

# Employment Insurance



# Monitoring and Assessment Report 2008

**Submitted to:**  
The Minister of Human  
Resources and Skills Development

March 31, 2009

**By:**  
The Canada Employment  
Insurance Commission



You can order additional printed copies of this publication from:

Publications Services  
Human Resources and Skills Development Canada  
140 Promenade du Portage  
Phase IV, 12<sup>th</sup> Floor  
Gatineau, Quebec  
K1A 0J9

Fax: (819) 953-7260

E-mail: [publications@hrsdc-rhdsc.gc.ca](mailto:publications@hrsdc-rhdsc.gc.ca)

**Ce document est également disponible en français.**

This document is available on demand in alternative formats such as large print, Braille, audio cassette, CD, DAISY and computer diskette. Call 1 800 O-Canada (1 800 622-6232) to request your copy. If you have a hearing or speech impairment and use a teletypewriter (TTY), call 1 800 926-9105.

© Her Majesty the Queen in Right of Canada – 2009

**Cat. No.: HS1-2/2008E-PDF**

**ISBN: 978-1-100-12249-6**

# Table of Contents

<b>Introduction</b> .....	i
<b>Executive Highlights</b> .....	iii
<b>Chapter 1 – Labour Market Context</b> .....	1
I. Overview.....	1
II. Employment.....	2
III. Unemployment .....	6
IV. Labour Markets, by Sector and Size of Employer .....	8
V. Provincial Labour Markets.....	9
VI. Education.....	10
<b>Chapter 2 – Income Benefits</b> .....	13
I. EI Clients.....	13
II. Assisting Canadians in Facing the Risk of Unemployment.....	16
III. Supporting Working Canadians and Their Families .....	20
<b>Chapter 3 – Employment Benefits and Support</b>	
<b>Measures and the National Employment Service</b> .....	23
I. National Overview .....	24
II. Provincial and Territorial EBSM Activities.....	30
III. The National Employment Service and Pan-Canadian Activities.....	49
<b>Chapter 4 – Program Administration</b> .....	55
I. Context .....	56
II. Service Delivery.....	56
III. Quality .....	59
IV. Integrity.....	60
V. Conclusion.....	61
<b>Chapter 5 – Impacts and Effectiveness of</b>	
<b>Employment Insurance</b> .....	63
I. EI and Individuals.....	63
II. Promoting Workforce Attachment.....	79
III. Evaluation of EBSMs .....	83
IV. EI and the Workplace.....	87
V. EI and the Economy .....	89
VI. EI Finances .....	92

## Annexes

Annex 1 – Key Labour Market Statistics .....	95
Annex 2 – Income Benefits Data Tables .....	103
Annex 3 – Employment Benefits and Support Measures Data Tables.....	123
Annex 4 – Community Profiles.....	141
Annex 5 – Key Studies Referenced in Chapter 5 .....	147
Annex 6 – Recent Legislative Changes to Employment Insurance.....	165

# 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, and the introduction of several pilot projects that test the impacts of measures in regions of high unemployment. To ensure that sound evidence continues to inform its direction, the Government of Canada will continue to monitor and assess the EI program.<sup>1</sup>

Chapter 1 of this report provides an overview of the Canadian labour market in 2007/08. 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.

## I. 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 with the report no later than March 31. The minister then tables the report in Parliament.

## II. 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.”

---

<sup>1</sup> 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. These sources 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 Employment Insurance 2008 Monitoring and Assessment Report provides an examination of Employment Insurance (EI) for the fiscal year ending March 31, 2008.*

## *Continued employment growth despite economic slowdown in the last quarter of 2007/08*

- Annual average employment grew by 365,900 in 2007/08 (+2.2%).
- Although the vast majority of jobs created were full-time ones (79.4%), part-time jobs grew at a faster pace.
- Growth in self-employment (+4.9%) was faster than that of employees (+1.7%).
- The annual average unemployment rate for 2007/08 was 6.0%.

## *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, 82.3% were eligible for EI benefits in 2007.
- Of those working in December 2006, 87.8% would have had sufficient hours to qualify for EI regular benefits and 91.2% would have had sufficient hours to qualify for EI special benefits.

## *Consistent with a decreasing unemployment rate in 2007/08, regular EI claims declined*

- The number of new regular claims declined by 2.6% in 2007/08, to 1.3 million.
- Regular benefits paid also decreased (-1.4%) to \$8.0 billion, in spite of average weekly benefits increasing by \$14, to reach \$347.
- In 2006/07, the average regular claim lasted 18.7 weeks and represented 59.7% of the average number of weeks claimants were entitled to receive.
- As was the case in the previous year, 27.9% of regular claimants used all the weeks to which they were entitled in 2006/07.

## *Fishing claims increased marginally, after two years of declines*

- The increase in fishing claims was concentrated in Newfoundland and Labrador, while there was an important decline in British Columbia.
- However, the number of fishers who claimed fishing benefits continued to decline.

## *Continued growth in apprenticeship claims*

- There was a sizeable increase in the number of apprenticeship claims (+14.6%).
- Close to half of apprenticeship claims were not subject to the waiting period.

## *Maternity and parental claims increased*

- Maternity and parental claims increased (by +3.5% and +2.5%, respectively) in provinces other than Quebec, which has its own parental insurance plan.
- The number of parents sharing the parental benefits continued to increase.
- Women continued to establish the vast majority of parental claims (87.2%).
- On average, parents used 94.6% of the year to which they were entitled to stay home with their child in 2006/07.

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

- A total of 612,624 clients participated in Employment Benefits and Support Measures, taking part in a total of 960,012 interventions.





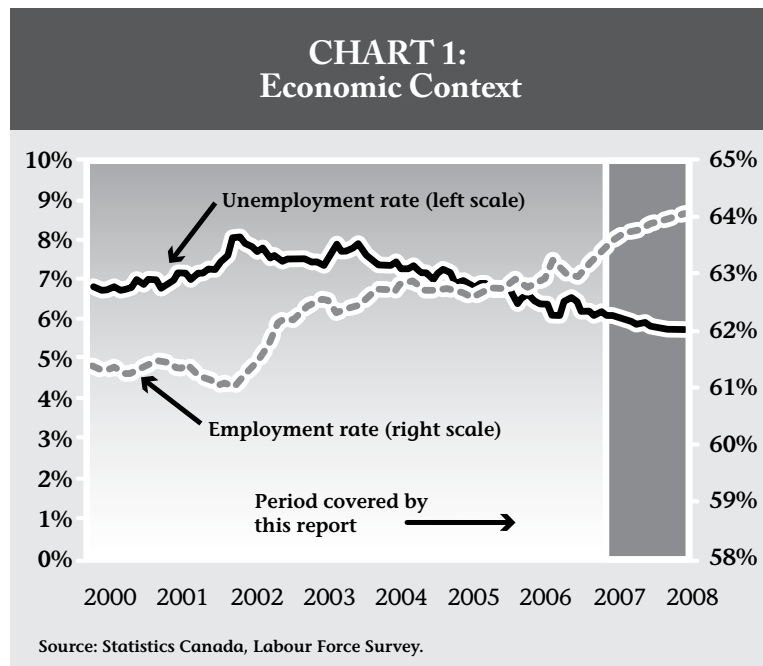
# Labour Market Context

This chapter outlines key labour market developments and the economic context that prevailed in 2007/08, the period for which this report assesses the Employment Insurance (EI) program.<sup>1,2</sup> More detailed information on various elements discussed in this chapter is available in Annex 1.

## I. Overview

Despite the global economic context during the last fiscal year, the Canadian economy continued to gain from strong global demand and increases in the prices for primary commodities.

In 2007/08, the Canadian economy began to feel the effects of the recession in the United States. The decline in U.S. economic activity was mainly due to a distressed housing market and weak consumer spending. Decreased U.S. demand, as well as the stronger Canadian dollar, reduced Canadian net exports and slowed growth in key manufacturing industries.



Despite the global economic context during the last fiscal year, the Canadian economy continued to gain from strong global demand and increases in the prices for primary commodities. Also stimulated by sustained growth in household spending, the Canadian economy posted an annual 2.5% rise in its gross domestic product (GDP)<sup>3</sup> in 2007/08, a slightly slower growth rate than in 2006/07, when it grew by 2.7%. The Canadian economy, however, began showing signs of a slowdown in the last quarter of 2007/08.

<sup>1</sup> The reporting period analyzed is the fiscal year from April 1, 2007, to March 31, 2008. Unless otherwise indicated, data in this chapter are taken from Statistics Canada's Labour Force Survey (LFS).

<sup>2</sup> Unless otherwise indicated, data in this chapter are adjusted for seasonality.

<sup>3</sup> In chained 2002 dollars, gross domestic product (GDP) at market prices (CANSIM 380-0002).

In fact, after a notable rise in the first quarter of the fiscal year (with an annualized rate of 3.9%), GDP growth subsequently slowed in each quarter, to post a 0.8% decline (annualized rate) in the last quarter of the fiscal year. That was the first quarterly decline in GDP since the second quarter of 2003.

The drop in exports caused by a strong Canadian dollar and falling U.S. demand for Canadian goods, particularly automobiles, was one of the key factors that contributed to the decline in GDP in the first quarter of 2008. The slowdown in business investment in machinery and equipment, and the reduction in inventories, also contributed to the GDP decline over the period.

Labour productivity in the Canadian business sector grew marginally in 2007/08. The growth rate slowed to only 0.2%, declining from 1.1% in 2006/07 and 2.2% in 2005/06. The reduction is attributable to the overall decline in productivity growth in the services sector, notably in the wholesale and retail trade industries.

## Future Watch

*The looming rise in the old age dependency ratio means that the onus will increasingly be on higher productivity growth to maintain rising living standards and sustainable public finances.*

Source: OECD, *Economic Survey of Canada 2008, Summary* (Paris: OECD, June 2008).

Since 2000, Canada's productivity growth has been weaker than that experienced in the United States, its most important trading partner. A study showed that in 2006, Canada ranked 16<sup>th</sup> among 23 nations in terms of productivity, as measured in output per hour, while the United States was in third place.<sup>4</sup> A study published by the Organisation for Economic Co-operation and Development (OECD) also noted that Canada's business expenditures on research and development (R&D) as a share of GDP remain lower than those in many other OECD countries.<sup>5</sup>

<sup>4</sup> Andrew Sharpe, *Three Policies to Improve Productivity Growth in Canada* (Ottawa: Centre for the Study of Living Standards, December 2007).

<sup>5</sup> Organisation for Economic Co-operation and Development (OECD), *OECD Economic Surveys – Canada*, Volume 2006/10 (Paris: OECD, June 2006).

<sup>6</sup> This is the lowest level since the implementation of the LFS in 1976.

As in recent years, net job growth in Canada continued at a relatively sustained pace in 2007/08, with Alberta (+4.1%) and British Columbia (+2.9%) recording the strongest growth. For the third consecutive year, the services sector accounted for most of the employment growth.

The average annual unemployment rate in Canada fell to a 32-year<sup>6</sup> low of 6.0% in 2007/08. With the exception of men aged 25 to 54, for whom the unemployment rate remained stable, rates in all other demographic groups declined.

Education is a measure of success in the job market; Canadians who did not finish high school are the only group for whom employment did not rise over the year.

## II. Employment

Canadian employment rose for the 15<sup>th</sup> consecutive year in 2007/08, with 365,900 new jobs (+2.2%) being created. That growth outpaced gains recorded in the previous year, when employment rose by 344,700 (+2.1%). The rise in 2007/08 was the greatest increase in employment since 2002/03 (450,200), despite an economic slowdown in the last quarter of 2007/08. Since 1992/93, the last year when employment fell in Canada, 4.2 million jobs have been created.

## Future Watch

*A weak economic outlook, coupled with modest labour productivity gains, suggests that the economy will not create any new jobs in 2009.*

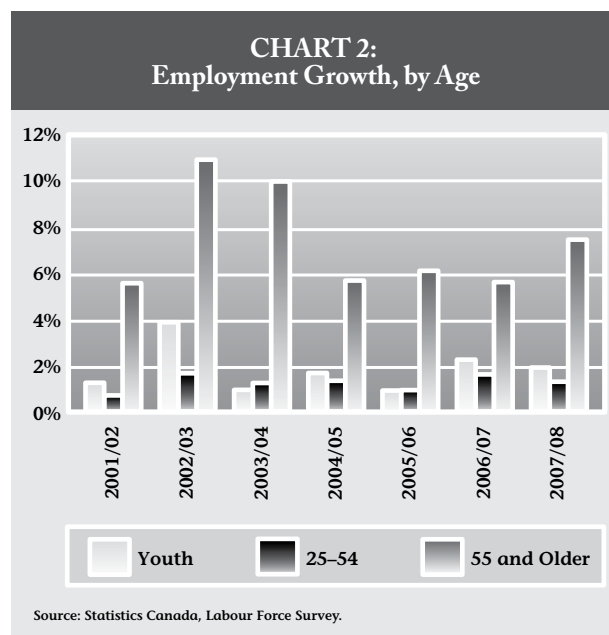
Source: Conference Board of Canada, *Canadian Outlook Long-Term Economic Forecast: 2008*, Executive Summary (Ottawa: Conference Board of Canada, February 2008).

According to the OECD, Canada registered a higher rate of employment growth in 2007 than the average rate of OECD member countries (2.3%, compared

with 1.5%). Among all G7 nations,<sup>7</sup> Canada registered the highest growth rate, surpassing France (+1.9%) and performing well above the United States (+1.1%).

For the fourth consecutive year, labour force growth was slower than the expansion in employment. That suggests that the labour market is gradually absorbing past labour surpluses, and that current and expected labour supply constraints in some sectors will limit job growth.

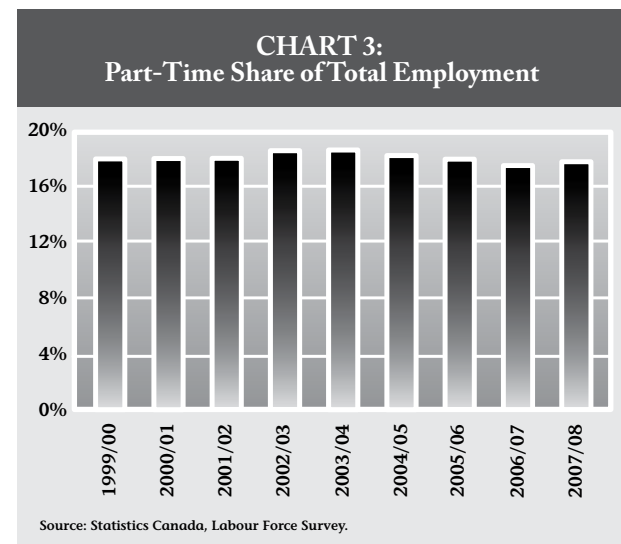
Employment grew faster among women (+2.4%) than men (+2.0%) in 2007/08 for the eighth consecutive year. In fact, 191,500 jobs were created among women and 174,400 among men. Women are accounting for an increasingly larger share of the labour market, and statistics show that the gap between the proportion of jobs held by women and by men has been declining. In 2007/08, women held 47.3% of all jobs in the labour market, compared with 37.3% in 1976/77.



Individuals aged 55 and older are those who experienced the strongest job growth in 2007/08 at 7.4% (+175,300). Within that age group, women (+8.5%) saw faster employment growth than men (+6.6%). As shown in Chart 2, since 2001/02, the 55 and older age group has consistently experienced the fastest employment growth. That can be explained primarily by the massive entry of

baby boomers into this age group. In 2007/08, workers 55 and older held 15.0% of all jobs, while this proportion was only 10.9% in 2001/02.

In 2007/08, job growth was more moderate among the other two age groups. Employment rose 2.0% among youth (+51,300) and 1.2% among those aged 25 to 54 (+139,300). Job growth for these two age groups was weaker in 2007/08 than in 2006/07.



In 2007/08, for the first time in five years, the part-time job growth rate (+2.5%) was higher than the full-time employment growth rate (+2.1%). Most jobs created, however, were still full-time jobs, accounting for 79.4% of total jobs created in 2007/08 (+290,600).

The part-time employment share of total employment remained stable at 18.1%. This share has hovered in the range of 18% to 19% over the last decade (see Chart 3). Of all of those working part time, almost four out of five choose to do so. This proportion has been growing steadily since 2003/04, when it was 72.5%.

Youth and women account for a large proportion of part-time employees. Industries with the highest proportion of part-time employees are the following: accommodation and food services, retail trade, health care and social assistance, and educational services.

<sup>7</sup> Based on OECD data.

After recording a decline in 2006/07, the number of self-employed workers rose sharply in 2007/08, registering growth of 4.9% (+121,900), the strongest growth since 1997/98 (+8.1%). The growth in self-employment was higher than that of employees, which was 1.7% (+244,000).

**TABLE 1:**  
Annual Growth Rates and Share of Self-Employed in All Employment

	Annual Growth Rates (%)		Share of Self-Employed in All Employment (%)
	Employees	Self-Employed	
1997/98	1.4	8.1	17.2
1998/99	2.6	1.7	17.1
1999/00	3.0	0.9	16.8
2000/01	3.5	-4.5	15.7
2001/02	1.9	-2.6	15.1
2002/03	3.0	3.1	15.2
2003/04	1.7	2.9	15.3
2004/05	1.6	2.6	15.5
2005/06	1.4	1.9	15.5
2006/07	2.6	-0.6	15.1
2007/08	1.7	4.9	15.5

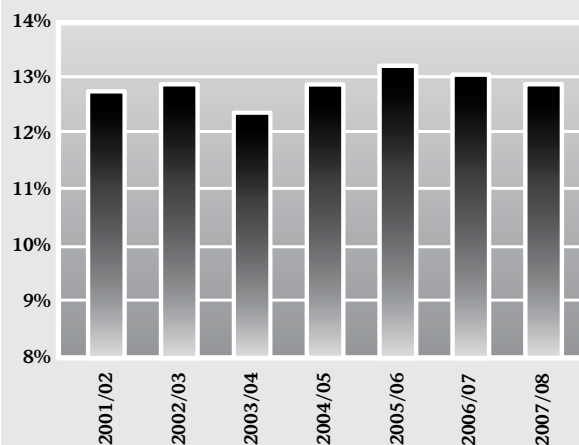
Source: Statistics Canada, Labour Force Survey.

With the growth in 2007/08, self-employed workers' share of total employment rose to 15.5%. It is still, however, below the proportion recorded a decade earlier (17.2%) (see Table 1). It is worth noting that most self-employed workers are not covered by EI.

The share of employees with temporary work arrangements (e.g., contract or casual work) dropped

for the second year in a row in 2007/08, to 12.7%. Temporary work arrangements, which include seasonal work, have accounted for 12.4% to 13.2% of total employment in recent years (see Chart 4).

**CHART 4:**  
Employment Share of Employees with Temporary Jobs



Source: Statistics Canada, Labour Force Survey.

Increasingly, workers are holding more than one job. The rise in the number of individuals holding more than one job is an indication of the degree of tightening of the labour market. In 2007/08, almost 900,000<sup>8</sup> individuals held more than one job, an increase of 3.4% over the previous year. Since 2003/04, this group has grown by 14.3%.

## 1. Participation Rate

The participation rate and employment rate reached highs in 2007/08 not seen in the last 32 years. The participation rate rose for the third consecutive year to 67.7%.

With the rapidly aging population, current labour supply shortages are likely to grow and to constrain the capacity of the Canadian economy. In this context, it is encouraging to see the increased participation of older workers in the labour market. After reaching a low of 23.7% in 1995/96, the participation rate for workers 55 and older has since risen each year to reach 33.7% in 2007/08.

<sup>8</sup> Data in this section are not adjusted for seasonality.

## 2. Employment Rate

The employment rate rose for the second consecutive year to reach 63.6% in 2007/08. With continued growth in the employment rate for women, the gap between the employment rates for women and men continues to narrow. While the employment rate for men has fluctuated between 64.5% and 68.2% for the last 15 years, the employment rate for women has risen from 51.5% in 1993/94 to 59.2% in 2007/08.

### Future Watch

*The aggregate employment rate is projected to reverse the observed trend over the past 30 years and is expected to decline over the next two decades as older workers become an increasingly large share of the working-age population.*

Source: Bank of Canada, "Trend Labour Supply in Canada," *Bank of Canada Review*, summer 2007.

Similar to 2006/07, employment rates rose for all age groups in 2007/08. The employment rate among youth was 59.6%, compared with 58.8% in the previous year. This is the highest rate registered for this age group since 1990/91, when the employment rate was 60.0%. Among workers aged 25 to 54, the employment rate reached a new 32-year high of 82.3%.

Baby boomers entering the 55 and older age group in recent years increased the employment rate for this age group in 2007/08 to 32.1% from 30.8% in 2006/07. According to the Conference Board of Canada,<sup>9</sup> however, the employment rate for this group should soon reach its peak. Subsequently, the employment rate for these workers should dramatically decline by about 2012, when the first baby boomers will join the 65 and older age group, and many will leave the labour force. Immigration and the increased participation of women in the labour market, however, are likely to help partially counterbalance the declining employment rate for those aged 55 and older as baby boomers age.

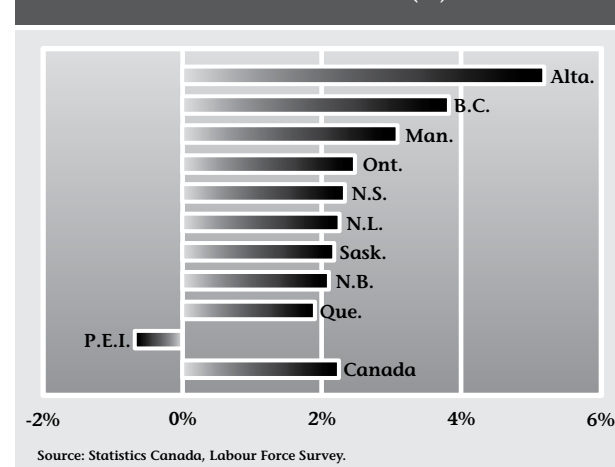
<sup>9</sup> Conference Board of Canada, *Canadian Outlook Long-Term Economic Forecast: 2008* (Ottawa: Conference Board of Canada, March 2008).

<sup>10</sup> Data in this section are not adjusted for seasonality.

## 3. Hours Worked

EI eligibility requirements are based on hours worked. Total hours worked in Canada increased for the sixth consecutive year in 2007/08, with a growth of 2.8%.<sup>10</sup> The increase was mainly due to the growth in employment. Prince Edward Island was the only province that registered a decline in 2007/08 (-0.4%). The largest increase in the number of hours worked was in Alberta (5.2%) (see Chart 5). Alberta has also had the highest growth in hours worked for the last three reporting periods.

CHART 5:  
Change in Total Actual Hours  
Worked in 2007/08 (%)



After declining in 2006/07, average weekly hours worked increased in 2007/08 to 37.2, from 36.9 hours per week. Average weekly hours worked increased for both men (to 40.4 hours) and women (to 33.6 hours). Average weekly hours for full-time workers reached 41.3 hours, reflecting an average of 43.0 hours for men and 38.8 hours for women. The average number of hours worked by part-time workers rose marginally to 18.9 hours, with weekly hours worked averaging 18.4 hours for men and 19.1 hours for women. Average weekly hours worked by part-time workers have remained relatively stable since 2000/01.

## 4. Income

Weekly nominal wages grew by 3.9% in 2007/08, reaching \$760.<sup>11</sup> For the seventh consecutive year, weekly nominal wages for women (+4.1%) grew faster than those for men (+3.9%), further narrowing the gap in nominal weekly wages. In fact, in the last seven years, women's share of men's weekly nominal wages rose to 73.2% from 70.0%.

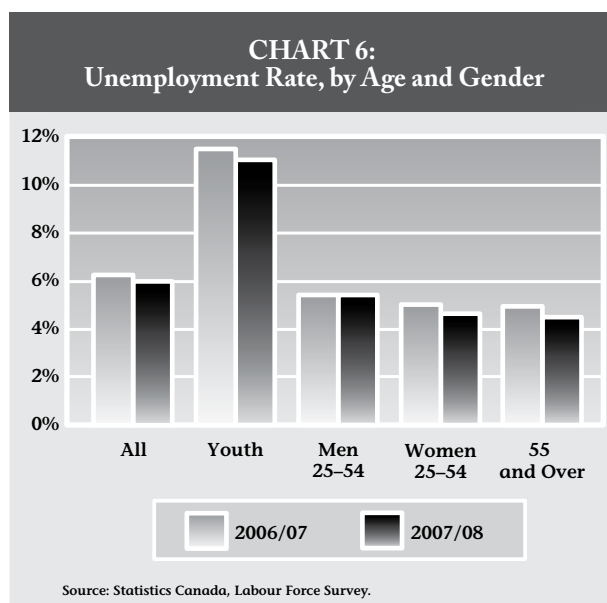
In 2007/08, for the first time in six years, hourly wages for women (+4.1%) grew at a slightly slower pace than those for men (+4.2%). Average hourly wages for men and women in 2007/08 were \$22.45 and \$18.83 per hour, respectively. Thus, women's average hourly wages were 83.9% those of men in 2007/08, a proportion comparable to the previous year (84.0%).

Combined with the increase in the number of employees in the year, these wage gains led to a rise in total wage payments of 5.7% in 2007/08. Wage payments determine both the premiums employers and employees pay, and the weekly benefits that EI claimants receive.

## III. Unemployment

For the fourth year in a row, Canada's annual average unemployment rate declined, falling to 6.0% in 2007/08 from 6.2% in the previous year. The year 2007/08 also marked the fourth consecutive year in which the unemployment rate decreased for almost all demographic groups. The unemployment rate was 11.2% for youth, 5.0% for 25 to 54-year-olds, and 4.8% for those aged 55 and older. Men aged 25 to 54 were the only group for which the unemployment rate did not decline in 2007/08, remaining stable at 5.3% (see Chart 6).

The annual average number of unemployed people fell by 2.5% (-27,100) in 2007/08, declining for the fourth consecutive year. Over this period, unemployment has declined by 214,900.



Unemployment rates fell in the majority of provinces in 2007/08. Ontario and Nova Scotia were the exceptions. British Columbia, Alberta, Manitoba, Quebec and New Brunswick all reached their lowest unemployment rates since 1976/77.

Stimulated by the strong growth in the price of commodities, average annual unemployment rates in Western Canada remained considerably below the national average. In 2007/08, Alberta registered an unemployment rate of 3.5%, followed by Saskatchewan at 4.2%, and British Columbia and Manitoba, both at 4.3%. Since 2004/05, Alberta has consistently had the lowest provincial unemployment rate in Canada.

For only the second time in the last 30 years, the unemployment rate in Ontario was higher than the Canadian average. Ontario's unemployment rate, which was more affected than that of other provinces by the strong Canadian dollar and the U.S. economic slowdown, rose 0.1 percentage points over the previous year, reaching 6.4% in 2007/08.

Owing to the growth of services sector employment, Quebec's unemployment rate dropped from 7.9% to 7.0% in 2007/08. Only Newfoundland and Labrador saw a greater reduction in its unemployment rate. Although Ontario's unemployment rate has historically been lower than Quebec's, the gap between the two provinces has

<sup>11</sup> Data in this section are not adjusted for seasonality.

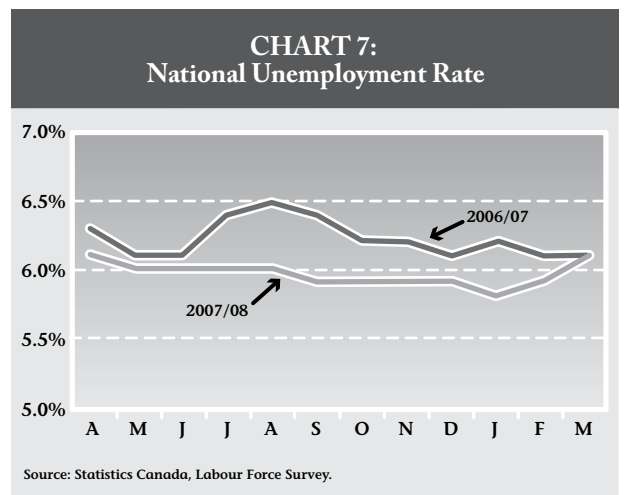
been substantially reduced in recent years. With the recent, significant decline in Quebec's unemployment rate, the gap between the two provinces was less than one percentage point (0.6) in 2007/08.

**Future Watch**

*The contraction will serve to temporarily reverse Canada's 14-year trend of tightening labour markets and will boost the unemployment rate to above 8% by the end of 2009.*

Source: Conference Board of Canada, *Canadian Outlook Economic Forecast: Winter 2009* (Ottawa: Conference Board of Canada, February 2009).

Nova Scotia was the only Atlantic province where the unemployment rate rose in 2007/08, increasing to 8.0% from 7.9% the previous year. In the three other Atlantic provinces, the unemployment rate dropped, from 14.5% to 13.1% in Newfoundland and Labrador, from 10.8% to 10.3% in Prince Edward Island, and from 8.3% to 7.8% in New Brunswick. The unemployment rate in New Brunswick dropped below the 8.0% mark for the first time since 1976/77.



Although the Atlantic provinces had Canada's highest unemployment rates, Ontario and Quebec had the highest absolute number of unemployed people. In 2007/08, the metropolitan regions of Toronto and

Montréal had 207,500 and 143,000 unemployed people, respectively, while all of the Atlantic provinces combined had only 110,700.

The reasons people become unemployed have an impact on their eligibility for EI benefits, and these reasons have not changed much in recent years. In 2007/08, job losers accounted for nearly half (45.8%) of those who had become unemployed in the previous 12 months, while job leavers accounted for 24.3%. The remainder of the unemployed (29.9%) consisted of people entering or re-entering the labour market after an absence of one year or more.

Long-term unemployed—those who had been unemployed for more than a year—accounted for 4.1% of all unemployed in 2007/08, or 44,200 individuals.<sup>12</sup> This proportion has dropped significantly since 1994/95, when it was 14.9%. Sustained employment growth has been a major factor in reducing the proportion of long-term unemployed.

In 2007/08, 68.1% of the long-term unemployed were men, up seven percentage points from the previous year. Youth (aged 15 to 24) accounted for 4.8% of the long-term unemployed, while those aged 25 to 54 accounted for 74.1%. Those aged 55 and older accounted for 21.1% of the long-term unemployed, although they accounted for only 11.8% of all unemployed.

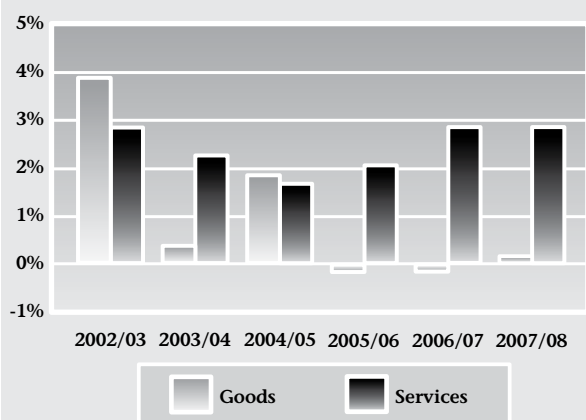
The average duration of unemployment dropped to 13.9 weeks in 2007/08 from 14.4 weeks in 2006/07. As with the unemployment rate, the average unemployment period declined in most provinces during the fiscal year, with the exception of Nova Scotia, Saskatchewan and Alberta. A sign of tightening of the labour market across the country, the average unemployment period has consistently declined in recent years, from 15.9 weeks in 2003/04.

<sup>12</sup> Data on duration of unemployment are not adjusted for seasonality.

## IV. Labour Markets, by Sector and Size of Employer

Employment gains in 2007/08 were driven almost entirely by the services sector, where 362,600 jobs were created (+2.9%) (see Chart 8). Employment in the goods-producing sector increased for the first time in three years; however, the growth only resulted in 3,300 jobs (+0.1%). Since 2000/01, 91.0% of net employment growth (+2.2 million jobs) has been registered in the services sector, while only 9.0% of jobs (+219,100) have been created in the goods-producing sector.

**CHART 8:**  
Employment Growth, by Sector



Source: Statistics Canada, Labour Force Survey.

The weakness in employment growth in the goods-producing sector was due in large part to the manufacturing industry, which has been experiencing difficulty for a few years. In fact, if the manufacturing industry were excluded from the goods-producing sector, the sector would have grown by 5.0% in 2007/08.

In 2007/08—for the third consecutive year, and the fifth out of the last seven years—there were job losses in the manufacturing industry. Close to 90,200 jobs were lost in this industry in 2007/08, representing a 4.3% decline. Job losses in the manufacturing industry were concentrated in the transportation equipment, wood products, primary metals, and plastic and rubber products industries.

This decline brought the number of jobs in the manufacturing industry down to close to 2 million, its lowest level in 11 years.

### Future Watch

*Manufacturing output and employment as a share of the economy in developed countries is declining, and this trend is likely to continue.*

Source: Conference Board of Canada, *Key Economic and Labour Force Issues Facing Canada's Manufacturing Sector* (Ottawa: Conference Board of Canada, April 2008).

In 2000/01, 15.2% of all jobs were in the manufacturing industry; six years later, this proportion had dropped to 12.7%. In 2007/08, the decline continued, and the proportion is now 11.9%. An OECD study<sup>13</sup> on the changing nature of the manufacturing industry in member countries concluded that stronger labour productivity growth and intensified international competition among developing nations were the most probable causes of the downward trend in employment in manufacturing industries among industrialized nations.

Employment continued to grow in the construction sector in 2007/08, with 78,200 new jobs (+7.2%). The industry was supported by investment growth in both the residential and non-residential sectors. Since 2000/01, the construction industry has been one of the most prolific sources of employment growth in the country, generating 376,200 jobs.

The utilities industry experienced net job growth of 19,300 (+15.6%) in 2007/08, after suffering losses over the last three fiscal years. That is the strongest job growth this industry has seen in over 20 years.

Employment in the agriculture industry experienced a decline of 4,900 jobs (-1.4%) in 2007/08, similar to that of the previous year, when 5,100 jobs were lost (-1.5%). This industry ranked second behind the manufacturing

<sup>13</sup> Organisation for Economic Co-operation and Development, *The Changing Nature of Manufacturing in OECD Economies* (Paris: OECD, October 2006).



industry for job losses since 2000/01. In total, 63,100 jobs have been lost in this industry over the last eight years.

Net employment growth in the forestry, fishing, mining, quarrying, and oil and gas industries, with only 800 new jobs (+0.2%), was substantially lower in 2007/08 than in 2006/07, when 25,800 jobs (+8.3%) were created. Despite the slow growth recorded in 2007/08, 73,800 jobs have been created in this industry since 2000/01, notably owing to the oil boom in Alberta.

In the services sector, the wholesale and retail trade industry contributed the most to job creation, with a gain of 51,100 jobs (+1.9%). Since 2000/01, this industry has generated the most jobs in the services sector, with 458,500 new jobs, which accounted for 20.6% of all new jobs in the sector. Other services sector industries that experienced strong job growth in 2007/08 were public administration with 48,800 jobs (+5.8%), and health care and social assistance with 46,000 jobs (+2.5%).

Finally, employment rose more in the public sector (+4.1%) than in the private sector (+1.0%) in 2007/08.

## 1. Size of Employers

In 2007/08, according to Statistics Canada's Survey of Employment, Payrolls and Hours (SEPH),<sup>14</sup> 55.4% of Canadian workers (7.9 million of the 14.2 million employees) worked for small and medium-sized enterprises (SMEs) 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. The proportion was 56.7% in 2000/01 and has declined each year since. Among all SMEs, enterprises with fewer than 20 employees accounted for 21.0% of the workforce, while enterprises of 20 to 99 employees accounted for another 19.3% of employed Canadians. Enterprises with 100 to 499 employees made up 15.2% of the workforce and the remaining 44.6% of the workforce worked in large firms of 500 employees or more.

In 2007/08, large enterprises of 500 employees or more accounted for 49.4% of all net new jobs, while enterprises of 100 to 499 employees accounted for 15.4%. Enterprises with 20 to 99 employees made up 19.9% of net job creation, and the remaining 15.3% occurred in enterprises with fewer than 20 employees.

Statistics Canada's Labour Force Survey indicates that 2.63 million workers were self-employed in 2007/08 (+4.9% over 2006/07) and that 856,100 of those self-employed had employees working for them (+0.5% over 2006/07).

## V. Provincial Labour Markets

As in the previous year, there were employment gains in all provinces in 2007/08. Despite its employment growth of 1.6%, which was lower than the Canadian average, Ontario generated 102,600 jobs in 2007/08. Alberta experienced the highest rate of employment growth (+4.1%), followed by British Columbia (+2.9%), New Brunswick (+2.5%) and Quebec (+2.4%) (see Table 2). Alberta and British Columbia have taken the top two spots among Canadian provinces in the last three fiscal years in terms of job growth.

Alberta stood out primarily in two areas in 2007/08, registering its lowest unemployment rate (3.5%) and highest rate of employment (71.6%) in over 30 years. The industries that contributed most to the net growth in employment in 2007/08 were trade (+21,700 jobs), construction (+17,600 jobs), and health care and social assistance (+11,200 jobs). The increase in royalties<sup>15</sup> that businesses must pay to the province seems to have hurt employment growth in the forestry, fishing, mining, and oil and gas industries in Alberta. In fact, after three years of employment growth exceeding 11%, employment in these industries rose by only 4.5% in 2007/08. The educational services industry declined in 2007/08, with job losses of 8,700 (-6.5%).

<sup>14</sup> The following industries are not included: agriculture, fishing and trapping, private household services, religious organizations and defence services (military personnel).

<sup>15</sup> Robert Kavic, BMO Capital Markets, *Provincial Monitor: An update on provincial economic and fiscal matters* (Toronto: BMO, summer 2008).

**TABLE 2:  
Employment Growth, 2007/08**

	(000s)	(%)
Alberta	77.4	4.1
British Columbia	64.2	2.9
New Brunswick	9.0	2.5
Quebec	89.6	2.4
Manitoba	10.1	1.7
Ontario	102.6	1.6
Saskatchewan	6.2	1.2
Nova Scotia	4.4	1.0
Newfoundland and Labrador	1.8	0.8
Prince Edward Island	0.6	0.8
<b>Canada</b>	<b>365.9</b>	<b>2.2</b>

Source: Statistics Canada, Labour Force Survey.

Net employment growth in British Columbia has been driven primarily by the construction industry in recent years. Since 2000/01, this industry alone has generated 94,000 new jobs, accounting for over one quarter of all new jobs. Net job creation in the construction industry in 2007/08 accounted for almost one third of total jobs created in the province during that fiscal year (+19,700). The trade industry added 12,100 jobs (+3.4%), public administration 6,700 jobs (+7.5%), and transportation and warehousing 6,700 jobs (+5.6%), thus contributing to net job creation in the province. British Columbia's unemployment rate declined this past fiscal year, to a 33-year low of 4.3%.

With a 2.5% growth rate, New Brunswick recorded the third-strongest employment growth. The industries with the strongest growth rates were health care and social assistance with 2,700 new jobs (+6.0%), construction

with 2,700 new jobs (+12.5%), professional, scientific and technical services with 2,300 new jobs (+16.1%), and forestry, fishing, mining, and oil and gas with 1,400 new jobs (+13.8%). New Brunswick's unemployment rate was 7.8% in 2007/08, its lowest in over 30 years.

In Quebec, the manufacturing industry experienced its worst performance in the last two decades, with a loss of 36,600 jobs (-6.4%) in 2007/08. In the last three years, almost 100,000 jobs have been lost in this industry in Quebec. Nevertheless, the 10.8% employment growth in the accommodation and food services industry (+23,500 jobs), 12.6% in other services excluding public administration (+20,300 jobs), 9.6% in construction (+17,700 jobs), and 9.2% in transportation and warehousing (+15,500 jobs) more than made up for job losses in the manufacturing industry. Quebec's unemployment rate continued to drop and reached its lowest level in over 30 years with a rate of 7.0%, compared with 7.9% in 2006/07 and 8.3% in 2005/06.

## 1. Urban Versus Rural

Net employment growth in urban areas<sup>16</sup> was slightly higher (+2.3%) than in rural areas (+2.0%) in 2007/08. Of the 365,900 jobs created in 2007/08, however, 83.9% were created in urban areas, compared with 16.1% in rural regions.

The revival of Canada's resource base has rejuvenated a number of rural areas in recent years. In fact, in 2007/08, there was a greater decline in the number of unemployed individuals in rural regions (-7.3%) than in urban areas (-1.5%).

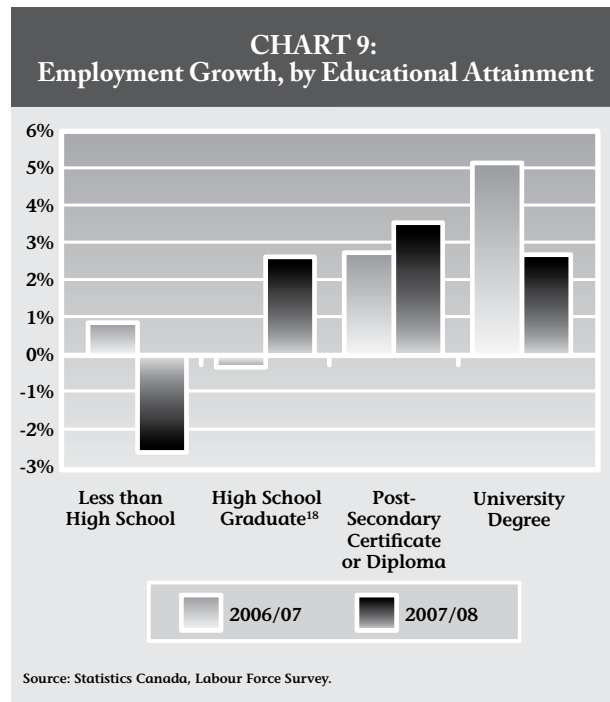
## VI. Education

Canada's labour force has become the most educated in the OECD, due to rising school attendance rates since the mid-1990s and the entrance of youth into the labour market, replacing older and less educated cohorts.

The proportion of the working-age population with a post-secondary certificate or diploma, or a university

<sup>16</sup> 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.

degree, has increased steadily from 32.7% in 1990/91 to 50.0% in 2007/08.<sup>17</sup> Net employment growth among those with a university degree was somewhat more moderate in 2007/08, at 2.6%, when compared with 5.1% in the previous year and 7.9% in 2005/06 (see Chart 9). With a growth rate of 3.5% in 2007/08, only people with a post-secondary certificate or diploma had a higher net employment growth rate than did individuals with a university degree. Conversely, employment continued to decline among people without a post-secondary diploma, dropping by 2.5%. That made 2007/08 the seventh year of decline in the last eight years.



Although Canada's economic situation in recent years has fostered net job creation for all workers, the fact remains that the trend over the last two decades clearly favoured more educated individuals. The unemployment rate among individuals with a university degree was 3.7% in 2007/08, compared with 4.8% among persons with a post-secondary certificate or diploma, and 6.2% among persons with only a high school diploma. The unemployment rate was 11.9% among persons who did not complete high school.

<sup>17</sup> Data in this section are not adjusted for seasonality.

<sup>18</sup> The high school graduate category comprises individuals with a high school diploma and individuals with some post-secondary education. A number of people with some post-secondary education, however, do not have a high school diploma.

<sup>19</sup> The report card compares Canada's performance against 16 peer countries in six categories—economy, innovation, environment, education and skills, health, and society—using grades from "A" to "D." It assesses how well Canada is meeting its fundamental goal of creating a high and sustainable quality of life for all Canadians.

## Future Watch

*According to the Conference Board of Canada's Report Card on Canada,<sup>19</sup> Canada ranks second among 17 countries when it comes to education and skills. To put itself in the top spot, Canada needs to produce more PhDs and graduates who support innovation, while pushing to improve the adult literacy rate.*

Source: Conference Board of Canada, *A Report Card on Canada* (Ottawa: Conference Board of Canada, October 2008).



# 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 2007/08.<sup>1</sup> 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.

“...balance work commitments with family responsibilities and personal illness through special benefits...”

The analysis in this chapter uses EI administrative data and is based on a 10%<sup>2</sup> sample of claims as of August 2008.<sup>3</sup> Throughout the chapter, data for 2007/08 are compared with 2006/07 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

In spite of some challenges faced by the Canadian economy, namely the continued difficulties in the manufacturing and forestry industries, good economic performance in other industries led to a decline in the unemployment rate and, as a result, to the total number of claims established in 2007/08.

There were 1.8 million claims in 2007/08, a 1.1% decrease from 2006/07. Although there was an increase in the number of special claims established in 2007/08 (+2.2%), it was offset by the decline in regular claims (-2.6%). This marked the fourth consecutive decline in the total number of claims, which is consistent with the economic growth experienced over that period.

TABLE 1:  
Total Income Benefits (Part I), 2007/08

Type of Benefits	Benefits Paid (\$ Million)	%
Regular	7,957.6	64.5
Special		
Parental	1,900.5	15.4
Maternity	832.7	6.8
Sickness	954.9	7.7
Compassionate Care	9.5	0.1
Employment Benefits <sup>4</sup>	414.2	3.4
Fishing	248.9	2.0
Work Sharing	14.5	0.1
<b>Total</b>	<b>\$12,332.9</b>	<b>100%</b>

<sup>1</sup> “Claims” refers to new claims established in 2007/08. Some of the benefits paid in 2007/08, however, are associated with claims established in the previous fiscal year.

<sup>2</sup> Due to the relatively small number of fishing and compassionate care claims, 100% of these claims established during 2007/08 are used, to ensure reliability.

<sup>3</sup> Administrative data in this report provide a snapshot of claims in August 2008. A snapshot based on a different time period would provide different results.

<sup>4</sup> Some Employment Benefits and Support Measures (EBSMs) participants receive Part I income benefits.

As a result of the combined effect of a 3.6% increase in the average weekly benefit (\$345 in 2007/08 compared with \$333 the previous year) and the lower total claim volume, total benefits paid edged down slightly (-0.4%) to \$12.3 billion.

As shown in Table 1, in 2007/08, regular benefits continued to account for almost two thirds of all EI income benefits paid, although that proportion has been decreasing slightly in recent years.

As the unemployment rate declined, there were fewer new regular claims. Special benefits represented roughly 30% of total benefits, over half of which were in the form of parental benefits. The unemployment rate has less of an effect on the use of special benefits than the use of regular benefits. In fact, as the participation rate increases, so does the potential for an increased number of claimants for sickness, maternity and parental benefits. This topic will be discussed further in Chapter 5. The remaining 5.5% of payments were for employment benefits, fishing benefits and Work Sharing. Of all regular and fishing claims, 38.4% were established by frequent claimants,<sup>5</sup> down from 38.9% in 2006/07.

Provincial labour markets across the country have varying industrial and employment bases, as shown when utilization of the EI program is compared with each province's employment share. Claims established in Atlantic Canada accounted for 16.2% of all EI claims in 2007/08, while employment in these provinces represented 6.5% of employees (see Table 2). Quebec accounted for 29.1% of total claims and 22.8% of employees.<sup>6</sup>

Ontario had a 31.4% share of total claims and 38.3% of employees. The gap has been closing in recent years, as Ontario accounted for 28.4% of total claims in 2003/04, while the province's share of total employment was 38.8%.

Province or Territory	% of All EI Claims	% of Employees	Average Weekly Benefit (\$)
Newfoundland and Labrador	5.2	1.3	343
Prince Edward Island	1.3	0.4	346
Nova Scotia	4.7	2.7	334
New Brunswick	5.1	2.1	335
Quebec	29.1	22.8	339
Ontario	31.4	38.3	349
Manitoba	2.9	3.7	329
Saskatchewan	2.3	3.0	342
Alberta	6.7	12.1	368
British Columbia	11.1	13.2	350
Nunavut	0.1	0.1	383
Northwest Territories	0.1	0.2	396
Yukon	0.1	0.1	387
<b>Canada</b>	<b>100%</b>	<b>100%</b>	<b>345</b>

In the Prairie provinces, the share of claims represented 11.9% of the total, while the proportion of employees was 18.8%. British Columbia had 11.1% of all EI claims and accounted for 13.2% of total employees.

Average weekly benefits increased in every province and territory in 2007/08. The most notable increases occurred in Newfoundland and Labrador, Alberta,

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

<sup>6</sup> Quebec claims do not include claims for maternity and parental benefits, as the province has its own program—the Quebec Parental Insurance Program—that provides such benefits.

<sup>7</sup> Statistics Canada, *Employment, Earnings and Hours* (Ottawa: Statistics Canada, monthly), Cat. No. 72-002-XIB.

and British Columbia, where average weekly benefits increased by \$15. Average weekly benefits were highest in all three territories and in Alberta, reflecting the higher wages required to attract qualified labour in these parts of the country.

Total claims in the goods-producing sector declined 0.2% in 2007/08. The two largest industries in the sector, manufacturing and construction, moved in opposite directions in 2007/08. The number of claims from manufacturing decreased by 0.5%, while those from the construction industry grew by 0.7%. Together, the manufacturing and construction industries accounted for 30.5% of the overall number of new claims. Claims from the utilities industry grew by 17.5% in 2007/08, although this industry accounts for a small percentage of the goods-producing sector.

In the services-producing industries, claims decreased by 1.7% in 2007/08. Increases in claims from the transportation and warehousing (+7.5%), and finance and insurance (+4.9%) industries were largely offset by declines in claims from the retail trade industry (-3.5%), the professional, scientific and technical services industry (-5.7%), and the real estate, rental and leasing industry (-10.3%). There was a 2.1% increase in claims from educational services, the industry with the largest number of claims in the services-producing sector.

While the number of claims declined for both men and women in 2007/08 (-1.4% and -0.8%, respectively), the decline was more pronounced for men. Due to the smaller decline in claims, women's share of total EI claims increased slightly to 46.1%.

Men tend to rely more on regular benefits than women do, while women account for a higher proportion of all special benefits paid than men. In 2007/08, there was a 1.0% decrease in total benefits paid to men, which resulted from a 1.5% decline in regular benefits paid and a slight (+0.1%) increase in special benefits paid. Total benefits received by women increased marginally (+0.1%), as a 1.0% decline in regular benefits was offset by a 1.2% increase in special benefits. National

comparison of special benefits between 2006/07 and 2007/08 is still affected by the implementation of the Quebec Parental Insurance Plan in January 2006.

As the population ages, so do EI claimants. There were increases in the number of claims by individuals aged 45 to 54 and by those aged 55 and above (+1.6% and +3.7%, respectively). Claims established by youth<sup>8</sup> declined by 1.7% in 2007/08, a fourth consecutive decline. Since 2003/04, the number of claims by youth has dropped by 18.7%. Total claims by individuals aged 25 to 44 also continued to decrease in 2007/08 (-3.5%).

The Family Supplement is an important feature of EI for low-income families with children.<sup>9</sup> Eligible claimants receive a top-up to their weekly benefits to help them care for children. In 2007/08, the Family Supplement provided increased benefits to 127,340 low-income claimants, 7.5% fewer than the previous year. Total payments of the Family Supplement amounted to \$135.4 million in 2007/08, a reduction of 10.4% from 2006/07. The average weekly top-up provided by the Family Supplement was \$42.

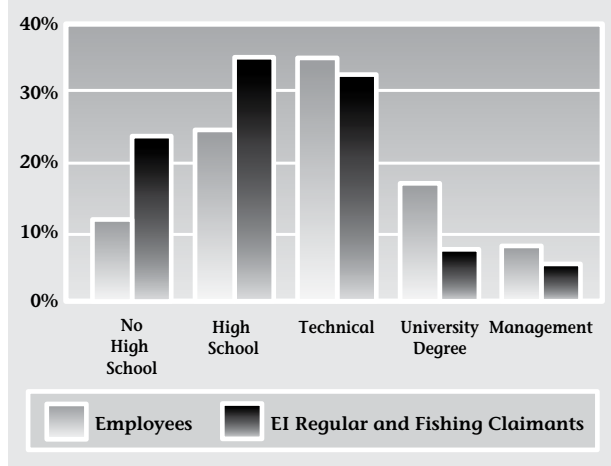
As mentioned in Chapter 1, workers with higher educational attainments are less likely to become unemployed than those with less education. By grouping different occupations that generally require a similar educational attainment, it is possible to compare the distribution of employees by level of educational attainment to the corresponding distribution of EI claimants. As shown in Chart 1, in 2007/08, employees in occupations that required no high school diploma accounted for 13.1% of employees, while they represented 23.7% of EI regular and fishing claimants. In contrast, occupations that required a university degree accounted for 17.5% of total employment and 7.1% of regular and fishing claimants.

---

<sup>8</sup> "Youth" are defined as workers under the age of 25.

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

**CHART 1:  
Distribution of Employees and EI Claimants, by  
the Educational Requirement of Their Occupation  
(2007/08)**



## 1. EI Contributors

In 2006, the most recent year for which tax data are available, a total of 17.2 million workers received employment income. EI premiums paid totalled \$16.9 billion in 2006, \$7.3 billion of which were paid by employees, with the remaining \$9.6 billion paid by employers.<sup>10</sup> Annex 2.16 shows the distribution of total EI premiums by province, gender, age and industry.

## II. ASSISTING CANADIANS IN FACING THE RISK OF UNEMPLOYMENT

A key objective of EI is to provide temporary income support to insured Canadians who involuntarily lose their jobs. The EI program is specifically designed to respond to changes in local labour markets, by adjusting entrance requirements and the duration of entitlement to regular benefits when regional unemployment rates change in any of the 58 designated EI economic regions. This is known as the Variable Entrance Requirement (VER). See Annex 1.1 for a breakdown of unemployment rates by EI region.

## 1. Regular Benefits

In 2007/08, there were 1.3 million new regular claims, a 2.6% decline compared with the previous year. Total regular benefits decreased 1.4% to \$8.0 billion. The average weekly benefit for regular claims rose by \$12 to \$347 in 2007/08, as a result of the combined effect of the 3.9% increase in average weekly wages over the period (Chapter 1) and the increase in the maximum weekly benefit rate, which rose from \$423 in 2007 to \$435 in January 2008. In 2007/08, the average number of weeks of regular benefits received remained stable at 17.0 weeks.

In 2007/08, the number of regular claims decreased in every province, except British Columbia (+2.9%). The largest decreases occurred in Saskatchewan (-13.4%), Manitoba (-7.4%) and Alberta (-5.3%). In Quebec and Ontario, which together accounted for nearly two thirds of all regular claims, the number of claims declined by 3.9% and 1.5%, respectively. In the Atlantic provinces, the declines in regular claims were more modest, ranging from 0.5% in Prince Edward Island to 2.2% in Nova Scotia.

In 2007/08, there was a 3.0% decrease in new regular claims in the services-producing sector. The largest declines occurred in real estate, rental and leasing (-12.8%), and public administration (-9.3%). Partly offsetting these reductions were increases in regular claims in transportation and warehousing (+5.4%), and educational services (+2.2%).

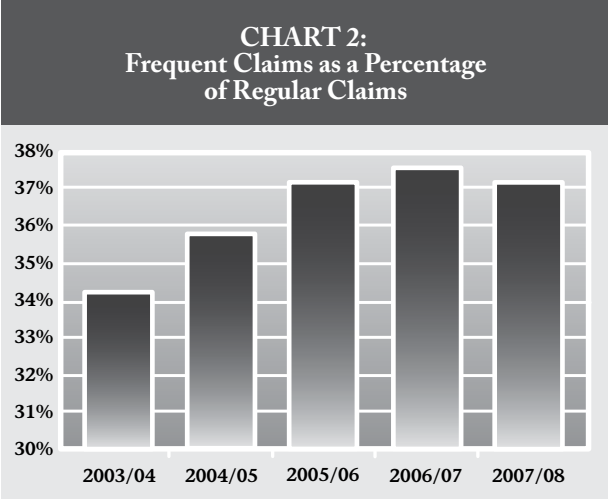
Overall, the decline in regular claims in the goods-producing sector was less pronounced (-1.5%) than in the services-producing sector in 2007/08. There were declines in regular claims in both manufacturing (-1.7%) and construction (-0.9%), the two largest industries in the goods-producing sector. These declines more than offset the increased number of regular claims observed in utilities (+17.2%), and mining and oil and gas extraction (+2.3%), as these industries have significantly fewer claims than manufacturing and construction.

<sup>10</sup> 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 \$600 million in 2006.



In 2007/08, the number of new regular claims declined for both women and men (-2.9% and -2.4%, respectively).

Regular claimants qualified in 2007/08 with a marginally increased number of insured hours compared with the previous year (1,363 and 1,359, respectively). The increase in insured hours is consistent with the fact reported in Chapter 1 that employees in Canada worked slightly more hours per week on average in 2007/08 than they did in the previous year.



With the continued strength of the Canadian economy in 2007/08, the number of regular claims has continued to diminish. Frequent claimants, who often occupy a seasonal job, are more likely than others to continue to need regular benefits every year, even during strong economic times. During those times, they also account for a larger portion of total regular claims. In 2007/08, 37.1% of all regular claims were made by frequent claimants, a small decrease from the previous year (37.6%). As shown in Chart 2, the proportion of frequent claimants remains above its level in 2003/04, when the unemployment rate was higher.

There is considerable variation in seasonal patterns of claims across the country. As shown in Table 3, provinces in Eastern Canada have economies that rely

more heavily on seasonal industries than is the case elsewhere and, as a result, have the highest proportions of seasonal claimants. Alberta and Ontario continue to have low proportions of seasonal claimants. Ontario, the Northwest Territories, Alberta and Nunavut have the lowest proportions of seasonal claimants.

**TABLE 3:**  
Seasonal Claims as a Percentage of Regular Claims, by Province and Territory (2007/08)

Province or Territory	Seasonal Claims as a %
Prince Edward Island	52.8
Newfoundland and Labrador	52.6
New Brunswick	48.8
Nova Scotia	41.4
Quebec	35.0
Saskatchewan	31.9
Manitoba	29.1
Yukon	29.1
British Columbia	21.0
Ontario	20.3
Northwest Territories	18.0
Alberta	16.4
Nunavut	8.2
<b>Canada</b>	<b>30.5</b>

**2. Work Sharing**

The Work Sharing provision assists employers and employees to avoid temporary layoffs. When a firm’s normal level of business activity is reduced and that situation is beyond the control of the employer,<sup>11</sup> Work Sharing provides income support to workers who are

<sup>11</sup> Information on the Work Sharing program is available on the Human Resources and Skills Development Canada Web site at [http://www.hrsdc.gc.ca/en/epb/sid/cia/grants/ws/desc\\_ws.shtml](http://www.hrsdc.gc.ca/en/epb/sid/cia/grants/ws/desc_ws.shtml).

EI-eligible and willing to work a temporarily reduced work week. Work Sharing agreements must be approved by both employee and employer representatives and by the EI Commission, and can range in duration from 6 to 26 weeks, with the possibility for extension up to a maximum of 38 weeks.

Employers benefit from Work Sharing agreements since they allow employers to stabilize their 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 without work. If a worker is laid off following Work Sharing, his or her entitlement to EI regular benefits is unaffected by the receipt of Work Sharing benefits.

EI administrative data show that there was a substantial increase (+32.8%) in the number of Work Sharing claims in 2007/08. There were 13,450 such claims compared with 10,130 in 2006/07, an indication that more employers faced temporary slowdowns during the year. Total Work Sharing benefits rose by 67.2% to \$14.5 million in 2007/08, from \$8.7 million in 2006/07.

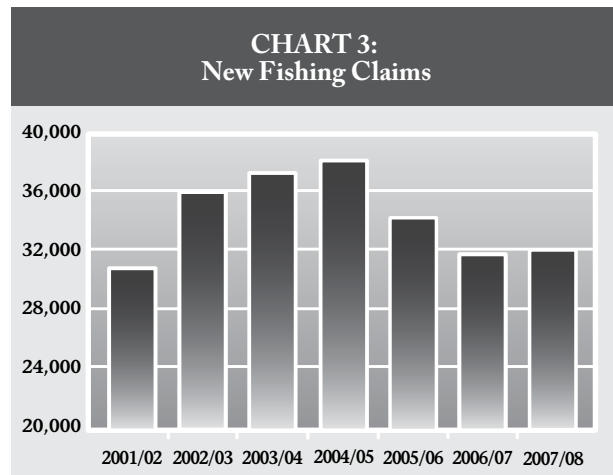
The manufacturing industry stands above all the rest with regards to the use of the Work Sharing provision. The industry accounted for 83.9% of all Work Sharing claims in 2007/08, a proportion 7.3 percentage points higher than the previous year (76.6%). Although Quebec and Ontario continue to represent the vast majority of total Work Sharing claims (27.5% and 47.7%, respectively), British Columbia's share increased to 18.5% in 2007/08 from 2.7% in 2006/07.

### 3. Fishing Benefits

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

### 3.1 Claims

Fishing claims are a small portion of total EI claims but represent an important part of the economy in communities that rely on the industry. In 2007/08, following two years of declines, the number of fishing claims increased slightly to 31,866 (+0.6%) (see Chart 3).



Fishing claims in nearly all major fish-producing provinces continued to decline. Claims in British Columbia dropped by 17.0%. Prince Edward Island (-4.1%), New Brunswick (-1.6%) and Nova Scotia (-0.1%) also had fewer fishing claims. In fact, had it not been for a 7.6% increase in fishing claims from Newfoundland and Labrador, where over 40% of fishing claims usually occur, the year 2007/08 would have seen another decline in the total number of fishing claims.

According to DFO, 2007 saw a slight rebound in primary fisheries production, with revenues of \$1.89 billion (+1.7%) generated for fishers. Commercial landings continued to decrease, with slightly less than 1 million metric tonnes reported in 2007 (-8.4% compared with 2006).

In an industry where men account for over 80% of the claims, women have continued to increase their participation. Fishing claims by men were nearly unchanged (+0.1%) in 2007/08, while the number of claims by women fishers increased by 2.9%. Of all fishing claims, 90.8% were made by frequent claimants. The number of fishing claims by occasional claimants

decreased by 7.1% in 2007/08, while those of frequent claimants and first-time claimants saw modest increases of 1.2% and 1.0%, respectively.

In 2007/08, fewer prime-aged fishers claimed benefits than in the previous year (-3.6%). In fact, older workers (aged 55 and above) were largely responsible for the slight overall increase in fishing claims, as they made 6.0% more claims than they did in 2006/07. Claims by youth and fishers aged 45 to 54 rose modestly (+1.9% each).

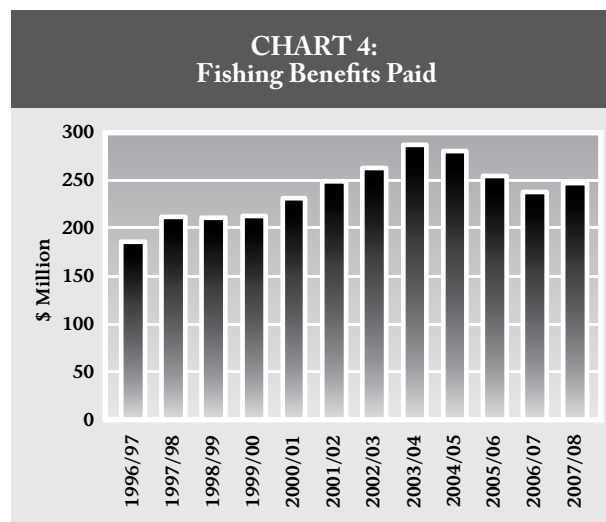
In most fishing regions, there are two seasons of activity and fishers have the opportunity to claim benefits twice in the same year. Although there was an increase in fishing claims in 2007/08, the number of fishers claiming benefits continued to decline (-3.1%), to reach 23,093. Even in Newfoundland and Labrador, where the number of claims increased in 2007/08, there was a slight decrease in the number of fishers claiming benefits (-0.3%). In British Columbia, where fishing occurs almost exclusively in the summer, 15.3% fewer fishers claimed benefits. All other fish-producing provinces had declines in the number of fishers claiming benefits, notably in Prince Edward Island (-5.2%).

Overall in 2007/08, 14.8% more fishers made two claims, while the number of fishers who made a single claim decreased by 11.8%. Single claimants in Newfoundland and Labrador declined by 16.6%, while multiple claimants increased by 32.1%. Nationally, notable increases in multiple claims were observed for both men and women. While the number of men making multiple claims increased by 12.7%, the number of women doing so soared by 28.3%. Both the number of men and women single claimants declined, by 11.8% and 12.0%, respectively.

### 3.2 Benefits

In 2007/08, fishing benefits comprised 2.0% of total EI benefits paid, unchanged from the previous year. For the vast majority of fishers, who are self-employed and reside in communities with limited employment opportunities, EI benefits are an important part of their yearly income. A total of \$248.9 million in EI fishing benefits was

paid in 2007/08, a 2.8% increase from 2006/07 (see Chart 4). Fishing benefits increased in Newfoundland and Labrador (+8.6%), Nova Scotia (+3.8%), and New Brunswick (+0.1%), while they decreased in British Columbia (-11.5%) and Prince Edward Island (-4.7%).



In 2007/08, average weekly fishing benefits rose by 3.1% to \$393. The average weekly benefit for fishers remains higher than that for regular benefits (\$347).

In 2007/08, the average duration of all fishing claims was 21.0 weeks, unchanged from the previous year. Women claimed 2.5 weeks more than men (23.1 compared with 20.6 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. Since fishers in British Columbia have only one season available to them, they tend to stay on claim longer than those in Atlantic Canada. In 2007/08, fishing claimants in British Columbia received benefits on their first claim of the year for an average duration of 22.5 weeks, nearly 2 weeks more than fishers in any of the other major fish-producing provinces. Overall, single claimants were on claim for an average of 22.6 weeks, while multiple claimants received over 37 weeks of benefits, on average (combining 18.8 weeks on their first claim and 18.3 weeks on their second).

### III. SUPPORTING WORKING CANADIANS AND THEIR FAMILIES

#### 1. Overview

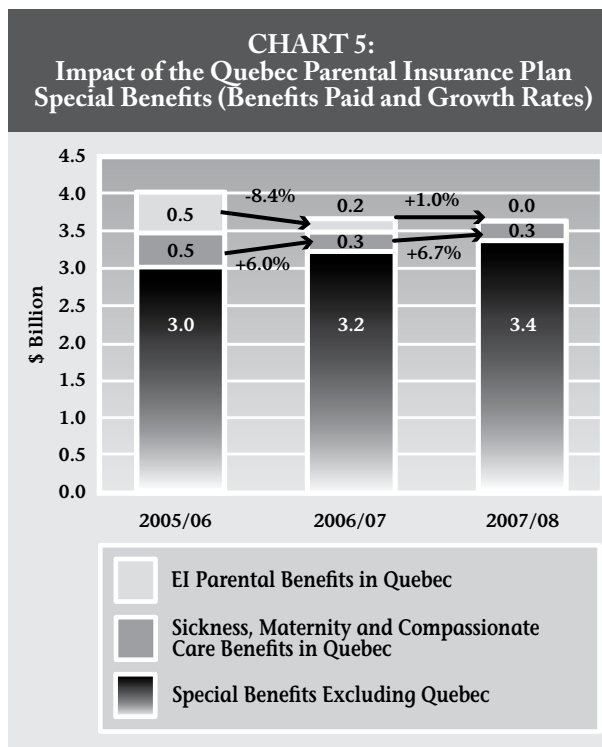
The EI program includes four types of special benefits to support workers when they experience an interruption in earnings due to illness, childbirth, parenting, or the provision of care or support to a gravely ill family member. Sickness benefits are payable to claimants who are unable to work due to 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 (broadly defined) who is gravely ill with a significant risk of death.

In 2007/08, there were a total of 496,740 new special benefits claims in Canada, a 2.2% increase from 2006/07. As mentioned earlier, the number of special benefits claims usually increases as the participation rate rises. Women continued to receive a large portion of special benefits, accounting for 68.3% of the total in 2007/08.

Total special benefits paid in 2007/08 rose by 1.0% to \$3.7 billion, following an 8.4% decrease in 2006/07 due to the implementation of the Quebec Parental Insurance Plan (QPIP). The average weekly benefit for all special claims increased by 3.6% in 2007/08 to reach \$329. The increase is consistent with the combined effect of rising wages and the increase in the maximum weekly benefit.

The effects of the Quebec program on national claim volumes and benefits paid continued to be felt in the year-over-year results in this reporting period. A small number of claims, established before Quebec implemented the QPIP, were still under payment in Quebec in 2006 (see Chart 5). For example, when Quebec is excluded, special benefits paid increased by 6.7% in 2007/08 (compared with 1.0% when Quebec is included in the calculation).

In the following sections on maternity and parental benefits, the data and analysis exclude claims paid in Quebec to allow for more valid comparisons.



#### 2. Maternity Benefits

In 2007/08, mothers made 168,460 maternity claims, a 3.5% increase from the previous year. Provincially, the most notable increases in maternity claims were in Saskatchewan and Alberta (+13.7% and +10.7%, respectively). Claims increased in almost every other province, with the exception of Manitoba (-0.9%) and Prince Edward Island (-9.9%).

As was the case in 2006/07, 84.7% of all maternity claims were made by women aged between 25 and 44 in 2007/08. The number of claims made by mothers younger than 25 (+4.1%) grew slightly faster than the number made by prime-aged women (+3.3%).

Although the vast majority of mothers received the full 15 weeks to which they were entitled, average durations for maternity benefits have always been around 14.6 weeks. The average weekly benefit continued to rise in 2007/08 to reach \$338.<sup>12</sup>

<sup>12</sup> The data and analysis above exclude claims paid in Quebec to allow for more valid comparisons.

### 3. Parental Benefits

In 2007/08, biological parental claims rose by 3.7% to 186,430. Growth in fathers' claims (+5.1%) was greater than growth in mothers' claims (+3.5%) in 2007/08. During the reference period, the average duration of parental claims was 29.5 weeks.

Saskatchewan and Alberta had the largest increases in biological parental claims, with 14.3% and 9.0% more claims, respectively. Consistent with the decline in maternity claims, Prince Edward Island was the only province with fewer parental claims (-17.4%).

There were 15,380 men who shared the parental benefit with their spouse in 2007/08, a 2.0% increase over the previous year. These men took slightly more weeks of benefits to be with their newborn child (10.6 weeks compared with 10.4 weeks in 2006/07). In total, parents who 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 31.9 weeks.

The average weekly parental benefit rose by 3.2% to \$348 in 2007/08 compared with \$337 in the previous year. Men continued to receive higher weekly benefits than women, and the gap has remained constant for the past several years (\$390 vs. \$342 in 2007/08).

In contrast to biological parental claims, the number of adoptive parental claims decreased in 2007/08 to 2,120 (-6.2%). Adoptive parental claims established by men dropped 18.4% in 2007/08, while claims made by women declined 2.8%. The proportion of adoptive parental claims made by women increased to 81.1%, from 78.3% the previous year. Among all adoptive parental claims, the average duration was 26.8 weeks compared with 27.6 weeks in 2006/07.<sup>13</sup>

### 4. Sickness Benefits

In 2007/08, the number of sickness claims reached 319,120, a 2.3% increase over the previous year. The number of sickness claims increased for both men (+2.5%) and women (+2.2%). As was the case in

2006/07, a large share of the increase in sickness claims can be attributed to individuals aged 55 and above (+7.5%). In fact, the number of claims for sickness benefits made by individuals below the age of 45 declined by 0.5% during the reference period.

The average weekly benefit for sickness claims increased by 3.7% to \$316 in 2007/08. Sickness claimants received benefits for an average of 9.5 weeks, unchanged from 2006/07. As a result, sickness benefits increased by \$39 million (+4.2%) to \$954.9 million. Of all individuals who claimed sickness benefits in 2007/08, 31.5% used all 15 weeks, a decrease over the previous year, when the proportion was 32.0%.

### 5. Compassionate Care Benefits

In 2007/08, there were 5,706 claims established for compassionate care benefits, a 0.5% increase over the previous year. The average weekly benefit increased to \$338 (+2.6%). Nearly half (42.4%) of compassionate care claims were established in Ontario, while Quebec and British Columbia each accounted for 16.5% of the Canadian total. Total compassionate care benefits amounted to \$9.5 million during the reference period, a 5.0% increase from 2006/07.

Although family members have the opportunity to share the six-week benefit, 97.5% chose not to do so in 2007/08. Of all individuals who claimed compassionate care benefits, 59.2% used all of their six weeks of entitlement. On average, claimants used 4.7 weeks of compassionate care benefits, unchanged from the previous year.

Many compassionate care claimants combined the benefit with other types of EI benefits over the course of their claim. In 2007/08, among claimants who used all six weeks of compassionate care, 43.5% also received another type of benefit, either before (10.3%) or after (33.2%) their compassionate care benefits. Of those who used another type of benefit after having exhausted their compassionate care benefits, the vast majority used regular benefits (43.1%) and sickness benefits (53.3%).

---

<sup>13</sup> The data and analysis above exclude claims paid in Quebec to allow for more valid comparisons.



# Employment Benefits and Support Measures and the National Employment Service

**The objective of activities delivered under Part II of the *Employment Insurance Act* is to help Canadians to prepare for, obtain and maintain employment. These activities include Employment Benefits and Support Measures (EBSMs), as well as pan-Canadian programming and functions of the National Employment Service (NES).**

The objective of activities delivered under Part II of the *Employment Insurance Act* is to help Canadians to prepare for, obtain and maintain employment.

Section I of this chapter provides a national overview of EBSM activity that is delivered across the country through Labour Market Development Agreements (LMDAs). Section II summarizes provincial and territorial EBSM activity within each jurisdiction's unique labour market context. Section III discusses the role of Human Resources and Skills Development Canada (HRSDC), including the administration of NES functions and the delivery of pan-Canadian activities that are beyond the scope of LMDAs.<sup>1</sup>

Since provincial and territorial authorities are uniquely placed to determine the mix of employment programming that is required to meet their local and regional labour market needs, most EBSMs are delivered through transfer agreements between Canada and the provinces and territories. In some jurisdictions, LMDAs take the form of co-managed agreements and employment programming is delivered by HRSDC/Service Canada.<sup>2</sup>

The employment programs delivered by HRSDC/Service Canada in co-managed LMDA regions are the Part II EBSMs that comprise five employment benefit programs: Targeted Wage Subsidies, Self-Employment, Job Creation Partnerships, Skills Development and Targeted Earnings Supplements.<sup>3</sup> EBSMs also comprise three support measures: Employment Services, Labour Market Partnerships, and Research and Innovation.

Provinces and territories with transfer agreements design and deliver employment programs similar to the EBSMs established in Part II of the *Employment Insurance Act*.

---

<sup>1</sup> 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 and, while data sets are verified, systems changes and operational improvements may affect year-to-year comparability of data. These instances are noted, where applicable.

<sup>2</sup> In Nova Scotia, EBSMs are delivered through the Strategic Partnership Agreement between the Province and Canada.

<sup>3</sup> Targeted Earnings Supplements is used in Ontario. It is also used in Quebec, where it is reported under Employment Services as the *Supplément de retour au travail*.

## I. NATIONAL OVERVIEW

As discussed in Chapter 1, economic conditions in most parts of Canada were generally stronger in 2007/08. Under the conditions that prevailed at that time, job-ready clients were more likely to take advantage of available employment opportunities than to participate in employment programming. Consequently, the number of clients accessing EBSMs declined slightly, falling 0.9% to 612,622.<sup>4</sup> These individuals participated in a total of 961,369 interventions, an increase of 1.2%. Each person 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 \$2.1 billion, up 0.4% from 2006/07.<sup>5</sup>

The impact of EBSMs is monitored through three key performance indicators: the number of active EI claimants who accessed EBSMs; the number of clients who returned to employment following an intervention; and the amount of unpaid EI Part I benefits that resulted from the return to employment. For 2007/08, these indicators reflected the strong national and regional economies that prevailed during that year. The number of active claimants served fell 3.6% in 2007/08. Accordingly, the total number of clients returning to employment following an intervention was also lower, down 3.5% to 196,498. However, there was an

increase in unpaid benefits resulting from the returns to employment, which were 1.2% higher and totalled \$866.9 million. Section III of Chapter 5 includes a thorough discussion of the impacts of EBSMs.

### 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 recent labour force attachment, and are more likely to be able to return to work quickly rather than investing time participating in an employment benefit or service. As noted above, the number of active claimants accessing EBSMs declined in 2007/08, falling 3.6% to 337,148. That was the third consecutive annual decline in the number of active claimants accessing EBSM programming.

This trend reflected the declining number of EI claims, which reduced the pool of clients eligible for employment programming. As indicated in Chapter 2, the total number of EI claims declined by 1.1% in 2007/08. That included a greater-than-average decrease in regular claims (-2.6%). Since 2003/04, total claims have declined by 10.9%, including a decrease of 13.3% in the number of regular claims.

TABLE 1

Client Type	2007/08 Distribution	Eligibility for Income Support, EBSMs and NES Self-Services			
		Income Support	Employment Benefits	Employment Assistance Services	NES Self-Services <sup>6</sup>
<i>Active</i> Active EI claim	55.0% ↓	EI Part I	✓	✓	✓
<i>Former</i> Benefit period established or ended within preceding 36 months <i>OR</i> Benefit period established for special benefits during previous 60 months	14.6% ↓	May be eligible under EI Part II	✓	✓	✓
<i>Non-insured</i> No former or active claim	30.4% ↑	Not eligible	Not eligible	✓	✓

<sup>4</sup> Client data exclude self-serve options, such as Canada's Job Bank and labour market information, because clients do not have to register to access those services.

<sup>5</sup> All subsequent intervention and expenditure comparisons are to fiscal 2006/07, unless otherwise noted.

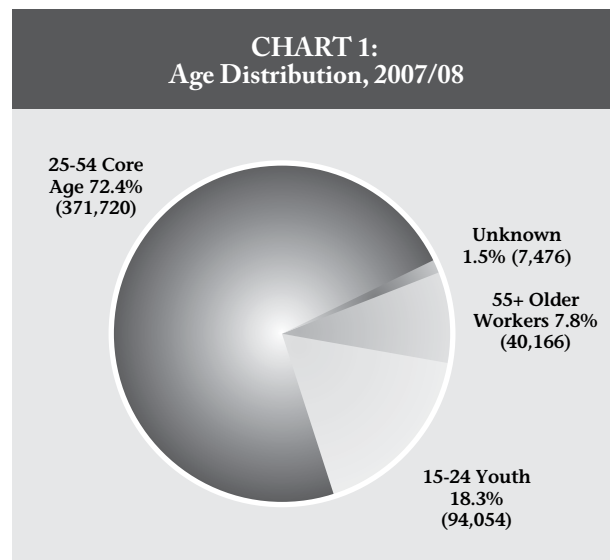
<sup>6</sup> Self-services are not included in EBSMs.



Former claimants are no longer eligible for EI Part I benefits. However, they may be eligible for income support under Part II while participating in EBSMs. Interventions delivered to former claimants are usually more intensive than those delivered to active claimants, because these individuals have typically been unemployed longer. The number of former claimants participating in EBSM interventions fell to 89,315, down 2.3% from 91,458 last year.

Non-insured clients are individuals who are not EI-eligible because they have no substantive or recent labour force attachment, including, for example, new entrants to the Canadian labour force and individuals who were formerly self-employed. This client group was the only group that grew in 2007/08. A total of 186,159 non-insured clients were served, an increase of 5.2% from 176,879 served last year.

As a result of these changes, there were small shifts in the distribution of clients by client type. Though active clients still represented the majority of clients served, their share of total clients fell from 56.6% last year to 55.0%. Former claimants' share of total clients served was slightly lower, dropping from 14.8% to 14.6%. Conversely, the relative share of non-insured clients rose from 28.6% to 30.4%.



There was also a slight shift in the distribution of clients by age (see Chart 1).<sup>7</sup> The smallest client group by age continued to be older workers, those clients 55 years and older. This group's share increased from 7.3% to 7.8%. The share for the largest client group, core age clients between the ages of 25 to 54, slipped from 73.0% to 72.4%. The share for youth between the ages of 15 to 24 was stable at 18.3%.

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 comes from the Participant dataset.<sup>8</sup> Participants voluntarily self-identify, so year-over-year fluctuations may be due in some degree to changes in self-identification. In 2007/08, the level of EBSM participation decreased for three of these four participant groups.

EBSM participation among members of visible minorities declined at the fastest pace, falling 6.3% to 66,705. The participation of Aboriginal people fell 1.1%, from 62,342 to 61,686. However, the number of clients served through the Aboriginal Human Resources Development Strategy (AHRDS) rose 8.3% to 34,721.<sup>9</sup> In addition, the number of interventions delivered through the AHRDS increased for the third consecutive year, climbing 8.8% to a record high of 57,460.

The participation of women in EBSMs fell for the second consecutive year. A total of 444,182 EBSM interventions were delivered to women in 2007/08, a decrease of 0.6%.

The persons with disabilities participant group was the only group whose EBSM participation rose in 2007/08, jumping 18.0% from 47,667 last year to 56,255.

Since 2003/04, the participation of members of each of these four participant groups has increased. Persons with disabilities increased their participation by the largest margin, 50.3%. The participation of members of visible minority groups climbed 44.7% over the five-year period.

<sup>7</sup> 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.

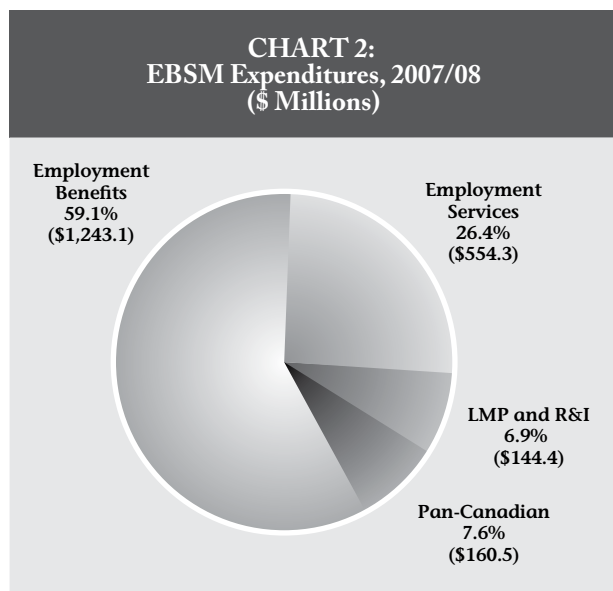
<sup>8</sup> An individual client can participate in multiple interventions. Therefore, the total number of interventions delivered is always greater than the total number of clients served. Note that the number of *participants* always equals the number of *interventions*.

<sup>9</sup> For further information on the AHRDS, please refer to Section III, subsection 2.1 of this chapter.

For women, the number of interventions has risen by 15.6% since 2003/04. The number of interventions delivered to Aboriginal people rose 0.8%.

## 2. Expenditures

The total national expenditure of \$2.1 billion mainly comprised investments in programming delivered directly to participants through Employment Benefits, Support Measures (Services) and pan-Canadian activities. The total also included expenditures on Labour Market Partnerships (LMPs) and on Research and Innovation (R&I), which are support measures that are not delivered directly to clients. Expenditures in each of these categories of programming increased in 2007/08, with the exception of Employment Benefits. While still the largest category of expenditure, Employment Benefits expenditures' share of the total fell from 60.0% last year to 59.1%. Expenditures for pan-Canadian activities rose to 7.6%, up from 7.2%. Similarly, Employment Services represented 26.4% of the total, up from 26.1% in 2006/07. The share represented by LMPs and R&I was 6.9%, compared to 6.8% last year.

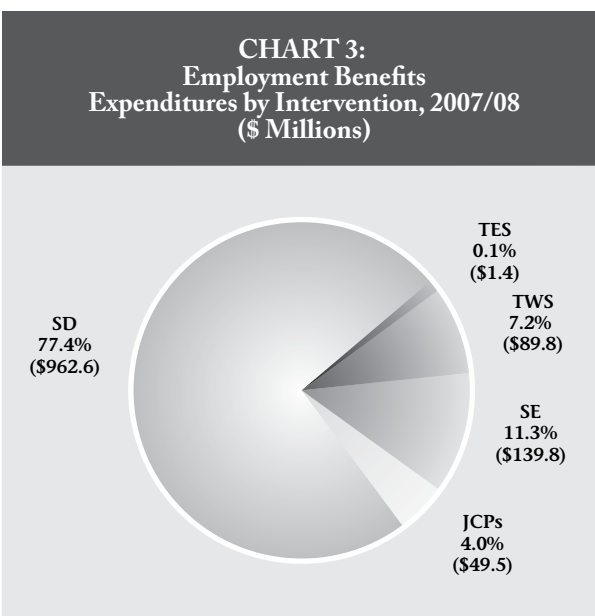


## 3. Employment Benefits

Employment Benefits generally involve long-term interventions that can last from several weeks to a year or more. Types of interventions include Targeted Wage Subsidies (TWS), Self-Employment (SE), Job Creation Partnerships (JCPs), Skills Development-Regular

(SD-Regular), Skills Development-Apprentices (SD-Apprentices) and Targeted Earnings Supplements (TES).

As noted above, expenditures for Employment Benefits decreased in 2007/08, falling 1.1% to \$1.2 billion from \$1.3 billion in 2006/07. Clients participated in 173,933 Employment Benefits interventions, a decrease of 3.0%. These interventions accounted for 18.1% of the total EBSM interventions delivered in 2007/08, down from 18.9% of the total delivered last year. The number of interventions declined for each type of Employment Benefit, with one exception: the number of SD-Apprentices interventions rose 9.8% year over year.



### 3.1 Targeted Wage Subsidies

TWS provide employers with financial assistance for the wages of participants whom they would not normally hire without a subsidy. This wage subsidy fosters access to employment, helping individuals to obtain work experience and on-the-job training.

In 2007/08, 15,873 TWS interventions were delivered nationally, a decrease of 16.4%. This type of intervention has declined in each of the last four years and has fallen 33.3% since 2003/04. The TWS share of all Employment Benefits interventions dropped from 10.6% last year to 9.1%. Expenditures were also lower, falling 5.3% to \$89.8 million.

## **EBSMs in Action: TWS**

In Newfoundland's Avalon Peninsula, a TWS Community Coordinator Agreement was developed to increase the participation in TWS of EI-eligible individuals who were also Income Support clients. Through this agreement, an organization with close ties to this client group identified employment opportunities, liaised with employers, and negotiated and administered TWS agreements. That resulted in greater program access for this client group and an increase in the number of clients securing employment.

### **3.2 Self-Employment**

SE participants receive financial assistance for personal needs and business planning advice during the critical stages of starting their own businesses.

A total of 10,155 participants received SE assistance in 2007/08, a decline of 10.6%. This represented 5.8% of all Employment Benefits interventions, down from 6.3% last year. SE interventions have declined 21.0% since 2003/04. Expenditures fell at a slower rate in 2007/08, declining by 3.0% to \$139.8 million.

## **EBSMs in Action: SE**

In British Columbia's Greater Vancouver area, Langara College partnered with the Entrepreneur Assistance Society of EastVan to assist 45 aspiring entrepreneurs to become self-employed. This program was divided into two phases: 10 weeks of business development support, including workshops on market research, advertising, financing, website design and bookkeeping, followed by a 38-week business implementation phase, when participants received weekly living allowances during the crucial first weeks of their new business launch.

### **3.3 Job Creation Partnerships**

JCPs are delivered through community-developed projects, providing participants with the opportunity to gain work experience while benefiting the community and the local economy.

In 2007/08, a total of 5,123 new participants took part in JCPs, a decrease of 21.6%. The number of JCP participants has declined in each of the past four years, for a cumulative decline of 50.0% since 2003/04. These results are a reflection of stronger labour market conditions during the period, when the national unemployment rate fell from 7.6% in 2003/04 to 6.0% in 2007/08. JCP participants comprised 2.9% of total Employment Benefits participants, down from 3.6% last year. Expenditures were also lower in 2007/08, falling 18.9% to \$49.5 million. That was the highest rate of expenditure decline among all EBSMs.

## **EBSMs in Action: TWS**

In Yukon, JCP participants received meaningful work experience during the preparation for the 2007 Canada Winter Games. This undertaking, with support from the Government of Yukon and the community, enhanced the work experience of the participants, helped them to work independently and as part of a team, and gave them the opportunity to secure post-program employment.

### **3.4 Skills Development**

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

Consistent with the high priority placed on addressing skills shortages across the country, SD traditionally accounts for the largest proportion of Employment Benefits, in both expenditures and interventions, and these trends intensified in 2007/08. SD accounted for 82.1% of all Employment Benefits interventions delivered in 2007/08, up from 79.4% last year. SD expenditures were slightly higher, rising 0.5% to \$962.6 million. That represented 77.4% of total Employment Benefits expenditures, up from 76.1% last year. The number of SD interventions rose just 0.3% to 142,782. While SD-Regular interventions fell 5.6% year over year, this decline was offset by an increase in SD-Apprentices interventions, which climbed 9.8% to

59,920. SD-Apprentices interventions have increased in each of the last three years and have climbed 33.6% since 2003/04. Of this year's SD-Apprentices participants, 77.7% (46,562) returned to employment following the intervention, compared to 74.5% last year. Generally, participants return to work for the same employer.

### **EBSMs in Action: SD**

In Manitoba, immigrant professionals received assistance with skills development under the Professional Immigrant Pilot (PIP). Participants received financial assistance for tuition and basic living costs while they undertook formal training or development so that their foreign professional credentials would meet Canadian requirements for their occupation. SD-Regular funding also enabled participants from Nunavut to complete heavy equipment operator training at the Morrisburg, Ontario, campus of the Operating Engineers Training Institute of Ontario. In the Northwest Territories, SD-Regular funding was used to address the high demand for Class 1 drivers in the diamond mining sector. The six-week course helped unemployed individuals to obtain direct employment in the sector or indirect employment in support of the diamond mines.

### **3.5 Targeted Earnings Supplements**

TES encourages unemployed persons to accept employment by offering them temporary financial incentives. Ontario was the only jurisdiction to use TES as an Employment Benefit in 2007/08, with a total expenditure of \$1.4 million. Quebec used a similar measure—the *Supplément de retour au travail*—to help with expenses related to returning to work (for example, new tools, office materials or clothing). Quebec's total expenditure for this measure, reported under Support Measures (Services), was \$3.7 million in 2007/08.

## **4. Support Measures (Services)**

Support Measures (Services) are key elements of the National Employment Service (NES). They consist of five components: Employment Services, which assist individual and group participants; Labour Market Partnerships

(LMPs), and Research and Innovation (R&I), which support partnerships and labour market policy research; and two services available to clients on a self-serve basis, Job Bank and Labour Market Information. (Section III of this chapter includes a discussion of these two services.) Through LMDAs, the provinces and territories assumed administrative responsibility for some of these functions, including employment counselling, service needs determination, labour exchange, labour market adjustment, the management and support of these functions, and mutual cooperation on labour market information.<sup>10</sup>

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.<sup>11</sup> Expenditures for Employment Services rose for the third consecutive year, climbing 1.5% to \$554.3 million. At the same time, the number of interventions delivered rose 2.1% to 768,034. As labour market conditions continued to strengthen across the country, differences in the characteristics of clients seeking Employment Services were magnified. These clients were generally not able to readily access employment opportunities, even in buoyant labour markets, because they faced multiple employment barriers. For this reason, these clients required lengthy and more costly Employment Services interventions to prepare them to enter or re-enter the labour market.

### **4.1 Employment Assistance Services**

EAS interventions comprise a variety of services that support participants' job entry or re-entry activities. These services range from job search assistance provided to job-ready clients, to the development of in-depth return-to-work action plans for clients facing multiple employment barriers. In addition, EAS interventions may be combined with other EBSM programming for which the client is eligible.

A total of 444,912 EAS interventions were delivered in 2007/08, which was a year-over-year increase of 5.6%, and accounted for 57.9% of the total Employment Services interventions delivered during the year.

<sup>10</sup> Section III of this chapter contains additional information about NES functions that HRSDC delivers.

<sup>11</sup> The *Supplément de retour au travail* is reported as an Employment Service delivered in Quebec. These interventions comprised 1.0% of the total Employment Services interventions delivered in 2007/08.

## **EBSMs in Action: EAS**

In Alberta, immigrants who were unable to secure employment in their profession because their foreign credentials were not yet fully recognized in Canada qualified for assistance from an EAS-funded job placement service specifically designed to assist foreign-trained professionals. This assistance enabled participants to obtain employment in an occupation related to their field.

In Nova Scotia, 10 EAS providers formed the Collaborative Partnership Network Society with the Nova Scotia business community on behalf of persons with disabilities. With a mission to facilitate the full participation of people with disabilities in the Nova Scotia workforce, this network helps people with disabilities to find meaningful employment.

### **4.2 Group Services**

Group Services focus on short-term job search and re-entry activities, and are available to active claimants only. These services are commonly delivered when clients are establishing a new EI claim.

Of the three types of Employment Services interventions, Group Services was the only type that decreased in 2007/08. The number of such interventions declined for the fourth consecutive year, falling 19.7% to 35,819, and has decreased by 68.1% since 2003/04. Group Services' share of total Employment Services interventions fell from 5.9% last year to 4.7%.

### **4.3 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 was almost unchanged at 279,710, up 0.3% compared to last year's total of 278,871. Over the past five years, Individual Counselling interventions have increased 47.9%. This type of

intervention has also increased in terms of relative share of all Employment Services interventions. In 2007/08, Individual Counselling represented 36.4% of all Employment Services interventions, up from 24.7% in 2003/04.

## **5. Other Support Measures**

Two other support measures are available to provinces and territories. By supporting partnerships and labour market policy research, Labour Market Partnerships (LMPs) and Research and Innovation (R&I) indirectly help individuals obtain and maintain employment. Combined expenditures for LMPs and R&I totalled \$144.4 million in 2007/08, an increase of 1.4% from 2006/07.

### **5.1 Labour Market Partnerships**

LMPs are used to encourage and support partnerships that facilitate human resource planning and labour market adjustments. LMP funding is used to improve the capacity of employers, employer-employee associations and communities to manage human resource requirements and implement labour force adjustments. In 2007/08, expenditures for LMPs totalled \$140.8 million, an increase of 1.2%.

## **EBSMs in Action: LMPs**

In British Columbia, LMP funding assisted the United Steel Workers to implement labour force adjustment activities. These activities were aimed at increasing the capacity of forest workers to adjust to career changes, as well as the capacity of service providers to assist those workers. This project helped participants get access to information and resources they could use to manage their transition through the forest industry decline.

In Quebec, a workers' cooperative was created to mitigate the impact of seasonal employment in the fishing industry by securing alternative employment opportunities for its members.

## EBSMs in Action: LMPs

In Prince Edward Island, Employment Journey Incorporated used LMP funds to partner with the Prince Edward Island Association of Sector Councils and other organizations. Together, they encouraged and supported human resource and career planning with the aid of a publication called *The Employment Journey*. La Voix acadienne Itée had a similar partnership for the francophone community in P.E.I.

In New Brunswick, a labour force adjustment committee was formed to offer programs and services to workers displaced from the forestry sector. A transition centre was established to provide employment counselling, career planning, assistance with job search skills and labour market information. This approach had proven successful in other parts of the province where plant closures had occurred.

## 5.2 Research and Innovation

R&I projects enable organizations to develop better ways of helping clients obtain and keep employment. R&I was used in five provinces in 2007/08. Expenditures rose by 13.4% to \$3.6 million.

## EBSMs in Action: R&I

In Saskatchewan, R & I funding was used to conduct research that contributed to understanding and identifying better ways for individuals to connect with and remain in the workforce. For example, Saskatchewan studied the transitions and barriers to employment of Saskatchewan young people and recent graduates.

## II. PROVINCIAL AND TERRITORIAL EBSM ACTIVITIES

To address the unique labour market challenges of their respective jurisdictions, each province and territory delivers EBSMs under individually negotiated LMDAs. In 2007/08, 8 of 13 agreements were devolved.<sup>12</sup> The remaining co-managed arrangements govern federal delivery of EBSMs according to priorities and plans jointly established by federal and provincial/territorial authorities.

This section contains analysis of programming activities in each province and territory, which facilitates a better understanding of EI Part II delivery across the country. Year-to-year variations and trends are linked to provincial and territorial priorities, responses to local labour market conditions, and differences in program delivery.<sup>13</sup>

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

Labour market conditions in Canada's provinces and territories were generally stronger during 2007/08, characterized by employment growth and decreased unemployment. These conditions in turn resulted in changes to the mix of clients served, as well as to the mix of EBSMs delivered. In most instances, skills training continued to be a high priority, as provinces and territories responded to varying levels of skills shortages. As well, tighter labour markets prompted provinces and territories to intensify their efforts to increase the labour force participation of underrepresented groups.

<sup>12</sup> In the Budget Plan 2007, *Aspire to a Stronger, Safer, Better Canada*, Canada announced a new labour market architecture to help address current challenges and to help create the best educated, most highly skilled and most flexible workplace in the world. This new architecture will eventually result in the implementation of transfer agreements with all provinces and territories.

<sup>13</sup> 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, seasonally adjusted. Data for the Northwest Territories, Yukon and Nunavut are not seasonally adjusted. In discussions of employment trends by industry, standard industry titles are taken from the North American Industry Classification System (NAICS).

Newfoundland and Labrador Key Facts		
Co-Managed Agreement		
Labour Market		
15 years +	2007/08	Change, 2006/07–2007/08
Employment	218,500	1,800 ↑
Unemployment Rate	13.1%	1.4 ↓
Client Type and Age* Distribution		
Active	Former	Non-Insured
72.3%	15.4%	12.3%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
23.8%	67.0%	8.3%
Intervention-to-Client Ratio		
Ratio, 2007/08	Change, 2006/07–2007/08	
1.45	0.07 ↓	
Interventions and Expenditures % Change, 2006/07–2007/08		
	Employment Benefits	Employment Services
New Interventions	21.8% ↓	5.9% ↓
Expenditures	0.5% ↓	13.7% ↑
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2007/08	Percentage Point Change, 2006/07–2007/08
Employment Benefits	42.1%	4.6 ↓
Employment Services	57.9%	4.6 ↑
Clients Served, 2007/08		
EI	Non-Insured	Pan-Canadian
15,264	2,200	364

\* 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.

## 1. Newfoundland and Labrador

The labour market of Newfoundland and Labrador continued to gain strength in 2007/08. Employment increased for the third consecutive year, climbing by slightly less than 1% to a record high of 218,500. Over the past four years, employment has grown more than 2.5% (+5,600). All of this medium-term growth was generated by the province’s goods-producing industries, most notably in construction, which has expanded 49% since 2003/04. In contrast, growth in 2007/08 was evenly split between goods- and services-producing industries, led by two sectors: construction, and health care and social assistance. Construction growth was tied to several large capital projects that commenced during the year. As of the last quarter of 2007/08, an estimated \$19 billion in major capital spending was planned or underway in the province, including \$13 billion in the mining, oil and gas sector.<sup>14</sup>

However, even as employment was growing in Newfoundland and Labrador, the working-age population continued to decline, falling for the third consecutive year. The labour force also contracted slightly (-0.9%). The combination of higher employment and a smaller labour force resulted in lower unemployment, and Newfoundland and Labrador’s unemployment rate dropped from 14.5% in 2006/07 to a 27-year low of 13.1%.

In Newfoundland and Labrador’s *Business Plan 2007–08 and Beyond*, several strategic priorities were identified in order to achieve the efficient and effective use of LMDA supports. They included strengthening partnerships with all labour market stakeholders, including the employer community, and developing a strategy to ensure that high-quality labour market information would be available to assist with decision-making. The province also planned to identify and address skills shortages, reduce barriers to employment to ensure that individuals maximized their labour market potential, and provide support for career development, employment counselling and a culture of lifelong learning. Consistent with reducing barriers to employment, the province continued to target Part II-eligible social assistance recipients.

In 2007/08, 17,464 individuals accessed EBSMs in Newfoundland and Labrador, a 9.1% decline from the

<sup>14</sup> Government of Newfoundland and Labrador, Economic Research and Analysis Division, *The Economy 08: Securing a Sustainable Future* (St. John’s: Government of Newfoundland and Labrador, 2008). <http://www.economics.gov.nl.ca/E2008/majorcapitalprojects.pdf>.

previous year. These clients participated in 25,293 new interventions, a drop of 13.3% year over year. That was the lowest number of interventions delivered in Newfoundland and Labrador during the past five years. At the same time, expenditures rose 1.1% to \$127.7 million, compared to last year's total of \$126.3 million.

### 1.1 Employment Benefits

A total of 10,644 Employment Benefits interventions were delivered in 2007/08. That was a decline of 21.8% from the previous year and was also the lowest number of Employment Benefits interventions delivered in the last five years. Improved labour market conditions in Newfoundland and Labrador, sparked by a stronger economy in 2007/08, resulted in a decline in most types of Employment Benefits interventions. Fewer clients availed themselves of employment programming interventions when jobs were more readily available. The largest decline (27.9%) occurred in JCPs. SD-Regular fell 25.6% to a four-year low of 6,327. Two thirds of this decline, which the province anticipated, resulted from a reduction in commercial fisher basic safety training. For the past several years, SD has been used to assist commercial fishers to acquire this short, relatively inexpensive training, which Transport Canada mandates for all mariners. Most fishers have now completed the safety training, which contributed to the decline in demand for SD-Regular. Reflecting the priority the province assigned to addressing identified skills shortages, SD-Apprentices interventions rose 10.5%. This increase reflects the priority placed on the promotion of apprenticeship in response to the province's forecasted need for skilled tradespeople. A strong construction sector also contributed to higher demand for SD-Apprentices. Expenditures for Employment Benefits decreased slightly, falling 0.5%, from \$112.6 million in 2006/07 to \$112.0 million in 2007/08.

### 1.2 Employment Services

Newfoundland and Labrador delivered 14,649 Employment Services interventions in 2007/08, a decrease of 5.9% from the previous year. This drop is due in part to the reduced need for EAS interventions associated with referral to fisher safety training. At the same time, significant adjustment assistance was provided to fisheries workers affected by restructuring in the fishery industry. Newfoundland and Labrador's expenditures for Employment Services climbed 13.7% to \$15.6 million.

## 2. Prince Edward Island

Labour market conditions in Prince Edward Island improved modestly in 2007/08. Employment increased slightly, the result of a 3.0% gain in the Island's services-producing industries. Since 2003/04, more than three quarters of the province's employment growth has occurred in its services-producing industries, with strong gains in two sectors—finance, insurance, real estate and leasing, and accommodation and food services—over the four-year period. In 2007/08, gains in the Island's services-producing industries offset small losses in the Island's agriculture and construction sectors. Farm receipts were lower during the year, mainly as a result of lower potato prices. In the construction sector, non-residential investment declined, more than offsetting an increase in residential construction. Participation in the Island's labour force dipped slightly because, while the working-age population rose by nearly 1.0%, the labour force was stable. This stable labour force, in combination with slightly higher employment, resulted in a lower unemployment rate, and the unemployment rate fell from 10.8% last year to a 29-year low of 10.3%.

Prince Edward Island's strategic priorities for 2007/08 focused on the goal of ensuring that Islanders were well equipped for participation in the labour market. The Island continued to face many challenges, including demographic pressures, intensifying labour shortages, continuing out-migration and an aging workforce. The Island planned for a balanced approach to EBSM programming, based on historical spending patterns and current demand, to address these labour market challenges simultaneously.

A total of 4,373 individuals accessed EBSMs on Prince Edward Island in 2007/08. That was an increase of 2.3% from the previous year's total of 4,274. These clients participated in a three-year high of 6,012 new interventions, which was a year-over-year increase of 3.8%. EBSM expenditures totalled \$24.7 million, down 0.8% from last year's total of \$24.9 million.

### 2.1 Employment Benefits

The number of Employment Benefits interventions delivered on Prince Edward Island declined in 2007/08, falling 11.9% to a five-year low of 2,191. In terms of relative share, Employment Benefits fell to just 36.4%



Prince Edward Island Key Facts		
Co-Managed Agreement		
Labour Market		
15 years +	2007/08	Change, 2006/07–2007/08
Employment	69,600	600 ↑
Unemployment Rate	10.3%	0.5 ↓
Client Type and Age* Distribution		
Active	Former	Non-Insured
66.1%	13.3%	20.6%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
24.6%	65.4%	7.9%
Intervention-to-Client Ratio		
Ratio, 2007/08	Change, 2006/07–2007/08	
1.37	0.02 ↑	
Interventions and Expenditures % Change, 2006/07–2007/08		
	Employment Benefits	Employment Services
New Interventions	11.9% ↓	15.7% ↑
Expenditures	2.1% ↓	5.5% ↑
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2007/08	Percentage Point Change, 2006/07–2007/08
Employment Benefits	36.4%	6.6 ↓
Employment Services	63.6%	6.6 ↑
Clients Served, 2007/08		
EI	Non-Insured	Pan-Canadian
3,455	918	79

\* 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.

of the total interventions delivered on the Island, compared to 43.0% last year. All types of interventions declined, with the steepest drop occurring in TWS (-41.7%). Employer interest in TWS has been steadily declining. SD continued to account for the majority of Employment Benefits delivered, as 82.0% of the total interventions were in SD-Regular and SD-Apprentices. These types of interventions fell at the slowest rates, declining 3.4% and 3.3%, respectively. Employment Benefits expenditures on the Island amounted to \$20.1 million, 2.1% lower than last year’s \$20.5 million.

## 2.2 Employment Services

The number of Employment Services interventions climbed 15.7% in 2007/08, rising to its highest level since 2004/05. While EAS declined 4.0%, Individual Counselling interventions increased 40.4% to 2,053. This increase may be partially attributed to improved data capture. As well, many of the individuals seeking assistance had more complex employment issues and required multiple interventions. Expenditures for Employment Services were also higher, climbing 5.5% to \$4.6 million.

## 3. Nova Scotia

Conditions in the Nova Scotia labour market strengthened in 2007/08. Employment rose to a record high of 448,100. Reversing a three-year decline, the province’s goods-producing industries generated most of the year’s employment growth, led by construction and manufacturing. Even with this year’s gains, however, employment in the province’s goods-producing industries was still more than 3% lower than it was in 2003/04. After leading employment growth over the past several years, employment in Nova Scotia’s services-producing industries was stable. The labour force expanded during the year at a slightly higher pace than employment. Consequently, Nova Scotia’s unemployment rate edged up to 8.0%.

Nova Scotia’s Skills and Learning Framework identified several priorities. To address labour market attachment, the province planned to concentrate on skills development and on linking individuals to job opportunities, including work on a comprehensive

Nova Scotia Key Facts		
Strategic Partnership Agreement		
Labour Market		
15 years +	2007/08	Change, 2006/07–2007/08
Employment	448,100	4,400 ↑
Unemployment Rate	8.0%	0.1 ↑
Client Type and Age* Distribution		
Active	Former	Non-Insured
60.6%	16.2%	23.2%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
21.7%	70.1%	6.7%
Intervention-to-Client Ratio		
Ratio, 2007/08	Change, 2006/07–2007/08	
1.83	0.23 ↑	
Interventions and Expenditures % Change, 2006/07–2007/08		
	Employment Benefits	Employment Services
New Interventions	14.6% ↓	31.2% ↑
Expenditures	0.3% ↑	3.5% ↑
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2007/08	Percentage Point Change, 2006/07–2007/08
Employment Benefits	18.9%	7.5 ↓
Employment Services	81.1%	7.5 ↑
Clients Served, 2007/08		
EI	Non-Insured	Pan-Canadian
11,781	3,649	295

\* 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.

approach to career development and counselling. Nova Scotia placed a high priority on workplace skills and education, encompassing both human resource management and the enhancement of employees’ skills. The province also prioritized activities related to developing and disseminating high-quality labour market information, and to increasing opportunities for Nova Scotia’s youth to successfully enter the workforce. As well, Nova Scotia planned for the targeted and efficient use of EBSMs to improve employability-related skills and knowledge for priority client groups. These groups included persons with disabilities, African-Nova Scotians, Aboriginal people, displaced workers and social assistance recipients.

In 2007/08, the number of Nova Scotians participating in EBSMs climbed to a five-year high of 15,430. That was an increase of 4.2% year over year and was 36.3% higher than the corresponding figure in 2003/04. New interventions were also at a five-year high of 28,216, which was a year-over-year increase of 19.1%. EBSM interventions have nearly doubled (+92.4%) in Nova Scotia over the past five years. EBSM expenditures totalled \$80.4 million in 2007/08, an increase of 1.2% compared with the previous year and 10.5% higher than in 2003/04.

### 3.1 Employment Benefits

Employment Benefits interventions decreased in 2007/08, falling 14.6% to a five-year low of 5,340. With the exception of SD-Apprentices, interventions were lower in each type of Employment Benefit. JCPs had the largest decline, at 53.5%. Consistent with Nova Scotia’s planned focus on skills development, SD accounted for 84.9% of Employment Benefits interventions. While SD-Apprentices interventions rose 4.8%, there was a 14.8% decline in SD-Regular. Due to stronger labour market conditions in 2007/08, particularly in Nova Scotia’s larger metropolitan areas, fewer clients were supported through SD-Regular programming. One of several factors resulting in increased SD program spending was the pilot of the SD Calculator, an income-based tool designed to calculate a consistent level of support aimed at ensuring that participants could cover their basic costs of living, thus improving their chances of completion and success while in training. The use of the Calculator generally resulted in increased

financial support for SD participants. Expenditures for Employment Benefits rose slightly, climbing 0.3% to \$58.0 million, compared to \$57.8 million last year.

### 3.2 Employment Services

Nova Scotia delivered a record-high 22,876 Employment Services interventions in 2007/08. That was 31.2% higher than the number delivered during the previous year and continued the upward trend in Employment Services that began in 2002/03. Nova Scotians value employment assistance services, and well-established EAS organizations have a strong presence in communities. Additionally, EAS providers continued to improve data capture functions, increasing data accuracy.

Individual Counselling interventions increased at the fastest pace, climbing 50.8% from the previous year. That reflected Nova Scotia's plan to concentrate on a comprehensive approach to counselling and career development, which included the introduction of a case management needs analysis to ensure client referrals are appropriate. In addition, stronger labour conditions during the year resulted in a change in the mix of clients seeking employment programming. Clients with relatively few employment barriers could more readily find employment without any type of programming intervention. That left individuals in need of greater levels of assistance as a greater percentage of clients. The number of EAS interventions was also higher, climbing 16.4% to 11,453. Group Services fell 17.2%. This type of intervention has decreased in each of the past four years, for a cumulative decline of 83.4% since 2003/04. While some services were still delivered in a workshop format, most clients were case managed. Expenditures for Employment Services were \$22.4 million, an increase of 3.5% year over year.

## 4. New Brunswick

Following two years of very modest growth, employment in New Brunswick rose 2.5% in 2007/08. Over half of this increase occurred in the province's services-producing industries, which have also been responsible for nearly 90% of New Brunswick's total employment growth over the past four years. This year, three sectors recorded significant increases: professional, scientific

New Brunswick Key Facts		
Transfer Agreement		
Labour Market		
15 years +	2007/08	Change, 2006/07–2007/08
Employment	364,800	9,000 ↑
Unemployment Rate	7.8%	0.5 ↓
Client Type and Age* Distribution		
Active	Former	Non-Insured
65.5%	15.0%	19.5%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
21.9%	67.3%	7.0%
Intervention-to-Client Ratio		
Ratio, 2007/08	Change, 2006/07–2007/08	
2.17	0.04 ↓	
Interventions and Expenditures % Change, 2006/07–2007/08		
	Employment Benefits	Employment Services
New Interventions	0.4% ↑	4.3% ↓
Expenditures	0.5% ↑	1.2% ↓
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2007/08	Percentage Point Change, 2006/07–2007/08
Employment Benefits	27.8%	0.9 ↑
Employment Services	72.2%	0.9 ↓
Clients Served, 2007/08		
EI	Non-Insured	Pan-Canadian
14,060	3,476	266

\* 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.

and technical services; health care and social assistance; and accommodation and food services. New Brunswick's goods-producing industries also expanded during the year, led by construction. The province's labour force also expanded during the year, though at a slightly slower pace than employment. Consequently, the unemployment rate fell to 7.8%, a record-low unemployment rate for the province, breaking the record of 8.3% set last year. Despite these strong indicators, New Brunswick recorded significant employment losses in the forestry and manufacturing sectors, which were attributed to the high Canadian dollar, high energy prices and slumping U.S. markets. The Miramichi and Dalhousie regions were particularly hard hit, as thousands of jobs were lost due to a number of large mill closures.

According to the *Canada-New Brunswick Labour Market Development Agreement Annual Annex 2, 2007/2008*, New Brunswick's vision is to ensure that its citizens have the right skills to lead them to the right jobs, and are part of a labour force that is inclusive and fair. To support this vision, the Government of New Brunswick developed the Charter for Change to build upon the skilled labour force, continue to make economic development a priority and strengthen efforts to diversify the economy in order to move the province further toward the goal of self-sufficiency by 2026. Accordingly, the province committed itself to developing the best education system in Canada. One of New Brunswick's key priorities was to address literacy challenges that prevent individuals from accessing the labour market.

New Brunswick's strengthening economy in 2007/08 resulted in decreases in both the number of clients participating in employment programming and the number of interventions delivered. Because the labour market generated greater opportunities for employment, fewer clients sought employment programming. Further, those clients who required assistance to access the labour market usually faced multiple employment barriers and experienced a lengthier, and therefore more costly, transition to the labour force. Accordingly, in 2007/08, 17,536 individuals participated in EBSM-similar programming in New Brunswick, a small decrease of 1.4% from the previous year. That was the fourth consecutive annual decline in the number of clients

served. The number of EBSM-similar interventions also declined, falling 3.0% to 38,132. Even with this decline, the number of interventions was 17.9% higher than it was in 2003/04. Total expenditures increased slightly, rising 0.3% to \$85.3 million.

#### 4.1 Employment Benefits

A total of 10,604 Employment Benefits interventions were delivered in New Brunswick in 2007/08. That was 0.4% higher than the total of 10,564 delivered in the previous year. Reflecting the importance New Brunswick placed on a skilled labour force, 76.3% of all Employment Benefits interventions were in SD, with increases of 18.9% in SD-Apprentices and 4.5% in SD-Regular. A booming construction sector, particularly in Moncton and Saint John, contributed to increased demand for SD-Apprentices. SE interventions were unchanged at 369.<sup>15</sup> TWS was the lone benefit type that declined during the year, falling 23.7%. Expenditures were slightly higher, rising 0.5% from \$74.5 million to \$74.9 million.

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

#### 4.2 Employment Services

The number of Employment Services interventions delivered in New Brunswick fell 4.3% to 27,528. Even with this decline, total interventions have increased 36.6% since 2003/04. This year, the number of Individual Counselling interventions rose 5.3%. At the same time, EAS interventions fell 16.1% to 10,812. Expenditures were also lower, falling 1.2% to \$10.4 million.

<sup>15</sup> The 2006/07 data for SE interventions were underreported.

Quebec Key Facts		
Transfer Agreement		
Labour Market		
15 years +	2007/08	Change, 2006/07–2007/08
Employment	3,871,200	89,600 ↑
Unemployment Rate	7.0%	0.9 ↓
Client Type and Age* Distribution		
Active	Former	Non-Insured
66.4%	14.5%	19.1%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
16.1%	74.9%	9.0%
Intervention-to-Client Ratio		
Ratio, 2007/08	Change, 2006/07–2007/08	
1.14	0.01 ↑	
Interventions and Expenditures % Change, 2006/07–2007/08		
	Employment Benefits	Employment Services
New Interventions	4.9% ↑	0.3% ↓
Expenditures	1.3% ↓	1.0% ↑
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2007/08	Percentage Point Change, 2006/07–2007/08
Employment Benefits	23.9%	0.9 ↑
Employment Services	76.1%	0.9 ↓
Clients Served, 2007/08		
EI	Non-Insured	Pan-Canadian
134,608	32,212	1,912
* 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.		

## 5. Quebec

Employment increased in Quebec in 2007/08, marking the province's 11<sup>th</sup> consecutive year of growth. Services-producing industries recorded an employment gain of 101,500 compared with the previous year, while employment in goods-producing industries declined by 11,900 during the year. Over the past four years, Quebec's employment level has risen more than 6%, led by growth in the services sector (+9.9%), particularly in professional, scientific and technical services (+22.2%) and finance, insurance, real estate and leasing (+22.4%). During this four-year period, the province's goods-producing industries decreased by 35,200 jobs (-3.9%). Employment declines since 2003/04 were most notable within manufacturing (-85,700 jobs, or -13.8%), and in forestry, fishing, mining, oil and gas (-10.3%). On a positive note, these losses were partially offset by significant employment gains in construction (+24.0%) and agriculture (+22.4%). Quebec's labour force expanded in 2007/08, as it has in each of the past 16 years. Employment growth outpaced this expansion, and the province's unemployment rate fell to 7.0%, its lowest level since 1975/76.

Quebec identified two key priorities for employment programming in 2007/08. The first was to facilitate labour market access and employment participation and to balance labour supply and demand. To achieve this, the province encouraged increased use of its universal labour market information service. Also, the province helped job-ready clients find long-term employment while supporting the labour market integration of clients at risk of long-term unemployment. The second key priority was to improve employer productivity by ensuring the availability of skilled workers and by helping employers improve their human resource planning processes.

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

A total of 166,820 individuals accessed EBSM-similar programming in Quebec in 2007/08. That was a small decrease of 0.4% from the previous year. At the same time, there was a modest increase in the number of interventions delivered in the province. Total interventions rose from 188,686 last year to 190,310, an increase of 0.9%. Total expenditures declined slightly, falling 0.7%, from \$496.0 million last year to \$492.4 million.

### 5.1 Employment Benefits

Quebec delivered 45,554 Employment Benefits interventions in 2007/08, an increase of 4.9% from the previous year. SD-Regular interventions rose 7.7%, reflecting Quebec's planned emphasis on skills training. Interventions in both SE and TWS decreased, falling 7.4% and 4.3%, respectively. Expenditures for Employment Benefits fell 1.3%, from \$380.6 million last year to \$375.8 million.

### 5.2 Employment Services

Quebec delivered 144,756 Employment Services interventions in 2007/08, just 0.3% lower than the 145,245 delivered in the previous year. Interventions decreased in Individual Counselling and Group Services. The remaining two types of Employment

Services interventions increased during the year. The *Supplément de retour au travail* rose 7.3% to 7,593, and EAS interventions climbed 6.5% to 103,478. Total expenditures for Employment Services were higher year over year, rising 1.0% to \$116.6 million.

## 6. Ontario

Ontario experienced modest employment growth of 1.6% in 2007/08. Once again, the province's services-producing industries generated all of the growth, and increased 3.1% year over year. A number of sectors within the services group expanded, with the highest rates of growth observed in public administration; educational services; professional, scientific and technical services; and health care and social assistance. Over the past four years, Ontario's services-producing industries have generated all of the province's net employment growth, expanding more than 10% since 2003/04. The province's goods-producing industries have not fared as well, having declined more than 5% over the same four-year period. All of the four-year decline occurred in manufacturing and this year was no exception, as the sector continued to confront fundamental structural factors that present a long-term challenge. Employment in the sector fell nearly 6% in 2007/08, for a combined four-year decrease of more than 14% (-154,400). These manufacturing losses more than offset employment gains in utilities and in construction; therefore, goods-producing employment fell 3.2%. Ontario's labour force expanded at the same pace as net employment growth, and the unemployment rate stood at 6.4%, compared with 6.3% in 2006/07.

Ontario planned to address several labour market challenges in 2007/08. According to the *2007-08 Ontario LMDA Annual Plan*, the province planned to provide employment supports to Ontarians who could particularly benefit from assistance in the labour market, including unemployed individuals, youth, persons with disabilities, skilled immigrants, Aboriginal people and older workers. Employment supports would include training and counselling to assist individuals to acquire the skills they need to find and maintain employment, as well as retraining for individuals in adjustment situations, particularly those affected by the closure of numerous manufacturing firms that are characterized by older, well-paid labour forces. Ontario also planned to improve

Ontario Key Facts		
Transfer Agreement		
Labour Market		
15 years +	2007/08	Change, 2006/07–2007/08
Employment	6,621,900	102,600 ↑
Unemployment Rate	6.4%	0.1 ↑
Client Type and Age* Distribution		
Active	Former	Non-Insured
59.1%	13.4%	27.5%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
11.8%	77.6%	8.0%
Intervention-to-Client Ratio		
Ratio, 2007/08	Change, 2006/07–2007/08	
2.04	0.16 ↑	
Interventions and Expenditures % Change, 2006/07–2007/08		
	Employment Benefits	Employment Services
New Interventions	13.6% ↓	5.6% ↑
Expenditures	0.5% ↑	2.7% ↑
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2007/08	Percentage Point Change, 2006/07–2007/08
Employment Benefits	13.4%	2.5 ↓
Employment Services	86.6%	2.5 ↑
Clients Served, 2007/08		
EI	Non-Insured	Pan-Canadian
100,522	39,346	3,043

\* 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.

access to high-quality labour market information on demand and supply conditions, and to provide support for employers to hire and train individuals facing barriers to employment. The province also planned to support activities that would identify better ways of helping individuals to become productive participants in the labour force.

Ontario EBSM-Similar Programming	
Employment Benefits	
TWS	Ontario Targeted Wage Subsidy
SE	Ontario Self-Employment Benefit
JCP	Ontario Job Creation Partnerships
SD	Ontario Skills Development
TES	Ontario Targeted Earnings Supplement (pilot)
Support Measures and Services	
EAS	Ontario Employment Assistance Services
LMP	Ontario Labour Market Partnerships
R&I	Research and Innovation

In 2007/08, 139,868 individuals accessed EBSM-similar interventions in Ontario. That was a decline of 5.0% from the previous year. At the same time, the number of EBSM-similar interventions delivered rose 2.5% to a five-year high of 284,661. Since 2003/04, EBSM-similar interventions have increased 5.6% in Ontario. In 2007/08, expenditures rose at a slower pace of 1.4%, climbing from \$514.7 million last year to a five-year high of \$521.8 million.

## 6.1 Employment Benefits

Ontario delivered 38,082 Employment Benefits interventions in 2007/08, a decrease of 13.6% from the 44,067 delivered in the previous year. The number of interventions was lower for each type of Employment Benefit, with the largest absolute decrease seen in SD-Regular (-4,194). JCP interventions declined at the fastest pace, falling 25.6% to 948. Ontario’s expenditures for Employment Benefits interventions were slightly higher, climbing 0.5% to \$307.2 million, which may be due to a higher average cost of client training plans.

## 6.2 Employment Services

The number of Employment Services interventions rose 5.6% to a three-year high of 246,579. While Group Services interventions fell 57.4% to 1,684, EAS and Individual Counselling interventions increased by 9.6% and 5.3%, respectively. This activity reflected Ontario's commitment to providing employment supports to individuals who could benefit from assistance to succeed in the labour market. Many of these individuals faced a number of barriers to labour market success, and accessed a greater number of services and interventions. Ontario's Employment Services expenditures were also higher, rising 2.7% to \$214.6 million, possibly due to expansion of the service delivery network.

## 7. Manitoba

Employment in Manitoba continued to climb in 2007/08, increasing for the 11<sup>th</sup> consecutive year. All of the year's growth was in full-time employment, more than compensating for a decline in the number of people working part time. Over the past four years, Manitoba's services-producing industries have generated more than 75% of the province's employment growth, and this trend continued in 2007/08. Over half of the province's new employment was in services-producing industries, with notable growth in the professional, scientific and technical services sector. Among goods-producing industries, construction posted the highest gain, expanding more than 13%. Manitoba's labour force also increased during the year, and the unemployment rate was stable at 4.3%.

Manitoba's tight labour market continued to face many challenges, and the province identified key priorities in providing services to individuals whose goal was to integrate successfully into the labour market. Current and projected labour force shortages underlined the need to optimize the labour force participation of youth, older workers, persons on income assistance and other low-income individuals, women re-entering the labour market, underemployed existing workers, and skilled immigrants. As well, Manitoba planned to focus on increasing the participation of individuals traditionally underrepresented in the labour market, including Aboriginal people, members of visible minorities and

Manitoba Key Facts		
Transfer Agreement		
Labour Market		
15 years +	2007/08	Change, 2006/07–2007/08
Employment	599,100	10,100 ↑
Unemployment Rate	4.3%	0.0 —
Client Type and Age* Distribution		
Active	Former	Non-Insured
47.0%	16.3%	36.7%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
21.9%	70.1%	7.0%
Intervention-to-Client Ratio		
Ratio, 2007/08	Change, 2006/07–2007/08	
1.39	0.02 ↓	
Interventions and Expenditures % Change, 2006/07–2007/08		
	Employment Benefits	Employment Services
New Interventions	0.1% ↓	4.0% ↑
Expenditures	0.6% ↓	2.5% ↑
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2007/08	Percentage Point Change, 2006/07–2007/08
Employment Benefits	18.2%	0.6 ↓
Employment Services	81.8%	0.6 ↑
Clients Served, 2007/08		
EI	Non-Insured	Pan-Canadian
15,713	10,707	2,748

\* 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.



persons with disabilities. The province planned to work with small and medium-sized businesses to increase their productivity and competitiveness by assisting them to meet their skills requirements and develop their workforce. The province also planned to facilitate community-based partnerships to deliver employment and training programs, and to create work placements to prepare individuals for employment. The province determined that it needed better labour market information to plan and implement effective employment programming. Manitoba continued to actively market its programs to ensure that eligible individuals were able to take advantage of employment and training opportunities.

Manitoba EBSM-Similar Programming	
Employment Benefits	
TWS	Wage Subsidies
SE	Self-Employment
JCP	Employment Partnerships
SD	Skills Development
Support Measures and Services	
EAS	Employment Assistance Services
LMP	Labour Market Partnerships
R&I	Research and Innovation

A total of 26,420 individuals accessed EBSM-similar programming in 2007/08, an increase of 5.1% from the previous year. In total, these individuals participated in 36,621 EBSM-similar interventions, 3.3% more than the 35,465 delivered last year. Many of the clients who sought programming in 2007/08 faced higher barriers to employment and required more intensive services than clients in previous years. Manitoba's expenditures were unchanged at \$40.4 million.

### 7.1 Employment Benefits

In 2007/08, 6,668 Employment Benefits interventions were delivered in Manitoba, almost unchanged from the 6,677 delivered last year. There was a 19.2% increase in JCPs, which reflected the emphasis Manitoba placed on working with businesses and employers to build skills aligned with their workforce requirements.

SD-Apprentices interventions rose 9.7%, consistent with Manitoba's planned focus on apprentice training. All other types of Employment Benefits interventions decreased year over year. There was a slight decrease in expenditures for Employment Benefits. Total expenditures were \$31.9 million, down 0.6% from last year's total of \$32.1 million.

### 7.2 Employment Services

The number of Employment Services interventions rose 4.0% in 2007/08, to 29,953. There was a shift to EAS interventions, which increased 31.3%, while Individual Counselling declined 8.8%. Employment Services expenditures rose 2.5% to \$8.5 million, the highest level in Manitoba since 2003/04.

## 8. Saskatchewan

Labour market conditions in Saskatchewan continued to improve in 2007/08. Employment rose for the third year in a row, with much of this growth occurring in services-producing industries. Two sectors in particular posted strong results during the year: the professional, scientific and technical services sector, and the finance, insurance, real estate and leasing sector. On the goods-producing side of the labour market, which has expanded nearly 13% since 2003/04, the construction sector continued to grow. The sector grew 10% in 2007/08 and has increased by over 45% over the past four years. The manufacturing sector also had a good year in 2007/08, expanding nearly 7%. Saskatchewan's unemployment rate edged down from 4.3% last year to a 28-year low of 4.2%.

Saskatchewan identified several labour market issues in its 2007/08 annual plan. A strong economy and tightening labour market have led to pressures in many occupations, including health care and skilled trades. In the past, high levels of out-migration—in particular, of young, educated individuals—exacerbated these shortages. However, in the past two years, the province has experienced population growth due to a turnaround in net interprovincial migration. That has helped to partially alleviate these pressures, although shortages persist. To address its critical labour force needs, Saskatchewan planned to deliver a comprehensive structure of programs and services that would create direct employment, provide skills training and increase

Saskatchewan Key Facts		
Transfer Agreement		
Labour Market		
15 years +	2007/08	Change, 2006/07–2007/08
Employment	503,000	6,100 ↑
Unemployment Rate	4.2%	0.1 ↓
Client Type and Age* Distribution		
Active	Former	Non-Insured
74.0%	23.0%	3.0%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
16.3%	78.6%	4.8%
Intervention-to-Client Ratio		
Ratio, 2007/08	Change, 2006/07–2007/08	
1.28	0.15 ↓	
Interventions and Expenditures % Change, 2006/07–2007/08		
	Employment Benefits	Employment Services
New Interventions	7.6% ↓	46.8% ↓
Expenditures	1.2% ↓	1.8% ↑
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2007/08	Percentage Point Change, 2006/07–2007/08
Employment Benefits	51.4%	13.6 ↑
Employment Services	48.6%	13.6 ↓
Clients Served, 2007/08		
EI	Non-Insured	Pan-Canadian
9,329	338	1,639

\* 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.

the labour force participation of underrepresented groups, paying particular attention to Aboriginal people. Saskatchewan planned to improve the responsiveness of its training system to the needs of the province’s residents, industry and economy. The province also placed a high priority on improving career development supports, including career and labour market planning information; strengthening the labour market planning process; and increasing training opportunities, including English-language training for its immigrant population.

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

Saskatchewan’s strong economy in 2007/08—characterized by a higher employment rate, low unemployment and continuing skills shortages—had an impact on the delivery of EBSM programming during the period. In such conditions, EBSM use tends to decline, and Saskatchewan’s results reflect that trend. In 2007/08, 9,667 individuals accessed EBSM-similar interventions in Saskatchewan, for a year-over-year decline of 23.9%. This total was the lowest for Saskatchewan in the past four years and represented a 22.0% decrease from the number of clients who accessed programming in 2003/04. The number of interventions also declined in 2007/08. A total of 12,331 EBSM-similar interventions were delivered, a decrease of 32.0% from the previous year. For the first time in the past five years, Employment Benefits interventions

accounted for over 50% of the total interventions delivered in the province. Expenditures for EBSM-similar interventions declined slightly, falling 0.8% to a three-year low of \$34.8 million.

### 8.1 Employment Benefits

The number of Employment Benefits interventions fell 7.6% to a four-year low of 6,338. SD-Apprentices interventions rose 14.9%. Saskatchewan's growing economy has led to an unprecedented demand for apprentices, particularly in the province's resource-extracting industries, including oil, gas and potash production, and uranium and diamond exploration and development. SE and TWS fell by 85.4% and 80.0%, respectively. Though Employment Benefits accounted for over 50% of the year's interventions, expenditures decreased 1.2%, dropping from \$29.5 million last year to \$29.2 million.

### 8.2 Employment Services

A total of 5,993 Employment Services interventions were delivered in 2007/08. That was a decrease of 46.8% from the previous year, which contributed to a 49.0% overall decline since 2003/04. While Group Services edged up slightly, both EAS and Individual Counselling dropped sharply. EAS interventions fell 84.8% to 448, and Individual Counselling interventions decreased 34.8% to 5,206. Employment Services expenditures increased year over year by 1.8% to \$5.6 million. This was 136.5% higher than the expenditures for Employment Services in 2003/04. Many individuals who sought assistance required more intensive, personalized interventions to enter or re-enter the labour market than clients in previous years needed.

## 9. Alberta

Alberta experienced strong employment growth in 2007/08, with an increase of more than 4%. Over two thirds of this growth occurred in the province's services-producing industries. The top-performing sectors in this group included business, building and other support services; information, culture and recreation; trade; and health care and social assistance. Within Alberta's goods-producing industries, the construction sector expanded at the highest rate, with an employment increase of nearly 10%. The forestry, fishing, mining, oil and gas sector

Alberta Key Facts*		
Transfer Agreement		
Labour Market		
15 years +	2007/08	Change, 2006/07–2007/08
Employment	1,975,200	77,400 ↑
Unemployment Rate	3.5%	0.0 —
Interventions and Expenditures % Change, 2006/07–2007/08		
	Employment Benefits	Employment Services
New Interventions	17.8% ↑	6.5% ↑
Expenditures	1.0% ↓	3.1% ↓
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2007/08	Percentage Point Change, 2006/07–2007/08
Employment Benefits	13.2%	1.1 ↑
Employment Services	86.8%	1.1 ↓
* In December 2007, the Province of Alberta implemented a new integrated management information system. Due to the transition to this new system, LMDA data for Alberta were incomplete for 2007/08. Complete client data by age, client type, gender and designated group were not available. Data on interventions delivered in 2007/08 are estimates that are based on the Province of Alberta's 2007/08 Plan for Programs and Services, as well as the audited financial statements for that period. Alberta will undertake supplementary data analysis in order to improve data quality for 2008/09.		

also had a good year and has grown 45% since 2003/04. Alberta's labour force kept pace with employment, and expanded at the same rate of just over 4%. Consequently, the unemployment rate was stable at 3.5%.

Alberta's strong economic growth has created labour market pressures. Concerns have been raised that these pressures could potentially constrain continued growth. In response, the province identified a number of key priorities for 2007/08, including the development of a mature worker retention policy and workplace literacy programs. The province planned a continued emphasis on

strong career information and labour exchange to meet the needs of individuals and the employer community. Occupational skills training was also identified as a high priority, as were English-language and bridging programs to assist foreign-trained professionals to enter Alberta's labour force. The province remained committed to apprenticeship training, planning a large increase in the number of new apprentices over the next two years. Finally, Alberta planned to place greater emphasis on labour market partnerships that would focus on increasing workplace training and skills development.

Alberta EBSM-Similar Programming	
Employment Benefits	
TWS	Workplace Training
SE	Self Employment
JCP	Integrated Training
SD	Occupational Training Work Foundations
Support Measures and Services	
EAS	Career Information
LMP	Workforce Partnerships

In 2007/08, Alberta delivered 196,916 EBSM-similar interventions, a 7.9% increase from last year. Total expenditures fell to a five-year low of \$105.2 million, down 1.9% from \$107.2 million in the previous year.

### 9.1 Employment Benefits

Alberta delivered 26,037 Employment Benefits interventions in 2007/08, an increase of 17.8% from the 22,105 interventions delivered in the previous year. Employment Benefits expenditures were 1.0% lower, dropping from \$63.1 million in the previous year to \$62.5 million.

### 9.2 Employment Services

Alberta delivers one type of Employment Service intervention, EAS. The number of interventions rose for the third consecutive year, climbing 6.5% to 170,879, for an increase of 10,484 interventions. This activity

corresponds to Alberta's continued commitment to strong career information and labour exchange. In addition, clients participated in a greater number of short-term interventions—for example, one-day workshops or short-term training in skills such as first aid—in order to find employment or move into higher-skilled positions. Employment Services expenditures were lower, falling 3.1% from \$44.1 million to \$42.7 million.

## 10. British Columbia

Conditions in the British Columbia labour market continued to strengthen in 2007/08. Employment increased for the sixth consecutive year, rising almost 3% for a four-year gain of 12.7% (+256,600). Over half of this year's employment growth occurred in British Columbia's services-producing industries, with the highest rates of increase occurring in public administration and the transportation and warehousing sector. Since 2003/04, more than two thirds of British Columbia's employment gains have occurred in services-producing industries. Among goods-producing industries, each sector posted a healthy gain in 2007/08 with the exception of manufacturing, where employment was almost unchanged. Across all industries, construction posted the largest increase, both in 2007/08 and over the past four years. Since 2003/04, British Columbia's construction sector has expanded 66%. The province's labour force also increased during the year, but at a slightly slower pace than employment. As a result, the unemployment rate fell from 4.6% last year to a record low of 4.3%.

Strong economic growth has created challenges for the province. In particular, skills shortages have been identified in construction and in trades. In its LMDA Annual Plan, British Columbia identified four key investment priorities for 2007/08. The province planned to invest in skills training that responded to labour market requirements, and to support underrepresented groups through programs that help all clients participate fully in the labour market. British Columbia also planned to engage employers through investments that would assist them in retaining their existing workforce. At the same time, the province planned to work closely with employers and industry sectors to address labour market issues by facilitating human resource planning processes. In addition, British Columbia committed to taking the

British Columbia Key Facts		
Co-Managed Agreement		
Labour Market		
15 years +	2007/08	Change, 2006/07–2007/08
Employment	2,280,900	64,300 ↑
Unemployment Rate	4.3%	0.3 ↓
Client Type and Age* Distribution		
Active	Former	Non-Insured
47.8%	14.7%	37.5%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
20.2%	69.0%	8.4%
Intervention-to-Client Ratio		
Ratio, 2007/08	Change, 2006/07–2007/08	
1.47	0.07 ↓	
Interventions and Expenditures % Change, 2006/07–2007/08		
	Employment Benefits	Employment Services
New Interventions	3.1% ↓	7.2% ↓
Expenditures	4.8% ↓	0.3% ↓
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2007/08	Percentage Point Change, 2006/07–2007/08
Employment Benefits	18.0%	0.6 ↑
Employment Services	82.0%	0.6 ↓
Clients Served, 2007/08		
EI	Non-Insured	Pan-Canadian
49,813	32,035	3,513
* 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.		

needs of official language minority communities into account when developing annual program and service delivery plans.

In 2007/08, 81,848 individuals accessed EBSM programming in British Columbia. That was a decline of 2.4% from the previous year and was the lowest annual number of clients served in the province over the past four years. Total interventions decreased for the third consecutive year, falling 6.5% to 120,597. EBSM expenditures also declined, dropping 3.0% to a four-year low of \$276.5 million.

### 10.1 Employment Benefits

Employment Benefits interventions declined to their lowest level in four years, falling 3.1% to 21,679. Interventions were lower for most benefit types, with the largest numerical decline in SD-Regular (-1,145). The highest rate of decline was in JCPs, which fell 52.3% to 349. The lone exception to this trend was SD-Apprentices, where interventions rose 16.7% to 11,165. That was consistent with the province’s plan to invest in skills training in response to labour market needs, such as identified shortages in construction and in trades, where apprenticeship is prevalent. Expenditures for Employment Benefits were also lower, falling from \$173.7 million to \$165.3 million, a decrease of 4.8%.

### 10.2 Employment Services

The number of Employment Services interventions declined for the third consecutive year, falling 7.2% to 98,918. Individual Counselling interventions decreased 14.0% to 47,684. At the same time, there was an increase in Group Services interventions. Expenditures were slightly lower, falling 0.3% to \$111.2 million.

## 11. Northwest Territories

Conditions in the labour market of the Northwest Territories were slightly weaker in 2007/08.<sup>16</sup> Both employment and labour force participation edged down slightly during the year, and the unemployment rate climbed from 5.1% to a four-year high of 6.2%.

<sup>16</sup>“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, April 2008, Cat. No. 71-001-X200803, page 51) Note: Fiscal-year annual average data were calculated using four points of three-month moving average data (June, September, December and March).

Northwest Territories Key Facts		
Transfer Agreement		
Labour Market		
15 years +	2007/08	Change, 2006/07–2007/08
Employment	22,300	500 ↓
Unemployment Rate	6.2%	1.1 ↑
Client Type and Age* Distribution		
Active	Former	Non-Insured
52.8%	23.6%	23.6%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
22.3%	68.6%	6.1%
Intervention-to-Client Ratio		
Ratio, 2007/08	Change, 2006/07–2007/08	
1.49	0.19 ↑	
Interventions and Expenditures % Change, 2006/07–2007/08		
	Employment Benefits	Employment Services
New Interventions	14.5% ↑	18.7% ↑
Expenditures	19.7% ↓	5.4% ↓
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2007/08	Percentage Point Change, 2006/07–2007/08
Employment Benefits	44.1%	0.9 ↓
Employment Services	55.9%	0.9 ↑
Clients Served, 2007/08		
EI	Non-Insured	Pan-Canadian
413	189	199

\* 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.

Even with this slight weakness, the Northwest Territories reported that strong economic growth has prompted a high rate of in-migration, primarily from Alberta, British Columbia and Ontario.<sup>17</sup> Growth and demand have been recorded in sectors ranging from mining, oil and gas to construction and resource harvesting. However, employers continued to experience difficulty in hiring skilled workers. As a result, the Northwest Territories planned to deliver a range of career and development programs, based on career action plans, to enable its citizens to prepare for the employment opportunities generated by the Territories’ expanded economy.

In 2007/08, 602 individuals accessed EBSM-similar programming in the Northwest Territories. That was a year-over-year increase of 1.7% and was 49.4% greater than the number of clients served in 2003/04. These individuals participated in 898 interventions, up 16.8% from the previous year. Since 2003/04, the number of interventions delivered in the Northwest Territories has increased 112.3%. Expenditures fell 15.8% to a four-year low of \$2.2 million.

Northwest Territories EBSM-Similar Programming	
Employment Benefits	
TWS	Training-on-the-Job
SE	Self-Employment Option
SD	Building Essential Skills Youth Employment Apprenticeship Training Assistance
Support Measures and Services	
EAS	Employment Assistance Services Labour Exchange Service
LMP	Local Labour Market Partnerships
R&I	Career Development Service

### 11.1 Employment Benefits

Employment Benefits interventions rose 14.5% to 396. SD continued to be the predominant intervention delivered in the Northwest Territories, representing

<sup>17</sup> 2007/08 Plan for NWT Benefits and Measures Canada/NWT Labour Market Development Agreement.

77.3% of the total. SD-Regular increased 17.9% to 171, while SD-Apprentices was unchanged. Expenditures fell 19.7% to \$1.5 million.

## 11.2 Employment Services

In its second year of delivering Employment Services interventions, the Northwest Territories delivered 502 Individual Counselling interventions, an 18.7% increase year over year. This activity was consistent with the priority placed on delivering a range of programming based on career action plans. An increase in immigration to the Northwest Territories has resulted in higher demand for career development counselling services. At the same time, improved data collection capacity in regional offices enabled the Territories to better capture the level of service delivery. Employment Services expenditures fell 5.4% to \$664,000.

## 12. Yukon

Conditions in the Yukon labour market were slightly weaker in 2007/08.<sup>18</sup> Employment fell by less than 1.0%. Even with this decline, however, employment in the Yukon has increased by 8% since 2003/04. The labour force also expanded slightly. This combination of extremely small changes resulted in higher unemployment (+200), which pushed the unemployment rate up from 4.0% last year to 5.1%.

Yukon identified several priorities for employment programming in 2007/08. The pressures of increased activity in mining and construction, plus a rising average age in many occupational areas, underlined the need to support skills training. Through the introduction of an itinerant service, Yukon planned to deliver employment services—including labour exchange, and assistance with résumé writing, job search techniques and the development of client return-to-work action plans—to communities outside of Whitehorse. The strengthening labour market also highlighted the need to examine Yukon's unique human resource issues through different approaches.

Yukon Key Facts		
Co-Managed Agreement		
Labour Market		
15 years +	2007/08	Change, 2006/07–2007/08
Employment	16,600	100 ↓
Unemployment Rate	5.1%	1.1 ↑
Client Type and Age* Distribution		
Active	Former	Non-Insured
55.7%	24.4%	19.9%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
17.6%	71.5%	9.9%
Intervention-to-Client Ratio		
Ratio, 2007/08	Change, 2006/07–2007/08	
1.12	0.00 —	
Interventions and Expenditures % Change, 2006/07–2007/08		
	Employment Benefits	Employment Services
New Interventions	10.5% ↓	12.7% ↓
Expenditures	13.9% ↓	3.9% ↑
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2007/08	Percentage Point Change, 2006/07–2007/08
Employment Benefits	38.7%	0.6 ↑
Employment Services	61.3%	0.6 ↓
Clients Served, 2007/08		
EI	Non-Insured	Pan-Canadian
367	145	217

\* 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.

<sup>18</sup> “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, April 2008, Cat. No. 71-001-X200803, page 51) Note: Fiscal-year annual average data were calculated using four points of three-month moving average data (June, September, December and March).

A total of 512 individuals accessed EBSM programming in Yukon in 2007/08. That was a 12.0% decline year over year, and represented a 31.2% decline since 2003/04. These individuals participated in 574 EBSM interventions, 11.8% fewer than were delivered last year. EBSM expenditures fell 8.1% from \$3.8 million last year to \$3.5 million.

### 12.1 Employment Benefits

The number of Employment Benefits interventions delivered in Yukon fell 10.5% to 222. SD continued to account for almost all of the Employment Benefits delivered: 95.9% in 2007/08. However, there was a shift from SD-Regular, which decreased 33.3%, to SD-Apprentices, with an increase of 10.2%. Occupations in trade-related areas continue to be in demand in Yukon, resulting in higher demand for apprentice skills training. Expenditures fell 13.9%, from \$2.6 million to a five-year low of \$2.2 million.

### 12.2 Employment Services

The number of Employment Services interventions declined 12.7% to 352. Since 2003/04, these interventions have decreased 46.2%. Individual Counselling interventions fell 33.5% to 127. At the same time, EAS interventions rose 6.1% to 225. EAS continued to provide assistance to clients with greater needs, including persons with disabilities. Expenditures rose 3.9% to \$1.3 million, as Yukon piloted the delivery of itinerant EAS to remote communities outside of Whitehorse.

## 13. Nunavut

The Nunavut labour market strengthened in 2007/08.<sup>19</sup> Employment rose more than 9% (+600), while the labour force expanded at a slightly lower pace of 5%. The unemployment rate fell to 8.7%, its lowest level since the start of the data series in 2004/05.

Nunavut continued to face significant labour market challenges, some of which are related to its small, geographically dispersed population. Nunavut placed a high priority on preparing its population to take

Nunavut Key Facts		
Transfer Agreement		
Labour Market		
15 years +	2007/08	Change, 2006/07–2007/08
Employment	9,200	600 ↑
Unemployment Rate	8.7%	1.5 ↓
Client Type and Age* Distribution		
Active	Former	Non-Insured
26.6%	33.6%	39.8%
(15–24) Youth	(25–54) Core Age	(55+) Older Workers
24.1%	73.1%	2.6%
Intervention-to-Client Ratio		
Ratio, 2007/08	Change, 2006/07–2007/08	
1.11	0.06 ↑	
Interventions and Expenditures % Change, 2006/07–2007/08		
	Employment Benefits	Employment Services
New Interventions	18.0% ↓	73.4% ↑
Expenditures	3.4% ↓	2.6% ↓
Employment Benefits and Services Change in Relative Share		
	Relative Share, 2007/08	Percentage Point Change, 2006/07–2007/08
Employment Benefits	26.7%	16.8 ↓
Employment Services	73.3%	16.8 ↑
Clients Served, 2007/08		
EI	Non-Insured	Pan-Canadian
276	326	217

\* 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.

<sup>19</sup> “Since 2004, the Labour Force Survey 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, Igloodik.” (Statistics Canada: Labour Force Information, Ottawa, April 2008, Cat. No. 71-001-X200803, page 51) Note: Fiscal-year annual average data were calculated using four points of three-month moving average data (June, September, December and March).



advantage of employment opportunities created through various initiatives, including the International Polar Year, which was launched in March 2007. As well, the Nunavut Housing Trust initiative was expected to create approximately 700 new residences by 2010. Economic growth has also been fuelled by increased activity in Nunavut's growing mining sector. To close the skills gap between these improving employment opportunities and its growing labour force, Nunavut planned to emphasize literacy and occupational skills training and upgrading, with particular emphasis on addressing skills shortages. On-the-job training was also a priority, particularly in relation to the Housing Trust strategy. Nunavut also planned to continue its investment in EAS to provide job search assistance and pre-employment support.

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

In 2007/08, 602 individuals participated in EBSM-similar programming in Nunavut. That was an increase of 26.2% from the previous year, when 477 clients were served, and was significantly higher than the 199 clients served in 2003/04. These individuals participated in a five-year high of 667 EBSM-similar interventions. That was nearly three times the number of interventions delivered in 2003/04 (226) and 33.7% more than the 499 interventions delivered last year. EBSM expenditures in Nunavut totalled \$2.5 million, a decline of 3.4% from last year.

### 13.1 Employment Benefits

The number of Employment Benefits interventions fell 18.0% to a three-year low of 178. Interventions decreased in each type of Employment Benefit with the exception

of TWS, where interventions rose 53.3% to 23. That is consistent with the priority Nunavut placed on on-the-job training. A decrease in staff had an impact on Nunavut's capacity to deliver employment programming. In addition, some individuals who might have considered training preferred to take advantage of Nunavut's improving employment opportunities. Employment Benefits expenditures were also lower, declining 3.4% to \$2.4 million.

### 13.2 Employment Services

The number of Employment Services interventions jumped 73.4% year over year. EAS was the sole type of Employment Services intervention delivered in Nunavut, and rose from 282 last year to 489. This growth reflects the priority Nunavut placed on providing job search assistance and pre-employment supports to its growing labour force. Expenditures declined, dropping 2.6% to \$149,000.

## III. THE NATIONAL EMPLOYMENT SERVICE and PAN-CANADIAN ACTIVITIES

While the provinces and territories deliver employment programs and services in most jurisdictions, the federal government maintains a significant role in employment programming. This role is focused on funding, ensuring accountability and evaluation, and developing policy on an ongoing basis, as well as delivering pan-Canadian programming and services. The federal role is guided by national policy priorities designed to enhance Canadian productivity and participation by fostering efficient and inclusive labour markets, competitive workplaces and access to learning.

Key accomplishments in 2007/08 related to this strategic outcome included the following.

- HRSDC worked with provinces, territories and employers to generate innovative responses to skills issues and employers' requirements, including the following:

- o encouraging employers to provide employment opportunities in the skilled trades for Aboriginal Canadians;
  - o improving the capacity of sector councils to align their work with the work of government departments in addressing national skills and labour market issues; and
  - o signing one additional project under the Pan-Canadian Innovations Initiative (PCII), bringing the total number of PCII projects operational during the year to 10 (see section 2.3, below, for more information on the PCII).
- In co-managed jurisdictions, HRSDC/Service Canada helped develop a program mix and strategic investment that best supported both regional and local labour market demands and worker mobility, where necessary. In addition, the Department encouraged strategic client targeting to ensure that programs assisted those in genuine need, thereby increasing the participation and employment of groups facing barriers.
  - On February 23, 2008, the Department signed the Canada–British Columbia LMDA (and complementary agreements) to move from the co-managed model to the devolved model, for implementation in February 2009.
  - Under the aegis of the Forum of Labour Market Ministers (FLMM), the Department held two national workshops to discuss LMDA evaluations and best practices in program design and delivery with senior officials from the provinces and territories.
  - The Department enhanced self-service tools, which increased job seekers' and employers' use of Job Bank.

The Department achieved many of these outcomes by delivering the National Employment Service and pan-Canadian activities.

## 1. National Employment Service

The *Employment Insurance Act* mandates HRSDC to maintain a National Employment Service (NES) that provides information to help workers find jobs and to help employers find the qualified workers they need. NES products and services help job seekers work through their return-to-work action plans on their own, and also connect employers and job seekers. Through Service Canada, HRSDC administers two key components of the NES—Job Bank and Labour Market Information—that are available to everyone online. Because clients access these services on a self-serve basis and are not required to register, data on usage and results are challenging to collect or to attribute to specific interventions.

### 1.1 Job Bank

Job Bank is the largest web-based network of job postings available to Canadians. This service includes a suite of career and job search tools for job seekers, including Résumé Builder; Career Navigator; Job Match, which allows users to match their job skills against current job postings using the same occupational checklists that employers use; and Job Alert, which allows users to receive daily e-mail alerts of new job postings. There are also tools for employers, such as HR for Employers and Job Bank for Employers. This year, new electronic applications were developed to further enhance the quick and easy use of Job Bank, including daily e-mails that alert job seekers of new job postings.

In 2007/08, there were 113 million Job Bank user sessions, an increase of 20% from the 94 million sessions logged in the previous year. The number of advertised job orders rose 11% to 1.2 million. At the end of 2007/08, Job Bank had more than 179,000 active employer accounts and more than 869,000 job seeker accounts. More than 50,000 job alerts are sent each day to notify job seekers of potential job opportunities, for a total of more than 18 million per year. Job Bank is located at <http://www.jobbank.gc.ca>.

### 1.2 Labour Market Information

The Labour Market Information (LMI) service provides information about local, regional and national labour markets. LMI employees are responsible for the ongoing

analysis of socio-economic data and events to identify community, regional, occupational and industrial trends. Across Canada, LMI analysts and economists work with partners—including businesses, educational institutions and other levels of government—to ensure that people have access to high-quality labour market information. This information is available at <http://www.labourmarketinformation.ca>. This website had approximately 1.2 million visitor sessions in 2007/08.

During the last year, HRSDC/Service Canada worked on a joint LMI Performance Management Framework. This framework will establish the products and services that will be available to Canadians and ensure a timely, high-quality LMI service.

## 2. Pan-Canadian Activities

Pan-Canadian programming addresses significant challenges in the Canadian labour market, reduces risks to the EI Account, and enhances the Canadian economic union by contributing to the pool of skilled labour and to a flexible and efficient labour market. This programming, which is beyond the scope of the LMDAs, comprises activities and interventions that respond to interprovincial or national labour market issues.

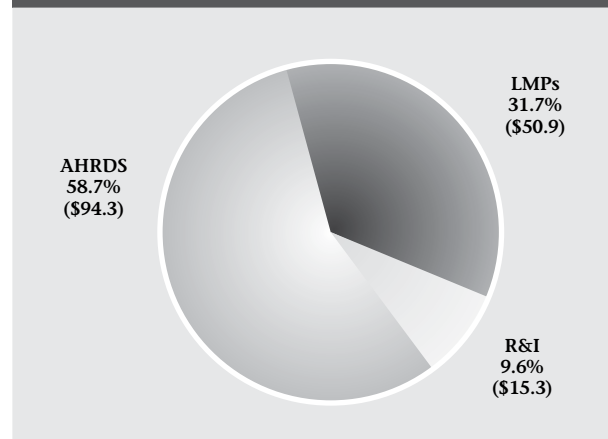
Pan-Canadian activities include employment programming provided under the Aboriginal Human Resources Development Strategy (AHRDS), pan-Canadian Labour Market Partnerships (LMPs) and pan-Canadian Research and Innovation (R&I). In 2007/08, the total expenditure for these activities rose 6.8% to \$160.5 million.

### 2.1 Aboriginal Human Resources Development Strategy

The AHRDS provides funding to Aboriginal organizations to design, develop and implement employment and human resource programs for Aboriginal people. The AHRDS was initiated in 1999 and has approval through to 2008/09.<sup>20</sup> It has a \$1.6-billion, five-year budget for a wide range of labour market programming. AHRDS

<sup>20</sup> In September 2008, the AHRDS was extended for one year, until March 31, 2010.

**CHART 4:  
Pan-Canadian Expenditures,  
2007/08  
(\$ Millions)**



programs and services are delivered through Aboriginal Human Resources Development Agreements (AHRDAs) with Aboriginal organizations across the country. In 2007/08, 79 agreement holders delivered labour market programming in more than 400 locations across Canada. A total of 57,460 interventions were delivered. As a result, 22,797 clients became employed or returned to school. Of the \$364.3 million spent on labour market programming through AHRDAs in 2007/08, EI Part II expenditures totalled \$94.3 million. The remainder came from the Consolidated Revenue Fund.

### **Pan-Canadian Activities: AHRDS**

The Aboriginal Community Careers Employment Services Centre (ACCESS) and Métis Nation of British Columbia (MNBC), two AHRDA holders in British Columbia, have had significant success in assisting unemployed or underemployed Aboriginal individuals to make the transition into the workforce. ACCESS and MNBC engage in partnerships with major employers, promoting the development of essential skills through training and employment, based on labour market demand. Approximately 75% of participants retain sustainable jobs as a direct result of this program.

## 2.2 Pan-Canadian Labour Market Partnerships

Pan-Canadian LMPs are a support measure designed to encourage, support and facilitate human resource planning and labour market adjustment. This measure provides funding to employers, employer-employee associations and communities to improve their capacity to respond and adapt to labour market change. Pan-Canadian LMPs are delivered primarily through national sector councils and the Youth Awareness program.

### **Pan-Canadian Activities: LMPs**

The WoodLINKS Program is an innovative initiative developed by the Wood Manufacturing Council to prepare and train young workers for careers in the wood products manufacturing industry. This initiative was developed in cooperation with representatives from the British Columbia wood products manufacturing industry, and secondary and post-secondary educators. It was designed primarily as a tool to help high school teachers teach current and relevant knowledge and skills in wood manufacturing. The program consists of a curriculum, curriculum resources and assessment tools for certification to industry standards. Initially introduced in British Columbia, this successful program will be extended to high schools across Canada. Future directions for WoodLINKS include updating the original WoodLINKS curriculum and adding sub-sector modules to allow schools to tailor their programs to the needs of local industry partners.

#### *2.2.1 National Sector Councils*

The Sector Council Program partners with organizations to bring business, labour and education stakeholders together to address issues unique to a specific industrial sector. Sector council members share ideas, concerns and perspectives about industrial challenges and develop collective, sustainable solutions. This year, they directed particular attention to three key priorities: addressing skills and labour shortages by developing responsive strategies; establishing and maintaining partnerships to

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

With the creation of a new Forestry Sector Council in December 2007, the network of councils now represents 33 industry sectors. EI Part II expenditures for sector councils totalled \$36.7 million in 2007/08, an increase of 15.0% year over year.

#### *2.2.2 Youth Awareness*

The national Youth Awareness program provides financial assistance for projects designed to address labour market issues facing communities. It can be used to develop and implement human resource strategies targeted at youth, to meet employers' current and future human resource needs. It is aimed at heightening awareness among employers and communities that young people are the labour force of the future.

### **Pan-Canadian Activities: LMPs**

To promote skilled trades and technologies, HRSDC made significant investments to partner with SkillsCanada and its sister organizations in each province and territory. Since its inception in 1989, SkillsCanada has evolved into a pan-Canadian organization offering skilled trades and technology competitions at the regional, provincial/territorial, national and international levels, as well as other awareness programs for thousands of young Canadians. Saskatoon hosted the 13<sup>th</sup> Canadian Skills Competition in June 2007. Close to 500 secondary, post-secondary and apprenticeship students from across Canada competed in more than 40 practical challenges that demonstrated their technical and leadership abilities. The philosophy of the skills competition was to reward students for excellence, to directly involve industry in evaluating student performance and to keep training relevant to employers' needs. In September 2009, Calgary will host an international skills competition. Approximately \$6.4 million from the Youth Awareness initiative was invested in support of WorldSkills Calgary 2009.

National priorities are established annually to maximize investment of Youth Awareness funds in priority areas. In 2007/08, the priorities were to raise awareness of skilled trades and technologies among youth, and to improve opportunities for youth in smaller, 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. Overall, the Youth Awareness initiative provided \$14.2 million in funding in 2007/08.

### **2.3 Pan-Canadian Research and Innovation**

Pan-Canadian R&I funding supports organizations that are carrying out research and demonstration projects designed to test potential improvements to EBSM program design. This funding is delivered through the Pan-Canadian Innovations Initiative (PCII), which provides funding to eligible recipients for time-limited, research-oriented projects. These projects test new approaches that improve current ways of helping people prepare for, obtain or maintain employment, and be productive participants in the labour force. PCII is a catalyst to encourage participating governments and stakeholders to continue to work in partnership to test new and creative ideas that push the boundaries of jurisdictional, industry or organization experience, and ideas that are incremental to activities supported by existing policies, programs and practices. The total expenditure for pan-Canadian R&I was \$15.3 million in 2007/08, up slightly from \$15.2 million in 2006/07.

Existing pilot projects are examining new approaches to providing literacy and essential skills, workplace and apprenticeship training to immigrants, Aboriginal people and underrepresented groups. To support the sharing of best practices and knowledge, evaluation results from these projects will be broadly disseminated by participating stakeholders, including provinces and territories, federal partners and third-party organizations. By the end of 2007/08, HRSDC had approved 11 projects, 10 of which were operational by the end of that fiscal year.

### **Pan-Canadian Activities: R&I**

In Northwestern Ontario, the Sioux Lookout Regional Centre for Aboriginal Apprenticeship Research project helped Aboriginal workers with informal work experience in skilled trades to identify and address their educational and work experience gaps. Through a combination of distance learning and hands-on intensive training, these individuals had the opportunity to obtain formal certification in the trades or to select a formal apprenticeship program. The Youth Connect project in Newfoundland and Labrador is testing an alternate financial support model, which—combined with intensive counselling support and a range of employment-specific training—will target youth at risk in three sites across the province. In Prince Edward Island, the Trade Essentials (formerly Path to Success) project is testing the Skills Passport tool, which will allow participants, with the help of a trained facilitator, to self-assess their trades knowledge and essential skills against the required knowledge for their chosen trade. Participants then undergo trade-specific training to improve their skills and knowledge.



# Program Administration

As a dedicated service delivery organization, its goal is to provide one-stop, personalized service through the channel of each client's choice...

## Modernization and Transformation of Service Delivery

- With automated claims processing, 98% of claims were registered upon receipt. In addition, 226,954 (47.6%) of renewal claims and 410,692 (19.3%) of initial claims were processed without manual intervention, resulting in faster, more accurate payments and improved service to Canadians.
- 23,852 new businesses registered for Record of Employment on the Web (ROE Web), a Web-based system for filing records of employment (ROEs).
- Employers produced 2,884,503 ROEs using electronic ROE products: ROE Web and ROE Secure Automated Transfer (a secure communication line for submitting unlimited ROE data).

## Toward an Integrated Service

- The National Workload System, which allows Service Canada to move work across regions and channels for optimum efficiency, was piloted in Manitoba and Saskatchewan.

## Volumes

- Service Canada processed 2.6 million initial and renewal Employment Insurance (EI) claims.<sup>1</sup>
- 2.5 million claimants filed their applications via Application for Employment Insurance Benefits on the Internet.
- Almost all claimants (99.5%) used electronic reporting services—the Telephone Reporting Service and the Internet Reporting Service (a Web-based, biweekly reporting tool)—to complete 12,901,432 and 11,979,594 reports, respectively.
- Over three quarters of claimants (80.4%) chose to receive their payments by direct deposit.
- Insurance Telemessage, an automated information service, answered 15.1 million enquiries for clients.
- EI call centre employees responded to 5.9 million calls.
- Citizen service agents in Service Canada Centres responded to 4.2 million enquiries.
- Service Canada scheduled 78.1% of all appeals to a board of referees to be heard within 30 days of receipt of the appeal letter.
- The EI program was delivered through 620 points of service, and via telephone and the Internet.

<sup>1</sup> Additional statistics are available in Human Resources and Skills Development Canada, *2007–2008 Departmental Performance Report* (Ottawa: HRSDC, 2009), <http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/inst/csd/csd00-eng.asp>.

## I. CONTEXT

---

Launched in September 2005, Service Canada offers Canadians single-window access to government services and programs, including the Employment Insurance (EI) program. As a dedicated service delivery organization, its goal is to provide one-stop, personalized service through the channel of each client's choice, whether that be an Internet click, a telephone call or an in-person visit.

In 2007/08, Service Canada focused on improving service quality to better meet Canadians' needs and expectations by making programs and services client centred, seamless, timely, integrated and accessible via multiple channels. To this end, Service Canada has done the following:

- transformed its forecasting ability so that regions can take a more precise and detailed analytical approach to workload management;
- simplified policies and procedures to eliminate impediments that can inhibit seamless processing and payment of EI benefits;
- standardized practices to ensure that clients are treated equitably across the national benefits processing network, which will move Service Canada further toward one national process for processing 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 the electronic 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.

To achieve this transformation, processing operations are evolving toward a national network characterized by standardized processes that are paperless, electronic and automated, resulting in more accurate, timely and equitable service for Canadians.

In 2007/08, Service Canada continued to focus on enhancing EI electronic services for clients and businesses, and on simplifying, standardizing and automating EI processing activities related to the 2.6 million claims for the year and the \$13 billion in payments made to 1.1 million beneficiaries. These were the results.

- Clients had access to an array of Internet services, which enabled internal processing activities to be automated.
  - Service Canada received 95.4% of all EI applications and 99.5% of biweekly reports electronically.
  - Adjudication of 23% of initial claims and 52% of renewal claims was automated. Within two years, Service Canada expects to automate the processing of up to 70% of all EI claims.
- Businesses continued to benefit from Record of Employment on the Web (ROE Web), which significantly reduces their administrative burden. Each year, businesses produce some 8 million records of employment (ROEs), and the ability to produce them electronically creates significant savings for businesses. In addition, the availability of electronic data from ROE Web allows Service Canada to automate EI claims adjudication so that it can provide faster, more accurate service to clients. Service Canada continues to market ROE Web to the business community.

Service Canada call centres developed a plan to transform service delivery geared to separate programs into an integrated service for clients. The first pilot gave EI clients visiting offices in person priority access to call centre agents who could answer their enquiries. The pilot initially focused on four transactions: replacement payments, sickness benefit extensions, rejected electronic reports and amendments to original reports. A detailed evaluation framework was developed that will be used to assess the success of the pilot and to determine longer term deployment strategies.



## 2. EI Services to Individuals

### 2.1 Information and Enquiries

An online service, My Employment Insurance Information Online (MEIIO), enables clients to receive 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, MEIIO provides clients with links to other electronic services, such as the Internet Reporting Service. In 2007/08, 23.6% of clients used MEIIO to obtain information on their claims.

Client information is available via the automated 24-hour telephone information system. Citizen service agents also provide services via the telephone and in person during business hours. Citizen service agents answered 5.9 million calls in EI call centres and responded to 4.2 million EI-related requests in Service Canada centres.

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. Additional support is also offered on Saturdays from 8:00 a.m. to 4:00 p.m. to help claimants complete their reports.

In addition, Registration and Authentication (R&A) Help Desk agents assist EI clients use several My Service Canada Account online services, such as MEIIO and EI Tax Information Slips Online services. These agents are available from 8:30 a.m. to 4:30 p.m., local time, and assist clients who experience online access difficulties due to a mismatch between the information they provide—such as their EI access code, social insurance number or date of birth—and the information in Service Canada's records. In 2007/08, the R&A Help Desk answered 30,520 calls, mainly from EI clients.

### 2.2 Application for Benefits

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 service was launched in 2002,

use of it has steadily increased. In the service's first year, 17% of clients used it to initiate a new benefits claim; by 2007/08, 95.4% of all such applicants used it.

In 2007/08, 2.5 million claimants filed their application via the Internet; 34% used the Citizen Access Workstation Service in Service Canada's points of service to do so and 66% did so from external locations.

### 2.3 Biweekly Reporting and Payment

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

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

The call centres' Saturday Service pilot program for EI was extended into 2007/08 and continues to be successful. It recorded a 5% increase in service level above results in 2006/07.

In combination with direct deposit, these electronic services provide faster and more reliable payments for clients than traditional paper processes do. They also reduce printing and mailing expenses, allowing for a more efficient and effective reporting process. The percentage of payments made via direct deposit levelled off at 80.4% in 2007/08.

### 2.4 Claims Processing

In 2007/08, claims processing was streamlined by merging the 10 traditional processing regions across Canada into four regionally managed centres. For example, smaller regions such as the four in Atlantic Canada became one claims processing region. This merge allowed Service Canada to maximize processing capacity by assuring more constant, standardized and flexible use of resources. As a result, a citizen in Moncton, for example, is no longer limited to working with processing

agents in New Brunswick; he or she now has access to a larger pool of processing agents across Atlantic Canada.

Simplification and standardization have led to increased automation of claims, thus improving the quality, timeliness and accuracy of benefit processing for Canadians.

To continue advancing the automation agenda, Service Canada began implementing the National Workload System in Manitoba and Saskatchewan in 2007/08. This new system allows for the integration of automated claims processing to create a more holistic approach to processing EI benefit claims. An assessment will be conducted to determine longer term deployment strategies.

### **3. EI Services to Businesses**

To pay EI benefits in a timely and accurate manner, Service Canada works with employers, payroll service providers and payroll software vendors to promote use of electronic filing of ROEs and payroll information. ROE Web, a Web-based reporting system for filing ROEs, facilitates electronic business-to-government transactions over the Internet.

In consultation with all stakeholders, a strategy was developed and implemented to phase out the ROE Laser print technology by April 2008. In 2007/08, Service Canada extensively marketed ROE Web to ROE Laser users to ensure they were aware of the advantages of the application and how it could reduce administrative burden for employers. As a result, more than 8,000 former ROE Laser users now use ROE Web.

The ROE Web Business Service Centre in Bathurst, New Brunswick, assists employer clients with technical and registration issues related to ROE Web. In 2007/08, it responded to 78,404 calls from employers. That number is down significantly from the previous year, because Service Canada improved the application and increased service capacity.

By the end of March 2008, 99,587 businesses had registered for electronic ROE products—ROE Web and ROE Secure Automated Transfer—including 23,852 new businesses. In addition, a total of 2,884,503 ROEs had been submitted electronically, a 45% increase since

the previous year. With the implementation of new releases, feedback from these businesses was positive, indicating that they received tangible benefits that outweighed any costs of support on their local networks.

The goal for 2008/09 is to continue improving the service and to increase business intelligence to support marketing efforts. Service Canada has established strong partnerships with members of the business community, including payroll service providers, payroll software vendors and stakeholders.

The Paperwork Burden Reduction Initiative (PBRI) is a public-private sector partnership that aims to reduce the costs of paperwork and regulatory compliance for business by 20% by November 2008. 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, as it eliminates the need to order paper ROEs, keep copies on file or send copies to Service Canada. That saves employers time and money in administration, storage and postage.

### **4. Premium Reduction Program**

The Premium Reduction Program 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. Because those plans would yield savings to the program, the government decided to return those 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, that the EI Commission approves each year.

Employers share five twelfths of their premium reductions with employees, in cash or in kind, based on the EI premium rate. Currently, 33,097 employers

participate in the Premium Reduction Program and over 40% of insured workers, or about 6 million people, are covered by a registered plan.

## 5. Appeals of EI 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*: a board of referees and an umpire. Further recourse is available at the Federal Court of Appeal and, finally, at the Supreme Court of Canada.

Boards of referees are independent, impartial tribunals. 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 2007/08, the boards of referees heard 21,635 appeals; of those, 78.1% had a scheduled hearing date that fell within 30 days of receipt of the appeal notice. Boards normally issue their decisions within seven days of the hearing. Approximately 23% of the cases that boards heard resulted in a reversal of Service Canada's decisions.

Claimants, employers, claimant and employer associations, and the EI Commission can appeal a board of referees' decision to an umpire, which is an independent, administrative tribunal. Some 20 to 40 Federal Court judges and retired provincial Superior Court judges sit alone as umpires and hear cases across Canada.

In 2007/08, 1,519 client appeals were filed with umpires; 98.1% of the client appeal dockets were prepared and sent by Service Canada to the Office of the Umpire within 60 days of receiving the appeal notice. The EI Commission filed 437 appeals with the Office of the Umpire. Approximately 20% of the decisions that umpires rendered 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 2007/08, the Federal Court of Appeal rendered 55 decisions on cases related to EI benefits; 22% of those decisions were favourable to the client.

## III. QUALITY

---

### 1. Payment and Processing Accuracy

The National Payment Accuracy Review (PAAR) measures the accuracy rate of EI benefit payments. The PAAR consists of a random sample of approximately 500 EI claims per year, reviewed twice. Each review provides detailed information on the causes and dollar value of errors undetected at the time of adjudication. These errors include 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 (OAG) relies on this work.

The EI payment accuracy rate declined slightly from 94.8% in 2006/07 to 94.6% in 2007/08. This drop was attributable mainly to an increase in errors due to incorrect declarations of earnings by claimants and incorrect reporting of earnings by employers. However, these errors were counterbalanced by improvements related to Service Canada's Simplification and Standardization Initiative, introduced in November 2006.

Another review, the National Processing Accuracy Review, takes a random sample of approximately 28,000 claims per year and verifies that applications for benefits are being 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. Service Canada implemented a new processing accuracy indicator in 2005/06 to measure the percentage of initial claims that were in order; the objective was an 80% accuracy rate. With the continued participation of the regions, the processing accuracy rate climbed from 80.7% in 2006/07 to 84.0% in 2007/08. An action plan, established annually, ensures continued improvement.

Also, the three-year National EI Quality Assurance Plan (2003–06) has been completed. The Plan was introduced to address recommendations resulting from both an audit in 2002 by Internal Audit and Risk Management Services and the OAG's 2003 Report, to review the implementation process to ensure that the quality initiative produces fully reliable information.

In support of its commitment to provide quality and consistent service, Service Canada piloted the National Quality Assurance program from October 1 to December 31, 2007. The objective of the pilot was to validate the program and resolve any potential issues before launching it nationally. The pilot was a success, so Service Canada implemented the program in all call centres on November 3, 2008.

## 2. 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*. That includes the responsibility for carrying out the following activities:

- issuing rulings to Human Resources and Skills Development Canada (HRSDC) and the public in instances where the insurability of employment, earnings or hours is in question;
- making decisions on appeals of rulings and assessments;
- raising assessments against employers for outstanding premiums;
- collecting outstanding amounts from employers;
- processing information returns;
- processing remittances from employers;
- responding to enquiries related to the collection of premiums;
- 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 about the insurability of employment, earnings or hours, Service Canada can

request a ruling from CRA to ensure that the claimant will receive the amount of EI benefits to which he or she is entitled. When payment of a claim is pending the issuance of a ruling, CRA has 15 calendar days in which to issue the ruling.

Members of the public and CRA employees can also request rulings directly. These requests are made to confirm whether EI premiums should have been withheld, for the purpose of either raising an assessment for outstanding EI premiums or refunding EI premiums that have been paid in error.

In 2007/08, Service Canada requested 11,884 rulings from CRA. That marked a decline of about 21% from 2006/07. CRA also received 7,958 requests directly from the public and another 23,020 requests from within CRA.

## IV. INTEGRITY

---

Given the large scale of the EI program, Canadians expect sound stewardship and accountability for the program's integrity. HRSDC balances detection, deterrence and prevention activities. The Integrity program focuses 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 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, which include penalties and prosecution.

In 2007/08, Service Canada held 9,308 information sessions, which 109,768 claimants attended. It also conducted 725,598 investigations, which resulted in a total of \$596.4 million in savings for the EI fund.

### 1. Integrity Quality Initiatives

A national quality team ensures consistent quality management of regional integrity units and their investigations. This task includes ensuring that quality advisors and coordinators are in place in every region, that quality management plans are included in business planning and that consistent monitoring takes place. National

Headquarters regularly monitors regional integrity units to evaluate the delivery of the Integrity program.

Service Canada has taken significant steps toward implementing a quality management and reporting system for the social insurance number (SIN) program's database, the Social Insurance Register. In addition, Service Canada has started implementing a strategy to manage the quality of new data as they are entered into the Social Insurance Register 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 Chapter 7 of her 2003 report, the Auditor General recommended that “HRSDC base its objectives for savings from Integrity activities and programs on an assessment of compliance risks and on Integrity's expected results for detecting and deterring non-compliance by claimants, employers and third parties with the *Employment Insurance Act* and Regulations.”<sup>2</sup>

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

In addition, Service Canada created the Risk Management Directorate within the Integrity Services Branch. As part of its responsibilities, this directorate measures compliance with legislative requirements and regulations. In addition, it is testing the use of state-of-the-art statistical modelling to predict the areas of greatest risk in investigations. Although this modelling currently applies only to investigations, the hope is that, in the future, it will help the organization focus its resources on preventing errors in complex cases at all phases of processing a claim.

With more attention being paid to prevention, compliance with legislation is key. New performance measures are currently being developed to quantify prevention efforts. Respecting the privacy and security of clients' personal information remains a high priority of the initiative.

## V. CONCLUSION

---

In 2007/08, Service Canada continued to modernize and transform delivery of the EI program to claimants, employers and stakeholders. Of particular note are initiatives such as the following:

- automated claims processing, which won a silver medal at the Government Technology Exhibition and Conference in the category of Service Delivery to Citizens and Businesses, as well as the ROE database consolidation, which was also nominated;
- simplification and standardization of policies and processes to remove impediments to seamless processing of claims while facilitating automation to ensure faster and more accurate payments to claimants; and
- new releases of ROE electronic products, which reduce administrative burden on employers.

At the same time, Service Canada balanced its approach to improving service delivery by implementing risk management strategies to enhance the integrity of the program.

Service Canada is committed to service excellence. It continuously strives to integrate and transform services to improve the delivery of the EI program to meet the changing needs of Canadians.

---

<sup>2</sup> Auditor General of Canada, *Report of the Auditor General of Canada to the House of Commons* (Ottawa: OAG, November 2003), Chapter 7, “Human Resources Development Canada and the Canada Employment Insurance Commission—Measuring and Reporting the Performance of the Employment Insurance Income Benefits Program.”



# Impacts and Effectiveness of Employment Insurance

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

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

To be eligible for regular EI benefits, an individual must have contributed to the EI program.

## I. EI AND INDIVIDUALS

---

As indicated in chapters 2 and 3, there were 1,757,500 new EI claims for income support in 2007/08 compared with 1,777,900 in the previous fiscal year, which represents a decrease of 1.1%. Also, more than 612,000 individuals participated in EBSMs<sup>1</sup> (-0.9% compared with 2006/07). This section assesses the impact and effectiveness of EI from the individual's perspective by examining both the accessibility and the adequacy of the EI program.

### 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 a social 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;<sup>2</sup> 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.<sup>3</sup>

---

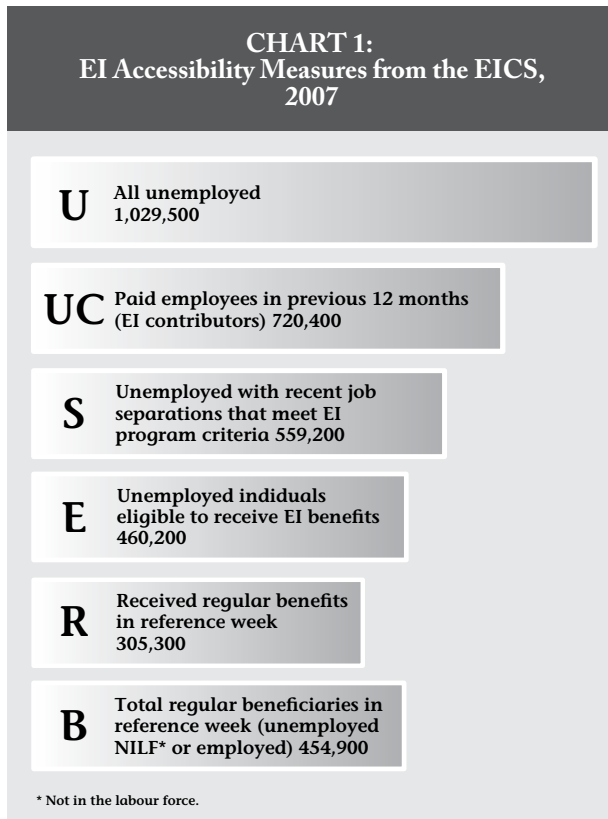
<sup>1</sup> Since most Employment Benefits and Support Measures (EBSMs) participants also collect Part I income benefits, adding these numbers would overstate the total number of individuals benefiting from the program.

<sup>2</sup> 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.

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

# 1. Unemployed Population

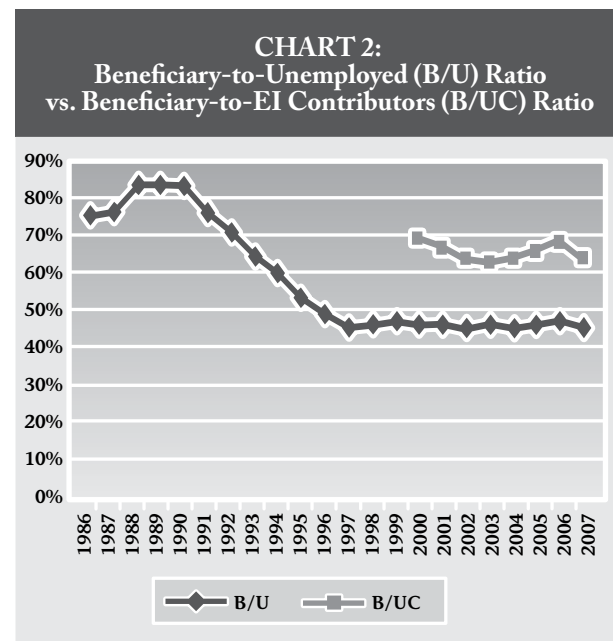
Statistics Canada's Employment Insurance Coverage Survey (EICS) provides an array of information on eligibility for the EI program and can be used to calculate a number of measures.<sup>4</sup> Summaries of the various EICS eligibility measures are presented in Chart 1, Table 1 and Annex 5.



According to the 2007 EICS, there was an estimated average of 1,029,500 unemployed people in Canada (shown as U in Chart 1).<sup>5</sup> The survey estimated that 720,400 individuals had been paying EI premiums (UC in Chart 1), representing 70% 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 2007 EICS also estimated that an average of 559,200 recent contributors to EI had a job separation that met EI program criteria (S in Chart 1). They represented 54.3% of the unemployed (S divided by U). The remaining 45.7% of unemployed individuals were outside of the existing program parameters. According to the EICS, of the unemployed individuals who had been paying premiums, 77.6% had a recent job separation that met EI program criteria (S divided by UC). Of those who did not meet EI program criteria, 8.2% returned to school and 14.1% 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, 82.3% were eligible to receive EI benefits in 2007 (E divided by S in Chart 1). This measure provides the best indication of the ability of individuals to accumulate sufficient hours of insured work to meet EI entrance requirements, given existing program parameters for access. The remaining 17.7% had a qualifying job separation, but had not worked enough insurable hours to qualify for benefits, representing 99,000 unemployed individuals.



<sup>4</sup> Statistics Canada, *Employment Insurance Coverage Survey* (Ottawa: Statistics Canada, 2007).

<sup>5</sup> The Labour Force Survey (LFS) estimate was an average of 1,081,000 unemployed people for 2007.



For a number of years, the beneficiaries-to-unemployed ratio (B divided by U) has been used as an indicator of access to the EI program. The B/U ratio<sup>6</sup> includes, however, many people who are outside the parameters of the EI program, as previously indicated. Despite its limitations, the B/U ratio has the advantage of simplicity and historical availability. As shown in Chart 2, since 1997 the annual average B/U ratio has been around 45%. In 2007, it was slightly lower than this average, at 44.2%. 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 2007, the B/UC ratio was 63.1% compared with 67.8% in 2006.

Hours-based eligibility for EI is determined 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 to receive EI benefits, divided by the number of unemployed individuals with a recent job separation that met EI program criteria. The eligibility rate for youth (aged 15 to 24) with a recent job separation that qualified under EI, at 45.9%, was again among the lowest in 2007. 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 2007, at 33.6%. The eligibility rate for adult men with a recent job separation that qualified under EI was 90.4% compared with 87.7% for adult women.

As mentioned in Chapter 1, unemployment rates dropped to record levels in 2007/08, although some variance in labour market performance across provinces and territories still existed. 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 69.9% in Alberta to 92.0% in Prince Edward Island. Due to sample size, EICS estimates at the provincial level can fluctuate widely from year to year.

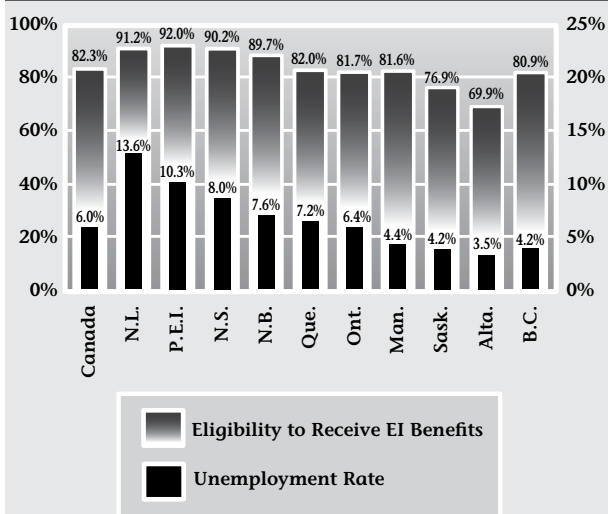
**TABLE 1:**  
**Eligibility Measures from the EICS**

	2007 (%)	2006 (%)	2005 (%)	2004 (%)
<b>B/U ratio</b>	44.2	46.1	44.8	43.6
<b>B/UC ratio</b>	63.1	67.8	65.4	63.5
<b>Eligibility rate for unemployed people with a recent job separation that qualified under EI</b>				
...for unemployed youth	45.9	47.0	49.8	48.5
...for unemployed adult women	87.7	85.4	87.2	82.3
...for unemployed adult men	90.4	91.5	90.2	89.6
...for people who had worked full time	90.0	86.7	90.4	87.6
...for people who had worked part time	33.6	53.8	43.1	42.8
...for people who had worked full and part time	81.0	68.9	77.3	80.5
...for immigrants	87.6	77.5	77.3	75.0

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 reference week divided by the number of unemployed individuals with a recent job separation that met EI program criteria—R/S in Chart 1).

<sup>6</sup> 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.

**CHART 3:  
Eligibility to Receive EI Benefits Among  
Unemployed with Qualified Separations, and  
Annual Average Unemployment Rate  
by Province (EICS), 2007**



Receipt of benefits can differ from eligibility, since not all those who are eligible file a claim for benefits. In 2007, among unemployed individuals with a recent job separation that met EI criteria, an average of 54.6% received regular or special benefits during the reference week. That same year, among those who had sufficient hours to make a claim, 66.3% received regular benefits (R/E in Chart 1).

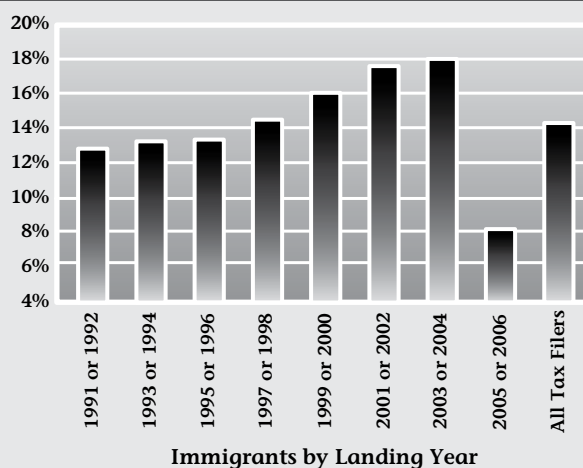
### 1.1 Immigrants

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 87.6% in 2007, up from 77.5% in 2006. 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, HRSDC also conducted an analysis based on Statistics Canada's Longitudinal Immigration Database (IMDB)

and tax data. The analysis shows the proportion of all immigrant<sup>7</sup> tax filers who reported EI income in addition to their employment earnings. For the 2006 taxation year,<sup>8</sup> results show that, as they enter the labour force, recent immigrants (those who landed in 2005 or 2006) 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 2006. As immigrants build labour force attachment, a larger proportion of them access the EI program and receive benefits. The proportion of immigrants who receive EI benefits peaks two to three years after they land and then gradually decreases to resemble that of Canadian-born workers. Overall in 2006, immigrants tended to use the program in a proportion similar to that of all tax filers in Canada.

**CHART 4:  
Percentage of Immigrants with EI Income Among  
Immigrants With Employment Earnings, 2006**



Sources: Statistics Canada (Longitudinal Immigration Database) and Canada Revenue Agency.

### 2. Employed Population

The main analysis in this section is based on the Survey of Labour and Income Dynamics (SLID),<sup>9</sup> 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 if all workers had been laid

<sup>7</sup> IMDB data are based on immigrants who are permanent residents of Canada.

<sup>8</sup> The analysis is based on the most recent information available for the tax system.

<sup>9</sup> Constantine Kapsalis and Pierre Tourigny, *Potential EI Eligibility of Paid Workers in December 2006* (Ottawa: Data Probe Economic Consulting Inc., forthcoming).

off in December. The SLID simulation suggests that 87.8% of individuals who were working as employees in December 2006 would have been eligible for EI regular benefits if they had been laid off that month. The remaining 12.2% 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.

The eligibility rate among employed individuals was virtually the same as it had been in the previous year (87.7% in December 2005). In fact, it has remained fairly constant since 1997 at around 88%, 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 consistent across the country, with coverage rates ranging from 87.0% in Ontario to 89.8% in British Columbia. The Prairies (87.5%), Quebec (88.8%) and the Atlantic provinces (89.5%) had similar potential eligibility rates. EI coverage was somewhat lower for employed adult women (88.5%) than for employed adult men (94.4%), primarily because women are more likely than men to work part time. Among full-time workers, however, there was virtually no difference between women and men (94.6% vs. 95.2%, 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 2006, 1.1 million individuals were eligible for an EI premium refund, representing 6.6% of those in paid employment.

## 2.1 Job Separation and Record of Employment

There are approximately 8 million job separations per year in Canada. For each of these, the employer files a Record of Employment (ROE), which includes information on the reason for separation. Among the different reasons for separation, the most common include layoffs, voluntary quits, injury or illness, returns to school and the decision to stay home to care for a newborn child. 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 2007, approximately 2.5 million job separations in Canada were layoffs. On average, individuals had worked 733 insured hours in the 52 weeks before these layoffs occurred.

As mentioned above, to qualify for regular benefits, workers must have accumulated a minimum number of hours worked in the year prior to 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%.

In 2007, almost three quarters of job separations occurred in regions where the unemployment rate was below 7.1%. That is to be expected, since most people choose to live where employment is most available. For a majority of Canadian workers in 2007, the number of hours required to qualify for regular benefits was 700 hours or slightly less.

As mentioned in the 2006 report, the proportion of job separations that occur after sufficient hours have been accumulated to qualify for EI regular benefits declines as the unemployment rate declines. In 2007, in regions of 13.1% unemployment or higher, 78.3% of job separations occurred after enough hours of work to meet the VER had been accumulated. Other regions with relatively high unemployment (between 11% and 13%) had higher proportions of job separations that would have met the

VER (over 81%). Conversely, 68.0% of job separations in regions of low unemployment (6.0% or lower) occurred after sufficient hours of work had been accumulated to meet the VER.

A forthcoming study,<sup>10</sup> which examines job separations between 1992 and 2007, concludes that the move from weeks-based coverage to hours-based coverage and other legislative changes did not appear to have a noticeable impact on the overall percentage of ROEs that met the VER.

## 2.2 Non-Standard Workers

Non-standard work is typically defined as part-time, seasonal, cyclical, temporary and own-account self-employment work, as opposed to standard work, which is usually full-time, full-year work. In relation to the EI program, attention is often focused on the incidence of non-standard employment, as it has an impact on access to benefits. It is interesting to note that the prevalence of part-time work, as a share of total employment, is declining, and hours polarization is evening out. As a result, fewer part-time workers are working fewer than 15 hours per week and fewer full-time workers are working more than 41 hours per week.<sup>11</sup>

Most Canadian workers remain in standard full-time employment. Workers who are new to the workforce or returning from an extended absence tend to fall into non-standard employment and remain there for long periods (two years or more).<sup>12</sup> Certain workers 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, before submitting a claim for EI. This provision is 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 14.7% of all employees

in 2006, they accounted for 35.2% of paid employees who were NEREs, likely because many of them held part-time jobs.

Analysis of access to the EI program based on data from the 2006 SLID indicates that youth and NEREs had lower coverage rates—66.1% and 52.9%, respectively—than other workers, due to their lower number of insured hours and the NERE requirement to work at least 910 hours to qualify for benefits. However, 41.2% of youth who were NEREs had sufficient insured hours to receive EI benefits (more than 910 insurable hours). The 2007 EICS also indicates that part-time workers had lower coverage rates, at 52.4%. Women who worked part time, however, had better coverage than their male counterparts (53.5% versus 49.5%).

Seasonal workers had coverage rates closer to those of standard workers. The EICS indicates that 84.4% of seasonal workers who had been contributing to EI and then had a job separation accepted under program rules were eligible for benefits in 2007.

## 2.3 Older Workers

In the context of an aging workforce, as well as projected skills and labour shortages, the participation of older workers in the workforce is an important issue. A recent study<sup>13</sup> from Statistics Canada indicates that baby boomers may not be fleeing the workplace for retirement, which may help to mitigate current labour shortages. There is a record proportion of older workers in the workforce. In fact, in 2007, 6 in 10 workers between the ages of 55 and 64 were in the labour force. Most older workers have a strong and enduring attachment to the labour force, and thus are able to meet EI's hours-based requirements. The SLID analysis reveals that 88.1% of employees aged 55 to 69 could have qualified for EI benefits if they had been laid off in December 2006. Also, the latest EICS data show that among employed

<sup>10</sup> HRSDC, *ROE-Based Measures of Eligibility* (Ottawa: HRSDC, Evaluation Directorate, forthcoming).

<sup>11</sup> Jeannine Usalcas, "Hours Polarization Revisited," *Perspectives on Labour and Income* 9, 3 (Ottawa: Statistics Canada, March 2008), Cat. No. 75-001-X.

<sup>12</sup> Constantine Kapsalis and Pierre Tourigny, "Duration of Non-Standard Employment," *Perspectives on Labour and Income* 5, 12 (Ottawa: Statistics Canada, December 2004), Cat. No. 75-001-XIE.

<sup>13</sup> Katherine Marshall and Vincent Ferrao, "Participation of Older Workers," *Perspectives on Labour and Income* 8, 8 (Ottawa: Statistics Canada, August 2007), Cat. No. 75-001-XIE.

people aged 45 and older<sup>14</sup> who had been contributing to EI and then had a job separation accepted under the program, 89.5% were eligible to receive benefits in 2007.

An HRSDC report from the Expert Panel on Older Workers indicates that many older workers participate in non-standard types of employment, such as part-time work and self-employment. These types of employment arrangements suit many older workers, as many choose to re-enter the labour force after retirement but are looking for non-standard arrangements to fit their new lifestyle. However, not all older workers choose non-standard employment and some would prefer standard full-time employment if it were available.<sup>15</sup>

Older workers are more likely to use all the EI benefits to which they are entitled. On average, in 2006/07, older workers received 20.8 weeks of regular benefits, down marginally from 20.9 weeks in the previous year. That compares with an average of 18.7 weeks of regular benefits used by all claimants. The proportion of older workers exhausting their regular benefits was 34.3% compared with 27.9% for all claimants.

### 3. Access to Fishing Benefits

Most fishing activity occurs in small, rural communities where other job opportunities are often limited. For workers in these communities, EI benefits play an important income support role. EI fishing benefits are paid to self-employed fishers. Since it would be difficult to track the hours of work of self-employed fishers, their eligibility for benefits is based on earnings rather than on hours worked. The amount of earnings required to qualify, which ranges between \$2,500 and \$4,200 depending on the unemployment rate, has not changed since it was set in 1996.

In 2007/08, a total of \$249 million was paid in fishing benefits, a 2.8% increase over the previous year. Following two years of consecutive declines, the number of fishing claims increased by 0.6% in 2007/08. Despite the increase in fishing claims, the actual number of fishers who made these claims declined by 3.1%. This

apparent discrepancy is explained by the fact that there are two separate fishing seasons and fishers in some areas of the country are active in both of them, thus qualifying for benefits twice per year.

In late spring 2007, ice conditions in Newfoundland and Labrador, specifically in some northern parts of the province, made it impossible for some fishers to leave the harbour and pursue their normal activities. To assist these fishers, the Department of Fisheries and Oceans (DFO) made available an ice compensation package to replace income lost due to these conditions. Although DFO anticipated that there would be about 5,000 applications, a total of 1,650 fishers applied for the compensation. As mentioned in Chapter 2, the number of fishing claims in Newfoundland and Labrador increased by 7.6% in 2007/08. In spite of the ice conditions, the number of claims established in the third quarter of the reference period (October claims) also rose, albeit slightly, by 0.6%. Fishers in Newfoundland and Labrador are the most likely to be active in both seasons. In 2007/08, a total of 4,270 fishing claims were established in the first quarter (April claims), a 26.7% increase over the previous year. In 2007/08, average weekly benefits in Newfoundland and Labrador increased by 4.8% to \$395.

In 2007/08, the number of fishing claims in British Columbia dipped to 3,098 (-17.0%), following a 4.0% increase the previous year. Since 2003/04, fishing claims in British Columbia have dropped by nearly one third (-29.6%). Between 2003 and 2007, the provincial total for commercial landings has decreased by 21.5%. The quotas have been set at levels to conserve resources in the Pacific and fewer fishers are now part of the commercial fishery. Average weekly benefits for fishers in British Columbia have hovered around \$355 in recent years, and 2007/08 was no exception at \$351.

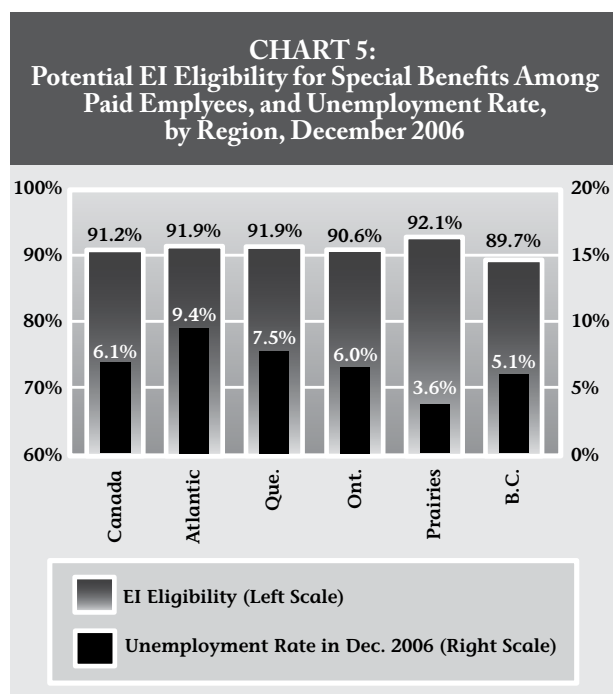
Overall, fishers received an average of 20.3 weeks of fishing benefits. Fishers in British Columbia, who do not have a second fishing season, had the longest benefit durations at 22.4 weeks in 2007/08. Benefit durations in the Atlantic provinces varied between 19.0 and 20.6 weeks.

<sup>14</sup> The EICS does not provide a breakdown for the 55 and older age group.

<sup>15</sup> HRSDC, *Expert Panel on Older Workers: Supporting and Engaging Older Workers in the New Economy* (Ottawa: HRSDC, 2008), [http://www.hrsdc.gc.ca/en/publications\\_resources/lmp/ewow/2008/older\\_workers\\_2008.pdf](http://www.hrsdc.gc.ca/en/publications_resources/lmp/ewow/2008/older_workers_2008.pdf).

## 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 91.2% 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 (89.7%) and the Prairies, which had

the highest access at 92.1% (see Chart 5). This indicates that the 600-hour eligibility threshold is equitable, regardless of the regional unemployment rate of insured workers. Nearly all (97.0%) full-time workers would have had sufficient hours to qualify for special benefits, regardless of gender. Among part-time employees, 62.3% of women and 59.1% of men would have been eligible to collect EI special benefits.

### 4.1 Maternity and Parental Benefits

As described in Chapter 2, there were 168,460 maternity claims in provinces other than Quebec in 2007/08,<sup>16</sup> an increase of 3.5% over the previous fiscal year.

According to the EICS, the number of mothers with a child up to 12 months of age rose by 3.3% in 2007, to nearly 377,000, after declining slightly in 2006. More than three quarters of these mothers (77.2%) had insurable income prior to having or adopting their child, and 85.9% of them had received benefits in the form of maternity or parental benefits. Overall, two thirds (66.3%) of mothers received benefits in 2007, a proportion that has remained relatively stable since 2003.

The proportion of fathers who claimed or intended to claim parental benefits increased to 26.8% in 2007, from 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.<sup>17</sup>

A recent Statistics Canada<sup>18</sup> study shows that since the QPIP was implemented, the proportion of eligible fathers in Quebec claiming benefits has increased from 32% in 2005 to 56% in 2006. Meanwhile, the proportion of fathers who claimed benefits outside Quebec went down from 13% in 2005 to 11% in 2006. However, the average number of weeks claimed by fathers in Quebec dropped from 13 weeks in 2005 to 7 weeks in 2006, while fathers from the rest of Canada increased the time they stayed home with their new

<sup>16</sup> Quebec introduced its own parental insurance plan on January 1, 2006, which has replaced EI maternity and parental benefits in the province.

<sup>17</sup> The proportions reported above originate from the EICS and include parents in Quebec receiving benefits from the provincial program.

<sup>18</sup> Katherine Marshall, "Fathers' Use of Paid Parental Leave," *Perspectives on Labour and Income* 9, 6 (Ottawa: Statistics Canada, June 2008).

child from 11 to 17 weeks. The QPIP offers fathers a 5-week, non-transferable paternity leave, which might account for the increased take-up in Quebec as well as the decrease in weeks used by fathers who chose to stay home with a newborn or adoptive child.

The number of biological parental claims established by men (outside Quebec) rose by 5.2% (+1,190) in 2007/08, continuing a five-year trend of increased take-up by men. Women continued to establish the vast majority of parental claims (87.1%) and collected 31.3 weeks of parental benefits, on average, compared with 17.0 weeks for men.<sup>19</sup>

## 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.

### 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).<sup>20</sup> 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 and \$41,100 in 2008. Accordingly, the maximum weekly benefit was \$423 in 2007 and \$435 in 2008. The MIE was raised for the third consecutive year to reach \$42,300 for 2009, which increased the maximum weekly EI benefit to \$447.

From 2006/07 to 2007/08, the average weekly benefit increased by 3.6%, from \$335 to \$347, the 11<sup>th</sup> consecutive increase. Growth in average weekly benefits was strong for almost all benefit types, compassionate care benefits being the only benefit type that grew by less than 3% overall between 2006/07 and 2007/08

**TABLE 2:**  
Average Weekly Benefits, by Type

		2006/07	2007/08	% growth
Regular	Men	360	373	3.5
	Women	298	310	3.9
	Both	335	347	3.6
Parental	Men	382	390	2.1
	Women	330	342	3.6
	Both	337	348	3.2
Maternity	Men	n/a	n/a	n/a
	Women	326	338	3.7
	Both	326	338	3.7
Sickness	Men	343	355	3.4
	Women	277	288	4.0
	Both	304	316	3.7
Compassionate Care	Men	364	374	2.8
	Women	318	326	2.3
	Both	330	338	2.6

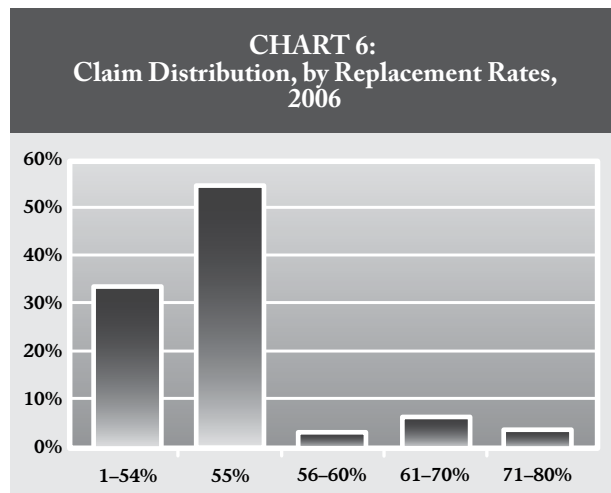
(see Table 2). Growth rates for average weekly benefits for all types of benefits were stronger for women than for men in 2007/08, except for compassionate care. However, as presented in Chapter 1, average weekly benefits reflect the earnings gap between men and women, as average weekly benefits for women never represent more than 88% of men's.

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 42.3% in 2007/08, from 41.3% in 2006/07.

<sup>19</sup> Data on claim duration cover only claims commencing during the first half of the period to ensure data are based on completed claims.

<sup>20</sup> The methodology used to obtain the PAAE is outlined in the *Employment Insurance Act* and in the *Report on the Maximum Yearly Insurable Earnings* (Ottawa: HRSDC, Chief Actuary), [http://www.hrsdc.gc.ca/en/employment/ei/premium\\_rate/2009/index.shtml](http://www.hrsdc.gc.ca/en/employment/ei/premium_rate/2009/index.shtml).

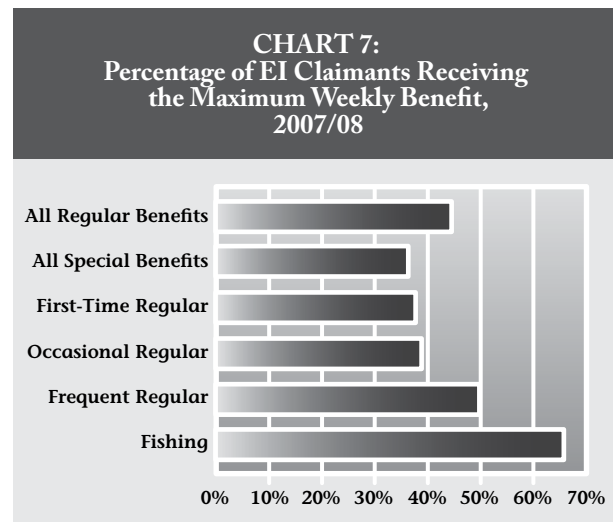
In 2006, workers paid premiums on earnings up to the maximum insurable amount of \$39,000. Therefore, any amount earned above this threshold was not insured. For those with earnings above the MIE, EI does not replace 55% of the amount they earn while working. In 2006, the overall average replacement rate was 51.3%. About one in three claimants had an effective replacement rate that was lower than 55%. The average replacement rate for these claimants was 32.4%.<sup>21</sup> As shown in Chart 6, about 10% of claimants had an effective replacement rate above 55% in 2006, consistent with the proportion of claims that received the Family Supplement.



On average, men had lower replacement rates than women (49.5% and 53.2%, respectively), reflecting both the higher wages men earn and the higher proportion of women with an increased replacement rate due to the Family Supplement. In 2006, claimants receiving the Family Supplement had an average replacement rate of 67.2%.<sup>22</sup> As mentioned in Chapter 2, the number of claimants receiving the Family Supplement has been declining, and while the average weekly benefit has increased, the average top-up has remained stable in recent years.

The work pattern of some claimants increases the likelihood that they will receive the maximum weekly benefit, as illustrated in Chart 7. Generally, fishers and regular frequent claimants are much more likely to receive the maximum benefit than other claimants.

In 2007/08, 65.6% of fishing claimants received the maximum weekly benefit. This is in contrast to a proportion of 37.8% for first-time regular claimants.



## 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.<sup>23</sup> In 2006, repeat EI beneficiaries whose net income exceeded \$48,750 repaid the lesser of 30 cents of every dollar in benefits they received, or 30 cents for every dollar of net income above the threshold.

For the 2006 taxation year, 146,789 claimants of regular or fishing benefits repaid \$144 million. The number of claimants who repaid benefits rose by 11.3% and the amount repaid was 8.9% higher than the amount observed in 2005. On average, claimants repaid \$982, slightly less than the \$1,003 that was repaid the previous year. In 2006, claimants who repaid a portion of their benefits were on claim for an average of 8.9 weeks, or 0.6 week less than in 2005. These shorter durations resulted in individual claimants receiving \$231 less in EI benefits during the year (\$3,705 compared with \$3,936 in 2005). The fact that claimants were on claim for shorter periods is consistent with the improved labour market conditions in 2006, which reduced the time taken to complete a successful job search.

<sup>21</sup> The benefit repayment provision makes the effective replacement rate lower still for those earning more than \$48,750 in 2006. The repayment provision is not taken into account in this analysis.

<sup>22</sup> The Family Supplement cannot exceed 80% of a claimant's average weekly insurable earnings.

<sup>23</sup> See Annex 6 for further details on the benefit repayment provision.



Although men remained the vast majority of those who repaid benefits (89.0% of the total in 2006), their share declined from the 90.3% they represented in 2005. The number of women who repaid a portion of their benefits grew at nearly three times the rate observed for men (26.2% compared with 9.7%). Although more women making regular or fishing claims are joining the ranks of the “high earners,” the average repayment women made was 20% lower than that of men (\$809 compared with \$1,004).

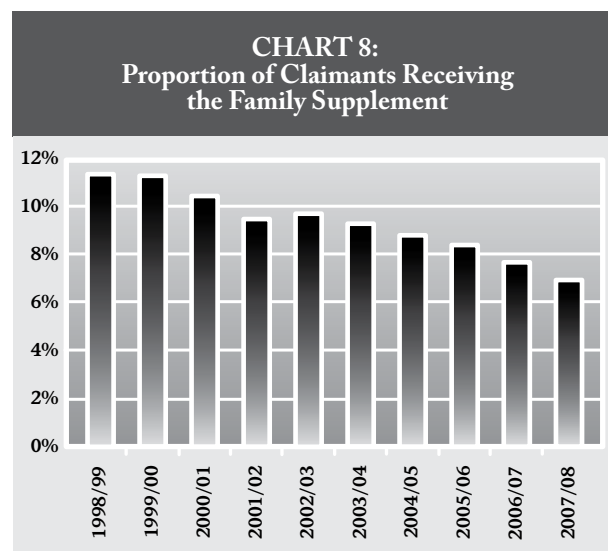
There was an increase in the number of claimants who repaid a portion of their benefits across all age groups. Older workers (aged 55 and older) continued to be overrepresented among those who repaid benefits. In 2006, they accounted for 22.8% of all claimants who repaid benefits, while they represented 16.4% of all regular claims. There was also a notable increase in the number of youths who repaid benefits (+25.0%), although they represented only 3.0% of those who repaid benefits. Older workers were the only demographic group whose average repayment amount increased in 2006, to \$1,237 from an average of \$1,216 the previous year.

Provincially, individuals in the Atlantic provinces who repaid benefits did so for amounts higher than those in the rest of Canada. That is due to the fact that even high-income EI claimants require more weeks to perform a successful job search 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 20.4 weeks, while their counterparts in provinces outside Atlantic Canada all had benefit durations of 10 weeks or less. Claimants in three provinces had increases in their average repayment amounts: Alberta (+\$129), Newfoundland and Labrador (+\$105), and British Columbia (+\$42). Claimants in all other provinces had declines in their average repayments, ranging from \$118 in Nova Scotia to \$9 in Quebec.

### 3. Benefits to Low-Income Families: Family Supplement

The adequacy of EI benefits is also assessed by examining the effectiveness of the Family Supplement in providing additional income support to low-income families with children.<sup>24</sup> The Family Supplement can increase the benefit rate of 55% to a maximum of 80% for claimants with low net family incomes of \$25,921 or less.<sup>25</sup>

As indicated in Chapter 2, approximately 127,300 individuals received the Family Supplement top-up in 2007/08, a decline of about 7.5% compared with the previous year (137,600).



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 7.2% in 2007/08 (see Chart 8). Women were more likely to receive the Family Supplement. In 2007/08, 12.1% of women who claimed EI were entitled to the Family Supplement, compared to 3.1% of men. As mentioned in previous reports, the decline in the share of Family Supplement claims is due largely to the fact that the Family Supplement threshold has remained fixed while family incomes have risen.

<sup>24</sup>This assessment includes all claim types (regular, fishing and special).

<sup>25</sup>Like other claimants, those receiving the Family Supplement are subject to the maximum weekly benefit.

In 2007/08, low-income families received over \$135 million in additional benefits through the Family Supplement. These payments have been declining over the past several years, but the decline in 2007/08 was the second consecutive decline of over 10%. In 2007/08, the average weekly top-up was \$42, a 2.5% decline compared with the previous year (\$43). Since 1999/00, the average weekly top-up has remained around \$43. In 2007/08, total Family Supplement payments for men declined more rapidly (-15.6%) than for women (-9.0%). Although total Family Supplement payments declined for all age groups in 2007/08, claimants aged 55 and older experienced the most important decline with a 14.4% decrease.

In 2007/08, women represented the vast majority (77.2%) of Family Supplement recipients. This proportion was higher for special benefits (88.8%) than for regular benefits (69.8%).

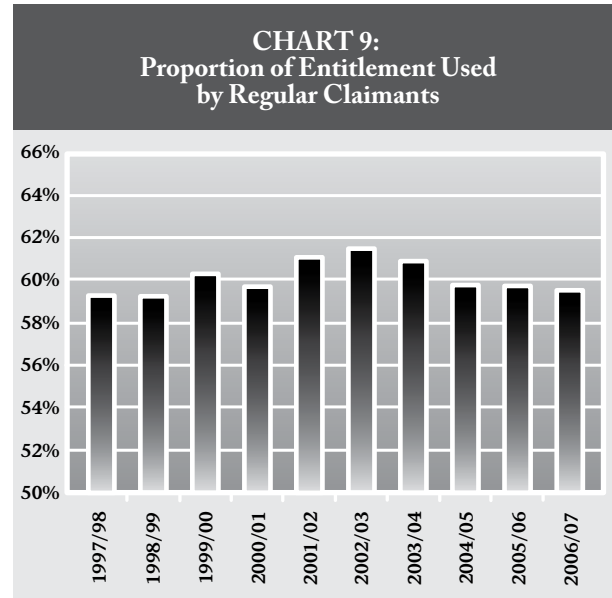
Recipients of the Family Supplement top-up collected more weeks of regular benefits and used a higher percentage of their entitlement than non-recipients did. In 2006/07,<sup>26</sup> recipients of the Family Supplement used almost three more weeks of regular benefits (21.4 weeks), on average, than those not receiving the Family Supplement (18.5 weeks). In addition, those who received the top-up used an average of 70.9% of their total entitlement compared with 58.5% for those who did not receive the Family Supplement.

#### 4. Regular Claim Duration

Regular EI beneficiaries are entitled to between 14 and 45 weeks of income support, depending on the number of insured hours worked and the unemployment rate of the region in which they establish a claim. On average, regular claimants received 18.7 weeks of benefits in 2006/07,<sup>27</sup> compared with 19.0 weeks the previous year.

In 2006/07, for the third consecutive year, the proportion of entitlement used by regular claimants remained relatively stable at 59.7% (see Chart 9). That has occurred even though Canada's economic performance has

varied from year to year. In fact, since 1997/98, regular claimants have always used less than two thirds of their entitlement, on average.



As in previous periods, the percentage of EI entitlement used in 2006/07, on average, was highest in the Atlantic provinces, ranging from 63.1% in New Brunswick to 66.7% in Prince Edward Island. In Newfoundland and Labrador, however, the percentage of EI entitlement used declined from 70.9% in 2001/02 to 65.2% in 2006/07, the largest decline in Canada. For the first time since 2003/04, the percentage of EI entitlement used was above 60% in British Columbia (62.2%). Alberta had the lowest percentage of entitlement used in 2006/07, at 54.3%. In the previous two years, Saskatchewan had had the lowest one.

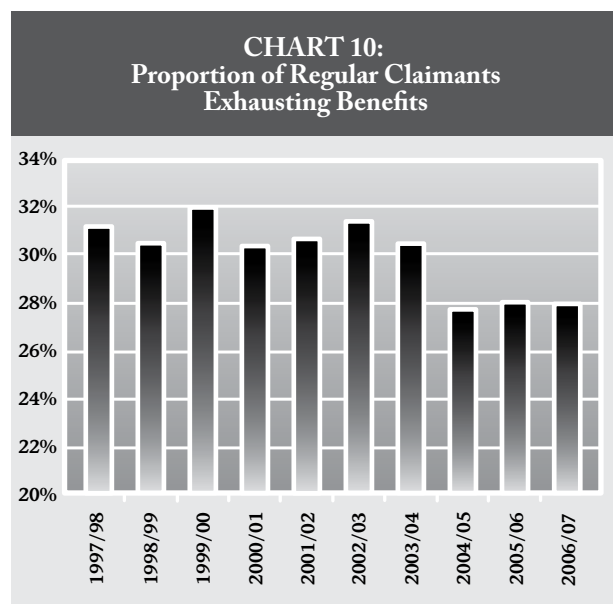
Historically, women and men have used a similar proportion of their EI entitlement. That was also the case in 2006/07, when men used an average of 59.5% of their entitlement and women used 59.9%, both figures practically unchanged from the previous year. Among all age groups, older workers continued to use the highest percentage of their EI entitlement, at 67.4%, compared with 57.1% for youth and 58.9% for claimants aged between 45 and 54. Older workers were the only group to see their average EI entitlement used increase over the previous year. First-time claimants continued to use, on average, a greater proportion of their

<sup>26</sup> Data and analysis on duration of Family Supplement payments are for claims established in 2006/07 to ensure all claims were completed.

<sup>27</sup> Data and analysis on duration of regular benefits are for claims established in 2006/07 to ensure all claims were completed.

EI entitlement than occasional and frequent claimants. In fact, in 2006/07, first-time claimants used 61.8% of their entitlement compared with 60.0% for occasional claimants and 57.6% for frequent claimants. That is consistent with the claim patterns of frequent claimants, most of whom are seasonal workers who establish claims each year in the off season.

Another way to assess the adequacy of EI entitlement is to examine the degree to which claimants exhaust all weeks of benefits. For the third consecutive year, the proportion of regular claimants exhausting their benefits has remained almost unchanged, at 27.9% in 2006/07. Chart 10 indicates that it has been easier for claimants in the last three reporting periods to return to work before their entitlement runs out.



The exhaustion rate has always been higher for women than for men. That was still the case in 2006/07, as 29.9% of women and 26.5% 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 benefits (31.3 versus 33.3 for men), since women generally have fewer hours of insurable employment.

In 2006/07, however, the exhaustion rate for women was below the 30% threshold for the first time. In comparison, men's exhaustion rate has been below

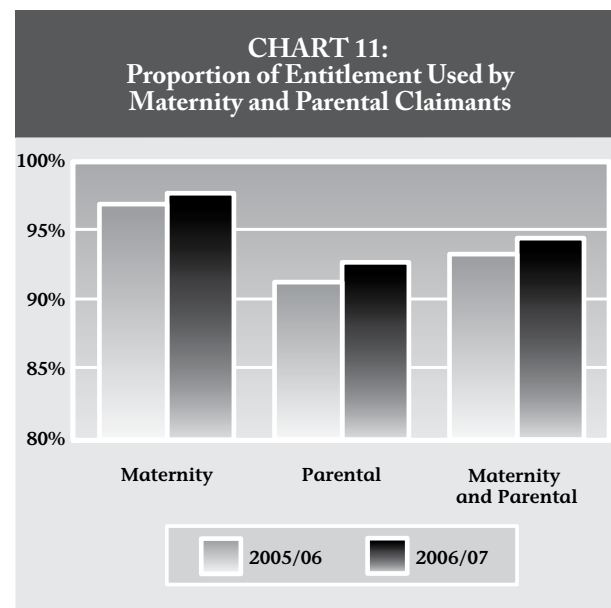
that level since 1997/98. In recent years, trends in exhaustion rates for men and women have been going in opposite directions. In fact, the proportion of men exhausting their benefits has been increasing for the last two reporting periods, while that of women has been declining for the last four years.

For the third year in a row, claimants aged 45 to 54 had the lowest rate of exhaustion, at 25.7%, while those aged 25 to 44 had the second lowest rate at 27.1%. Older workers (55 and older) continue to register the highest exhaustion rate (34.3%) and longer durations of unemployment than other age groups. The likelihood of exhausting benefits varies by claim history. In 2006/07, 35.3% of first-time claimants exhausted their benefits compared with 19.8% of frequent claimants.

## 5. Special Benefits Claim Duration

### 5.1 Maternity and Parental Benefits

As was the case in previous periods, analysis indicates that parents used almost all of the EI maternity and parental weeks to which they were entitled in 2006/07.<sup>28</sup> As indicated in Chart 11, parents used 94.6% of the full year<sup>29</sup> available to them in 2006/07, a proportion relatively unchanged from the previous year (94.4%).



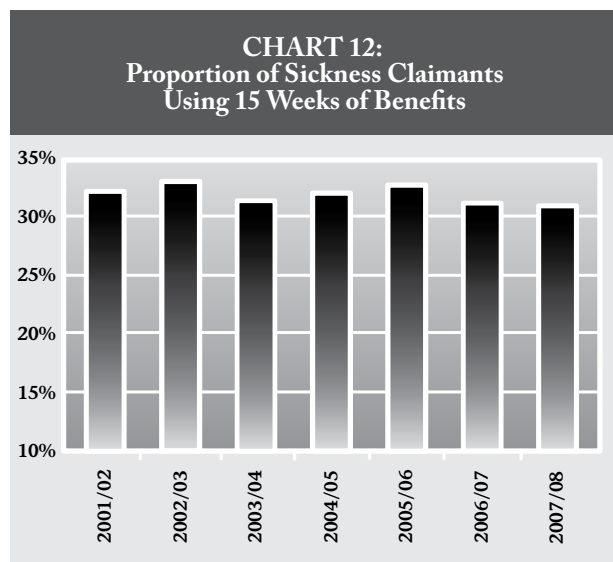
<sup>28</sup> Data and analysis on duration of maternity and parental benefits are for claims established in 2006/07 to ensure all claims were completed.

<sup>29</sup> A full year is obtained when recipients 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. That was not the case, however, for claimants who received maternity and parental benefits. In fact, low-income claimants receiving maternity and parental benefits and the Family Supplement collected an average of 47.0 weeks of benefits, similar to the number of weeks collected by higher-income claimants not receiving the Family Supplement (47.2 weeks).

## 5.2 Sickness

EI provides up to 15 weeks of sickness benefits to help clients who are absent from work due to short-term illness, injury or quarantine. Analysis of the adequacy of sickness benefits is based on the number of weeks of sickness benefits collected. For the fourth consecutive year, claimants collected an average of 9.5 weeks, or 63.3% 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, 31.5% of sickness claimants collected the maximum 15 weeks of benefits. This proportion has also been relatively stable over the last few years (see Chart 12).



Older workers were slightly over-represented among those who collected the maximum 15 weeks of benefits. In 2007/08, older workers represented 19.1% of all EI

sickness claims but 23.8% of those who collected all 15 weeks of benefits. A recent study<sup>30</sup> indicates that those who exhaust their sickness benefits are more likely to be women, as well as individuals suffering from a disability or a very high stress level, and employees from the health care industry. The same study reveals that EI sickness claimants who exhaust their benefits spend a far longer period of time away from work (about 20 more weeks) than the average job separator.

Nearly half of sickness claimants (47.6%) in 2007/08 collected between 11 and 15 weeks of benefits (including the 31.5% who collected 15 weeks), 23.7% received between 6 and 10 weeks, and 28.7% collected between 1 and 5 weeks.

## 5.3 Compassionate Care Benefits

After growth of 9.6% in 2006/07, the number of new compassionate care benefits (CCB) claims grew by less than 1% (+0.5%) in 2007/08, to reach 5,700.

Since the introduction of CCB, women have consistently represented about three quarters of all CCB claimants. They continued to do so in 2007/08, when they accounted for 74.2% of all CCB claims. On average, CCB claimants received 4.7 weeks of benefits in 2007/08, and the vast majority (97.5%) did not share the benefits. Just over 59% of claimants received the maximum entitlement of 6 weeks. All figures remained almost unchanged from the previous year.

A recent study<sup>31</sup> indicates that the likelihood of using the maximum CCB entitlement was higher for those caring for a spouse than for those caring for any other type of relative, and that it was higher for caregivers living with the gravely ill individual than for those living elsewhere.

## 6. Combining Special Benefits

Different types of benefits can be combined within a single claim, under certain circumstances, to a maximum of 71 consecutive weeks.<sup>32</sup>

<sup>30</sup> HRSDC, *Use of EI Sickness Benefits* (Ottawa: HRSDC, Evaluation Directorate, forthcoming).

<sup>31</sup> HRSDC, *Compassionate Care Benefits* (Ottawa: HRSDC, Evaluation Directorate, forthcoming).

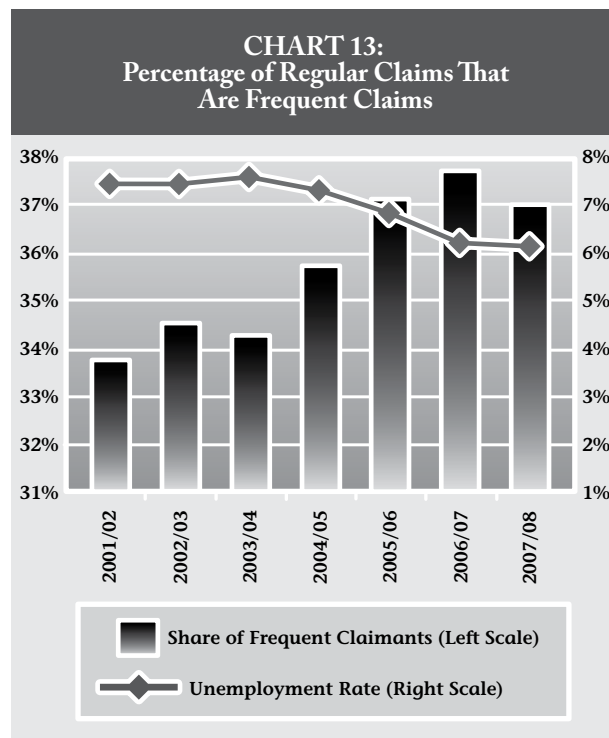
<sup>32</sup> Combining weeks of special benefits to reach the maximum of 71 weeks is possible if the weeks of special benefits are consecutive and uninterrupted by any period of regular benefits.

For 2006/07,<sup>33</sup> 5.3% of all women who received special benefits used more than 50 weeks, representing 17,880 women. On average, these women received 58.6 weeks of benefits. Among these women, almost four out of five (78.7%) were first-time claimants.

As mentioned in the previous report, lower-income claimants, claimants from British Columbia or Atlantic Canada, and individuals receiving the Family Supplement are more likely to combine special benefits than higher-income claimants, claimants from Ontario and individuals not receiving the Family Supplement.

## 7. Trends in Seasonal Claims

In 2007/08, frequent claimants established 480,140 regular claims.<sup>34</sup> Seasonal claimants make the vast majority of frequent claims.<sup>35</sup> During the reference period, seasonal claimants made 82.3% of frequent claims, a 0.6 percentage point increase compared with 2006/07.



Seasonal claimants are mainly men (62.3%) and a majority (57.1%) are over the age of 44. 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, there has been a reduction in the total number of regular claims, notably in first-time and occasional claims. As a result, the share of regular claims that are frequent claims has increased over this time (see Chart 13), although it decreased slightly in 2007/08.

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. Construction, an industry in which men make almost all regular claims (95.9%), accounted for 22.0% of all seasonal claims in 2007/08. Manufacturing represented 12.7% of all seasonal claims, and men established nearly two thirds of all regular claims in this industry. The educational services industry, in which women established 86.5% of all regular claims, was the other industry with large numbers of seasonal claimants, with 15.3% of all seasonal claims in 2007/08.

The industries with an important share of seasonal claims also employ the most workers and account for large portions of total EI regular claims. Construction, which accounted for 22.0% of seasonal claims in 2007/08, comprised 16.3% of total regular claims. Like construction, educational services have a seasonal pattern, with 9.9% of all regular claims compared with 15.3% of seasonal claims. Unlike educational services and construction, manufacturing is underrepresented among seasonal claims. Indeed, 12.7% of all seasonal claims came from manufacturing, but the industry accounted for 17.9% of total regular claims.

Although there are seasonal claimants in all provinces, the incidence of these claims is higher in provinces where a larger portion of employment is concentrated in seasonal industries. Quebec has a high incidence of seasonality, with 39.8% of total seasonal claims compared with 34.8% of all regular claims. Conversely, Ontario

<sup>33</sup> Data and analysis on duration are for claims established in 2006/07 to ensure all claims were completed.

<sup>34</sup> Frequent claimants are individuals who have had three or more active claims in the five years prior to the current claim.

<sup>35</sup> Seasonal claimants are frequent claimants who started previous claims at about the same time of year as the current claim.

accounts for 19.4% of seasonal claims but 29.3% of total regular claims. The disparity is partially explained by differences in the seasonality of their construction industries, with Quebec having over twice as many seasonal claims as Ontario, in spite of the fact that Ontario's construction industry employed over twice as many workers as Quebec's. The Atlantic provinces, which have a seasonal industrial makeup, all had high incidences of seasonal claims. Although British Columbia accounted for 6.5% of total seasonal claims, it also accounted for 9.5% of all regular claims.

As described in previous *Monitoring and Assessment Reports*, some seasonal claimants have a combined work-benefit period of less than 52 weeks per year. This fact can result in a period where income from neither work nor EI is available to these workers, if the seasonal job to which they are returning is not yet available. A forthcoming study<sup>36</sup> concludes that when EI moved from insured weeks to insured hours, seasonal workers became less likely to experience a period without income. It also states that the move to hours-based coverage increased the average weekly hours worked by seasonal workers. In regions of high unemployment, a pilot project is offering 5 additional weeks of entitlement (up to a maximum of 45 weeks) to all claimants, including seasonal claimants whose combined periods of work and benefits amount to less than 52 weeks. The pilot project is testing whether an additional 5 weeks of benefits helps address the annual income gap faced by seasonal workers whose weeks of work and EI benefits may not provide income throughout the year, and whether this approach has any adverse labour market effects.

In 2007/08,<sup>37</sup> there were 15,610 seasonal claimants whose combined work-benefit period was shorter than 52 weeks, down from 21,090 (-26.0%) the previous year. The decline was more pronounced in non-pilot regions (-32.9%), particularly Toronto, where the number of seasonal claimants whose combined work-benefit period was shorter than 52 weeks dropped by over 50% to 630. The regions containing Canada's three largest cities (Toronto, Montréal and Vancouver) accounted for about 20% of these types of seasonal

claimants. During the reference period, the number of claimants without full-year income in regions included in the 5-week pilot declined by 8.6%.

As mentioned in the previous report, 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 quickly, averaging 50 or more hours of work per week. Marked differences exist between claimants in pilot regions and non-pilot regions. In 2007/08, seasonal claimants without full-year income in pilot regions averaged 16.3 weeks of work and 30.7 weeks of EI (including the waiting period), leaving a gap of 5.0 weeks without income. In non-pilot regions, seasonal claimants without full-year income had a slightly longer gap of 6.5 weeks as a result of having worked an average of 23.6 weeks and having been on claim 21.9 weeks.

## 8. Performance of EI in Urban and Rural Regions

Canada's urban regions typically contain large and diverse labour markets with characteristics that distinguish them from those in rural Canada, where a region may depend on a limited number of industries to sustain its labour market. The six major urban centres of Canada—namely, Vancouver, Calgary, Edmonton, Toronto, Ottawa and Montréal—defined as those with the largest population in their census metropolitan area, are used to characterize the profiles of EI regular claimants in urban regions of Canada.

In 2007/08, average weekly benefits for regular claimants in both major urban centres (\$346) and rural regions (\$348) increased by \$12 from the previous year, reflecting the 3.7% increase in average weekly benefits in 2007/08. The proportion of regular claimants receiving the maximum weekly benefit was similar in major urban centres and rural regions (42.6% and 43.3%, respectively).

The percentage of entitlement regular claimants used in major urban centres was 61.3% in 2006/07<sup>38</sup> compared

<sup>36</sup> HRSDC, *An Evaluation Overview of Seasonal Employment* (Ottawa: HRSDC, Evaluation Services, forthcoming).

<sup>37</sup> To ensure that claims are completed, the analysis is based on regular claims that terminated in 2007/08.

<sup>38</sup> Data and analysis on claim usage are for claims established in 2006/07 to ensure all claims were completed.

**TABLE 3:  
Key Statistics for Regular Benefits in Major Urban Centres, 2007/08**

	Average Unemployment Rate	Share of Total Employment	Share of Total Regular Claims	Average Insured Hours	Average Entitlement Weeks	% of Entitlement Weeks Used <sup>40</sup>	Average Weekly Benefit
<b>Montréal</b>	7.0%	11.3%	11.5%	1,387	28.5	60.8%	\$335
<b>Ottawa</b>	5.0%	2.9%	1.3%	1,455	27.0	60.0%	\$354
<b>Toronto</b>	6.8%	17.0%	10.1%	1,493	30.0	62.9%	\$350
<b>Calgary</b>	3.2%	4.0%	1.2%	1,512	28.4	54.2%	\$378
<b>Edmonton</b>	3.8%	3.6%	1.4%	1,518	28.4	53.1%	\$379
<b>Vancouver</b>	4.0%	7.3%	3.5%	1,447	26.9	64.6%	\$342

with 59.9% in rural regions. One third of regular claimants in major urban centres exhausted their benefit entitlement in 2006/07,<sup>39</sup> while 24.9% did so in rural regions. The difference in the likelihood that claimants in major urban centres and rural regions will use all their weeks of benefits may be influenced by the differences in entitlement to EI regular benefits across Canada, as seen below. In 2007/08, regular claimants in major urban centres had an average entitlement of 28.8 weeks and qualified with 1,445 insured hours, on average, while those in rural regions were entitled to an average of 34.8 weeks and qualified with 1,290 insured hours, on average.

The usage of EI in major urban centres across Canada diverged in various respects. Among the six major urban centres, regular claimants in Montréal had the lowest average insured hours and the lowest average weekly benefit (\$335). Regular claimants in Edmonton had the highest average insured hours along with the highest average weekly benefit (\$379), as well as the lowest percentage of entitlement used (53.1%). Regular claimants in Toronto, meanwhile, had the highest average entitlement, while regular claimants in Vancouver had the lowest average entitlement, along with the highest percentage of entitlement used (64.6%).

The majority of 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, accounting for 10.1% of total regular claims, while comprising 17.0% of total employment. In contrast, Montréal accounted for 11.5% of total regular claims, while comprising 11.3% of total employment.

## 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 Working While on Claim provision, the Small Weeks provision and the four active EI pilot projects (Best 14 Weeks, Working While on Claim, NERE and Extended EI benefits). Additional information about the EI pilot projects is presented in subsection 4.

### 1. Divisor

A claimant's weekly benefit amount is determined by dividing earnings accumulated during the 26-week period prior to the establishment of the claim by the number of weeks the claimant worked during that

<sup>39</sup> Data and analysis on claim exhaustion are for claims established in 2006/07 to ensure all claims were completed.

<sup>40</sup> Data on claim duration are for claims established in 2006/07 to ensure all claims were completed.

period. To encourage claimants to accumulate as much work as possible, a minimum divisor is applied. The minimum divisor is 2 weeks more than the minimum number of weeks of work 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 prior to claiming EI benefits to avoid a reduced weekly benefit.

In 2007/08, the divisor affected just 2.4% of regular claims in regions not included in the Best 14 Weeks pilot project. Administrative data indicate that the divisor would have affected 5.0% of regular claims in regions included in the Best 14 Weeks pilot project, had the pilot project not been in place.

## 2. Working While on Claim

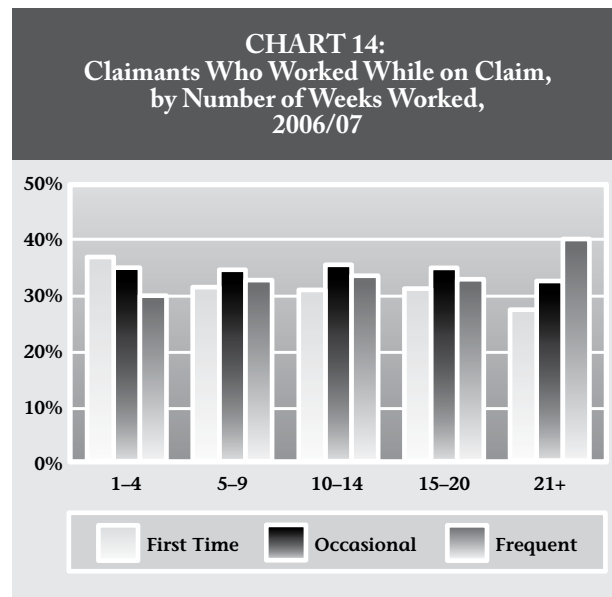
The Working While on Claim provision is designed to encourage workforce attachment by allowing claimants to accept available work without being penalized. Claimants may earn the greater of 25% of their weekly benefit level or \$50, without a reduction in their weekly benefit rate. Employment earnings 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.

In 2006/07,<sup>41</sup> in regions not included in the Working While on Claim pilot project, 48.3% of regular claimants worked while on claim, slightly less than was the case in 2005/06 (48.7%). Over the same period, in regions included in the pilot project, the proportion of claimants who worked while on claim declined marginally, from 65.5% in 2005/06 to 65.0% in 2006/07.

To ensure valid year-over-year comparisons, the rest of this section is limited to regions not included in the pilot project. Unchanged from previous reporting periods, frequent claimants accounted for a disproportionate share of those who worked while on claim. In 2006/07, frequent claimants made up 27.7% of regular claimants but 32.7% of those who worked while on claim. First-time claimants continued to be underrepresented among those who worked while on claim (38.4% of regular claims and 32.7% of those who worked while on claim).

In 2006/07, 65.0% of weeks worked while on claim reduced the benefit payable for that week to zero and, thus, maintained that week of entitlement. It was a slight increase over the previous year (63.2%). Use of the Working While on Claim provision varied according to claimants' past program use. Among first-time claimants, only 49.0% of weeks worked resulted in the deferral of that week, while 78.0% of the weeks worked by frequent claimants and 65.0% by occasional claimants reduced the week's benefits to zero.

First-time claimants were more inclined to accept work that partially reduced their benefits. In 2006/07, 38.3% of the weeks worked by first-time claimants resulted in reduced benefit payments, while only 16.5% of weeks worked by frequent claimants reduced their benefits.



<sup>41</sup> Data and analysis on the Working While on Claim provision are for claims established in 2006/07 to ensure all claims were completed.



Frequent claimants tended to work longer while on claim than either first-time or occasional claimants (see Chart 14). In 2006/07, frequent claimants represented 30.0% of those who worked 1 to 4 weeks while on claim, and 39.9% of claimants who worked 21 or more weeks.

### 3. 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 a claimant could receive. The Small Weeks provision encourages individuals to accept all available work, as it excludes weeks of earnings below \$225 from the benefit rate calculation, provided the total number of weeks of earnings exceeds the minimum divisor.

It should be noted that, as of November 2005, the Small Weeks provision does not apply in the EI regions included in the Best 14 Weeks pilot project. Accordingly, the following analysis is based on the other 35 EI regions.

In 2007/08, 184,473 claims (10.5% of all claims) benefited from the Small Weeks provision, an increase of by 49.0% from the previous year. Since its introduction in 2001, there has been year-over-year fluctuation in the number of claimants benefiting from this provision.

As mentioned in previous reports, the Small Weeks provision is most beneficial to youth, women and first-time claimants. In 2007/08, of all claims established by youth, 23.5% benefited from the Small Weeks provision, a substantial increase from the figure of 15.1% in 2006/07. The proportion of claims by older workers benefiting from the provision was 10.8%.

Among all first-time claimants, 17.1% received higher weekly benefits as a result of the Small Weeks provision, which affected only 11.8% of frequent claimants. The Small Weeks provisions increased weekly benefits for almost twice as many women as men (20.7% vs. 11.5%).

In 2007/08, claimants affected by the Small Weeks provision received, on average, \$12 per week more than they would have received without the provision. Had it not been for the provision, the average weekly benefit of Small Weeks claimants would have been \$241, instead of \$253.

### 4. Pilot Projects

Four pilot projects were in effect during 2007/08. Pilot projects allow the government to assess the labour market impacts of new approaches designed to assist unemployed individuals, before considering a permanent change. EI pilot projects in regions of high unemployment provide valuable information on the effects of program changes in labour markets where EI plays a particularly important role. Together, and at a cost of about \$400 million per year, the pilot projects increase access to and the generosity of EI in regions of high unemployment, while encouraging labour force participation. In 2007/08, 38.7% of all regular claims were established in regions included in these pilots.

The following pilot projects are currently in effect in regions of high unemployment (10% or higher):

- The Extended EI Benefits pilot project provides additional 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 Working While on Claim pilot project tests whether an increased earnings threshold will provide a greater incentive for individuals to accept all available work while receiving EI benefits.
- The New Entrant/Re-entrant (NERE) pilot project tests whether giving individuals who are new to the labour market, or who are returning after an extended absence, access to EI benefits after 840 hours of work rather than 910 hours, and informing them of EI employment programs, will improve their employability and help reduce their future reliance on EI benefits.

- The Best 14 Weeks pilot project tests a method to make EI benefits 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.

In light of changing economic conditions, the Best 14 Weeks and NERE pilot projects have been extended, to October 2010 and December 2010, respectively, but they will include regions where the unemployment rate is 8% or higher. This change took place outside the reporting period for the *2008 Monitoring and Assessment Report*, so any results will be noted in future reports. In addition, the Working While on Claim pilot project, which increases the threshold to allow individuals to earn the greater of \$75 or 40% of benefits, has been extended until December 2010 and has also been expanded nationally to include all EI regions.

A recent report<sup>42</sup> detailing the profile of claimants in pilot regions indicates that 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 mainly youth, women, part-time workers, low-skilled workers and workers in low-income families. Similarly, the NERE pilot project primarily benefited youth, people in low-income families and people whose last job was temporary non-seasonal. The Working While on Claim pilot project, however, was more neutral in relation to family income status and was most likely to affect workers aged 35 to 44, women and non-seasonal temporary workers.

## 5. Regular Claimants, and Employment Benefits and Support Measures

To qualify for most Employment Benefits and Support Measures (EBSMs), individuals must have been on EI Part I (income benefits) in the preceding three years, or have received maternity or parental benefits in the preceding five years. As mentioned in Chapter 3, non-insured clients can access an EBSM without having claimed EI Part I, but they are only eligible for Employment Assistance Services (EAS).

In comparing the Part I characteristics of individuals who used only EI regular benefits after a layoff with those who received regular benefits and also participated in an EBSM, a number of differences were observed. Frequent claimants accounted for 37.1% of all regular claimants but only 18.9% of EBSM users. Frequent claimants, who tend to be seasonal claimants, often know which occupation they will return to and are not as prone to undertake training as non-frequent claimants, who no longer have a job and so are more likely to participate in EBSMs to prepare for, obtain and maintain employment. Gender proportions for EBSM users are similar to those for regular claimants, with men representing a slightly larger proportion than women. Similar to the situation among regular claimants, prime-age workers (aged 25 to 54) account for the highest proportion of EBSM users. Youth, however, represent a higher proportion of EBSM users than older workers do, whereas they represent the smallest proportion of claimants who use only regular benefits. EBSM participants had a higher exhaustion rate than claimants who received only regular benefits (48.0% vs. 28.0%). Job attachment, as measured by insured hours accumulated before a claim, is similar in both groups, as over three quarters of regular claimants and EBSM users had more than 980 insured hours prior to their claim.

<sup>42</sup> 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., forthcoming).

### III. EVALUATION OF EBSMs

Evaluations of 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, while 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 Summative Evaluations

Formative evaluations were completed for all jurisdictions between 1999 and 2002. Summative evaluations are currently underway, with findings available for 10 jurisdictions: British Columbia, Alberta, Ontario,<sup>43</sup> Quebec, Nunavut, Newfoundland and Labrador, New Brunswick, Saskatchewan, Nova Scotia, and Prince Edward Island.

Significant progress has been made on the summative evaluations for Yukon and the Northwest Territories, with preliminary findings planned for 2008/09. Preliminary findings for Manitoba are expected in summer 2009.

#### 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).<sup>44</sup> In calculating net impacts, the evaluations focus on the start and end dates of program participation,<sup>45</sup> and report program results based on the principal EBSM clients used.

#### 3. Summary of Key Findings

Table 4 summarizes net impact findings from 9 of the 10 completed<sup>46</sup> summative evaluations: British Columbia, Alberta, Ontario, Quebec, Newfoundland and Labrador, New Brunswick, Saskatchewan, Nova Scotia, and Prince Edward Island. Overall, these nine evaluations cover 97% of the total Canadian labour force.<sup>47</sup>

The table presents results for three outcome indicators (annual hours of employment, annual earnings and number of weeks in receipt of EI benefits), by type of EBSM, and for active and former EI claimants.<sup>48</sup> Each box in the table indicates the proportion of the labour force represented by the jurisdictions where the impact was estimated.<sup>49</sup> For example, for Skills Development, there was a significant impact on employment in one of the six jurisdictions in which this outcome was assessed, representing 15% of the national labour force covered by the evaluations.

<sup>43</sup> Ontario recently signed a transfer Labour Market Development Agreement (LMDA) to deliver EBSMs. The agreement took effect on January 1, 2007. The Ontario summative evaluation results presented in this summary pertain to EBSMs that were delivered federally.

<sup>44</sup> A reference group was used in some jurisdictions when it was not possible to find an adequate comparison group.

<sup>45</sup> Based on administrative data, a unit of analysis called 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 Quebec summative evaluation is defined as either a single intervention or a series of interventions that are no more than four months apart.

<sup>46</sup> 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.

<sup>47</sup> 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, Targeted Wage Subsidies and Self-Employment. For Job Creation Partnerships, the coverage varies from 65% to 68%. Because all of the jurisdictions are not delivering programs under Job Creation Partnerships, a lower proportion of the Canadian labour force is represented by the evaluations of these interventions. It is also important to note that the population of EBSM participants is not entirely representative of the Canadian labour force. In particular, many employed workers may never take an EBSM, and some former claimants may be out of the labour force.

<sup>48</sup> In labour market terms, active claimants are those with strong labour market attachment (in other words, people with an active claim at the time of the intervention) and former claimants are those with weaker labour market attachment (in other words, people who closed an EI claim in the three years preceding the intervention or received parental or maternity benefits in the preceding five years).

<sup>49</sup> The calculation of the proportion of the labour force in the jurisdictions where an impact was estimated is based on the total number of jurisdictions where a particular outcome or intervention was assessed.

**TABLE 4:  
Summary of Outcome Indicators from the EBSM Evaluations**

Outcome or Intervention	Skills Development (SD)	Targeted Wage Subsidies (TWS)	Self-Employment (SE)	Job Creation Partnerships (JCP)
<b>ACTIVE CLAIMANTS</b> <sup>50</sup>				
Employment (hours/year)	Increased employment in 15% of labour force	Increased employment in 15% of labour force	Increased employment in 98% of labour force	Increased employment in 20% of labour force
	Non-significant impacts in 85% of labour force	Non-significant impacts in 85% of labour force	Non-significant impacts in 2% of labour force	Non-significant impacts in 80% of labour force
Earnings (\$/year)	Increased earnings in 33% of labour force	Increased earnings in 15% of labour force	Increased earnings in 3% of labour force	Increased earnings in 17% of labour force
	Non-significant impacts in 67% of labour force	Non-significant impacts in 85% of labour force	Decreased earnings in 14% of labour force	Decreased earnings in 58% of labour force
EI (weeks/year)	Decrease in EI use in 57% of labour force	Decrease in EI use in 43% of labour force	Decrease in EI use in 85% of labour force	Non-significant impacts in 100% of labour force
	Increase in EI use in 16% of labour force	Increase in EI use in 38% of labour force		
	Non-significant impacts in 27% of labour force	Non-significant impacts in 19% of labour force	Non-significant impacts in 15% of labour force	
<b>FORMER CLAIMANTS</b>				
Employment (hours/year)	Increased employment in 38% of labour force	Increased employment in 87% of labour force	Increased employment in 87% of labour force	Increased employment in 20% of labour force
	Decreased employment in 15% of labour force			Decreased employment in 2% of labour force
	Non-significant impacts in 47% of labour force	Non-significant impacts in 13% of labour force	Non-significant impacts in 13% of labour force	Non-significant impacts in 78% of labour force
Earnings (\$/year)	Increased earnings in 25% of labour force	Increased earnings in 85% of labour force	Increased earnings in 27% of labour force	Decreased earnings in 40% of labour force
	Decreased earnings in 15% of labour force		Decreased earnings in 15% of labour force	
	Non-significant impacts in 60% of labour force	Non-significant impacts in 15% of labour force	Non-significant impacts in 58% of labour force	Non-significant impacts in 60% of labour force
EI (weeks/year)	Decrease in EI use in 25% of labour force	Increase in EI use in 84% of labour force	Decrease in EI use in 87% of labour force	Increase in EI use in 60% of labour force
	Increase in EI use in 5% of labour force			
	Non-significant impacts in 70% of labour force	Non-significant impacts in 16% of labour force	Non-significant impacts in 13% of labour force	Non-significant impacts in 40% of labour force

**Source:** Final summative evaluation reports from the nine jurisdictions.

**Note:** Each box in the table indicates the proportion of the national labour force represented by the jurisdictions where the impact was estimated.

<sup>50</sup> 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.

## 4. Findings, by Intervention Type

### 4.1 Skills Development (SD)

Active claimants who participated in SD increased their earnings in five out of eight 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 \$4,000 range. In proportional terms, the earnings gains are quite large by international standards—about 10 to 20 percentage points.

The impact on employment was positive for active claimants in one of the six jurisdictions, representing 15% of the national labour force covered by the evaluations. Both positive and negative net impacts were found for EI use.

Mixed results (positive, negative and non-significant) were found for former claimants for employment, earnings and EI use.

The relatively positive results that active claimants achieved may be partly explained by the focus of many of these interventions on obtaining credentials. A majority of SD participants reported that their program provided some sort of credential for completion, and there is empirical evidence that such credentials may indicate productivity to prospective employers.<sup>51</sup>

### 4.2 Targeted Wage Subsidies (TWS)

Significant post-program earnings gains were found for active claimants in two of the eight jurisdictions that assessed this outcome, representing 15% of the national labour force covered by these evaluations. A positive net impact on employment was also found in one of the six jurisdictions, representing 15% of the national labour force covered by these evaluations.

Significant employment gains were reported for former claimants who participated in TWS in four of the five evaluations that assessed this outcome, representing 87% of the national labour force covered by the evaluations. Similarly, former claimants who participated in TWS recorded earnings gains in three of the five evaluations that assessed this outcome, 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 from the United States.<sup>52</sup>

The impact on EI use was mixed (positive, negative and non-significant) for active claimants and either negative (in other words, EI use increased) or non-significant for former claimants. 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 for 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 experience, so their potential gains from TWS are not as great.

---

<sup>51</sup> 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).

<sup>52</sup> 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 (Madison, Wisconsin: University of Wisconsin Press, 1997). Judith M. Gueron and Edward Pauly, *From Welfare to Work* (New York: Manpower Demonstration Research Corporation, 1991). Manpower Demonstration Research Corporation, Board of Directors, *Summary and findings of the national supported work demonstration* (New York: Russell Sage Foundation, 1991).

### 4.3 Self-Employment (SE)

SE had a significant net impact on employment for active claimants in four of the five jurisdictions in which this outcome was assessed, representing 98% of the national labour force covered by the evaluations. The net impact on employment was also significant for former claimants in three of the four jurisdictions in which this outcome was assessed, representing 87% of the national labour force covered by the evaluations. Increases of 20% to 30% in annualized hours worked seem to have been the norm, with much larger gains being reported in some provinces. These strong gains suggest that many SE participants remain self-employed after the formal intervention ends<sup>53</sup> and that they generally report working full time in such jobs.

Increases in the number of employment hours for SE participants were often not accompanied by increases in earnings for either type of claimant—in some cases, the evaluations report significant declines in earnings. However, some increases in earnings were found for former claimants in one jurisdiction, representing 27% of the labour force covered by the evaluations.

Both types of claimants experienced significant decreases in EI use in the post-program period. Specifically, EI use dropped among active clients in five of the six jurisdictions in which this outcome was assessed, representing 85% of the national labour force covered by the evaluations that estimated net impacts for this indicator. EI use dropped among former claimants in three of the four jurisdictions in which this outcome was assessed, representing 87% of the national labour force covered by the evaluations that estimated net impacts for this indicator. 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.

If declining earnings accompanied this drop in EI collection, the total income of workers pursuing self-employment would have decreased significantly, 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-term 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 impact was found on hours worked in one of the four jurisdictions that assessed this indicator, representing 20% of the national labour force covered by the evaluations. Both positive and negative results were found for earnings, and no significant results were reported for EI weeks for these claimants.

Employment results for former claimants who participated in JCP were mixed, with both positive and negative impacts. JCP had negative impacts on the earnings of former claimants in three out of the four jurisdictions, representing 40% of the national labour force covered by the evaluations. EI use rose in one of the four jurisdictions that assessed this outcome, representing 60% of the national labour force covered by the evaluations.

## 5. Overall Conclusions

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

---

<sup>53</sup> The evaluations that did report continued self-employment generally found that between 50% and 70% of participants in SE were still self-employed at the time of the survey (18 to 24 months after the program ended).

## 6. Other Results

The 10 completed summative evaluations reported high levels of client satisfaction and increased skills levels as a result of EBSM participation, generating interest in further skills growth. Some evaluations noted the need to better address labour market requirements, including those of employers, and those of participants in remote and rural areas. Evaluations also underscored the issue of access. Given that EBSM eligibility is based on EI entitlement, access is limited for some people, particularly individuals with weak labour market attachment. Some evaluations also highlighted low EBSM participation rates among lower-skilled people and individuals facing barriers to labour market participation.

## IV. EI AND THE WORKPLACE

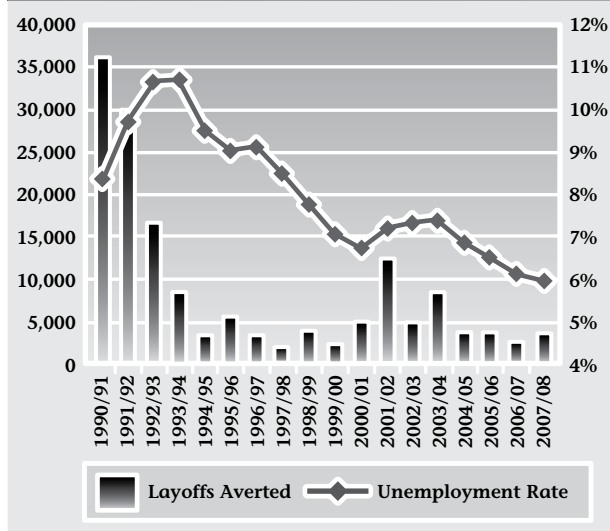
### 1. Work Sharing

The Work Sharing provision is intended to prevent layoffs by redistributing work among employees of a firm. Work Sharing provides income support to workers eligible for EI benefits who are willing to work a temporarily reduced work week when there is a reduction in the normal level of business activity that is beyond the control of the employer. Reduced levels of business activity that result from seasonal slowdowns are not eligible for Work Sharing agreements.

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

In 2007/08, the Work Sharing provision helped to avert an estimated 3,594 layoffs. It should be noted that some layoffs averted by the provision may still occur after the agreements expire. The use of Work Sharing rises in times of economic slowdown. For example, in 1990/91—when unemployment was nearly 5 percentage points higher than it was in 2007/08—Work Sharing averted

**CHART 15:**  
Temporary Layoffs Averted Through Work Sharing



a total of 36,319 layoffs. Chart 15 further demonstrates this point, notably with an increase in layoffs averted in 2001/02 when the unemployment rate increased.

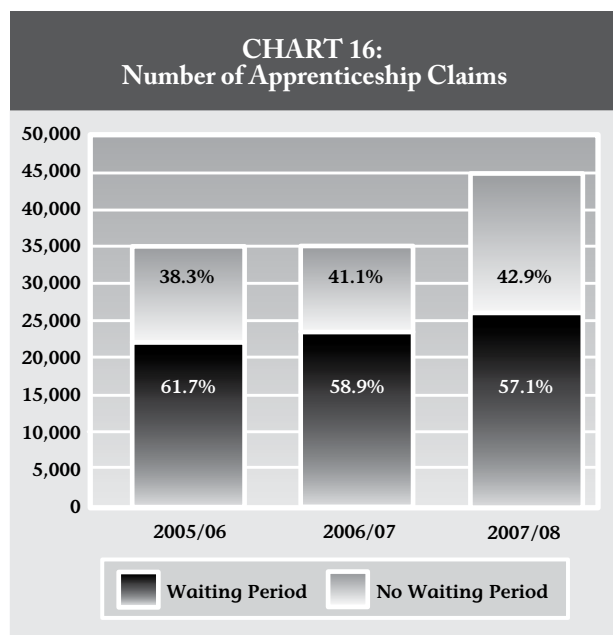
The manufacturing industry has historically accounted for a large proportion of all Work Sharing claims. This trend continued in 2007/08, as manufacturing accounted for 84.0% of total Work Sharing claims. As mentioned in Chapter 2, Quebec and Ontario continued to account for a large portion of Work Sharing claims (75.2% combined), but British Columbia's share increased substantially to 18.5% from 2.7% in 2006/07. Of the 2,490 Work Sharing claims established in British Columbia, 61.0% were made in the final quarter of the fiscal year, indicating a marked increase that may well continue into 2008/09. As was the case in Quebec and Ontario, the vast majority of Work Sharing claims in British Columbia originated from the manufacturing industry, likely related to wood product manufacturing.

### 2. Apprentices

Apprenticeship is a key component of Canada's training system, and an important contributor to our national competitive advantage and to the long-term well-being of Canadians. Apprenticeships offer a combination of practical, on-the-job experience and intensive classroom

instruction, which allow these workers to acquire new skills—during short and frequent periods—that they can use immediately in the workplace. The EI program facilitates apprenticeship by providing income benefits to apprentices in approved courses during periods of classroom training.

In 2007/08, 45,150 claims for apprenticeship were established, an increase of 13.6% over the previous year. 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 apprenticeship claims in 2007/08, 19,360 (or 42.9%) were not subject to a waiting period, a slight increase from the previous year (see Chart 16). The proportion of apprentices who are not subject to the waiting period has been consistently rising since 2002, when the waiting period rule was changed for apprentices. Almost all apprenticeship claimants were younger than 45 years of age, and slightly less than half were under the age of 25. Men accounted for 96.1% of apprenticeship claims in 2007/08 (43,400).



Over the last five years, apprenticeship claims have increased by 66.9%. For 2007/08, Newfoundland and

Labrador experienced the largest growth; with an increase of 520.0%; however, claims by apprentices in Newfoundland and Labrador accounted for only 1.4% of all apprenticeship claims. Saskatchewan also experienced a sharp increase in EI claims for apprenticeship (+33.5%). Over the last five reporting periods, however, Ontario, Alberta and British Columbia have accounted for the majority of all claims.

Total benefits paid to apprenticeship claimants were \$141.2 million in 2007/08, an increase of over 11% from the previous year. Apprentices received higher average weekly benefits than regular claimants (\$387 versus \$347). Further, 57.5% of apprenticeship claimants received the maximum weekly benefit, whereas only 43.1% of all regular claimants did.

According to the National Apprenticeship Survey,<sup>54</sup> registrations rose to reach record levels, while the completion rate remained unchanged. The survey reports that “discontinuers” (those who do not complete their apprenticeship program) are more likely to be under 25 years of age than those who complete their apprenticeship. The survey also indicates that the majority of registered apprentices reside in Quebec, Ontario and Alberta. Alberta had the highest proportion of discontinuers among these provinces. Although the study indicates that apprentices face obstacles, such as insufficient income and delays in receiving payments such as EI, these factors were not key in their decision to discontinue their apprenticeship. It appears that the main obstacles were associated with inconsistent work and with the functioning of the apprenticeship program.

### 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.

<sup>54</sup> Marinka Ménard et al., *National Apprenticeship Survey: Canada Overview Report 2007* (Ottawa: Statistics Canada, June 2008), Cat. No. 81-598-X No. 001.



Between 1995 and 2007, the number of employees covered by an employer-sponsored short-term disability plan increased to reach approximately 6 million employees. However, the number of participating employers<sup>55</sup> in the program declined over the same period, reaching 32,700 in 2007. The decline is likely due to firm consolidation and amalgamation. In 2007, employers received \$705 million in premium reductions, an additional \$55 million compared with 2006.<sup>56</sup>

According to a recent evaluation study of the PRP based on a survey of nearly 700 employers,<sup>57</sup> most short-term disability plans provide benefits that are more generous than those provided by the EI program, with a shorter waiting period, higher benefit rate and longer payments. Most participating employers also report having long-term disability plans. Awareness of the PRP was high among the surveyed group of employers, especially among large employers.

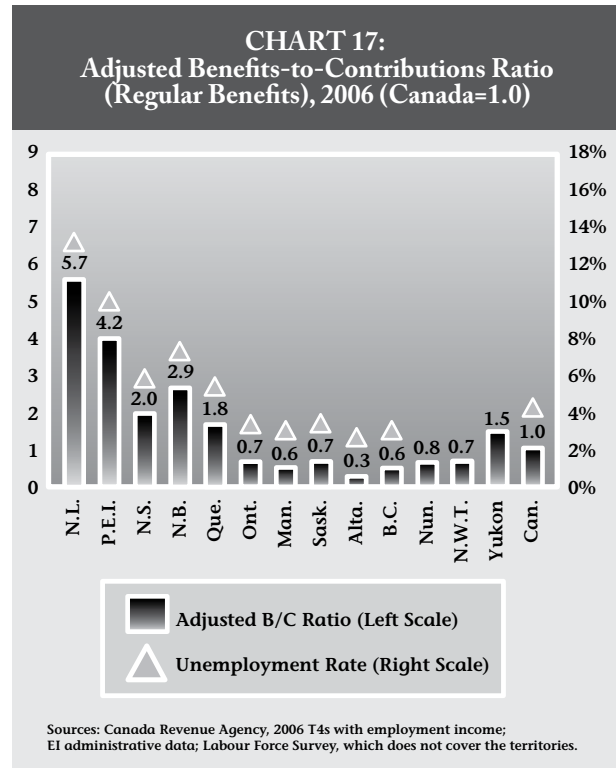
## V. EI AND THE ECONOMY

### 1. 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. The 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 in benefits. The overall adjusted result is equal to 1.0.<sup>58</sup> 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. These provinces are net contributors to the program. As shown in Chart 17, the Atlantic provinces and Quebec continued to be net beneficiaries of the program in 2006,<sup>59</sup> while Ontario and the western provinces remained net contributors.



In 2006, 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, remains a net beneficiary. Annex 2.17 provides a detailed account of premiums and benefits across different groups.

<sup>55</sup> That 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.

<sup>56</sup> HRSDC, *Report of the Chief Actuary on the Employment Insurance Rates of Premium Reduction for Registered Wage-Loss Replacement Plans* (Ottawa: HRSDC, Actuary's Office, 2008).

<sup>57</sup> Mercer Canada Limited, *Employer Case Studies for the Evaluation of the EI Premium Reduction Program* (Ottawa: HRSDC, November 14, 2008).

<sup>58</sup> 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.

<sup>59</sup> The analysis is based on the most recent information available for the tax system.

Men and older workers were net beneficiaries, according to the adjusted benefits-to-contributions ratios for regular benefits. An HRSDC<sup>60</sup> study 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, those 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. In 2005, youth were net beneficiaries of regular benefits, but they became net contributors (with an adjusted ratio of 0.98) in 2006.

EI premiums are collected to pay for all types of EI benefits, not just regular benefits. When special benefits are also included, a different redistribution is observed. While the adjusted ratios of the Atlantic provinces remain high, each is smaller than the province's ratio when only regular benefits are considered. Women, who use a high proportion of special benefits, were net beneficiaries of EI regular and special benefits. Industries such as educational services and retail trade, which traditionally employ a high proportion of women, had higher adjusted ratios when special benefits were included than when only regular benefits were considered.

## 2. EI and Industries

In the context of a global economy and structural changes occurring in key Canadian industries, it is interesting to examine how usage of the EI program varies across industries, and how the parameters of the EI program interact with the changes occurring within these industries. When combined, construction, manufacturing and educational services accounted for over 44% of all regular EI claims in 2007/08. Manufacturing and construction claimants tended to use a similar proportion of their entitlement weeks, 56.6% and 56.1% respectively, whereas claimants from the educational services industry used 39.9% of their entitlement. These proportions are among the lowest of all industries, indicating greater employment opportunities in manufacturing, and a

predictable employment cycle in educational services and construction. Average weekly benefits among these industries were all higher than the national average, with \$393 in construction, \$368 in education and \$357 in manufacturing.

A recent HRSDC study<sup>61</sup> explores differences in EI usage between stable and declining industries in terms of eligibility, proportion of entitlement used and weeks of unemployment covered by EI. The study finds that the coverage and usage of the EI program among declining industries—specifically, manufacturing, agriculture, utilities and other services—are very similar to coverage and usage among stable industries. Differences arise, however, between claimants with high and low attachment to a particular industry. For example, workers with higher attachment to a given industry, defined as working at least 52 of the last 104 weeks in a particular industry, generally have a higher proportion of their weeks of unemployment covered by EI than workers with less attachment.

Industries experiencing declines, such as manufacturing, may experience a labour surplus, resulting in more workers than job openings. Industries experiencing higher than average employment growth, on the other hand, may face labour shortages, with not enough skilled workers for the number of jobs to fill. During these adjustment periods, it appears that the role of the EI program remains consistent. An HRSDC study<sup>62</sup> indicates that although workers in industries with labour surpluses are less likely to be eligible for EI than those in industries with labour shortages, both groups of workers use EI benefits for similar durations and experience the same risk of exhausting their EI benefits.

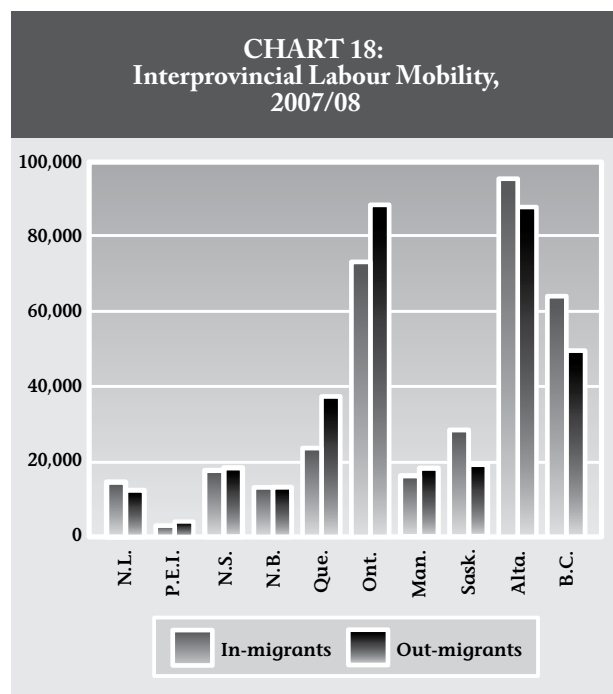
<sup>60</sup> HRSDC, *EI Payments and the GIS System* (Ottawa: HRSDC, Evaluation Directorate, November 2008).

<sup>61</sup> HRSDC, *Employment Insurance Use by Declining Industries* (Ottawa: HRSDC, Evaluation Directorate, forthcoming).

<sup>62</sup> HRSDC, *EI and Occupational Shortages and Surpluses* (Ottawa: HRSDC, Evaluation Directorate, forthcoming).

### 3. Labour Mobility

Unemployment rates have been steadily declining for the past several years. Although the national average unemployment rate in 2007/08 was 6.0%, regional variations still existed. Unemployment in Calgary was at 3.2%, while the region of Newfoundland and Labrador (which excludes St. John's) had an unemployment rate of 17.9%. Such variance suggests that some amount of rigidity exists in the Canadian labour market. While new jobs are available, workers are not necessarily willing to move away to fill those jobs, leaving pockets of unemployment in some regions.



Preliminary demographic estimates from Statistics Canada indicate that labour mobility in 2007/08 was virtually unchanged from the previous year. Ontario and Quebec continued to have negative migration outcomes (-16,000 and -12,100, respectively). British Columbia, Saskatchewan and Alberta received a greater number of migrants than they lost (see Chart 18). Newfoundland and Labrador had a positive outcome, reversing the 2006/07 trend, when all four provinces lost more migrants than they gained.

A Statistics Canada study<sup>63</sup> mentions two important sets of factors that might influence mobility decisions: personal characteristics and labour market characteristics. Among the personal characteristics that play an important role in the decision to migrate, age, language and family situation are the three most important ones. The likelihood of moving away from one's region or province decreases as workers get older. In fact, individuals between the ages of 20 and 24 are nearly five times more likely to move than those aged between 45 and 54. Language can also be a barrier to mobility. English-speaking individuals from Quebec were more likely to move than other Canadians. French-speaking individuals living in Quebec were the least likely to migrate. Individuals in families with children face more mobility restrictions than do other Canadian workers. Several studies have concluded that the most important factor entering into mobility decisions remains moving costs. EI does not appear to be a barrier to mobility. In fact, a 2005 study<sup>64</sup> found that eliminating both regional EI extended benefits and regional EI differences in qualifying requirements would have increased the volume of migration by less than 1%.

According to another study released by the C.D. Howe Institute, "the sources of regional differences in unemployment rates are numerous."<sup>65</sup> Some of these differences are the products of an open economy, with different regional economic circumstances resulting in disparities. The study also notes that persistent regional unemployment, such as that in some eastern regions, suggests that there may be insufficient incentives for either labour to move to regions with lower unemployment or private capital to move into these high unemployment regions.

The movement of labour that does take place typically occurs from regions of high unemployment and lower wages to regions of low unemployment where there are more opportunities and higher wages.

<sup>63</sup> André Bernard, Ross Finnie and Benoit St-Jean, *Interprovincial Mobility and Earnings* (Ottawa: Statistics Canada, 2008).

<sup>64</sup> Kathleen M. Day and Stanley L. Winer, *Policy-Induced Internal Migration: An Empirical Investigation of the Canadian Case* (Munich, Germany: CESifo Group, 2005).

<sup>65</sup> Yvan Guillemette, *Chronic Rigidity: The East's Labour Market Problem and How to Fix It* (Toronto: C.D. Howe Institute, 2007).

### 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 2009, while 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 \$41,100 for 2008 and to \$42,300 for 2009, from \$40,000 in 2007 and \$39,000 previously.

Despite the rises in wages and the MIE, EI expenditures have been gradually declining since 2003, due to the combined effect of the declining unemployment rate and the implementation of the QPIP in 2006. In addition, there have been important shifts in the makeup of EI expenditures. For instance, special benefits now represent 30% of total income benefits paid, compared with less than 20% in 2000, before parental benefits were enhanced.

Employers and provinces that offer insurance plans resulting in both reduced claims and reduced benefits under the program are entitled to premium reductions. As discussed earlier in this chapter, the PRP represented \$705 million in reduced premiums for participating employers in 2007. In addition, the premium reductions in Quebec related to the QPIP represented \$863 million in 2007.

### 2. The EI Account

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

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, 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 past surpluses, deficits and 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.

Each year, the HRSDC *Departmental Performance Report* (DPR) provides information on the status of the EI Account. The 2007/08 DPR indicated that total EI premiums and penalties (\$16.935 billion) exceeded EI expenditures (\$16.063 billion) by \$872 million for that fiscal year. Including notional interest of \$1.9 billion, the notional cumulative surplus in the EI Account was reported to be \$56.9 billion at March 31, 2008.<sup>66</sup>

Table 5 presents the summary results of EI expenditures and revenues for 2007/08.

---

<sup>66</sup> HRSDC, *2007/2008 Departmental Performance Report* (Ottawa: HRSDC, January 2009), <http://www.tbs-sct.gc.ca/dpr-rmr/2006-2007/inst/csd/csd00-eng.asp>.

**TABLE 5:**  
*EI Expenditures and Revenues for 2007/08*  
(\$ Millions)

<i>EI Expenditures</i> <sup>67</sup>	
<b>Income Benefits (Part I)</b>	<b>12,332.9</b>
<b>Regular</b>	<b>7,957.6</b>
<b>Fishing</b>	<b>248.9</b>
<b>Special</b>	<b>3,697.6</b>
Sickness	954.9
Maternity	832.7
Parental	1,900.5
Compassionate Care	9.5
<b>Work Sharing</b>	<b>14.5</b>
<b>Apprentices</b>	<b>141.2</b>
<b>Part II Clients</b>	<b>273.0</b>
<b>EBSMs (Part II) and Pan-Canadian Activities</b>	<b>2,096.0</b>
<b>Employment Benefits</b>	<b>1,243.1</b>
Targeted Wage Subsidies	89.8
Targeted Earnings	
Supplements	1.4
Self-Employment	139.8
Job Creation Partnerships	49.5
Skills Development	962.6
<b>Support Measures</b>	<b>698.7</b>
Employment Assistance Services	554.3
Labour Market	
Partnerships	140.8
Research and Innovation	3.6
<b>Pan-Canadian Activities</b> <sup>68</sup>	<b>160.5</b>
<b>Adjustment</b> <sup>69</sup>	<b>(6.3)</b>
<b>Total Benefits and Support Measures</b>	<b>14,428.9</b>
Administration Costs <sup>70</sup>	1,688.9
Adjustment Factors <sup>71</sup>	(54.6)
<b>Total EI Expenditures</b>	<b>16,063.2</b>
<b><i>EI Revenues</i></b>	
<b>Total Premium Revenues</b> <sup>72</sup>	<b>16,935.2</b>

Note: Totals may not add up due to rounding.

<sup>67</sup> 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.

<sup>68</sup> Pan-Canadian Activities include the Aboriginal Human Resources Development Strategy, Labour Market Partnerships, and Research and Innovation.

<sup>69</sup> This adjustment reflects over-contribution, overpayments, refunds of previous years' expenditures and other accounting adjustments.

<sup>70</sup> These costs include administration costs incurred by provinces and territories.

<sup>71</sup> These factors include bad debt and other accounting adjustments.

<sup>72</sup> These revenues include benefit overpayments and penalties.



# Key Labour Market Statistics

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





**Annex 1.1 • Unemployment Rate, by EI Region (%)**

	June 2006	Sept. 2006	Dec. 2006	March 2007	June 2007	Sept. 2007	Dec. 2007	March 2008
<b>Newfoundland and Labrador</b>								
St. John's	8.8	8.0	7.7	7.3	7.3	6.3	6.7	7.6
Newfoundland and Labrador	19.5	19.9	18.6	19.1	16.9	18.8	18.6	16.2
<b>Prince Edward Island</b>								
Prince Edward Island	10.9	11.0	11.1	11.1	10.0	10.6	10.4	10.3
<b>Nova Scotia</b>								
Eastern Nova Scotia	13.8	14.4	12.4	14.3	14.9	14.3	13.1	13.5
Western Nova Scotia	9.1	9.7	9.8	8.8	8.8	9.5	9.6	9.1
Halifax	5.2	5.3	4.9	4.3	5.2	6.1	5.2	4.4
<b>New Brunswick</b>								
Fredericton–Moncton–Saint John	6.6	6.2	6.1	5.4	4.7	4.6	5.7	5.4
Madawaska–Charlotte <sup>1</sup>	10.0	10.6	10.0	9.5	9.4	9.5	10.2	10.0
Restigouche–Albert	14.1	14.2	14.6	13.0	12.8	13.8	12.7	13.7
<b>Quebec</b>								
Gaspésie–Îles-de-la-Madeleine	20.2	17.6	18.7	17.4	17.2	17.7	17.1	16.7
Québec	4.3	4.7	6.1	5.6	4.9	4.6	5.6	4.9
Trois-Rivières	8.3	8.4	7.6	8.0	7.8	8.0	7.3	8.2
Québec Centre South	4.9	6.2	7.7	5.7	6.1	5.6	5.0	6.0
Sherbrooke	7.7	7.9	7.9	7.0	6.4	5.8	6.4	5.9
Montréal	7.0	8.5	8.4	7.2	6.9	7.0	8.1	6.9
Montréal	8.9	8.3	8.0	7.5	6.8	7.1	7.0	7.2
Central Quebec	8.9	9.3	8.3	9.2	9.5	7.9	7.5	7.3
North Western Quebec	10.4	12.2	11.3	10.9	12.8	12.7	11.3	9.5
Bas-Saint-Laurent–Côte-Nord <sup>1</sup>	12.0	11.4	12.4	12.2	12.2	11.0	11.0	10.6
Hull	6.1	4.6	5.6	6.5	5.6	6.0	5.0	4.2
Chicoutimi–Jonquière	8.9	9.2	8.6	9.8	9.7	8.3	8.0	9.1
<b>Ontario</b>								
Ottawa	4.7	4.8	5.5	5.5	5.6	5.3	4.7	4.6
Eastern Ontario	6.3	6.8	7.6	7.5	7.2	7.0	6.6	6.0
Kingston	6.9	6.9	5.2	4.9	4.5	5.7	5.9	5.7
Central Ontario	6.7	6.5	5.8	4.9	5.9	5.7	5.5	7.5
Oshawa	6.0	6.4	6.9	6.4	5.9	6.5	5.7	6.3
Toronto	6.4	6.3	6.9	6.5	6.9	7.0	6.6	6.5
Hamilton	5.4	6.1	6.4	6.3	6.1	5.5	6.0	5.9

## Annex 1.1 • Unemployment Rate, by EI Region (%) (continued)

	June 2006	Sept. 2006	Dec. 2006	March 2007	June 2007	Sept. 2007	Dec. 2007	March 2008
St. Catharines	6.0	6.0	6.7	6.4	5.7	7.7	7.0	6.3
London	5.7	7.0	6.4	5.7	6.0	6.1	6.0	6.7
Niagara	7.9	8.0	7.7	8.5	7.9	7.7	7.5	8.8
Windsor	9.0	9.0	8.6	9.9	9.3	9.7	8.7	8.4
Kitchener	5.0	5.0	5.2	5.8	5.6	5.6	5.3	5.1
Huron	6.6	7.5	6.8	7.6	8.6	7.8	6.0	7.0
South Central Ontario	4.9	4.7	4.5	5.2	5.9	5.3	4.7	4.9
Sudbury	7.7	6.9	7.1	6.0	5.9	5.7	5.4	5.6
Thunder Bay	7.9	8.3	7.2	6.7	6.7	6.7	7.1	5.3
Northern Ontario	10.2	10.7	10.7	11.0	10.4	10.2	10.4	10.7
<b>Manitoba</b>								
Winnipeg	4.8	4.3	4.5	4.9	5.0	4.2	4.6	4.4
Southern Manitoba	4.4	4.9	4.7	4.3	5.2	5.7	4.4	4.9
Northern Manitoba	24.9	25.8	25.7	26.6	26.2	25.8	25.1	25.0
<b>Saskatchewan</b>								
Regina	5.3	4.8	4.8	4.0	4.7	6.0	5.0	3.8
Saskatoon	5.0	5.0	3.2	3.8	3.9	4.6	3.9	3.5
Southern Saskatchewan	6.1	6.9	6.1	6.0	5.7	6.2	5.8	6.1
Northern Saskatchewan	15.0	13.6	14.4	13.9	14.2	14.4	14.8	15.2
<b>Alberta</b>								
Calgary	3.3	3.6	2.9	3.2	3.5	3.3	3.1	2.9
Edmonton	3.7	4.5	3.9	3.8	3.7	4.0	4.4	3.8
Northern Alberta	8.0	8.6	7.7	7.9	7.7	7.5	7.4	7.4
Southern Alberta	4.2	4.5	4.4	4.6	4.7	4.4	4.5	4.8
<b>British Columbia</b>								
Southern Interior B.C.	6.2	7.2	6.7	6.4	5.5	6.2	6.2	6.1
Abbotsford	5.9	3.9	4.0	4.2	4.7	4.4	4.1	4.5
Vancouver	4.4	4.0	4.5	4.4	4.2	3.9	4.3	3.9
Victoria	5.2	3.8	4.4	3.8	4.1	4.5	3.4	4.1
Southern Coastal B.C.	5.7	6.5	6.7	6.5	6.3	5.5	5.3	5.2
Northern B.C.	8.2	8.5	9.9	8.0	7.6	8.3	8.7	8.6
<b>Territories<sup>2</sup></b>								
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
<b>CANADA</b>	<b>6.7</b>	<b>6.8</b>	<b>6.8</b>	<b>6.6</b>	<b>6.6</b>	<b>6.5</b>	<b>6.4</b>	<b>6.3</b>

Source: Labour Force Survey.

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

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

Annex 1.2 • Employment, by Province, Sex and Age<sup>1</sup>

	(000s)									
	% Change 2006/07–2007/08	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	
<b>NATIONAL</b>	2.2	16,952.3	16,586.4	16,342.3	16,002.4	15,730.3	15,441.7	14,991.5	14,820.5	
<b>Province</b>										
Newfoundland and Labrador	0.8	218.5	216.7	213.4	214.3	212.9	208.9	205.1	198.6	
Prince Edward Island	0.9	69.6	69.0	68.2	67.5	66.2	65.0	63.6	62.9	
Nova Scotia	1.0	448.1	443.7	443.0	443.6	433.0	425.8	416.8	411.4	
New Brunswick	2.5	364.8	355.8	352.9	350.6	343.3	345.1	332.8	331.4	
Quebec	2.4	3,871.2	3,781.6	3,728.6	3,694.1	3,636.7	3,597.6	3,459.3	3,411.9	
Ontario	1.6	6,621.9	6,519.3	6,423.9	6,328.9	6,237.6	6,093.8	5,939.3	5,853.7	
Manitoba	1.7	599.1	589.0	581.8	578.1	571.7	568.7	556.3	553.8	
Saskatchewan	1.2	503.0	496.9	482.5	482.7	475.9	472.1	458.8	470.8	
Alberta	4.1	1,975.2	1,897.8	1,798.8	1,764.8	1,728.6	1,682.8	1,638.5	1,593.8	
British Columbia	2.9	2,280.9	2,216.6	2,148.8	2,077.9	2,024.3	1,981.7	1,920.9	1,932.1	
<b>Sex</b>										
Men	2.0	8,938.5	8,764.1	8,630.7	8,509.4	8,370.2	8,247.2	8,046.2	7,995.5	
Women	2.4	8,013.8	7,822.3	7,611.1	7,493.0	7,360.0	7,194.4	6,945.3	6,825.0	
<b>Age</b>										
Under 25	2.0	2,598.5	2,547.2	2,490.6	2,470.4	2,440.3	2,424.6	2,332.7	2,308.4	
25 to 54	1.2	11,810.9	11,671.5	11,507.9	11,418.8	11,293.7	11,204.4	11,027.1	10,964.6	
55 and Over	7.4	2,542.9	2,367.6	2,243.2	2,113.3	1,996.3	1,812.8	1,631.8	1,547.6	

Source: Labour Force Survey.

<sup>1</sup> Calculated using annual averages of seasonally adjusted data over fiscal years.

Annex 1.3 • Employment, by Industry<sup>1</sup>

Industry	% Change 2006/07-2007/08	(000s)									
		2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01		
<b>ALL INDUSTRIES</b>	<b>2.2</b>	<b>16,952.3</b>	<b>16,586.4</b>	<b>16,241.7</b>	<b>16,002.4</b>	<b>15,730.3</b>	<b>15,441.7</b>	<b>14,991.5</b>	<b>14,820.5</b>		
<b>Goods-Producing</b>	<b>0.1</b>	<b>3,995.4</b>	<b>3,992.1</b>	<b>3,997.5</b>	<b>4,002.0</b>	<b>3,931.0</b>	<b>3,915.4</b>	<b>3,771.5</b>	<b>3,820.3</b>		
Agriculture	-1.4	338.0	342.8	347.9	324.6	331.3	333.7	315.4	358.1		
Forestry, Fishing, Mining, Oil and Gas	0.2	337.7	336.9	311.1	290.9	282.3	271.6	278.3	276.4		
Utilities	15.6	143.4	124.1	124.4	131.0	132.0	132.0	125.8	116.8		
Construction	7.2	1,159.0	1,080.7	1,038.6	970.3	911.8	877.0	828.2	814.0		
Manufacturing	-4.3	2,017.4	2,107.6	2,175.4	2,285.0	2,273.6	2,301.2	2,223.8	2,255.1		
<b>Services-Producing</b>	<b>2.9</b>	<b>12,956.9</b>	<b>12,594.3</b>	<b>12,244.2</b>	<b>12,000.5</b>	<b>11,799.3</b>	<b>11,526.3</b>	<b>11,220.0</b>	<b>11,000.2</b>		
Trade	1.9	2,691.2	2,640.1	2,591.4	2,524.2	2,477.2	2,428.4	2,373.8	2,312.6		
Transportation and Warehousing	3.4	833.0	805.6	799.4	791.1	796.7	771.2	766.4	774.9		
Finance, Insurance, Real Estate and Leasing	1.3	1,065.6	1,052.0	994.4	974.0	924.3	900.4	879.9	862.7		
Professional, Scientific and Technical Services	5.3	1,157.0	1,098.7	1,063.1	1,023.5	1,005.4	992.5	983.4	954.0		
Business, Building and Other Support Services	1.3	706.0	696.6	662.2	633.1	612.3	592.8	545.2	538.2		
Educational Services	1.9	1,185.5	1,163.7	1,129.6	1,044.2	1,028.1	1,014.7	990.5	969.2		
Health Care and Social Assistance	2.5	1,856.2	1,810.2	1,734.9	1,735.5	1,694.9	1,640.2	1,550.4	1,522.2		
Information, Culture and Recreation	4.0	781.5	751.6	737.5	738.2	722.4	710.9	713.7	676.6		
Accommodation and Food Services	3.1	1,064.6	1,032.7	1,002.1	1,013.0	1,006.8	990.8	954.3	935.7		
Other Services	3.5	730.8	706.4	693.3	697.9	707.4	694.8	669.6	680.4		
Public Administration	5.8	885.5	836.7	836.3	826.0	823.7	789.7	792.8	773.6		

Source: Labour Force Survey.

<sup>1</sup> Calculated using annual averages of seasonally adjusted data over fiscal years.

Annex 1.4 • Unemployment Rate<sup>1</sup>

	Unemployment Rate (%)										
	Unemployed (000s) 2007/08	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01		
<b>NATIONAL</b>	1,074.9	6.0	6.2	6.6	7.1	7.6	7.5	7.5	6.9		
<b>Province</b>											
Newfoundland and Labrador	32.9	13.1	14.5	15.4	15.5	16.3	16.6	16.3	16.4		
Prince Edward Island	8.0	10.3	10.8	11.2	11.0	10.9	11.6	12.3	12.0		
Nova Scotia	38.9	8.0	7.9	8.2	8.8	9.2	9.4	9.8	9.2		
New Brunswick	30.9	7.8	8.3	9.6	9.7	10.2	10.0	11.0	10.4		
Quebec	292.7	7.0	7.9	8.3	8.4	9.1	8.5	8.9	8.5		
Ontario	449.7	6.4	6.3	6.5	6.8	7.0	7.0	6.6	5.8		
Manitoba	27.0	4.3	4.3	4.6	5.3	5.0	5.0	5.2	4.8		
Saskatchewan	22.3	4.2	4.3	5.2	5.2	5.6	5.7	5.8	5.4		
Alberta	71.5	3.5	3.5	3.8	4.3	5.0	5.3	4.7	5.0		
British Columbia	101.0	4.3	4.6	5.4	6.9	8.0	8.2	8.2	7.1		
<b>Gender</b>											
Men	601.7	6.3	6.5	6.8	7.4	8.0	7.9	7.9	7.0		
Women	473.2	5.6	5.9	6.4	6.8	7.2	7.1	7.0	6.7		
<b>Age</b>											
Under 25	325.8	11.2	11.5	12.2	13.0	13.8	13.4	13.3	12.6		
25 to 54	621.8	5.0	5.2	5.6	6.0	6.4	6.4	6.4	5.8		
55 and Over	127.4	4.8	5.1	5.1	5.5	5.8	5.8	5.7	5.2		

Source: Labour Force Survey.

<sup>1</sup> Calculated using annual averages of seasonally adjusted data over fiscal years.

Annex 1.5 • Unemployment Rate and Employment, by Education Level<sup>1</sup>

Education Level	Unemployment Rate (%)	Employment % Change	Employment (000s)							
	2007/08	2006/07–2007/08	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01
ALL	6.0	2.2	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	12.2	-5.0	428.8	451.6	463.2	486.7	505.8	500.0	490.0	533.0
Some High School	11.9	-1.8	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	5.9	1.0	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	7.0	6.3	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	4.8	3.5	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	3.7	2.6	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: Labour Force Survey.

<sup>1</sup> Calculated using annual averages of unadjusted data over fiscal years.

# Income Benefits Data Tables

- 2.1 Total Income Benefits
- 2.2 Total Income Benefits, by Industry
- 2.3 Total Regular Benefits
- 2.4 Distribution of Claims for Regular Benefits,  
by Duration of Insured Employment
- 2.5 Fishing Benefits
- 2.6 Frequent Claimants
- 2.7 Special Benefits
- 2.8 Maternity Benefits
- 2.9 Parental Benefits (Biological)
- 2.10 Parental Benefits (Adoptive)
- 2.11 Sickness Benefits
- 2.12 Compassionate Care Benefits
- 2.13 Family Supplement
- 2.14 Working While on Claim
- 2.15 Benefit Repayment Provision
- 2.16 Contributors to the Program, 2006
- 2.17 Benefits-to-Contributions Ratios, 2006





## Annex 2.1 • Total Income Benefits

	New Claims <sup>1</sup>				Average Weekly Benefit <sup>2</sup>				Amount Paid <sup>3</sup>								
	% Change 2006/07– 2007/08	(000s)			% Change 2006/07– 2007/08	(\$)			% Change 2006/07– 2007/08	(\$ Millions)							
		2007/08	2006/07	2005/06		2004/05	2007/08	2006/07		2005/06	2004/05	2007/08	2006/07	2005/06	2004/05		
<b>Province/Territory</b>																	
Newfoundland and Labrador	0.0	90.4	90.4	92.9	97.0	4.7	343	328	319	313	1.0	786.2	778.2	766.9	764.9		
Prince Edward Island	-2.1	23.3	23.8	24.4	24.6	3.1	346	335	318	301	1.9	191.6	188.0	178.6	168.3		
Nova Scotia	-1.7	82.7	84.1	87.6	90.0	2.9	334	325	310	297	2.1	638.9	625.7	612.2	608.2		
New Brunswick	-1.2	88.9	89.9	92.6	94.3	3.7	335	323	310	299	-0.1	684.5	685.5	668.2	661.3		
Quebec	-3.6	511.8	530.6	573.3	584.2	3.8	339	327	318	310	-7.9	3,117.0	3,382.8	3,813.0	3,730.7		
Ontario	-0.2	551.7	553.1	543.4	530.3	2.8	349	339	332	326	3.2	4,037.8	3,912.7	3,825.1	3,791.2		
Manitoba	-5.0	51.4	54.1	54.4	55.6	3.3	329	319	306	300	-0.5	349.7	351.3	344.2	350.0		
Saskatchewan	-4.6	40.2	42.2	42.9	45.2	2.9	342	332	315	307	1.4	294.2	290.2	276.2	285.9		
Alberta	0.7	117.9	117.1	117.5	128.7	4.3	368	353	337	329	3.7	877.2	846.1	822.4	900.0		
British Columbia	3.9	194.2	186.9	192.5	206.6	4.6	350	335	323	318	2.3	1,301.4	1,272.2	1,324.3	1,432.6		
Nunavut	-25.8	1.0	1.3	1.3	1.2	0.9	383	380	363	346	-16.4	11.5	13.8	11.5	10.5		
Northwest Territories	-12.9	1.9	2.2	2.1	2.1	0.5	396	394	382	372	9.2	21.6	19.8	21.7	20.8		
Yukon	-1.3	2.3	2.3	2.5	2.6	0.6	387	385	364	356	3.5	21.2	20.5	21.8	22.2		
<b>Sex</b>																	
Men	-1.4	947.7	961.2	972.3	990.0	3.4	372	360	351	343	-1.0	6,321.7	6,383.3	6,328.7	6,449.6		
Women	-0.8	809.8	816.7	855.0	872.4	3.9	314	302	291	283	0.1	6,011.2	6,003.6	6,357.4	6,296.9		
<b>Age</b>																	
Under 25	-1.7	203.3	206.7	215.5	230.4	4.7	308	294	279	266	-1.4	1,209.7	1,226.7	1,249.9	1,276.0		
25 to 44	-3.5	887.3	920.0	976.4	1,012.3	3.7	355	342	332	325	-2.4	6,961.4	7,133.3	7,585.6	7,705.2		
45 to 54	1.6	408.0	401.6	398.3	393.0	3.4	349	337	328	321	2.0	2,495.1	2,446.1	2,375.0	2,359.4		
55 and Over	3.7	258.9	249.6	237.1	226.7	3.1	335	325	316	311	5.4	1,666.6	1,580.7	1,475.6	1,405.9		
<b>EI History<sup>3</sup></b>																	
First-Time Claimants	1.9	750.1	736.1	758.2	772.3	4.1	336	323	312	305	1.1	5,768.4	5,703.6	5,952.7	5,972.3		
Occasional Claimants	-3.0	484.7	499.6	521.9	543.0	3.8	339	326	315	306	-2.2	3,088.8	3,158.1	3,255.0	3,331.8		
Frequent Claimants	-3.6	522.8	542.2	547.3	547.1	3.0	365	354	345	339	-1.4	3,475.6	3,525.2	3,478.3	3,442.4		
<b>NATIONAL</b>	<b>-1.1</b>	<b>1,757.5</b>	<b>1,777.9</b>	<b>1,827.3</b>	<b>1,862.4</b>	<b>3.6</b>	<b>345</b>	<b>333</b>	<b>323</b>	<b>315</b>	<b>-0.4</b>	<b>12,332.9</b>	<b>12,386.8</b>	<b>12,686.1</b>	<b>12,746.5</b>		

Source: EI administrative data.

<sup>1</sup> Includes claims for which at least \$1 of EI benefits was paid.

<sup>2</sup> Taken into account benefit payments under regular, fishing, special (sickness, maternity, parental, compassionate care), 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.

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

## Annex 2.2 • Total Income Benefits, by Industry

	New Claims <sup>1</sup>				Average Weekly Benefit <sup>2</sup>				Amount Paid <sup>2</sup>						
	% Change 2006/07– 2007/08	(000s)			% Change 2006/07– 2007/08	(\$)			% Change 2006/07– 2007/08	(\$ Millions)					
		2007/08	2006/07	2005/06		2004/05	2007/08	2006/07		2005/06	2004/05	2007/08	2006/07	2005/06	2004/05
<b>Goods-Producing Industries</b>															
Agriculture, Forestry, Fishing and Hunting	-4.5	78.7	82.4	85.9	87.5	2.8	350	341	332	321	-3.7	638.0	662.3	668.9	641.6
Fish Harvesting (Self-Employed) <sup>3</sup>	0.8	32.0	31.8	33.7	37.8	3.3	394	381	375	382	2.9	255.6	248.3	264.1	293.2
Mining and Oil and Gas Extraction	4.0	24.7	23.8	20.4	22.2	2.7	413	402	395	392	13.9	197.3	173.2	154.0	172.5
Utilities	17.5	5.4	4.6	4.9	5.0	2.0	409	401	396	392	8.4	38.6	35.6	37.9	42.8
Construction	0.7	246.6	244.9	240.7	238.0	3.4	393	380	374	367	-3.0	1,604.8	1,654.1	1,560.0	1,554.0
Manufacturing	-0.5	289.6	290.9	300.4	301.9	3.6	357	344	333	323	1.4	1,994.0	1,967.0	2,007.1	2,004.8
<b>Services-Producing Industries</b>															
Wholesale Trade	0.3	69.1	68.9	71.9	72.4	3.1	340	329	317	310	1.4	530.2	522.9	547.8	533.6
Retail Trade	-3.5	126.4	130.9	138.5	137.4	3.8	277	267	258	249	-4.5	796.2	833.3	864.9	844.3
Transportation and Warehousing	7.5	75.0	69.8	71.2	70.2	3.1	345	334	324	317	9.1	479.3	439.3	447.7	429.4
Information and Cultural Industries	-7.8	18.5	20.0	20.6	21.4	6.5	368	346	350	343	-4.6	179.5	188.2	195.7	212.9
Finance and Insurance	4.9	29.9	28.5	30.6	31.5	3.8	358	345	338	327	4.2	322.8	309.9	336.0	336.3
Real Estate and Rental and Leasing	-10.3	20.3	22.6	22.0	24.9	4.3	328	314	308	295	-6.3	152.0	162.2	168.7	176.0
Professional, Scientific and Technical Services	-5.7	65.2	69.1	68.9	74.0	3.5	362	350	342	338	-1.8	552.8	563.2	586.5	628.4
Management of Companies and Enterprises	-7.2	8.5	9.2	9.6	9.6	7.5	357	332	324	313	-6.5	70.3	75.1	83.3	76.8
Administrative and Support, Waste Management and Remediation Services	-1.9	106.8	108.9	108.2	105.3	2.9	311	302	290	282	1.6	744.1	732.2	712.6	677.3
Educational Services	2.1	152.0	148.8	149.0	143.4	4.0	368	354	342	337	2.8	785.1	764.0	780.8	769.2
Health Care and Social Assistance	2.6	95.4	93.0	101.8	103.4	3.2	332	322	312	305	1.7	785.1	771.8	852.8	850.8
Arts, Entertainment and Recreation	-6.9	34.2	36.7	38.1	39.4	2.1	303	297	285	280	-6.5	215.7	230.7	234.5	230.5
Accommodation and Food Services	0.2	95.7	95.5	100.8	101.8	4.8	259	247	235	225	3.0	580.4	563.6	574.9	557.0
Other Services	-6.6	62.4	66.8	68.9	73.4	3.8	308	297	286	277	-4.4	432.7	452.5	474.2	482.2
Public Administration	-4.4	97.5	102.0	103.5	105.6	2.8	369	359	351	342	-1.3	828.5	839.2	855.4	864.0
Unclassified	-17.5	23.8	28.9	37.8	56.5	0.9	318	315	304	301	-24.4	149.9	198.2	278.3	368.8
<b>ALL INDUSTRIES</b>	<b>-1.1</b>	<b>1,757.5</b>	<b>1,777.9</b>	<b>1,827.3</b>	<b>1,862.4</b>	<b>3.6</b>	<b>345</b>	<b>333</b>	<b>323</b>	<b>315</b>	<b>-0.4</b>	<b>12,332.9</b>	<b>12,386.8</b>	<b>12,686.1</b>	<b>12,746.5</b>

Source: EI administrative data.

<sup>1</sup> Includes claims for which at least \$1 of EI benefits was paid.

<sup>2</sup> Takes into account benefit payments under regular, fishing, special (sickness, maternity, parental, compassionate care), 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.

<sup>3</sup> Includes fishing benefits paid to self-employed fishers, as well as other types of benefits collected by these claimants, such as special benefits. Employment Benefits (Part II) are excluded.

### Annex 2.3 • Total Regular Benefits

	New Claims <sup>1</sup>				Average Weekly Benefit <sup>2</sup>				Amount Paid <sup>3</sup>								
	% Change 2006/07- 2007/08	(000s)			% Change 2006/07- 2007/08	(\$)			% Change 2006/07- 2007/08	(\$ Millions)							
		2007/08	2006/07	2005/06		2004/05	2007/08	2006/07		2005/06	2004/05	2007/08	2006/07	2005/06	2004/05		
<b>Province/Territory</b>																	
Newfoundland and Labrador	-1.5	70.3	71.4	73.0	73.6	337	322	311	298	-1.0	591.2	597.3	577.5	551.1			
Prince Edward Island	-0.5	17.6	17.7	18.4	18.7	339	327	308	287	2.1	133.7	130.9	124.0	113.9			
Nova Scotia	-2.2	62.7	64.2	67.3	71.0	331	323	307	293	0.5	447.5	445.2	434.8	434.9			
New Brunswick	-1.4	72.0	73.0	75.4	78.0	336	324	311	298	-1.1	514.9	520.4	513.2	512.6			
Quebec	-3.9	449.7	467.9	469.5	474.1	344	331	320	311	-3.3	2,722.6	2,815.7	2,728.0	2,677.2			
Ontario	-1.5	378.9	384.6	381.0	373.7	353	343	335	328	1.9	2,207.7	2,166.7	2,153.1	2,171.3			
Manitoba	-7.4	32.2	34.8	36.2	38.8	331	323	309	301	-7.0	169.3	182.0	185.2	196.4			
Saskatchewan	-13.4	26.1	30.1	30.1	33.9	349	338	321	311	-4.1	160.6	167.5	163.3	181.1			
Alberta	-5.3	58.0	61.2	65.9	81.5	375	361	340	336	-7.5	309.3	334.5	366.8	460.2			
British Columbia	2.9	122.8	119.3	128.6	146.0	356	340	328	321	-0.7	667.0	671.5	761.4	882.4			
Nunavut	-20.8	0.6	0.8	0.9	0.9	390	378	358	342	-11.7	6.6	7.5	7.2	6.7			
Northwest Territories	-12.5	1.3	1.5	1.5	1.5	392	393	384	371	1.6	12.8	12.6	14.2	13.9			
Yukon	-3.8	1.8	1.9	2.1	2.1	388	391	366	358	-5.3	14.5	15.3	16.7	17.3			
<b>Sex</b>																	
Men	-2.4	775.4	794.5	801.4	828.4	373	360	351	343	-1.5	5,215.7	5,297.4	5,251.0	5,388.3			
Women	-2.9	518.7	534.0	548.5	565.4	310	298	285	276	-1.0	2,742.0	2,769.8	2,794.3	2,830.8			
<b>Age</b>																	
Under 25	-4.3	137.0	143.2	150.7	166.2	316	302	286	273	-3.8	714.4	742.7	755.8	782.5			
25 to 44	-6.0	606.4	644.9	669.9	707.1	356	343	331	323	-4.4	3,758.1	3,930.4	4,028.7	4,240.6			
45 to 54	1.0	339.2	335.8	333.4	332.1	352	339	330	322	1.5	2,089.5	2,058.7	2,006.8	2,000.4			
55 and Over	3.4	211.6	204.6	195.9	188.5	338	328	318	312	4.5	1,395.6	1,335.5	1,254.0	1,195.6			
<b>EI History<sup>3</sup></b>																	
First-time Claimants	-0.3	412.5	413.9	422.2	445.3	335	320	307	299	-0.1	2,621.7	2,625.1	2,685.3	2,814.3			
Occasional Claimants	-3.2	401.4	414.6	427.4	450.5	341	329	317	308	-1.9	2,329.1	2,375.4	2,371.5	2,464.3			
Frequent Claimants	-4.0	480.1	500.0	500.3	498.0	363	353	344	336	-2.0	3,006.9	3,066.7	2,988.5	2,940.4			
<b>NATIONAL</b>	<b>-2.6</b>	<b>1,294.1</b>	<b>1,328.4</b>	<b>1,349.9</b>	<b>1,393.8</b>	<b>347</b>	<b>335</b>	<b>324</b>	<b>315</b>	<b>-1.4</b>	<b>7,957.6</b>	<b>8,067.2</b>	<b>8,045.3</b>	<b>8,219.1</b>			

Source: EI administrative data.

<sup>1</sup> Includes claims for which at least \$1 of regular benefits was paid.

<sup>2</sup> Takes into account Family Supplement top-ups paid to regular claimants.

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

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

Province/Territory	New Claims <sup>1</sup>																	
	% Change			2006/07-2007/08			2007/08			2006/07			2005/06			2004/05		
	Short Spells <sup>2</sup>	Medium Spells <sup>3</sup>	Long Spells <sup>4</sup>	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	-6.0	-2.1	1.3	6,940	41,600	21,800	7,380	42,510	21,520	7,110	43,770	22,100	7,380	44,530	21,640			
Prince Edward Island	15.3	-1.5	-3.6	2,030	10,270	5,300	1,760	10,430	5,500	1,830	10,920	5,640	1,790	11,640	5,220			
Nova Scotia	10.1	-2.7	-3.7	4,470	36,340	21,930	4,060	37,350	22,770	4,620	40,150	22,560	4,980	40,650	25,370			
New Brunswick	-2.5	-0.9	-2.0	4,350	43,710	23,910	4,460	44,120	24,400	4,300	46,750	24,310	4,680	47,600	25,720			
Quebec	0.8	-0.9	-9.0	25,080	263,600	161,010	24,890	266,000	177,020	25,220	266,960	177,350	24,040	273,640	176,420			
Ontario	-2.0	-0.3	-2.7	12,050	191,600	175,260	12,300	192,150	180,140	11,760	194,770	174,420	11,780	186,440	175,480			
Manitoba	-14.0	-7.0	-7.3	1,170	18,820	12,250	1,360	20,240	13,210	1,490	20,960	13,790	1,410	22,310	15,080			
Saskatchewan	28.9	-11.3	-19.4	1,070	15,490	9,550	830	17,460	11,850	960	17,400	11,710	1,210	19,700	12,940			
Alberta	-25.3	-6.3	-3.0	1,390	28,850	27,710	1,860	30,780	28,570	2,120	34,840	28,970	2,670	41,810	37,020			
British Columbia	-0.7	-0.5	8.6	5,390	69,340	47,990	5,430	69,700	44,210	6,440	73,320	48,860	6,540	79,240	60,240			
Numavut	-66.7	2.4	-44.8	20	430	160	60	420	290	30	540	360	70	520	300			
Northwest Territories	16.7	-1.3	-27.9	70	770	490	60	780	680	40	850	570	110	830	590			
Yukon	266.7	18.9	-34.4	110	1,070	610	30	900	930	100	1,140	870	110	1,250	760			
Sex																		
Men	0.4	-1.3	-4.0	35,190	404,700	335,510	35,060	410,090	349,320	35,210	423,450	342,750	36,120	432,450	359,800			
Women	-1.6	-1.7	-5.1	28,950	317,190	172,460	29,420	322,750	181,770	30,810	328,920	188,760	30,650	337,710	196,980			
Age																		
Under 25	-1.8	-2.7	-7.5	6,480	85,610	44,880	6,600	88,030	48,540	8,160	92,580	49,980	7,410	103,260	55,510			
25 to 44	-6.0	-5.4	-6.7	27,340	323,700	255,270	29,090	342,190	273,620	29,910	358,230	281,720	33,020	375,180	298,830			
45 to 54	1.2	2.4	-0.8	15,930	186,750	136,500	15,740	182,450	137,610	15,450	185,570	132,400	15,180	180,850	136,020			
55 and Over	10.3	4.7	0.0	14,390	125,830	71,320	13,050	120,170	71,320	12,500	115,990	67,410	11,160	110,870	66,420			
EI History <sup>5</sup>																		
First-Time Claimants	-6.5	-0.5	0.0	8,140	178,170	226,160	8,710	179,150	226,070	8,430	185,620	228,130	8,430	193,190	243,660			
Occasional Claimants	2.0	-2.8	-4.5	24,980	218,820	157,610	24,480	225,060	164,990	27,210	233,520	166,650	27,760	247,500	175,200			
Frequent Claimants	-0.9	-1.1	-11.3	31,020	324,900	124,200	31,290	328,630	140,030	30,380	333,230	136,730	30,580	329,470	137,920			
NATIONAL	-0.5	-1.5	-4.4	64,140	721,890	507,970	64,480	732,840	531,090	66,020	752,370	531,510	66,770	770,160	556,780			

Source: EI administrative data.

<sup>1</sup> Includes claims for which at least \$1 of regular benefits was paid.

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

<sup>3</sup> 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.

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

<sup>5</sup> 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

	New Claims <sup>1</sup>					Average Weekly Benefit <sup>2</sup>					Amount Paid <sup>3</sup>				
	% Change	2007/08	2006/07	2005/06	2004/05	% Change	2007/08	2006/07	2005/06	2004/05	% Change	2007/08	2006/07	2005/06	2004/05
	2006/07- 2007/08					2006/07- 2007/08					2006/07- 2007/08				
<b>Province/Territory</b>															
Newfoundland and Labrador	7.6	13,920	12,935	14,604	17,753	4.8	395	377	372	386	8.6	106.75	98.30	113.69	136.25
Prince Edward Island	-4.1	3,327	3,468	3,527	3,515	1.7	406	400	397	394	-4.7	25.76	27.03	27.21	27.44
Nova Scotia	-0.1	5,744	5,749	5,896	5,760	2.7	400	390	390	387	3.8	44.51	42.89	44.38	45.50
New Brunswick	-1.6	3,054	3,104	3,325	3,337	1.4	404	398	399	395	0.1	23.67	23.65	24.27	24.93
Quebec	0.6	1,639	1,630	1,791	1,768	3.6	409	395	390	393	4.0	11.47	11.03	10.95	11.23
Ontario	9.6	80	73	106	102	7.7	363	337	349	339	-4.2	0.58	0.61	0.75	0.78
Manitoba	7.7	830	771	875	940	1.2	367	363	348	350	13.7	8.36	7.35	7.62	8.03
Saskatchewan	-5.1	112	118	130	149	-8.0	303	330	298	292	-8.5	0.36	0.40	0.61	1.08
Alberta	-27.3	32	44	65	43	5.8	386	365	357	378	59.1	0.52	0.33	0.36	0.22
British Columbia	-17.0	3,098	3,732	3,587	4,219	-0.8	351	354	337	354	-11.5	26.69	30.16	28.62	32.98
Nunavut	-28.1	23	32	25	17	5.4	395	375	350	330	-29.3	0.16	0.22	0.18	0.06
Northwest Territories	-22.2	7	9	18	26	-18.0	339	413	330	289	-58.0	0.05	0.12	0.42	0.17
Yukon	N/A	0	0	0	2	N/A	0	0	0	413	N/A	0.00	0.00	0.00	0.00
<b>Sex</b>															
Men	0.1	26,049	26,013	28,122	31,237	2.9	397	386	382	387	1.4	202.80	200.04	215.91	239.17
Women	2.9	5,817	5,652	5,827	6,394	4.2	377	361	351	363	9.6	46.08	42.04	43.15	49.49
<b>Age</b>															
Under 25	1.9	1,507	1,479	1,928	2,620	4.5	377	360	358	366	-6.3	11.73	12.51	14.67	19.36
25 to 44	-3.6	12,548	13,012	14,989	17,388	3.3	396	384	380	384	0.3	103.07	102.78	116.03	135.28
45 to 54	1.9	9,795	9,613	9,834	10,473	3.1	395	383	378	386	2.9	72.50	70.49	73.60	78.42
55 and Over	6.0	8,016	7,561	7,198	7,150	2.7	389	379	373	380	9.4	61.59	56.30	54.76	55.59
<b>EI History<sup>3</sup></b>															
Firsttime Claimants	1.0	809	801	923	1,125	4.5	366	350	343	352	-2.0	6.69	6.82	6.86	10.38
Occasional Claimants	-7.1	2,108	2,270	2,498	3,241	3.4	361	349	344	355	-4.8	17.39	18.26	18.87	23.65
Frequent Claimants	1.2	28,949	28,594	30,528	33,265	3.0	396	385	380	387	3.6	224.80	217.00	233.33	254.62
<b>NATIONAL</b>	<b>0.6</b>	<b>31,866</b>	<b>31,665</b>	<b>33,949</b>	<b>37,631</b>	<b>3.1</b>	<b>393</b>	<b>381</b>	<b>377</b>	<b>383</b>	<b>2.8</b>	<b>248.88</b>	<b>242.08</b>	<b>259.06</b>	<b>288.66</b>

Source: EI administrative data.

N/A: Not applicable.

<sup>1</sup> Includes claims for which at least \$1 of fishing benefits was paid.

<sup>2</sup> Takes into account Family Supplement top-ups paid to fishing claimants.

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

Annex 2.6 • Frequent Claimants<sup>1</sup>

Province/Territory	New Claims <sup>2</sup>				Average Weekly Benefit <sup>2</sup>				Amount Paid <sup>3</sup>							
	% Change	2007/08	2006/07	2005/06	2004/05	% Change	2007/08	2006/07	2005/06	2004/05	% Change	2007/08	2006/07	2005/06	2004/05	
	2006/07-2007/08					2006/07-2007/08					2006/07-2007/08					
Newfoundland and Labrador	0.2	58,713	58,572	60,545	62,987	4.2	360	346	340	336	1.1	500.5	495.2	500.6	495.5	
Prince Edward Island	-3.2	14,649	15,134	15,220	15,648	1.9	360	353	338	322	1.8	117.3	115.2	112.0	107.2	
Nova Scotia	-2.1	37,330	38,135	39,600	40,252	2.9	357	347	336	324	-0.8	280.7	283.0	274.3	267.2	
New Brunswick	-2.5	45,521	46,669	48,003	48,957	3.3	353	341	332	322	-2.3	351.3	359.7	360.1	356.0	
Quebec	-2.9	193,262	198,975	195,742	193,339	3.6	366	353	345	338	-1.8	1,176.5	1,197.5	1,143.8	1,089.5	
Ontario	-5.9	90,911	96,660	93,424	85,298	2.0	375	368	362	355	-0.2	435.2	436.0	417.2	410.4	
Manitoba	-6.0	11,419	12,142	12,842	12,556	1.8	354	348	338	333	-4.6	61.5	64.5	65.0	66.2	
Saskatchewan	-7.9	9,708	10,535	10,628	11,468	2.3	359	351	346	344	-4.4	54.6	57.2	56.5	63.7	
Alberta	-12.1	11,935	13,572	14,054	15,852	3.2	386	374	364	369	-10.1	59.7	66.4	68.5	83.2	
British Columbia	-6.2	34,533	36,833	39,512	43,482	1.7	367	361	349	348	-6.9	184.1	197.8	212.4	244.0	
Nunavut	-13.2	112	129	126	163	8.8	422	388	355	364	-38.7	0.8	1.2	1.0	1.0	
Northwest Territories	-20.1	366	458	382	492	4.1	421	404	397	372	-1.2	3.7	3.7	4.2	4.5	
Yukon	-13.7	630	730	790	761	1.2	404	399	395	386	-10.0	5.8	6.4	6.4	6.4	
Sex																
Men	-4.7	330,158	346,589	350,009	353,869	2.7	390	380	373	368	-2.8	2,355.4	2,423.2	2,398.5	2,404.9	
Women	-1.7	178,931	181,955	180,859	177,386	4.2	320	307	293	283	1.8	876.3	860.6	823.3	790.1	
Age																
Under 25	-3.1	14,020	14,467	15,361	16,598	3.5	370	358	348	336	-3.3	92.3	95.5	103.7	101.8	
25 to 44	-8.8	211,199	231,481	240,177	250,017	3.3	376	364	354	346	-5.6	1,366.4	1,448.1	1,474.3	1,527.4	
45 to 54	-0.8	167,966	169,335	167,438	162,225	3.2	363	352	344	338	0.9	1,028.4	1,019.1	979.1	949.3	
55 and Over	2.3	115,904	113,261	107,892	102,415	2.8	349	339	331	326	3.3	744.6	721.0	664.8	616.5	
Seasonality <sup>4</sup>																
Seasonal	-3.0	424,109	437,084	440,558	439,265	3.1	366	355	347	342	-1.0	2,676.1	2,701.9	2,644.4	2,593.6	
Non-Seasonal	-7.1	84,980	91,460	90,310	91,990	2.6	361	352	341	327	-4.5	555.6	581.9	577.5	601.4	
<b>NATIONAL</b>	<b>-3.7</b>	<b>509,089</b>	<b>528,544</b>	<b>530,868</b>	<b>531,255</b>	<b>3.0</b>	<b>365</b>	<b>355</b>	<b>346</b>	<b>340</b>	<b>-1.6</b>	<b>3,231.7</b>	<b>3,283.7</b>	<b>3,221.9</b>	<b>3,195.0</b>	

Source: EI administrative data.

<sup>1</sup> This table includes both regular and fishing claims.

<sup>2</sup> Includes claims for which at least \$1 of regular or fishing benefits was paid.

<sup>3</sup> Takes into account Family Supplement top-ups paid to frequent claimants.

<sup>4</sup> Individuals who started previous claims at about the same time of the year as their current claim are considered seasonal claimants.

Annex 2.7 • Special Benefits<sup>1</sup>

Province/Territory	New Claims <sup>2</sup>				Amount Paid <sup>3</sup>				
	% Change	2007/08	2006/07	2005/06	2004/05	% Change	2006/07	2005/06	2004/05
	2006/07– 2007/08	2007/08	2006/07	2005/06	2004/05	2006/07– 2007/08	2006/07	2005/06	2004/05
Newfoundland and Labrador	6.4	10,820	10,170	9,640	9,700	9.3	59.8	55.7	57.1
Prince Edward Island	3.1	4,690	4,550	4,190	4,200	9.0	22.7	20.9	20.2
Nova Scotia	1.4	20,830	20,550	20,660	19,490	9.1	119.4	114.5	111.7
New Brunswick	6.8	24,640	23,080	22,200	20,990	5.3	117.0	108.8	101.4
Quebec	0.8	97,810	97,030	140,610	147,900	-39.4	273.6	966.3	933.6
Ontario	1.7	183,880	180,760	177,600	170,470	5.5	1,738.1	1,589.0	1,526.2
Manitoba	-3.6	17,750	18,410	17,750	16,700	6.3	150.1	130.2	124.8
Saskatchewan	11.1	13,530	12,180	13,010	11,960	7.9	118.7	100.3	92.9
Alberta	4.0	48,860	47,000	45,970	45,230	10.9	497.4	403.9	390.2
British Columbia	3.1	72,520	70,370	68,250	66,060	6.0	558.8	491.3	472.3
Nunavut	-48.3	310	600	280	370	-17.3	4.5	3.4	3.4
Northwest Territories	-3.1	620	640	550	550	25.5	6.0	6.3	5.2
Yukon	-15.8	480	570	410	480	21.2	4.4	4.3	4.2
<b>Sex</b>									
Men	1.8	157,480	154,770	162,640	154,770	0.1	594.1	599.8	562.7
Women	2.5	339,260	331,140	358,480	359,330	1.2	3,103.6	3,395.1	3,280.6
<b>Age</b>									
Under 25	1.7	50,430	49,570	54,610	56,680	1.9	348.2	365.2	362.1
25 to 44	0.6	296,260	294,630	331,210	333,100	-0.1	2,864.6	3,220.4	3,097.9
45 to 54	4.6	88,080	84,220	82,970	76,550	5.3	285.6	250.6	237.2
55 and Over	7.8	61,970	57,490	52,330	47,770	11.0	199.3	158.7	146.0
<b>NATIONAL</b>	<b>2.2</b>	<b>496,740</b>	<b>485,910</b>	<b>521,120</b>	<b>514,100</b>	<b>1.0</b>	<b>3,697.6</b>	<b>3,994.9</b>	<b>3,843.2</b>

Source: EI administrative data.

<sup>1</sup> For a breakdown of maternity, parental, sickness and compassionate care benefits, please see annexes 2.8, 2.9, 2.10, 2.11 and 2.12.

<sup>2</sup> Includes claims for which at least \$1 of maternity, parental, sickness or compassionate care benefits was paid.

<sup>3</sup> Takes into account Family Supplement top-ups paid to claimants with special benefits.

## Annex 2.8 • Maternity Benefits

Province/Territory	New Claims <sup>1</sup>				Average Number of Weeks Paid				Average Weekly Benefit <sup>2</sup>				Amount Paid <sup>2</sup>							
	% Change 2006/07– 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07– 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07– 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07– 2007/08	2007/08	2006/07	2005/06	2004/05
Newfoundland and Labrador	4.6	2,730	2,610	2,540	2,730	-2.2	14.3	14.6	14.3	14.2	2.0	317	311	293	290	6.0	12.4	11.7	11.2	11.6
Prince Edward Island	-9.9	910	1,010	940	970	-3.7	14.1	14.6	14.0	14.5	1.9	323	317	278	277	-5.8	4.4	4.7	3.8	4.1
Nova Scotia	7.4	5,940	5,530	5,350	5,180	0.8	14.4	14.3	14.4	14.5	4.0	319	307	300	293	18.7	28.1	23.6	23.5	23.1
New Brunswick	2.8	4,780	4,650	4,940	4,700	0.8	14.5	14.4	14.5	14.5	3.7	320	309	293	282	7.4	22.6	21.1	21.2	19.4
Quebec	-100.0	0	20	34,330	47,460	-100.0	0.0	6.0	14.7	14.5	-100.0	0	370	319	309	-100.0	0.0	1.3	206.2	218.0
Ontario	2.1	86,830	85,080	82,760	81,570	0.1	14.6	14.6	14.6	14.6	3.4	345	334	328	324	5.4	436.6	414.2	400.7	386.5
Manitoba	-0.9	7,590	7,660	7,170	6,730	-0.1	14.7	14.7	14.6	14.7	2.2	314	307	298	296	8.5	36.6	33.7	31.5	29.5
Saskatchewan	13.7	6,800	5,980	6,240	5,380	-0.7	14.6	14.7	14.6	14.7	3.9	324	312	301	290	13.8	31.4	27.6	26.8	22.6
Alberta	10.7	27,070	24,460	23,050	20,920	-0.1	14.6	14.7	14.7	14.6	5.3	343	326	316	305	15.9	134.1	115.7	104.6	95.0
British Columbia	1.0	25,120	24,870	23,860	22,980	-0.2	14.6	14.6	14.6	14.5	3.8	330	318	310	303	6.3	122.2	114.9	108.5	102.8
Nunavut	-44.1	190	340	130	150	4.5	14.8	14.2	14.5	14.8	-1.7	370	376	380	360	-22.7	1.2	1.6	0.8	0.8
Northwest Territories	-21.2	260	330	240	290	-0.7	14.7	14.8	15.0	14.1	2.9	402	390	364	370	3.7	1.7	1.6	1.5	1.3
Yukon	-4.0	240	250	140	300	-3.6	13.9	14.4	14.4	14.0	7.7	389	361	333	327	26.3	1.4	1.1	0.9	1.3
Age																				
Under 25	4.1	25,460	24,450	28,170	29,700	-0.1	14.5	14.5	14.4	14.4	5.8	242	229	221	209	10.7	90.4	81.7	96.7	94.6
25 and Over	3.4	143,000	138,340	163,520	169,660	0.0	14.6	14.6	14.6	14.6	3.4	355	343	335	330	7.4	742.2	691.2	844.6	821.7
NATIONAL	3.5	168,460	162,790	191,690	199,360	0.0	14.6	14.6	14.6	14.6	3.7	338	326	318	312	7.7	832.7	772.9	941.4	916.2

Source: EI administrative data.

<sup>1</sup> Includes claims for which at least \$1 of maternity benefits was paid.

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



**Annex 2.9 • Parental Benefits (Biological)**

Province/Territory	New Claims <sup>1</sup>				Average Number of Weeks Paid <sup>2</sup>				Average Weekly Benefit <sup>3</sup>				Amount Paid <sup>3</sup>							
	% Change 2006/07- 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07- 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07- 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07- 2007/08	2007/08	2006/07	2005/06	2004/05
Newfoundland and Labrador	2.1	2,870	2,810	2,650	2,740	-2.4	28.8	29.5	28.9	28.1	2.8	329	320	307	301	10.6	28.6	25.9	24.4	24.7
Prince Edward Island	-17.4	950	1,150	1,060	1,010	-1.8	27.9	28.4	27.0	25.5	0.1	326	326	292	290	5.8	9.9	9.4	8.9	8.7
Nova Scotia	2.1	6,360	6,230	5,890	5,720	5.5	28.3	26.9	26.5	27.6	2.7	335	326	317	309	9.2	58.3	53.4	52.2	51.6
New Brunswick	5.1	5,400	5,140	5,330	5,020	-2.3	27.8	28.5	27.6	27.2	4.1	334	321	308	300	5.6	50.2	47.6	45.2	42.8
Quebec	-100.0	0	2,120	46,260	58,750	-100.0	0.0	7.9	25.9	25.0	-100.0	0	386	335	325	-100.0	0.0	182.1	506.8	475.4
Ontario	3.3	98,250	95,070	92,230	89,610	0.6	29.4	29.2	29.3	29.0	3.1	353	343	338	334	5.9	1,006.0	950.2	913.7	882.9
Manitoba	0.9	8,610	8,530	7,840	7,650	-0.3	29.3	29.4	29.2	29.2	3.1	328	318	310	309	9.0	83.2	76.3	69.5	67.9
Saskatchewan	14.3	7,340	6,420	6,730	5,880	-1.3	29.4	29.8	29.6	29.2	3.4	335	324	312	301	4.9	67.0	63.9	55.7	52.0
Alberta	9.0	28,380	26,040	24,350	22,370	0.8	30.8	30.6	30.1	30.1	4.4	351	336	327	314	11.1	285.5	257.0	225.6	220.9
British Columbia	0.4	27,500	27,380	26,410	25,120	0.2	29.6	29.5	29.5	28.7	3.9	343	330	323	316	5.0	278.4	265.1	246.8	237.7
Nunavut	-37.1	220	350	170	190	-28.6	21.9	30.7	24.4	28.3	-2.5	369	378	385	369	-8.0	2.6	2.8	1.9	2.0
Northwest Territories	-12.8	340	390	310	360	-8.4	26.4	28.8	27.5	23.9	2.6	410	400	378	374	31.9	4.4	3.3	3.7	3.1
Yukon	8.3	260	240	180	300	-1.7	30.8	31.4	21.6	29.1	8.5	393	362	353	334	20.7	2.8	2.4	2.6	2.3
Sex																				
Men	-3.2	24,140	24,950	34,060	33,210	14.1	17.0	14.9	14.3	14.2	2.1	390	382	376	372	-5.4	154.5	163.3	193.2	180.1
Women	3.5	162,340	156,920	185,350	191,510	0.1	31.3	31.3	30.8	30.3	3.6	342	330	323	316	-3.0	1,722.4	1,776.0	1,963.7	1,891.9
Age																				
Under 25	4.7	25,300	24,170	28,410	29,660	-0.3	30.3	30.4	29.5	28.7	5.0	255	243	237	224	-0.9	193.9	195.6	208.7	210.5
25 and Over	2.2	161,180	157,700	191,000	195,060	2.4	29.4	28.7	28.2	27.8	3.1	363	352	345	339	-3.5	1,683.0	1,743.7	1,948.2	1,861.5
NATIONAL	2.5	186,480	181,870	219,410	224,720	2.0	29.5	28.9	28.4	27.9	3.2	348	337	331	324	-3.2	1,876.9	1,939.3	2,156.9	2,072.0

Source: EI administrative data.

<sup>1</sup> Includes claims for which at least \$1 of parental benefits (biological) was paid.

<sup>2</sup> Data on claim duration cover only claims commencing during the first half of the period to ensure data are based on completed claims.

<sup>3</sup> Takes into account Family Supplement top-ups paid to claimants with parental benefits (biological).

## Annex 2.10 • Parental Benefits (Adoptive)

Province/Territory	New Claims <sup>1</sup>				Average Number of Weeks Paid <sup>2</sup>				Average Weekly Benefit <sup>3</sup>				Amount Paid <sup>3</sup>								
	% Change 2006/07– 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07– 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07– 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07– 2007/08	2007/08	2006/07	2005/06	2004/05	
																					2006/07– 2007/08
Newfoundland and Labrador	-66.7	10	30	20	20	-100.0	0.0	35.0	15.0	34.5	15.5	423	366	271	413	-23.6	0.23	0.30	0.06	0.63	
Prince Edward Island	-100.0	0	20	0	10	-100.0	0.0	10.0	0.0	35.0	-100.0	0	418	0	401	84.0	0.12	0.07	0.01	0.16	
Nova Scotia	-25.0	60	80	140	130	20.0	33.0	27.5	24.6	22.5	-3.5	387	401	364	382	18.5	0.85	0.71	1.45	1.23	
New Brunswick	28.6	90	70	60	60	29.8	26.6	20.5	14.0	28.7	28.2	398	311	333	317	158.2	0.81	0.31	0.43	0.54	
Quebec	-100.0	0	50	630	960	-100.0	0.0	13.8	26.5	28.5	-100.0	0	413	379	374	-100.0	0.00	2.04	7.26	10.61	
Ontario	-12.4	990	1,130	1,090	1,130	-3.6	27.2	28.2	26.2	25.4	-2.4	382	391	383	386	-2.3	11.05	11.31	11.98	11.09	
Manitoba	50.0	90	60	90	130	-23.3	25.8	33.7	26.0	32.6	28.8	410	319	329	317	1.7	0.80	0.79	1.01	1.02	
Saskatchewan	175.0	110	40	80	90	-29.7	21.6	30.7	24.3	32.0	13.6	379	334	324	356	94.3	0.82	0.42	0.93	1.03	
Alberta	10.3	320	290	320	190	-8.1	27.4	29.8	29.4	27.8	2.1	383	375	379	367	37.2	3.56	2.60	3.00	2.63	
British Columbia	5.0	420	400	350	300	-1.0	28.4	28.6	26.0	29.8	6.4	403	379	371	394	10.4	4.61	4.17	3.43	4.74	
Nunavut	-80.0	20	100	30	70	16.5	20.5	17.6	15.0	20.3	0.1	415	414	345	335	-44.5	0.36	0.64	0.34	0.32	
Northwest Territories	-75.0	10	40	20	10	38.5	18.0	13.0	0.0	35.0	1.8	423	416	413	259	19.2	0.37	0.31	0.07	0.14	
Yukon	N/A	0	0	0	0	N/A	0.0	0.0	0.0	0.0	N/A	0	0	0	0	N/A	0.00	0.00	0.00	0.00	
Sex																					
Men	-24.5	400	530	670	610	2.8	18.2	17.7	16.8	17.5	1.1	404	400	403	398	-29.4	2.92	4.13	4.99	4.76	
Women	-3.4	1,720	1,780	2,160	2,490	-5.2	28.7	30.3	29.5	29.6	1.6	385	379	365	370	5.7	20.67	19.55	24.99	29.38	
Age																					
Under 25	N/A	20	0	20	20	N/A	25.0	0.0	35.0	35.0	N/A	243	0	307	346	2.3	0.06	0.05	0.20	0.16	
25 and Over	-9.1	2,100	2,310	2,810	3,080	-0.6	26.8	27.0	26.0	27.5	1.7	390	384	374	376	-0.4	23.53	23.63	29.77	33.97	
NATIONAL	-8.2	2,120	2,310	2,830	3,100	-0.7	26.8	27.0	26.1	27.5	1.3	389	384	374	375	-0.4	23.59	23.68	29.97	34.14	

Source: EI administrative data.

N/A: Not applicable.

<sup>1</sup> Includes claims for which at least \$1 of parental benefits (adoptive) was paid.<sup>2</sup> Data on claim duration cover only claims commencing during the first half of the period to ensure data are based on completed claims.<sup>3</sup> Takes into account Family Supplement top-ups paid to claimants with parental benefits (adoptive).

Annex 2.11 • Sickness Benefits

Province/Territory	New Claims <sup>1</sup>				Average Number of Weeks Paid				Average Weekly Benefit <sup>2</sup>				Amount Paid <sup>2</sup>							
	% Change 2006/07- 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07- 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07- 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07- 2007/08	2007/08	2006/07	2005/06	2004/05
Newfoundland and Labrador	7.1	8,480	7,920	7,530	7,400	-1.1	9.3	9.4	9.4	9.2	4.8	302	288	272	266	10.2	24.1	21.9	20.0	20.1
Prince Edward Island	7.4	3,900	3,630	3,350	3,340	-1.0	8.0	8.1	7.8	7.8	2.1	324	317	289	270	19.9	10.3	8.6	8.0	7.1
Nova Scotia	2.1	15,370	15,060	15,450	14,270	1.0	9.1	9.0	9.1	9.1	4.3	308	295	280	268	3.3	42.7	41.4	37.1	35.5
New Brunswick	7.8	20,090	18,630	17,700	16,520	-2.6	8.0	8.2	8.3	8.3	3.8	315	303	287	276	3.1	49.3	47.8	41.8	38.5
Quebec	3.0	97,100	94,260	94,310	88,680	-0.8	8.9	9.0	9.0	8.9	4.4	312	299	291	281	2.7	272.0	264.8	244.9	228.4
Ontario	1.4	88,620	87,410	86,840	81,500	0.8	10.0	9.9	10.0	9.9	1.7	314	308	301	293	4.8	280.5	267.5	259.3	242.5
Manitoba	-7.1	9,430	10,150	10,030	9,260	-1.8	9.8	10.0	10.1	10.1	5.7	312	296	282	274	-2.3	29.2	29.9	27.9	26.2
Saskatchewan	6.0	6,410	6,050	6,540	6,240	-3.0	9.6	9.9	9.8	9.6	1.6	303	298	276	275	6.7	19.1	17.9	16.6	17.0
Alberta	-2.6	21,600	22,180	22,490	23,760	0.3	10.1	10.1	10.3	10.1	6.3	338	318	301	292	1.0	73.3	72.6	69.8	70.6
British Columbia	3.4	47,530	45,960	44,190	42,860	1.5	10.2	10.0	10.0	10.0	4.9	321	307	295	290	7.1	152.1	142.0	131.4	125.7
Nunavut	-36.4	70	110	80	120	-1.1	9.7	9.8	10.3	7.3	-8.1	340	370	386	347	-17.9	0.3	0.4	0.3	0.2
Northwest Territories	13.6	250	220	280	180	1.4	9.4	9.2	8.5	9.8	8.6	408	376	367	377	46.2	1.0	0.7	1.1	0.7
Yukon	-12.9	270	310	240	220	-28.6	7.6	10.6	9.4	8.4	-1.9	370	377	315	322	18.4	1.1	0.9	0.9	0.6
Sex																				
Men	2.5	131,950	128,710	127,430	120,550	-0.6	9.1	9.2	9.3	9.1	3.4	354	343	332	325	2.3	433.7	424.0	399.2	375.6
Women	2.2	187,170	183,180	181,600	173,800	0.1	9.7	9.7	9.7	9.7	4.0	288	277	266	257	5.9	521.2	492.2	459.9	437.6
Age																				
Under 25	-0.1	28,940	28,960	29,360	29,770	-0.6	8.4	8.5	8.4	8.4	4.8	259	247	236	226	-1.0	63.6	64.3	59.4	56.8
25 to 44	-0.6	144,100	144,990	148,110	143,800	-0.1	9.2	9.2	9.3	9.2	3.9	322	310	299	291	1.2	426.3	421.1	409.5	392.8
45 to 54	4.8	85,180	81,270	79,980	73,910	-0.7	9.7	9.8	9.8	9.8	3.5	324	313	303	296	5.9	268.5	253.6	234.2	220.6
55 and Over	7.5	60,900	56,670	51,580	46,870	-0.1	10.3	10.3	10.5	10.4	3.1	316	306	296	289	10.9	196.4	177.1	156.1	142.9
NATIONAL	2.3	319,120	311,890	309,030	294,350	-0.2	9.5	9.5	9.5	9.5	3.7	316	304	293	285	4.2	954.9	916.2	859.2	813.2

Source: EI administrative data.

<sup>1</sup> Includes claims for which at least \$1 of sickness benefits was paid.

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

## Annex 2.12 • Compassionate Care Benefits

Province/Territory	New Claims <sup>1</sup>				Average Number of Weeks Paid				Average Weekly Benefit <sup>2</sup>				Amount Paid <sup>2</sup>								
	% Change 2006/07- 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07- 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07- 2007/08	2007/08	2006/07	2005/06	2004/05	% Change 2006/07- 2007/08	2007/08	2006/07	2005/06	2004/05	
																					2006/07- 2007/08
Newfoundland and Labrador	-9.2	69	76	72	61	-0.6	4.7	4.7	4.8	4.7	13.8	343	302	276	266	-13.3	108.5	125.1	96.7	76.8	
Prince Edward Island	0.0	31	31	33	34	-3.1	5.0	5.2	5.1	4.3	-0.5	301	303	314	310	16.6	54.2	46.5	60.0	43.1	
Nova Scotia	12.3	219	195	197	181	-3.4	4.8	4.9	4.8	4.9	3.0	315	306	282	282	25.3	364.6	290.9	279.4	234.5	
New Brunswick	9.2	167	153	116	123	0.7	4.7	4.7	4.7	4.6	6.8	311	291	292	277	14.2	249.5	218.5	167.3	144.8	
Quebec	0.6	941	935	869	809	-2.0	4.3	4.4	4.5	4.4	4.3	329	315	308	296	5.9	1,418.4	1,339.4	1,217.6	1,075.8	
Ontario	-1.2	2,418	2,447	2,284	1,883	3.0	4.8	4.7	4.7	4.7	1.5	343	338	329	324	2.7	4,175.1	4,064.5	3,458.8	2,796.1	
Manitoba	4.0	236	227	205	189	-3.5	4.7	4.9	4.6	4.5	5.8	321	303	314	306	9.5	358.5	327.3	288.3	277.4	
Saskatchewan	-13.2	158	182	148	162	3.4	4.9	4.7	4.6	4.8	3.9	333	321	302	300	9.8	280.9	255.8	212.9	226.2	
Alberta	4.3	512	491	504	515	-0.6	5.0	5.0	4.7	4.8	4.8	350	334	329	328	6.8	925.4	866.2	797.6	776.4	
British Columbia	1.8	939	922	718	808	-0.5	4.8	4.8	4.9	4.8	0.6	343	341	327	322	4.1	1,589.3	1,526.0	1,169.8	1,235.7	
Nunavut	-57.1	3	7	7	3	12.9	5.0	4.4	5.4	4.3	4.1	423	406	386	371	-31.2	8.7	12.7	19.2	2.8	
Northwest Territories	33.3	4	3	12	7	-18.2	3.0	3.7	4.3	4.3	2.4	423	413	400	348	-39.2	5.1	8.3	16.4	17.8	
Yukon	28.6	9	7	13	7	19.5	4.8	4.0	5.2	4.0	-5.6	386	409	355	384	-26.3	10.5	14.2	22.8	12.8	
Sex																					
Men	4.3	1,475	1,414	1,372	1,256	2.0	4.8	4.7	4.8	4.7	2.8	374	364	361	357	9.8	2,770.0	2,523.7	2,455.1	2,139.1	
Women	-0.7	4,231	4,262	3,806	3,526	0.3	4.7	4.7	4.6	4.6	2.3	326	318	306	299	3.2	6,778.9	6,571.8	5,351.8	4,781.0	
Age																					
Under 25	8.5	128	118	120	122	-8.5	4.4	4.8	4.8	4.9	8.6	284	262	270	259	-1.2	151.0	152.9	165.0	155.0	
25 to 44	-3.2	2,294	2,371	2,244	2,177	1.8	4.7	4.7	4.6	4.5	2.9	350	340	331	325	2.3	4,013.8	3,923.4	3,505.7	3,129.6	
45 to 54	1.2	2,094	2,069	1,843	1,602	0.8	4.7	4.6	4.6	4.7	1.1	337	334	323	315	4.0	3,445.3	3,312.7	2,707.2	2,374.1	
55 and Over	6.4	1,190	1,118	971	881	-0.9	4.9	4.9	5.0	4.9	5.0	322	307	297	295	13.6	1,938.8	1,706.4	1,429.0	1,261.4	
NATIONAL	0.5	5,706	5,676	5,178	4,782	0.7	4.7	4.7	4.7	4.7	2.6	338	330	320	314	5.0	9,548.9	9,095.5	7,806.9	6,920.2	

Source: EI administrative data.

<sup>1</sup> Includes claims for which at least \$1 of compassionate care benefits was paid.<sup>2</sup> Takes into account Family Supplement top-ups paid to claimants with compassionate care benefits.

Annex 2.13 • Family Supplement<sup>1</sup>

Province/Territory	New Claims <sup>2</sup> With Supplement	% of All Claims With Supplement	Average Weekly Top-Up (\$)	Average Weekly Benefit (\$)	Amount Paid (\$ Millions)				
					% Change 2006/07– 2007/08	2007/08	2006/07	2005/06	2004/05
					Newfoundland and Labrador	5,330	5.9	39.9	283
Prince Edward Island	1,740	7.5	41.5	283	-14.9	1.99	2.34	2.49	2.65
Nova Scotia	7,300	8.8	42.6	277	-6.1	8.98	9.56	9.77	9.66
New Brunswick	7,050	7.9	39.9	284	-11.0	7.75	8.70	9.36	9.79
Quebec	30,090	5.9	41.1	292	-20.5	26.51	33.34	46.51	48.77
Ontario	41,620	7.5	41.6	278	-5.8	43.49	46.18	47.75	48.36
Manitoba	5,640	11.0	49.4	288	-12.3	7.38	8.41	7.71	8.65
Saskatchewan	4,440	11.0	46.6	277	-3.9	5.89	6.13	6.69	6.19
Alberta	8,700	7.4	43.3	285	-0.4	10.73	10.78	11.75	12.72
British Columbia	15,270	7.9	41.5	285	-11.8	15.99	18.12	19.15	20.64
Nunavut	60	6.1	44.2	317	21.8	0.14	0.11	0.13	0.12
Northwest Territories	60	3.2	49.1	334	-63.0	0.05	0.12	0.19	0.20
Yukon	40	1.8	52.3	303	-46.8	0.06	0.11	0.21	0.21
<b>Sex</b>									
Men	29,080	3.1	41.8	326	-15.6	26.83	31.80	36.27	39.80
Women	98,260	12.1	42.1	271	-9.0	108.56	119.31	133.11	135.99
<b>Age</b>									
Under 25	18,630	9.2	37.5	239	-6.5	23.28	24.90	27.73	28.67
25 to 44	89,830	10.1	44.3	292	-11.6	98.84	111.81	126.33	131.95
45 to 54	17,170	4.2	36.0	292	-7.1	12.10	13.03	13.78	13.66
55 and Over	1,710	0.7	33.9	288	-14.4	1.18	1.38	1.54	1.51
<b>EI History<sup>3</sup></b>									
First-Time Claimants	68,130	9.1	42.5	270	-7.9	79.01	85.76	94.72	98.48
Occasional Claimants	37,800	7.8	43.2	292	-12.7	37.65	43.14	50.56	52.28
Frequent Claimants	21,410	4.1	38.2	313	-15.6	18.74	22.21	24.11	25.04
<b>NATIONAL</b>	<b>127,340</b>	<b>7.2</b>	<b>42.1</b>	<b>284</b>	<b>-10.4</b>	<b>135.40</b>	<b>151.11</b>	<b>169.39</b>	<b>175.79</b>

Source: EI administrative data.

<sup>1</sup> Includes all claim types (regular, fishing and special).

<sup>2</sup> Includes claims for which at least \$1 of EI benefits was paid.

<sup>3</sup> 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.

<b>Annex 2.14 • Working While on Claim<sup>1</sup></b>													
		New Regular Claims <sup>2</sup>						% of New Regular Claims <sup>2</sup>					
	% Change 2005/06– 2006/07	2006/07	2005/06	2004/05	2003/04	2006/07	2005/06	2004/05	2003/04	2006/07	2005/06	2004/05	2003/04
<b>Province/Territory</b>													
Newfoundland and Labrador	-4.8	49,090	51,580	52,150	50,870	68.4	70.3	70.3	67.7	68.4	70.3	70.3	67.7
Prince Edward Island	0.1	11,830	11,820	11,470	11,530	66.5	64.1	61.2	59.4	66.5	64.1	61.2	59.4
Nova Scotia	-2.7	40,120	41,240	42,760	43,030	62.0	60.8	59.8	59.7	62.0	60.8	59.8	59.7
New Brunswick	-4.6	50,390	52,810	53,400	54,100	68.4	69.7	67.9	67.3	68.4	69.7	67.9	67.3
Quebec	0.1	284,130	283,830	281,280	290,760	60.0	59.6	58.6	57.2	60.0	59.6	58.6	57.2
Ontario	0.5	177,270	176,310	177,070	184,870	45.3	45.4	46.4	45.4	45.3	45.4	46.4	45.4
Manitoba	-2.4	16,490	16,890	19,050	20,250	47.0	46.0	48.6	46.9	47.0	46.0	48.6	46.9
Saskatchewan	-1.8	14,880	15,150	17,120	18,330	48.9	49.8	50.2	51.5	48.9	49.8	50.2	51.5
Alberta	-9.3	28,670	31,620	39,360	47,070	46.0	46.9	47.5	48.3	46.0	46.9	47.5	48.3
British Columbia	-13.9	60,320	70,060	80,580	93,250	49.9	53.8	54.6	54.7	49.9	53.8	54.6	54.7
Nunavut	-24.4	340	450	510	470	44.2	48.4	56.0	47.5	44.2	48.4	56.0	47.5
Northwest Territories	14.3	800	700	820	920	51.9	47.9	53.6	44.9	51.9	47.9	53.6	44.9
Yukon	-4.4	1,080	1,130	1,190	1,220	57.4	53.3	54.3	53.7	57.4	53.3	54.3	53.7
<b>Sex</b>													
Men	-2.1	431,730	441,200	452,600	485,490	53.6	54.2	53.8	53.1	53.6	54.2	53.8	53.1
Women	-2.8	303,680	312,390	324,160	331,180	56.2	56.2	56.6	55.2	56.2	56.2	56.6	55.2
<b>Age</b>													
Under 25	-6.9	73,790	79,260	86,720	95,340	51.0	51.9	51.6	51.3	51.0	51.9	51.6	51.3
25 to 44	-4.7	359,070	376,700	397,560	432,500	55.0	55.5	55.4	54.6	55.0	55.5	55.4	54.6
45 to 54	1.1	203,480	201,290	202,570	201,430	59.7	59.4	59.9	58.1	59.7	59.4	59.9	58.1
55 and Over	2.8	99,070	96,340	89,910	87,400	47.8	48.5	47.4	46.0	47.8	48.5	47.4	46.0
<b>Weekly Benefit Rate</b>													
Less than \$50	-73.7	50	190	240	340	23.8	42.2	34.8	43.0	23.8	42.2	34.8	43.0
\$50–\$100	-33.6	2,870	4,320	5,920	7,510	49.3	49.5	50.3	51.8	49.3	49.5	50.3	51.8
\$101–\$150	-27.9	18,270	25,330	31,880	39,310	50.7	52.1	52.6	54.0	50.7	52.1	52.6	54.0
\$151–\$200	-18.2	51,200	62,570	76,410	84,590	50.4	51.2	53.0	51.9	50.4	51.2	53.0	51.9
Greater than \$200	0.3	663,020	661,180	662,310	684,920	55.2	55.6	55.4	54.2	55.2	55.6	55.4	54.2
<b>NATIONAL</b>	<b>-2.4</b>	<b>735,410</b>	<b>753,590</b>	<b>776,760</b>	<b>816,670</b>	<b>54.7</b>	<b>55.0</b>	<b>55.0</b>	<b>53.9</b>	<b>54.7</b>	<b>55.0</b>	<b>55.0</b>	<b>53.9</b>

Source: EI administrative data.

<sup>1</sup> The definition of working while on claim includes all claimants who earned income during their EI benefits period.

<sup>2</sup> Data on working while on claim are lagged by one year to ensure all claims were completed.

## Annex 2.15 • Benefit Repayment Provision

Province/Territory	People Who Repaid Benefits						Amount Repaid			
	% Change 2005–2006	2006	2005	2004	2003	% Change 2005–2006	(\$ Millions)			
		2006	2005	2004	2003		2006	2005	2004	2003
Newfoundland and Labrador	13.5	6,243	5,500	4,751	4,052	22.1	9.35	7.66	7.18	7.41
Prince Edward Island	21.0	985	814	608	696	15.2	2.06	1.79	1.33	1.59
Nova Scotia	7.3	6,318	5,889	4,938	5,425	-0.3	9.83	9.86	7.98	9.84
New Brunswick	13.8	4,224	3,712	3,171	2,461	7.1	5.77	5.38	4.33	3.41
Quebec	11.0	38,371	34,559	31,205	26,700	10.0	35.95	32.68	28.62	23.79
Ontario	16.9	51,292	43,871	41,586	42,248	4.4	42.38	40.61	31.88	32.95
Manitoba	19.4	2,209	1,850	1,608	1,368	16.8	2.06	1.76	1.40	1.23
Saskatchewan	10.7	3,516	3,176	2,603	2,535	9.1	3.40	3.12	2.56	2.41
Alberta	2.9	17,321	16,832	15,583	14,377	17.4	18.09	15.41	15.00	13.90
British Columbia	3.6	15,616	15,073	15,215	13,979	8.5	14.56	13.43	13.22	12.82
Nunavut	N/A	0	0	0	0	N/A	0.00	0.00	0.00	0.00
Northwest Territories	4.6	362	346	294	266	6.0	0.38	0.36	0.32	0.25
Yukon	15.1	320	278	239	231	16.9	0.34	0.29	0.25	0.26
Sex										
Men	9.7	130,651	119,117	109,977	103,407	8.0	131.1	121.4	104.9	100.8
Women	26.2	16,138	12,791	11,831	10,944	19.5	13.1	10.9	9.1	9.1
Age										
Under 25	25.0	4,411	3,529	2,824	2,372	23.5	3.8	3.1	2.4	2.1
25 to 44	10.5	64,721	58,549	56,614	54,973	5.4	57.3	54.4	48.0	49.0
45 to 54	11.1	44,223	39,806	35,969	33,794	8.6	41.7	38.4	32.7	31.6
55 and Over	11.4	33,434	30,024	26,401	23,212	13.3	41.4	36.5	31.0	27.2
<b>NATIONAL<sup>1</sup></b>	<b>11.3</b>	<b>146,789</b>	<b>131,908</b>	<b>121,808</b>	<b>114,351</b>	<b>8.9</b>	<b>144.2</b>	<b>132.3</b>	<b>114.1</b>	<b>109.9</b>

Source: Benefit repayment administrative file (September 2008).

N/A: Not applicable.

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

Annex 2.16 • Contributors to the Program, 2006<sup>1</sup>

	EI Premiums			Employment Income			Workers			
	Total		Employers <sup>2</sup> (\$ Millions)	Total		Total EI Insurable Earnings (\$ Millions)	Number of Workers		Employment Income per Worker (\$)	Insurable Earnings per Worker (\$)
	(\$ Millions)	% of National Total		(\$ Millions)	% of National Total			% of National Total		
<b>Province/Territory of Employer</b>										
Newfoundland and Labrador	219	1.3	125	94	6,833	1.1	244,910	1.4	27,900	20,398
Prince Edward Island	69	0.4	39	29	2,007	0.3	78,560	0.5	25,547	20,034
Nova Scotia	461	2.7	262	199	14,744	2.3	480,520	2.8	30,683	22,170
New Brunswick	373	2.2	213	161	11,567	1.8	398,050	2.3	29,059	21,608
Quebec	3,204	18.9	1,804	1,400	128,531	19.8	3,970,080	23.0	32,375	23,035
Ontario	6,966	41.2	3,956	3,010	265,733	41.0	6,588,770	38.2	40,331	24,473
Manitoba	600	3.5	340	260	19,543	3.0	609,960	3.5	32,039	22,828
Saskatchewan	479	2.8	270	208	16,564	2.6	493,140	2.9	33,589	22,615
Alberta	2,258	13.3	1,282	976	96,732	14.9	2,100,520	12.2	46,052	24,900
British Columbia	2,217	13.1	1,263	954	82,638	12.8	2,211,020	12.8	37,376	23,098
Nunavut	19	0.1	11	8	728	0.1	18,540	0.1	39,243	23,674
Northwest Territories	40	0.2	23	17	1,588	0.2	32,920	0.2	48,244	27,995
Yukon	22	0.1	12	9	736	0.1	21,010	0.1	35,040	23,773
<b>Sex</b>										
Men	9,533	56.3	5,410	4,123	407,286	62.9	8,943,390	51.9	45,540	25,736
Women	7,393	43.7	4,190	3,203	240,565	37.1	8,299,350	48.1	28,986	21,524
<b>Age</b>										
Under 25	1,591	9.4	918	673	39,794	6.1	3,345,410	19.4	11,895	11,168
25 to 44	8,413	49.7	4,771	3,642	300,443	46.4	7,529,960	43.7	39,900	26,975
45 to 54	4,600	27.2	2,596	2,004	199,278	30.8	3,904,940	22.6	51,032	28,730
55 and Over	2,321	13.7	1,315	1,006	108,337	16.7	2,462,430	14.3	43,996	22,797
<b>Industries</b>										
Agriculture, Forestry, Fishing and Hunting	221	1.3	127	94	7,876	1.2	320,900	1.9	24,544	16,320
Mining and Oil and Gas Extraction	302	1.8	170	131	18,448	2.8	205,550	1.2	89,751	34,902
Utilities	163	1.0	91	73	8,270	1.3	121,090	0.7	68,299	34,246
Construction	1,022	6.0	592	430	38,977	6.0	965,800	5.6	40,357	24,580
Manufacturing	2,481	14.7	1,401	1,080	96,625	14.9	2,098,910	12.2	46,036	28,875
Wholesale Trade	937	5.5	533	404	38,304	5.9	864,510	5.0	44,307	26,069
Retail Trade	1,335	7.9	766	569	43,175	6.7	1,939,700	11.2	22,258	16,386
Transportation and Warehousing	794	4.7	449	345	29,132	4.5	694,860	4.0	41,925	27,613
Finance and Insurance	759	4.5	423	337	40,122	6.2	645,010	3.7	62,203	29,031
Real Estate and Rental and Leasing	266	1.6	153	113	11,531	1.8	302,740	1.8	38,088	20,669
Professional, Scientific and Technical Services	948	5.6	540	408	45,072	7.0	905,540	5.3	49,773	25,024
Management of Companies and Enterprises	133	0.8	75	58	7,651	1.2	129,850	0.8	58,921	24,685
Administrative and Support, Waste Management and Remediation Services	709	4.2	408	301	22,902	3.5	908,060	5.3	25,221	18,311
Educational Services	1,313	7.8	732	581	46,953	7.2	1,202,680	7.0	39,040	26,996
Health Care and Social Assistance	1,474	8.7	833	641	48,197	7.4	1,343,250	7.8	35,881	26,958
Arts, Entertainment and Recreation	183	1.1	105	78	5,814	0.9	276,180	1.6	21,053	15,794
Accommodation and Food Services	564	3.3	327	237	15,880	2.5	1,173,840	6.8	13,528	11,199
Other Services	612	3.6	352	259	20,086	3.1	705,280	4.1	28,479	20,383
Public Administration	1,554	9.2	868	686	57,644	8.9	1,239,960	7.2	46,488	30,517
Unclassified	719	4.2	408	311	27,480	4.2	832,200	4.8	33,021	21,474
<b>NATIONAL</b>	<b>16,927</b>	<b>100.0</b>	<b>9,600</b>	<b>7,326</b>	<b>647,944</b>	<b>100.0</b>	<b>17,248,000</b>	<b>100.0</b>	<b>37,566</b>	<b>23,703</b>

Source: Canada Revenue Agency, 2006 T4s with employment income.

<sup>1</sup> As premium payments are administered through the tax system, the most recent data available are for the 2006 taxation year.

<sup>2</sup> Employer contributions are 1.4 times employee contributions.



**Annex 2.17 • Benefits-to-Contributions Ratios, 2006<sup>1</sup>**

	Total EI Premiums		Total Regular Benefits		Total Regular and Special Benefits		Regular Benefits-to-Contributions Ratios	Regular and Special Benefits-to-Contributions Ratios	Adjusted Regular Benefits-to-Contributions Ratios <sup>2</sup>	Adjusted Regular and Special Benefits-to-Contributions Ratios <sup>3</sup>
	(\$ Millions)		(\$ Millions)		(\$ Millions)					
	% of National Total	% of National Total	% of National Total	% of National Total	% of National Total					
<b>Province/Territory<sup>3</sup></b>										
Newfoundland and Labrador	218.5	1.3	597.3	7.4	657.1	5.6	2.73	3.01	5.74	4.34
Prince Edward Island	68.5	0.4	130.9	1.6	153.7	1.3	1.91	2.24	4.01	3.24
Nova Scotia	461.1	2.7	445.2	5.5	564.6	4.8	0.97	1.22	2.03	1.77
New Brunswick	373.1	2.2	520.4	6.5	637.4	5.4	1.40	1.71	2.93	2.47
Quebec	3,204.1	18.9	2,815.7	34.9	3,267.2	27.9	0.88	1.02	1.84	1.47
Ontario	6,965.9	41.2	2,166.7	26.9	3,813.9	32.5	0.31	0.55	0.65	0.79
Manitoba	600.4	3.5	182.0	2.3	323.1	2.8	0.30	0.54	0.64	0.78
Saskatchewan	478.7	2.8	167.5	2.1	277.5	2.4	0.35	0.58	0.73	0.84
Alberta	2,258.4	13.3	334.5	4.1	783.1	6.7	0.15	0.35	0.31	0.50
British Columbia	2,217.3	13.1	671.5	8.3	1,198.9	10.2	0.30	0.54	0.64	0.78
Nunavut	19.0	0.1	7.5	0.1	12.9	0.1	0.40	0.68	0.83	0.98
Northwest Territories	40.0	0.2	12.6	0.2	18.6	0.2	0.32	0.47	0.66	0.67
Yukon	21.8	0.1	15.3	0.2	19.7	0.2	0.70	0.91	1.47	1.31
<b>Sex</b>										
Men	9,532.7	56.3	5,297.4	65.7	5,890.9	50.2	0.56	0.62	1.17	0.89
Women	7,392.7	43.7	2,769.8	34.3	5,837.0	49.8	0.37	0.79	0.79	1.14
<b>Age</b>										
Under 25	1,591.4	9.4	742.7	9.2	1,084.4	9.2	0.47	0.68	0.98	0.98
25 to 44	8,412.8	49.7	3,930.4	48.7	6,798.7	58.0	0.47	0.81	0.98	1.17
45 to 54	4,599.9	27.2	2,058.7	25.5	2,329.8	19.9	0.45	0.51	0.94	0.73
55 and Over	2,321.4	13.7	1,335.5	16.6	1,515.0	12.9	0.58	0.65	1.21	0.94
<b>Industries<sup>3</sup></b>										
Agriculture, Forestry, Fishing and Hunting	221.0	1.3	593.8	7.4	648.4	5.5	2.69	2.93	5.64	4.23
Mining and Oil and Gas Extraction	301.6	1.8	138.9	1.7	166.2	1.4	0.46	0.55	0.97	0.80
Utilities	163.3	1.0	220.0	0.3	34.1	0.3	0.13	0.21	0.28	0.30
Construction	1,022.1	6.0	1,426.8	17.7	1,555.1	13.3	1.40	1.52	2.93	2.20
Manufacturing	2,481.2	14.7	1,476.8	18.3	1,883.1	16.1	0.60	0.76	1.25	1.10
Wholesale Trade	937.1	5.5	349.4	4.3	500.4	4.3	0.37	0.53	0.78	0.77
Retail Trade	1,335.4	7.9	465.3	5.8	798.9	6.8	0.35	0.60	0.73	0.86
Transportation and Warehousing	793.9	4.7	324.0	4.0	429.4	3.7	0.41	0.54	0.86	0.78
Information and Cultural Industries	436.4	2.6	96.9	1.2	183.9	1.6	0.22	0.42	0.47	0.61
Finance and Insurance	759.3	4.5	108.6	1.3	305.4	2.6	0.14	0.40	0.30	0.58
Real Estate and Rental and Leasing	266.5	1.6	102.2	1.3	156.8	1.3	0.38	0.59	0.80	0.85
Professional, Scientific and Technical Services	947.5	5.6	332.9	4.1	548.3	4.7	0.35	0.58	0.74	0.84
Management of Companies and Enterprises	133.2	0.8	45.8	0.6	72.7	0.6	0.34	0.55	0.72	0.79
Administrative and Support, Waste Management and Remediation Services	709.1	4.2	501.3	6.2	709.8	6.1	0.71	1.00	1.48	1.44
Educational Services	1,312.6	7.8	406.3	5.0	756.5	6.5	0.31	0.58	0.65	0.83
Health Care and Social Assistance	1,474.0	8.7	235.3	2.9	757.9	6.5	0.16	0.51	0.33	0.74
Arts, Entertainment and Recreation	183.4	1.1	181.2	2.2	225.5	1.9	0.99	1.23	2.07	1.77
Accommodation and Food Services	563.7	3.3	374.4	4.6	546.3	4.7	0.66	0.97	1.39	1.40
Other Services	611.7	3.6	288.2	3.6	431.5	3.7	0.47	0.71	0.99	1.02
Public Administration	1,554.3	9.2	460.1	5.7	821.9	7.0	0.30	0.53	0.62	0.76
Unclassified	719.1	4.2	136.9	1.7	191.9	1.6	0.19	0.27	0.40	0.39
<b>NATIONAL</b>	<b>16,926.6</b>	<b>100.0</b>	<b>8,067.2</b>	<b>100.0</b>	<b>11,727.9</b>	<b>100.0</b>	<b>0.48</b>	<b>0.69</b>	<b>1.00</b>	<b>1.00</b>

Source: Canada Revenue Agency, 2006 T4s with employment income; EI administrative data.

<sup>1</sup> As premium payments are administered through the tax system, the most recent data available are for the 2006 taxation year.

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

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



# Employment Benefits and Support Measures Data Tables

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



### Annex 3.1 • Overview of Labour Market Development Agreements<sup>1</sup>

Federal/Provincial/Territorial							Allocation (\$'000s) <sup>2</sup>		
Province/Territory	Type of Agreement	Signature Date	Implementation Date	2008/09	2007/08	2006/07			
Newfoundland and Labrador	Co-managed until September 30, 2009 Transfer effective October 1, 2009	September 5, 2008	October 1, 2009	133,104	132,434	131,888			
Prince Edward Island	Co-managed until September 30, 2009 Transfer effective October 1, 2009	September 5, 2008	October 1, 2009	26,950	26,680	26,470			
Nova Scotia	Co-managed (Strategic Partnership) until June 30, 2009 Transfer effective July 1, 2009	June 13, 2008	July 1, 2009	81,022	81,083	81,034			
New Brunswick	Transfer	December 13, 1996	April 1, 1997	92,686	92,574	92,325			
Quebec	Transfer	April 21, 1997	April 1, 1998	598,599	596,855	595,774			
Ontario	Transfer	November 23, 2005	January 1, 2007	532,777	529,212	526,701			
Manitoba	Transfer	April 17, 1997	November 27, 1997	46,200	46,666	47,046			
Saskatchewan	Transfer	February 6, 1998	January 1, 1999	38,731	38,882	38,972			
Alberta	Transfer	December 6, 1996	November 1, 1997	105,798	107,388	108,850			
British Columbia	Co-managed until February 1, 2009 Transfer effective February 2, 2009	February 20, 2008	February 2, 2009	284,336	288,337	290,868			
Northwest Territories	Transfer	February 27, 1998	October 1, 1998	3,311	3,356	3,402			
Yukon	Co-managed	January 24, 1998	January 24, 1998	3,714	3,802	3,887			
Numavut	Transfer	May 11, 2000	April 1, 2000	2,772	2,731	2,783			
<b>Canada</b>				<b>1,950,000</b>	<b>1,950,000</b>	<b>1,950,000</b>			

<sup>1</sup> This annex shows status at time of publication.

<sup>2</sup> Funds that are transferred to cover administrative costs are not included. Please refer to Annex 3.12 for administrative costs.

## 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 in which EBSM delivery takes place. These agreements exist in two forms: co-managed agreements and transfer agreements. Nova Scotia has a Strategic Partnership. In those jurisdictions with co-managed agreements, each provincial or territorial government has assumed joint responsibility for the planning and evaluation of active employment measures, while Human Resources and 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 Ontario, active employment measures were co-managed until December 31, 2006, at which time the province assumed full responsibility for the design and delivery of these measures. For more information on LMDAs, please refer to the *2000 Employment Insurance Monitoring and Assessment Report* at <http://www.hrsdc.gc.ca/en/ei/reports/eimar.shtml>.

### Apprentices

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

### Aboriginal Human Resources Development Strategy (AHRDS)

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

Under the AHRDS, there are 79 AHRDA holders across the country serving Aboriginal people. Funding in the amount of \$364.3 million was allocated in 2007/08 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 25.9% comes from EI Part II.

### Job Bank

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

### Employment Benefits (Programs)

Targeted Wage Subsidies assist eligible unemployed individuals to obtain on-the-job work experience by providing employers with financial assistance 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 through direct financial assistance to the participants 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 for dealing 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.

Clients Served		Participation in Interventions as a Percentage of Total	
<b>Gender</b>		Targeted Wage Subsidies	1.7%
Men		Self-Employment	1.1%
Women		Job Creation Partnerships	0.5%
		Skills Development-Regular	8.6%
		Skills Development-Apprentices	6.2%
		Employment Assistance	0.8%
		Group Services	46.3%
		Individual Counselling	3.7%
		<i>Supplément de retour au travail (Quebec only)</i>	29.1%
		Pan-Canadian	2.0%

Designated Group Participation in EBSMs	
Women	48.2%
Aboriginal People <sup>3</sup>	6.7%
Persons with Disabilities <sup>3</sup>	6.1%
Visible Minorities <sup>3</sup>	7.2%

Labour Market	
Employment	16,952,300
Unemployment Rate	6.0%

Clients Served	
<b>Age<sup>2</sup></b>	
15 to 19	4.9%
20 to 24	13.4%
25 to 29	13.6%
30 to 34	12.6%
35 to 39	12.9%
40 to 44	13.1%
45 to 49	11.7%
50 to 54	8.5%
55 and Older	7.8%
Unknown	1.5%

EI Clients Served	
Active Claimants	79.1%
Former Claimants	20.9%

Intervention-to-Client Ratio	
Clients	612,622
Interventions	961,369
Ratio	1.57

Sources: Client and Participant datasets.

<sup>1</sup> In December 2007, the Province of Alberta implemented a new integrated management information system. Due to the transition to this new system, LMDA data for Alberta were incomplete for 2007/08. Complete client data by age, client type, gender and designated group were not available. Data for Alberta, which are included in the national totals, are actual client data for the period April 1, 2007 to September 30, 2007 only. Alberta will undertake supplementary data analysis in order to improve data quality for 2008/09.

<sup>2</sup> SD-Apprentices and Group Services are excluded from the distribution because client date of birth is not collected.

<sup>3</sup> Reported counts are generally lower than actual numbers because data are collected through self-identification.



Annex 3.5 • EBSM Clients<sup>1</sup> • Clients Served by Client Type<sup>2</sup>

2007/08

Region	EI Clients						Non-Insured Clients Served	Total Clients Served
	EI Active Clients		Former Clients Served	Total EI Clients Served	Total EI Clients Served	Total EI Clients Served		
	Target <sup>3</sup>	Active Clients Served						
Newfoundland and Labrador	14,280	12,648	2,616	15,264	2,200	17,464		
Prince Edward Island	2,783	2,898	557	3,455	918	4,373		
Nova Scotia	9,027	9,386	2,395	11,781	3,649	15,430		
New Brunswick	10,985	11,508	2,552	14,060	3,476	17,536		
Quebec	136,538	111,026	23,582	134,608	32,212	166,820		
Ontario	89,951	82,927	17,595	100,522	39,346	139,868		
Manitoba	12,500	12,523	3,190	15,713	10,707	26,420		
Saskatchewan	8,270	7,556	1,773	9,329	338	9,667		
Alberta	38,000	38,809	15,332	54,141	60,375	114,516		
British Columbia	40,000	39,046	10,767	49,813	32,035	81,848		
Northwest Territories	325	345	68	413	189	602		
Yukon	325	299	68	367	145	512		
Nunavut	161	152	124	276	326	602		
National Headquarters	N/A	4	5	9	243	252		
<b>EBSMs Total</b>	<b>N/A</b>	<b>329,127</b>	<b>80,624</b>	<b>409,751</b>	<b>186,159</b>	<b>595,910</b>		
Aboriginal Pan-Canadian	15,000	8,021	8,691	16,712	N/A	16,712		
<b>Canada</b>	<b>N/A</b>	<b>337,148</b>	<b>89,315</b>	<b>426,463</b>	<b>186,159</b>	<b>612,622</b>		

Source: Client dataset.

N/A: Not applicable.

<sup>1</sup> In December 2007, the Province of Alberta implemented a new integrated management information system. Due to the transition to this new system, LMDA data for Alberta were incomplete for 2007/08.

Complete client data by age, client type, gender and designated group were not available. Data for Alberta, which are included in the national totals, are actual client data for the period April 1, 2007 to September 30, 2007 only. Alberta will undertake supplementary data analysis in order to improve data quality for 2008/09.

<sup>2</sup> This table includes clients served between April 1, 2007, and March 31, 2008, with one count per client served.<sup>3</sup> 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<sup>1</sup> • New Interventions<sup>2</sup>

2007/08

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta. <sup>3</sup>	B.C.	N.W.T.	Yk.	Nun.	NHQ	Canada
<b>Employment Benefits</b>															
Targeted Wage Subsidies	671	130	202	2,139	6,450	3,341	202	185	124	2,329	74	3	23	0	15,873
Self-Employment	166	114	417	369	2,501	4,037	244	23	399	1,862	16	6	1	0	10,155
Job Creation Partnerships	2,101	151	186	0	0	948	329	0	1,059	349	0	0	0	0	5,123
Skills Development—Regular	6,327	1,499	3,208	5,672	36,603	15,216	3,032	1,741	3,234	5,974	171	62	123	0	82,862
Skills Development—Apprentices	1,379	297	1,327	2,424	0	14,540	2,861	4,389	21,221	11,165	135	151	31	0	59,920
<b>Total Employment Benefits</b>	<b>10,644</b>	<b>2,191</b>	<b>5,340</b>	<b>10,604</b>	<b>45,554</b>	<b>38,082</b>	<b>6,668</b>	<b>6,338</b>	<b>26,037</b>	<b>21,679</b>	<b>396</b>	<b>222</b>	<b>178</b>	<b>0</b>	<b>173,933</b>
<b>Employment Services</b>															
Employment Assistance	98	1,768	11,453	10,812	103,478	81,582	12,136	448	170,879	51,135	0	225	489	409	444,912
Group Services	65	0	48	0	33,584	1,684	0	339	0	99	0	0	0	0	35,819
Individual Counselling	14,486	2,053	11,375	16,716	101	163,313	17,817	5,206	0	47,684	502	127	0	330	279,710
Supplément de retour au travail <sup>4</sup> (Quebec Only)	0	0	0	0	7,593	0	0	0	0	0	0	0	0	0	7,593
<b>Total Employment Services</b>	<b>14,649</b>	<b>3,821</b>	<b>22,876</b>	<b>27,528</b>	<b>144,756</b>	<b>246,579</b>	<b>29,953</b>	<b>5,993</b>	<b>170,879</b>	<b>98,918</b>	<b>502</b>	<b>352</b>	<b>489</b>	<b>739</b>	<b>768,034</b>
Total Employment Services—Without Group Services	14,584	3,821	22,828	27,528	111,172	244,895	29,953	5,654	170,879	98,819	502	352	489	739	732,215
<b>Total—Benefits and Services</b>	<b>25,293</b>	<b>6,012</b>	<b>28,216</b>	<b>38,132</b>	<b>190,310</b>	<b>284,661</b>	<b>36,621</b>	<b>12,331</b>	<b>196,916</b>	<b>120,597</b>	<b>898</b>	<b>574</b>	<b>667</b>	<b>739</b>	<b>941,967</b>
Aboriginal Pan-Canadian	286	165	287	135	1,603	5,008	4,433	1,166	1,741	3,875	235	111	212	145	19,402
<b>Grand Total—Benefits and Services</b>	<b>25,579</b>	<b>6,177</b>	<b>28,503</b>	<b>38,267</b>	<b>191,913</b>	<b>289,669</b>	<b>41,054</b>	<b>13,497</b>	<b>198,657</b>	<b>124,472</b>	<b>1,133</b>	<b>685</b>	<b>879</b>	<b>884</b>	<b>961,369</b>
<b>Grand Total—Without Group Services</b>	<b>25,514</b>	<b>6,177</b>	<b>28,455</b>	<b>38,267</b>	<b>158,329</b>	<b>287,985</b>	<b>41,054</b>	<b>13,158</b>	<b>198,657</b>	<b>124,373</b>	<b>1,133</b>	<b>685</b>	<b>879</b>	<b>884</b>	<b>925,550</b>

Source: Participant dataset.

<sup>1</sup> Interventions in this table refer to all new starts between April 1, 2007, and March 31, 2008.<sup>2</sup> In December 2007, the Province of Alberta implemented a new integrated management information system. Due to the transition to this new system, LMDA data for Alberta were incomplete for 2007/08. Alberta interventions data, which are included in the national totals, are estimates that are based on the Province of Alberta's 2007/08 Plan for Programs and Services, as well as the audited financial statements for that period. Alberta will undertake supplementary data analysis in order to improve data quality for 2008/09.<sup>3</sup> In Alberta, Employment Assistance includes all types of Employment Services interventions (Employment Assistance, Group Services and Individual Counselling).<sup>4</sup> 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<sup>1</sup> • Women<sup>2</sup>

New Starts by Intervention (%)—2007/08

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yk.	Nun.	NHQ	Canada
<b>Employment Benefits</b>															
Targeted Wage Subsidies	61.8	60.8	55.4	40.6	46.5	50.9	41.1	36.2	53.3	58.5	31.1	0.0	30.4	0.0	49.0
Self-Employment	49.4	40.4	54.4	36.0	37.9	58.0	42.2	30.4	47.7	63.6	37.5	100.0	0.0	0.0	52.1
Job Creation Partnerships	54.2	39.1	53.8	0.0	0.0	62.3	35.0	0.0	29.8	48.1	0.0	0.0	0.0	0.0	52.5
Skills Development-Regular	43.2	48.2	53.8	42.1	46.4	53.8	54.8	41.8	55.3	61.1	9.9	50.0	29.3	0.0	48.8
Skills Development-Apprentices	3.4	3.4	2.4	1.1	0.0	3.7	1.8	2.4	5.4	4.1	1.5	7.9	0.0	0.0	4.0
<b>Total Employment Benefits</b>	<b>41.5</b>	<b>41.8</b>	<b>41.2</b>	<b>32.2</b>	<b>45.9</b>	<b>35.0</b>	<b>30.2</b>	<b>14.3</b>	<b>7.1</b>	<b>31.5</b>	<b>12.1</b>	<b>22.1</b>	<b>24.2</b>	<b>0.0</b>	<b>33.3</b>
<b>Employment Services</b>															
Employment Assistance	58.2	49.0	57.1	43.2	46.8	55.9	49.6	40.4	48.1	56.2	0.0	54.2	42.7	59.7	50.3
Individual Counselling	49.9	51.2	56.0	41.1	46.5	55.6	49.7	42.2	0.0	57.8	40.4	57.5	0.0	57.0	54.2
Supplément de retour au travail (Quebec Only)	0.0	0.0	0.0	0.0	44.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	44.6
<b>Total Employment Services</b>	<b>50.0</b>	<b>50.2</b>	<b>56.6</b>	<b>41.9</b>	<b>46.6</b>	<b>55.7</b>	<b>49.7</b>	<b>42.1</b>	<b>48.1</b>	<b>57.0</b>	<b>40.4</b>	<b>55.4</b>	<b>42.7</b>	<b>58.5</b>	<b>51.7</b>
Aboriginal Pan-Canadian	27.6	44.2	44.6	46.7	50.2	46.5	53.6	40.3	34.4	39.2	44.3	34.2	46.2	62.1	45.2
<b>Grand Total—Benefits and Services</b>	<b>46.2</b>	<b>47.0</b>	<b>53.6</b>	<b>39.3</b>	<b>46.4</b>	<b>52.8</b>	<b>47.0</b>	<b>28.5</b>	<b>43.3</b>	<b>52.0</b>	<b>31.3</b>	<b>41.2</b>	<b>39.8</b>	<b>59.0</b>	<b>48.2</b>

Source: Participant dataset.

<sup>1</sup> In December 2007, the Province of Alberta implemented a new integrated management information system. Due to the transition to this new system, LMDA data for Alberta were incomplete for 2007/08. Complete client data by designated group were not available. Data for Alberta, which are included in the national totals, are actual client data for the period April 1, 2007 to September 30, 2007 only. Alberta will undertake supplementary data analysis in order to improve data quality for 2008/09.

<sup>2</sup> All percentages are based on new start interventions only (i.e. the number of interventions started in 2007/08).

Annex 3.8 • EBSM Designated Members<sup>1</sup> • Persons with Disabilities<sup>2</sup>

Employment Benefits	New Starts by Intervention (%)—2007/08														
	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yk.	Nun.	NHQ	Canada
Targeted Wage Subsidies	1.6	4.6	27.2	2.0	2.8	4.5	5.9	7.6	0.0	8.3	0.0	100.0	0.0	0.0	4.3
Self-Employment	0.0	1.8	11.3	1.9	1.3	3.1	3.7	8.7	3.1	3.9	0.0	0.0	0.0	0.0	3.0
Job Creation Partnerships	1.5	2.0	11.8	0.0	0.0	4.0	2.4	0.0	5.6	4.6	0.0	0.0	0.0	0.0	3.0
Skills Development—Regular	1.0	3.1	12.9	3.2	2.0	3.4	4.1	7.2	3.1	7.4	0.6	16.1	0.8	0.0	3.3
Skills Development—Apprentices	0.0	0.0	0.2	0.0	0.0	0.0	0.0	1.4	0.0	0.1	0.0	0.0	0.0	0.0	0.1
<b>Total Employment Benefits</b>	<b>1.0</b>	<b>2.6</b>	<b>10.1</b>	<b>2.2</b>	<b>2.1</b>	<b>2.2</b>	<b>2.3</b>	<b>3.2</b>	<b>0.2</b>	<b>3.4</b>	<b>0.3</b>	<b>5.9</b>	<b>0.6</b>	<b>0.0</b>	<b>2.3</b>
Employment Services															
Employment Assistance	2.0	19.5	20.6	9.1	4.1	6.5	5.3	23.2	7.0	9.4	0.0	9.8	1.2	0.2	6.9
Individual Counselling	0.8	14.0	22.8	8.5	4.0	5.5	4.5	10.2	0.0	13.0	0.4	3.9	0.0	0.3	7.5
Supplément de retour au travail (Quebec only)	0.0	0.0	0.0	0.0	2.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.9
<b>Total Employment Services</b>	<b>0.8</b>	<b>16.5</b>	<b>21.7</b>	<b>8.7</b>	<b>4.0</b>	<b>5.8</b>	<b>4.8</b>	<b>11.2</b>	<b>7.0</b>	<b>11.2</b>	<b>0.4</b>	<b>7.7</b>	<b>1.2</b>	<b>0.3</b>	<b>7.1</b>
Aboriginal Pan-Canadian	2.1	0.6	3.1	2.2	0.6	1.4	4.6	2.1	2.4	1.9	0.9	8.1	2.8	11.0	2.4
<b>Grand Total—Benefits and Services</b>	<b>0.9</b>	<b>11.2</b>	<b>19.3</b>	<b>6.9</b>	<b>3.4</b>	<b>5.2</b>	<b>4.4</b>	<b>6.6</b>	<b>6.2</b>	<b>9.5</b>	<b>0.4</b>	<b>7.2</b>	<b>1.5</b>	<b>2.0</b>	<b>6.1</b>

Source: Participant dataset.

<sup>1</sup> In December 2007, the Province of Alberta implemented a new integrated management information system. Due to the transition to this new system, LMDA data for Alberta were incomplete for 2007/08. Complete client data by designated group were not available. Data for Alberta, which are included in the national totals, are actual client data for the period April 1, 2007 to September 30, 2007 only. Alberta will undertake supplementary data analysis in order to improve data quality for 2008/09.

<sup>2</sup> All percentages are based on new start interventions only (i.e. the number of interventions started in 2007/08). These reported counts are generally lower than actual numbers because data are collected through self-identification.

Annex 3.9 • EBSM Designated Members<sup>1</sup> • Aboriginal People<sup>2</sup>

New Starts by Intervention (%)—2007/08															
	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yk.	Nun.	NHQ	Canada
<b>Employment Benefits</b>															
Targeted Wage Subsidies	1.2	0.8	1.5	0.0	0.2	1.8	5.9	26.5	0.0	7.8	48.6	33.3	87.0	0.0	2.4
Self-Employment	2.4	1.8	2.9	0.0	0.2	0.9	6.1	0.0	2.3	4.7	31.3	0.0	0.0	0.0	1.7
Job Creation Partnerships	1.9	2.0	1.6	0.0	0.0	3.9	13.4	0.0	3.9	24.6	0.0	0.0	0.0	0.0	5.2
Skills Development—Regular	1.5	0.5	1.8	0.0	0.1	2.0	9.4	7.9	6.8	9.4	31.6	12.9	94.3	0.0	2.1
Skills Development—Apprentices	0.5	0.0	0.3	0.0	0.0	0.2	1.9	2.7	0.3	0.6	7.4	0.7	0.0	0.0	0.6
<b>Total Employment Benefits</b>	<b>1.5</b>	<b>0.6</b>	<b>1.5</b>	<b>0.0</b>	<b>0.1</b>	<b>1.2</b>	<b>6.1</b>	<b>4.8</b>	<b>0.5</b>	<b>4.5</b>	<b>26.5</b>	<b>4.5</b>	<b>76.4</b>	<b>0.0</b>	<b>1.7</b>
<b>Employment Services</b>															
Employment Assistance	0.0	0.2	1.0	0.0	0.1	1.9	8.8	15.8	12.9	7.9	0.0	15.6	92.6	0.0	6.6
Individual Counselling	0.8	0.6	1.8	0.0	0.0	1.7	7.3	13.0	0.0	9.2	59.6	8.7	0.0	0.0	3.5
Supplément de retour au travail (Quebec only)	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2
<b>Total Employment Services</b>	<b>0.8</b>	<b>0.4</b>	<b>1.4</b>	<b>0.0</b>	<b>0.1</b>	<b>1.8</b>	<b>7.9</b>	<b>13.2</b>	<b>12.9</b>	<b>8.6</b>	<b>59.6</b>	<b>13.1</b>	<b>92.6</b>	<b>0.0</b>	<b>5.4</b>
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
<b>Grand Total—Benefits and Services</b>	<b>2.2</b>	<b>3.1</b>	<b>2.4</b>	<b>0.4</b>	<b>1.1</b>	<b>3.4</b>	<b>17.6</b>	<b>16.9</b>	<b>12.3</b>	<b>10.7</b>	<b>56.4</b>	<b>24.4</b>	<b>91.1</b>	<b>16.4</b>	<b>6.7</b>

Source: Participant dataset.

<sup>1</sup> In December 2007, the Province of Alberta implemented a new integrated management information system. Due to the transition to this new system, LMDA data for Alberta were incomplete for 2007/08. Complete client data by designated group were not available. Data for Alberta, which are included in the national totals, are actual client data for the period April 1, 2007 to September 30, 2007 only. Alberta will undertake supplementary data analysis in order to improve data quality for 2008/09.

<sup>2</sup> All percentages are based on new start interventions only (i.e. the number of interventions started in 2007/08). These reported counts are generally lower than actual numbers because data are collected through self-identification.

Annex 3.10 • EBSM Designated Members<sup>1</sup> • Visible Minorities<sup>2</sup>

	New Starts by Intervention (%)—2007/08														
	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yk.	Nun.	NHQ	Canada
<b>Employment Benefits</b>															
Targeted Wage Subsidies	0.1	0.8	5.0	0.5	0.0	10.2	5.4	1.1	13.3	9.3	9.5	0.0	0.0	0.0	3.8
Self-Employment	0.0	3.5	2.6	0.0	0.0	7.6	6.1	0.0	3.1	9.2	6.3	0.0	0.0	0.0	5.2
Job Creation Partnerships	0.6	0.0	5.4	0.0	0.0	5.4	10.0	0.0	18.5	6.9	0.0	0.0	0.0	0.0	3.8
Skills Development—Regular	0.3	0.5	4.6	0.7	0.0	14.8	14.2	4.2	23.7	12.7	8.2	1.6	2.4	0.0	4.8
Skills Development—Apprentices	0.0	0.0	0.3	0.0	0.0	0.1	0.5	0.7	0.1	0.1	0.7	0.0	0.0	0.0	0.1
<b>Total Employment Benefits</b>	<b>0.3</b>	<b>0.6</b>	<b>3.4</b>	<b>0.5</b>	<b>0.0</b>	<b>7.8</b>	<b>7.6</b>	<b>1.6</b>	<b>0.8</b>	<b>5.5</b>	<b>5.8</b>	<b>0.5</b>	<b>1.7</b>	<b>0.0</b>	<b>3.1</b>
<b>Employment Services</b>															
Employment Assistance	0.0	7.6	7.0	1.5	0.0	8.9	9.2	8.9	12.1	22.0	0.0	0.4	0.8	2.0	9.3
Individual Counselling	0.1	4.4	3.2	1.1	0.0	8.0	11.9	5.1	0.0	7.4	12.4	0.8	0.0	1.8	7.0
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
<b>Total Employment Services</b>	<b>0.1</b>	<b>5.9</b>	<b>5.1</b>	<b>1.2</b>	<b>0.0</b>	<b>8.3</b>	<b>10.8</b>	<b>5.4</b>	<b>12.1</b>	<b>15.0</b>	<b>12.4</b>	<b>0.6</b>	<b>0.8</b>	<b>1.9</b>	<b>8.4</b>
Aboriginal Pan-Canadian <sup>3</sup>	0.0	0.0	1.4	0.0	4.5	2.0	0.5	0.1	0.3	1.7	0.9	9.9	0.9	1.4	1.5
<b>Grand Total—Benefits and Services</b>	<b>0.2</b>	<b>3.9</b>	<b>4.8</b>	<b>1.0</b>	<b>0.0</b>	<b>8.1</b>	<b>9.2</b>	<b>3.1</b>	<b>10.7</b>	<b>12.9</b>	<b>7.7</b>	<b>2.0</b>	<b>1.0</b>	<b>1.8</b>	<b>7.2</b>

Source: Participant dataset.

<sup>1</sup> In December 2007, the Province of Alberta implemented a new integrated management information system. Due to the transition to this new system, LMDA data for Alberta were incomplete for 2007/08. Complete client data by designated group were not available. Data for Alberta, which are included in the national totals, are actual client data for the period April 1, 2007 to September 30, 2007 only. Alberta will undertake supplementary data analysis in order to improve data quality for 2008/09.

<sup>2</sup> All percentages are based on new start interventions only (i.e. number of interventions started in 2007/08). These reported counts are generally lower than actual numbers because data is collected through self-identification.

<sup>3</sup> 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—2007/08														
	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	661	578	1,278	2,418	10,627	8,470	1,475	527	2,039	4,605	388	60	7	—	33,133
Job Creation Partnerships <sup>1</sup>	2,213	240	355	24	308	1,555	644	—	—	349	—	—	—	—	5,688
Skills Development	20,831	6,527	13,744	23,486	78,194	74,216	20,913	14,368	77,195	43,633	953	927	353	9	375,349
<b>TOTAL</b>	<b>23,705</b>	<b>7,345</b>	<b>15,377</b>	<b>25,928</b>	<b>89,129</b>	<b>84,241</b>	<b>23,032</b>	<b>14,895</b>	<b>79,234</b>	<b>48,587</b>	<b>1,341</b>	<b>987</b>	<b>360</b>	<b>9</b>	<b>414,170</b>

Source: Corporate Management System.

<sup>1</sup> In Quebec, this amount refers only to pan-Canadian activities.

## Annex 3.12 • EBSM Part II—Final Expenditures

In \$000s by Intervention—2007/08

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C. <sup>1</sup>	N.W.T.	Yk.	Nun.	NHQ <sup>2</sup>	Canada
<b>Employment Benefits</b>															
Targeted Wage Subsidies	5,585	466	908	8,852	30,325	19,369	891	6,016	782	16,210	223	29	113	0	89,769
Self-Employment	3,623	1,255	4,957	3,635	25,854	64,267	1,666	434	2,805	30,959	247	118	0	0	139,820
Job Creation Partnerships	16,005	2,405	3,381	-	-	14,670	2,398	-	5,155	5,304	0	4	0	157	49,479
Skills Development	86,821	15,984	48,763	62,385	319,569	207,510	26,924	22,725	53,740	112,851	1,016	2,054	2,279	0	962,621
Targeted Earnings Supplements	-	-	-	-	-	1,401	-	-	-	-	-	-	-	-	1,401
<b>Total Employment Benefits</b>	<b>112,034</b>	<b>20,110</b>	<b>58,009</b>	<b>74,872</b>	<b>375,748</b>	<b>307,217</b>	<b>31,879</b>	<b>29,175</b>	<b>62,482</b>	<b>165,324</b>	<b>1,486</b>	<b>2,205</b>	<b>2,392</b>	<b>157</b>	<b>1,243,090</b>
<b>Support Measures (Services)</b>															
Employment Assistance	15,619	4,562	22,374	10,404	112,962	214,575	8,542	5,625	42,696	111,155	664	1,285	149	0	550,612
Supplément de retour au travail (Quebec only)	-	-	-	-	3,673	-	-	-	-	-	-	-	-	-	3,673
<b>Total Support Measures (Services)</b>	<b>15,619</b>	<b>4,562</b>	<b>22,374</b>	<b>10,404</b>	<b>116,635</b>	<b>214,575</b>	<b>8,542</b>	<b>5,625</b>	<b>42,696</b>	<b>111,155</b>	<b>664</b>	<b>1,285</b>	<b>149</b>	<b>0</b>	<b>554,285</b>
<b>Sub—Total: Employment Benefits and Support Measures (Services)</b>	<b>127,653</b>	<b>24,672</b>	<b>80,383</b>	<b>85,276</b>	<b>492,383</b>	<b>521,792</b>	<b>40,421</b>	<b>34,800</b>	<b>105,178</b>	<b>276,479</b>	<b>2,150</b>	<b>3,490</b>	<b>2,541</b>	<b>157</b>	<b>1,797,375</b>
<b>Other Support Measures</b>															
Labour Market Partnerships	4,361	1,998	2,620	6,691	103,247	7,115	5,430	3,408	2,210	2,953	559	241	0	-87	140,746
Research and Innovation	-	-	-	607	1,225	302	815	674	-	-	-	-	-	-	3,623
<b>Total Other Support Measures</b>	<b>4,361</b>	<b>1,998</b>	<b>2,620</b>	<b>7,298</b>	<b>104,472</b>	<b>7,417</b>	<b>6,245</b>	<b>4,082</b>	<b>2,210</b>	<b>2,953</b>	<b>559</b>	<b>241</b>	<b>0</b>	<b>-87</b>	<b>144,369</b>
<b>Total EBSM—Part II</b>	<b>132,014</b>	<b>26,670</b>	<b>83,003</b>	<b>92,574</b>	<b>596,855</b>	<b>529,209</b>	<b>46,666</b>	<b>38,882</b>	<b>107,388</b>	<b>279,432</b>	<b>2,709</b>	<b>3,731</b>	<b>2,541</b>	<b>70</b>	<b>1,941,744</b>
Overcontribution <sup>3</sup>	-	-	-	-	-	3	-	-	-	-	647	-	190	-	840
Pan-Canadian (see details in Annex 3.13)	2,133	423	2,288	1,754	9,721	21,050	14,339	11,441	13,318	14,380	2,994	1,229	2,848	62,530	160,448
Adjustment <sup>4</sup>	(1,224)	(-22)	(508)	(62)	(391)	(1,139)	(-26)	(30)	(70)	(255)	(612)	(46)	(1,072)	(1,562)	(7,019)
<b>Total including Pan-Canadian</b>	<b>132,923</b>	<b>27,071</b>	<b>84,783</b>	<b>94,266</b>	<b>606,185</b>	<b>549,123</b>	<b>60,979</b>	<b>50,293</b>	<b>120,636</b>	<b>293,557</b>	<b>5,738</b>	<b>4,914</b>	<b>4,507</b>	<b>61,038</b>	<b>2,096,013</b>
<b>Administrative costs related to LMDAs<sup>5</sup> (transfer regions only)</b>				<b>8,922</b>	<b>58,920</b>	<b>57,953</b>	<b>6,078</b>	<b>6,021</b>	<b>9,640</b>		<b>1,450</b>		<b>787</b>		<b>149,771</b>

Sources: Corporate Management System and provincial/territorial audited statements.

<sup>1</sup> This includes expenditures (\$4.0 million) for Aboriginal groups in British Columbia.<sup>2</sup> NHQ includes expenditures for third-party liability insurance contracted and paid on behalf of co-managed provinces.<sup>3</sup> Overcontribution will be recovered during 2008/09.<sup>4</sup> This adjustment reflects overpayments established, refunds of previous years' expenditures and other accounting adjustments.<sup>5</sup> Administrative costs include \$139.2 million (salary and non-salary) to administer LMDAs, \$5.6 million for rent and, \$5.0 million for the Ontario LMDA Supplementary Agreement.



## Annex 3.13 • EI Part II Pan-Canadian—Final Expenditures

		In \$000s by Intervention—2007/08													
	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 Strategy <sup>1</sup>	1,856	225	2,063	1,457	9,006	20,253	13,979	11,253	12,882	14,053	2,682	980	2,565	1,000	94,254
Other															
Labour Market Partnerships	277	198	225	297	715	797	360	188	436	327	312	249	283	46,206	50,870
Research and Innovation	—	—	—	—	—	—	—	—	—	—	—	—	—	15,324	15,324
Total Other	277	198	225	297	715	797	360	188	436	327	312	249	283	61,530	66,194
Grand Total	2,133	423	2,288	1,754	9,721	21,050	14,339	11,441	13,318	14,380	2,994	1,229	2,848	62,530	160,448

Source: Corporate Management System.

<sup>1</sup> This excludes expenditures (\$4.0 million) for Aboriginal groups in British Columbia (See Annex 3.12).

## Annex 3.14 • Returns to Employment and Unpaid Benefits Indicators

2007/08

	Clients Who Returned to Employment <sup>1</sup>										Unpaid Benefits (\$ Millions) <sup>1</sup>				
	Targets <sup>2</sup>	Results			Results vs. Targets %	Targets <sup>2</sup>	Results			Results vs. Targets %	Total <sup>4</sup>	Results			Results vs. Targets %
		SD-Apprentices	Group Services	Other <sup>3</sup>			Total	SD-Apprentices	Group Services			Other	Group Services	Other	
Newfoundland and Labrador	8,275	917	10	7,929	8,856	107%	24.1	8.2	0.1	15.7	24.0	99%			
Prince Edward Island	2,034	254	0	1,894	2,148	106%	5.8	2.7	0.0	4.4	7.1	122%			
Nova Scotia	5,983	1,038	11	5,056	6,105	102%	18.6	10.1	0.1	10.9	21.1	113%			
New Brunswick	9,247	1,397	0	8,283	9,680	105%	28.5	12.2	0.0	20.1	32.3	113%			
Quebec	50,855	0	5,626	41,687	47,313	93%	156.2	0.0	40.1	122.7	162.8	104%			
Ontario	54,541	11,568	302	42,092	53,962	99%	211.4	98.1	2.0	117.0	217.1	103%			
Manitoba	9,000	2,016	0	6,699	8,715	97%	32.0	16.8	0.0	19.9	36.7	115%			
Saskatchewan	5,580	2,340	69	2,345	4,754	85%	24.8	22.7	0.5	9.4	32.6	131%			
Alberta	24,873	17,654	0	5,266	22,920	92%	199.0	167.1	0.0	29.6	196.7	99%			
British Columbia	29,800	8,755	15	22,657	31,427	105%	120.0	80.2	0.1	50.7	131.0	109%			
Northwest Territories	225	52	0	162	214	95%	2.4	0.7	0.0	1.8	2.5	104%			
Yukon	235	122	0	142	264	112%	1.9	1.6	0.0	0.6	2.2	116%			
Numavut	126	22	0	118	140	111%	0.7	0.3	0.0	0.5	0.8	123%			
<b>Canada</b>	<b>200,774</b>	<b>46,135</b>	<b>6,033</b>	<b>144,330</b>	<b>196,498</b>	<b>98%</b>	<b>825.5</b>	<b>420.7</b>	<b>42.9</b>	<b>403.3</b>	<b>866.9</b>	<b>105%</b>			

Source: Results dataset.

N/A: Not applicable.

<sup>1</sup> AHRDS activity resulted in 7,723 returns to employment and \$16.0 million in unpaid benefits.<sup>2</sup> Targets are for EBSM Part II clients only.<sup>3</sup> 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.<sup>4</sup> Some unpaid benefits figures have been rounded.

Annex 3.15 • Returns to Employment by Intervention (EBSMs)<sup>1</sup>

2007/08

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yk.	Nun.	Canada
<b>Employment Benefits</b>														
Targeted Wage Subsidies	288	100	151	1,759	1,897	1,567	107	52	3	1,562	6	2	7	7,501
Self-Employment	88	97	319	439	1,624	2,298	194	16	35	1,473	7	1	2	6,593
Job Creation Partnerships	843	123	158	1	0	631	98	0	36	233	0	2	0	2,125
Skills Development—Regular	4,655	922	1,715	3,228	11,163	8,585	1,356	585	71	3,730	95	34	62	36,201
Skills Development—Apprentices <sup>2</sup>	917	254	1,038	1,575	0	11,568	2,068	2,537	17,654	8,755	52	122	22	46,562
<b>Total Benefits</b>	<b>6,791</b>	<b>1,496</b>	<b>3,381</b>	<b>7,002</b>	<b>14,684</b>	<b>24,649</b>	<b>3,823</b>	<b>3,190</b>	<b>17,799</b>	<b>15,753</b>	<b>160</b>	<b>161</b>	<b>93</b>	<b>98,982</b>
<b>Employment Services</b>														
Employment Assistance	10	349	1,593	888	21,149	10,263	1,905	168	5,121	7,671	0	51	47	49,215
Group Services	10	0	11	0	5,626	302	0	69	0	15	0	0	0	6,033
Individual Counselling	2,045	303	1,120	1,790	5	18,748	2,987	1,327	0	7,988	54	52	0	36,419
Supplément de retour au travail (Quebec only)	0	0	0	0	5,849	0	0	0	0	0	0	0	0	5,849
<b>Total Services</b>	<b>2,065</b>	<b>652</b>	<b>2,724</b>	<b>2,678</b>	<b>32,629</b>	<b>29,313</b>	<b>4,892</b>	<b>1,564</b>	<b>5,121</b>	<b>15,674</b>	<b>54</b>	<b>103</b>	<b>47</b>	<b>97,516</b>
<b>Total</b>	<b>8,856</b>	<b>2,148</b>	<b>6,105</b>	<b>9,680</b>	<b>47,313</b>	<b>53,962</b>	<b>8,715</b>	<b>4,754</b>	<b>22,920</b>	<b>31,427</b>	<b>214</b>	<b>264</b>	<b>140</b>	<b>196,498</b>
Target	8,275	2,034	5,983	9,247	50,855	54,541	9,000	5,580	24,873	29,800	225	235	126	200,774
Results vs. Targets (%)	107%	106%	102%	105%	93%	99%	97%	85%	92%	105%	95%	112%	111%	98%

N/A: Not applicable.

<sup>1</sup> Results associated solely with the AHRDS are not included here.<sup>2</sup> 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.



# Community Profiles

4.1 Community Profiles – Part I

4.2 Community Profiles – Part II



**Annex 4.1 • Community Profiles – Part I**

Regions	Unemployment Rate <sup>1</sup> (%)			VER <sup>2</sup> (Hours)		New Regular Claims <sup>3</sup>		Average Insured Hours		Average Regular Weeks Paid <sup>4</sup>	
	2007/08	△ <sup>5</sup>	High/Low	High	Low	2007/08	% Change <sup>6</sup>	2007/08	% Change	2006/07	% Change
<b>Newfoundland and Labrador</b>											
St. John's	6.9	-1.2	7.6/6.3	665	630	10,660	-5.9%	1,348	1.7%	20.0	-5.6%
Newfoundland and Labrador	17.9	-1.4	19.0/16.2	420	420	59,980	-1.1%	1,091	1.8%	27.8	-2.2%
<b>Prince Edward Island</b>											
Prince Edward Island	10.4	-0.7	10.8/10.0	560	525	17,670	-0.5%	1,187	-0.8%	23.4	0.6%
<b>Nova Scotia</b>											
Eastern Nova Scotia	14.1	0.3	14.9/13.1	420	420	22,550	-0.6%	1,128	1.0%	24.8	-3.3%
Western Nova Scotia	9.2	-0.1	9.8/8.8	595	560	29,280	-2.0%	1,276	-1.8%	22.2	3.5%
Halifax	5.2	0.2	6.2/4.4	700	665	11,180	-6.7%	1,454	0.0%	16.2	-3.9%
<b>New Brunswick</b>											
Fredericton–Moncton– Saint John	5.0	-1.3	5.7/4.6	700	700	16,720	-5.1%	1,408	0.9%	16.3	-3.5%
Madawaska–Charlotte <sup>7</sup>	9.7	-0.4	10.3/8.9	595	525	13,420	-2.5%	1,291	0.1%	20.7	-2.1%
Restigouche–Albert	13.1	-1.0	14.0/12.4	455	420	41,950	0.7%	1,127	1.7%	25.5	0.0%
<b>Quebec</b>											
Gaspésie–Îles-de-la-Madeleine	17.2	-1.5	18.0/16.7	420	420	27,280	-4.3%	1,036	-1.9%	27.3	0.8%
Québec	5.0	-0.2	5.6/4.6	700	700	34,240	-8.0%	1,393	-1.0%	14.2	-2.1%
Trois-Rivières	7.8	-0.3	8.3/7.3	630	595	9,510	-2.3%	1,346	0.3%	18.0	-2.4%
Quebec Centre South	5.7	-0.4	6.4/5.0	700	665	11,930	1.6%	1,437	2.1%	13.7	-0.7%
Sherbrooke	6.2	-1.5	6.7/5.7	700	665	9,370	-8.9%	1,384	-0.1%	15.4	1.9%
Montréal	7.3	-0.5	8.6/6.9	665	595	30,380	-2.8%	1,390	-0.3%	16.9	1.5%
Montréal	7.0	-1.3	7.5/6.6	665	630	148,790	-5.9%	1,387	0.4%	18.3	-3.0%
Central Quebec	8.2	-0.5	10.1/7.2	630	525	77,520	-1.3%	1,325	0.6%	19.0	1.4%
North Western Quebec	11.7	0.6	13.0/9.5	560	455	24,580	-6.0%	1,218	0.2%	21.8	1.7%
Bas-Saint-Laurent–Côte-Nord <sup>7</sup>	11.4	-0.6	12.6/10.6	525	455	54,650	0.0%	1,229	-0.1%	21.4	3.0%
Hull	5.4	-0.3	6.4/4.2	700	665	9,760	-4.5%	1,392	0.6%	14.6	-7.5%
Chicoutimi–Jonquière	8.8	-0.1	10.2/7.8	630	525	12,030	-0.6%	1,294	1.4%	18.4	-4.9%
<b>Ontario</b>											
Ottawa	5.1	0.0	5.7/4.5	700	700	16,620	-5.7%	1,455	-0.2%	15.9	-5.0%
Eastern Ontario	6.9	-0.1	7.7/6.0	700	630	16,390	-2.5%	1,403	-1.6%	16.6	-2.9%
Kingston	5.4	-0.7	6.2/4.4	700	665	3,680	-5.9%	1,421	-2.2%	16.0	-3.3%
Central Ontario	6.0	0.0	7.5/5.1	700	630	38,640	3.9%	1,454	1.1%	15.3	-3.4%
Oshawa	6.1	-0.3	6.6/5.7	700	665	14,190	30.1%	1,561	4.9%	13.2	-6.7%
Toronto	6.8	0.3	7.0/6.5	665	665	130,750	-3.2%	1,493	-0.2%	18.5	-4.2%
Hamilton	5.9	0.0	6.6/5.5	700	665	18,030	-6.6%	1,476	-0.8%	17.0	2.0%
St. Catharines	6.8	0.5	8.1/5.7	700	595	16,460	1.7%	1,442	1.0%	15.9	-5.0%
London	6.1	-0.2	6.7/5.6	700	665	14,440	-1.6%	1,521	2.1%	15.0	-5.0%
Niagara	7.9	-0.2	8.8/7.3	630	595	11,520	3.0%	1,450	0.0%	16.5	0.0%
Windsor	9.1	0.0	9.8/8.2	595	560	16,510	-6.8%	1,477	-3.1%	15.5	14.0%
Kitchener	5.5	0.3	5.8/5.1	700	700	14,170	-4.1%	1,521	-0.2%	16.7	2.0%
Huron	7.4	0.4	9.1/5.7	700	560	13,690	-6.7%	1,456	-2.5%	17.0	7.2%
South Central Ontario	5.2	0.4	6.0/4.5	700	700	14,130	-8.2%	1,493	-1.1%	14.6	2.4%
Sudbury	5.6	-1.5	6.1/5.3	700	665	5,660	-11.7%	1,401	1.2%	17.3	-9.4%
Thunder Bay	6.7	-0.9	7.1/5.3	700	630	5,220	-3.0%	1,456	0.8%	16.0	-2.9%
Northern Ontario	10.5	0.0	11.0/9.9	560	525	28,570	3.4%	1,332	-0.4%	20.7	3.0%

**Annex 4.1 • Community Profiles – Part I (continued)**

Regions	Unemployment Rate <sup>1</sup> (%)			VER <sup>2</sup> (Hours)		New Regular Claims <sup>3</sup>		Average Insured Hours		Average Regular Weeks Paid <sup>4</sup>	
	2007/08	△ <sup>5</sup>	High/Low	High	Low	2007/08	% Change <sup>6</sup>	2007/08	% Change	2006/07	% Change
<b>Manitoba</b>											
Winnipeg	4.6	0.0	5.1/4.2	700	700	16,610	-8.7%	1,453	-0.5%	14.4	-1.2%
Southern Manitoba	5.0	0.3	5.8/4.4	700	700	8,910	-8.4%	1,395	1.0%	14.0	-4.4%
Northern Manitoba	25.7	0.3	27.0/25.0	420	420	6,600	-4.5%	1,255	3.4%	25.6	1.8%
<b>Saskatchewan</b>											
Regina	4.9	0.1	6.1/3.8	700	665	3,430	-20.2%	1,419	-1.5%	13.5	-7.0%
Saskatoon	4.0	-0.4	4.6/3.5	700	700	4,880	-17.7%	1,403	-1.8%	13.6	-6.4%
Southern Saskatchewan	5.9	-0.4	6.2/5.6	700	665	8,010	-10.2%	1,403	2.0%	15.0	-2.8%
Northern Saskatchewan	14.5	0.1	15.2/13.9	420	420	10,390	-9.7%	1,256	-5.5%	22.3	5.4%
<b>Alberta</b>											
Calgary	3.2	0.0	3.5/2.9	700	700	15,280	-6.0%	1,512	-0.1%	14.9	-4.0%
Edmonton	3.9	0.0	4.4/3.4	700	700	17,740	-13.4%	1,518	1.6%	14.1	-5.6%
Northern Alberta	7.6	-0.4	8.1/7.3	630	595	6,260	-2.6%	1,444	1.1%	17.8	-1.0%
Southern Alberta	4.6	0.2	4.8/4.2	700	700	17,580	9.6%	1,492	1.0%	14.7	0.9%
<b>British Columbia</b>											
Southern Interior B.C.	6.0	-0.6	6.4/5.5	700	665	27,390	8.3%	1,423	3.5%	15.8	-8.1%
Abbotsford	4.3	-0.2	4.7/3.7	700	700	5,990	-4.3%	1,268	-1.6%	15.2	-2.1%
Vancouver	4.1	-0.3	4.6/3.7	700	700	44,800	-1.3%	1,447	1.1%	16.7	-3.2%
Victoria	4.0	-0.4	4.5/3.4	700	700	5,590	-11.1%	1,448	-0.1%	14.5	-6.8%
Southern Coastal B.C.	5.7	-0.7	6.5/4.9	700	665	19,330	5.1%	1,401	4.2%	16.2	-11.3%
Northern B.C.	8.3	-0.5	9.1/7.4	630	560	19,420	12.2%	1,368	2.5%	19.9	5.4%
<b>Territories<sup>8</sup></b>											
Yukon	25.0	0.0	N/A	420	420	1,770	-6.3%	1,208	-5.4%	21.9	-1.3%
Northwest Territories	25.0	0.0	N/A	420	420	1,370	-11.0%	1,221	-4.9%	23.6	-0.7%
Nunavut	25.0	0.0	N/A	420	420	590	-23.4%	1,197	0.7%	26.0	13.4%
<b>NATIONAL</b>	<b>6.5</b>	<b>-0.3</b>	<b>6.6/6.3</b>	<b>665</b>	<b>665</b>	<b>1,294,060</b>	<b>-2.6%</b>	<b>1,363</b>	<b>0.3%</b>	<b>18.7</b>	<b>-1.4%</b>

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 6.0% presented in Chapter 1 for 2007/08 would become 6.5%.

Source: EI administrative data, Labour Force Survey.

N/A: Not applicable.

<sup>1</sup> Calculated using annual averages of seasonally adjusted data over fiscal years.

<sup>2</sup> The Variable Entrance Requirement (VER) ranges from 420 hours to 700 hours, depending on the regional unemployment rate.

<sup>3</sup> Includes claims for which at least \$1 of regular benefits was paid.

<sup>4</sup> Data on claim duration are for claims established in 2006/07 to ensure all claims were completed.

<sup>5</sup> Percentage point difference between 2006/07 and 2007/08.

<sup>6</sup> Percentage growth between 2006/07 and 2007/08.

<sup>7</sup> Unemployment rates for these regions have been determined using a transition formula prescribed in the *EI regulations*.

<sup>8</sup> The Yukon, Northwest Territories and Nunavut unemployment rates are set at 25% for EI purposes.



### Annex 4.2 • Community Profiles – Part II

Regions	Average Regular Entitlement Weeks		% of Entitlement Weeks Used		Average Regular Weekly Benefit <sup>2</sup>		% of Earners Who Received EI Benefits
	2007/08	% Change <sup>3</sup>	2006/07 <sup>1</sup>	Δ <sup>4</sup>	2007/08	% Change	2006
<b>Newfoundland and Labrador</b>							
St. John's	32.7	-4.2%	60.6	-1.1	\$345	5.8%	21.2%
Newfoundland and Labrador	42.8	0.3%	65.8	-1.5	\$335	4.6%	48.7%
<b>Prince Edward Island</b>							
Prince Edward Island	35.8	-2.0%	66.7	1.6	\$339	3.7%	34.5%
<b>Nova Scotia</b>							
Eastern Nova Scotia	38.6	-1.0%	64.0	-1.3	\$337	1.8%	35.6%
Western Nova Scotia	35.8	1.7%	64.2	0.6	\$329	3.2%	24.8%
Halifax	27.7	0.4%	62.7	-2.8	\$325	3.6%	13.5%
<b>New Brunswick</b>							
Fredericton–Moncton–Saint John	28.4	-3.4%	62.2	-0.3	\$321	2.9%	17.2%
Madawaska–Charlotte	36.9	-4.9%	59.4	2.8	\$344	4.2%	32.2%
Restigouche–Albert	40.1	-1.5%	64.5	1.4	\$340	4.0%	41.5%
<b>Quebec</b>							
Gaspésie–Îles-de-la-Madeleine	42.2	0.0%	64.5	0.4	\$348	2.8%	45.3%
Québec	26.8	0.4%	57.7	-1.8	\$341	3.7%	17.1%
Trois-Rivières	34.9	-4.1%	54.6	0.7	\$351	3.8%	21.0%
Quebec Centre South	28.2	2.5%	53.2	-3.0	\$329	4.2%	25.2%
Sherbrooke	30.2	2.4%	55.5	-0.4	\$331	4.0%	20.7%
Montréal	31.2	4.3%	58.1	-2.6	\$339	4.3%	20.1%
Montréal	31.6	-4.2%	60.8	0.2	\$335	3.9%	16.0%
Central Quebec	35.6	-1.1%	56.9	1.1	\$348	3.6%	24.9%
North Western Quebec	37.7	-0.5%	60.6	1.3	\$361	3.3%	27.8%
Bas-Saint-Laurent–Côte-Nord	38.8	1.6%	58.0	0.4	\$356	4.2%	30.9%
Hull	26.7	-6.0%	59.2	-2.7	\$356	5.8%	13.8%
Chicoutimi–Jonquière	35.2	-3.8%	56.2	0.0	\$357	4.3%	25.8%
<b>Ontario</b>							
Ottawa	28.3	-5.0%	60.0	-0.3	\$354	3.5%	8.8%
Eastern Ontario	30.1	0.0%	58.9	-1.8	\$336	1.5%	14.2%
Kingston	28.5	-1.4%	59.1	-1.7	\$336	3.2%	11.1%
Central Ontario	28.1	-0.7%	57.8	-1.1	\$347	3.5%	12.5%
Oshawa	29.8	-2.6%	47.2	-1.2	\$381	6.6%	13.0%
Toronto	30.5	-2.9%	63.0	-0.7	\$350	3.1%	10.6%
Hamilton	29.5	2.8%	59.9	-0.7	\$354	2.9%	10.7%
St. Catharines	28.1	-6.0%	59.9	0.7	\$338	3.5%	14.2%
London	30.0	-0.3%	53.5	-1.8	\$360	1.9%	12.0%
Niagara	32.3	-1.8%	54.6	0.8	\$346	3.0%	14.0%
Windsor	35.2	6.0%	46.0	2.1	\$367	1.5%	17.2%
Kitchener	29.1	1.7%	59.9	-0.4	\$361	5.2%	11.4%
Huron	30.6	-3.2%	57.6	4.0	\$355	1.3%	14.3%
South Central Ontario	28.7	0.0%	54.6	0.9	\$352	2.7%	11.4%
Sudbury	34.4	-2.8%	53.8	-3.6	\$366	4.7%	14.8%
Thunder Bay	31.2	4.3%	55.5	-2.1	\$370	1.5%	14.6%
Northern Ontario	38.5	4.1%	56.2	-0.6	\$361	2.4%	16.6%

**Annex 4.2 • Community Profiles – Part II (continued)**

Regions	Average Regular Entitlement Weeks		% of Entitlement Weeks Used <sup>1</sup>		Average Regular Weekly Benefit <sup>2</sup>		% of Earners Who Received EI Benefits
	2007/08	% Change <sup>3</sup>	2006/07 <sup>1</sup>	△ <sup>4</sup>	2007/08	% Change	2006
<b>Manitoba</b>							
Winnipeg	28.0	1.8%	55.5	-1.5	\$332	1.7%	10.7%
Southern Manitoba	26.4	-4.0%	58.4	0.1	\$323	3.5%	12.7%
Northern Manitoba	42.3	0.7%	58.9	0.9	\$338	4.0%	16.9%
<b>Saskatchewan</b>							
Regina	27.7	1.1%	53.2	-3.0	\$348	1.6%	8.8%
Saskatoon	27.4	1.1%	54.6	-3.3	\$347	5.4%	9.5%
Southern Saskatchewan	27.4	-4.2%	58.4	0.7	\$334	2.7%	11.3%
Northern Saskatchewan	42.5	-0.9%	53.1	3.0	\$363	3.0%	15.3%
<b>Alberta</b>							
Calgary	28.9	0.7%	54.2	-3.2	\$378	4.3%	8.3%
Edmonton	28.5	0.0%	53.1	-2.7	\$379	3.0%	8.9%
Northern Alberta	33.4	-5.1%	57.5	2.9	\$388	4.0%	11.9%
Southern Alberta	28.2	1.4%	55.7	-1.2	\$368	4.9%	8.9%
<b>British Columbia</b>							
Southern Interior B.C.	28.8	-11.9%	59.4	3.4	\$357	5.2%	14.3%
Abbotsford	25.0	1.2%	68.2	-1.8	\$304	2.0%	15.7%
Vancouver	27.5	-2.8%	64.6	0.2	\$342	4.3%	10.3%
Victoria	27.5	0.4%	56.0	-3.6	\$356	3.9%	9.4%
Southern Coastal B.C.	27.4	-21.0%	63.4	8.6	\$375	5.3%	15.1%
Northern B.C.	35.7	-1.4%	57.9	3.3	\$385	3.3%	15.8%
<b>Territories</b>							
Yukon	43.9	0.5%	50.2	-1.0	\$388	-0.6%	16.9%
Northwest Territories	43.9	0.7%	54.1	-0.6	\$393	-0.9%	13.1%
Nunavut	43.7	0.7%	60.8	8.0	\$389	3.0%	13.5%
<b>NATIONAL</b>	<b>32.2</b>	<b>-1.8%</b>	<b>59.7</b>	<b>-0.1</b>	<b>\$347</b>	<b>3.7%</b>	<b>14.6%</b>

Source: EI administrative data.

<sup>1</sup> Data on claim duration are for claims established in 2006/07 to ensure all claims were completed.

<sup>2</sup> Takes into account Family Supplement top-ups paid to regular claimants.

<sup>3</sup> Percentage growth between 2006/07 and 2007/08.

<sup>4</sup> Percentage point difference between 2005/06 and 2006/07.

# 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 2007, 82.3% 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; 56.1% were receiving benefits during the survey reference week.

**Reliability:** At a confidence level of 95% (19 times out of 20), the 82.3% coverage figure is accurate within plus or minus 2.7 percentage points. Only estimates deemed to be reliable according to Statistics Canada's guideline of a coefficient of variation below 16.5% are used and reported.

**Availability:** Findings for the 2007 EICS are available on Statistics Canada's web site at <http://www.statcan.gc.ca/daily-quotidien/080724/tdq080724-eng.htm>.

## 2. New Entrants/Re-Entrants and Immigrants

**Author:** *Strategic Evaluation, Human Resources and Skills Development Canada (HRSDC)*

**Objective:** This study looks at the impact of the new entrant/re-entrant (NERE) provision on immigrants. It tests the hypothesis that recent immigrants are more likely to be subject to the NERE requirements, given that they are new to Canada. Thus, they may be less likely to be eligible for Unemployment Insurance (UI) or EI benefits. In addition, this paper compares the benefit receipt rates of immigrants and Canadian-born workers.

**Methodology:** The analysis uses Canadian census data from 1981 to 2001. Individuals who were under 15 or over 64 at the time of the census have been excluded from the sample, since these age groups have low labour force participation. The sample is also restricted to those who received employment earnings in the year prior to the census year. Descriptive statistical techniques are used to compare receipt of UI/EI benefits by immigrant workers and by Canadian-born workers, and receipt of UI/EI benefits by recent immigrants and by immigrants who have been in Canada longer.

### Key Findings:

- The benefit receipt rates for recent immigrants appear to support the hypothesis that those most likely to be NEREs—very recent immigrants, who had immigrated within the previous two years—had lower benefit receipt rates than immigrants who had been in Canada longer. However, it is unclear whether this was due to the NERE rules or due to the weaker labour force attachment of more recent immigrants.

**TABLE 1: Eligibility for EI Benefits,  
2007 Employment Insurance Coverage Survey (EICS)**

	Eligibility Rate for Unemployed With Recent Job Separation That Met EI Criteria <sup>1</sup> (%)	Receipt Rate for Unemployed With Recent Job Separation That Met EI Criteria <sup>1</sup> (%)
<b>Overall</b>	82.3	56.1
<b>Gender</b>		
Women	81.0	56.8
Men	83.1	55.7
<b>Age and Gender</b>		
Unemployed youth (15 to 24 years old)	45.9	26.8
Unemployed adult women (25 to 69 years old)	87.7	61.7
Unemployed adult men (25 to 69 years old)	90.4	61.9
<b>Region</b>		
Atlantic	90.6	75.1
Quebec	82.0	61.7
Ontario	81.7	46.8
Prairies	74.3	49.3
British Columbia	80.9	60.1
<b>Full-Time/Part-Time Employment Status Over the Last 12 Months</b>		
Unemployed who worked part time only in the last 12 months	33.6	11.5
Unemployed who worked full time only in the last 12 months	90.0	65.8
Unemployed who worked part time and full time in the last 12 months	81.0	51.0
<b>Work Pattern of Last Employment</b>		
<i>Permanent</i>		
Full time	91.1	60.6
Part time	56.3	32.2
<i>Non-permanent</i>		
Seasonal	84.4	68.1
Other non-standard <sup>2</sup>	65.2	40.6
<b>Immigrant Status</b>		
Canadian-born	80.6	56.5
Immigrants	87.6	55.7

<sup>1</sup> 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.

<sup>2</sup> "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.

- The longer that immigrants lived in Canada, the more likely it was that their labour force performance and earnings would improve, thus reducing their dependence on transfer payments such as UI/EI. For instance, there was a noticeable drop-off in benefit receipt rates for immigrants who had been in Canada for 11 years or more. Also, benefit receipt rates appeared to be lowest among immigrants who arrived in Canada at a young age and had, therefore, been in Canada for a prolonged period.
- When the sample of workers was restricted to those residing in one of the seven census metropolitan areas (CMAs), immigrants had a higher benefit receipt rate than Canadian-born workers in each of the CMAs. However, the opposite was true outside these CMAs.

**Reliability:** An external academic peer reviewed this study.

**Availability:** This report is being prepared for public release.

### 3. Potential EI Eligibility of Paid Workers in December 2006

**Authors:** *Constantine Kapsalis and Pierre Tourigny, Data Probe Economic Consulting Inc.*

**Objective:** The study provides an estimate, using the Survey of Labour and Income Dynamics (SLID), of the proportion of employees who would have sufficient insurable hours to be eligible for EI benefits if they were to lose their job or quit with just cause. The report also provides the data used in Chapter 5 on potential access to special benefits among the employed population.

**Methodology:** The SLID is a longitudinal Statistics Canada survey that follows individuals over six consecutive years. Every three years, a new panel of individuals is added to the survey. The SLID provides information on people and their jobs, including weekly labour force activity, characteristics of each job held in a year, and personal, family and household characteristics. Coverage measures from the SLID are determined using a simulated scenario on the paid employed population.

### Key Finding:

- Simulations indicate that 87.8% of individuals who were working as paid employees in December 2006 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 87.0% in Ontario to 89.8% in British Columbia. Table 2 provides more detailed findings.

**Reliability:** At a confidence level of 95% (19 times out of 20), the 87.8% 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/070719/be070719a-eng.htm>.

### 4. ROE-Based Measures of Eligibility

**Author:** *Strategic Evaluation, HRSDC*

**Objective:** This study provides evidence to answer three questions: What percentage of individuals with job separations are eligible for EI? What percentage of EI contributors receive EI upon unemployment? Did EI reform have a disproportionate impact on any particular group?

**Methodology:** This technical report examines two measures of EI eligibility. The first measure is the percentage of Records of Employment (ROEs) with enough hours of employment to have met the Variable Entrance Requirement (VER), calculated two different ways: the percentage of ROEs that met the VER using the insured hours from only one ROE, and the percentage of ROEs that met the VER using combined insured hours from the last 52 weeks (using multiple ROEs). The second measure is the percentage of ROEs that led to an EI claim, also calculated two different ways: the percentage of ROEs that led to a claim any

**TABLE 2: Simulated EI Eligibility<sup>1</sup> as a Proportion of Employees in December, Using the Survey of Labour and Income Dynamics (SLID), Various Groups, December 2006**

	December 2006 (%)
All Employees	87.8
<b>Sex</b>	
Women	84.5
Men	91.0
<b>Age and Sex</b>	
Employed youth (17 to 24 years old)	66.1
Employed adult women (25 years old and older)	88.5
Employed adult men (25 years old and older)	94.4
<b>Region</b>	
Atlantic	89.5
Quebec	88.8
Ontario	87.0
Prairies	87.5
British Columbia	89.8
<b>Full-Time/Part-Time Employment Status Over the Last 12 Months</b>	
Employed who worked part time only in the last 12 months	52.4
Employed who worked full time only in the last 12 months	94.9
Employed who worked part time and full time in the last 12 months	90.3
<b>Sex and Full-Time/Part-Time Employment Status Over the Last 12 Months</b>	
<i>Employed who worked full time only in the last 12 months</i>	
Women	94.6
Men	95.2
<i>Employed who worked part time only in the last 12 months</i>	
Women	53.5
Men	49.5
<i>Employed who worked part time and full time in the last 12 months</i>	
Women	90.8
Men	89.6

<sup>1</sup> Simulated scenario: Individuals with paid employment in December 2006 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.

time after the ROE was issued, and the percentage that led directly to a claim (within five weeks of job loss). Each measure was calculated separately for workers who lost their job due to layoffs.

### Key Findings:

- The overall percentage of ROEs that met the VER, combining weeks and hours from ROEs in the last 52 weeks, generally decreased during the period from 1992 to 2007, starting at 84.3% in 1992 and decreasing to 70.2% by 2007. During this period, the overall percentage of ROEs that met the VER followed the same decreasing trend as the unemployment rate.
- The ROE-based measure of eligibility based on a fixed 700-hour threshold presented little variation across unemployment rate groupings. When measured against the VER, however, eligibility was higher in regions of high unemployment than in regions of low unemployment.
- The percentage of ROEs that met the VER tended to be relatively similar across provinces in 2007 but varied more across economic regions. For example, the percentage of ROEs that met the VER ranged from 61.3% in Québec City to over 90% in parts of the Atlantic provinces, the Gaspésie/Iles de la Madeleine in Quebec and parts of Ontario.

**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 being prepared for public release.

## 5. Hours Polarization Revisited

**Author:** *Jeannine Usalca, Statistics Canada*

**Objective:** This study looks at the changes occurring in worked hours as well as in the work-hour distribution.

**Methodology:** The study uses the LFS to look at the average usual hours worked per week at one's primary job.

### Key Findings:

- Between 1997 and 2006, the number of part-time hours worked increased, and the number of full-time hours worked decreased, though the prevalence of part-time workers declined over the period.
- During the same time period, there was a reduced number of people working fewer than 15 hours per week or working more than 49 hours per week.
- Trends in Canada's usual average hours worked per week were quite similar to those in other countries, as most countries in the Organisation for Economic Co-operation and Development (OECD) observed declines in the proportion of people working long hours.

**Reliability:** This study was published in *Perspectives on Labour and Income*, Volume 9, Number 3, March 2008, pages 5 to 15.

**Availability:** This study can be found on Statistics Canada's web site at <http://www.statcan.gc.ca/pub/75-001-x/2008103/pdf/10534-eng.pdf>.

## 6. Duration of Non-Standard Employment

**Authors:** *Costa Kapsalis and Pierre Tourigny, Statistics Canada*

**Objective:** This study examines the duration of non-standard employment for three groups: self-employed individuals, employees who have permanent part-time jobs, and temporary workers who work either full or part time.

**Methodology:** Using the SLID from 1999 to 2001, the study observes durations of non-standard employment from a longitudinal perspective.

### Key Findings:

- Most Canadians were involved in standard employment. However, those who were new to the workforce or returning after a period of unemployment were more likely to engage in non-standard employment.

- Many workers chose non-standard employment as a personal preference, but there were still some who would prefer permanent full-time employment, if it were available to them.
- The potential negative effects of non-standard employment (e.g. lower earnings) were often mitigated by many individuals opting for self-employment, temporary work or part-time work as a gateway to standard employment.

**Reliability:** This study was published in *Perspectives on Labour and Income*, Volume 5, Number 12, December 2004, pages 5 to 13.

**Availability:** This study can be found on Statistics Canada's web site at <http://www.statcan.gc.ca/pub/75-001-x/11204/7746-eng.pdf>.

## 7. Participation of Older Workers

**Authors:** *Katherine Marshall and Vincent Ferrao, Statistics Canada*

**Objective:** This study looks at labour market trends and employment patterns among individuals between the ages of 55 and 64.

**Methodology:** The LFS is used to look at the labour market trends of older workers.

### Key Findings:

- A higher proportion of workers aged 55 to 64 were self-employed than core-age workers were. However, the majority of older workers were full-time employees.
- Older employees tended to be absent more frequently from their jobs, because of illness or disability, than their core-age counterparts.
- During the past decade, the participation rate of men and women aged 55 to 64 climbed steadily to 60%. The increasing number of older workers choosing to work instead of retiring may soften the eventual economic impact of the aging baby boomer cohort retiring.

**Reliability:** This study was published in *Perspectives on Labour and Income*, Volume 8, Number 8, August 2007, pages 5 to 11.

**Availability:** This study can be found on Statistics Canada's web site at <http://www.statcan.gc.ca/pub/75-001-x/75-001-x2007108-eng.pdf>.

## 8. Supporting and Engaging Older Workers in the New Economy

**Author:** *Expert Panel on Older Workers, HRSDC*

**Objective:** This report considers the current situation and future prospects of older workers, as of summer 2007.

**Methodology:** The consultation and research functions of the Secretariat for the Expert Panel on Older Workers supported the panel's work. The panel took a broad approach to consultation with provincial and territorial governments; interested stakeholders from private, not-for-profit and other non-governmental sectors; academics; and international experts.

### Key Findings:

- Older workers are an increasingly important part of the Canadian economy, especially due to the aging of the baby boomer population.
- Workers aged 55 and older have generally fared well in the Canadian labour market; however, once displaced from their job, older workers are more likely to be unemployed longer.
- The participation of older workers in the labour market will become a key determinant of labour supply in the future, due to the proportion of these workers in the population.
- Many older workers participate in non-standard forms of employment because it suits their post-retirement lifestyle, though some would still prefer standard full-time employment, if it were available to them.



**Reliability:** The panel submitted this study to the Minister of HRSDC in summer 2007.

**Availability:** This study can be found at [http://www.hrsdc.gc.ca/en/publications\\_resources/Imp/cow/2008/older\\_workers\\_2008.pdf](http://www.hrsdc.gc.ca/en/publications_resources/Imp/cow/2008/older_workers_2008.pdf).

## 9. Fathers' Use of Paid Parental Leave

**Author:** *Katherine Marshall, Statistics Canada*

**Objective:** This study looks at paid leave for new fathers and compares the EI parental benefits program with the Quebec Parental Insurance Plan (QPIP) and programs in other countries.

**Methodology:** This article uses the 2006 EICS to analyze the Canadian paid parental leave program.

### Key Findings:

- In 2006, 56% of eligible fathers in Quebec claimed benefits, for an average of 7 weeks, compared with 11% of fathers outside Quebec, who did so for an average of 17 weeks.
- Fathers were significantly more likely to claim benefits if they lived in Quebec and if they had a co-claiming spouse who earned the same or more than they did. Over half of fathers outside Quebec who claimed parental leave benefits were the sole person in the household to do so.
- The most common reason for eligible fathers not claiming benefits was family choice (40%), followed by difficulty taking time off work (22%) and financial issues (17%).
- Internationally, 13 of 20 OECD countries have national paid parental leave programs with at least two weeks available to the father. Of these, 9 use legislation to encourage fathers' participation.

**Reliability:** This study was published in *Perspectives on Labour and Income*, Volume 9, Number 6, June 2008, pages 5 to 14.

**Availability:** This study can be found on Statistics Canada's web site at <http://www.statcan.gc.ca/pub/75-001-x/2008106/pdf/10639-eng.pdf>.

## 10. Use of EI Sickness Benefits

**Author:** *Strategic Evaluation, HRSDC*

**Objective:** The report examines the situation of individuals who exhausted all 15 weeks of sickness benefits. It tracks these individuals to determine how long they remained away from work and what sources of income they relied on.

**Methodology:** The paper uses data from the Canadian Out-of-Employment Panel (COEP) survey, linked with EI administrative data from ROEs and a database of EI claims and beneficiaries, from October 2004 to September 2006. This report closely examines EI sickness claimants, specifically those who exhaust their benefits. It looks at claimant characteristics, sources of income while ill and time spent away from work. Statistical estimation techniques are used to determine the probability that an individual will collect and exhaust his or her EI sickness benefits.

### Key Findings:

- EI sickness claimants who exhausted their benefits comprised roughly 2% of all job separators. About 30% of all sickness claimants exhausted all 15 weeks of sickness benefits.
- Sickness claimants who exhausted their benefits spent far longer away from work than either sickness claimants in general or the sample of all job separators. On average, sickness claim exhaustees were without employment for close to 50 consecutive weeks, compared with about 27 weeks for all job separators and 30 to 39 weeks for all sickness claimants.
- Sickness claim exhaustees were more likely to be relying on other types of government funding one year after receiving a ROE. Between 9% and 10% of sickness claim exhaustees listed social assistance as their main source of income one year later, while for

job separators and sickness claimant non-exhaustees, the figure was less than 3%. As well, between 10% and 13% of sickness claimants exhaustees listed other government funding—such as Canada Pension Plan (CPP) Disability or Workers Compensation—as their main source of income one year later, far higher than the figure of 5% or less for job separators and sickness claimant non-exhaustees.

- Exhaustion rates for EI sickness benefits varied significantly by industry. For example, some 5.5% of all job separators worked in health care, while 35.7% of pure sickness claim exhaustees worked in health care.
- EI sickness benefit exhaustees were more likely to be women and over 54, and less likely to be married with children. The most notable result was that those who were married with children were far less likely to have exhausted their sickness benefits, while those with a disability were far more likely to have done so.

**Reliability:** An external academic peer reviewed this study.

**Availability:** This report is being prepared for public release.

## 11. Compassionate Care Benefits

**Author:** *Strategic Evaluation, HRSDC*

**Objective:** This report provides an analysis of the compassionate care benefits (CCB). It also provides a socio-economic profile of CCB recipients and the characteristics of the care receivers. Data are updated from previous reports.

**Methodology:** The analysis in this report is based on multiple data sources, including EI administrative data and the compassionate care medical certificate database. Descriptive statistical techniques are used to examine aggregate information on compassionate care claimants and caregivers in terms of gender, age, region, location of caregivers, amount of EI benefits, duration of EI benefits and so on.

### Key Findings:

- In 2007/08, close to three quarters of individuals who received CCB were women and over one quarter (28.5%) were men. Women represented around 47.1% of the labour force in 2008. It appears that men were 9.5% less likely to collect CCB than were women.
- Men had an acceptance rate of around 61.7% compared with 71.2% for women. The acceptance rate seems to increase with the age of the claimants. The acceptance rate was 40.8% for young workers (15 to 24 years old) compared with over 65% for workers older than 45. This difference is mainly related to the age of the care receivers (patients).
- By industry in 2007/08, 22.1% of CCB claimants worked in wholesale trade, retail trade or food services; 15.5% in health and social services; 16.0% in financial services; and 15.0% in manufacturing.
- The distribution of CCB claimants by industry differed somewhat from the distribution of workers in the labour force by industry. For instance, health and social services workers represented 10.7% of the labour force, 4.8 percentage points lower than their proportion among CCB recipients. Such differences indicate that the type of work may have been a factor in the provision of care. These differences might have also been related to the percentage of women or men working in these industries. Government workers, and those working in health and social services or other services, had the highest acceptance rate.

**Reliability:** This is an update of an earlier study. There was no external academic peer review of this study.

**Availability:** This report is being prepared for public release.

## 12. An Evaluation Overview of Seasonal Employment

**Author:** *Strategic Evaluation, HRSDC*

**Objective:** Few evaluations have dealt directly with the topic of seasonal workers, although some have contained results somewhat relevant to the issue of seasonal work. The goal of this report is to draw firm conclusions on the subject of seasonal work. The paper assesses the extent of seasonal work and profiles seasonal workers and the nature of seasonal work from an evaluation perspective, with a focus on the impact of EI reform on seasonal work.

**Methodology:** This study uses COEP survey data from October 2004 to September 2006 to provide descriptive analysis regarding the impact of EI on seasonal workers. It also reviews previous evaluation projects and draws conclusions on how EI affects seasonal workers in Canada.

### Key Findings:

- Seasonal workers make up a distinctive portion of the labour market. They are more likely to be men, have a lower level of education and have fewer family dependants.
- No apparent differences were noted between seasonal workers and non-seasonal workers with regard to length of unemployment or duration of EI benefits. In addition, evaluations have shown that some seasonal workers have adjusted their weeks of employment as a result of the new rules implemented with the EI reforms. As suspected, the industries whose employees received more in benefits than they paid in premiums tended to be seasonal.
- The move to the hours system encouraged seasonal workers to work more hours per week over shorter periods of time, resulting in higher benefit entitlements for this group. Another benefit of the move to the hours system was a decline in the number of seasonal workers who experience periods when they are neither collecting EI benefits nor receiving employment income.

**Reliability:** An external academic peer reviewed this study.

**Availability:** This report is being prepared for public release.

## 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:** The study provides a detailed description of 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 claimants in, and outside, the pilot regions to assess how the different groups of claimants 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 and a database of EI claims and beneficiaries, for the period of 2005 to November 2007. This combined data set contains detailed information on the employment history of job separators, along with questions designed specifically for non-standard workers.

### Key Findings:

- Best 14 Weeks pilot project: This pilot project applied to all claimants, not just regular claimants. It benefited almost two thirds (63%) of all claimants in the pilot regions—in other words, they received higher benefits than they would have received without the pilot project. The pilot project particularly benefited youth aged 18 to 24, women, part-time workers, low-skilled workers and workers in low-income families. Of all those who benefited from the pilot project, 84% had at least one of the above characteristics.
- NERE pilot project: This pilot project applied to regular claimants only. About 10% of all regular claimants in the pilot regions during the pilot period were NEREs. Of them, about 15% qualified for

benefits with 840 to 909 insured hours and, therefore, benefited from the NERE pilot project. So the NERE pilot project benefited about 1.5% (10% x 15%) of all regular claimants in the pilot regions. NEREs were more likely than the wider pool of regular claimants to be young, single and in a low-income family; to not own their home; and to have a temporary, non-seasonal job. Of all NEREs in the pilot regions, 86% had at least one of the above characteristics. Within the NERE population, the pilot project tended to benefit people in the Atlantic region, low-skilled workers and urban residents most.

- **Working While on Claim pilot project:** This pilot project applied to all claimants, except maternity and sickness benefit claimants. Almost three quarters (71%) of claimants (excluding maternity and sickness benefit claimants) in the pilot regions had at least one week of earnings while on claim. Over half of these claimants (or 40% of all claimants) received reduced benefits as a result of working on claim and, most likely, benefited from the pilot project. The pilot project tended to benefit part-time workers, workers aged 35 to 44, women and non-seasonal temporary workers most. Of all those who benefited from the pilot, 76% had at least one of the above characteristics.

**Reliability:** This is a technical report prepared for the evaluation of the three EI pilot projects. An external academic peer reviewed this study.

**Availability:** This report is being prepared for public release.

## 14. What Works and for Whom: A Review of OECD Countries' Experiences With Active Labour Market Policies

**Authors:** *John P. Martin and David Grubb, 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 themselves 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 from the variety of studies are not always clear, conclusions must be drawn with caution.

### Key Findings:

- The OECD study says that 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 to 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 business (self-employment assistance) appeared to succeed 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>.

## 15. 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 in 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*, Volume 32, Number 3, summer 1997, pages 549 to 576.

**Availability:** This study can be found in the *Journal of Human Resources* at <http://web.ebscohost.com/ehost/pdf?vid=2&hid=12&sid=77af0f33-5680-4b2a-9673-a22d850eb03a%40sessionmgr104>.

## 16. From Welfare to Work

**Authors:** Judith M. Gueron and Edward Pauly, with Cameran 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. These services almost always led to more people working but did not increase the amount people earned while employed.
- 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.

## 17. Summary and Findings of the National Supported Work Demonstration

**Authors:** *Board of Directors, Manpower Demonstration Research Corporation*

**Objectives:** This paper presents the results of a five-year demonstration and research study on supported work for hard-to-employ individuals, such as women who have received AFDC for many years; ex-addicts; ex-offenders; and young school dropouts, often with criminal records or histories of delinquency.

**Methodology:** This study involves behavioural (impact) analysis, benefit-cost analysis and process/documentation analysis. It assesses impacts and benefits using random assignment, which began in March 1975 and ended in July 1977. The study sample includes a total of 6,616 individuals (3,214 participants and 3,402 controls).

### Key Findings:

- Supported work enhanced the employability and earnings of long-term AFDC recipients, and reduced their dependence on welfare payments. Many in the group sought and obtained jobs and remained employed, even though their earnings were substantially offset by loss of welfare benefits. The cost-benefit analysis reveals that the net benefits to society were considerable because of the employment and earnings gains of participants in the post-program period and the value of the goods and services they produced.
- Among participants who were followed for 36 months, the study suggests that participating in the program improved employment and earnings for ex-addicts, between the 27<sup>th</sup> and 36<sup>th</sup> months, relative to the comparison group. For this group, the benefits of the program exceeded the costs when the gains from a reduction in destructive behaviour—especially drug-related and other

criminal offences—were added to those resulting from increased employment and earnings, and from the value of the goods the supported workers produced while in the program.

- The participants in the ex-offenders group had better employment and earnings results than the control group after 27 months, but the difference was not statistically significant. In addition, criminal behaviour did not decrease among participants in this group.
- No significant long-term impact on earnings, employment, criminal activity or drug abuse was found for the youth group. Also, the program's benefits for this group fell short of its cost. The data suggest that the younger segment of the youth group benefited more from the program than the older participants did.

**Reliability:** The Manpower Demonstration Research Corporation published this paper.

**Availability:** This paper can be found at <http://www.mdrc.org/publications/316/full.pdf>.

## 18. National Apprenticeship Survey

**Authors:** *Marinka Ménard and Frank Menezes, Statistics Canada; Cindy K.Y. Chan and Merv Walker, Gordon Group*

**Objective:** This survey looks at the issues that affect the completion of apprenticeships, apprentices' certification and the transition of apprentices into the labour market.

**Methodology:** The National Apprenticeship Survey (NAS) of 2007 is a cross-sectional survey designed to collect data directly from Canadian apprentices.

### Key Findings:

- Apprenticeship registrations have been on the rise, while completion rates have remained unchanged.
- The most common factors influencing initial registration in apprenticeship were interest in or enjoyment of the trade, good salary expectations, and job stability.

- The main obstacles to apprenticeship completions were inconsistent work or a lack of work, as well as a lack of awareness of how the apprenticeship program works.

**Reliability:** Statistics Canada published this survey in June 2008.

**Availability:** This survey can be found on Statistics Canada's web site at <http://www.statcan.gc.ca/pub/81-598-x/81-598-x2008001-eng.pdf>.

## 19. Employer Case Studies for the Evaluation of the EI Premium Reduction Program

**Author:** *Mercer (Canada) Limited*

**Objective:** The objective of this study is to obtain employers' perspective on the Premium Reduction Program (PRP), and to analyze its influence on their decision to adhere to short-term and long-term disability plans.

**Methodology:** Mercer (Canada) Limited undertook an online survey of a sample of employers from across Canada in 2008. The sample of employers was selected to include recent PRP joiners who had not been previously registered, mature PRP participants, recent PRP quitters and non-participants in the PRP. The sample was selected from the EI PRP database and drawn from the full employer file of the Canada Revenue Agency. The sample was randomly selected, with the exception that an effort was made to ensure that each sample contained slightly more observations from the smaller provinces. The survey received a total of 693 responses.

### Key Findings:

- The available evidence suggests that the take-up rate of the PRP is already quite high—probably well over 90%, if expressed in terms of the number of employees covered. However, definitive statistics

on short-term disability plans (by firm size, industry or province) were not available, nor were they available for employers covered by the PRP.

- The existence of the PRP was, in most cases, not a sufficient incentive by itself for employers to offer a short-term disability plan, since the value of the premium reductions was much smaller than the costs of those plans to employers.
- Most short-term disability plans provide benefits that are more generous than those provided by the EI program, with a shorter waiting period, higher benefit rate and longer payment periods. Most employers who offer short-term disability plans also have long-term disability plans.
- Awareness of the PRP was high among the surveyed group of employers, especially among large employers.

**Reliability:** This is a technical report prepared for the evaluation of the EI PRP. An external academic peer reviewed this study.

**Availability:** This report is being prepared for public release.

## 20. EI Payments and GIS System

**Author:** *Strategic Evaluation, HRSDC*

**Objective:** From 1991 to 2001, the number of individuals working while retired increased by more than 40%, based on the Census of Canada. This fact has raised some questions regarding the possible interaction of the EI program and income security programs such as the Guaranteed Income Supplement (GIS). This study analyzes the order of magnitude of the interaction between EI benefits and GIS benefits using the Social Policy Simulation Database and Model (SPSD/M). It profiles seniors and those who are EI or GIS beneficiaries. In particular, the study assesses the impact of the GIS clawback provisions relative to overall individual income for EI claimants. The study also examines the interaction between EI benefits and Old Age Security (OAS) allowances.

**Methodology:** This study uses the 2004 Social Policy Simulation Database and Model (SPSD/M), based on the 1998 Survey of Labour and Income Dynamics (SLID) data and with projections for 2007, as developed by Statistics Canada. The model is a tool designed to analyze the financial interactions of governments and individuals or families in Canada (e.g. through personal taxation and cash transfer systems). This study uses the SPSPD/M to analyze changes to the EI program and GIS program and to measure the impacts of these changes on other programs, and on the income tax of older workers and retirees. In particular, the analysis examines employed and non-employed GIS recipients, determines how much seniors contribute to and collect from EI, and looks at the impact of increasing the EI benefit rate by 5 percentage points.

### Key Findings:

- There is only marginal interaction between the EI program and the GIS program, as both programs affect different groups of seniors. Changes to the EI program generally affect well-educated and well-paid seniors; seniors with less education and lower income are the main users of the GIS program.
- Although seniors (60 years old and older) were net beneficiaries of the EI system, seniors older than 64 paid over twice the amount in EI premiums that they received in EI benefits.

**Reliability:** An external academic peer reviewed this study.

**Availability:** This report is being prepared for public release.

## 21. Employment Insurance Use by Declining Industries

**Author:** *Strategic Evaluation, HRSDC*

**Objective:** This report examines various outcomes related to EI and the labour market to determine whether individuals who lose their jobs in a “declining” industry—particularly those with a long period of industry employment—are as likely to qualify for EI



with a similar number of benefit weeks as those in “stable” industries. The report also analyzes how EI use and labour market outcomes vary across industries, considering the number of weeks used, the average length of unemployment and the proportion of the unemployment period covered by EI.

**Methodology:** The analysis uses COEP survey data, linked with EI administrative data from ROEs and a database of EI claims and beneficiaries, for the period from 2001 to 2006. To carry out the analysis, it was necessary to define a “declining” industry, as there was no standard definition already in place. The four definitions chosen are employment-based measures. Under all definitions, “declining” industries include agriculture, manufacturing, utilities and other services.

### Key Findings:

- There were no significant differences in EI use and accessibility between industries defined as “declining” and “stable.”
- Differences in EI use and accessibility existed mainly between those individuals with high and low attachment to a specific industry.
- The summary statistics suggest that those with higher attachment tended to be better off in terms of EI coverage and labour market outcomes. A more in-depth analysis is less conclusive, with many industries often exhibiting statistically insignificant differences.

**Reliability:** An external academic peer reviewed this study.

**Availability:** This report is being prepared for public release.

## 22. EI and Occupational Shortages and Surpluses

**Author:** *Strategic Evaluation, HRSDC*

**Objective:** This paper examines whether occupational labour market imbalances affect access to the EI program. Workers in occupations with a surplus of employees will generally experience a higher risk of becoming

unemployed and have more difficulty accumulating enough hours of insured employment than those in occupations with a shortage of employees. The study examines the extent to which individuals in different occupations — that is in occupations with a shortage or surplus, or in a balanced market — could access the EI program, the duration of their benefits and their exhaustion rate.

**Methodology:** The paper applies the U.S. Bureau of Labour Statistics (BLS) methodology to define labour market occupational shortage or surplus. It uses LFS data to define shortage and surplus occupations. The data used in the study are based on COEP survey results from 1999 to 2005. This paper uses advanced statistical analysis to examine the correlation between occupational labour market status (shortage or surplus), probable eligibility for EI benefits and probable exhaustion of EI benefits. The analysis also examines the relationship between occupational labour market status and total weeks of collecting EI benefits.

### Key Findings:

- The EI system did not provide more assistance for those in occupations with a surplus of employees. The eligibility rate was 72.7% in occupations with a surplus of employees and 81.0% in occupations with a shortage of employees. The eligibility rate for unemployed individuals in occupations in balance was 74.6%.
- The average duration of EI benefits for unemployed individuals in occupations with a shortage of employees was similar to the average duration for unemployed individuals in occupations with a surplus of employees.
- The rate at which claimants exhausted their EI benefits was similar across occupational categories, whether the market had an employee shortage or surplus, or was in balance.

**Reliability:** An external academic peer reviewed this study.

**Availability:** This report is being prepared for public release.

## 23. Interprovincial Mobility and Earnings

**Authors:** *André Bernard, Ross Finnie and Benoît St-Jean, Statistics Canada*

**Objective:** This study looks at interprovincial migration longitudinally to identify factors that affect the probability that someone will move and to quantify the labour market gains associated with migration. It also compares the situations of migrants and non-migrants.

**Methodology:** This paper uses data from the Longitudinal Administrative Data file from 1992 to 2004. The analysis provides empirical evidence of the influence of many personal and environmental characteristics on the probability of moving. The analysis includes measures of earnings, the unemployment rate in the province of origin, and the receipt of EI and social assistance.

### Key Findings:

- Two important sets of factors that might have influenced mobility decisions were personal and labour market characteristics. Among the personal characteristics that played an important role in the decision to migrate, the three most important ones were age, language and family situation.
- People with low earnings, or who were receiving EI or social assistance, were more likely than others to leave a province. On average, each time a province's unemployment rate rose by 1 percentage point, the probability of residents leaving rose by 10%.
- Men who migrated experienced an average earnings growth of 15% in the year after migration—almost twice as much as non-migrants (8%). The average earnings growth for women who migrated was 12% compared with 8% for non-migrants.

**Reliability:** This study was published in *Perspectives on Labour and Income*, Volume 9, Number 10, October 2008, pages 15 to 25.

**Availability:** This study can be found on Statistics Canada's web site at <http://www.statcan.gc.ca/pub/75-001-x/2008110/pdf/10711-eng.pdf>.

## 24. Policy-Induced Internal Migration: An Empirical Investigation of the Canadian Case

**Authors:** *Kathleen M. Day and Stanley L. Winer*

**Objective:** This study aims to investigate the influence of public policy on interprovincial migration in Canada.

**Methodology:** The study uses aggregated migration data from personal income tax files from 1974 to 1996.

### Key Finding:

- The prime determinants of interprovincial migration were differences in earnings, employment prospects and moving costs.

**Reliability:** The CESifo Group published this paper as Working Paper Series Number 1605.

**Availability:** This paper can be found through CESifo at [http://portal.ifo.de/pls/guestci/download/CESifo%20Working%20Papers%202005/CESifo%20Working%20Papers%20November%202005/cesifo1\\_wp1605.pdf](http://portal.ifo.de/pls/guestci/download/CESifo%20Working%20Papers%202005/CESifo%20Working%20Papers%20November%202005/cesifo1_wp1605.pdf).

## 25. Chronic Rigidity: The East's Labour Market Problem and How to Fix It

**Author:** *Yvan Guillemette, C.D. Howe Institute*

**Objective:** This study examines the rigidity in Canada's labour market. It looks at how the economy can create employment at a rapid pace, while observing that individuals do not readily move to regions where jobs are available, leaving large pockets of unemployment.

**Methodology:** The author uses a measure of the dispersion of regional unemployment rates around the national rate and provides a descriptive analysis of the persistent disparities in regional unemployment rates, looking at data from 1987 to 2007.

### **Key Findings:**

- Canada's generally good labour market performance over the past several years masks large regional disparities.
- The sources of regional differences in unemployment rates are numerous. Some of these differences are the products of an open economy, with regions having different economic circumstances.
- Persistent unemployment within certain regions suggests that there are insufficient incentives for either labour to move out or private capital to move into these regions.

**Reliability:** The C.D. Howe Institute published this study.

**Availability:** This study can be found on the C.D. Howe Institute's web site at [http://www.cdhowe.org/pdf/ebrief\\_51.pdf](http://www.cdhowe.org/pdf/ebrief_51.pdf).



# Recent Legislative Changes to Employment Insurance (EI)

## Elements of EI Reform: Bill C-12 (1996 and 1997)

ELEMENT	RATIONALE
<p><b>Reduction in Maximum Insurable Earnings (MIE)</b></p> <ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>
<p><b>Reduced Maximum Benefit Duration</b></p> <ul style="list-style-type: none"> <li>Effective July 1996, the maximum length of a claim was reduced from 50 to 45 weeks.</li> </ul>	<ul style="list-style-type: none"> <li>Reflects the fact that most claimants find work within the first 40 weeks of receiving benefits.</li> <li>Only affects workers in high unemployment regions who work for long spells prior to unemployment.</li> </ul>
<p><b>New Entrants and Re-Entrants</b></p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Discourages a cycle of reliance:             <ul style="list-style-type: none"> <li>ensures that workers, especially young people, develop a significant attachment to the labour force before collecting EI benefits.</li> </ul> </li> <li>Returns insurance principles to the system:             <ul style="list-style-type: none"> <li>workers must make a reasonable contribution to the system before collecting benefits.</li> </ul> </li> <li>Strengthens the relationship between work effort and entitlement to benefits.</li> </ul>
<p><b>Benefit Calculation</b></p> <ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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).</li> <li>Provides an incentive to work in the "shoulder" season.</li> <li>Ensures a better relationship between flow of benefits and normal earnings.</li> </ul>

ELEMENT	RATIONALE
<p><b>Hours-Based System</b></p> <ul style="list-style-type: none"> <li>• Effective January 1997, EI eligibility is based on hours rather than weeks worked.</li> <li>• For regular benefits, claimants need 420 to 700 hours instead of 12 to 20 insured weeks.</li> <li>• For special benefits, claimants need 700 hours instead of 20 insured weeks.</li> </ul>	<ul style="list-style-type: none"> <li>• Is a better measure of time worked.</li> <li>• Removes inequities and anomalies of the weeks system: <ul style="list-style-type: none"> <li>– recognizes the intense work patterns of some employees;</li> <li>– corrects the anomaly that existed under Unemployment Insurance (UI), when 15 hours or 50 hours both counted as one week; and</li> <li>– 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.</li> </ul> </li> <li>• Is fairer and more equitable (i.e., all hours count).</li> </ul>
<p><b>Family Supplement</b></p> <ul style="list-style-type: none"> <li>• Claimants with children and annual net family incomes of up to \$25,921 receive a top-up of their basic insurance benefits.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Better targets assistance to those most in need: <ul style="list-style-type: none"> <li>– the 60% rate under UI was very poorly targeted—about 45% of low-income families did not qualify; and</li> <li>– about 30% of those who did receive the 60% rate had family incomes over \$45,000.</li> </ul> </li> </ul>
<p><b>Allowable Earnings While on Claim</b></p> <ul style="list-style-type: none"> <li>• Effective January 1997, claimants can earn \$50 or 25% of their weekly benefit, whichever is higher.</li> </ul>	<ul style="list-style-type: none"> <li>• Helps low-income claimants.</li> <li>• Encourages claimants to maintain labour force attachment and increase their earnings from work.</li> </ul>
<p><b>Benefit Repayment (Clawback)</b></p> <ul style="list-style-type: none"> <li>• Benefits were repaid at the rate of \$0.30 for every \$1 of net income above the threshold.</li> <li>• 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.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Is fairer and more accurately reflects insurance principles.</li> <li>• Discourages repeat use of EI by those with high levels of annual income.</li> </ul>
<p><b>Intensity Rule</b></p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• The maximum reduction was five percentage points.</li> </ul>	<ul style="list-style-type: none"> <li>• Introduces an element of experience rating to the program, since heavy users of the system bear more of the costs.</li> <li>• 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.</li> <li>• Creates a better balance between contributions made and benefits received.</li> </ul>

ELEMENT	RATIONALE
<p><b>First-Dollar Coverage</b></p> <ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Creates a more equitable and balanced system— all work is insurable.</li> <li>Substantially decreases paper burden for employers.</li> </ul>
<p><b>Premium Refunds</b></p> <ul style="list-style-type: none"> <li>Beginning in 1997, workers earning \$2,000 or less per year have their premiums refunded.</li> </ul>	<ul style="list-style-type: none"> <li>Helps workers who must pay premiums but will not have enough hours to qualify for benefits.</li> </ul>
<p><b>Increased Sanctions for Fraud</b></p> <ul style="list-style-type: none"> <li>Effective July 1996, penalties for fraud by employers and claimants were increased.</li> <li>Effective January 1997, claimants who commit fraud after June 1996 face higher entrance requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Protects the integrity of the EI program.</li> </ul>

### Enhanced Parental Benefits: Bill C-32 (2000)

ELEMENT	RATIONALE
<p><b>Parental Benefits</b></p> <ul style="list-style-type: none"> <li>Effective December 31, 2000, the duration of parental benefits was increased from 10 to 35 weeks.</li> </ul>	<ul style="list-style-type: none"> <li>Helps parents spending time with their child during the critical first year of his or her life.</li> <li>Helps working parents to better balance their work and family responsibilities.</li> </ul>
<p><b>Entrance Requirement</b></p> <ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Improves access to special benefits.</li> </ul>
<p><b>Waiting Period</b></p> <ul style="list-style-type: none"> <li>Effective December 31, 2000, a second parent sharing parental leave is no longer required to serve a second two-week waiting period.</li> </ul>	<ul style="list-style-type: none"> <li>Improves flexibility by allowing parents who share benefits to serve only one waiting period.</li> </ul>
<p><b>Allowable Earnings While on Claim</b></p> <ul style="list-style-type: none"> <li>Effective December 31, 2000, claimants can earn \$50 or 25% of their weekly parental benefit, whichever is higher.</li> </ul>	<ul style="list-style-type: none"> <li>Helps low-income claimants.</li> <li>Improves flexibility by allowing parents to work while receiving parental benefits.</li> </ul>

## A More Responsive EI Program: Bill C-2 (2001)

ELEMENT	RATIONALE
<p><b>Intensity Rule</b></p> <ul style="list-style-type: none"> <li>• Effective October 1, 2000, the intensity rule was eliminated.</li> </ul>	<ul style="list-style-type: none"> <li>• This rule was proven to be ineffective and had the unintended effect of being punitive.</li> </ul>
<p><b>Benefit Repayment (Clawback)</b></p> <ul style="list-style-type: none"> <li>• The following rules now apply, effective retroactive to the 2000 taxation year. <ul style="list-style-type: none"> <li>– First-time claimants of regular or fishing benefits are now exempt from the benefit repayment.</li> <li>– Claimants of special benefits (maternity, parental and sickness benefits) are no longer required to repay any of those benefits.</li> <li>– 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.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Corrects a discrepancy. Analysis indicated that the benefit repayment provision was having a disproportionate impact on middle-income claimants.</li> <li>• Focuses on repeat claimants with high incomes and simplifies the provision.</li> </ul>
<p><b>Re-Entrant Parents</b></p> <ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures that parents returning to the workforce following an extended absence to raise young children are not penalized.</li> </ul>
<p><b>Maximum Insurable Earnings (MIE)</b></p> <ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Corrects a discrepancy. The MIE was higher than the average industrial wage.</li> </ul>



### Access to Special Benefits: Bill C-49 (2002)

ELEMENT	RATIONALE
<p><b>Period to Claim Parental Benefits</b></p> <ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Provides flexibility for parents who choose to wait until their child comes home before collecting parental benefits.</li> </ul>
<p><b>Period to Claim Special Benefits</b></p> <ul style="list-style-type: none"> <li>Effective March 3, 2002, the maximum number of combined weeks of special benefits was increased from 50 to 65 weeks.</li> </ul>	<ul style="list-style-type: none"> <li>Ensures full access to special benefits for biological mothers who claim sickness benefits prior to or following maternity or parental benefits.</li> </ul>

### Compassionate Care Benefits: Bill C-28 (2003)

ELEMENT	RATIONALE
<p><b>Compassionate Care Benefits</b></p> <ul style="list-style-type: none"> <li>Effective January 4, 2004, compassionate care benefits are available to help eligible family members to provide or arrange care for a gravely ill family member who faces a significant risk of death within a 26-week period. The duration of the benefits is up to 6 weeks within the 26-week window.</li> <li>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 6 weeks or decide to share the benefit. Eligible family members can claim weeks of compassionate care benefits concurrently or consecutively.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>