



# Summary: Evaluation of the Canada-Nova Scotia Labour Market Development Agreement



## Program objectives

The Canada-Nova Scotia Labour Market Development Agreement (LMDA) is a bilateral agreement between Canada and Nova Scotia for the design and delivery of Employment Benefits and Support Measures (EBSMs). The objective of EBSMs is to assist individuals to obtain or keep employment.

The following benefits and measures are examined in the evaluation:

- **Skills Development** provides direct financial assistance to individuals to select, arrange, and pay for training. Training is tailored to the needs of participants through counselling and career orientation. It can include adult-based education, literacy and essential skills, language training, short-term training and occupational training leading to certification from an accredited institution.
- **START** helps participants obtain on-the-job work experience by providing employers with a wage subsidy. The incentives paid to the employer are primarily for wages, employer-related costs and training costs.
- **Job Creation Partnerships** support community-oriented projects that provide work experience to participants.
- **Self-Employment** provides financial assistance and business planning advice to participants to help them start their own business.
- **Employment Assistance Services** support individuals as they prepare to enter or re-enter the workforce or assist them to find a better job. Services can include job search services, career development and counselling, and résumé writing assistance.
- **Sector Council Program** aims to support an industry-led approach to human resource development tailored to meet the labour market needs of industry sectors.

- **Research and Innovation** initiatives seek to identify better ways of helping people prepare for, return to or keep employment, and be productive participants in the labour force.



## The LMDA investment

In fiscal year 2020 to 2021, Canada transferred nearly \$101 million to Nova Scotia.



## Evaluation objectives

Building on previous LMDA evaluation cycles, the aim of this evaluation is to fill in knowledge gaps about the effectiveness, efficiency, as well as design and delivery of EBSMs in Nova Scotia.



## Evaluation methodology

The findings are drawn from 8 separate evaluation studies that use a mix of qualitative and quantitative methods, including:

- Incremental impact analysis for participants who began an intervention between 2010 and 2012
- Outcome analysis
- Cost-benefit analysis (including savings to health care)
- Key informant interviews with 43 Nova Scotia program officials, service providers, project holders, sponsors, career practitioners and key stakeholders
- Questionnaires completed by provincial officials
- A survey of Self-Employment participants in Nova Scotia
- Document and literature reviews





## Key findings

Participation in Skills Development and Employment Assistance Services improved labour market attachment and reduced dependence on government income supports compared to similar non-participants. With some exceptions, Skills Development and Employment Assistance Services improved the labour market attachment and reduced use of government income support for most subgroups of participants.

Moreover, the benefits of participation in Skills Development and Employment Assistance Services, accrued by participants and the government, exceeded the costs of investments over time.

The evaluation also found that:

- Based on a survey of participants in the Self-Employment program in Nova Scotia, nearly 45% of respondents launched a business during program participation that was still in operation in winter 2020 (between 2 to 4 years after program completion). What is more, 70% of all respondents maintained or improved their level of income compared to the pre-program period.
- After participating in Skills Development, apprentices increased their employment earnings and decreased their use of government income supports.
- Nova Scotia used Job Creation Partnerships to assist participants in acquiring work experience, leading to the acquisition of new employment-related skills or the improvement in current skills.
- Nova Scotia used the Sector Council Program to support an industry-led approach to human resource development tailored to meet the labour market needs of industry sectors.
- The Research and Innovation support measure was used by Nova Scotia to further develop existing programming or to develop new programming that will either complement or replace existing programming.



## Recommendations

The evaluation made 2 recommendations.

**Recommendation # 1:** Nova Scotia is encouraged to share and discuss lessons learned, best practices and challenges associated with the design and delivery of programs and services. Discussions are encouraged with ESDC, at the bilateral or multilateral levels, as well as with service delivery network if necessary.

**Recommendation # 2:** Nova Scotia is encouraged to pursue efforts to maintain and strengthen data collection provisions in support of reporting, performance measurement and data-driven evaluations at the national and provincial levels.