14.6	14.6	3.8	342	330	318	310	6.6	130.3	122.2	114.9	108.5
Nunavut	26.3	240	190	340	130	-1.5	14.6	14.8	14.2	14.5	-3.9	356	370	376	380	-13.8	1.1	1.2	1.6	0.8
Northwest Territories	7.7	280	260	330	240	-3.5	14.1	14.7	14.8	15.0	0.3	403	402	390	364	-5.7	1.6	1.7	1.6	1.5
Yukon	-16.7	200	240	250	140	4.2	14.5	13.9	14.4	14.4	-1.4	383	389	361	333	-33.8	1.0	1.4	1.1	0.9
Age																				
Under 25	0.6	25,610	25,460	24,450	28,170	0.5	14.5	14.5	14.5	14.4	4.8	253	242	229	221	4.5	94.5	90.4	81.7	96.7
25 and Over	2.8	147,040	143,000	138,340	163,520	0.1	14.6	14.6	14.6	14.6	3.2	367	355	343	335	5.3	781.7	742.2	691.2	844.6
NATIONAL	2.5	172,650	168,460	162,790	191,690	0.2	14.6	14.6	14.6	14.6	3.5	350	338	326	318	5.2	876.2	832.7	772.9	941.4

Source: EI administrative data.

N/A: Not applicable.

1. Includes claims for which at least \$1 of maternity benefits was paid.
2. Takes into account Family Supplement top-ups paid to claimants with maternity benefits.
3. Quebec is excluded from national calculations. Since January 2006, this province has administered its own maternity benefits.

Annex 2.9 - Parental Benefits (Biological)

Provincial/Territory	New Claims ¹				Average Number of Weeks Paid ²				Average Weekly Benefit ³				Amount Paid ³						
	% Change 2007/08 - 2008/09	2008/09	2007/08	2006/07	2005/06	% Change 2007/08 - 2008/09	2008/09	2007/08	2006/07	2005/06	% Change 2007/08 - 2008/09	2008/09	2007/08	2006/07	2005/06				
		2008/09	2007/08	2006/07	2005/06		2008/09	2007/08	2006/07	2005/06		2008/09	2007/08	2006/07	2005/06				
Newfoundland and Labrador	3.8	2,980	2,870	2,810	2,650	1.9	29.3	28.8	29.5	28.9	7.3	353	329	320	307	30.6	28.6	25.9	24.4
Prince Edward Island	25.3	1,190	950	1,150	1,060	-1.1	27.6	27.9	28.4	27.0	9.8	358	326	326	292	10.2	9.9	9.4	8.9
Nova Scotia	5.5	6,710	6,360	6,230	5,890	0.1	28.3	28.3	26.9	26.5	4.2	349	335	326	317	66.7	58.3	53.4	52.2
New Brunswick	0.2	5,410	5,400	5,140	5,330	3.6	28.8	27.8	28.5	27.6	3.3	345	334	321	308	53.8	50.2	47.6	45.2
Quebec ⁴	N/A	0	0	2,120	46,260	N/A	0.0	0.0	7.9	25.9	N/A	0	0	386	335	0.0	0.0	182.1	506.8
Ontario	0.8	99,050	98,250	95,070	92,230	1.6	29.8	29.4	29.2	29.3	3.3	365	353	343	338	1,068.1	1,006.0	950.2	913.7
Manitoba	5.7	9,100	8,610	8,530	7,840	3.7	30.4	29.3	29.4	29.2	2.8	337	328	318	310	84.6	83.2	76.3	69.5
Saskatchewan	6.4	7,810	7,340	6,420	6,730	0.4	29.5	29.4	29.8	29.6	3.2	345	335	324	312	79.1	67.0	63.9	55.7
Alberta	4.7	29,700	28,380	26,040	24,350	0.0	30.8	30.8	30.6	30.1	3.7	364	351	336	327	324.6	285.5	257.0	225.6
British Columbia	5.6	29,040	27,500	27,380	26,410	-0.1	29.6	29.6	29.5	29.5	3.2	354	343	330	323	299.5	278.4	265.1	246.8
Nunavut	22.7	270	220	350	170	19.0	26.1	21.9	30.7	24.4	-2.3	360	369	378	385	1.9	2.6	2.8	1.9
Northwest Territories	8.8	370	340	390	310	-7.2	24.5	26.4	28.8	27.5	-1.4	404	410	400	378	4.0	4.4	3.3	3.7
Yukon	-3.8	250	260	240	180	-5.3	29.2	30.8	31.4	21.6	1.0	397	393	362	353	2.8	2.8	2.4	2.6
Gender																			
Male	7.0	25,820	24,140	24,950	34,060	-1.3	16.8	17.0	14.9	14.3	2.8	401	390	382	376	170.7	154.5	163.3	193.2
Female	2.3	166,060	162,340	156,920	185,350	1.3	31.7	31.3	31.3	30.8	3.4	353	342	330	323	1,855.0	1,722.4	1,776.0	1,963.7
Age																			
Under 25	0.1	25,330	25,300	24,170	28,410	2.2	31.0	30.3	30.4	29.5	4.1	265	255	243	237	213.0	193.9	195.6	208.7
25 and Over	3.3	166,550	161,180	157,700	191,000	0.9	29.7	29.4	28.7	28.2	3.2	374	363	352	345	1,812.7	1,683.0	1,743.7	1,948.2
NATIONAL	2.9	191,880	186,480	181,870	219,410	1.1	29.8	29.5	28.9	28.4	3.4	360	348	337	331	2,025.7	1,876.9	1,939.3	2,156.9

Source: EI administrative data.

N/A: Not applicable.

1. Includes claims for which at least \$1 of parental benefits (biological) was paid.
2. Data on claim duration cover only claims commencing during the first half of the fiscal year to ensure that all claims were completed.
3. Takes into account Family Supplement top-ups paid to claimants with parental benefits (biological).
4. Quebec is excluded from national calculations. Since January 2006, this province has administered its own parental benefits.

Annex 2.10 - Parental Benefits (Adoptive)

Province/Territory	New Claims ¹				Average Number of Weeks Paid ²				Average Weekly Benefit ³				Amount Paid ³						
	% Change 2007/08- 2008/09	2008/09	2007/08	2006/07	2005/06	% Change 2007/08- 2008/09	2008/09	2007/08	2006/07	2005/06	% Change 2007/08- 2008/09	2008/09	2007/08	2006/07	2005/06				
		10	10	30	20		15.0	0.0	0.0	35.0		15.0	2.8	435	423	366	271		
Newfoundland and Labrador	0.0	10	10	30	20	N/A	0.0	0.0	35.0	15.0	N/A	435	423	366	271	0.12	0.23	0.30	0.06
Prince Edward Island	N/A	30	0	20	0	N/A	35.0	0.0	10.0	0.0	N/A	439	0	418	0	0.20	0.12	0.07	0.01
Nova Scotia	133.3	140	60	80	140	-0.6	32.8	33.0	27.5	24.6	-1.1	383	387	401	364	1.07	0.85	0.71	1.45
New Brunswick	-22.2	70	90	70	60	-22.6	20.6	26.6	20.5	14.0	1.1	403	398	311	333	0.91	0.81	0.31	0.43
Quebec ⁴	N/A	0	0	50	630	N/A	0.0	0.0	13.8	26.5	N/A	0	0	413	379	0.00	0.00	2.04	7.26
Ontario	-3.0	960	990	1,130	1,090	-4.7	25.9	27.2	28.2	26.2	7.9	412	382	391	382	10.96	11.05	11.31	11.98
Manitoba	88.9	170	90	60	90	14.8	29.7	25.8	33.7	26.0	1.2	415	410	319	329	1.55	0.80	0.79	1.01
Saskatchewan	-36.4	70	110	40	80	2.0	22.0	21.6	30.7	24.3	5.2	399	379	334	324	0.66	0.82	0.42	0.93
Alberta	-28.1	230	320	290	320	-4.2	26.2	27.4	29.8	29.4	10.6	424	383	375	379	3.20	3.56	2.60	3.00
British Columbia	-9.5	380	420	400	350	8.3	30.7	28.4	28.6	26.0	-1.8	396	403	379	371	4.92	4.61	4.17	3.43
Nunavut	100.0	40	20	100	30	-75.6	5.0	20.5	17.6	15.0	-3.0	402	415	414	345	0.14	0.36	0.64	0.34
Northwest Territories	-100.0	0	10	40	20	-100.0	0.0	18.0	13.0	0.0	N/A	0	423	416	413	0.00	0.37	0.31	0.07
Yukon	N/A	0	0	0	0	N/A	0.0	0.0	0.0	0.0	N/A	0	0	0	0	0.00	0.00	0.00	0.00
Gender																			
Male	30.0	520	400	530	670	-7.1	16.9	18.1	17.7	16.8	3.7	419	404	400	403	4.12	2.92	4.13	4.99
Female	-8.1	1,580	1,720	1,780	2,160	5.5	30.3	28.7	30.3	29.5	5.0	404	385	379	365	19.63	20.67	19.55	24.99
Age																			
Under 25	-50.0	10	20	0	20	-100.0	0.0	25.0	0.0	35.0	79.4	435	243	0	307	0.07	0.06	0.05	0.20
25 and Over	-0.5	2,090	2,100	2,310	2,810	-0.2	26.8	26.8	27.0	26.0	4.6	408	390	384	374	23.68	23.53	23.63	29.77
NATIONAL	-0.9	2,100	2,120	2,310	2,830	-0.1	26.8	26.8	27.0	26.1	5.0	408	389	384	374	23.75	23.59	23.68	29.97

Source: EI administrative data.

N/A: Not applicable.

1. Includes claims for which at least \$1 of parental benefits (adoptive) was paid.
2. Data on claim duration cover only claims commencing during the first half of the fiscal year to ensure that all claims were completed.
3. Takes into account Family Supplement top-ups paid to claimants with parental benefits (adoptive).
4. Quebec is excluded from national calculations. Since January 2006, this province has administered its own parental benefits.

Annex 2.11 - Sickness Benefits

Province/ Territory	New Claims ¹				Average Number of Weeks Paid				Average Weekly Benefit ²				Amount Paid ²							
	% Change 2007/08- 2008/09	2008/09	2007/08	2006/07	2005/06	% Change 2007/08- 2008/09	2008/09	2007/08	2006/07	2005/06	% Change 2007/08- 2008/09	2008/09	2007/08	2006/07	2005/06	% Change 2007/08- 2008/09	2008/09	2007/08	2006/07	2005/06
		2008/09	2007/08	2006/07	2005/06		2008/09	2007/08	2006/07	2005/06		2008/09	2007/08	2006/07	2005/06					
Newfoundland and Labrador	1.8	8,630	8,480	7,920	7,530	2.6	9.5	9.3	9.4	9.4	6.3	321	302	288	272	12.2	27.0	24.1	21.9	20.0
Prince Edward Island	10.8	4,320	3,900	3,630	3,350	-2.4	7.8	8.0	8.1	7.8	3.3	335	324	317	289	12.7	11.6	10.3	8.6	8.0
Nova Scotia	5.9	16,280	15,370	15,060	15,450	-3.6	8.7	9.1	9.0	9.1	4.8	322	308	295	280	6.9	45.7	42.7	41.4	37.1
New Brunswick	2.4	20,570	20,090	18,630	17,700	1.1	8.0	8.0	8.2	8.3	2.5	323	315	303	287	13.4	55.9	49.3	47.8	41.8
Quebec	1.3	98,330	97,100	94,260	94,310	-0.9	8.8	8.9	9.0	9.0	3.4	323	312	299	291	2.8	279.6	272.0	264.8	244.9
Ontario	3.2	91,480	88,620	87,410	86,840	-2.0	9.8	10.0	9.9	10.0	4.6	328	314	308	301	3.2	289.5	280.5	267.5	259.3
Manitoba	10.0	10,370	9,430	10,150	10,030	1.2	9.9	9.8	10.0	10.1	1.4	317	312	296	282	3.5	30.2	29.2	29.9	27.9
Saskatchewan	5.0	6,730	6,410	6,050	6,540	1.0	9.7	9.6	9.9	9.8	9.4	331	303	298	276	8.7	20.8	19.1	17.9	16.6
Alberta	9.8	23,710	21,600	22,180	22,490	-0.1	10.1	10.1	10.1	10.3	3.8	351	338	318	301	8.3	79.4	73.3	72.6	69.8
British Columbia	7.6	51,120	47,530	45,960	44,190	-0.9	10.1	10.2	10.0	10.0	2.1	328	321	307	295	9.6	166.7	152.1	142.0	131.4
Nunavut	142.9	170	70	110	80	-26.1	7.2	9.7	9.8	10.3	13.2	385	340	370	386	29.0	0.4	0.3	0.4	0.3
Northwest Territories	-8.0	230	250	220	280	9.6	10.3	9.4	9.2	8.5	6.5	435	408	376	367	1.7	1.0	1.0	0.7	1.1
Yukon	3.7	280	270	310	240	40.4	10.6	7.6	10.6	9.4	9.5	405	370	377	315	-2.0	1.0	1.1	0.9	0.9
Gender																				
Male	7.4	141,760	131,950	128,710	127,430	-0.6	9.1	9.1	9.2	9.3	3.4	367	354	343	332	7.6	466.9	433.7	424.0	399.2
Female	1.8	190,460	187,170	183,180	181,600	-0.9	9.6	9.7	9.7	9.7	3.5	298	288	277	266	4.0	541.9	521.2	492.2	459.9
Age																				
Under 25	2.8	29,760	28,940	28,960	29,360	0.2	8.5	8.4	8.5	8.4	5.3	273	259	247	236	5.0	66.8	63.6	64.3	59.4
25 to 44	1.8	146,700	144,100	144,990	148,110	-0.5	9.1	9.2	9.2	9.3	3.1	332	322	310	299	3.5	441.3	426.3	421.1	409.5
45 to 54	6.1	90,390	85,180	81,270	79,980	-1.7	9.5	9.7	9.8	9.8	4.6	339	324	313	303	7.7	289.2	268.5	253.6	234.2
55 and Over	7.3	65,370	60,900	56,670	51,580	-1.5	10.1	10.3	10.3	10.5	3.3	326	316	306	296	7.6	211.4	196.4	177.1	156.1
NATIONAL	4.1	332,220	319,120	311,890	309,030	-0.9	9.4	9.5	9.5	9.5	3.8	327	316	304	293	5.6	1,008.8	954.9	916.2	859.2

Source: EI administrative data.

1. Includes claims for 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

Province/ Territory	New Claims ¹				Average Number of Weeks Paid				Average Weekly Benefit ²				Amount Paid ²							
	% Change 2007/08- 2008/09	2008/09	2007/08	2006/07	2005/06	% Change 2007/08- 2008/09	2008/09	2007/08	2006/07	2005/06	% Change 2007/08- 2008/09	2008/09	2007/08	2006/07	2005/06					
		2008/09	2007/08	2006/07	2005/06		2008/09	2007/08	2006/07	2005/06		2008/09	2007/08	2006/07	2005/06					
Newfoundland and Labrador	-2.9	67	69	76	72	-10.6	4.2	4.7	4.7	4.8	1.5	349	343	302	276	11.1	120.6	108.5	125.1	96.7
Prince Edward Island	-12.9	27	31	31	33	0.7	5.0	5.0	5.2	5.1	14.5	345	301	303	314	-7.7	50.0	54.2	46.5	60.0
Nova Scotia	-5.9	206	219	195	197	-0.3	4.8	4.8	4.9	4.8	6.1	335	315	306	282	-7.5	337.3	364.6	290.9	279.4
New Brunswick	-31.1	115	167	153	116	-4.6	4.5	4.7	4.7	4.7	3.6	322	311	291	292	-25.2	186.7	249.5	218.5	167.3
Quebec	14.9	1,081	941	935	869	0.4	4.3	4.3	4.4	4.5	4.4	343	329	315	308	17.7	1,669.6	1,418.4	1,339.4	1,217.6
Ontario	4.4	2,525	2,418	2,447	2,284	-1.6	4.8	4.8	4.7	4.7	4.2	357	343	338	329	4.4	4,358.3	4,175.1	4,064.5	3,458.8
Manitoba	0.0	236	236	227	205	1.8	4.8	4.7	4.9	4.6	4.3	335	321	303	314	2.0	365.8	358.5	327.3	288.3
Saskatchewan	-7.0	147	158	182	148	3.0	5.0	4.9	4.7	4.6	1.4	338	333	321	302	-2.5	274.0	280.9	255.8	212.9
Alberta	1.2	518	512	491	504	-3.2	4.8	5.0	5.0	4.7	6.3	372	350	334	329	-1.0	916.6	925.4	866.2	797.6
British Columbia	-4.2	900	939	922	718	1.0	4.8	4.8	4.8	4.9	1.5	349	343	341	327	-2.7	1,546.2	1,589.3	1,526.0	1,169.8
Nunavut	0.0	3	3	7	7	13.3	5.7	5.0	4.4	5.4	3.8	439	423	406	386	-45.3	4.8	8.7	12.7	19.2
Northwest Territories	25.0	5	4	3	12	93.3	5.8	3.0	3.7	4.3	3.4	437	423	413	400	123.5	11.3	5.1	8.3	16.4
Yukon	-22.2	7	9	7	13	-10.3	4.3	4.8	4.0	5.2	4.1	402	386	409	355	86.1	19.5	10.5	14.2	22.8
Gender																				
Male	11.1	1,639	1,475	1,414	1,372	0.1	4.8	4.8	4.7	4.8	2.5	384	374	364	361	11.7	3,094.9	2,770.0	2,523.7	2,455.1
Female	-0.8	4,198	4,231	4,262	3,806	-1.4	4.7	4.7	4.7	4.6	4.3	339	326	318	306	-0.2	6,765.9	6,778.9	6,571.8	5,351.8
Age																				
Under 25	-3.9	123	128	118	120	11.5	4.9	4.4	4.8	4.8	12.0	318	284	262	270	36.3	205.9	151.0	152.9	165.0
25 to 44	1.3	2,323	2,294	2,371	2,244	-1.9	4.6	4.7	4.6	4.6	3.6	363	350	340	331	0.0	4,012.8	4,013.8	3,923.4	3,505.7
45 to 54	1.2	2,119	2,094	2,069	1,843	-1.0	4.6	4.7	4.6	4.6	4.9	354	337	334	323	2.5	3,532.2	3,445.3	3,312.7	2,707.2
55 and Over	6.9	1,272	1,190	1,118	971	-0.7	4.8	4.9	4.9	5.0	3.0	332	322	307	297	8.8	2,109.9	1,938.8	1,706.4	1,429.0
NATIONAL	2.3	5,837	5,706	5,676	5,178	-1.0	4.7	4.7	4.7	4.7	4.1	352	338	330	320	3.3	9,860.8	9,548.9	9,095.5	7,806.9

Source: EI administrative data.

1. Includes claims for 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.

Annex 2.13 - Family Supplement¹

Province/Territory	New Claims ² With Supplement	% of All Claims With Supplement	Average Weekly Top-up (\$)	Average Weekly Benefit (\$)	% Change 2007/08-2008/09	Amount Paid (\$ Millions)			
						2008/09	2007/08	2006/07	2005/06
Newfoundland and Labrador	4,570	4.9	38.8	290	-15.8	5.44	6.46	7.20	7.65
Prince Edward Island	1,800	7.4	41.1	302	-0.8	1.98	1.99	2.34	2.49
Nova Scotia	7,210	8.0	42.6	288	-4.0	8.62	8.98	9.56	9.77
New Brunswick	6,630	7.2	39.8	293	-6.7	7.23	7.75	8.70	9.36
Quebec	29,930	5.2	40.8	302	-10.5	23.74	26.51	33.34	46.51
Ontario	41,330	5.7	42.2	286	4.1	45.26	43.49	46.18	47.75
Manitoba	6,230	10.0	46.8	294	-4.3	7.06	7.38	8.41	7.71
Saskatchewan	4,500	9.7	46.8	290	-10.3	5.28	5.89	6.13	6.69
Alberta	8,770	5.3	43.8	302	-2.3	10.48	10.73	10.78	11.75
British Columbia	15,080	5.9	40.4	294	-7.7	14.76	15.99	18.12	19.15
Nunavut	110	7.4	42.1	294	-15.0	0.12	0.14	0.11	0.13
Northwest Territories	60	2.6	60.1	375	219.3	0.14	0.05	0.12	0.19
Yukon	90	3.4	21.6	301	-34.3	0.04	0.06	0.11	0.21
Gender									
Male	29,750	2.4	42.9	335	-7.5	24.83	26.83	31.80	36.27
Female	96,560	10.7	41.7	280	-3.0	105.32	108.56	119.31	133.11
Age									
Under 25	18,450	7.4	37.4	252	-1.1	23.03	23.28	24.90	27.73
25 to 44	88,470	8.4	44.3	301	-4.8	94.08	98.84	111.81	126.33
45 to 54	17,730	3.5	36.1	297	-1.7	11.90	12.10	13.03	13.78
55 and Over	1,660	0.5	33.4	301	-3.6	1.14	1.18	1.38	1.54
EI History³									
First-Time Claimants	69,660	7.0	42.7	282	0.5	79.39	79.01	85.76	94.72
Occasional Claimants	37,330	6.3	42.5	299	-7.4	34.88	37.65	43.14	50.56
Frequent Claimants	19,320	3.5	37.8	321	-15.2	15.89	18.74	22.21	24.11
NATIONAL	126,310	5.9	42.0	293	-3.9	130.15	135.40	151.11	169.39

Source: EI administrative data.

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

2. Includes claims for 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.

Annex 2.14 - Working While on Claim¹

Province/Territory	New Regular Claims ²					% of New Regular Claims ²				
	% Change 2006/07 - 2007/08	2007/08	2006/07	2005/06	2004/05	2007/08	2006/07	2005/06	2004/05	
Newfoundland and Labrador	-1.4	48,410	49,090	51,580	52,150	68.5	68.4	70.3	70.3	
Prince Edward Island	-5.9	11,130	11,830	11,820	11,470	62.8	66.5	64.1	61.2	
Nova Scotia	-2.5	39,130	40,120	41,240	42,760	61.8	62.0	60.8	59.8	
New Brunswick	-1.7	49,540	50,390	52,810	53,400	68.1	68.4	69.7	67.9	
Quebec	-4.2	272,230	284,130	283,830	281,280	59.7	60.0	59.6	58.6	
Ontario	-2.2	173,370	177,270	176,310	177,070	44.7	45.3	45.4	46.4	
Manitoba	-10.6	14,750	16,490	16,890	19,050	45.2	47.0	46.0	48.6	
Saskatchewan	-19.6	11,970	14,880	15,150	17,120	45.4	48.9	49.8	50.2	
Alberta	-7.6	26,490	28,670	31,620	39,360	44.3	46.0	46.9	47.5	
British Columbia	4.1	62,810	60,320	70,060	80,580	50.0	49.9	53.8	54.6	
Nunavut	-35.3	220	340	450	510	34.9	44.2	48.4	56.0	
Northwest Territories	-13.8	690	800	700	820	51.1	51.9	47.9	53.6	
Yukon	-7.4	1,000	1,080	1,130	1,190	54.9	57.4	53.3	54.3	
Gender										
Male	-2.5	421,090	431,730	441,200	452,600	53.3	53.6	54.2	53.8	
Female	-4.3	290,650	303,680	312,390	324,160	55.2	56.2	56.2	56.6	
Age										
Under 25	-4.6	70,410	73,790	79,260	86,720	50.6	51.0	51.9	51.6	
25 to 44	-7.0	333,970	359,070	376,700	397,560	54.1	55.0	55.5	55.4	
45 to 54	0.9	205,390	203,480	201,290	202,570	59.4	59.7	59.4	59.9	
55 and Over	2.9	101,970	99,070	96,340	89,910	47.5	47.8	48.5	47.4	
Weekly Benefit Rate										
Less than \$50	60.0	80	50	190	240	40.0	23.8	42.2	34.8	
\$50-\$100	-29.2	2,040	2,880	4,320	5,920	44.6	49.4	49.5	50.3	
\$101-\$150	-24.7	13,870	18,420	25,330	31,880	49.9	50.8	52.1	52.6	
\$151-\$200	-21.6	40,300	51,410	62,570	76,410	48.4	50.5	51.2	53.0	
Greater than \$200	-1.1	655,450	662,650	661,180	662,310	54.6	55.1	55.6	55.4	
NATIONAL	-3.2	711,740	735,410	753,590	776,760	54.1	54.7	55.0	55.0	

Source: EI administrative data.

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

Annex 2.15 - Benefit Repayment Provision¹

	People Who Repaid Benefits					Amount Repaid						
	% Change 2006/07	2007	2006	2005	2004	% Change 2006/07	(\$ Millions)					
		2007	2006	2005	2004		2007	2006	2005	2004		
Province/Territory												
Newfoundland and Labrador	26.9	7,919	6,243	5,500	4,751	28.0	12.0	9.4	7.7	7.2		
Prince Edward Island	5.4	1,038	985	814	608	-2.9	2.0	2.1	1.8	1.3		
Nova Scotia	0.2	6,328	6,318	5,889	4,938	3.3	10.2	9.8	9.9	8.0		
New Brunswick	24.2	5,246	4,224	3,712	3,171	23.9	7.1	5.8	5.4	4.3		
Quebec	2.9	39,479	38,371	34,559	31,205	1.1	36.3	36.0	32.7	28.6		
Ontario	-0.7	50,923	51,292	43,871	41,586	-3.7	40.8	42.4	40.6	31.9		
Manitoba	-0.2	2,204	2,209	1,850	1,608	2.1	2.1	2.1	1.8	1.4		
Saskatchewan	4.5	3,675	3,516	3,176	2,603	14.1	3.9	3.4	3.1	2.6		
Alberta	-1.5	17,057	17,321	16,832	15,583	-4.0	17.4	18.1	15.4	15.0		
British Columbia	-7.5	14,448	15,616	15,073	15,215	-6.4	13.6	14.6	13.4	13.2		
Nunavut	N/A	0	0	0	0	N/A	0.0	0.0	0.0	0.0		
Northwest Territories	-6.6	338	362	346	294	-1.7	0.4	0.4	0.4	0.3		
Yukon	0.3	321	320	278	239	7.8	0.4	0.3	0.3	0.3		
Gender												
Male	1.7	132,883	130,651	119,117	109,977	1.4	132.9	131.1	121.4	104.9		
Female	-0.2	16,106	16,138	12,791	11,831	1.4	13.2	13.1	10.9	9.1		
Age												
Under 25	4.7	4,619	4,411	3,529	2,824	9.8	4.2	3.8	3.1	2.4		
25 to 44	7.1	69,298	64,721	58,549	56,614	8.9	62.4	57.3	54.4	48.1		
45 to 54	-2.0	43,355	44,223	39,806	35,969	-0.8	41.4	41.7	38.4	32.7		
55 and Over	-5.1	31,717	33,434	30,024	26,401	-7.5	38.2	41.4	36.5	31.0		
NATIONAL²	1.5	148,989	146,789	131,908	121,808	1.4	146.2	144.2	132.4	114.1		

Source: Benefit repayment administrative file (September 2009).

N/A: Not applicable.

1. As benefit repayments are administered through the tax system, the most recent data available are for the 2007 taxation year.

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

Annex 2.16 - Contributors to the Program, 2007¹

	EI Premiums				Employment Income				Workers			
	Total		Employers ²	Employees	Total Employment Income		Total EI Insurable Earnings	Number of Workers		Employment Income per Worker	Insurable Earnings per Worker	
	(\$ Millions)	% of National Total	(\$ Millions)	(\$ Millions)	(\$ Millions)	% of National Total	(\$ Millions)	#	% of National Total	(\$)	(\$)	
Province/Territory of Employer												
Newfoundland and Labrador	225	1.3	128	97	7,475	1.1	5,356	249,290	1.4	29,984	21,486	
Prince Edward Island	68	0.4	39	29	2,092	0.3	1,623	79,130	0.4	26,439	20,511	
Nova Scotia	459	2.7	260	199	15,278	2.2	11,032	482,020	2.7	31,695	22,887	
New Brunswick	377	2.2	214	162	12,247	1.8	9,012	400,370	2.3	30,589	22,510	
Quebec	3,183	18.6	1,785	1,398	135,452	19.7	95,629	4,092,920	23.2	33,094	23,365	
Ontario	6,951	40.7	3,938	3,012	278,036	40.4	167,472	6,686,830	37.8	41,580	25,045	
Manitoba	608	3.6	344	265	20,930	3.0	14,698	625,110	3.5	33,482	23,513	
Saskatchewan	488	2.9	275	214	18,086	2.6	11,855	505,620	2.9	35,770	23,446	
Alberta	2,374	13.9	1,345	1,030	107,676	15.7	57,179	2,198,770	12.4	48,971	26,005	
British Columbia	2,256	13.2	1,283	974	87,051	12.7	54,061	2,280,210	12.9	38,177	23,709	
Nunavut	19	0.1	11	8	759	0.1	449	18,540	0.1	40,919	24,201	
Northwest Territories	42	0.2	24	18	1,777	0.3	1,004	33,990	0.2	52,284	29,535	
Yukon	23	0.1	13	10	808	0.1	544	22,110	0.1	36,541	24,624	
Gender³												
Male	9,570	56.1	5,418	4,152	430,762	62.6	240,650	9,131,640	51.7	47,172	26,353	
Female	7,500	43.9	4,238	3,262	256,722	37.3	189,182	8,529,140	48.3	30,099	22,181	
Age³												
Under 25	1,631	9.6	939	692	42,558	6.2	39,899	3,421,260	19.4	12,439	11,662	
25 to 44	8,335	48.8	4,714	3,621	312,332	45.4	209,868	7,550,780	42.7	41,364	27,794	
45 to 54	4,654	27.3	2,619	2,036	212,433	30.9	118,349	4,013,140	22.7	52,934	29,490	
55 and Over	2,449	14.3	1,384	1,066	120,160	17.5	61,716	2,675,570	15.1	44,910	23,066	
Industries												
Agriculture, Forestry, Fishing and Hunting	207	1.2	119	88	7,652	1.1	5,120	311,470	1.8	24,566	16,438	
Mining, and Oil and Gas Extraction	324	1.9	182	142	20,540	3.0	8,022	221,390	1.3	92,778	36,234	
Utilities	160	0.9	88	72	8,918	1.3	4,204	114,480	0.6	77,899	36,720	
Construction	1,101	6.5	639	463	44,695	6.5	26,493	1,025,990	5.8	43,562	25,822	
Manufacturing	2,412	14.1	1,358	1,054	97,677	14.2	61,538	2,069,750	11.7	47,192	29,732	
Wholesale Trade	908	5.3	516	392	39,646	5.8	22,762	844,510	4.8	46,945	26,953	
Retail Trade	1,372	8.0	786	586	45,618	6.6	33,987	2,022,390	11.4	22,557	16,805	
Transportation and Warehousing	792	4.6	447	345	30,329	4.4	19,976	704,580	4.0	43,046	28,351	
Information and Cultural Industries	430	2.5	240	190	19,465	2.8	11,039	359,710	2.0	54,113	30,689	
Finance and Insurance	753	4.4	417	336	42,512	6.2	19,507	651,010	3.7	65,302	29,964	
Real Estate, and Rental and Leasing	247	1.4	142	105	11,286	1.6	6,044	280,200	1.6	40,277	21,570	
Professional, Scientific and Technical Services	953	5.6	542	411	47,707	6.9	23,791	936,370	5.3	50,949	25,408	
Management of Companies and Enterprises	125	0.7	71	54	8,672	1.3	3,120	129,550	0.7	66,938	24,085	
Administrative and Support, Waste Management and Remediation Services	770	4.5	442	328	26,160	3.8	18,876	972,790	5.5	26,892	19,404	
Educational Services	1,315	7.7	730	585	49,490	7.2	34,058	1,242,550	7.0	39,829	27,410	
Health Care and Social Assistance	1,554	9.1	876	679	54,024	7.9	39,805	1,445,420	8.2	37,376	27,538	
Arts, Entertainment and Recreation	177	1.0	102	76	6,357	0.9	4,392	277,170	1.6	22,935	15,844	
Accommodation and Food Services	577	3.4	335	243	16,763	2.4	14,017	1,218,080	6.9	13,762	11,508	
Other Services	557	3.3	321	235	18,849	2.7	13,547	671,360	3.8	28,075	20,178	
Public Administration	1,793	10.5	996	797	70,180	10.2	46,042	1,513,140	8.6	46,380	30,428	
Unclassified	544	3.2	310	234	21,130	3.1	13,575	663,000	3.8	31,870	20,476	
NATIONAL	17,073	100.0	9,658	7,415	687,667	100.0	429,915	17,674,910	100.0	38,906	24,323	

Source: Canada Revenue Agency, 2007 T4s with employment income.

- As premium payments are administered through the tax system, the most recent data available are for the 2007 taxation year.
- Employer contributions are 1.4 times employee contributions.
- Gender and age figures do not add up to the national total because some data are missing for these categories.

Annex 2.17 - Benefits-to-Contributions Ratios, 2007¹

	Total EI Premiums		Total Regular Benefits		Regular and Special Benefits		Total Regular and Special Benefits		Regular Benefits-to-Contributions Ratios	Regular and Special 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	(\$ Millions)	% of National Total	(\$ Millions)	% of National Total				
Province/Territory³												
Newfoundland and Labrador	225.1	1.3	587.1	7.4	651.1	5.6	2.61	2.89	5.59	4.26		
Prince Edward Island	68.3	0.4	132.8	1.7	157.7	1.4	1.94	2.31	4.17	3.40		
Nova Scotia	459.1	2.7	443.5	5.6	568.3	5.0	0.97	1.24	2.07	1.82		
New Brunswick	376.6	2.2	511.7	6.5	630.9	5.5	1.36	1.68	2.91	2.47		
Quebec	3,182.7	18.6	2,757.0	34.2	3,022.3	25.7	0.87	1.86	0.95	1.40		
Ontario	6,950.7	40.7	2,195.3	27.7	3,910.2	33.9	0.32	0.56	0.68	0.83		
Manitoba	608.5	3.6	174.1	2.1	322.4	2.7	0.29	0.53	0.61	0.78		
Saskatchewan	488.2	2.9	165.9	2.0	281.6	2.4	0.34	0.58	0.73	0.85		
Alberta	2,374.4	13.9	310.5	3.9	793.3	6.9	0.13	0.33	0.28	0.49		
British Columbia	2,256.1	13.2	654.4	8.4	1,207.6	10.5	0.29	0.54	0.62	0.79		
Nunavut	18.7	0.1	6.6	0.1	11.7	0.1	0.35	0.62	0.76	0.92		
Northwest Territories	41.8	0.2	13.1	0.2	20.8	0.2	0.31	0.50	0.67	0.73		
Yukon	22.9	0.1	14.5	0.2	20.1	0.2	0.64	0.88	1.36	1.29		
Gender⁴												
Male	9,569.5	56.1	5,227.5	65.5	5,809.2	49.8	0.55	0.61	1.17	0.89		
Female	7,500.0	43.9	2,739.0	34.5	5,788.8	50.2	0.37	0.77	0.78	1.14		
Age⁴												
Under 25	1,631.0	9.6	716.4	9.0	1,057.3	9.1	0.44	0.65	0.94	0.95		
25 to 44	8,335.0	48.8	3,808.0	47.2	6,628.3	56.8	0.46	0.80	0.98	1.17		
45 to 54	4,654.4	27.3	2,069.6	26.3	2,348.5	20.4	0.44	0.50	0.95	0.74		
55 and Over	2,449.2	14.3	1,372.4	17.5	1,563.8	13.7	0.56	0.64	1.20	0.94		
Industries⁵												
Agriculture, Forestry, Fishing and Hunting	207.3	1.2	570.3	7.1	629.8	5.4	2.75	3.04	5.90	4.47		
Mining, and Oil and Gas Extraction	324.1	1.9	153.8	2.0	184.1	1.6	0.47	0.57	1.02	0.84		
Utilities	160.5	0.9	21.5	0.3	33.9	0.3	0.13	0.21	0.29	0.31		
Construction	1,101.3	6.5	1,361.2	17.2	1,487.9	12.9	1.24	1.35	2.65	1.99		
Manufacturing	2,412.0	14.1	1,513.3	19.1	1,894.8	16.3	0.63	0.79	1.34	1.16		
Wholesale Trade	908.1	5.3	355.0	4.4	502.7	4.3	0.39	0.55	0.84	0.81		
Retail Trade	1,372.0	8.0	449.9	5.6	764.3	6.6	0.33	0.56	0.70	0.82		
Transportation and Warehousing	792.4	4.6	334.4	4.3	455.8	4.0	0.42	0.58	0.90	0.85		
Information and Cultural Industries	429.9	2.5	91.4	1.1	177.9	1.5	0.21	0.41	0.46	0.61		
Finance and Insurance	753.5	4.4	107.2	1.3	310.9	2.7	0.14	0.41	0.31	0.61		
Real Estate, and Rental and Leasing	247.0	1.4	98.7	1.2	149.0	1.3	0.40	0.60	0.86	0.89		
Professional, Scientific and Technical Services	952.6	5.6	319.7	4.0	541.0	4.6	0.34	0.57	0.72	0.84		
Management of Companies and Enterprises	125.2	0.7	41.6	0.5	67.5	0.6	0.33	0.54	0.71	0.79		
Administrative and Support, Waste Management and Remediation Services	769.7	4.5	504.6	6.3	720.2	6.2	0.66	0.94	1.40	1.38		
Educational Services	1,315.4	7.7	423.4	5.4	770.0	6.7	0.32	0.59	0.69	0.86		
Health Care and Social Assistance	1,554.3	9.1	232.0	3.0	754.1	6.6	0.15	0.49	0.32	0.71		
Arts, Entertainment and Recreation	177.4	1.0	172.4	2.2	213.2	1.8	0.97	1.20	2.08	1.77		
Accommodation and Food Services	577.2	3.4	377.4	4.8	555.8	4.8	0.65	0.96	1.40	1.42		
Other Services	556.9	3.3	277.8	3.4	415.4	3.5	0.50	0.75	1.07	1.10		
Public Administration	1,792.8	10.5	448.5	5.5	816.4	7.0	0.25	0.46	0.54	0.67		
Unclassified	543.7	3.2	112.6	1.4	153.4	1.2	0.21	0.28	0.44	0.42		
NATIONAL	17,073.1	100.0	7,966.5	100.0	11,598.0	100.0	0.47	0.68	1.00	1.00		

Source: Canada Revenue Agency, 2007 T4s with employment income; EI administrative data.

- As premium payments are administered through the tax system, the most recent data available are for the 2007 taxation year.
- For ease of analysis, the benefits-to-contributions ratios have been adjusted so that the national figure equals one.
- Province, territory and industry are determined by the location of the employer for premiums, and of the claimant for benefits.
- Gender and age figures do not add up to the national total because some data are missing for these categories.

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
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- 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 Agreements¹

Federal/Provincial/Territorial

Province/Territory	Type of Agreement	Signature Date	Implementation Date	Allocation (\$000s) ²			
				2009/10		2008/09	2007/08
				LMDA	EAP ³		
Newfoundland and Labrador	Co-managed until September 30, 2009 Transfer effective November 2, 2009	September 4, 2008	November 2, 2009	133,352	14,652	133,104	132,434
Prince Edward Island	Co-managed until September 30, 2009 Transfer effective October 5, 2009	September 5, 2008	October 5, 2009	27,163	3,731	26,950	26,680
Nova Scotia	Co-managed (Strategic Partnership) until June 30, 2009 Transfer effective July 1, 2009	June 13, 2008	July 1, 2009	81,250	16,760	81,022	81,083
New Brunswick	Transfer	December 13, 1996	April 1, 1997	92,311	14,532	92,686	92,574
Quebec	Transfer	April 21, 1997	April 1, 1998	598,398	130,594	598,599	596,855
Ontario	Transfer	November 23, 2005	January 1, 2007	538,215	210,683	532,777	529,212
Manitoba	Transfer	April 17, 1997	November 27, 1997	45,821	11,609	46,200	46,666
Saskatchewan	Transfer	February 6, 1998	January 1, 1999	38,471	9,290	38,731	38,882
Alberta	Transfer	December 6, 1996	November 1, 1997	104,662	34,187	105,798	107,388
British Columbia	Transfer	February 20, 2008	February 2, 2009	280,621	52,374	284,336	288,337
Northwest Territories	Transfer	February 27, 1998	October 1, 1998	3,273	723	3,311	3,356
Yukon	Co-managed until January 31, 2010 Transfer effective February 1, 2010	July 8, 2009	February 1, 2010	3,651	443	3,714	3,802
Nunavut	Transfer	May 11, 2000	April 1, 2000	2,812	422	2,772	2,731
Canada				1,950,000	500,000	1,950,000	1,950,000

1. This annex shows status at time of publication.

2. Funds that are transferred to cover administrative costs are not included. Please refer to Annex 3.12 for administrative costs.

3. Funds allocated to the provinces and territories for the first year of the two-year, \$1 billion Economic Action Plan (EAP).

Annex 3.2 • Employment Insurance (EI) Part II - General Definitions

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 within 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 planning and evaluating active employment measures, while Human Resources and Skills 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 British Columbia, active employment measures were co-managed until February 1, 2009, at which time the province assumed full responsibility for the design and delivery of these measures. For more information on LMDAs, please refer to http://www.hrsdc.gc.ca/eng/employment/partnerships/labour_market_development/index.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' program participation; determining client needs; and evaluating program results.

Under the AHRDS, there are 80 AHRDA holders across the country serving Aboriginal people. Funding of \$351.6 million was allocated in 2008/09 to AHRDAs across the country using an allocation model that includes certain variables, such as the unemployment rate, working-age population, employment income and remoteness. Of this amount, approximately 26.7% came 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>.

Annex 3.3 • EBSMs: Program Definitions

Employment Benefits (Programs)

Targeted Wage Subsidies assist eligible unemployed individuals to obtain on-the-job work experience by providing employers with financial assistance toward 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.

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 to obtain employment skills by giving them direct financial assistance that enables them to select, arrange for and pay for their own training.

Targeted Earnings Supplements encourage unemployed persons to accept employment by offering them financial incentives. Quebec offers a similar measure —*Supplément de retour au travail*— to help with expenses related to returning to work (for example, new tools, office materials or clothing).

Support Measures (Services)

Employment Services provide funding to organizations to enable them to provide employment assistance to unemployed persons. The services provided may include individual 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 to deal with human resource requirements and to implement labour force adjustments. These partnerships involve developing plans and strategies, and implementing adjustment measures.

Research and Innovation 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^{1, 2}

2008/09

Clients Served	
Gender	
Men	57.4%
Women	42.6%

Age ³	
15 to 19	4.9%
20 to 24	12.9%
25 to 29	13.3%
30 to 34	12.3%
35 to 39	12.5%
40 to 44	12.7%
45 to 49	11.9%
50 to 54	8.9%
55 and Older	8.3%
Unknown	2.4%

EI Clients Served	
Active Claimants	80.3%
Former Claimants	19.7%

Intervention-to-Client Ratio	
Clients	694,053
Interventions	1,087,854
Ratio	1.57

Participation in Interventions as a Percentage of Total	
Targeted Wage Subsidies	1.4%
Self-Employment	1.0%
Job Creation Partnerships	0.5%
Skills Development–Regular	8.4%
Skills Development–Apprentices	6.2%
Employment Assistance	47.1%
Group Services	3.7%
Individual Counselling	29.3%
Supplément de retour au travail (Quebec only)	0.6%
Pan-Canadian	1.8%

Designated Group Participation in EBSMs	
Women	48.0%
Aboriginal People ⁴	5.9%
Persons with Disabilities ⁴	5.1%
Visible Minorities ⁴	5.6%

Labour Market	
Employment	17,071,800
Unemployment Rate	6.6%

Sources: Client and Participant datasets.

1. The Province of Alberta continues to implement a new integrated management information system in phases. Therefore, portions of LMMA data for Alberta in 2008/09 were unavailable. Interventions data are estimates based on Alberta's 2008/09 Plan for Programs and Services, as well as the audited financial statement for that period. Since similar challenges occurred in 2007/08, a year-over-year comparison of client data is not possible. The Province has confirmed that the client and intervention data reported herein are complete and correct, based on audited financial expenditures for programs and services.
2. Due to data collection systems issues in Saskatchewan, interventions data for TWS, SE and EAS were incomplete for 2008/09. Complete client data by age, client type, gender and designated group for these interventions were therefore unavailable. Intervention and client data for TWS, SE and EAS are estimates based on the Province of Saskatchewan's management information system.
3. SD-Apprentices and Group Services are excluded from the distribution because client date of birth is not collected.
4. Reported counts are generally lower than actual numbers because data are collected through self-identification.

Annex 3.5 - EBSM Clients^{1, 2} - Clients Served, by Client Type³

2008/09

Region	EI Clients						Non-Insured Clients Served	Total Clients Served
	EI Active Claimants		Former Claimants Served	Total EI Clients Served	Total Clients Served	Total Clients Served		
	Target ⁴	Active Claimants Served						
Newfoundland and Labrador	11,375	12,325	2,204	14,529	14,529	2,561	17,090	
Prince Edward Island	2,800	3,035	512	3,547	3,547	1,072	4,619	
Nova Scotia	9,400	10,348	2,526	12,874	12,874	4,101	16,975	
New Brunswick	10,500	11,315	2,303	13,618	13,618	3,512	17,130	
Quebec	136,538	127,027	23,893	150,920	150,920	37,408	188,328	
Ontario	89,000	102,406	19,278	121,684	121,684	37,923	159,607	
Manitoba	12,500	14,171	3,129	17,300	17,300	11,180	28,480	
Saskatchewan	7,750	8,724	5,773	14,497	14,497	351	14,848	
Alberta	38,000	46,385	16,245	62,630	62,630	69,072	131,702	
British Columbia	35,000	43,636	10,652	54,288	54,288	41,736	96,024	
Northwest Territories	343	386	99	485	485	280	765	
Yukon	275	284	81	365	365	297	662	
Nunavut	142	136	95	231	231	276	507	
National Headquarters	N/A	3	0	3	3	102	105	
Total EBSMs	N/A	380,181	86,790	466,971	466,971	209,871	676,842	
Aboriginal Pan-Canadian	15,000	8,533	8,678	17,211	17,211	N/A	17,211	
Canada	N/A	388,714	95,468	484,182	484,182	209,871	694,053	

Source: Client dataset.

N/A = Not applicable.

1. The Province of Alberta continues to implement a new integrated management information system in phases. Therefore, portions of LMDA data for Alberta in 2008/09 were unavailable. Interventions data are estimates based on Alberta's 2008/09 Plan for Programs and Services, as well as the audited financial statement for that period. Since similar challenges occurred in 2007/08, a year-over-year comparison of client data is not possible. The Province has confirmed that the client and intervention data reported herein are complete and correct, based on audited financial expenditures for programs and services.

2. Due to data collection systems issues in Saskatchewan, interventions data for TWS, SE and EAS were incomplete for 2008/09. Complete client data by age, client type, gender and designated group for these interventions were therefore unavailable. Intervention and client data for TWS, SE and EAS are estimates based on the Province of Saskatchewan's management information system.

3. This table includes clients served between April 1, 2008, and March 31, 2009, with one count per client served.

4. Each jurisdiction's target refers to the number of EI active clients served, except in Quebec, where it includes both active and former clients served.

Annex 3.6.1 - New Interventions^{2, 3}

2008/09

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta. ⁴	B.C.	N.W.T.	Yk.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	587	110	192	1,882	6,186	2,550	225	897	126	2,605	41	2	9	0	15,412
Self-Employment	183	137	452	308	2,404	3,462	237	192	370	2,599	26	10	0	0	10,380
Job Creation Partnerships	1,976	197	265	0	0	933	332	0	1,119	453	0	0	0	0	5,275
Skills Development-Regular	4,702	1,473	3,158	5,311	40,363	17,894	3,220	1,618	5,769	7,298	163	69	80	0	91,118
Skills Development-Apprentices	1,966	374	1,538	2,583	0	15,718	3,270	5,517	23,364	13,229	152	132	50	0	67,893
Total Employment Benefits	9,414	2,291	5,605	10,084	48,953	40,557	7,284	8,224	30,748	26,184	382	213	139	0	190,078
Support Measures (Services)															
Employment Assistance Services	305	2,188	13,579	10,476	123,177	46,406	12,928	3,505	238,816	59,822	0	422	410	164	512,198
Group Services	14	0	60	0	37,297	2,849	0	334	0	41	0	0	0	0	40,595
Individual Counselling	15,178	1,859	14,081	15,542	121	182,773	20,186	5,454	0	62,468	736	104	0	105	318,607
Supplément de retour au travail (Quebec only) ⁵	0	0	0	0	6,854	0	0	0	0	0	0	0	0	0	6,854
Total Support Measures (Services)	15,497	4,047	27,720	26,018	167,449	232,028	33,114	9,293	238,816	122,331	736	526	410	269	878,254
Total Support Measures (Services) – Without Group Services	15,483	4,047	27,660	26,018	130,152	229,179	33,114	8,959	238,816	122,290	736	526	410	269	837,659
Total – Benefits and Support Measures (Services)	24,911	6,338	33,325	36,102	216,402	272,585	40,398	17,517	269,564	148,515	1,118	739	549	269	1,068,332
Aboriginal Pan-Canadian	243	118	357	131	1,417	4,314	4,689	1,170	1,737	4,658	377	64	89	158	19,522
Grand Total – Benefits and Support Measures (Services)	25,154	6,456	33,682	36,233	217,819	276,899	45,087	18,687	271,301	153,173	1,495	803	638	427	1,087,854
Grand Total – Without Group Services	25,140	6,456	33,622	36,233	180,522	274,050	45,087	18,353	271,301	153,132	1,495	803	638	427	1,047,259

Source: Participant dataset.

- Interventions in this table refer to all new starts between April 1, 2008, and March 31, 2009.
- The Province of Alberta continues to implement a new integrated management information system in phases. Therefore, portions of LMDA data for Alberta in 2008/09 were unavailable. Interventions data are estimates based on Alberta's 2008/09 Plan for Programs and Services, as well as the audited financial statement for that period. Since similar challenges occurred in 2007/08, a year-over-year comparison of client data is not possible. The Province has confirmed that the client and intervention data reported herein are complete and correct, based on audited financial expenditures for programs and services.
- Due to data collection systems issues in Saskatchewan, interventions data for TWS, SE and EAS were incomplete for 2008/09. Complete client data by age, client type, gender and designated group for these interventions were therefore unavailable. Intervention and client data for TWS, SE and EAS are estimates based on the Province of Saskatchewan's management information system.
- In Alberta, Employment Assistance includes all types of Employment Services interventions (Employment Assistance, Group Services and Individual Counselling).
- This program 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).

Annex 3.7 - EBSM Designated Members^{1, 2} - Women³

New Starts, by Intervention (%)—2008/09

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yk.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	58.1	47.3	47.4	44.3	48.1	49.0	31.1	0.0	64.7	58.1	22.0	0.0	11.1	0.0	49.6
Self-Employment	53.0	49.6	52.4	39.6	40.2	56.6	41.8	0.0	39.9	60.1	42.3	50.0	0.0	0.0	52.0
Job Creation Partnerships	58.2	27.4	60.8	0.0	0.0	59.8	32.2	0.0	37.4	55.6	0.0	0.0	0.0	0.0	54.1
Skills Development—Regular	49.3	44.5	57.4	42.0	44.9	49.9	53.9	42.6	65.6	60.5	17.2	52.2	31.3	0.0	48.4
Skills Development—Apprentices	3.8	3.2	2.5	2.2	0.0	3.4	1.9	2.7	5.6	3.9	2.6	9.1	6.0	0.0	4.1
Total Employment Benefits	42.3	36.7	41.7	32.2	45.1	32.6	28.5	11.8	10.4	31.5	13.6	24.9	20.9	0.0	32.5
Employment Services															
Employment Assistance	48.2	47.4	56.8	43.7	45.4	58.9	48.0	0.0	46.6	56.0	0.0	41.9	41.0	64.0	48.8
Individual Counselling	51.6	51.0	59.1	43.0	45.5	58.6	47.4	38.3	0.0	56.4	34.4	52.9	0.0	66.7	55.9
Supplément de retour au travail (Quebec only)	0.0	0.0	0.0	0.0	45.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	45.1
Total Employment Services	51.6	49.1	57.9	43.3	45.4	58.7	47.6	38.3	46.6	56.2	34.4	44.1	41.0	65.1	51.5
Aboriginal Pan-Canadian	33.7	44.9	47.3	35.1	46.3	44.7	50.5	41.0	33.7	37.8	33.2	28.1	32.6	67.1	43.1
Grand Total – Benefits and Services	47.9	44.6	55.1	40.2	45.3	54.6	44.8	24.8	43.0	51.4	28.8	37.7	35.4	65.8	48.0

Source: Participant dataset.

1. The Province of Alberta continues to implement a new integrated management information system in phases. Therefore, portions of LMDA data for Alberta in 2008/09 were unavailable. Interventions data are estimates based on Alberta's 2008/09 Plan for Programs and Services, as well as the audited financial statement for that period. Since similar challenges occurred in 2007/08, a year-over-year comparison of client data is not possible. The Province has confirmed that the client and intervention data reported herein are complete and correct, based on audited financial expenditures for programs and services.
2. Due to data collection systems issues in Saskatchewan, interventions data for TWS, SE and EAS were incomplete for 2008/09. Complete client data by age, client type, gender and designated group for these interventions were therefore unavailable. Intervention and client data for TWS, SE and EAS are estimates based on the Province of Saskatchewan's management information system.
3. All percentages are based on new start interventions only (the number of interventions started in 2008/09).

Annex 3.8 - EBSM Designated Members^{1, 2} - Persons with Disabilities³

New Starts, by Intervention (%)—2008/09

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yk.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	2.9	6.4	24.5	2.2	2.8	3.5	4.9	0.0	5.9	7.6	0.0	100.0	0.0	0.0	4.1
Self-Employment	1.6	2.2	14.6	2.3	1.1	2.5	2.5	0.0	0.6	5.7	0.0	10.0	0.0	0.0	3.5
Job Creation Partnerships	1.3	3.6	12.1	0.0	0.0	3.0	2.1	0.0	1.5	5.1	0.0	0.0	0.0	0.0	2.9
Skills Development—Regular	0.9	2.9	21.6	3.2	1.9	2.8	3.5	6.5	1.7	7.2	0.0	13.0	0.0	0.0	3.4
Skills Development—Apprentices	0.0	0.0	0.1	0.2	0.0	0.0	0.1	1.1	0.0	0.1	0.0	0.0	0.0	0.0	0.1
Total Employment Benefits	0.9	2.6	14.8	2.2	2.0	1.7	1.9	2.4	0.2	3.5	0.0	5.6	0.0	0.0	2.3
Employment Services															
Employment Assistance	48.2	19.8	19.4	9.1	5.4	5.5	4.4	0.0	3.0	8.9	0.0	16.6	0.5	0.6	5.2
Individual Counselling	0.7	10.9	26.6	8.9	0.8	4.4	4.1	10.1	0.0	11.4	0.7	16.3	0.0	0.0	6.9
Supplément de retour au travail (Quebec only)	0.0	0.0	0.0	0.0	2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.7
Total Employment Services	1.6	15.7	23.1	9.0	5.2	4.6	4.2	10.1	3.0	10.2	0.7	16.5	0.5	0.4	5.8
Aboriginal Pan-Canadian	0.4	0.0	6.4	2.3	1.1	1.2	5.1	2.6	3.3	2.0	0.8	10.9	0.0	10.8	2.7
Grand Total – Benefits and Services	1.3	10.8	21.5	7.1	4.3	4.1	3.9	5.4	2.7	8.8	0.5	13.2	0.3	4.2	5.1

Source: Participant dataset.

1. The Province of Alberta continues to implement a new integrated management information system in phases. Therefore, portions of LMBA data for Alberta in 2008/09 were unavailable. Interventions data are estimates based on Alberta's 2008/09 Plan for Programs and Services, as well as the audited financial statement for that period. Since similar challenges occurred in 2007/08, a year-over-year comparison of client data is not possible. The Province has confirmed that the client and intervention data reported herein are complete and correct, based on audited financial expenditures for programs and services.
2. Due to data collection systems issues in Saskatchewan, interventions data for TWS, SE and EAS were incomplete for 2008/09. Complete client data by age, client type, gender and designated group for these interventions were therefore unavailable. Intervention and client data for TWS, SE and EAS are estimates based on the Province of Saskatchewan's management information system.
3. All percentages are based on new start interventions only (the number of interventions started in 2008/09). These reported counts are generally lower than actual numbers because data are collected through self-identification.

Annex 3.9 - EBSM Designated Members^{1, 2} - Aboriginal People³

New Starts, by Intervention (%)—2008/09

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yk.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	1.9	0.0	0.5	0.0	0.1	1.2	8.9	0.0	0.0	7.8	17.1	0.0	100.0	0.0	2.0
Self-Employment	2.2	2.2	3.5	0.0	0.2	1.2	4.6	0.0	1.2	5.6	30.8	0.0	0.0	0.0	2.4
Job Creation Partnerships	1.1	0.5	0.8	0.0	0.0	3.1	9.6	0.0	3.9	23.2	0.0	0.0	0.0	0.0	4.6
Skills Development—Regular	2.1	1.1	3.5	0.0	0.1	1.7	7.9	7.5	5.8	7.0	38.0	5.8	90.0	0.0	1.9
Skills Development—Apprentices	0.6	0.5	0.4	0.1	0.0	0.1	1.4	2.4	0.1	0.3	1.3	0.0	0.0	0.0	0.4
Total Employment Benefits	1.6	1.0	2.4	0.0	0.1	1.0	5.0	3.6	0.5	3.9	20.7	1.9	58.3	0.0	1.5
Employment Services															
Employment Assistance	0.0	0.2	1.3	0.0	0.2	2.5	8.3	0.0	8.5	6.8	0.0	14.9	92.9	0.6	5.4
Individual Counselling	0.8	0.2	2.6	0.0	1.7	1.8	6.0	13.2	0.0	8.4	53.7	6.7	0.0	1.0	3.6
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	0.7	0.2	1.9	0.0	0.1	1.9	6.9	13.2	8.5	7.6	53.7	13.3	92.9	0.7	4.7
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	2.0	2.3	3.1	0.4	0.9	3.3	16.3	15.6	8.4	9.8	56.9	17.2	86.4	37.5	5.9

Source: Participant dataset.

1. The Province of Alberta continues to implement a new integrated management information system in phases. Therefore, portions of LMDA data for Alberta in 2008/09 were unavailable. Interventions data are estimates based on Alberta's 2008/09 Plan for Programs and Services, as well as the audited financial statement for that period. Since similar challenges occurred in 2007/08, a year-over-year comparison of client data is not possible. The Province has confirmed that the client and intervention data reported herein are complete and correct, based on audited financial expenditures for programs and services.
2. Due to data collection systems issues in Saskatchewan, interventions data for TWS, SE and EAS were incomplete for 2008/09. Complete client data by age, client type, gender and designated group for these interventions were therefore unavailable. Intervention and client data for TWS, SE and EAS are estimates based on the Province of Saskatchewan's management information system.
3. All percentages are based on new start interventions only (the number of interventions started in 2008/09). These reported counts are generally lower than actual numbers because data are collected through self-identification.

Annex 3.10 - EBSM Designated Members^{1, 2} - Visible Minorities³

New Starts, by Intervention (%)—2008/09

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yk.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	0.2	0.9	2.6	0.0	0.0	7.2	7.1	0.0	11.8	7.9	7.3	0.0	0.0	0.0	2.9
Self-Employment	0.5	4.4	4.4	0.0	0.0	7.6	2.1	0.0	3.6	9.4	7.7	0.0	0.0	0.0	5.5
Job Creation Partnerships	0.9	1.5	6.0	0.0	0.0	5.5	15.4	0.0	9.2	7.5	0.0	0.0	0.0	0.0	4.4
Skills Development—Regular	0.3	1.1	6.2	0.0	0.0	12.3	17.5	4.1	16.4	14.8	5.5	0.0	0.0	0.0	5.1
Skills Development—Apprentices	0.1	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	1.1	4.3	0.0	0.0	6.7	8.9	1.5	1.3	6.0	3.7	0.0	0.0	0.0	3.1
Employment Services															
Employment Assistance	0.0	9.5	5.7	0.0	0.0	7.3	9.4	0.0	5.2	21.4	0.0	0.9	1.0	0.6	6.1
Individual Counselling	0.1	2.2	4.6	0.0	0.0	6.8	13.6	6.1	0.0	7.3	9.4	1.0	0.0	1.0	6.5
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	6.1	5.2	0.0	0.0	6.9	11.9	6.1	5.2	14.2	9.4	1.0	1.0	0.7	6.2
Aboriginal Pan-Canadian ⁴	0.0	0.0	1.1	0.0	4.5	1.1	0.3	0.0	0.6	6.1	0.0	4.7	0.0	3.2	2.2
Grand Total – Benefits and Services	0.2	4.2	5.0	0.0	0.0	6.8	10.2	3.2	4.8	12.6	5.6	1.0	0.6	1.6	5.6

Source: Participant dataset.

1. The Province of Alberta continues to implement a new integrated management information system in phases. Therefore, portions of LMDA data for Alberta in 2008/09 were unavailable. Interventions data are estimates based on Alberta's 2008/09 Plan for Programs and Services, as well as the audited financial statement for that period. Since similar challenges occurred in 2007/08, a year-over-year comparison of client data is not possible. The Province has confirmed that the client and intervention data reported herein are complete and correct, based on audited financial expenditures for programs and services.
2. Due to data collection systems issues in Saskatchewan, interventions data for TWS, SE and EAS were incomplete for 2008/09. Complete client data by age, client type, gender and designated group for these interventions were therefore unavailable. Intervention and client data for TWS, SE and EAS are estimates based on the Province of Saskatchewan's management information system.
3. All percentages are based on new start interventions only (the number of interventions started in 2008/09). These reported counts are generally lower than actual numbers because data are collected through self-identification.
4. Some Aboriginal clients self-identified as being members of visible minority groups.

Annex 3.11 - EBSM and Pan-Canadian Activities - Part I - Final Expenditures

In \$000s, by Intervention—2008/09

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yk.	Nun.	NHQ	Canada
Self-Employment	687	462	1,221	2,048	10,392	8,223	1,830	692	2,182	5,291	74	28	8	19	33,157
Job Creation Partnerships ¹	2,060	301	304	50	243	1,319	1,301	1	—	482	—	—	—	—	6,059
Skills Development	22,308	6,756	12,881	26,058	89,385	92,065	25,331	16,933	90,737	53,278	340	905	149	14	437,141
Total	25,054	7,518	14,406	28,156	100,020	101,607	28,463	17,626	92,919	59,051	414	933	157	33	476,357

Source: Corporate Management System.

1. In Quebec, this amount refers only to pan-Canadian activities.

Annex 3.12 - EBSM Part II - Final Expenditures

In \$000s, by Intervention—2008/09

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C. ¹	N.W.T.	Yk.	Nun.	NHQ ²	Canada
Employment Benefits															
Targeted Wage Subsidies	6,385	463	829	7,145	29,994	18,926	1,092	5,045	791	16,557	116	3	31	—	87,377
Self-Employment	3,546	1,068	5,080	3,293	25,977	60,788	1,709	471	2,801	30,572	189	70	16	—	135,580
Job Creation Partnerships	15,563	3,037	2,737	—	—	14,397	2,512	—	5,444	5,449	—	—	—	146	49,285
Skills Development	85,648	15,527	47,971	66,485	318,298	206,196	27,455	24,990	48,257	109,151	1,472	2,378	1,777	—	955,605
Targeted Earning Supplements	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0
Total Employment Benefits	111,142	20,095	56,617	76,923	374,269	300,307	32,768	30,506	57,293	161,729	1,777	2,451	1,824	146	1,227,847
Support Measures (Services)															
Employment Services	17,149	4,796	21,640	10,445	112,260	221,187	8,804	4,103	47,021	113,250	1,003	1,175	156	—	562,989
Supplément de retour au travail (Quebec only)	—	—	—	—	3,289	—	—	—	—	—	—	—	—	—	3,289
Total Support Measures (Services)	17,149	4,796	21,640	10,445	115,549	221,187	8,804	4,103	47,021	113,250	1,003	1,175	156	—	566,277
Sub-Total: Employment Benefits and Support Measures (Services)	128,291	24,891	78,257	87,368	489,818	521,494	41,572	34,609	104,314	274,979	2,780	3,626	1,980	146	1,794,124
Other Support Measures															
Labour Market Partnerships	3,394	2,042	1,424	5,203	107,928	10,986	4,087	3,305	1,484	2,688	379	87	—	—	143,007
Research and Innovation	—	—	—	115	853	297	541	818	—	—	—	—	—	—	2,624
Total Other Support Measures	3,394	2,042	1,424	5,318	108,781	11,283	4,628	4,123	1,484	2,688	379	87	—	—	145,631
Total EBSMs – Part II	131,685	26,933	79,681	92,686	598,599	532,777	46,200	38,732	105,798	277,667	3,159	3,713	1,980	146	1,939,756
Overcontribution ³	—	—	—	—	—	—	—	—	—	6,371	153	—	792	—	7,316
Pan-Canadian (see details in Annex 3.13)	2,201	385	1,942	1,554	9,863	20,999	14,510	11,382	13,372	14,211	2,985	1,220	2,856	64,644	162,126
Adjustment ⁴	(887)	(660)	(504)	(88)	(366)	(864)	(38)	(31)	(71)	9,904	(811)	54	(458)	(2,409)	2,771
Total Including Pan-Canadian	132,999	26,658	81,119	94,152	608,096	552,912	60,672	50,083	119,099	308,153	5,486	4,987	5,171	62,381	2,111,969
Administrative Costs Related to LMDAs⁵ (Transfer Regions Only)	—	875	400	8,922	58,920	67,535	6,078	6,021	9,594	3,653	1,450	—	723	—	164,170

Source: Corporate Management System (CMS), and provincial and territorial audited statements.

1. Includes expenditures (\$4.2 million) for Aboriginal groups in British Columbia. British Columbia expenditures are based on the CMS for the period April 1, 2008, to February 1, 2009, and on an unaudited statement of operations for the period February 2, 2009, to March 31, 2009.
2. NHQ includes expenditures for third-party liability insurance contracted and paid on behalf of co-managed provinces.
3. Overcontribution will be recovered during 2009/10.
4. This adjustment reflects overpayments established, refunds of previous years' expenditures and other accounting adjustments.
5. Administrative costs include \$142.6 million (salary and non-salary) to administer LMDAs, \$5.6 million for rent and \$16.0 million for LMDA Supplementary Agreements.

Annex 3.13 - E1 Part II Pan-Canadian - Final Expenditures

In \$000s, by Intervention—2008/09

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yk.	Nun.	NHQ	Canada
Aboriginal Human Resources Development Strategy¹	1,969	225	1,696	1,341	9,145	20,247	14,126	11,253	12,848	13,881	2,681	980	2,565	1,000	93,959
Other															
Labour Market Partnerships	232	160	246	213	718	752	384	129	524	330	303	240	292	48,871	53,393
Research and Innovation	-	-	-	-	-	-	-	-	-	-	-	-	-	14,773	14,773
Total Other	232	160	246	213	718	752	384	129	524	330	303	240	292	63,644	68,166
Grand Total	2,201	385	1,942	1,554	9,863	20,999	14,510	11,382	13,372	14,211	2,985	1,220	2,856	64,644	162,126

Source: Corporate Management System.

1. This excludes expenditures (\$4.2 million) for Aboriginal groups in British Columbia (see Annex 3.12).

Annex 3.14 - Returns to Employment and Unpaid Benefits Indicators

2008/09

	Clients Who Returned to Employment ¹					Unpaid Benefits (\$ Millions) ¹					
	Targets ²	Results			Results vs. Targets %	Targets ²	Results			Total ⁴	Results vs. Targets %
		SD-Apprentices	Group Services	Other ³			SD-Apprentices	Group Services	Other		
Newfoundland and Labrador	7,350	1,214	6,781	7,995	109%	21.5	12.2	0.0	14.6	26.8	125%
Prince Edward Island	2,035	273	1,913	2,186	107%	6.0	2.8	0.0	4.9	7.7	128%
Nova Scotia	6,160	1,155	4,930	6,100	99%	21.0	12.4	0.1	12.2	24.7	118%
New Brunswick	8,786	1,563	7,859	9,422	107%	29.4	14.9	0.0	19.1	34.0	115%
Quebec	50,855	0	45,430	51,383	101%	156.2	0.0	43.8	144.5	188.3	121%
Ontario	54,000	12,422	43,790	56,562	105%	213.0	116.2	2.3	145.9	264.4	124%
Manitoba	9,000	2,245	7,011	9,256	103%	32.0	21.5	0.0	24.5	46.0	144%
Saskatchewan	4,700	2,873	2,052	4,956	105%	27.0	33.0	0.2	9.6	42.8	159%
Alberta	24,874	18,928	8,941	27,869	112%	199.0	201.7	0.0	52.7	254.4	128%
British Columbia ⁵	29,660	9,679	21,917	31,607	107%	120.0	98.7	0.0	63.1	161.8	135%
Northwest Territories	211	15	193	208	99%	2.5	0.2	0.0	2.5	2.7	107%
Yukon	265	131	148	279	105%	2.0	1.8	0.0	0.7	2.5	123%
Nunavut	134	20	84	104	78%	0.8	0.3	0.0	0.5	0.8	95%
Canada	198,030	50,518	151,049	207,927	105%	830.4	515.7	46.4	494.6	1,056.7	127%

Source: Results dataset.

1. AHRDS activity resulted in 7,950 returns to employment and \$19.0 million in unpaid benefits.
2. Targets are for EBSM Part II clients only.
3. The "Other" category includes all other EBSMs. SD-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 2008/09 results reflect EBSM delivery by both HRSDC and the Province of British Columbia.

Annex 3.15 - Returns to Employment, by Intervention (EBSMs)¹

2008/09

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C. ²	N.W.T.	Yk.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	279	50	99	1,395	1,832	1,423	111	4	10	1,387	2	1	2	0	6,595
Self-Employment	92	109	292	250	1,650	2,374	181	0	88	1,152	6	7	0	0	6,201
Job Creation Partnerships	764	85	111	0	0	486	144	0	98	146	0	0	0	0	1,834
Skills Development- Regular	3,109	950	1,621	3,485	12,847	8,415	1,310	590	257	3,094	88	32	50	0	35,848
Skills Development- Apprentices ³	1,214	273	1,155	1,670	0	12,422	2,342	3,063	18,928	9,679	15	131	20	0	50,912
Total Benefits	5,458	1,467	3,278	6,800	16,329	25,120	4,088	3,657	19,381	15,458	111	171	72	0	101,390
Support Measures (Services)															
Employment Assistance	11	370	1,648	915	23,886	8,123	2,094	0	8,488	7,526	0	82	32	0	53,175
Group Services	0	0	15	0	5,953	350	0	31	0	11	0	0	0	0	6,360
Individual Counselling	2,526	349	1,159	1,707	12	22,969	3,074	1,268	0	8,612	97	26	0	0	41,799
Supplément de retour au travail (Quebec only)	0	0	0	0	5,203	0	0	0	0	0	0	0	0	0	5,203
Total Support Measures (Services)	2,537	719	2,822	2,622	35,054	31,442	5,168	1,299	8,488	16,149	97	108	32	0	106,537
Total Employment Benefits and Support Measures (Services)	7,995	2,186	6,100	9,422	51,383	56,562	9,256	4,956	27,869	31,607	208	279	104	0	207,927
Target	7,350	2,035	6,160	8,786	50,855	54,000	9,000	4,700	24,874	29,660	211	265	134	N/A	198,030
Results vs. Targets (%)	109%	107%	99%	107%	101%	105%	103%	105%	112%	107%	99%	105%	78%	N/A	105%

Source: Results dataset and Common System for Grants and Contributions (CSGC)

N/A: Not applicable.

1. Results associated solely with the AHRDS are not included here.

2. The 2008/09 results reflect EBSM delivery by both HRSDC and the Province of British Columbia.

3. Results for SD-Apprentices do not match those in Annex 3.14. Results presented in this annex are associated with the last intervention in which a client participated. Employment Benefits participation supersedes participation in Employment Services.

Annex 4

Community Profiles

- 4.1 Community Profiles – Part I
- 4.2 Community Profiles – Part II
- 4.3 Employment Insurance Economic Regions
- 4.4 Employment Insurance Economic Regions:
Unemployment Rates, 2008/09

Annex 4.1 - Community Profiles – Part I

Region	Unemployment Rate (%) ¹			VER ² (Hours)		New Regular Claims ³		Average Insured Hours		Average Regular Weeks Paid ⁴				
	Annual		Monthly	High	Low	High	Low	2008/09	% Change ⁶	2008/09	% Change	2007/08	% Change	
	2008/09	Δ ⁵	High	Low	High	Low	High	Low	2008/09	% Change ⁶	2008/09	% Change	2007/08	% Change
Newfoundland and Labrador														
St. John's	7.8	0.9	8.6	7.2	630	595	595	11,450	7.4	1,393	3.3	19.8	-0.6	
Newfoundland and Labrador	17.4	-0.5	19.9	15.6	420	420	420	62,640	4.4	1,123	2.9	27.9	0.4	
Prince Edward Island														
Prince Edward Island	10.9	0.6	12.2	10.2	525	455	455	18,590	5.2	1,208	1.7	23.3	-0.2	
Nova Scotia														
Eastern Nova Scotia	13.9	-0.2	15.0	12.6	455	420	420	23,860	5.8	1,166	3.4	25.9	4.5	
Western Nova Scotia	8.7	-0.6	9.7	7.6	630	560	560	32,970	12.6	1,324	3.8	22.4	0.7	
Halifax	5.3	0.1	5.9	4.8	700	700	700	13,190	18.0	1,485	2.1	17.4	7.2	
New Brunswick														
Fredericton–Moncton–Saint John	5.7	0.7	6.1	5.5	700	665	665	18,430	10.2	1,448	2.9	15.9	-2.4	
Madawaska–Charlotte ⁷	10.8	1.1	11.2	10.0	560	490	490	13,910	3.7	1,296	0.4	21.6	4.3	
Restigouche–Albert	14.5	1.4	15.0	13.4	420	420	420	42,760	1.9	1,150	2.0	24.9	-2.3	
Quebec														
Gaspésie–Îles-de-la-Madeleine	18.6	1.4	19.5	17.5	420	420	420	27,920	2.3	1,060	2.3	27.4	0.4	
Québec	4.6	-0.4	5.1	3.9	700	700	700	38,590	12.7	1,442	3.6	13.7	-3.6	
Trois-Rivières	8.1	0.2	8.9	7.4	630	595	595	10,510	10.5	1,381	2.6	18.3	2.1	
South Central Quebec	5.7	-0.1	6.8	4.5	700	665	665	13,990	17.3	1,454	1.1	13.4	-2.1	
Sherbrooke	6.1	-0.1	6.7	5.6	700	665	665	10,110	7.9	1,432	3.4	14.0	-9.0	
Montréal	7.4	0.1	8.4	6.4	665	595	595	35,100	15.5	1,409	1.4	16.8	-0.9	
Montréal	7.6	0.6	8.2	7.3	630	595	595	170,980	14.9	1,410	1.7	17.3	-5.7	
Central Quebec	8.0	-0.3	8.4	7.6	630	595	595	88,660	14.4	1,354	2.2	18.8	-1.0	
North Western Quebec	10.4	-1.3	11.3	9.4	560	490	490	26,640	8.4	1,287	5.7	21.4	-1.7	
Bas-Saint-Laurent–Côte-Nord ⁷	11.9	0.5	12.8	10.5	525	455	455	57,330	4.9	1,235	0.5	20.9	-2.6	
Hull	5.0	-0.4	5.6	4.3	700	700	700	10,790	10.6	1,409	1.3	14.5	-0.8	
Chicoutimi–Jonquière	8.6	-0.2	9.7	7.3	630	560	560	13,130	9.1	1,300	0.5	18.9	2.5	
Ontario														
Ottawa	4.8	-0.3	5.3	4.6	700	700	700	19,860	19.5	1,488	2.3	15.9	-0.2	
Eastern Ontario	5.9	-0.9	6.9	5.3	700	665	665	19,560	19.3	1,463	4.3	16.6	-0.4	
Kingston	5.6	0.2	5.8	5.3	700	700	700	4,390	19.3	1,455	2.4	15.8	-1.0	
Central Ontario	6.6	0.6	7.4	6.0	700	630	630	53,450	38.3	1,478	1.7	16.3	6.7	
Oshawa	7.3	1.2	8.0	6.3	665	630	630	16,280	14.7	1,503	-3.7	15.8	19.3	
Toronto	7.0	0.2	8.3	6.4	665	595	595	193,090	47.7	1,529	2.5	19.2	3.8	
Hamilton	6.4	0.5	8.4	5.4	700	595	595	27,650	53.4	1,531	3.7	16.8	-1.3	
St. Catharines	7.6	0.8	9.5	6.2	665	560	560	21,960	33.4	1,478	2.6	16.7	5.1	
London	7.1	1.0	8.5	6.4	665	595	595	21,340	47.8	1,536	1.0	16.9	13.1	
Niagara	8.8	1.0	9.6	8.0	630	560	560	17,480	51.7	1,508	4.0	17.8	8.1	
Windsor	9.6	0.4	12.1	7.9	630	455	455	24,440	48.0	1,521	3.0	15.9	2.4	
Kitchener	6.3	0.8	9.1	4.8	700	560	560	22,350	57.7	1,552	2.1	16.8	0.9	
Huron	8.1	0.7	9.9	6.6	665	560	560	20,810	52.0	1,496	2.7	17.2	1.5	
South Central Ontario	5.5	0.3	7.5	4.6	700	630	630	25,590	81.1	1,568	5.0	16.1	9.9	
Sudbury	5.9	0.3	7.0	5.3	700	665	665	7,480	32.2	1,458	4.1	16.6	-4.3	
Thunder Bay	6.2	-0.5	7.6	5.1	700	630	630	6,120	17.2	1,480	1.6	17.2	7.2	
Northern Ontario	10.4	-0.1	10.7	10.1	525	525	525	34,920	22.2	1,380	3.7	21.2	2.4	

Annex 4.1 - Community Profiles - Part I (continued)

Region	Unemployment Rate (%) ¹			VER ² (Hours)		New Regular Claims ³		Average Hours Insured		Average Regular Weeks Paid ⁴		
	Annual		Monthly		High	Low	2008/09	% Change ⁶	2008/09	% Change	2007/08	% Change
	2008/09	Δ ⁵	High	Low								
Manitoba												
Winnipeg	4.4	-0.2	4.8	4.2	700	700	21,190	27.6	1,480	1.9	14.3	-1.0
Southern Manitoba	5.0	0.0	5.4	4.7	700	700	10,790	21.1	1,422	2.0	13.8	-1.6
Northern Manitoba	25.8	0.1	26.9	25.0	420	420	7,550	14.4	1,288	2.6	24.4	-4.6
Saskatchewan												
Regina	3.9	-1.0	4.4	3.1	700	700	3,920	14.3	1,484	4.6	13.5	0.6
Saskatoon	4.1	0.1	4.6	3.4	700	700	6,250	28.1	1,453	3.6	13.9	2.0
Southern Saskatchewan	5.9	-0.1	6.3	5.5	700	665	9,530	19.0	1,454	3.7	14.5	-3.1
Northern Saskatchewan	15.5	1.0	16.6	14.9	420	420	12,400	19.3	1,324	5.5	21.6	-3.2
Alberta												
Calgary	3.6	0.4	4.8	3.0	700	700	34,410	125.2	1,560	3.2	14.5	-3.3
Edmonton	3.9	0.0	4.6	3.6	700	700	32,840	85.1	1,550	2.1	13.6	-3.4
Northern Alberta	8.1	0.6	8.7	7.2	630	595	9,710	55.1	1,472	1.9	17.3	-3.2
Southern Alberta	4.8	0.2	6.4	4.0	700	665	28,940	64.6	1,523	2.1	14.7	-0.1
British Columbia												
Southern Interior B.C.	7.0	1.0	8.5	6.0	700	595	39,620	44.7	1,444	1.5	16.0	1.2
Abbotsford	5.0	0.6	6.1	4.2	700	665	8,640	44.2	1,367	7.8	15.2	-0.2
Vancouver	4.5	0.4	5.6	3.9	700	700	69,010	54.0	1,509	4.3	16.9	1.4
Victoria	4.2	0.2	5.5	3.7	700	700	9,290	66.2	1,491	3.0	14.9	3.1
Southern Coastal B.C.	6.0	0.3	7.6	5.1	700	630	28,990	50.0	1,450	3.5	16.2	-0.2
Northern B.C.	9.6	1.3	10.1	8.6	595	525	26,150	34.7	1,403	2.6	19.8	-0.4
Territories⁸												
Yukon	25.0	0.0	25.0	25.0	420	420	2,120	19.8	1,225	1.4	21.7	-0.9
Northwest Territories	25.0	0.0	25.0	25.0	420	420	1,810	32.1	1,362	11.5	25.5	7.8
Nunavut	25.0	0.0	25.0	25.0	420	420	990	67.8	1,290	7.8	25.5	-1.9
NATIONAL	6.7	0.3	7.7	6.3	665	630	1,642,470	26.9	1,413	3.7	18.8	0.2

Note: The local unemployment rates presented in this annex are those of 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 was performed on the national unemployment rate, the figure of 6.6% presented in Chapter 1 for 2008/09 would become 6.7%.

Source: EI administrative data, Labour Force Survey.

1. Calculated using annual averages of seasonally adjusted data over fiscal years.
2. The Variable Entrance Requirement (VER) ranges from 420 hours to 700 hours, depending on the regional unemployment rate.
3. Includes claims for which at least \$1 of regular benefits was paid.
4. Data on claim duration are for claims established in 2007/08 to ensure all claims were completed.
5. Percentage point difference between 2007/08 and 2008/09.
6. Percentage growth between 2007/08 and 2008/09.
7. Unemployment rates for these regions have been determined using a transition formula prescribed in the EI Regulations.
8. Yukon, Northwest Territories and Nunavut unemployment rates are set at 25% for EI purposes.

Annex 4.2 • Community Profiles – Part II

Region	Average Regular Entitlement Weeks		% of Entitlement Weeks Used ¹		Average Regular Weekly Benefit ² (\$)		% of Earners Who Received EI Benefits
	2008/09	% Change ³	2007/08	Δ ⁴	2008/09	% Change	2007
Newfoundland and Labrador							
St. John's	35.5	8.5	64.1	3.5	364	5.5	21.4
Newfoundland and Labrador	44.8	4.7	65.8	0.0	352	5.2	45.1
Prince Edward Island							
Prince Edward Island	37.9	5.9	67.8	1.1	353	4.2	32.9
Nova Scotia							
Eastern Nova Scotia	41.3	2.5	65.5	1.5	355	5.4	32.9
Western Nova Scotia	35.6	1.2	66.2	1.9	343	4.1	23.1
Halifax	32.8	19.7	65.3	2.5	340	4.7	12.4
New Brunswick							
Fredericton–Moncton–Saint John	32.0	22.8	63.3	1.2	337	5.1	15.5
Madawaska–Charlotte	39.0	7.2	62.2	2.9	352	2.3	30.4
Restigouche–Albert	42.4	9.4	66.2	1.7	353	3.6	38.8
Quebec							
Gaspésie–Îles-de-la-Madeleine	44.6	4.4	64.8	0.3	361	3.5	41.9
Québec	31.7	23.7	56.7	-1.0	354	4.1	16.2
Trois-Rivières	35.6	4.8	56.9	2.3	369	5.0	19.9
South Central Quebec	33.0	21.2	52.9	-0.3	344	4.7	23.6
Sherbrooke	32.8	21.2	55.3	-0.2	343	3.6	19.4
Montérégie	35.1	19.5	60.1	2.0	346	2.4	19.6
Montréal	35.3	23.5	62.3	1.5	345	3.1	15.5
Central Quebec	34.7	0.5	57.8	0.8	360	3.5	23.7
North Western Quebec	38.5	1.2	58.5	-2.1	376	4.3	25.6
Bas-Saint-Laurent–Côte-Nord	40.3	8.2	59.0	1.0	366	2.9	29.6
Hull	30.9	19.9	58.6	-0.5	364	2.1	13.3
Chicoutimi–Jonquière	34.9	0.3	57.5	1.3	363	1.5	24.0
Ontario							
Ottawa	32.7	21.2	60.1	0.1	373	5.2	8.4
Eastern Ontario	32.7	13.4	59.6	0.7	353	5.1	13.8
Kingston	32.0	21.5	61.0	1.9	355	5.6	10.2
Central Ontario	34.6	25.7	61.0	3.3	358	3.2	12.1
Oshawa	36.8	20.2	53.4	6.2	394	3.3	11.9
Toronto	36.4	21.6	64.1	1.2	364	4.0	10.2
Hamilton	35.6	25.5	60.3	0.4	370	4.5	10.4
St. Catharines	37.1	26.3	58.8	-1.0	356	5.2	13.2
London	36.8	26.0	59.4	6.0	370	2.8	12.1
Niagara	39.9	26.5	58.0	3.4	375	8.4	13.5
Windsor	41.8	20.5	47.4	1.4	389	6.0	16.5
Kitchener	36.4	27.5	59.3	-0.5	371	2.8	11.3
Huron	38.0	27.1	60.1	2.6	378	6.6	14.9
South Central Ontario	35.5	27.0	59.1	4.5	374	6.2	11.2
Sudbury	33.0	6.3	55.8	1.9	379	3.5	13.5
Thunder Bay	34.0	15.9	60.9	5.3	387	4.6	14.4
Northern Ontario	40.5	7.6	58.1	1.9	379	5.2	16.0

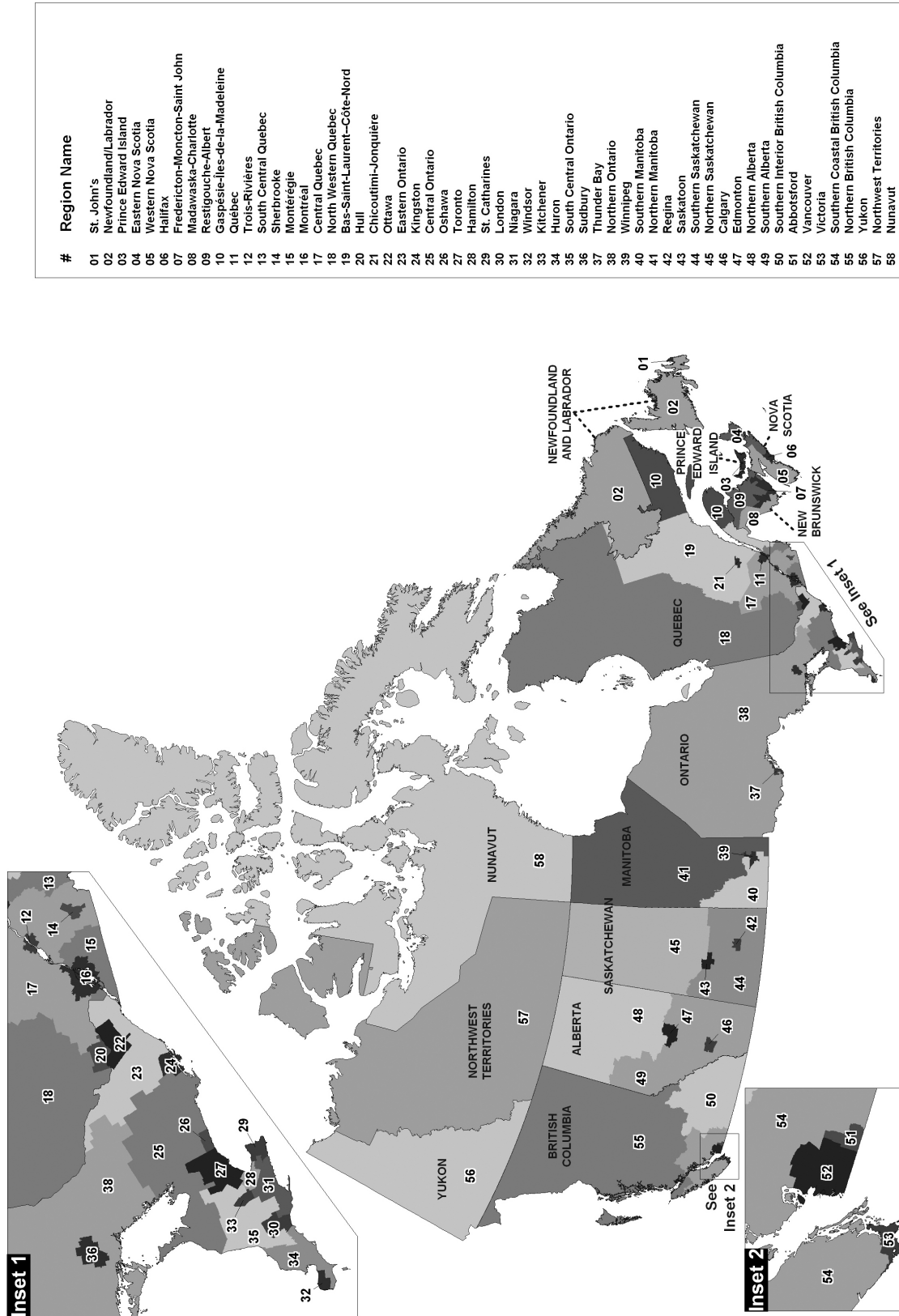
Annex 4.2 - Community Profiles - Part II (continued)

Region	Average Regular Entitlement Weeks		% of Entitlement Weeks Used ¹		Average Regular Weekly Benefit ² (\$)		% of Earners Who Received EI Benefits
	2008/09	% Change ³	2007/08	Δ ⁴	2008/09	% Change	2007
Manitoba							
Winnipeg	32.6	21.0	54.0	-1.4	349	5.0	10.3
Southern Manitoba	31.4	22.2	56.2	-2.2	345	6.8	11.2
Northern Manitoba	46.8	6.8	55.9	-3.0	356	5.3	12.9
Saskatchewan							
Regina	32.6	24.2	53.6	0.4	375	7.7	8.2
Saskatoon	32.0	24.0	56.1	1.5	365	5.3	8.8
Southern Saskatchewan	32.1	20.4	56.4	-2.0	369	10.5	10.2
Northern Saskatchewan	45.9	9.2	51.9	-1.2	379	4.4	13.8
Alberta							
Calgary	34.5	21.5	52.3	-2.0	399	5.5	7.8
Edmonton	34.2	20.3	49.6	-3.5	402	6.1	8.2
Northern Alberta	37.9	21.5	57.0	-0.5	413	6.4	10.5
Southern Alberta	33.8	21.0	54.7	-1.0	391	6.1	8.4
British Columbia							
Southern Interior B.C.	35.3	28.3	60.7	1.2	372	4.3	13.4
Abbotsford	30.4	31.0	69.6	1.4	329	8.3	14.2
Vancouver	33.3	23.7	64.1	-0.5	364	6.6	9.7
Victoria	32.7	22.0	57.2	1.1	368	3.5	8.5
Southern Coastal B.C.	32.9	23.9	63.7	0.3	381	1.6	13.1
Northern B.C.	39.2	10.4	57.9	0.0	401	4.1	14.2
Territories							
Yukon	46.1	5.5	50.0	-0.2	415	6.9	16.4
Northwest Territories	47.1	7.9	58.5	4.4	423	7.7	12.0
Nunavut	46.9	6.3	58.0	-2.8	414	6.6	11.4
NATIONAL	36.5	14.5	60.6	0.9	364	4.7	13.8

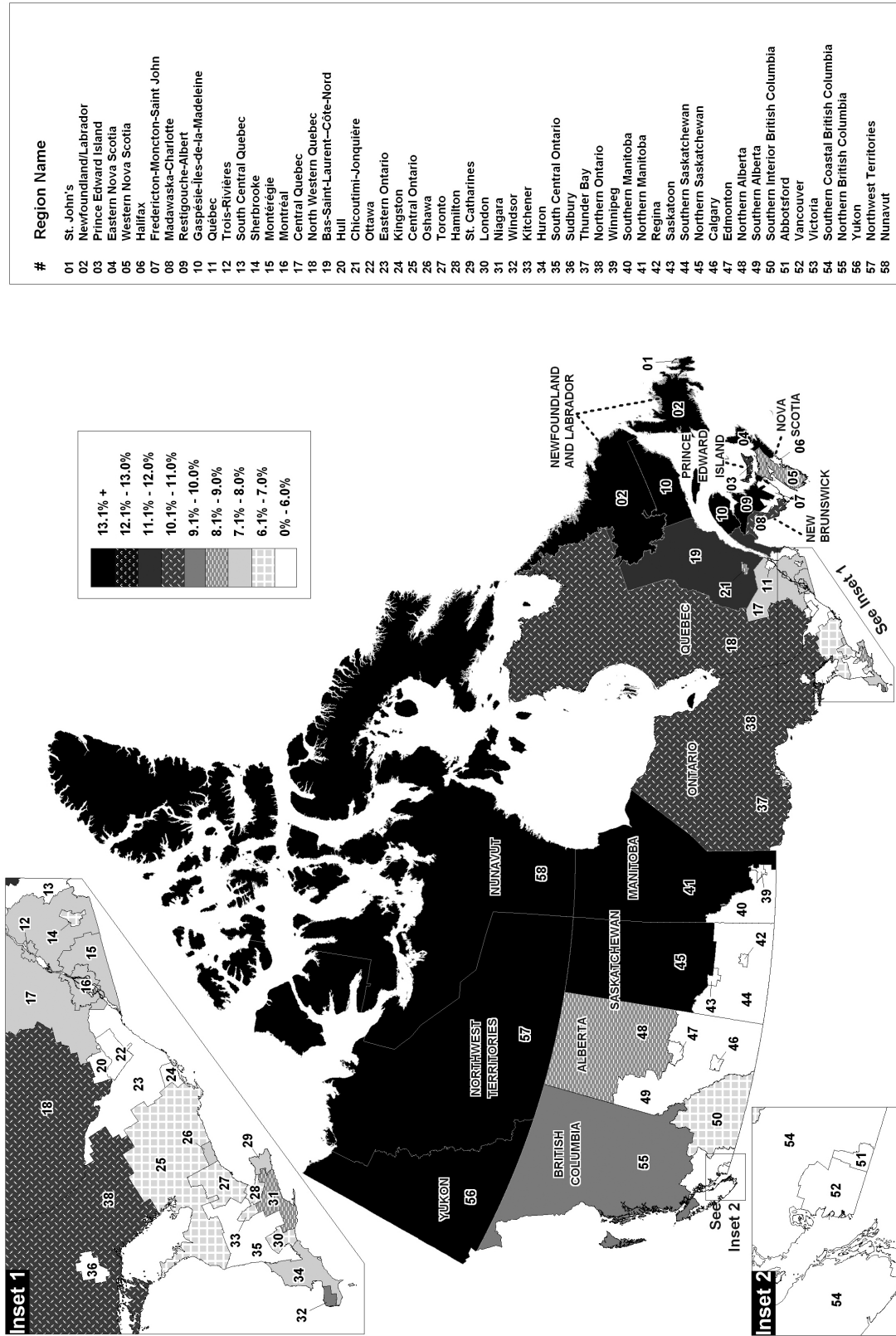
Source: EI administrative data.

1. Data on claim duration are for claims established in 2007/08 to ensure all claims were completed.
2. Takes into account Family Supplement top-ups paid to regular claimants.
3. Percentage growth between 2007/08 and 2008/09.
4. Percentage point difference between 2006/07 and 2007/08.

Annex 4.3 - Employment Insurance Economic Regions



Annex 4.4 - Employment Insurance Economic Regions: Unemployment Rates, 2008/09



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 (LFS). 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 Finding

- In 2008, 82.2% 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; 56.6% were receiving benefits during the survey reference week. Table 1 provides more detailed findings.

Reliability: At a confidence level of 95% (19 times out of 20), the 82.2% coverage figure is accurate within plus or minus 3.6 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 2008 EICS are available on Statistics Canada's web site at <http://www.statcan.gc.ca/daily-quotidien/090723/tdq090723-eng.htm>.

2. Potential EI Eligibility of Paid Workers in December 2007

Authors: *Constantine Kapsalis and Pierre Tourigny, Data Probe Economic Consulting Inc.*

Objective: Using the Survey of Labour and Income Dynamics (SLID), the study estimates 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 Finding

- Simulations indicate that 87.0% of individuals who were working as paid employees in December 2007 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 84.2% in British Columbia to 89.4% in the Atlantic provinces. Table 2 provides more detailed findings.

Reliability: At a confidence level of 95% (19 times out of 20), the 87.0% 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.gc.ca/daily-quotidien/090113/dq090113d-eng.htm>.

3. ROE-Based Measures of EI Eligibility

Author: *Human Resources and Skills Development Canada (HRSDC), Evaluation Directorate*

Objective: The report examines job separations, with an emphasis on layoffs, to determine laid-off workers' ability to qualify for EI benefits across different unemployment rates.

Methodology: The analysis in this report uses a 10% sample from the Record of Employment (ROE) database for the years 1990 through 2008. The variable representing regions is derived from the postal code information in the ROE data file, which is normally the employer's postal code.

Table 1
Eligibility for EI Benefits, 2008 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	82.2	56.6
Gender		
Women	77.8	53.3
Men	84.6	58.5
Age and Gender		
Unemployed youth (15 to 24 years old)	51.9	23.8
Unemployed adult women (25 to 69 years old)	86.4	61.3
Unemployed adult men (25 to 69 years old)	90.6	65.7
Region		
Atlantic	87.3	72.5
Quebec	80.9	60.8
Ontario	78.9	49.1
Prairies	86.6	53.8
British Columbia	87.7	53.6
Full-Time/Part-Time Employment Status Over the Last 12 Months		
Unemployed who worked part time only in the last 12 months	35.8	10.6
Unemployed who worked full time only in the last 12 months	91.1	65.5
Unemployed who worked part time and full time in the last 12 months	70.0	48.2
Work Pattern of Last Employment		
Permanent		
Full time	92.7	60.8
Part time	47.7	19.4
Non-permanent		
Seasonal	85.0	71.8
Other non-standard ²	63.8	44.3
Immigrant Status		
Canadian-born	82.1	56.0
Immigrants	81.6	60.5

1. Unemployed individuals 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.

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.

Key Findings

- Before EI reform, the Variable Entrance Requirement (VER) compensated for fewer weeks of employment in areas with higher unemployment rates, so that the percentage of ROEs meeting the entrance requirements was fairly even across unemployment rates.
- After EI reform, however, the VER raised the percentage of those meeting the entrance requirements in higher unemployment rate regions above the percentage in lower unemployment rate regions.
- Between 1990 and 2008, the overall percentage of ROEs meeting the VER generally decreased along with the unemployment rate.
- The percentage of ROEs that met the VER tended to be relatively similar across provinces in 2008, but it varied more across economic regions. Larger cities with lower unemployment rates tended to have lower rates of ROEs meeting the VER.

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 is available upon request.

4. Employment Insurance Access for Part-Time and Short-Term Workers

Author: HRSDC, Evaluation Directorate

Objective: This paper compares the EI eligibility and receipt rates of full-time, part-time, permanent and temporary workers. It examines why some eligible workers don't take up EI benefits. It also looks at the extent to which the four types of workers hold more than one job at a time, and the resulting impact on EI eligibility and benefit receipt.

Methodology: Data from the Canadian Out-of-Employment Panel (COEP) survey were used; 19,482 Canadians who had a change or an interruption in their employment activity were surveyed from October 2004 to September 2006.

Key Findings

- Full-time permanent employees are about 40% more likely to be eligible for EI benefits and to receive them than are full-time temporary, part-time permanent and part-time temporary workers.
 - Being a multiple job holder has no impact on eligibility, but multiple-job holders are more likely to collect EI benefits than are those holding only one job.

- Not believing they are eligible, finding another job quickly and not needing EI benefits are among the most common reasons eligible employees do not apply for EI.

- Part-time workers in the Atlantic region and Quebec have higher eligibility rates than their counterparts in the other provinces, with the exception of part-time temporary workers in Ontario.

Reliability: An external academic peer reviewed this study.

Availability: This report is available upon request.

5. Perspectives on Labour and Income: Participation of Older Workers

Authors: Katherine Marshall and Vincent Ferrao, Statistics Canada

Objective: This article examines the labour market trends of the population aged 55 to 64.

Methodology: This article uses descriptive statistics from Statistics Canada's LFS and comparative U.S. labour force data.

Key Findings

- One in four older workers is self-employed and one in five works part time. Part-time work is one of the few job characteristics that differs notably between older workers and core-age workers (those aged 25 to 54), suggesting transitional changes before retirement.
- The majority of older workers are employees (76%) and work full time (81%).
- Earnings and occupations of older and core-age workers are strikingly similar.
- During the past decade, the participation rate of men and women aged 55 to 64 has climbed steadily, reaching 60% in the first half of 2007.
- Rising educational attainment, increasing desire among those over 55 to continue working and women's increasing labour force participation are responsible for the increasing trend in labour participation by older workers.

Reliability: This study was published in *Perspectives on Labour and Income*, Volume 8, Number 8, August 2007, pages 5 to 11.

Availability: This report can be found on Statistics Canada's web site at <http://www.statcan.gc.ca/pub/75-001-x/75-001-x2007108-eng.pdf>.

Table 2**Simulated EI Eligibility¹ as a Proportion of Employees in December, Using the Survey of Labour and Income Dynamics (SLID), Various Groups, December 2007**

	December 2007 (%)
All Employees	87.0
Sex	
Women	83.2
Men	90.7
Age and Gender	
Employed youth (17 to 24 years old)	64.7
Employed adult women (25 years old and older)	87.4
Employed adult men (25 years old and older)	94.3
Region	
Atlantic	89.4
Quebec	87.1
Ontario	87.0
Prairies	87.7
British Columbia	84.2
Full-Time/Part-Time Employment Status Over the Last 12 Months	
Employed who worked part time only in the last 12 months	53.3
Employed who worked full time only in the last 12 months	94.1
Employed who worked part time and full time in the last 12 months	85.1
Gender and Full-Time/Part-Time Employment Status Over the Last 12 Months	
<i>Employed who worked full time only in the last 12 months</i>	
Women	92.7
Men	95.1
<i>Employed who worked part time only in the last 12 months</i>	
Women	55.1
Men	48.3
<i>Employed who worked part time and full time in the last 12 months</i>	
Women	83.4
Men	86.9

1. Simulated scenario: Individuals with paid employment in December 2007 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.

6. Models of Earning and Caring: Trends, Determinants and Implications

Authors: *Roderic Beaujot, Zenaida Ravanera and Jianye Liu, University of Western Ontario*

Objective: This paper follows the changes in hours of paid and unpaid work for men and women, to look at alternate models for the division of this work within families, and to present the determinants and implications of alternate models.

Methodology: This paper uses data from time-use diaries collected in the Statistics Canada Canadian General Social Surveys of 1986, 1992, 1998 and 2005. These are representative samples of the Canadian population.

Key Findings

- The complementary-traditional model, with men doing more paid work and women doing more unpaid work, accounts for a declining proportion of families but remains the largest category, representing one third of respondents.
- The shared roles model, where the unpaid work that each person does is within 40% to 60% of the total unpaid work, is a growing category, now representing over 25% of respondents.
- Over 25% of couples are in the women's double burden category, where the woman is doing as much or more paid work as the man and more unpaid work, and this proportion is stable.
- While the proportion of complementary-gender-reversed couples—where the man is doing more unpaid work and the woman is doing more paid work—is increasing, these couples represent the smallest group at 3%.
- The presence of children is a major determinant. Women with children under 18, and men with children under 5, are more likely to be in the complementary-traditional or women's double-burden category.

Reliability: The Policy Research Directorate of HRSDC commissioned this research paper. It was reviewed by four external reviewers.

Availability: This paper can be found on the University of Western Ontario's web site at <http://sociology.uwo.ca/cluster/en/documents/Research%20Briefs/Beaujot%20et%20al,%20Models%20of%20Earning%20and%20Caring.pdf>.

7. Balancing Paid Work and Caregiving Responsibilities: A Closer Look at Family Caregivers in Canada

Authors: *Linda Duxbury, Chris Higgins and Bonnie Schroeder, Canadian Policy Research Networks (CPRN)*

Objective: This report seeks to increase understanding of what it means to be an employed caregiver in Canada today. It also identifies the kinds of support key stakeholders in this relationship—the dependant, the family, organizations and governments—could offer to help the employed caregiver to perform this role.

Methodology: The authors conducted two major research studies; one quantitative, the other qualitative.

The quantitative study involved original empirical analysis using data collected for the National Work, Family and Lifestyle Study conducted in 2001 by Linda Duxbury and Chris Higgins and funded by Health Canada (n = 32,800).

The qualitative study involved 30 semi-structured interviews with a sample of employed caregivers. To be included in the interview study, caregivers had to have been actively providing care for at least six months before the study, in their own home or in the care recipient's home, and had to have been actively employed for at least 10 hours per week.

Key Findings

- The majority of employed Canadians have caregiving responsibilities.
- Just over one in four (27.8%) employed Canadians care for elderly dependants.
- Twice as many have childcare responsibilities (54.2%).
- Almost one in five (16.8%) provide both childcare and eldercare (i.e., they have dual demands at home, as well as demands at work).

Reliability: The researchers performed a regression analysis on the findings. The CPRN published the paper.

Availability: The report is available on the CPRN web site at http://www.cprn.org/documents/51061_EN.pdf.

8. An Evaluation Overview of Seasonal Employment: Update

Author: HRSDC, Evaluation Directorate

Objective: This study provides an overview of seasonal employment in Canada and draws firm conclusions on the subject of seasonal work.

Methodology: This study is based on the Canadian Out-of-Employment Panel (COEP) survey database. This survey consists of 26,500 responses provided by individuals who suffered job separation between 2004 and 2007. The study also reviews previous literature on seasonal employment and draws conclusions on the link between EI and seasonal workers in Canada.

Key Findings

- Aggregate LFS data under-report seasonal employment as being 2.8% of total employment. This aggregate estimate fails to take into account fluctuations in individual industries that cancel each other out.
- The COEP survey estimates seasonal employment to be 15.8% of total employment in Canada.
- Seasonal workers make up a distinctive portion of the labour market.
 - They are more likely to be male, to have a lower level of education and to have fewer family dependants.
 - They are more prominent in eastern provinces and primary industries.
 - Seasonal workers are less likely to be unionized, to have a medical plan or to have a pension plan.
 - Seasonal workers are more likely to expect to return to their previous employer.
- The study also looks at the way seasonal workers use EI.
 - Seasonal workers are just as able to support themselves after job separation as non-seasonal workers.
 - Seasonal workers are more likely to participate in formal learning, while non-seasonal workers are more likely to focus on specific skills, such as job search techniques and computer skills, through informal learning.

Reliability: This report is an update of an earlier study. An external academic peer reviewed the original study.

Availability: This report is available upon request.

9. Evaluation of the Pilot Project to Extend Employment Insurance Benefits by Five Weeks: 2004–2009

Author: HRSDC, Evaluation Directorate

Objective: This evaluation assesses the impact of pilot project #6 (the pilot project on increased weeks of EI benefits) and pilot project #10 (the extended EI benefits pilot project), which were implemented in June 2004 and June 2006, respectively. These two pilot projects, collectively known as the five-week seasonal pilot project, extended regular EI benefits by up to five weeks for claimants living in high unemployment regions.

The report focuses on three themes:

- the ability of the pilot project to effectively target its primary subject, seasonal gappers;
- the pilot project's influence on EI claimants' behaviour, in terms of how long a claimant stayed on EI, the number of weeks and hours worked during the EI qualifying period, and the claimant's job search behaviour while unemployed; and
- the cost of the pilot project, including the cost of the additional weeks of benefits and a discussion of the economic costs associated with changes in behaviour.

Methodology: This multi-faceted study uses a number of data sources and several lines of evidence. The data sources include EI administrative data, survey data and expert interviews. A series of studies has been conducted for this evaluation project, including quantitative analysis and qualitative analysis.

Key Findings

- The primary objective of the pilot project—reducing the number of seasonal workers facing an income gap—was achieved. As a result of the additional weeks of benefits, the proportion of seasonal gappers in the pilot regions decreased by 50%.
- The study found that the measure helped seasonal gappers but was too broadly targeted. During the period covered by the evaluation (June 2004 to December 2007), almost 75% of the total cost of the pilot project went to claimants who were neither gappers nor seasonal workers.

Reliability: An external academic peer reviewed the report.

Availability: This report is available upon request.

10. Trends in Employment Insurance (EI) Eligibility and EI Benefit Adequacy of Non-Standard Workers in Large Urban Centres

Author: HRSDC, Evaluation Directorate

Objective: The report examines the labour force and economic characteristics of non-standard workers, and their eligibility for and access to EI regular benefits in six Census Metropolitan Areas (Montréal, Toronto, Oshawa, Windsor, Vancouver and Victoria). The labour force characteristics and EI access of non-standard workers are compared with each other and contrasted with those of standard, permanent, full-time workers.

Methodology: The report uses LFS and ROE data from 1998 to 2008. The LFS data provide labour force and economic characteristics, such as hours worked per week and average hourly earnings, while the ROE data provide information on eligibility and access to EI regular benefits, such as average weekly benefits and average entitlement duration.

The author uses a number of hypotheses to determine whether a job is standard or non-standard. The LFS data follow Statistics Canada's guidelines, classifying full-time workers as people who spend 30 hours per week or more at their main or only job; all other workers are considered part time.

Key Findings

- Standard and non-standard workers differ significantly in terms of wages, hours worked and job tenure.
- Non-standard workers earn significantly less than standard workers in major urban centres.
- There was no evidence that non-standard workers lost ground compared with standard workers in terms of EI access and benefit adequacy over the last decade in the six selected urban centres.

Reliability: An external academic peer reviewed this study.

Availability: This report is available upon request.

11. The NERE Pilot Project Evaluation: Summary of Results for the 2009 Employment Insurance Monitoring and Assessment Report

Author: Carole Vincent, Social Research and Demonstration Corporation

Objective: The report summarizes the effects of the new entrant/re-entrant (NERE) pilot project, based on different studies.

Methodology: This report cites HRSDC and non-HRSDC studies and summarizes their findings.

Key Findings

- Lowering the minimum entrance requirement for receiving EI benefits from 910 to 840 hours under the pilot increased the proportion of NEREs who were eligible for EI income benefits.
- NERE employment patterns also changed. The proportion of NEREs accumulating between 840 and 909 hours increased during the pilot project period. This result shows that employees and employers are flexible and adapt work patterns.
- Despite the fact that a larger proportion of NEREs had access to benefits, there is no evidence of the pilot increasing the participation of this group in training activities offered under EI Part II.

Reliability: An external academic peer reviewed this study.

Availability: This report is available upon request.

12. Summary of Results from the Best 14 Weeks Pilot Project Evaluation

Author: HRSDC, Evaluation Directorate

Objective: This paper investigates the extent to which the Best 14 Weeks pilot project benefited non-standard workers, particularly in terms of benefit rates and claim behaviour. It also examines whether, as a result of the pilot project, workers accepted all available jobs, even those that offered a lower hourly wage or fewer weekly hours than they averaged before the pilot project was introduced. Finally, it tries to determine whether the pilot project helped employers attract workers.

Methodology: This summary paper reports the main findings from four evaluation reports regarding the effects of the Best 14 Weeks pilot project on workers' labour market behaviour, insured hours and earnings, and weekly benefit rates, and on employers' ability to find workers for very short periods of time.

Key Findings

- The Best 14 Weeks pilot project increased EI benefit payments to a very substantial proportion of regular benefit claimants by considerable amounts. It also had a positive impact on employers.
- Over 60% of claimants in the pilot regions benefited from this project.
- On average, the weekly benefit rate for the best 14 weeks beneficiaries was \$35 higher in 2006 and \$37 higher in 2007 than it would have been had the standard benefit rate calculation formula been used.
- Because beneficiaries worked more weeks, insured earnings increased by \$500 in 2006 and by \$1,400 in 2007 for regular benefit claimants who worked fewer than 26 weeks in the 26-week period preceding the job separation and whose claim was supported by a single job.
- Similarly, because beneficiaries worked more weeks, insured hours increased by 11 hours in 2006 and by 43 hours in 2007 for regular benefit claimants.
- Approximately one-tenth of regular claimants in 2006 and one-sixth of regular claimants in 2007 worked at an additional job while participating in the Best 14 Weeks pilot project.

Reliability: This study is based on four studies prepared for HRSDC. An external academic peer reviewed this study.

Availability: This report is available upon request.

13. Technical Report on the Profile of Workers with Variable Work Hours, New Entrants and Re-Entrants to the Workforce, and Workers Who Work While on Claim

Author: *Constantine Kapsalis, Data Probe Economic Consulting Inc.*

Objective: This study describes the demographic, family, labour market and EI characteristics of claimants who participated in the three pilot projects introduced in 2005—Best 14 Weeks, NERE and Working While on

Claim. It compares these claimants to the rest of the claimants inside and outside the pilot regions to determine how these groups might compare if the pilot projects were extended to the rest of the country.

Methodology: The analysis compares the characteristics of claimants who benefited from the pilots and claimants in the pilot regions who, over the same period, did not benefit from the pilots. The primary data source is the COEP survey database, linked with EI administrative data from ROEs, EI claims and beneficiaries. This combined dataset contains detailed information on the employment history of job separators, along with data collected specifically from non-standard workers. The comparison is limited to claimants who began receiving benefits during the implementation of each pilot project. The data go up to November 24, 2007, rather than to the end of the pilot projects.

Key Findings

- Certain demographic groups are more likely to benefit from certain pilot projects than others.
- Preliminary results indicate that claimants who received higher weekly benefits due to the Best 14 Weeks pilot project were most likely to be youth, women, part-time workers, low-skilled workers and workers in low-income families.
- Regular benefit claimants benefiting from the NERE pilot project were more likely to be youth, single individuals, members of low-income families and those whose last employment was in a temporary, non-seasonal job.
- The Working While on Claim pilot project was more neutral in relation to family income and was more likely to affect part-time workers, those aged 35 to 44, women and non-seasonal temporary workers.

Reliability: This is a technical report prepared for the evaluation of EI. An external academic peer reviewed this study.

Availability: This report is available upon request.

14. An Evaluation of the EI Pilot Project on Small Weeks, 1998–2001

Author: *HRDC, Evaluation Directorate*

Objective: This study investigates the effectiveness of the pilot project in encouraging program participants to accept “small weeks” of work during the rate calculation period

(the 26 weeks preceding the last day of employment); determines the project's impact on program participants' earnings and weeks of work; and assesses the project's impacts on male and female EI benefits claimants separately.

Methodology: Data sources for this investigation are Human Resources Development Canada (HRDC) administrative files, supplemented by information from the LFS. Data for this analysis cover the period from November 1998, when the Small Weeks pilot project began, to August 2000.

Key Findings

- The pilot project accomplished its mission. In the 31 small weeks regions, a large number of EI claimants benefited from the project.
- The project benefitted 9% of the male claimants and 17.8% of the female claimants. These claimants increased their total weeks of work in the 26 weeks before their job separations significantly (2.1 weeks for male claimants and 2.4 weeks for female claimants, respectively).
- Econometric evidence shows that the project was largely, if not entirely, responsible for the increased small weeks of work observed in the 31 small weeks regions.

Reliability: HRDC published this study in September 2001.

Availability: This study can be found on the HRSDC web site under "Publications and Resources" at <http://www.hrsdc.gc.ca/eng/cs/sp/hrsdc/edd/reports/2001-000440/page00.shtml>.

15. What Works and for Whom: A Review of OECD Countries' Experiences With Active Labour Market Policies

Authors: *John P. Martin and David Grubb, Organisation for Economic Co-operation and Development (OECD)*

Objective: This paper reviews the experience of OECD countries with active labour market policies by examining evaluation results. It seeks to identify some key features in the design of the programs or in the characteristics of the target group that were relevant to the success or failure of the program in question.

Methodology: The paper summarizes the main results of ongoing OECD research into the effectiveness of active labour market policies, as of September 2001. All studies used either an experimental or quasi-experimental design and examined net impacts of program participation.

However, since the reliability and generality of the results of the various studies are not always clear, conclusions must be drawn with caution.

Key Findings

- The outcomes of public training programs, job search assistance and subsidies for private sector employment, including self-employment and employment subsidies, were generally positive or mixed. These initiatives did work for some target groups, even if the impacts were not large.
- **Public training programs:** The results of participating in public training programs were positive for adult women but mixed for adult men. No program seemed particularly effective for youth. To enhance effectiveness, countries should tightly target participants, keep programs relatively small, ensure courses lead to a qualification that the market recognizes and values, and include a strong on-the-job component in the program.
- **Job search assistance:** Program evaluations show positive outcomes in the United States, the United Kingdom, Canada and Sweden, but no significant impact in the Netherlands. However, the best combination of job placement and work search enforcement is not clear, although it is likely that both are necessary to produce benefits.
- **Subsidies for private sector employment:** Findings from several countries show that private sector employment subsidies worked better than public training programs or direct job creation schemes. Aid to help unemployed people start their own businesses (self-employment assistance) appears to have succeeded in some cases.

Reliability: This study was published in the *Swedish Economic Policy Review*, Volume 8, Number 2, 2001, pages 9 to 56.

Availability: This study can be found in the *Swedish Economic Policy Review* at <http://www.ifau.se/upload/pdf/se/2001/wp01-14.pdf>.

16. The Benefits and Costs of JTPA Title II-A Programs: Key Findings for the National Job Training Partnership Act Study

Authors: *Howard S. Bloom, Larry L. Orr, Stephen H. Bell, George Cave, Fred Doolittle, Winston Lin and Johannes M. Bos*

Objectives: This article reports the benefits and costs of *Job Training Partnership Act* (JTPA) Title II-A programs for economically disadvantaged adults and out-of-school youth in the United States. The paper outlines the programs' impacts on earnings and educational attainment, as well as the results of a cost-benefit analysis.

Methodology: This study is based on a random experiment conducted from November 1987 to September 1989 with 21,000 persons within ongoing Title II-A programs. Impact estimates relate to the incremental effect of JTPA programs relative to non-JTPA services the control group received.

Key Findings

- The study found a positive impact on earnings in the 30-month follow-up period for adult females (\$1,837) and adult males (\$1,599) enrolled in the programs. For the same period, participation in JTPA programs did not appear to increase earnings for female and male youth.
- Estimated impacts were positive during the in-program period (1 to 6 months) and during both post-program periods (7 to 18 months, and 19 to 30 months). However, not all of these impacts were statistically significant. For youth, there was virtually no sign of a positive impact on earnings during the programs or in the post-program periods.
- Programs included classroom training, on-the-job training, job search assistance and other services. The analysis of the programs' impacts on earnings shows positive impacts for adult women who participated in the on-the-job training, job search assistance and other services, but few other significant impacts.
- JTPA programs had an appreciable positive impact on the educational attainment of adult women and female youth who were school dropouts, and may have had an impact on adult male dropouts.
- Comparing the incremental benefits of JTPA programs to their incremental costs indicates that they had positive net benefits for adults—both program participants and society as a whole—but not for the rest of society. For youth, net benefits were negative from all perspectives.

Reliability: This study was published in the *Journal of Human Resources*.

Availability: This study can be found in the *Journal of Human Resources*, Volume 32, Number 3, summer 1997, pages 549 to 576.

17. From Welfare to Work

Authors: *Judith M. Gueron and Edward Pauly, with Cameron M. Lougy*

Objectives: This book summarizes various studies about the impacts and cost effectiveness of welfare-to-work programs. It focuses on determining whether welfare-to-work programs and particular services are effective, and whether some are more effective than others.

Methodology: The review focuses on studies that use an experimental design and also includes selected information from other evaluations.

Key Findings

- Almost all of the welfare-to-work programs studied led to earnings gains. Such findings applied to both low-cost and higher cost programs and services, as well as to both broad-coverage and selective voluntary programs. In addition, impacts on earnings for both low-cost job search and higher cost programs were sustained for at least three years after participants' enrolment in the programs.
- Broad-coverage programs that began with a mandatory job search increased both employment rates and average earnings, but usually did not lead to higher paying jobs.
- Selective voluntary programs that provided higher cost or more intensive services appeared to lead to jobs with somewhat higher earnings, but they did not make a consistent difference in the proportion of people employed.
- Broad-coverage programs that included some higher cost services had greater average earnings impacts than those that did not.
- Average welfare savings were smaller than earnings gains. The inclusion of more intensive, higher cost services did not always result in welfare savings.
- The impacts of broad-coverage programs were not equal across all groups. Moderately disadvantaged individuals had the most consistent and largest earnings gains. The largest welfare savings were achieved for the more disadvantaged. There were usually no impacts on earnings or welfare receipt for the most job-ready participants.
- The cost effectiveness results indicate that welfare-to-work programs usually benefited those eligible for Aid to Families with Dependent Children (AFDC) but generally led to only modest increases in their measured incomes. These programs resulted in welfare savings

related to participants benefiting from AFDC-Unemployed Parent, but these people did not always see earnings gains.

- Measured in terms of impact per dollar invested, low-cost job search/work experience programs produced larger earnings gains and—to some extent—welfare savings than programs that emphasized higher cost components.

Reliability: The Russell Sage Foundation published this book.

Availability: Judith M. Gueron and Edward Pauly, *From Welfare to Work* (New York Russell Sage Foundation, 1991).

18. Usage of the Work Sharing Program: 1990/91 to 2008/09

Author: HRSDC, *Evaluation Directorate*

Objective: This paper analyzes Work Sharing program participation and expenditures on EI benefits for Work Sharing participants. The analysis examines the use of the Work Sharing program from 1990/91 to 2008/09, specifically the following:

- the extent to which the Work Sharing program is used;
- the amount of expenditures on Work Sharing benefits; and
- the experiences of program participants.

Methodology: The data used in this report are aggregate monthly data for the period from April 1990 to March 2009, derived from HRSDC files on the receipt of EI benefits. Using these data, the report examines information such as the average length of claims and the average amount of Work Sharing benefits received.

Key Findings

- Work Sharing claims peak during periods of rising unemployment and the program is used less during times of economic recovery.
- In 2008/09, workers established 69,380 Work Sharing claims.
- The manufacturing industry accounts for the majority of Work Sharing claims. Manufacturing has accounted for as much as 89.2% of total new Work Sharing claims (in 2007/08) and never less than 57.0% (in 1992/93).

In 2008/09, 81.3% of Work Sharing claims were attributed to this sector, down slightly from the previous year.

- In 2008/09, Quebec and Ontario continued to account for a large portion of Work Sharing claims (76.5% combined, up slightly from 75.2% the previous year). British Columbia's share, which had increased substantially to 18.5% in 2007/08 from 2.7% in 2006/07, declined to 14.4%.
- In 2008/09, 86.8% of Ontario Work Sharing claims originated in the manufacturing industry; 76.4% of Quebec claims and 63.2% of British Columbia claims also originated in that industry.
- Consistent with the demographics of the manufacturing industry, each year about two-thirds of the Work Sharing participants are male and about 80% of participants are aged between 25 and 54 years old. In 2008/09, 73.0% of Work Sharing claims were established by men and 79.9% by those aged 25 to 54.
- In 2008/09, Work Sharing helped avert an estimated 20,128 layoffs.

Reliability: This report is an update of an earlier study. The original study was peer reviewed by an external academic.

Availability: This report is available upon request.

19. It Pays to Hire an Apprentice: Calculating the Return on Training Investment for Skilled Trades Employers in Canada

Author: R.A. Malatest & Associates Ltd. for the Canadian Apprenticeship Forum

Objective: This report aims to gain a more comprehensive understanding of the return on apprenticeship training investment for employers; to determine the overall costs employers incur by hiring and training apprentices; and to examine the reasons motivating employers to employ apprentices.

Methodology: Data come from a national survey of employers conducted across 16 trade areas from June to November 2008. The survey instrument captured the information required to conduct a detailed cost-benefit analysis from over 784 employers across Canada. This dataset surpasses that of any previous study of this type in Canada.

Key Findings

- Almost one third (30%) of employers without apprentices are interested in hiring apprentices, if they could get better access to them.
- Although the economy is experiencing a downturn, employers want to keep their apprentices, as they will need skilled workers in the future.

Reliability: R.A. Malatest & Associates Ltd. and Canadian Apprenticeship Forum facilitated a series of employer roundtables across Canada in early 2009 to validate the findings.

Availability: This report can be found on the Canadian Apprenticeship Forum web site at http://www.caf-fca.org/en/reports/cf_it_pays_to_hire_an_apprentice.asp.

20. Summary Evaluation of the EI Premium Reduction Program

Author: HRSDC, Evaluation Directorate

Objective: This evaluation provides information on program take-up and awareness, specifically the reasons that some employers do not take part in the Premium Reduction Program (PRP). It also considers different aspects of the functioning of the program.

Methodology: Wherever possible, the evaluation project used multiple lines of evidence. Consultants performed some of the analysis, and the Evaluation Directorate performed some in house. The consultants' analysis included the following:

- a survey of employers (Mercer Limited);
- key informant interviews (Cathexis Consulting); and
- a literature and file review (Arun Roy).

The Evaluation Directorate analyzed administrative and Canada Revenue Agency (CRA) data. The report also draws on findings from a separate study by the Coverage and Premium Policy area of Service Canada.

Key Findings

- The number of CRA-registered businesses enrolled in the PRP declined from 37,510 in 1997 to 33,130 in 2006. During the same period, the number of employees participating in the program increased from 5.3 million to 5.8 million, while the percentage of all employees in the labour force (excluding the self-employed) participating in the program decreased from 46.8% to 41.3%.

- Employer short-term disability plans have longer benefit durations and pay out a higher proportion of employee insurable earnings than the comparable EI program. In 2006/07, EI sickness benefit claims lasted an average of 9.5 weeks, with an average benefit of 55% of employee insurable earnings. For employers with short-term disability plans, benefit durations averaged 20 weeks, with an average benefit of 70% of employee insurable earnings.
- In 2006, almost 45% of large enterprises (500 employees or more) received EI premium reductions through the PRP. In contrast, only 1.4% of firms with fewer than 25 employees received reductions.
- The majority of employers participating in the PRP in 2006 were in the public administration industry, followed by the utilities industry, the education sector and manufacturing industries.

Reliability: This is a summative evaluation of the EI PRP. An external academic peer reviewed this study.

Availability: This report is available upon request.

21. EI Payments and the GIS System

Author: HRSDC, Evaluation Directorate

Objective: This paper assesses the impact of the Guaranteed Income Support (GIS) clawback provisions on overall individual income for EI claimants. It analyzes the interaction between the EI program and the GIS system, as well as how potential changes to Statistics Canada's Social Policy Simulation Database and Model (SPSD/M) would affect these two programs.

Methodology: The SPSD/M used 1997 SLID data to project data for 2007.

Key Findings

- Older workers (aged 55 and older) are net beneficiaries of EI.
- Those aged 65 and older contribute more to the program than they receive in benefits; however, their premiums amount to about 8% of what older workers in total contribute. Workers between the ages of 55 and 64, who represent the vast majority of older workers, more than offset this effect.

Reliability: An external academic peer reviewed this study.

Availability: This report is available upon request.

22. Use of Employment Insurance by Industrial Sector

Author: HRSDC, Evaluation Directorate

Objective: This paper uses descriptive analysis to determine the proportion of job separators from each industry who experience a layoff. It presents the distribution of layoffs by industry within various socio-economic groups.

The analysis focuses on all individuals who experience a layoff, as well as those who experience a layoff and receive regular EI benefits.

Methodology: This paper uses data from the COEP survey and EI administrative records from the ROE and Status Vector (SV) to analyze the second and third quarters of 2001, 2002, 2005 and 2006. The analysis looks at the characteristics of laid-off individuals across all industries, as well as looking at their EI and labour market outcomes.

Key Findings

- For all industries except agriculture, EI eligibility fell between 2001 and 2006, from 77% in 2001 to 63% in 2006.
- Some industries repeatedly present the highest levels with respect to certain EI outcomes.
 - o Eligibility, benefit exhaustion and weeks of benefits used are typically higher in the agriculture industry.
 - o Eligibility is high in the education industry, while exhaustion rates, the number of EI entitlement weeks and weeks of benefits used are low.
 - o Eligibility is low in the retail industry. EI covers fewer weeks of unemployment and the number of benefit weeks used is high.

Reliability: An external academic peer reviewed the report.

Availability: This report is available upon request.

23. Employment Insurance and Displaced Workers in Dominant Industry Communities

Author: HRSDC, Evaluation Directorate

Objective: This paper uses a case study approach to look at 10 communities across Canada where a particular industry dominates the labour force to determine whether the EI program supports workers in these communities in the same way that it supports workers in the surrounding EI economic region and claimants in Canada as a whole. The analysis looks at five EI and labour-related indicators: weeks of regular benefit entitlement, weeks of regular benefits used, weeks of consecutive unemployment after job loss, proportion of weeks spent unemployed with a corresponding week of regular EI benefits, and the proportion of claims exhausted.

Methodology: This paper uses EI administrative data, ROE data and 2006 Census data. It uses a case study approach to consider EI use in 10 communities classified as dominant-industry towns.

Key Findings

- Generally speaking, weeks of entitlement and weeks of benefits received are fairly consistent between workers in the dominant industry and those in other industries, both within each community and in the community's surrounding EI region.
- The percentage of unemployment weeks covered by EI is fairly consistent across groups, being higher than 80% for all communities.
- Claimants in dominant-industry communities and those from other areas do not differ significantly in terms of their EI use. This would suggest there is no inherent bias in the EI program that either favours or works against claimants in dominant-industry communities.

Reliability: An external academic peer reviewed the study.

Availability: This report is available upon request.

Annex 6

Recent Legislative Changes to Employment Insurance (EI)

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 July 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 (i.e., all hours count).
<p>Family Supplement</p> <ul style="list-style-type: none"> • Claimants with children and annual net family incomes 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 family incomes 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 were repaid at the rate of \$0.30 for every \$1 of net income above the threshold. • For those who had collected 20 or fewer weeks of benefits in the last five years, the threshold was \$48,750 of net income (the former level was \$63,750). The maximum repayment remained at 30% of benefits received. • For those with more than 20 weeks of benefits in the last five years, the threshold was \$39,000 of net income. The maximum repayment varied 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 levels of annual income.
<p>Intensity Rule</p> <ul style="list-style-type: none"> • The intensity rule reduced 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 was 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.

Elements of EI Reform: Bill C-12 (1996 and 1997) *(continued)*

Element	Rationale
<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.
<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"> Eliminated October 1, 2000, the intensity rule had reduced the benefit rate by 1 percentage point for every 20 weeks of EI regular benefits used in the past. The maximum reduction was 5 percentage points. 	<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"> The following rules now apply, 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. 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 workforce following an extended absence to raise young children are not penalized.
<p>Maximum Insurable Earnings (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 comes 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, within a 26-week period, for a gravely ill family member who faces a significant risk of death. 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.

Canada Employment Insurance Financing Board (CEIFB): Bill C-50 (2008)

Element	Rationale
<ul style="list-style-type: none"> • The Act creating the CEIFB became effective on June 18, 2008. • The CEIFB will be responsible for: <ul style="list-style-type: none"> – setting EI premium rates beginning in 2011 under a modified premium rate-setting process; and – keeping a separate account where excess premiums will be held and invested. 	<ul style="list-style-type: none"> • Ensures that EI revenues are sufficient to cover EI costs in the coming year. • Ensures that funds are available to repay advances made to the EI Account. • Uses current premium surpluses to reduce future premium rates.

Temporary Extension of Employment Insurance Benefits: Bill C-10 (2009)

Element	Rationale
<p>Five-Week Extension of EI Regular Benefits</p> <ul style="list-style-type: none"> • This temporary legislative change became effective on March 31, 2009. • The legislative change affects all claims active or starting between March 1, 2009, and September 11, 2010. These claims are automatically eligible for five additional weeks of regular benefits. 	<ul style="list-style-type: none"> • Provides all EI regular benefit claimants with additional financial support while they search for new employment.

