

**Summative Evaluation of the
Employment Benefits and Support Measures Delivered Under
the Canada-NWT Labour Market Development Agreement**

Final Report

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TABLE OF CONTENTS

Chapter	Page Number
List of Acronyms	i
Executive Summary	ii
Management Response	xi
1.0 Introduction	1
1.1 Canada-NWT Labour Market Development Agreement	1
1.2 Evaluation Scope and Methodology	2
2.0 Understanding the LMDA	6
2.1 Relevance	6
2.2 Design, Delivery and Implementation	13
2.3 Issues from the Formative Evaluation.....	19
3.0 Clients and their Experiences	21
3.1 LMDA Clients	21
3.2 EBSM Specific Factors.....	27
3.3 Non-Incremental Outcome Indicators	31
3.4 Client Attitudes and Quality of Life.....	35
3.5 Post-Participation Training and Mobility.....	39
4.0 Client Impacts	40
4.1 Incremental Impacts through Participation.....	40
4.2 Estimated Impacts: Active Claimants.....	41
4.3 Estimated Impacts: Former Claimants.....	45
5.0 Analysis of Costs and Benefits	49
5.1 Program Cost per Action Plan Equivalent.....	49
5.2 Participant Cost per Action Plan Equivalent.....	50
5.3 Present Value of Participation Impacts	50
5.4 Net Present Value from Individual, Government, and Social Perspective	51
6.0 Findings	55
6.1 Relevance to Needs of Clients	55
6.2 Relevance to Needs of Employers	55
6.3 Relevance to Needs of Communities.....	56
6.4 Design, Delivery and Implementation	56
6.5 Clients and their Experiences	57
6.6 Client Impacts	60
6.7 Costs and Benefits of Participation	61
6.8 Issues from the Formative Evaluation.....	61

List of Acronyms

ABE	Adult Basic Education
AHRDA	Aboriginal Human Resource Development Agreement
APE	Action Plan Equivalent
ASEP	Aboriginal Skills and Employment Partnership
ATOJ	Apprenticeship Training on the Job
BES	Building Essential Skills
BES-A	Building Essential Skills—Apprentices
CMAS	Case Management Administrative System
CRA	Canada Revenue Agency
EAS	Employment Assistance Services
EBSM	Employment Benefits and Support Measures
ECE	Education, Culture and Employment, Department of Northwest Territories
EI	Employment Insurance
EI (Part I)	Insurance Benefits
EI (Part II)	Employment Benefits
FIS	Financial Information System
GNWT	Government of the Northwest Territories
HRSDC	Human Resources and Skills Development Canada
JEC	Joint Evaluation Committee
JCP	Job Creation Partnership
KI	Key Informant
LMDA	Labour Market Development Agreement
LMP	Labour Market Partnerships
NWT	Northwest Territories
SA	Social Assistance
SEO	Self-Employment Option
TOJ	Training on the Job
YEP	Youth Employment Program

Executive Summary

A summary of the methods and results of the Summative Evaluation of the Employment Benefits and Support Measures delivered under the Canada-Northwest Territories Labour Market Development Agreement follow.

Evaluation Methods

The evaluation addressed client impacts and other evaluation issues through the following multiple lines of evidence.

- Profile of participants and their participation characteristics.
- Econometric analyses.
- Survey of participants.
- Key informant interviews.
- Twelve focus groups.

Relevance to Needs of Clients

Programs and services are less available in smaller communities due to logistical and cost-effectiveness considerations. About 60% of participants were satisfied with the availability of Employment Benefits and Support Measures although it was not possible to assess separately the views of those in smaller communities.

Financial support available to participants was felt to be adequate—less so if the participant had dependents or had to travel from their community to participate. Sixty per cent of participants were satisfied with financial support.

Other supports (such as day care, moving expenses, computer access or the job board) were generally felt to be adequate. The support for day care was felt to be a problem by some although more identified accessibility to day care as being more significant. Slightly less than one-half of participants were satisfied with other supports.

Almost all believed that programs were appropriate to clients' cultures and offered in a language (generally English) that was appropriate for most participants. Access to programs was timely for most. The majority felt programs matched client interests.

Relevance to Needs of Employers

The Labour Market Development Agreement is designed to focus on participant and not employer needs specifically. Most qualitative sources believe programs help fill job vacancies (particularly Apprenticeship Training on the Job and Training on the Job) and help with skill shortages. Many caution programs are too small to have much of an impact. Almost all employers shared this latter view.

Those who are knowledgeable of programs agreed that the Labour Market Development Agreement helps fill requirements for additional workers to satisfy growth and replacement needs. Employers were not able to speak to the role of Building Essential Skills related to occupational expansion and replacement. Most employers suggest the programs they were familiar with (Building Essential Skills—Apprentice, Apprenticeship Training on the Job) do not make a difference to their hiring decisions related to apprentices. Instead they hire based on the suitability of the candidate. Most employers agreed that the skills expected at the point of hire related to basic literacy, work readiness and attitudes and that current grade 12 graduates lack basic work readiness skills in terms of knowledge, work ethic, and expectations regarding work-life balance. Employers suggest they keep participants on the basis of who can do the job and meet expectations with respect to work-readiness requirements.

Administration of Apprenticeship Training on the Job came under criticism by Yellowknife employers only. Reasons cited were a lack of transparency with respect to policies, guidelines, application requirements, assistance availability, and program scheduling.

Relevance to Needs of Communities

Qualitative sources suggest the Labour Market Development Agreement improved partnerships among stakeholders. Some suggest that formal partnerships aimed at ongoing cooperation were absent, and that existing cooperative measures were not Labour Market Development Agreement-specific in their goals. They identified successful Labour Market Partnerships dealing with labour market demand-side (need for skilled workers) and supply-side (affecting worker quality or quantity) issues.

Communities tend to be well served. Larger communities are usually staffed through larger numbers and more consistently than smaller communities. Most in the community focus group agreed that community-based staff were essential in each community and the qualities of the individual in the position ultimately determined whether a community was well served. An exception may be programs specific to those with disabilities. These are located in Yellowknife and may not meet the needs of those with disabilities from other communities.

Generally, Building Essential Skills clients in Yellowknife are able to access programs without leaving their community. All Building Essential Skills clients living outside of Yellowknife, and all Building Essential Skills—Apprentice clients, had to leave their home community for some or all of their training.

Design, Delivery and Implementation

Qualitative sources suggest the Action Plan is useful for those who need it but less useful to those who already know what they require.

Forty-six per cent of non-apprentice participants (apprentices do not have Action Plans) recalled an action plan being created as part of their participation. But, 72% recalled being assisted by someone at a government office or community organization as part of their participation. Of those who recalled either an action plan or being assisted, 78% had set goals or actions to achieve as part of their participation. Of those setting goals or actions to achieve, 60% said they had achieved them.

Those saying they did not achieve goals or actions (40%) were asked why not. For 31% it was because they had found work before achieving all of their goals or actions. For 36%, the reasons were of a personal nature (family responsibilities, not enough time/other responsibilities, illness/medical reasons, went back to school, maternity/parental leave, left the workforce, and low literacy). For 18%, the reasons were due to the program (not satisfied with the program, and financial reasons/lack of funding).

The financial contribution by participants towards their back-to-work activities is negotiated although a \$200 minimum contribution is expected. Qualitative sources identified the minimum amount was waived for those who could not afford it. In the survey, slightly more than one-half said they paid less than \$200 in out-of-pocket expenditures toward their back-to-work activities.

Qualitative sources reported that counselling is useful to those who need help identifying employment goals and selecting interventions, but that there are some clients who do not need this help. In the survey, two-thirds found the help received useful to identify employment goals, and a similar percentage found it useful to their selection of a government program related to training and employment suitable to their employment goals.

About two-thirds were satisfied with the Employment Benefits and Support Measures they had participated in. About 60% felt participation was important to them getting their post-participation job in their main line of work.

Qualitative sources said there is no competition for Employment Insurance clients among other federal or territorial-sponsored programs. In cases of joint-eligibility for clients there were processes in place to maximize the benefit to the client. Cooperation exists

between the Labour Market Development Agreement and other programs, including Aboriginal Human Resource Development Agreements, Aboriginal Skills and Employment Partnership, Aurora College, and Service Canada. Joint initiatives might involve pooling funding to offer programs in small communities; mobile training units; and collaboration on school presentations. For participants of the Northwest Territories Labour Market Development Agreement, 5% and 14% of their Employment Benefits and Support Measures were funded under Aboriginal Human Resource Development Agreements or other Labour Market Development Agreements respectively

Clients and their Experiences

A substantial number of participants faced barriers to employment when they started participation. Fifty-six per cent reported needing help gaining specific skills that would be useful in particular jobs such as technical skills or a trade certificate. Forty-five per cent reported needing help looking for or getting a job. Thirty-seven per cent identified needing help gaining general skills that would be useful in most jobs such as reading, writing, numeracy, information or basic technology. Making a career choice was a problem identified by 27% of respondents. Many of those with barriers face multiple barriers.

Twenty-seven per cent of participants said they had worked in seasonal employment in their main line of work prior to participation. On average, they worked 7.2 months in a typical year. Of those who worked in seasonal employment prior to participation, 63% also said they worked in seasonal employment during participation and 61% worked in seasonal employment after participation. Over all respondents the proportion working in seasonal employment after participation was 25%.

The reason for the pre-participation job in the individual's main line of work coming to an end was identified as layoff or closure by 22%. The work season coming to an end was given as the reason by 14% of all participants. Release for classroom training was mentioned as a reason by 12% of participants. Other reasons identified for the job coming to an end were: moved or relocated (9%); term or contract job ending (9%); medical or personal reasons (8%); career change (5%); and business bankruptcy (5%).

Forty-five per cent worked in another job after their job in their main line of work ended and before participation. For others, the most frequent reason (42%) for not finding another job was no work/jobs (in area). Each of the remaining reasons represented less than 10% of responses.

For Building Essential Skills participants, most (57%) took trades training or apprenticeship. Other frequent courses or fields of study taken were computers/information technology (16%), business administration (7%), office administration (6%), medical assistant/other (5%), and college preparation course (5%).

Seventy-seven per cent of Building Essential Skills/Building Essential Skills—Apprentice participants said they received a certificate or diploma as part of their classroom training. A trade certificate (57% of those receiving a certificate/diploma) was most frequently mentioned.

For Self Employment Option participants, 49% were running their businesses at the time of the survey. Among those not running a business at the time of the survey 78% said they had started a business. Of the 82% in total who had started a business the average percentage of earnings derived from the business while it was operating was 55%. Seventy-one per cent of Self Employment Option participants were judged to be positively affected by participation—either starting a business as a result of the program or improving an already existing business through participation. Those positively affected employed an average of 0.8 individuals in addition to the entrepreneur when running their businesses. Main reasons for not starting or running a business at the time of the survey were lack of finances (31%), business failure (26%), or went to work for someone else (22%).

Only 28 participants confirmed their Training on the Job participation. Of them, 27 felt they had gained work experience with the Training on the Job employer that would help them in other jobs. The same number felt working for the Training on the Job employer allowed them to gain skills that would help them in other jobs. Six were working at the time of the survey for the Training on the Job employer. Twelve others were aware their Training on the Job was a term position, and all but one had worked for the full term. The one individual who had left before the term ended did so to work for someone else.

Labour Market Partnerships may help participants indirectly by improving labour market supply or demand conditions. Qualitative sources suggested Labour Market Partnerships tended to focus on near term labour market priorities including those around the resource sector and not on longer term economic plan objectives. Immediate impacts of the Labour Market Partnerships were said to be greater awareness of needs. The few who could speak to longer term economic development objectives felt Labour Market Partnerships contributed to their achievement.

Qualitative sources suggested clients obtaining employment upon completion of their participation was evidence of the Labour Market Development Agreement acting as an occupational supply channel. They also indicated increased trades awareness and readiness among youth were further examples where the Labour Market Development Agreement helped with labour market supply.

The same proportion of participants worked prior to and after participation and worked for the same percentage of the time. Earnings gains were generally positive in years following participation. Employment Insurance use decreased after participation for

active claimants and increased for former claimants. These gross observations do not reflect what would have happened in the absence of participation.

A small number of participants failed to find employment after participation, most of them for personal reasons (sick/disabled, attend school, family responsibilities). Of those who did find employment, most were satisfied with the job (77%) and with its pay (72%). Thirty-three per cent of participants worked in the same job for the same employer before and after participation. This figure includes apprentices (those who took Building Essential Skills – Apprentice interventions), among whom 72% worked in the same job for the same employer before and after participation.

Eighty-one per cent said they required a particular set of skills to get the post-participation job in their main line of work. Of these participants, 30% said the needed skills were gained through participation. Fifty per cent said they required a diploma or certificate to get the post-participation job in their main line of work. Of these participants, 55% said the diploma/certificate had been obtained through participation. Also, in an unaided question, seven per cent credited participation with giving them the ability to get their jobs. Others felt they had gained skills (22%) or education (9%) through participation.

More than one-half of participants identified positive changes in their lives since the start of participation (job skills higher, better able to find a job, better able to keep a job, more interested in improving job skills through further training, more interested in increasing level of formal education, better able to contribute to family income, and confidence in self and abilities improved).

After participation ended, 49% of participants had taken a training course¹, 30% had gone back to school on a full or part-time basis, and 49% had increased their skills through volunteer activities. Thirty-two per cent of participants said they had moved since participation ended. Of those who had moved, 14% did so to take a job and 12% to look for a job. Almost 50% of the moves were to outside of Northwest Territories.

Client Impacts

An analysis of incremental impacts of participation for non-apprentices found the following²:

¹ If such training occurred within six months of the end of the APE and within the reference period, by definition of APE it would not have taken place under an LMDA. It would refer to training funded by the individual or by some other level of government. Otherwise, it could also include LMDA-based training. The survey did not ask respondents to be specific about the source of the training, since participants are often unaware how their training is funded.

² Only those incremental impacts that are significant at the 95% are presented.

- For active-claimant participants:
 - Over all, participation resulted in an increase in average annual earnings of \$2,600 and reductions in Employment Insurance benefits of \$900 and 2.5 weeks on average annually, \$150 less Social Assistance annually, and a reduced dependence on income support by 6 percentage points.
 - For those taking Building Essential Skills, participation resulted in an increase in average annual earnings of \$4,600 and reductions in Employment Insurance benefits of \$650 and 1.8 weeks on average annually, \$182 less Social Assistance annually, and a reduced dependence on income support by 4 percentage points.
 - For those taking SEO, participation resulted in a reduction in Employment Insurance benefits of \$1,700 and 4.4 weeks on average annually, a reduction of \$230 in Social Assistance annually, and a reduced dependence on income support by 11 percentage points.
 - For those taking Employment Assistance Services, participation resulted in an increase in average annual earnings of \$3,100 and reductions in Employment Insurance benefits of \$580 and 1.5 weeks on average annually, and a reduced dependence on income support by 5 percentage points.
 - For females, participation resulted in reductions in Social Assistance benefits of \$160 annually and a reduced dependence on income support by 5 percentage points.
- For former-claimant participants:
 - Over all, participation resulted in reductions in annual Social Assistance benefits of \$220 and a reduced dependence on income support by 3 percentage points. In the first year after participation ended, Employment Insurance benefits were reduced by \$340.
 - For those taking Building Essential Skills, participation resulted in reductions in annual Social Assistance benefits of \$240 and a reduced dependence on income support by 4 percentage points. In the first year after participation ended, Employment Insurance benefits were reduced by \$670.
 - For those taking Training on the Job, participation resulted in an increase in average annual earnings of \$4,400 a reduction in Social Assistance benefits of \$260, and a reduced dependence on income support by 6 percentage points. In the second year after participation ended, the probability of employment increased by 6 percentage points.
 - For those taking Employment Assistance Services, participation resulted in a reduction in annual Social Assistance benefits of \$210 and a reduced dependence on income support by 3 percentage points. In the first year after

participation ended Employment Insurance benefits were reduced by \$620 and in the third year after participation ended the probability of employment increased by 11 percentage points.

- For females, dependence on income support was reduced by 5 percentage points annually as a result of participating in EBSMs. Social assistance benefits decreased by \$300 in the third year after participation ended.

Costs and Benefits of Participation

A cost-benefit analysis comparing the major costs and present value of major benefits through participation, from individual, government and social perspectives, found:

- From an individual perspective, participation results in an improvement (present value of benefits exceed costs) for active-claimant participants over all, as well as for those taking Employment Assistance Services, and for those taking Building Essential Skills. It also results in an improvement for former-claimant participants over all and in particular for those taking Building Essential Skills and Training on the Job.
- From a government perspective, participation results in an improvement only for active-claimant participants taking Employment Assistance Services.
- From a social perspective, participation results in an improvement for active-claimant participants taking Employment Assistance Services or Building Essential Skills, and for former-claimant clients taking Training on the Job.

Issues from the Formative Evaluation

Most with knowledge of the program felt the Labour Market Development Agreement is addressing the supply-demand imbalance in community labour markets. However, agreement was qualified by noting that: there are few jobs available in communities; and the Labour Market Development Agreement is not taking a strategic approach to addressing growing demand for individuals with public administration skills as a result of the movement to Aboriginal self-government.

There is a cap of \$3,850 on tuition paid for under Building Essential Skills (\$3,500 prior to March 31, 2006). Qualitative sources were evenly divided on whether the tuition cap is still an issue. From the survey, the average expenditure on tuition for those taking Building Essential Skills was \$280 and those taking Building Essential Skills–Apprentice was \$390.

A slight majority of those with program knowledge said that the 3 month limit on Adult Basic Education is too restrictive, and should be extended. Suggestions for the appropriate limit ranged from more than three months to up to two years.

A slight majority of those with program knowledge felt that staffing continues to be an issue. Concerns relate to the need for more extensive and ongoing training since turnover rates for front line and community-based staff will continue to be high. A need to maintain or increase levels of ongoing Case Management Administrative System training was identified even by those who thought staffing levels were adequate.

Management Response

BACKGROUND

The Canada-Northwest Territories Labour Market Development Agreement (LMDA) (1998) specifies the management and delivery of the full transfer of Employment Benefits Support Measures (EBSMs). The Northwest Territories (NWT) Joint LMDA Management Committee (JMC) is responsible for the planning and operation of the LMDA. It oversaw the evaluation work through a collaborative process of the Joint Evaluation Committee. The JMC has reviewed the evaluation, agrees with the findings and puts forward the following response.

PURPOSE OF THE MANAGEMENT RESPONSE

The summative evaluation is an important part of evidence-based decision making and continuous improvement of EBSM programs and services. The evaluation provides evidence to better address client employment/training needs and improve the relevance of EBSMs to NWT labour market conditions. This Management Response, developed by the JMC, addresses several key summative evaluation issues. The GNWT will examine potential modifications to the design of Territorial employment benefits and services to ensure responsiveness to client need, labour market conditions and evaluation findings.

1. RELEVANCE TO THE NEEDS OF CLIENTS

Finding:

- Measures of relevance include financial and other supports, availability, timing, client interests, language, and cultural appropriateness. The evaluation demonstrates that the programs and services provided are relevant to the needs of NWT clients, are sensitive to their culture, and generally match their interests. However, participants who have dependents or mobility issues are less satisfied with the financial supports.

Response:

- The GNWT will examine financial and other barriers to participation. In order to increase the participation of clients with dependents and those from smaller communities, options for improving financial support will be considered. This will complement efforts that are currently being made outside the scope of the LMDA to increase the number of licensed childcare facilities in the NWT.

RELEVANCE TO THE NEEDS OF EMPLOYERS

Findings:

- LMDA programming helps with skill shortages, but the number of program participants is not large enough to have a significant impact on this labour market issue. All groups feel that the Apprenticeship Training on the Job (ATOJ) coverage should be increased to

the full duration of the apprenticeship program. Employers outside of Yellowknife are satisfied with the administration of the ATOJ program while Yellowknife employers are not. Typically, employers are not aware that individuals they hire are BES participants.

Response:

- The GNWT will work to improve the transparency of program guidelines, better communicate the positive impact and benefits of programs to employers, and review the size of programming in relation to the cost and benefit to the individual, government and society.
- The GNWT will establish a plan for improved marketing of EBSMs to employers in order to increase their awareness of LMDA programs and services.

RELEVANCE TO THE NEEDS OF COMMUNITIES

Findings:

- Community-based training program delivery is a challenge in the NWT, particularly for smaller communities. While the evaluation confirms that NWT communities tend to be well served, it suggests that program impacts are influenced by geographic differences and notes community-based staff ultimately determine whether a community is well served. Turnover rates for front line and community-based staff are a concern.
- The evaluation reflected positively on the ability of the LMDA to improve partnerships among stakeholders. Community groups felt that the LMDA is facilitating short-term specific partnerships and improving regular event-focused collaboration.
- Supply-demand imbalances continue in some community labour markets due to limited local job opportunities.
- While clients in smaller communities were generally satisfied with the programs they accessed, one exception was for people with disabilities. Disabled clients in smaller communities have access to shorter courses, but not to longer-term training that is delivered in Yellowknife.

Response:

- The delivery of community-based training programs remains a challenge in the NWT, in particular for smaller and more isolated communities and for persons with disabilities in those communities. Ongoing efforts will be made to provide community-based training where possible.
- The GNWT will look into ways to increase formal partnerships aimed at ongoing cooperation in the achievement of LMDA-specific goals.
- The GNWT will continue to develop successful Labour Market Partnerships (LMPs) to deal with labour market demand and supply issues and address human resource needs of employers. It will explore ways to strategically tie LMPs to longer-term labour force development plans, while still responding to short-term local labour market needs.

4. DESIGN, DELIVERY AND IMPLEMENTATION

Findings:

- Action plans and career counselling have proven to be useful in helping clients set goals and identify suitable programming related to their training and employment needs. Action plans are generally part of the LMDA program and service process in the NWT, except for apprentices.
- Among participants surveyed, 68 percent were satisfied with the EBSMs in which they had participated. About 60 percent felt their program participation enabled them to obtain a post-participation job in their main line of work.
- Staffing and training issues remain since turnover rates for front-line and community-based staff continues to be high.

Response:

- The findings for action plans and career counselling confirm the importance of case management and using the action planning process to help clients set goals and identify suitable programming for training and employment. The GNWT will continue to implement a case management approach focused on client needs.
- On-going training for regional staff remains an objective for the GNWT. Timely training will be provided to new staff on how to enter required data and effectively use the CMAS for client case management.

5. CLIENTS AND THEIR EXPERIENCES / CLIENT IMPACTS

Findings:

- Many clients face multiple barriers to employment.
- The same proportion of participants worked prior to and after EBSM participation, and for similar periods of time. Earnings impacts were generally positive in the years following participation. Use of EI decreased after participation for active claimants, and increased for former claimants. More than half of surveyed participants identified positive changes such as improved job skills and greater ability to find a job.
- The estimated impacts for former claimants suggest that increased employment and earnings do not automatically result in a reduction in government income security. For some, increased employment can lead to an increase in benefit rate and a longer duration of an EI claim.

Response:

- Information gained from the evaluation on client barriers to employment will help inform the GNWT as it plans forward and tailors service delivery to further meet client needs and improve client impacts and their experiences. The recent implementation of a Canada-NWT Labour Market Agreement will help address the NWT's demand for programming that meets the needs of non-EI eligible clients facing often multiple barriers to employment.

- The findings for EBSM client impacts indicate that the delivery of employment programming in NWT is effective and has an overall positive influence on the labour market. The EBSMs include significantly different interventions and are designed such that each Benefit or Measure is intended to address a particular set of client needs. The GNWT will continue to improve on practices that address clients' needs and appear to show the most desired impacts.

COSTS AND BENEFITS OF PARTICIPATION

Findings:

- From an individual perspective, participation results in an improvement (i.e., present value of benefits exceeds costs) for active-claimant participants as a whole, for EAS active-claimant participants, for BES active-claimant participants, for former-claimant participants as a whole, for BES former-claimant participants, and for TOJ former-claimant participants.
- From a government perspective, participation results in an improvement only for active-claimant participants taking EAS only.
- From a social perspective, participation results in an improvement in the case of EAS active-claimant participants, BES active-claimant participants and TOJ former-claimant participants.

Other Findings:

- The cap on tuition cap for BES may be too low, especially in comparison to that of other programs.
- The three month limit on Adult Basic Education is too restrictive, and should be extended.

Responses:

- The GNWT will continue to review the tuition cap for BES in relation to program costs and other financial supports offered to potential clients.
- The GNWT will review the three month limit on ABE in the BES program guidelines.

CONCLUSION

The findings of the Canada-NWT EBSMs Summative Evaluation provided valuable insight that will guide us in the future. With new labour market challenges emerging, it is important to consider past experience in developing future policy options. The results of this evaluation will contribute to and support on-going strategic use of programs within the parameters of the Agreement to meet the main objectives of the *EI Act* Part II funding and address labour market challenges. Through its annual meetings, the Canada-NWT Joint Management Committee agrees to regularly review and update progress made on the actions referenced in this response.

Some of the program tools and management arrangements, developed a decade ago, will not be sufficiently flexible or comprehensive to respond to some of the labour market challenges that are predicted for the decade ahead. The GNWT needs to develop complementary programming that meets the anticipated needs of future clients.

1.0

Introduction

This report provides a summary of the Summative Evaluation of the Employment Benefits and Support Measures (EBSMs) delivered under the Canada-NWT Labour Market Development Agreement (LMDA). It draws on technical reports prepared by the evaluators and consists of the following sections:

- Chapter I—Introduction—provides a description of EBSMs in NWT, and highlights the purpose, scope and methods of the summative evaluation.
- Chapter II—Understanding the LMDA—looks at issues of rationale; design, delivery and implementation; and coverage of formative issues.
- Chapter III—Clients and their Experiences—addresses client characteristics; attitudes and quality of life; EBSM-specific factors; post-program activities; and experiences.
- Chapter IV—Client Impacts—looks at impacts of participation.
- Chapter V—Cost Analysis—examines the cost and benefits of participation.

1.1 CANADA-NWT LABOUR MARKET DEVELOPMENT AGREEMENT

The Canada-Northwest Territories LMDA came into effect on October 1, 1998. The agreement covers the provision of EBSMs for unemployed workers.¹ The following Employment Benefits are delivered in Northwest Territories²:

- **Training on the Job (TOJ)**—providing a wage subsidy to encourage employers to hire and train individuals they would not normally hire and train in the absence of the subsidy.
- **Self-Employment Option (SEO)**—assists unemployed individuals to create jobs for themselves by starting a business.
- **Building Essential Skills (BES)**—provides short-term, financial assistance to access training or education needed to get or retain employment. (When applied to apprentices, this is referred to as **BES-A**.)

¹ The evaluation covers those who are eligible (EI-insured) for EBSM support as a result of a current claim (active claimants) or a past claim (former claimants). Support measures (defined later) are also available to non-insured (not EI eligible) participants. Such participants are not considered in the evaluation.

² TOJ, ATOJ, and YEP are similar to the federal Targeted Wage Subsidy (TWS) although the federal program does not have separate categories for apprentices and youth. BES is similar to the federal Skills Development (SD) program which includes apprentices. SEO is called Self Employment Assistance (SEA) federally.

- **Apprenticeship Training on the Job (ATOJ)**—providing a wage subsidy to assist employers in training apprentices towards their trade certificate.
- **Youth Employment (YEP)**—provides opportunities for youth and students to obtain essential skills through work experience.

The following Support Measures are delivered in the Northwest Territories:

- **Employment Assistance Services (EAS)**—provides financial assistance, often to second-party organizations, to provide employment services to eligible persons. Types of activities supported include: individualized counselling, Job Finding Clubs and job search workshops, employment resources centres, and case management of clients.
- **Labour Market Partnerships (LMP)**—encourages and supports employers, employee and/or employer associations and communities to undertake activities that address human resource development challenges and opportunities. There are no direct participants under LMP but unemployed workers are expected to benefit indirectly.

A Joint Management Committee, consisting of representatives of the Northwest Territories and federal governments, oversees the LMDA's implementation.

1.2 EVALUATION SCOPE AND METHODOLOGY

1.2.1 Objective

The objectives of the evaluation are to:

- Measure the outcomes, impacts, and cost-effectiveness of the interventions.
- Provide an assessment of the impacts of EBSMs on clients.
- Address the question of what works and doesn't work and why for EBSM clients.
- Identify how EBSMs are designed, delivered and affect the NWT labour market
- Determine whether the objectives inherent in the principles and guidelines set out in the *EI Act* have been met.

1.2.2 Methods

Client outcomes are the primary focus of the summative evaluation.¹ The evaluation was designed to address specified evaluation issues through the following multiple lines of evidence. Fieldwork for the study occurred in June and early July 2008.

- **Profile of participants and their participation characteristics** was constructed based on administrative data for participants under the NWT LMDA between October 1998 and March 2006, inclusive. Action Plan Equivalents (APEs) were formed of EBSMs separated by less than 6 months where each APE contained at least one EBSM funded under the NWT LMDA. APEs might also include one or more EBSMs funded under Aboriginal Human Resource Development Agreements (AHRDAs)² or another LMDA.
- **Econometric analyses** were conducted using only administrative data to produce estimates of incremental impacts on a variety of outcome indicators. These analyses covered non-apprentice participants who completed APEs between 2000 and 2004.³
- **Survey of participants** covered participants in the period 2000-01 to 2007-08. There were 348 completions to the survey with a response rate of 32%. Across groups, numbers of responses were: 176 for BES, 31 for TOJ, 96 for EAS, and 45 for SEO.⁴
- **Twenty-three key informant interviews** were conducted in-person in Yellowknife and Inuvik. Key informants were selected based on their knowledge of the LMDA, EBSMs and labour market circumstances in Northwest Territories.

¹ Particular sub-groups of interest to Canada and NWT are seasonal workers, Aboriginal persons, participants under EAS (due to their high number), persons with disabilities, apprentices, visible minorities, and women

² There are 8 AHRDAs in NWT. Holders of these agreements include Akaitcho Territory Government, Deh Cho First Nations, Gwichin Tribal Council, Inuvialuit Regional Corporation, North Slave Metis Alliance, Northwest Territory Metis Nation, Sahtu Dene Council, and Tlicho Government. There are approximately 50 AHRDAs in total.

³ Participants were selected to ensure at least two calendar years of post-participation taxation data—the source of information on earnings, employment and Social Assistance (SA) outcomes. The number of participant APEs and comparison group members differ depending on the model. Active claimant (and their respective comparison group) numbers range from 126 (1,173) for SEO to 795 (6,743) for the “all” model. Former claimant (and their respective comparison group) numbers range from 93 (1,105) for TOJ to 413 (4,878) for the “all” model.

⁴ Response analyses were conducted separately for both active- and former-claimant participants. Results of these analyses are available under separate cover.

- **Twelve focus groups¹** differentiated by location and composition as follows:
 - **One** group (held at the outset of the project) involved those who deliver programs providing the study team with a useful grounding in the programs and how they operated in NWT.
 - **Four** groups² with clients: **two** in Yellowknife (including apprentices or other target groups (specifically Aboriginals, persons with disabilities, and seasonal workers; **one** in Hay River (including some apprentices); and **one** in Inuvik.
 - **Three** employer groups³: **one** in Yellowknife; **one** in Hay River; and **one** in Inuvik
 - **Two** community partners groups (one in Yellowknife and one in Inuvik).
 - **Two** groups with delivery staff and third party delivery organizations (in Yellowknife and Inuvik).

As a general note, any reported differences in incremental or survey analyses are statistically significant at the 95% confidence level unless otherwise stated. To illustrate the strength of qualitative findings, their coverage is described using terms such as **most** for a majority but less than all or **some** if a significant minority share a view. Due to the unique nature of key informants, findings reflecting smaller numbers are sometimes presented, as these few may represent “all” that are able to respond due to their expertise.

1.2.3 Limitations

In order to obtain sufficient survey completions, participants were selected who had completed as early as 2000-2001. These early participants were likely harder to reach and may have had greater recall problems resulting in a potential bias of unknown magnitude and direction. The incremental analysis, as it is based on administrative data only, avoided such problems.⁴

¹ A total of 52 individuals participated in focus groups, representing 18 clients, 7 different employers, 11 different delivery agent organizations, and 12 different community groups.

² The Yellowknife and Hay River groups invited two participants each from surrounding communities. Travel was reimbursed at cost by the GNWT.

³ The Yellowknife and Hay River groups invited two employers each from surrounding communities. Travel was reimbursed at cost by the GNWT.

⁴ Reviewers of this material should keep in mind the following:

- The estimates are not from a random experiment, and so have some methodological uncertainty associated with them that is not captured by the standard errors.
- The estimates are obtained using methods that compare participants to observationally similar eligible non-participants. The characteristics used in this exercise include a wide variety of demographic variables as well as a relatively rich set of variables measuring labour market outcomes prior to the

Qualitative methods suffered as fewer ultimately attended focus groups than initially agreed to attend. This created added respondent burden on those who attended and limited the base for the qualitative assessment to the relative few who attended.

participation choice. Thus, a strategy based on comparing observationally similar participants and non-participants is reasonably plausible here.

- The task of finding a comparison group for former clients is more difficult than finding one for active clients due to data limitations; the reader should thus have more confidence in the estimates for active clients.
- The comparisons are made using state-of-the art semi-parametric matching methods that have performed well in other contexts both inside and outside of Canada.
- Apprentices are excluded from the analysis due to their unique characteristics which limit finding suitable comparisons.
- Participation may result in participants displacing others in the labour market. While likely in almost any jurisdiction, it is of less importance in NWT due to the relatively small share of the NWT labour market represented by LMDA participants. To the extent displacement occurs, estimates may overstate the real effects.

2.0 *Understanding the LMDA*

This chapter explores issues of relevance, design, delivery and implementation, and also follows up on issues of the formative evaluation.

2.1 RELEVANCE

2.1.1 Relevance to the Needs of Clients

The relevance of the LMDA in terms of meeting various client needs was assessed.

2.1.1.1 Availability in the community

Key informants were evenly divided about whether EBSMs were appropriate for clients based on their availability in their community. Some believed availability in the communities is not an issue given the existence of mobile training units, on-line training options, and ability to plan through advanced scheduling. A second group believed that because of low demand and complicated logistical issues, providing some programs in communities was impractical. They added that clients seemed to accept this.

All who delivered programs agreed that smaller communities are not as well served. Such communities may be too small to offer courses (cost-effectively), or lack suitable facilities or contract instructors to run them. All agreed they did not have the budgets required to travel to communities as frequently as might be needed to promote the programs and interact with clients.

Non-apprentices in the Yellowknife participant focus groups had been able to access training without relocating. But participants from outlying communities needed to leave their communities and travel to regional centres or to Yellowknife. Apprentices indicated they had to leave home for coursework, with most taking coursework outside of the NWT.

The telephone survey asked participants about their level of satisfaction related to program characteristics including availability. A five-point scale was used to measure

satisfaction where “1” was very dissatisfied and “5” was very satisfied.¹ On such a scale a value of 3.0 would represent the mid-point. On average participants rated their satisfaction with the availability of programs or activities in their community or area as 3.5, or slightly above the mid-point. Fifty-seven per cent were satisfied, choosing a 4 or 5—the top two points on the five-point scale. Scores across groups of participants did not vary significantly although it was not possible to differentiate responses from smaller communities.

2.1.1.2 Financial support

Most key informants and those involved in program delivery felt that financial support provided to participants was adequate. However, many who felt financial support was adequate and most who felt support was not adequate, agreed that financial supports were less adequate for those with dependents or for those needing to travel from their communities to participate.

In participant focus groups, views on adequacy again differed based on whether the participants had dependents. Those without dependents found financial support adequate. Those with families felt support was inadequate in terms of income for supporting dependents, daycare, and maintaining two households in cases where clients had to leave their home community for training.

In the survey, participants rated their satisfaction with financial support at 3.7 (61% rated it a 4 or 5). Those taking SEO had higher satisfaction (at 4.1) than those who took BES-A or EAS (at 3.5). Seventy-six per cent in the first and 60% in the latter combined groups rated satisfaction as a 4 or 5.

There was no significant difference between the satisfaction with financial support by those with and without dependents. Those with dependents rated satisfaction at 3.6 while those without dependents rated it at 3.9.

2.1.1.3 Other supports

Other supports (such as day care, moving expenses, computer access or the job board) were generally felt to be adequate by key informants. Some identified that accessibility to day care and not the support available for day care was a more significant issue.

Those who delivered programs felt that both the adequacy of day care support and the accessibility to day care were issues. They also identified housing costs as being high and

¹ A similar five-point scale is used to assess agreement across a number of statements so that the relative strengths of agreement may be compared across these statements.

significant for those who had to relocate or maintain two residences during periods of participation.

In participant focus groups views differed in terms of the adequacy of other supports. Those with dependents or who had to leave their home community felt that other supports were inadequate. Those without these characteristics (and potentially less need for related supports) found them adequate. Travel support and living allowances were frequently identified as inadequate by those who relied on them. A number of individuals with dependents also identified issues related to access to day care.

Satisfaction with other supports were rated as 3.3 (46% rated it a 4 or 5). There was no significant difference in the satisfaction levels with other supports between those with and without dependents.

2.1.1.4 Language

Neither key informants nor those who delivered programs saw language as a significant issue. According to key informants, English, the language in which programs are generally being offered, is appropriate to most clients. Some in the groups involving delivery staff identified that language could be an issue in some smaller communities such as in the Beaufort Delta region. All in the participant focus groups felt that language of programs and services had been appropriate. (It should be noted that focus groups were offered in English only—corresponding to the language of most programs.)

2.1.1.5 Culture

Almost all key informants believed that programs were appropriate to clients' cultures. Several gave examples of cultural knowledge being incorporated into programming. It was also noted that having long term residents and Aboriginal organizations deliver EAS, ensured cultural sensitivity. Culture was identified as a potential issue in some smaller communities by those who delivered programs. The majority of attendees in delivery agent groups did not see culture as an issue. Participants in focus groups also identified programs as being culturally appropriate.

2.1.1.6 Timing of access

Most key informants said that programs are offered in a timely way. Some recognized that low client numbers in small communities often meant that more frequent course offerings may not be warranted, resulting in wait times for some clients. Those who deliver programs identified that programs were offered on-demand or following a regular schedule. In participant focus groups almost no one had an issue with the timing of program access.

2.1.1.7 Clients' Interests

Key informants were evenly split over whether programs matched client interests. Those who agreed that programs matched client interests generally cited the action plan as the tool with which this was achieved. Key informants who believed programs did not match client interests pointed to the failure of programs to be responsive to community needs, or the range of offerings being too limited as reasons. Those who deliver programs believed that clients were able to access programs according to their interests. All in the focus group agreed this was ensured in part by the action planning process. In participant focus groups, the majority of clients were able to take training that matched their interests.

2.1.2 Relevance to the Needs of Employers

2.1.2.1 Satisfaction with nature/design/characteristics of EBSMs

Employers are exposed to TOJ, ATOJ and BES-A. Typically they will not be aware that individuals they hire were participants under BES.

Yellowknife employers were critical of the administration of the ATOJ. Reasons cited were a lack of transparency with respect to policies, guidelines, application requirements, assistance availability, and program scheduling, and what they deemed to be general ineptitude and lack of accountability on the part of administrators. This was in stark contrast to employer's experiences outside of Yellowknife, where ATOJ administration was reported to be well organized, transparent, and accessible. A common suggestion across groups was to increase coverage of ATOJs to the full duration of the apprentice program.

Most ATOJ employers expressed concern that Aurora College was not providing quality service with respect to BES-A. TOJ employers reported satisfaction with the program.

2.1.2.2 Need for occupational expansion and replacement

All key informants agreed that the LMDA contributes to occupational expansion and replacement needs, that is, to filling the requirement for additional workers to satisfy growth and replacement in the occupation. However, all qualified their support, usually with suggestions about how that contribution might be improved. Several respondents noted that needs of unemployed non-EI eligible groups including people over 50 years of age, and youth might be better served. (Such groups are only eligible for support through EAS under the LMDA.) Several respondents noted some labour sectors that are not as well served by the existing programs. They include Aboriginal organizations (public administration); and smaller employers not engaged in trades, oil, gas, or mining.

The majority of employers in focus groups said that LMDA programs do not make a difference to their hiring decisions related to apprentices, and the funding provided was not enough to make a real impact on producing skilled workers. Given the economic situation at the time of the study, employers hire based on their needs and the suitability of the candidate related to those needs. Employers were not able to speak to the role of other programs (such as BES) related to occupational expansion and replacement.

2.1.2.3 Satisfaction with EBSM clients

Key informants noted that at the hiring stage, employers are looking more for appropriate work readiness skills and attitudes rather than job-related skills. Key informants were evenly divided in their opinions concerning employers' views about the job readiness of new hires. Some stated that satisfaction levels with respect to job readiness varied as it is a highly individual attribute, or that generally employers were not satisfied with levels of job readiness. A general lack of job readiness among youth was noted as was literacy as a major barrier.

Most employers agreed that the skills expected at the point of hire related to basic literacy, work readiness and attitudes. Employers agreed that current grade 12 graduates lack basic work readiness skills in terms of knowledge, work ethic, and expectations regarding work-life balance. About one-half of employers felt that current grade 12 graduates would require upgrading to enter trades in particular, due to substandard schooling. "Social passing" (that is advancement to a higher grade level without meeting the requirements of the lower grade) was identified as a detriment to producing work-ready graduates.

Key informants believe that employers are satisfied with the level of skills acquisition over the course of the interventions. However, some identified that employers will not continue on with a participant who is not performing. Employers confirmed they screen out those who are not performing and are generally pleased with the progress of those who remain.

2.1.2.4 Hiring of EBSM clients after participation

Almost all key informants agreed that clients are kept on by employers after the intervention period, primarily because employers have invested in the client's training. This is particularly true for ATOJ. If employers do not retain the participant when the intervention ends it is primarily due to the clients' lack of job readiness skills, personal issues such as substance abuse, instability in their personal or family life, or lack of work ethic. It was noted that journeymen have high mobility and often move on after apprentice training is completed of their own accord.

All ATOJ employers agreed that they keep people on who can do the job and meet expectations with respect to work-readiness requirements. Employers tend to let participants go if they have unstable personal lives, addictions, or learning disabilities. ATOJ employers all noted that journeymen are in demand nationally and are therefore difficult to retain once they have completed their training.

2.1.2.5 Meeting employer needs

Key informants identified the LMDA as helping with skill shortages as did those in the community/advocacy focus group. Some within these sources identified the programs as being too small to have much of an impact. Almost all employers shared this view.

2.1.3 Relevance to the Needs of Communities

2.1.3.1 Partnerships

All key informants felt that the LMDA improved partnerships among stakeholders. The EAS and LMP programs were identified as being particularly good catalysts for cooperation among different stakeholders. Stakeholders were identified as being governments (ECE, Service Canada), Aboriginal organizations, AHRDA's, Aurora College, and high schools. Partnership examples included the Mine Training Society, career fairs, and the Inuvik Training Committee.

Community groups felt that the LMDA was facilitating short-term specific partnerships, as well as improving regular event-focused collaborations. However, they noted that formal partnerships aimed at ongoing cooperation were absent, and that existing cooperative measures were not LMDA-specific in their goals.

2.1.3.2 Nature and success of demand versus supply focussed LMPs

Key informants felt they had seen successful LMP's dealing with labour market demand-side issues (need for skilled workers) mainly dealing with the resource extraction sectors. Identified impacts included clients finding training-related employment; cooperation between community, government, and industry stakeholders; and the establishment of partnership-based training such as the Mine Training Society. Some respondents stated the partnerships tend to be demand-focused, although there are some successful supply-side (affecting worker quality or quantity) partnerships, including: the Skills Canada Waking Opportunities Within program targeting youth, and a partnership aimed at re-training commercial fishermen in response to regulatory changes. It was noted that individual skills training is a main focus on the supply side.

The community group focussed on partnership aspects through LMPs. They identified positive examples of demand-focused partnerships such as the Mine Training Society, Kimberlite Career & Technical Centre and Aurora College mining, oil and gas training. It was noted that these types of partnerships also give rise to supply-side partnerships such as Ready to Work North, career week, and Skills Canada initiatives.

2.1.3.3 Access in communities

Key informants believed that all communities tend to be well served, although larger communities are usually staffed with more people and more consistently than the smaller communities. This situation is viewed as being due to greater resources and demand found in larger communities. However, several respondents indicated that service levels vary more due to the nature of the individuals staffing particular positions rather than the size of community. Several respondents noted that service levels are also determined by the ability to contract EAS or have employment officers located in communities, and through the level of contact and support provided by the regional staff to community-based staff.

Those who deliver programs believed that while smaller communities generally experienced a lower quality of service, clients in such communities were happy with programs they accessed. One exception to this general statement was for people with disabilities. Programs specific to those with disabilities are located in Yellowknife and these may not meet the needs of those with disabilities from communities. While short courses are delivered successfully in communities, longer courses tend to be delivered in the larger centres, which creates differences in access.

Community representatives/advocates believed that the smaller communities were not as well served in terms of staffing levels and program access within communities. Also many clients in communities may not be aware of the programs for which they were eligible. However, most in the community focus group agreed that community-based staff were essential in each community and the qualities of the individual in the position ultimately determined whether a community was well served. It was also noted that despite proximity to mining and large scale development in Yellowknife, there are no trades training facilities in Yellowknife.

Generally, BES clients in Yellowknife participant focus groups were able to access programs without leaving their community. All BES clients living outside of Yellowknife, including in larger centres such as Hay River and Inuvik, had to leave their home community for some or all of their training. All apprentices had to leave their home communities, including those from Yellowknife.

As noted earlier, participants responding to the survey rated their satisfaction with the availability of programs or activities in their community or area as 3.5. Participants rated

their agreement as 4.1, to a statement that assistance was provided from the most appropriate location for individuals to use. Forty-five per cent identified agreement as a 4 or 5. Those not in seasonal jobs before they started participation were more likely to agree that the location was appropriate (at 4.2, with 78% rating it a 4 or 5) compared to those in seasonal jobs (at 3.8, with 66% rating it a 4 or 5).

2.2 DESIGN, DELIVERY AND IMPLEMENTATION

2.2.1 Action Plans

2.2.1.1 Experience with Action Plans

Key informants were evenly split in their views concerning client's perspectives on the action plan. Generally, respondents said that action planning is a requirement for program access. Those who said clients viewed action planning positively reported the process assists clients in identifying their barriers and needs—a benefit to many clients. In contrast, a similar number of key informants reported that clients who knew what they wanted did not find the process useful—generally treating it as a routine form to fill or finding the process annoying. As a result, key informants views were predicated on the needs of the client. Those who needed the action plan process benefitted from it.

Views by those who deliver programs were also split over the experience of clients regarding action plans. About one-half believed that action plans are useful and well received by clients. The other half stated that generally the action plans are viewed as a requirement rather than as a useful planning tool; that some clients found questions inappropriate given their culture; and that some clients responded negatively to questions perceived as too personal, such as discussing their values and dreams.

The survey asked questions about participants' perceptions of their action plan. Forty-six per cent of non-apprentice participants recalled an action plan being created as part of their participation. (Apprentices do not typically have an action plan created as part of their participation and as a result were not asked questions about them.) The percentage did not vary by principal EBSM of the participant.

Seventy-two per cent recalled being assisted by someone at a government office or community organization as part of their participation. Active claimants were more likely to recall such assistance (at 76%) compared to former claimants (at 64%). Those whose principal EBSM was BES (at 77%) or SEO (at 85%) had higher recall about being assisted than those taking TOJ (55%) or EAS (66%).

In focus groups, most clients either did not create action plans (apprentices), did not recall action plans, or considered the action planning process a formality that was not followed after it was completed. A small minority of clients in focus groups found the action planning and associated counselling useful.

2.2.1.2 Value through Action Plans

A majority of key informants said the action plans are working primarily because they are required. Some said reasons for seeing action plans as effective included their value as an evaluative tool and a useful way to establish mutual expectations with clients.

In participant focus groups, those who found action plans helpful identified the process of identifying goals and specific steps needed to achieve success as the reason for their success.

In the participant survey, those who recalled either an action plan being created or being assisted by someone at a government office or community organization (78% of all respondents) were asked whether they had set goals or actions to achieve as part of their participation. Seventy-eight per cent had. The percentage that had set goals or actions to achieve of those who recalled an action plan or assistance given to them, did not vary across participant sub-groups.

Of those setting goals or actions to achieve (59% of all respondents, or 78% of those who recalled having developed an Action Plan or receiving assistance), 60% said they had achieved them. Those taking SEO (80%) were more likely to say they had achieved all of their goals.

2.2.1.3 Reasons for not completing action plans

Key informants agreed that most clients complete action plans. Reasons given for the minority that did not complete them included: personal issues, lack of interest, illness, or a negative work environment.

Those who deliver programs agreed that personal stability issues are the main barrier to clients not completing action plans. Another major reason offered was that sometimes clients change their minds about the type of training they desire. As a result, they may not complete an action plan but are still working toward some type of skill development. Medical reasons can also be responsible for failure to complete an action plan.

In the survey, those saying they did not achieve goals or actions (40% of all participants) were asked why not. For 31% it was because they had found work before achieving all of their goals or actions. For a further 36%, the reasons were of a personal nature (specifically in order of mention—family responsibilities, not enough time/other

responsibilities, illness/medical reasons, went back to school, maternity/parental leave, left the workforce, and low literacy). For 18%, the reasons were due to the program (not satisfied with the program, and financial reasons/lack of funding). For 10% they had revised/changed goals, were satisfied with the goals they had achieved or were still in the process of achieving their goals. The remainder had miscellaneous other reasons.

2.2.1.4 Differences for seasonal workers

Key informants identified that generally, only seasonal workers seeking to move away from seasonal work or move up within the seasonal work hierarchy (e.g.: barge deckhand to captain) are eligible for LMDA programs. Respondents indicated that while seasonal workers may seek assistance for safety or other re-certification necessary for their employment, there is a policy that re-certifications or training for the purposes of maintaining seasonal employment is the responsibility of the employer.

Those who deliver programs identified that in some instances, seasonal workers have realized that they can use their seasonal work experience and skills to seek related full time employment and use the action planning process to achieve this. Generally those who deliver programs agreed action plans are effective for seasonal workers.

There were no significant differences in responses to questions on action plans or the process to develop them for seasonal versus non-seasonal workers in the survey.

2.2.1.5 Differences by client status or EBSMs

Key informants indicated that apprentices are not required to develop action plans given the unique circumstances of apprenticeship programming. Otherwise all other EBSMs and client types require action plans. Key informants did not report significant differences in successes or perceptions between the action planning process for those required to use them.

Except for the few cases noted there were no significant differences in responses to questions in the survey on action plans or the process to develop them by principal EBSM or by active versus former claimant status of the participant.

2.2.2 Negotiated Financial Assistance

The financial contribution by participants towards their back to work activities is negotiated, although a \$200 minimum contribution is expected. Key informants focussed on the latter and were evenly split in terms of participants being able or unable to make the minimum contribution. Several respondents noted that clients with families in particular were usually unable to contribute this amount. Those unable to contribute

generally will ask for and receive a waiver. Key informants felt that most clients who were in a position to contribute were comfortable doing so.

Most who delivered programs identified that the \$200 contribution is usually waived. It was their experience as well, that clients with families were less able to contribute.

In focus groups, most reported that the \$200 contribution was waived in light of their circumstances. Others were generally satisfied with their contribution to costs.

In the survey, slightly more than one-half had paid less than \$200 in out-of-pocket expenditures toward their back to work activities. (Note that total costs may not have exceeded \$200.) A significantly smaller proportion of those taking BES-A (at 18%) paid less than \$200 compared to those taking TOJ (at 79%), EAS only (at 75%), SEO (at 61%) or BES (at 51%). The average participant (including those who had paid less than \$200) said they had contributed \$1,300, with active claimants contributing \$1,600, and former claimants \$900. Contributions were significantly higher for those whose principal EBSM was SEO (\$3,400), BES-A (\$2,300), or BES (\$1,300) compared to those with EAS only (\$500). Those who completed participation between 2000/01 and 2001/02 reported contributing more (\$2,300) than those who had completed participation in 2006/07 and 2007/08 (\$900).

2.2.3 Client satisfaction

2.2.3.1 Help identifying employment goals and selecting programs

The majority of key informants reported that counselling is very important in terms of identifying employment goals and selecting interventions. A minority report that clients who know what they want do not find counselling useful. Those who deliver programs agreed that counselling was particularly helpful to assist clients understand their options, the programs available to them, and to explore assumptions and expectations they might have about the type of training in which they are interested. All community representatives believed that counselling was important to clients for identifying their employment barriers and identifying their next steps.

Most participants in focus groups stated that they knew what they wanted to do and therefore did not require counselling for either identifying employment goals or selecting appropriate interventions. A few clients stated that they received very helpful counselling when identifying goals and interventions. A few clients felt they received no counselling on appropriate interventions, or experienced pressure to simply enrol in courses to meet administrative requirements.

Participants in the survey who recalled being assisted by someone in a government office or community organization (n=212) were asked to rate the assistance they had received.

In terms of helping them to identify employment goals, participants rated the assistance as a 3.9 (66% rated it a 4 or 5). Those taking BES rated the assistance higher (at 4.1, with 70% rating it a 4 or 5) than those taking EAS only (at 3.7, with 61% rating it a 4 or 5).

Participants rated the assistance they received at 3.8 (65% rated it a 4 or 5) in terms of its usefulness to their selection of a government program related to training and employment suitable to their employment goals. Those with SEO or BES as their principal EBSM rated the usefulness higher (at 4.2, with 79% rating it a 4 or 5 and 4.1, with 73% rating it a 4 or 5 respectively) compared to EAS (at 3.3, with 53% rating it a 4 or 5). Ratings by those who identified needing help with generic skills (at 4.1, with 80% rating it a 4 or 5) were significantly higher than those who identified needing help making a career choice (at 3.7, with 57% rating it a 4 or 5) or looking for or getting a job (at 3.7, with 60% rating it a 4 or 5).

2.2.3.2 Satisfaction with EBSMs

Key informants generally indicated that clients seem satisfied with their EBSM's, particularly ATOJ. For those who are not satisfied, lack of satisfaction is more likely due to the financial supports rather than the programs.

Generally participants in focus groups were satisfied with training they had received. A few suggestions included improvement to the administration of ATOJ, providing BES-A training in home communities, and providing a TOJ linked to BES to provide work experience related to the training.

Survey respondents were asked to rate their overall satisfaction with the EBSMs they participated in. Their average rating was 3.9. Sixty-eight per cent chose a rating of 4 or 5. The rating by those taking BES-A, BES or SEO as their principal EBSM were higher at 4.2 (with 85% rating it a 4 or 5), 4.0 (with 73% rating it a 4 or 5), and 4.2 (with 71% rating it a 4 or 5), respectively compared to an average rating of 3.6 (with 56% rating it a 4 or 5) for EAS only.

2.2.3.3 Usefulness of EBSM to getting a job

The majority of key informants believe there is a direct link between the interventions and employment. In focus groups most clients believed their EBSMs helped them to find employment. However, a significant minority felt that their EBSMs had not assisted in finding work due either to lack of jobs in their home communities, or lack of employment opportunities for their skill set.

The 97% of participants in the survey who had worked after their participation ended were asked to rate the importance of their participation in their ability to get the post-participation job in their main line of work. Participants rated this importance at 3.6 on

average with 61% identifying a 4 or 5. Those who took BES-A as their principal EBSM rated the program's importance more highly (at 4.3, with 85% rating it a 4 or 5) compared to those taking BES (at 3.7, with 60% rating it a 4 or 5) or EAS only (at 3.3, with 52% rating it a 4 or 5). Other groups that rated the program's importance more highly were:

- Those who reported needing help with general skills (at 4.0) compared to those needing help looking for a job (at 3.6).
- Those who were seasonal workers prior to participation (at 4.0), compared to non-seasonal workers (at 3.5).

2.2.4 Co-ordination with other federal and territorial-sponsored programs

2.2.4.1 Competition for EI clients

The majority of key informants said there is no competition for EI clients among other federal or territorial-sponsored programs. They noted that in some cases there may be clients eligible for more than one program. The eligibility for multiple programs can encourage clients to make strategic choices in order to maximize funding. Some key informants noted that in such cases processes are in place to effectively case manage the client. Those who deliver programs identified no competition for EI clients.

2.2.4.2 Cooperative approach to working with EI clients

The majority of key informants reported regular, although informal, cooperation between the LMDA and other programs, including Aboriginal Human Resource Development Agreements (AHRDAs), Aboriginal Skills and Employment Partnership (ASEP), Aurora College, and Service Canada. The extent and nature of coordination varies by region, ranging from established committees meeting regularly, to informal contact between front line workers on an as-needed basis. In some regions greater coordination may occur or may have occurred in the past, than in others. Key informants said that any coordination among these programs tends to be informal and driven by individuals.

Those who deliver programs see no formal coordination between the LMDA, AHRDA, and ASEP at their level but noted that there is some informal coordination and contact between front-line workers. Some also noted that different programs are not aware of each other's criteria, programs, and rules.

2.2.4.3 Nature and perceived success of joint initiatives

Key informants indicated that joint initiatives tend to coalesce around industry needs. Respondents said that initiatives include: pooling funding to offer programs in small communities; mobile training units; and collaboration on school presentations. All

initiatives were generally recognized as successful, resulting in sharing information, taking a joint approach to training, and fostering collaboration.

As noted earlier, 5% and 14% of EBSMs within APEs of participants under the Canada-NWT LMDA were funded under AHRDAs or other LMDAs respectively.

2.3 ISSUES FROM THE FORMATIVE EVALUATION

2.3.1 Supply-Demand Imbalance in Community Labour Markets

Most key informants felt that the LMDA is addressing the supply-demand imbalance in community labour markets. However, most qualified their agreement by noting that there are few jobs available in communities, and the LMDA has not taken a strategic approach to addressing growing demand areas such as self government or public administration. It was also noted that there are many people unemployed who are not EI-eligible. (Non-insured individuals are only eligible for EAS.)

2.3.2 Cap on Tuition under BES

There is a cap of \$3,850 (\$3,500 prior to March 31, 2006) on tuition paid on behalf of clients taking BES. Key informants were evenly divided on whether the tuition cap is still an issue. Those who believe it is an issue often stated that tuition generally continues to rise, and for some programs the limit is much higher. Those who deliver programs felt the tuition cap was not an issue.

The survey asked for expenditures incurred by participants on their back to work activities (addressed earlier) and what proportion was spent on tuition by those taking BES or BES-A. Approximately 20% of expenditures were spent on tuition with those taking BES reporting spending 22% and those taking BES-A identified spending 17%. This resulted in an approximate expenditure on tuition of \$330 overall, with those taking BES spending \$280, and those taking BES-A spending \$390.

2.3.3 Support Limits on Adult Basic Education

A slight majority of key informants said that the 3 month limit on Adult Basic Education (ABE) is too restrictive, and should be extended. Others felt it was adequate. Suggestions for the appropriate limit ranged from more than three months to up to two years.

2.3.4 Case Management Administrative System (CMAS)

Key informants were equally divided between those believing that CMAS is working and those stating that it needs improvement. Suggestions for ongoing improvement include making it more user-friendly and less time-consuming; and ensuring better integration with other GNWT systems such as the Financial Information System (FIS).

Those who delivered programs agreed that proper training was necessary for effective use of CMAS. About one-half were critical of the system for several reasons: (1) its incompatibility with Financial Information System; (2) the high volume of information required; and (3) the time required to enter data versus work with clients.

2.3.5 Staffing issues

A slight majority of key informants felt that staff issues identified by the formative evaluation (mainly training and information available to staff) continue. Concerns relate to the need for more extensive and on-going training since turnover rates for front line and community-based staff will continue to be an issue, which should be addressed through appropriate planning. Remaining key informants believe that programs are well staffed, although ongoing or more CMAS training is required.

3.0

Clients and their Experiences

This chapter presents information on LMDA clients and their characteristics, attitudes and quality of life, EBSM-specific factors, post-program activities, and experiences.

3.1 LMDA CLIENTS

As noted earlier, 2,740 APEs ended between 1999/2000 and 2007/2008. Most (69%) were taken by active claimants. Slightly more than one-third (35%) of active claimants take BES as their principal EBSM. One-half of former claimants take EAS only. Apprentices may take two programs designed for them and funded through the LMDA: BES-A and ATOJ. APEs with these principal EBSMs account for 15% of all APEs in the period.

Based on the survey of participants:

- Males comprised 55% of clientele.
- The average age of participants was 38 at the start of their APEs.
- Participants identified themselves as being part of the following target groups: Aboriginal—40%, visible minorities—8%, and persons with disabilities—8%.
- Education levels as the start of participation were: less than high school (30%), completed high school (25%), completed some or all of a community college diploma (29%), and completed some or all of a university degree (16%).
- Participants' median annual household income was between \$30,000 and \$50,000 in the year before participation.
- Only about one-third (35%) of clients were born in NWT. Most of those not born in NWT (60%) came to NWT since 1990 (29% since 2000).
- At the time they began participation, 63% of participants were married or living common law.
- The number of children under 18 depending on clients at the time they started their participation was similar across various client types and demographic groups.

- Seasonal workers are more likely to be male (72%), to be born in NWT (50%), to have a disability (13%), to be of Aboriginal descent (55%) and to be living common law (38%).
- Female participants are older (40 years old on average) and more likely to be married (41%) and less likely to be in a common-law relationship (23%).

Again based on the survey, the characteristics of participants by their principal EBSM are:

- Those taking BES-A are mostly males (97%). Males represent from 45% (SEO) to 49% (EAS) across other principal EBSMs.
- The approximate age at the start of participation was 30 for those taking BES-A. Other groups were older with average ages of from 36 (TOJ) to 41 (EAS).
- Those taking SEO were more likely to have been born outside NWT (80%). The proportion born outside NWT ranged from 50% (TOJ) to 66% (EAS) for other groups.
- Those taking BES-A are more likely to have English as their mother tongue (98%) compared to those who took TOJ (87%) or EAS (85%).
- Those taking TOJ are more likely to be of Aboriginal descent (58%) compared to those taking BES-A (36%) or SEO (15%).
- Those taking EAS (11%), TOJ (9%) or BES (7%) are more likely to be a visible minority¹ compared to those taking BES-A (0%).
- Those taking EAS (12%), TOJ (11%) or SEO (9%) are more likely to have a disability compared to those who took BES-A (0%).
- Those taking SEO (58%), BES (36%), or EAS (36%) are more likely to be married when they started participation compared to those who took BES-A (19%).
- Those taking BES (3%) are more likely to have 5 or 6 children under the age of 18 at the time they started participation compared to those taking EAS (0%).
- Those taking SEO tend to have more formal education. They are more likely to have graduated from a community college or technical college (33%) compared to those taking EAS (17%) or BES (12%). They are more likely to have graduated university (20%) compared to those taking BES (7%), EAS (5%), TOJ (4%), or BES-A (2%). They are also more likely to have post-graduate university degree (11%) compared to those taking BES-A (0%).

¹ By definition, an Aboriginal person in Canada is not a visible minority. Based on our experience in NWT, since respondents don't know this official definition, we did not ask anyone who said they were an Aboriginal the question on visible minority status.

- Total annual household income at the beginning of participation differ by principal EBSM. Participants under SEO are more likely to have incomes of \$60,000 to \$70,000 (11%) or to have incomes of \$40,000 to \$50,000 (16%) compared to those taking EAS (2% and 4% respectively). Participants under BES-A are more likely to have incomes of \$40,000 to \$50,000 (14%) compared to those taking EAS (4%). Those taking BES-A are also more likely to have incomes of \$30,000 to \$40,000 (22%) compared to those taking BES (9%). Participants under TOJ (21%), BES (18%), and EAS (20%) are more likely to have incomes of \$20,000 to \$30,000 compared to those taking SEO (5%). Those taking TOJ (24%), BES (13%), and EAS (9%) are more likely to have incomes less than \$20,000 compared to those taking BES-A (0%). Similarly those taking TOJ are more likely to have income of less than \$20,000 compared to those taking SEO (5%) and EAS (9%).
- Those taking SEO have a higher average number of household members supported by their income (3.0) compared to BES-A participants (2.5).

3.1.1 Barriers to Employment

Key informants identified a number of barriers to employment among participants: education, job readiness, personal wellness, economic situation, and external factors. The most frequently cited education barrier is literacy, followed by low educational achievement. Job readiness, including lack of life skills, work ethic and personal suitability was the second most highly identified barrier. This was followed by personal wellness, including addictions, family instability, and poverty. Economic and external factors included lack of daycare accessibility, lack of job experience, racism, and cultural issues. Lack of knowledge about training or job opportunities also fell into the last category.

Those in community focus groups identified low educational achievement, even among students with grade 12 diplomas, along with access to affordable daycare as the two main barriers clients face when trying to obtain steady employment. Community representatives/advocates identified older workers with extensive land-based (such as hunting, fishing, and trapping) experience as a group with particular barriers when they sought training in their later years, as they became physically less suited to land-based activities. Barriers included low education, low self esteem, personal issues and family instability—barriers that were felt not to have been well addressed given the three-month ABE limits.

Among those clients in participant focus groups who could not find work, most identified conditions within the labour market itself as their barriers: namely, either lack of full time permanent employment opportunities in their home communities or a requirement for

related experience that their interventions failed to provide. Most clients agreed that prior to taking the EBSM their own lack of skills were barriers to employment.

In the survey, non-apprentice clients were asked to indicate whether they needed help in removing impediments to their looking for, finding, or keeping employment at the time they began their participation. Responses are summarized in Table 1 by client type and principal EBSM and in Table 2 by participant group of interest.

Table 1 Percentage of Participants Identifying Barriers

	Total	Client type:		Principal EBSM			
		Active	Former*	BES	TOJ*	SEO*	EAS*
n=	295	211	84	123	31	45	96
Making a career choice	27	28	27	39	16	20	31
Gaining general skills	37	36	39	39	32	18	43
Gaining specific skills	56	54	58	65	55	36	53
Looking for or getting a job	45	47	42	44	36	20	57

Source: Participant Survey

Notes

* Small number of responses.

Participants of BES-A not asked this question.

Table 2 Percentage of Participants in Groups of Interest Identifying Barriers

	Total	Group of interest				
		Female	Seasonal*	Aboriginal	VisMin**	Disability**
n=	295	153	80	114	25	25
Making a career choice	27	29	38	26	46	46
Gaining general skills	37	35	59	46	50	51
Gaining specific skills	56	62	71	67	70	79
Looking for or getting a job	45	48	54	52	56	60

Source: Participant Survey

Notes

* Small number of responses.

** Very small number of responses.

Fifty-six per cent of participants reported **needing help gaining specific skills**, such as technical skills or a trade certificate, that would be useful in particular jobs. Those whose principal EBSM was SEO were less likely (36%) to report needing this kind of help compared to those with BES as their principal EBSM (65%). Respondents formerly employed as seasonal workers reported a high incidence (71%) of needing help with specific skills, as did all target group members: Aboriginals (67%), visible minorities (70%), and persons with disabilities (79%).

Forty-five per cent reported **needing help looking for or getting a job**. Those who took EAS only were more likely to identify this need (57%), as were those with disabilities (60%).

Thirty-seven per cent identified **needing help gaining general skills**, such as reading, writing, numeracy, information or basic technology, that would be useful in most jobs. Those who had worked in a seasonal job were more likely to identify this need (59%), while those whose principal EBSM was SEO were much less likely (18%) to do so.

Making a career choice was a problem identified by 27% of respondents. As seen in Table 2, members of visible minorities (46%), persons with disabilities (46%), and seasonal workers (38%) were more likely to identify this problem.

Table 3 explores the existence of multiple barriers among participants. The first column indicates an identified barrier and the second column indicates the number of participants with that barrier. Each remaining column indicates the percentage of respondents with the identified barrier who also identified the barrier cited at the top of that column.

Table 3 Percentage of Participants with at least a second barrier

	Number with barrier to left n	Per cent also with second barrier below:			
		Career choice %	General Skills %	Specific Skills %	Looking/ getting job %
Making a career choice*	79	--	52	66	64
Gaining general skills	106	39	--	77	64
Gaining specific skills	164	33	52	--	53
Looking for or getting a job	128	39	52	64	--

Source: Participant Survey

Notes

* Small number of responses.

To interpret Table 3, note for example, that of the 128 who needed help looking for or getting a job, 39% also needed help making a career choice, 52% also needed help with general skills, and 64% also needed help with specific skills. The table suggests that participants who identified one barrier were highly likely to identify other barriers as well.

3.1.2 Apprentice Status of Participants

Participants who confirmed that their participation involved attending classroom training in a community college, school, or training institute were asked whether this training had been part of the requirement to being an apprentice. Seventy-six per cent of those taking BES-A as their principal (or longest) EBSM and 22% of those taking BES as their principal EBSM claimed that the classroom training was part of an apprenticeship

requirement. But the participant profile drawn from administrative data suggests that less than 1% of APEs involved both BES and BES-A. Therefore, some EBSM records may be miscoded or respondents to the survey may not understand the apprentice requirements. Regardless, some participants reported under BES-A may not be apprentices, and some apprentices may be reported as BES participants in survey analyses.

3.1.3 Seasonal Employment

Twenty-seven per cent of participants said they had worked in seasonal employment in their main line of work prior to participation. Those more likely to work in seasonal employment had less than a high school education when they began participation (43%), identified that they needed help with generic skills when they began participation (43%) or were male (35% of all males were seasonal workers compared to 17% of all females).

Those who worked in a seasonal job prior to participation suggested they worked an average of 7.2 months in the seasonal employment in a typical year. There was little variation in the average length of seasonal employment across groups of participants.

Of those who worked in seasonal employment prior to participation, 63% also worked in seasonal employment during participation. After participation, 61% of those who had previously worked in seasonal employment continued to work in seasonal employment in their main line of work. Over all respondents who had work after participation, the proportion working in seasonal employment after participation was 25%.

3.1.4 Reason for Job Ending in Main Line of Work before Participation

22% of respondents mentioned layoff or closure as the reason why their jobs in their main line of work prior to participation came to an end. This reason was mentioned more by those whose job was not seasonal (25%) compared to those in seasonal work (14%). 14% of all participants cited the end of the working season as the reason why their main line jobs ended. Naturally, this percentage was significantly higher among seasonal workers (54%). Release for classroom training was mentioned as a reason by 12% of participants and 65% of apprentices. Other reasons identified for the job coming to an end were: moved or relocated (9%); term or contract job ending (9%); medical or personal reasons (8%); career change (5%); and business bankruptcy (5%).

Forty-five per cent worked in another job after their job in their main line of work ended and before participation. More former claimants had done so than active claimants (56% compared to 42%).

3.2 EBSM SPECIFIC FACTORS

This section discusses experiences relevant to the major EBSMs.

3.2.1 Experience Participating In BES

Ninety-four per cent of those identified in administrative records as having participated in BES or BES-A confirmed in the survey that they took classroom training in a community college, school or training institute. Those confirming BES/BES-A participation were asked questions about their experience.

Most (57%) BES participants had taken trades training or apprenticeship. The percentage was 69% among those identified from the administrative data as BES-A and 38% of those identified as BES.

Other principal courses or fields of study taken were:

- Computers/information technology 16%.
- Business administration 7%.
- Office administration 6%.
- Medical assistant/other 5%.
- College preparation course 5%.

Seventy-seven per cent of BES/BES-A participants said they received a certificate or diploma as part of their classroom training. A trade certificate (57% of those receiving a certificate/diploma) was most frequently mentioned. Trade certificate was identified by 93% of those identified as BES-A from administrative data and 40% of those identified as BES. Other principal mentions for certificates were computers (18%) and office administration (8%).

3.2.2 Experience participating in Self-Employment

There were 45 completed interviews with SEO participants. All confirmed their participation in SEO. Due to the small number of cases, the results of this section should be viewed with caution.

Twenty-two of the 45 SEO clients interviewed were running their businesses at the time of the survey. Of the 23 not then running their business, 18 said they had started a business. Of all respondents who had started a business (n=40), slightly less than one-half (19) started it **before** they began participation under SEO. Thirteen of the nineteen SEO clients who had started the business before the start of their SEO participation reported that they had made changes to the business as a result of their participation. Twenty of the

twenty-one clients who started their business **after** starting SEO said they started their businesses as a result of having participated in SEO.

The 32 SEO clients (71% of all SEO clients interviewed) who had made changes to an already existing business as a result of having participated in SEO or who had started a business as a result of the program participation were judged to be positively affected by the program. This group reported the number of workers, other than themselves, whom they employed. While 66% reported employing no one other than themselves, other SEO clients employed 2.4 workers on average in addition to themselves.

Reasons given by those who had not started a business or who were no longer running their business (n=23) for not being self employed at the time of the survey were (multiple responses possible):

- Lack of financing/money 31%.
- Business failed 26%.
- Went to work for someone else 22%.
- Personal/family reasons 13%.
- Health reasons 10%.
- Unsuitable to self-employment 4%.
- All other mentions 9%.

The 40 respondents who had started a business were asked the percentage of their earnings they had derived from the business while it was operating. Fifteen per cent identified none (0%) while 38% identified all (100%). The average percentage of their earnings derived from the business was 55%. Those who started their business prior to participation identified an average of 50% while those who started their business after participation identified 57%. Those positively affected through participation, under the definition given above, reported 53% on average.

3.2.3 Experience participating in Training-on-the-Job

Of 31 respondents identified from administrative sources as having participated in TOJ, 90% (n=28) confirmed their TOJ participation. (Identification of the experience as participation can be difficult as it could appear to be just another job.) This left only 28 respondents to the TOJ questions. As a result, all TOJ responses should be treated with caution. As the number of survey respondents is very small, this section refers to the number of individual respondents rather than using percentages.

Although three respondents could not recall how the TOJ was established, eleven others identified they had been approached by an employer, eleven had approached an

employer, and three reported it had been set up by a counsellor. (In employer focus groups ATOJ and TOJ employers identified a similar mix of approaches being used.)

Six of the 25 respondents reported they were currently working for the employer who had employed them as part of the TOJ¹. The 19 who reported they were not currently working for the TOJ employer were asked if they were aware the TOJ position was a term position. Of these, twelve said they were aware, seven said they had not been told, and two said they did not know. Of those who were aware it was a term position, all but one worked for the full term. The one individual who had left before the term ended did so to work for someone else. (In employer focus groups, all employers said they had hired clients after the wage subsidy ended.)

Of the 28 respondents who confirmed TOJ participation, 27 felt they had gained work experience with the TOJ employer that would help them in other jobs. Twenty-seven also felt working for the TOJ employer allowed them to gain skills that would help them in other jobs. Skills that were gained (multiple responses possible) and corresponding number of responses included:

- Communication skills 8
- Operating in a work environment/work skills/experience 7
- Computers 6
- Trades 6
- Numeracy (arithmetic) 5
- Technical skills 3
- Writing (communicating through words) 3
- Managerial (how to deal with staff) 2

The 21 respondents not currently working for the TOJ employer were asked whether they were using the skills gained with the TOJ employer in their current jobs. Twelve reported that they were.

3.2.4 General views on Employment Assistance Services

Non-apprentice clients (n=301) were asked whether they recalled an action plan or assistance being provided to them. The 232 respondents who could recall either of these were asked for their views on whether the assistance was readily available and provided from the most appropriate location. Active claimants rated the availability of assistance more highly (4.0) than former claimants (3.6). Those who were not seasonal workers

¹ One respondent was not sure.

rated the appropriateness of the location more highly on average (4.2) than those who were (3.8).

3.2.5 Labour Market Partnerships

3.2.5.1 Link between LMPs and local labour market priorities/regional economic plans

Rather than being tied to formal economic plans, most key informants stated that partnerships and initiatives tend to coalesce around immediately apparent regional or labour market priorities. For example, funding is provided to regional initiatives such as the Mine Training Society, or to communities in response to funding proposals.

Community representatives felt that none of the LMPs were tied to specific economic development plans. Instead they were tied to needs as identified within major industries such as oil, gas, mining; including such initiatives as the Mackenzie Gas Project or diamond mines. Other partnerships focus on developing basic work readiness skills or employment skills among clients without reference to a specific industry.

3.2.5.2 Immediate labour market impacts of LMPs

Most key informants identified immediate impacts of LMPs including increased awareness within government of skills needs, and increased awareness among target client groups of labour market needs. It was noted that partnerships target the needs of specific groups of people (eg: the Yellowknife multicultural centre), or target specific types of skills.

3.2.5.3 Contribution of LMPs to local or territorial labour market objectives in the longer-term

Few key informants were able to speak specifically to the contribution of LMPs to longer-term local or territorial labour market objectives. Those that did believed that the LMPs contribute to the achievement of economic development objectives over the long term. An example of this included: the multicultural centre in Yellowknife, focusing on providing new immigrants with basic job readiness skills.

Generally community representatives noted that most labour market partnerships were short term and specific-skill focused. However notable exceptions such as the Inuvik Works project were directed at developing work readiness skills as a base for long term employment readiness.

3.2.6 Extent to which the LMDA is an occupational supply channel

The majority of key informants believe the LMDA is an occupational supply channel, citing clients being employed after training as evidence. It was noted that the LMDA seems stronger in supporting the needs of trades and the oil and gas sector rather than smaller employers. Respondents had suggestions for strengthening the LMDA's contribution by expanding programming and eligibility criteria. Respondents suggested that too much funding may be devoted to program administration; that more attention should be focused on the needs of small employers; that programs are needed for workers over 50 years old and for youth. Several respondents noted that there is a group of unemployed, skill-challenged, non-EI eligible people who are not being reached.

Community representatives agreed that clients were obtaining employment upon completion of training, and that there was evidence of increased trades awareness and readiness among youth.

3.3 NON-INCREMENTAL OUTCOME INDICATORS

Impacts of participation are estimated through the incremental analysis discussed in Chapter IV. This section presents evidence of the outcome levels, which are not adjusted for the effects of what would have happened in the absence of participation, and do not represent, therefore, estimates of incremental effects. No tests of significance were conducted on these data.

3.3.1 Employment

Table 4 presents the percentage of respondents to the participant survey who reported working and the per cent of time they indicated working in the year prior to participation, during participation, and in the period after participation. (Note that the after participation period has different lengths depending on when participation ended.)

Table 4 Percentage Working and Proportion of Time Worked in Year prior to, during, and after Participation

	TOTAL n=	Client status			Principal EBSM				
		Active	Former	BESA	BES	TOJ	SEO	EAS	
	348	255	93*	53*	123	31*	45*	96*	
Proportion working:									
Pre-participation	97	99	91	100	97	92	100	96	
During participation	64	62	68	61	44	87	91	68	
Post-participation	97	96	99	100	95	96	100	97	
Proportion of time working:									
Pre-participation	76	79	70	89	71	73	87	73	
During participation	43	40	47	46	23	70	73	42	
Post-participation	76	76	76	88	75	77	81	72	

Source: Participant survey

* Caution--small base

Note that the majority of participants worked during the participation period. Some principal EBSMs such as TOJ and SEO involve work. This may account for the high proportion working and high percentage of time working in the participation period. The BES and BES-A programs require full-time attendance. However, participants may be employed in other periods of their APE or at night, which may explain why they had indicated working during their participation.

Only 10 participants (3%) failed to work following their participation. Their stated reasons for not working were all of a personal nature, and were not related to their participation.

In addition, approximate employment status¹ was inferred using earnings data obtained from Canada Revenue Agency (CRA) records. Almost all participants received income from employment or self-employment at some point following the end of the APE. The numbers were 97% and 96% for active- and former-claimant participants, respectively. Among active-claimant participants, however, it was those with TOJ as principal EBSM who were the least likely, on average, to have received income from employment (91%). For former claimants, SEO clients were least likely to have received income from employment following participation (82%).

¹ This is a rather crude approach, however, in that it infers only that the individual was employed during each period of time and gives no indication of the duration or intensity of such employment. Also, the periods themselves, relative to the APE, are defined imprecisely in terms of calendar years (as opposed to the precise times of their occurrence) in order to synchronize with the annual periodicity of the taxation data.

3.3.2 Earnings

Earnings in calendar years after participation were identified from CRA data. Note that the earnings indicator analyzed here combines earnings from working for an employer as well as from self-employment, and that it includes those with zero earnings during the period in question. (The earnings variable was not adjusted for inflation.)

In the full period following the end of the APE, annualised earnings for active claimants averaged \$28,000. Averages for most groups defined by EBSM were within \$3,000 of this value, except for BES-A clients, whose annualised post-participation earnings were \$38,000 on average, and EAS-only clients, at \$23,000. Among target groups, women, visible minorities, and persons with disabilities had lower averages (\$21,000, \$23,000, and \$24,000, respectively). Former claimants averaged earnings of \$22,000 in the period after the end of the APE. Again, averages for most EBSM groups were within \$3,000 of this value, except for BES-A at \$36,000 and SEO at \$14,000. Persons with disabilities and women again had lower averages, at \$12,000 and \$15,000, respectively.

Trends over the three individual years following the end of the APE were generally positive. Over all, average earnings for active-claimant participants climbed from \$31,600 to \$36,000 between the first and second years, then to \$38,900 in the third year. This trend was quite consistent across groups defined by their principal EBSM, except that it occurred at a higher level for BES apprentices and TOJ participants' earnings declined slightly across the three years.

Similarly, average earnings for former-claimant participants climbed from \$25,000 in the first year after the end of the APE to \$28,000 in the second year and \$30,300 in the third year. This pattern was repeated for all groups defined by principal EBSM except for SEO participants who saw average earnings decline from \$21,000 in the first year, to \$19,500 in the second year to \$15,300 in the third year after participation ended.

Most target groups, for both active and former claimants, followed the general pattern across the three years, although at different levels of earnings. Members of visible minorities were an exception: active-claimant participants among visible minorities saw static average earnings at just under \$29,000, while former claimants in this group saw an increase from \$25,800 to \$27,500 between the first and second years, then a drop to \$24,900 in the third year.

3.3.3 EI Benefits Received

EI benefits data is available by week allowing much more precise measurement of periods of interest. In the full period following the end of the APE, active claimants received an annualised average of \$2,000 in EI benefits. Those in SEO received least on average, at \$800, while the highest average was \$2,400 among those with BES as

principal EBSM. The average varied only slightly across target groups, except that members of visible minorities received an annualised average of \$2,700 in EI benefits. For former claimants, the average amount of EI benefits was \$1,600. Averages among the various subgroups varied by less than \$400 from this amount, those with disabilities and visible minorities representing the extremes at \$2,000 and \$1,200, respectively.

Over all, annual EI benefits paid to active-claimant participants declined from an average of \$2,700 in the first 52 weeks after the end of the APE to \$2,000 in the third 52 weeks. This trend varied considerably across groups defined by their principal EBSM, especially for SEO and TOJ, where initially low averages dropped in the second period then increased in the last. At the same time, average amounts paid to former claimants increased on average, from \$1,400 to \$1,800, across the three years following the end of the APE, with virtually all of the change coming between the first and second 52-week periods. Former claimants who participated principally in TOJ experienced an opposing trend, however, declining on average from \$2,000 to \$1,200 over the same period.

Among the different target groups, the above patterns varied little. Among active claimants, the decrease was greater for females, while the average for members of visible minorities started at a much higher level (\$3,000 in the first period) and declined less (to \$2,800 in the third).

3.3.4 Weeks of Receipt of EI Benefits

In the full period following the end of the APE, active claimants received EI benefits for an annualised average 5.5 weeks. Those in SEO received least on average, at 2.1 weeks, while the highest averages were 6.6 weeks for those receiving EAS only and 6.5 among those with BES as principal EBSM. The average varied only slightly across target groups, except that members of visible minorities received EI benefits for an average 7.3 weeks. For former claimants, the average number of weeks receiving EI benefits was 4.6. Averages among the various subgroups varied by less than half a week from this amount, except those with disabilities and visible minorities at 5.9 and 3.8 weeks, respectively.

Examining the three individual 52-week periods following the end of the APE suggests the annual weeks in which EI benefits were paid to active-claimant participants declined from an average of seven and a half weeks in the first 52 weeks after the end of the APE to about five and a half weeks in the later two periods. At the same time, average weeks of EI paid to former claimants increased slightly on average, from 4.2 weeks in the first period to over five weeks in the next two periods. Former claimants who participated principally in TOJ experienced an opposing trend, however, declining on average from 6.5 weeks to 3.5 weeks over the same period. Apprentices in BES also failed to experience the increase.

3.4 CLIENT ATTITUDES AND QUALITY OF LIFE

3.4.1 Reasons for not finding Work prior to Participation

The main reasons given, by those who did not work, for not working after their job ended in their main line of work prior to participation was:

- | | |
|---|------|
| • No work/jobs (in area) | 42%. |
| • Recently moved | 8%. |
| • Sick/disabled | 7%. |
| • Program started immediately after job ended | 6%. |
| • Looking for career/job change | 6%. |
| • Seasonal work not available | 5%. |
| • No skills | 5%. |
| • Took time off | 5%. |

3.4.2 Changes in Client Attitudes

Participants were asked for their level of agreement with statements about possible changes in their lives since the start of participation. A five-point scale was used where “1” meant strongly disagree and “5” meant strongly agree. Table 5 shows the proportion who agreed strongly and the average assessment on the five-point scale.

More than one-half of participants agreed strongly that, since participation started:

- The job skills they bring to the workforce are much higher.
- They are better able to find a job if they need to.
- They are better able to keep a job.
- They are more interested in improving their job skills through further training.
- They are more interested in increasing their level of formal education.
- They are better able to contribute to their family income.
- Their confidence in themselves and their abilities has improved.

Less than one-third strongly agreed to the statement that they were more willing to move to another community to find work, a common finding in LMDA evaluations.

Table 5 Agreement with Statements about Changes since Start of Participation

	Total n=	Client type:			Principal EBSM:				Gender:		Seasonal worker:	
		Active	Former*	BESA*	BES	TOJ*	SEO*	EAS*	Male	Female	Yes *	No
	348	255	93	53	123	31	45	96	193	155	93	254
Job skills are much higher now												
% strongly agree	51	50	54	62	54	63	30	47	55	46	62	47
Average rating	4.0	4.0	4.1	4.3	4.0	4.2	3.9	3.9	4.2	3.9	4.3	3.9
Better able to find a job now												
% strongly agree	50	47	55	63	46	45	40	52	55	44	52	49
Average rating	4.0	3.9	4.1	4.4	3.9	3.9	3.9	3.9	4.1	3.8	4.0	4.0
Better able to keep a job												
% strongly agree	52	53	52	63	54	48	46	50	57	47	64	48
Average rating	3.9	3.9	3.9	4.3	3.9	4.0	3.7	3.7	4.0	3.7	4.1	3.8
More willing to move to find work												
% strongly agree	27	28	25	30	29	24	18	27	31	22	41	22
Average rating	2.9	3.0	2.8	3.3	2.9	2.9	2.3	2.9	3.1	2.7	3.3	2.7
More interested in further training												
% strongly agree	63	61	67	66	67	62	42	64	61	64	78	57
Average rating	4.3	4.2	4.3	4.5	4.3	4.0	4.0	4.3	4.3	4.2	4.6	4.1
More interested in further education												
% strongly agree	55	54	55	47	61	60	34	57	52	58	70	49
Average rating	4.0	4.0	4.0	4.1	4.1	3.9	3.6	3.9	4.0	4.0	4.4	3.8
Better able to contribute to family income												
% strongly agree	58	55	64	61	57	52	36	66	61	54	66	55
Average rating	4.2	4.2	4.3	4.5	4.2	4.0	3.8	4.3	4.3	4.0	4.4	4.1
Confidence improved												
% strongly agree	53	52	57	62	52	58	40	54	57	49	63	50
Average rating	4.2	4.1	4.2	4.3	4.0	4.3	4.0	4.2	4.3	4.0	4.4	4.1

Source: Participant survey

* Caution--small base

Don't know/refused were less than 2% and are excluded

Those with significantly different¹ average ratings were:

- Higher job skills now—those taking BES-A (4.3) compared to SEO (3.9), males (4.2) compared to females (3.9), seasonal workers (4.3) versus non-seasonal workers (3.9).
- Better able to find a job now—those taking BES-A (4.4) compared to BES and SEO (both 3.9), males (4.1) compared to females (3.8).
- Better able to keep a job—those taking BES-A (4.3) compared to SEO and EAS (both 3.7), males (4.0) compared to females (3.7), seasonal workers (4.1) compared to non-seasonal (3.8).
- More willing to move to another community to find work—those taking BES-A (3.3) or BES (2.9)² compared to SEO (2.3), males (3.1) compared to females (2.7), seasonal workers (3.3) compared to non-seasonal (2.7).

¹ The differences reported here are statistically significant between or among only the groups stated. Note that most bullets in the list encompass multiple comparisons.

² TOJ and EAS also show average ratings of 2.9, but the differences did not achieve statistical significance at the conventional level of 0.05.

- More interested in improving job skills through further training—those taking BES-A (4.5) compared to TOJ or SEO (both 4.0), seasonal (4.6) compared to non-seasonal (4.1) workers.
- More interested in increasing their level of formal education—those taking BES-A or BES (both 4.1) compared to SEO (3.6), seasonal (4.4) compared to non-seasonal (3.8) workers.
- Better able to contribute to their family income—those taking BES-A (4.5) compared to SEO (3.8), seasonal (4.4) compared to non-seasonal (4.1) workers.
- Improvement in confidence in themselves and their abilities—seasonal (4.4) compared to non-seasonal (4.1) workers.

3.4.3 Perceptions of Post-Program Jobs

All but 10 participants had at least one job since participation ended. Those with jobs were asked questions about the main line of work after participation.

3.4.3.1 Work for same employer/same job in pre- and post-participation periods

Forty-two per cent of participants working after participation worked for the same employer in the pre- and post-participation periods. Significantly higher were those taking BES-A (75%).

Of those working for the same employer in both periods, 80% worked in the same job in both periods. Significantly higher were those taking BES-A (95%) and seasonal workers (87%).

Combining both pieces of information the percentage of participants working in the same job for the same employer was 33%—with significant results for the following groups: 72% of those taking BES-A, 45% of those with less than a high school education, 42% of males, and 49% of seasonal workers.

3.4.3.2 Job satisfaction/satisfaction with pay

Those with a job after participation were asked to rate their overall satisfaction with the job and with its pay. Average scores were 4.2 (77% saying a 4 or 5) and 4.0 (72% saying a 4 or 5) respectively. Those more satisfied with their post-participation job were those whose principal EBSM was BES-A (4.4) and SEO (4.4) compared to BES (4.0).

3.4.3.3 Role of participation in providing particular skills needed for post-program job

Eighty-one per cent of those who worked after participation said they required a particular set of skills to get the job in their main line of work. Of these participants, 30% said the needed skills had been acquired through the program. This percentage was much higher among BES-A participants, 42% of whom suggested the needed skills had been acquired through the program.

3.4.3.4 Role of participation in providing diploma/certificate needed for post-program job

Fifty per cent of those who worked after participation said they required a diploma or certificate to get the job in their main line of work. Of these participants, 55% said the diploma/certificate had been a result of the program. Sixty-nine per cent of former claimants, 68% of male participants, and 71% of seasonal workers suggested the needed diploma/certificate had been provided through the program.

3.4.3.5 Main reason for finding employment in main line of work after participation

Participants were asked the main reason why they found employment in their main line of work after participation. The employment program or activity taken during participation was cited by 7%. (Those with less than high school education (at 11%) were significantly more likely to cite their participation as the reason.) Other reasons given were:

- Skills—22%.
- Previous employment/continuation of work experience as apprentice/ with employer under program—15%.
- Previous experience—14%.
- High demand for workers/skills—10%.
- Education—9%.
- Own initiative—7%.
- Personal contacts—6%

Some groups were more likely to identify particular reasons for finding employment following participation:

- Apprentices identified previous employment/continuation of work experience as apprentice/ with employer under program (43%).
- EAS participants identified skills (31%).

3.5 POST-PARTICIPATION TRAINING AND MOBILITY

This section discusses other activities by participants in the post-participation period. (Note that this period varies in length depending on the timing of the end of participation.)

3.5.1 Further Training and Schooling

After participation ended, 49% of participants had taken a training course, 30% had gone back to school on a full or part-time basis, and 49% had increased their skills through volunteer activities. BES-A clients (61%), and those who had completed some or all of a university degree (65%), were significantly more likely to have participated in training after participation. BES-A clients (39%) and BES clients (32%) were more likely to have gone back to school on a full or part-time basis. Those who had completed some or all of their university education when participation began (61%) were more likely to have increased skills through voluntary activities

Those who took a training course after participation were asked how much they had to pay for the course. Most (63%) identified nothing (\$0). The rest identified some (22%), or all of the costs (15%).

3.5.2 Move since Participation

Thirty-two per cent of participants said they had moved since participation ended. The main reason for the move was stated as: to take a job—14%, to go back to school—13%, to look for a job—12%, to reduce their costs of living—12%, to take a training course—3%, or for some other reason—46%.

The move occurred:

- Within their community in NWT—34%.
- To another community in NWT—18%.
- Outside NWT—47%. (This group may be understated due to difficulties in obtaining telephone numbers for those who move beyond NWT.)

4.0

Client Impacts

This chapter provides estimates of the incremental effects of participation in the Canada-NWT LMDA. The incremental analysis applied a non-experimental (comparison-group) design to data from EBSM records, Employment Insurance (EI), and the Canada Revenue Agency (CRA).

4.1 INCREMENTAL IMPACTS THROUGH PARTICIPATION

An incremental analysis was conducted of impacts through participation in terms of: annualised earnings; annualised EI benefits; annualised weeks on EI; annualised SA benefits; dependence on income support; and indicator of employment (0,1).¹ Separate estimates covered the following groups:

1. Active-claimant participants:
 - all;
 - all females; and
 - those whose principal EBSM was BES, SEO, or EAS.
2. Former-claimant participants:
 - all;
 - all females; and
 - those whose principal EBSM was BES, TOJ, or EAS.

Estimates were produced for a number of time periods—during participation and total and annual periods measured from the start of the APE or from the end of the APE. For the two EI variables analysis periods were also measured based on 52-week periods. Given the sheer volume of the estimates this section is restricted to those estimates covering the periods of participation and after participation. It focuses on those estimates which are significant at the 95% level of significance only. Such estimates are bolded in the following tables.

¹ As the administrative data do not provide a precise indicator of duration or intensity of employment, a simple binary (0,1) variable for “ever employed” during the relevant period was used to measure the effects on employment. This indicator was defined as “0” if earnings from employment was 0 and “1” if earnings from employment were greater than 0. The reader is cautioned that this indicator provides no information about intensity or duration of employment.

Table 6 shows estimates for during the participation period and for calendar years following the year in which APEs ended for non-apprentice active- and former-claimant participants respectively. During-participation estimates are provided on an annualized basis for comparability with the other yearly estimates. Estimates for the during period should be considered in light of the actual duration of the APE, which, for example, was on average as follows: active claimant—27.6 weeks; EAS active claimant—21.1 weeks; BES active claimant—29.6 weeks, SEO active claimant—41.0 weeks; and former claimant—28.4 weeks, EAS former claimant—19.9 weeks; BES former claimant—37.6 weeks, and SEO former claimant—41.0 weeks.

4.2 ESTIMATED IMPACTS: ACTIVE CLAIMANTS

Estimated impacts for active claimants (See Table 6.) lead to the following conclusions.

4.2.1 Annualised Earnings

Over all, participation is associated with an **increase** of \$2,600 in annualised earnings over the full period (which is more or less than three years for some participants) after the end of the APE. This effect is significant particularly in the second year, where an increase of \$3,500 is estimated.

With respect to EBSM categories, these effects on earnings arose mainly for those whose principal EBSM was BES or who received EAS only. The BES group experienced a significant **increase** of \$4,600 per annum over the full period since the end of APE, with specific increases of \$3,900 in the first year and \$4,700 in the second.

Findings were quite striking for EAS-only participants as well. Over the full post-APE period, they experienced an **increase** of \$3,100 in annualised earnings, with significant increases in each of the first three years, of \$4,200, \$4,300, and \$3,600, respectively. These findings suggest that the effect on earnings peaked in the second year and has attenuated since then, as the overall estimated effect is less than that estimated for each of the first three years.

Participation under SEO, however, is associated with significant large **reductions** in annualised earnings, of \$7,500 on average during the APE.

There were no significant earnings impacts for female participants.

Table 6 Estimated Effects, by Period and Subgroup, Active Claimants

Indicators	During APE	Years after APE end date			
		All	Year 1	Year 2	Year 3
All					
Annualised earnings (\$)	-1,463	2,649	2,239	3,495	1,207
Employment (probability of)	-.013	-.010	-.018	-.012	-.076
Annualised EI benefits (\$), 52-week periods	3,128	-914	-958	-987	-883
Annualised weeks on EI (wks), 52-week periods	7.87	-2.51	-2.83	-2.85	-2.40
Annualised SA benefits (\$)	-127	-147	-158	-174	-139
Dependence on income support (proportion)	0.01	-0.06	-0.07	-0.04	-0.04
BES					
Annualised earnings (\$)	-1,457	4,570	3,894	4,742	2,680
Employment (probability of)	-.006	.004	.008	.011	-.049
Annualised EI benefits (\$), 52-week periods	3,375	-648	-785	-315	-638
Annualised weeks on EI (wks), 52-week periods	9.05	-1.82	-2.35	-0.98	-1.83
Annualised SA benefits (\$)	-164	-182	-151	-175	-273
Dependence on income support (proportion)	0.01	-0.04	-0.04	-0.02	-0.05
SEO					
Annualised earnings (\$)	-7,503	-2,994	-5,664	-3,002	-3,996
Employment (probability of)	-.024	-.038	-.101	-.083	-.114
Annualised EI benefits (\$), 52-week periods	5,877	-1,713	-2,241	-1,865	-1,441
Annualised weeks on EI (wks), 52-week periods	14.49	-4.41	-5.90	-4.71	-3.54
Annualised SA benefits (\$)	-143	-233	-256	-327	-232
Dependence on income support (proportion)	0.11	-0.11	-0.13	-0.12	-0.11
EAS					
Annualised earnings (\$)	2,099	3,070	4,221	4,348	3,608
Employment (probability of)	-.012	-.011	-.005	-.010	-.013
Annualised EI benefits (\$), 52-week periods	916	-576	-320	-949	-609
Annualised weeks on EI (wks), 52-week periods	2.81	-1.49	-0.88	-2.68	-1.43
Annualised SA benefits (\$)	-33	-90	-80	-139	-72
Dependence on income support (proportion)	-0.03	-0.05	-0.05	-0.06	-0.04
Female					
Annualised earnings (\$)	-2,119	1,024	-803	3,421	-1,051
Employment (probability of)	-.010	-.017	-.044	-.007	-.067
Annualised EI benefits (\$), 52-week periods	2,067	-362	-896	-636	104
Annualised weeks on EI (wks), 52-week periods	6.77	-1.06	-2.55	-1.87	0.09
Annualised SA benefits (\$)	-94	-157	-98	-190	-200
Dependence on income support (proportion)	0.03	-0.05	-0.04	-0.05	-0.06

Note that “all” represents the full period after APE end which may be more or less than three years. Sample sizes differ across the periods.

4.2.2 Employment

At the same time, active-claimant participants did not experience an increase in the likelihood of employment. In the third year, they experienced a decline of 0.076.

This negative effect was significant among some subgroups of active claimants: for BES in year 3 (-0.049) and for women in year 3 (-0.067). For SEO, the effect was greater but occurred earlier in year 1 (-0.101).

4.2.3 Employment Insurance Benefits and Weeks

A significant reduction in EI use was observed consistently for active claimants across most post-participation time periods and subgroups, with respect to both the annualised value of benefits received and the number of weeks in which benefits were received. These effects are strong in almost all time periods and across all three EBSM types in the analysis. As they seldom achieve statistical significance among women, however, we deduce that the effects pertain mainly to male participants.

Over all, participation in EBSMs results in substantially increased EI use during the APE. This effect manifests itself as increases of annualised amounts of \$3,100 in EI benefits and 7.9 weeks of EI receipt during the APE. Thereafter, there is a uniform subsequent **reduction** in EI use by between \$900 and \$1,000 in benefits and 2.4 to 2.9 weeks of receipt, depending on the specific time period. These effects show slight signs of attenuating in the later years.

Participants whose principal EBSM was BES experienced similar, but usually lesser effects. During the APE, the increases in EI use were slightly larger¹ for this group, at \$3,400 in benefits and 9.1 weeks of receipt. But the subsequent reductions in EI use were less than the overall results, ranging from \$600 to \$800 in benefits and 1.8 to 2.4 weeks. Within these ranges, however, the estimates fluctuated over the time periods, presenting no clear trend with respect to attenuation.

Those for whom SEO was the principal EBSM experienced much greater effects with regard to EI. During the APE, they received \$5,900 more in EI benefits over 14.5 more weeks, than they would have done had they not participated. This is not surprising, since the receipt of EI benefits, typically for almost a year, is a main feature of this program. But subsequent reductions were also greater, ranging from \$1,400 to \$2,200 in benefits and 3.5 to 5.9 weeks. Such participants were expected to continue in self-employment through the businesses they developed under this program. Since self-employment does not generate entitlement to EI benefits the observed reductions in EI use are consistent with SEO participants gaining less income from wages and salaries and more income from self-employment. We note, however, that the effects on both amounts and weeks of benefits decline markedly in the later years after the APE for this group.

¹ While the estimates discussed in this section achieved statistical significance, no tests of significance were applied to this and other comparisons among groups, which are, therefore, descriptive only.

Participants who received only EAS did not experience a significant change in EI benefit amounts and an increase of only 2.8 benefit weeks during the APE. In the period after the end of the APE, both benefits and their duration decreased, by \$580 and 1.5 weeks. In the second year following the APE both benefits and their duration decreased, by \$950 and 2.7 weeks.

Women experienced an estimated increase of \$2,100 in EI benefits and of 6.8 weeks during the APE, but no other estimated effects were significant.

4.2.4 Annualised Social Assistance (SA) Benefits

Active-claimant participants experienced a reduction of \$130 in annualised social assistance benefits during the APE, a reduction of an average of \$150 per annum in the full post-participation period, and a reduction of \$140 in the third year following the end of the APE. For BES, reductions were \$160 during the APE, \$180 for the full period after the APE and \$150 and \$270 in first and third year after the APE respectively. For SEO, SA benefits were decreased by \$230 over the post-APE period and \$330 in year two. There were no significant results for active claimants taking EAS only. Female active participants saw reductions of \$160 in the post-APE period and \$190 and \$200 in years two and three following the APE respectively. While these numbers appear small, keep in mind that they represent average effects across all participant groups, of which only a small proportion would actually receive SA benefits.

4.2.5 Dependence on Income Support

Consistent with the reductions in EI and SA benefits and general improvement in earnings, active-claimant participants experienced a broad **reduction** in dependence on income support¹ following participation. They experienced annual declines in the proportion of income accounted for by government sources from 0.04 to 0.07 in the three years after participation. For BES participants dependence goes down by 0.04 in the first year only, for SEO participants dependence declines between 0.11 to 0.13 annually, and for EAS only participants it declines by 0.05 and 0.06 in year one and two respectively. For female active-claimant participants, dependence declines from 0.04 to 0.06 in the years after participation. There are also declines in dependence for the entire post-participation period among active-claimant participants as a whole (0.06), BES participants (0.04), SEO participants (0.11), EAS-only participants (0.05), and for female participants (0.05). During the participation period dependence increases for two groups: SEO participants (0.11) and females (0.03).

¹ The variable is defined as $(EI + SA)/(EI + SA + \text{earnings})$.

4.2.6 Further Observations

4.2.6.1 *Greater Earnings and Less Work*

The above findings appear contradictory—earnings have increased for many time periods and analysis groups while the probability of employment has decreased. Remember, first that the employment indicator is defined very simply as having the value one if strictly positive earnings were observed for the relevant period and zero otherwise. Second, such seemingly conflicting results could occur if the proportion of participants who found absolutely no work increased but those who did find work found more of it (more jobs, either over time or concurrently, or more hours per week) or at higher rates of pay.

4.2.6.2 *Large Impacts on Earnings for EAS*

There were large estimated effects on earnings for participants who took only EAS, a relatively low-intensity and low-cost service. This low-intensity service is provided to participants who likely have very different needs from those of participants who receive a high-intensity service. If screening and assignment to programs works as intended, the two groups should be expected to differ considerably in terms of their needs. If effective, the programs can also apparently differ in terms of the effects they achieve. In other words, if participants are nearly job-ready, it is possible that a relatively “minor” service could have a large marginal effect on earnings, relative to those who could have used the service but did not.

Another possibility is that these large estimated effects on earnings for EAS-only participants are indicative of outliers, which are distorting the estimates. However, the analysis capped earnings outcome variables at \$100,000 (i.e., any above this amount were set to \$100,000) and the resulting distribution of earnings outcome variables is similar for both participant and comparison groups, and devoid of outliers.

4.3 ESTIMATED IMPACTS: FORMER CLAIMANTS

The most remarkable feature of the estimates for former-claimant participants is that, unlike active-claimant participants, only a few achieved statistical significance. Table 7 shows estimated impacts for former claimants.

4.3.1 Annualised Earnings

TOJ participants experienced significant **increases** in earnings, both during the APE (\$4,600) and in several periods following the end of the APE (\$4,400 over the full period, \$5,700 in the second year, and \$5,500 in the third year).

Table 7 Estimated Effects, by Period and Subgroup, Former Claimants

Indicators	During APE	Years after APE end date			
		All	Year 1	Year 2	Year 3
All					
Annualised earnings (\$)	-1,805	1,745	907	1,353	2,521
Employment (probability of)	.023	.006	.010	.017	.040
Annualised EI benefits (\$), 52-week periods	-31	-150	-343	-22	-57
Annualised weeks on EI (wks), 52-week periods	-0.10	-0.30	-0.76	0.09	-0.13
Annualised SA benefits (\$)	62	-217	-221	-241	-265
Dependence on income support (proportion)	0.00	-0.03	-0.02	-0.03	-0.05
BES					
Annualised earnings (\$)	-5,047	2,536	675	2,061	1,314
Employment (probability of)	-0.11	.002	.001	-0.014	-0.027
Annualised EI benefits (\$), 52-week periods	274	-261	-666	88	-42
Annualised weeks on EI (wks), 52-week periods	0.70	-0.52	-1.74	0.66	-0.01
Annualised SA benefits (\$)	159	-237	-178	-176	-355
Dependence on income support (proportion)	0.04	-0.04	-0.03	0.00	-0.06
TOJ					
Annualised earnings (\$)	4,584	4,404	3,613	5,664	5,453
Employment (probability of)	.060	.006	.024	.062	.030
Annualised EI benefits (\$), 52-week periods	-56	-334	-49	-372	-710
Annualised weeks on EI (wks), 52-week periods	-0.29	-0.79	0.47	-0.76	-2.05
Annualised SA benefits (\$)	-291	-360	-415	-251	-465
Dependence on income support (proportion)	-0.08	-0.06	-0.03	-0.07	-0.10
EAS					
Annualised earnings (\$)	-1,259	444	73	-33	2,477
Employment (probability of)	.018	.004	-0.001	.012	.106
Annualised EI benefits (\$), 52-week periods	-204	-142	-615	-26	133
Annualised weeks on EI (wks), 52-week periods	-0.58	-0.40	-1.76	-0.19	0.32
Annualised SA benefits (\$)	197	-213	-223	-363	-169
Dependence on income support (proportion)	0.00	-0.03	-0.03	-0.03	-0.05
Female					
Annualised earnings (\$)	-719	451	183	602	1,265
Employment (probability of)	.030	-0.001	.007	.010	.042
Annualised EI benefits (\$), 52-week periods	-82	-150	-381	-295	-8
Annualised weeks on EI (wks), 52-week periods	-0.21	-0.19	-0.76	-0.57	0.13
Annualised SA benefits (\$)	225	-229	-251	-235	-304
Dependence on income support (proportion)	0.00	-0.05	-0.03	-0.04	-0.06

The only other significant effect on earnings was a reduction of \$5,000 during the APE for participants whose principal EBSM was BES. As this program aims to provide full-time classroom training, a reduction in earnings during the APE is to be expected.

4.3.2 Employment

Former-claimant participants as a whole experienced an increase of 0.023 in the probability of employment during the APE, but this is driven by an increase of 0.060 in this probability among participants whose principal EBSM is TOJ. Again, as this intervention involves working for an employer by design, this effect is to be expected. A similar increase occurred in the probability of employment for this group in the second year after the end of the APE (0.062). For EAS-only former-claimant participants, there was an increase of 0.106 in the third year after the end of the APE.

4.3.3 Employment Insurance Benefits and Weeks

Among former-claimant participants, significant effects on EI use were few and all were quite small, relative to those seen among active claimants. Over all, the only statistically significant effect was a reduction by \$340 in EI benefits in the first year after the end of the APE. A reduction by \$670 in EI benefits was seen in the same period for participants with BES as principal EBSM. Those who received only EAS saw reductions, in the first year after the end of the APE, of \$600 in EI benefits and of 1.8 weeks of receipt of EI benefits.

4.3.4 Annualised Social Assistance (SA) Benefits

Former-claimant participants experienced consistent **reductions** in annualised SA benefits. Estimated reductions ranged from \$200 to \$300 across all three years after the end of the APE. For those with BES as principal EBSM, the reduction did not occur to a significant degree until the third year following the end of the APE (\$360), although this effect contributed to a significant reduction of \$240 in the full period after the end of the APE. TOJ participants saw reductions over most periods, including during the APE (\$290), during the entire post-participation period (\$360 per annum on average during this period), and in the first (\$420) and third (\$470) years following the end of participation. Reductions for EAS-only participants were \$200 for the entire post-period and \$360 in year two. Women experienced an average reduction of about \$300, but only in the third year after the APE.

4.3.5 Dependence on Income Support

Former-claimant participants as a whole experienced reductions ranging from 0.03 to 0.05 in the proportion of income accounted for by income support benefits in all periods other than year one and during participation. For those taking BES, a reduction by 0.06 in the third year after participation was significant, and this contributed to a significant reduction of 0.04 in the entire post-participation period. TOJ participants again saw reductions over most periods, including during the APE, in the range of 0.06 to 0.10. For

participants who received EAS only, reductions were 0.03 in the full post-participation period. Women experienced reductions of 0.04 to 0.06 in most periods after their participation.

5.0

Analysis of Costs and Benefits

This chapter compares the costs and benefits of participation under the NWT LMDA from three perspectives—participant, government, and society. Incremental estimates presented earlier and estimates of taxes paid are used in the assessment of the benefits to these groups. Program expenditure data and costs borne by participants are used for costs. Together these help produce a simplified benefit-cost analysis of participation.

5.1 PROGRAM COST PER ACTION PLAN EQUIVALENT

Government costs of participation were estimated based on the number of EBSMs in the average APE and cost of EBSMs. Average costs per EBSM were derived from the number and expenditure on EBSMs in the period 2001/02 to 2005/06 identified for the NWT LMDA in annual Monitoring and Assessment Reports. This period corresponds to the majority of the APEs used to generate the incremental estimates of Chapter IV and provides appropriate estimates for the benefit-cost analysis. Average costs by EBSM are estimated to be: EAS—\$1,024; BES/BES-A—\$9,307; TOJ—\$5,707; SEO—\$7,507 and JCP—\$7,960. Note that costs for JCP are derived from all LMDAs and applied to the few examples of JCP (likely from another jurisdiction’s LMDA) that occur in the NWT APEs. The estimated costs are assigned to all EBSMs in NWT APEs regardless of the jurisdiction funding the EBSM. As an example, for active claimant APEs with BES as the principal EBSM, 31.1% also contain at least one EBSM funded under another LMDA, 5.4% have at least one EBSM funded by EI under an AHRDA, and 1.9% have at least one EBSM funded by CRF under an AHRDA. Table 8 presents the costs per APE based on the number of EBSMs and the costs per EBSM.

Table 8 Composition and Cost per APE by Client Type and Principal EBSM

	Average number of EBSMs						Average Cost
	EAS	BES	BESA	TOJ	SEO	JCP	
Active claimant by principal EBSM:							
ALL	1.1	0.41	0.2	0.05	0.12	0.07	\$8,547
EAS only	1.11						\$1,136
BES	1.10	1.11	0.01	0.01	0.00	0.02	\$11,735
SEO	1.03	0.03	0.03	0.03	1.03	0.04	\$9,825
Former claimant by principal EBSM:							
ALL	1.20	0.26	0.07	0.19	0.05	0.03	\$5,975
EAS only	1.16						\$1,187
BES	1.26	1.13	0.01	0.00	0.02	0.03	\$12,209
TOJ	1.04	0.12	0.01	1.12	0.00	0.02	\$8,816

Note that these program costs do not cover the fixed costs related to training or other facilities or resources used by the EBSMs and may not pick up overhead costs attributable to these services. As a result, they under-estimate the full costs of EBSMs from both a government and social perspective.

5.2 PARTICIPANT COST PER ACTION PLAN EQUIVALENT

Some participants also incurred costs to take part in EBSMs under the Canada/NWT LMDA. Respondents to the survey identified costs related to their participation under the LMDA that they incurred themselves. For various active-claimant participant groups these costs varied as follows: active-claimant participants as a whole, \$1,300; EAS-only, \$340; BES, \$1,200; and SEO, \$3,940. For various former-claimant participant groups these costs were as follows: former-claimant participants as a whole, \$1,600; EAS-only, \$730; BES, \$1,540; and TOJ, \$320

To the extent that costs borne by participants include a tuition component they will not reflect the full cost to government and to society of the use of training facilities. However they will represent the full costs to the participant.

5.3 PRESENT VALUE OF PARTICIPATION IMPACTS

Chapter IV identified the impacts of participation by participation and post-participation periods. This section calculates the present value of those impacts as of the participation period. The calculation is made as follows:

- Present values are calculated for eight groups: all active-claimant participants; EAS-only active-claimant participants; BES active-claimant participants; SEO active-claimant participants; all former-claimant participants; EAS-only former-claimant participants; BES former-claimant participants; TOJ former-claimant participants.
- All estimates from the incremental analyses for earnings, EI benefits, and SA benefits (including those not found to be statistically significant) are used in the calculation. These represent the best estimates of impacts regardless of significance. Note that the value of non-work time of participants is implicitly zero in the analysis.
- A total incremental income change is estimated as the annual impact on earnings, EI benefits, and SA benefits.
- To estimate taxes paid, an effective tax rate for earned income was determined based on the pre-APE earnings for participants. The amount of pre-APE earnings that are exempt for tax purposes under paragraph 81(1)(a) of the *Income Tax Act* and section 87 of the *Indian Act* was relatively small (1% or less). As a result no adjustments were made for the tax exempt portion of earnings. A marginal tax rate was determined using the pre-participation average income level by the client groups used in our analysis and tax rates for NWT for 2008 from ([http://www.ey.com/Global/assets.nsf/Canada/2008TaxRateCard_NorthwestTerritories/\\$file/NorthwestTerritories.pdf](http://www.ey.com/Global/assets.nsf/Canada/2008TaxRateCard_NorthwestTerritories/$file/NorthwestTerritories.pdf)). This rate was 20.9% for all groups other than SEO active claimants where it was 30.6%.
- Annualized impacts for the first through fourth year after APE start are used. Note that benefits may continue in later years but are not used in the cost-benefit calculations. If we were to ascribe any potential benefits in later years as well to program participation they would increase the present value.
- Present values are calculated over the four years.
- A 5% discount rate is used to bring this stream of impacts to a present value as of the start of the participation period.

5.4 NET PRESENT VALUE FROM INDIVIDUAL, GOVERNMENT, AND SOCIAL PERSPECTIVE

Table 9 presents the net present value of participation from the perspective of the individual (participant), the government, and society. This table shows the present value of the benefits of participation in the first four years, as of the start of participation, and the costs (already being incurred at the time of participation) that are relevant for each group. The table then calculates the net present value of participation as benefits minus

costs for each group from each perspective. If positive, benefits exceed the costs of participation.

Table 9 Benefits, costs and net present value of impacts from an individual, government and social perspective for various client groups

Group	Impacts	Present Value Benefits	Relevant Cost	Net Present Value
Active claimant, All				
	Net return to individual	2,763	1,300	1,463
	Return to government	4,558	8,547	-3,989
	Return to society	7,321	9,847	-2,526
Active claimant, EAS only				
	Net return to individual	6,998	340	6,658
	Return to government	5,426	1,136	4,290
	Return to society	12,424	1,476	10,948
Active claimant, BES				
	Net return to individual	8,214	1,200	7,014
	Return to government	5,122	11,735	-6,613
	Return to society	13,337	12,935	401
Active claimant, SEO				
	Net return to individual	-13,915	3,940	-17,855
	Return to government	-1,279	9,825	-11,104
	Return to society	-15,194	13,765	-28,959
Former claimant, All				
	Net return to individual	1,953	1,600	353
	Return to government	1,706	5,975	-4,269
	Return to society	3,659	7,575	-3,916
Former claimant, EAS only				
	Net return to individual	-1,883	730	-2,613
	Return to government	818	1,187	-370
	Return to society	-1,066	1,917	-2,983
Former claimant, BES				
	Net return to individual	2,359	1,540	819
	Return to government	1,432	12,209	-10,777
	Return to society	3,791	13,749	-9,958
Former claimant, TOJ				
	Net return to individual	12,528	320	12,208
	Return to government	6,456	8,816	-2,360
	Return to society	18,984	9,136	9,848

From an individual or participant perspective, benefits are after-tax changes in income resulting from participation. Incremental earnings gains minus reductions in EI benefits minus reductions in SA benefits represent gross income changes to the individual. The

after-tax income¹ represents the benefit received by the individual. Costs to participants are costs they incur themselves through participation.

From a government perspective benefits are EI savings plus SA savings plus taxes paid on taxable income gains. Costs from a government perspective are the costs of providing the programs.

From a societal perspective benefits represent the gross earnings gain. Costs represent costs incurred by government and by participants. Note that social benefits and costs represent the sum of the impacts to all groups in society. Thus the individual and government benefits added together equal the social benefit as transfers between groups (taxes, EI and SA) cancel. Also social costs are the sum of the costs to all groups in society.

Results are:

- From an individual perspective, participation results in an improvement for the participant (net present value is positive or present value of benefits exceeds costs) in the case of active-claimant participants as a whole, active claimant-participants taking EAS-only, active-claimant participants taking BES, former-claimant participants as a whole, former-claimant participants taking BES, and former claimant-participants taking TOJ.
- From a government perspective, participation results in an improvement only in the case of active-claimant participants taking EAS-only.
- From a social perspective, participation results in an improvement in the case of active-claimant participants taking EAS-only, active-claimant participants taking BES, and former-claimant participants who took TOJ.

Note however that expenditures by the government on APEs are derived from tax revenue. Taxes add costs through the expense to collect them and create distortion effects in the economy. As a result, the government costs for APEs identified above are an under-estimate of the costs to society of participation. This is a general observation for any expenditure by government on programs. Estimating the distortive effects of taxation is beyond the scope of this study. However, if included they would tend to decrease the net present value to government and to society.

The analysis also excluded the possibility that supported participants take away jobs that would otherwise be obtained by non-supported unemployed individuals (displacement effects). This is more likely to occur for participation in EAS, TOJ, ATOJ, and YEP compared to BES. Again the measurement of this effect is beyond the scope of the

¹ This is gross income minus taxes paid on taxable amounts or plus refunds received, in the case of a negative effect on income.

present study. However if included it would tend to decrease the net present value to government and to society.

The analysis does not capture “intangible” benefits through additional employment of participants. For example there may be reduced stress, less social unrest and reduced crime rates. Including values for such benefits would increase the net present value to individuals, government, and society. As well, benefits may exceed beyond the four years used in this analysis. Including impacts beyond year 4 would increase the net present value for all groups with positive impacts in the analysis. As a result of the exclusions noted above, the findings presented in this section represent a partial analysis from a societal perspective.

6.0

Findings

A summary of the findings from the Summative Evaluation of the Employment Benefits and Support Measures (EBSMs) delivered under the Canada-Northwest Territories Labour Market Development Agreement (LMDA) follow.

6.1 RELEVANCE TO NEEDS OF CLIENTS

EBSMs are less available in smaller communities. About 60% of participants were satisfied with the availability of EBSMs although it was not possible to assess separately the views of those in smaller communities.

Financial support available to participants was felt to be adequate—less so if the participant had dependents or had to travel from their community to participate. Sixty per cent of participants were satisfied with financial support.

Other supports (such as day care, moving expenses, computer access or the job board) were generally felt to be adequate. The support for day care was felt to be a problem by some although more identified accessibility to day care as being more significant. Slightly less than one-half of participants were satisfied with other supports.

Almost all believed that programs were appropriate to clients' cultures and offered in a language (generally English) that was appropriate for most participants. Access to programs was timely for most. The majority felt programs matched client interests.

6.2 RELEVANCE TO NEEDS OF EMPLOYERS

The LMDA is designed to focus on participant and not employer needs specifically. Most qualitative sources believe programs help fill job vacancies (particularly ATOJ and TOJ) and help with skill shortages. Many caution programs are too small to have much of an impact. Almost all employers shared this latter view.

Those who are knowledgeable of programs agreed that the LMDA helps fill requirements for additional workers to satisfy growth and replacement needs. Most employers suggest the programs they were familiar with (BES-A, ATOJ) do not make a difference to their hiring decisions related to apprentices. Instead they hire based on the suitability of the

candidate. Employers suggest they keep participants on who can do the job and meet expectations with respect to work-readiness requirements.

Administration of ATOJ came under criticism by Yellowknife employers only. Reasons cited were a lack of transparency with respect to policies, guidelines, application requirements, assistance availability, and program scheduling.

6.3 RELEVANCE TO NEEDS OF COMMUNITIES

Qualitative sources suggest the LMDA improved partnerships among stakeholders. Some suggest that formal partnerships aimed at ongoing cooperation were absent, and that existing cooperative measures were not LMDA-specific in their goals. They identified successful LMP's dealing with labour market demand-side (need for skilled workers) and supply-side (affecting worker quality or quantity) issues.

Communities tend to be well served. Larger communities are usually staffed through larger numbers and more consistently than smaller communities. Most in the community focus group agreed that community-based staff were essential in each community and the qualities of the individual in the position ultimately determined whether a community was well served. An exception may be programs specific to those with disabilities. These are located in Yellowknife and may not meet the needs of those with disabilities from other communities.

Generally, BES clients in Yellowknife are able to access programs without leaving their community. All BES clients living outside of Yellowknife, and all BES-A clients, had to leave their home community for some or all of their training.

6.4 DESIGN, DELIVERY AND IMPLEMENTATION

Qualitative sources suggest the Action Plan is useful for those who need it but less useful to those who already know what they require.

Forty-six per cent of non-apprentice participants (apprentices do not have Action Plans) recalled an action plan being created as part of their participation. But, 72% recalled being assisted by someone at a government office or community organization as part of their participation. Of those who recalled either an action plan or being assisted, 78% had set goals or actions to achieve as part of their participation. Of those setting goals or actions to achieve, 60% said they had achieved them.

Those saying they did not achieve goals or actions (40%) were asked why not. For 31% it was because they had found work before achieving all of their goals or actions. For 36%, the reasons were of a personal nature (family responsibilities, not enough time/other responsibilities, illness/medical reasons, went back to school, maternity/parental leave, left the workforce, and low literacy). For 18%, the reasons were due to the program (not satisfied with the program, and financial reasons/lack of funding).

The financial contribution by participants towards their back-to-work activities is negotiated although a \$200 minimum contribution is expected. Qualitative sources identified the minimum amount was waived for those who could not afford it. In the survey, slightly more than one-half said they paid less than \$200 in out-of-pocket expenditures toward their back to work activities.

Qualitative sources reported that counselling is useful to those who need help identifying employment goals and selecting interventions but not useful for those who do not need this help. In the survey, two-thirds found the help received useful to identify employment goals, and a similar percentage found it useful to their selection of a government program related to training and employment suitable to their employment goals.

About two-thirds were satisfied with the EBSMs in which they had participated. About 60% felt participation was important in enabling them to get their post-participation job in their main line of work.

Qualitative sources said there is no competition for EI clients among other federal or territorial-sponsored programs. In cases of joint-eligibility for clients there were processes in place to maximize the benefit to the client. Cooperation exists between the LMDA and other programs, including Aboriginal Human Resource Development Agreements (AHRDAs), Aboriginal Skills and Employment Partnership (ASEP), Aurora College, and Service Canada. Joint initiatives involved pooling funding to offer programs in small communities; mobile training units; and collaboration on school presentations. For participants of the NWT LMDA, 5% and 14% of their EBSMs were funded under AHRDAs or other LMDAs respectively

6.5 CLIENTS AND THEIR EXPERIENCES

A substantial number of participants faced barriers to employment when they started participation. Fifty-six per cent reported needing help gaining specific skills, such as technical skills or a trade certificate, that would be useful in particular jobs. Forty-five per cent reported needing help looking for or getting a job. Thirty-seven per cent identified needing help gaining general skills, such as reading, writing, numeracy, information or basic technology, that would be useful in most jobs. Making a career choice was a

problem identified by 27% of respondents. Many of those with barriers face multiple barriers.

Twenty-seven per cent of participants said they had worked in seasonal employment in their main line of work prior to participation. On average, they worked 7.2 months in a typical year. Of those who worked in seasonal employment prior to participation, 63% said they also worked in seasonal employment during participation, and 61% also worked in seasonal employment after participation. Over all respondents the proportion working in seasonal employment after participation was 25%.

Twenty-two per cent of participants cited layoff or closure as the reason why their pre-participation main line job came to an end. Fourteen per cent cited the work season coming to an end as the reason. Twelve per cent were released from their main line work in order to attend classroom training. Other reasons identified for the job coming to an end were: having moved or relocated (9%); term or contract job ending (9%); medical or personal reasons (8%); career change (5%); and business bankruptcy (5%).

Forty-five per cent worked in another job after their job in their main line of work ended and before participation. For others, the most frequent reason for not finding another job was a lack of work/jobs in their area (42%). All other reasons represented less than 10% of responses.

For BES participants, most (57%) had taken trades training or apprenticeship. Other frequent courses or fields of study taken were computers/information technology (16%), business administration (7%), office administration (6%), medical assistant/other (5%), and college preparation course (5%). Seventy-seven per cent of BES/BES-A participants said they received a certificate or diploma as part of their classroom training. A trade certificate (57% of those receiving a certificate/diploma) was most frequently mentioned.

For SEO participants, 49% were running their businesses at the time of the survey. Of those not then running their business, 78% said they had started a business. Of the 82% in total who had started a business the average percentage of earnings derived from the business while it was operating was 55%. Seventy-one per cent of SEO participants were judged to be positively affected by participation—either starting a business as a result of the program or improving an already existing business through participation. Those positively affected employed an average of 2.4 individuals in addition to the entrepreneur when running their businesses. Main reasons for not starting or running a business at the time of the survey were lack of finances (31%), business failure (26%), or went to work for someone else (22%).

Only 28 participants confirmed their TOJ participation. Of them, 27 felt they had gained work experience with the TOJ employer that would help them in other jobs. The same number felt working for the TOJ employer allowed them to gain skills that would help

them in other jobs. Six were working at the time of the survey for the TOJ employer. Twelve others were aware their TOJ was a term position, and all but one had worked for the full term. The one individual who had left before the term ended did so to work for someone else.

LMPs may help participants indirectly by improving labour market supply or demand conditions. Qualitative sources suggested LMPs tended to focus on near term labour market priorities including those around the resource sector and not on longer term economic plan objectives. Immediate impacts of the LMPs were said to be greater awareness of needs. The few who could speak to longer term economic development objectives felt LMPs contributed to their achievement.

Qualitative sources suggested clients obtaining employment upon completion of their participation was evidence of the LMDA acting as an occupational supply channel. They also indicated increased trades awareness and readiness among youth were further examples where the LMDA helped with labour market supply.

The same proportion of participants worked prior to and after participation and worked for the same percentage of the time. Earnings impacts were generally positive in years following participation. EI use decreased after participation for active claimants and increased for former claimants. These gross observations do not reflect what would have happened in the absence of participation.

A small number of participants did not find employment after participation, most of them for personal reasons (sick/disabled, attend school, family responsibilities). Of those who worked most (77%) were satisfied with the job and with its pay (72%). Thirty-three per cent of participants worked in the same job for the same employer before and after participation. Included are 72% of apprentices who took BES-A.

Eighty-one per cent said they required a particular set of skills to get the post-participation job in their main line of work. Of these participants, 30% said the needed skills were gained through participation. Fifty per cent said they required a diploma or certificate to get the post-participation job in their main line of work. Of these participants, 55% said the diploma/certificate had been obtained through participation. Also in an unaided question, seven per cent credit participation with them getting their job. Others credit things that may have been achieved through participation such as skills (22%), education (9%).

More than one-half of participants identified positive changes in their lives since the start of participation (job skills higher, better able to find a job, better able to keep a job, more interested in improving job skills though further training, more interested in increasing level of formal education, better able to contribute to family income, and confidence in self and abilities improved).

After participation ended, 49% of participants had taken a training course, 30% had gone back to school on a full or part-time basis, and 49% had increased their skills through volunteer activities. Thirty-two per cent of participants said they had moved since participation ended. Of them 14% had moved to take a job and 12% to look for a job. Almost 50% of the moves were to outside of NWT.

6.6 CLIENT IMPACTS

An analysis of incremental impacts of participation for non-apprentices found¹:

- For active-claimant participants: an increase in average annual earnings of \$2,600 and reductions in EI benefits of \$900 and 2.5 weeks on average annually, \$150 less SA annually and a reduced dependence on income support by 6 percentage points annually.
- For BES active-claimant participants: an increase in average annual earnings of \$4,600 and reductions in EI benefits of \$650 and 1.8 weeks on average annually, \$182 less SA annually and a reduced dependence on income support by 4 percentage points annually.
- For SEO active-claimant participants: reductions in EI benefits of \$1,700 and 4.4 weeks on average annually, \$230 less SA annually and a reduced dependence on income support by 11 percentage points annually.
- For EAS active-claimant participants: an increase in average annual earnings of \$3,100 and reductions in EI benefits of \$580 and 1.5 weeks on average annually, and a reduced dependence on income support by 5 percentage points annually.
- For female active-claimant participants: reductions in SA benefits of \$160 annually and a reduced dependence on income support by 5 percentage points annually.
- For all former-claimant participants: reductions in annual SA benefits of \$220 and a reduced dependence on income support by 3 percentage points annually. In the first year after participation EI benefits were reduced by \$340.
- For BES former-claimant participants: reductions in annual SA benefits of \$240 and a reduced dependence on income support by 4 percentage points annually. In the first year after participation ended EI benefits were reduced by \$670.
- For TOJ former-claimant participants: an increase in average annual earnings of \$4,400 and reductions in SA benefits of \$260 and a reduced dependence on income support by 6 percentage points annually. In the second year after participation ended the probability of employment increased by 6%.

¹ Incremental impacts are presented only if they are significant at the 95% level.

- For EAS former-claimant participants: reductions in annual SA benefits of \$210 and a reduced dependence on income support by 3 percentage points annually. In the first year after participation ended EI benefits were reduced by \$620 and in the third year after participation ended the probability of employment increased by 11%.
- For female former-claimant participants: dependence on income support was reduced by 5 percentage points annually. In the third year after participation ended social assistance benefits decreased by \$300.

6.7 COSTS AND BENEFITS OF PARTICIPATION

In a cost-benefit analysis comparing the major costs and present value of major benefits through participation from an individual, government and social perspective, findings were:

- From an individual perspective, participation results in an improvement (present value of benefits exceed costs) for active-claimant participants as a whole, for EAS active-claimant participants, for BES active-claimant participants, for former-claimant participants as a whole, for BES former-claimant participants, and for TOJ former-claimant participants.
- From a government perspective, participation results in an improvement only for active-claimant participants taking EAS-only.
- From a social perspective, participation results in an improvement in the case of EAS active-claimant participants, BES active-claimant participants and TOJ former-claimant participants.

6.8 ISSUES FROM THE FORMATIVE EVALUATION

Most with knowledge of the program felt the LMDA is addressing the supply-demand imbalance in community labour markets. However, agreement was qualified by noting that: there are few jobs available in communities; and the LMDA is not taking a strategic approach to addressing growing demand areas such as self-government or public administration.

There is a cap of \$3,850 (\$3,500 prior to March 31, 2006) on tuition paid on behalf of BES clients. Qualitative sources were evenly divided on whether the tuition cap is still an issue. From the survey, the average expenditure on tuition for those taking BES was \$280 and those taking BES-A was \$390.

A slight majority of those with program knowledge said that the 3 month limit on Adult Basic Education (ABE) is too restrictive, and should be extended. Suggestions for the appropriate limit ranged from more than three months to up to two years.

A slight majority of those with program knowledge felt that staffing continues to be an issue. Concerns relate to the need for more extensive and on-going training since turnover rates for front line and community-based staff will continue. Ongoing or more CMAS training was identified even by the remainder who thought staffing levels were adequate.