



Summary: Evaluation of the Canada-New Brunswick Labour Market Development Agreement



Program objectives

The Canada-New Brunswick Labour Market Development Agreement (LMDA) is bilateral agreement between Canada and New Brunswick 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:

- **Training and Skills Development** ensures that case managed individuals, whose employment action plan identifies skill development as being necessary, have access to funding to assist them in achieving their goal.
- **Workforce Expansion - Employer Wage Subsidy** helps participants obtain on-the-job work experience by providing employers with a wage subsidy.
- **Self-Employment Benefit** provides various types of support during the initial development phase of the business including financial assistance, coaching and ongoing technical advice.
- **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 counselling, job search skills, job placement services, provision of labour market information and case management.
- **Adjustment Services and Labour Force Training** assist employers, communities and industries to address their labour force adjustments and human resource needs.
- **Research and Innovation** initiatives aim 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 \$111.5 million to New Brunswick.



Evaluation objectives

Building on the success of 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 New Brunswick.



Evaluation methodology

The findings are drawn from 7 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 19 provincial representatives and service providers
- Questionnaire completed by provincial officials
- A survey of 170 Self-Employment Benefits participants
- Document and literature reviews





Key findings

Overall, incremental impacts demonstrate that, with some exceptions, participation in Training and Skills Development, Employment Assistance Services and Employer Wage Subsidy improves labour market attachment and reduces dependence on government income supports, compared to similar non-participants.

A subgroup analyses shows that Training and Skills Development improved labour market attachment and reduced dependence on income support for most sub-groups of participants. Male, youth and older worker participants who only received Employment Assistance Services improved their labour market attachment compared to similar non-participants.

A regional analysis of incremental impacts for Training Skills Development finds that participants increased their labour market attachment and reduced their dependence on government income supports both within the 2 municipalities of Fredericton and Moncton, and outside of these 2 municipalities.

With few exceptions, the initial program investment costs are recovered over time.

The evaluation also found that:

- Based on a survey of participants in the Self-Employment Benefit program, nearly 50% of program participants 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, 77% of all participants maintained or improved their level of income compared to the pre-program period.
- After participating in Training and Skills Development-Apprentices, participants increased their employment earnings and decreased their use of government income support.

- New Brunswick uses Adjustment Services and Labour Force Training programs to assist employers, communities and/or industries to address their labour force adjustment and human resource needs.
- The Research and Innovation support measure is used by the province to identify new and better tools and approaches to help persons in the labour force.



Recommendations

The evaluation made 2 recommendations.

Recommendation # 1: New Brunswick 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: New Brunswick 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.