



# ***EMPLOYMENT SERVICES IN CANADA***

***Presentation to the Workshop on  
Supporting Economic Growth Through Effective Employment Services  
September 29, 2004***



**Human  
Resources**

Ressources humaines et  
Développement des compétences Canada

**Canada**



# *Presentation Overview*

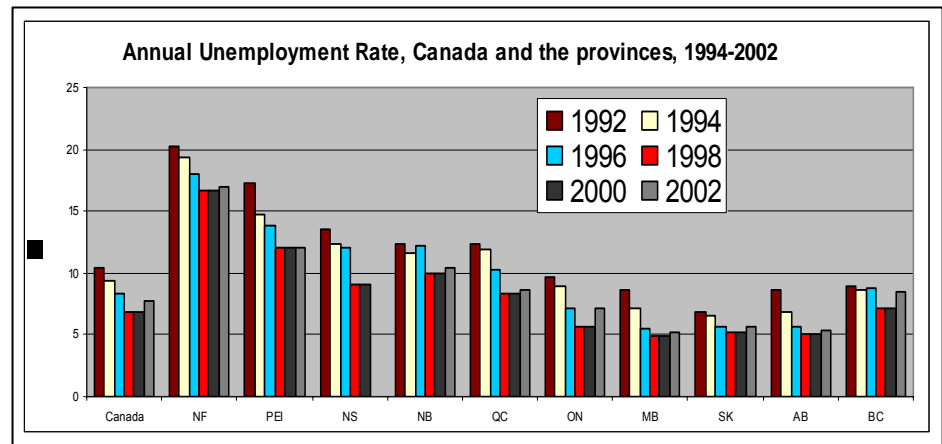
- ▶ **The Canadian context**
- ▶ **Overview of employment services**
  - **Employment Benefits and Support Measures**
  - **Pan-Canadian Programs**
- ▶ **Accountability and Evaluation**
- ▶ **Considerations for future policy direction**





# Labour Market and Employment

- ▶ Solid employment growth and high employment rates in the past decade:
  - Overall Employment rate 62.5%
    - Female: 57.2%
    - Male: 67.7%
  
- ▶ Unemployment rates on the decline overall, participation rates are rising
  - Unemployment rate 7.2%
  - Labour force participation 67.4%
  
- ▶ Strongly differentiated labour markets across the country
  - Regional unemployment vary – higher rates in Atlantic provinces, lower rates in Western provinces
  
- ▶ In 2001, there were 8.1 million ‘High-Skilled’ jobs and 7 million ‘Low-killed’ jobs



Source: Statistics Canada 2004g, CANSIM Table 282-002





# ***Governmental Roles and Responsibilities***

- ▶ **Division of Governmental powers in the Canadian system:**
  - Power is divided between the two levels of government through the Constitution Act:
    - Provinces and Territories (S. 92): social and cultural elements of Canada, which include: Non-renewable Natural Resources; Education; Health care; and Municipalities
    - Federal Government (S. 91): national economy with jurisdictional authority over Financial and Economic Policy; Unemployment Insurance; Defense; International Affairs; and Special Pan-Canadian measures
  
- ▶ **Shared Federal/Provincial/Territorial Jurisdiction (S. 95) over the Labour Market**





# Employment Insurance

- ▶ 1996 Employment Insurance Reform:
  - In 1996, a new Employment Insurance (EI) Act was introduced. The new Act reflected a stronger focus on results, active measures, and less reliance on passive assistance.
  
- ▶ The EI Act provides for:
  - Temporary income support to eligible unemployed Canadians.
  - Active labour market measures to assist clients to prepare for, obtain and maintain employment.
  
- ▶ The new EI Act also authorized the Government of Canada to enter into agreements with the provinces and territories to share responsibility for active measures.
  
- ▶ The objective of these agreements:
  - To better co-ordinate federal and provincial labour market programs, reduce overlap and duplication.
  - To improve service to clients.





# *Labour Market Development Agreements*

- ▶ Labour Market Development Agreements (LMDAs) have been signed in all regions except one province - Two main models have emerged:
  - Co-management Agreements:
    - Four provinces and one territory.
    - The Government of Canada continues to deliver active measures, but shares the design, management and evaluation of these measures with the provinces and the territory.
  - Full Transfer Agreements:
    - Five provinces and two territories.
    - Devolves the responsibility for the design, management and delivery of active measures to the provinces and territories. Provincial/territorial measures are required to be similar to the federal ones.
- ▶ Provinces and Territories also have their own labour market programs that vary across jurisdictions.





# *Human Resources and Skills Development*

- ▶ The department's mandate is to provide all Canadians with the tools they need to participate and prosper in the workplace and community.
  
- ▶ Key departmental responsibilities:
  - Support human capital development
  - Support labour market development
  - Establish a culture of lifelong learning for Canadians
  
- ▶ About 14,000 employees, 300 regional and local offices across the country.
  
- ▶ Collaborative partnerships with other levels of governments, community organizations and educators in support of policy development and program delivery.





# *Employment Benefits and Support Measures*

## ▶ **Employment Benefits**

- 1. Targeted Wage Subsidies:** encourages employers to hire individuals whom they would not normally hire in the absence of a subsidy.
  - 2. Skills Development:** provides financial assistance to individuals so that they can make their own arrangements for training, ranging from basic to advanced skills.
  - 3. Self-Employment:** helps individuals start their own businesses by providing financial and other assistance while the business is in its initial stages.
  - 4. Job Creation Partnerships:** creates projects and other opportunities for individuals to gain work experience that will lead to ongoing employment. Projects are distinct from the employer's normal operations and are designed to carry out specific activity for a finite period.
- ▶ Eligibility is restricted to those who have a current EI claim, or those who have had either an EI claim in the past three years, or a maternity/parental claim in the past five years.





# *Employment Benefits and Support Measures*

## ▶ **Three Support Measures:**

- 1. Employment Assistance Services:** funds organizations to provide employment assistance services to unemployed persons (e.g., counselling, action planning, job search skills, job finding clubs, placement services, labour market information, etc).
- 2. Labour Market Partnerships:** provides support to employers, employee or employer associations, community groups and communities in developing and implementing strategies for dealing with labour force adjustments and meeting human resource requirements.
- 3. Research and Innovation:** funds research and innovation projects to identify better ways of helping persons prepare for, return to, or keep employment and be productive participants in the labour force.

▶ Support Measure are available to all unemployed Canadians.





## *Pan-Canadian Programs*

### ▶ **Programs Targeted to specific client groups:**

- **Aboriginal Human Resources Development Strategy (AHRDS):** offers assistance to all Aboriginal peoples (status, non-status, on-reserve, and off-reserve) to prepare for, find, get and keep jobs. AHRDS also funds the Urban Aboriginal Component, Capacity Building, Programs for Aboriginal Persons with Disabilities, and Aboriginal Youth.
- **Youth Employment Strategy:** designed to assist youth between the ages of 15-30 inclusive who face the greatest barriers to employment while supporting skills development for the future. The Strategy consists of three programs: Skills Link, Career Focus and Summer Work Experience.
- **Older Workers Pilot Projects Initiative:** designed to fund and evaluate innovative projects to re-integrate unemployed older workers into sustainable employment and to maintain older workers who are threatened with job-loss in employment.
- **Opportunities Fund for Persons with Disabilities:** assists individuals with disabilities who are not normally eligible for EI funded employment benefits to become employed or self-employed.





## *Pan-Canadian Programs*

- ▶ **Assistance to Canadian workers, communities and industries affected by labour market shocks:**
  - **Work-Sharing:** is a voluntary program designed to avert temporary layoffs by providing Employment Insurance Income Benefits to eligible clients who willingly agree to work a temporarily reduced work week. Work-Sharing enables employers to retain workers and avoid layoffs during temporary work slowdowns and employees are able to maintain their skills.
  
- ▶ **Programs and services that address national priorities:**
  - **Canada Student Loans Program:** supports accessible post-secondary education by providing loans and grants to students based on financial need.
  - **Canada Education Saving Grants:** Encourages Canadians to save for their Children's post secondary education. The government adds 20% to the first \$2,000 per year that a parent contributes to their child's registered education savings grants.





## *Pan-Canadian Programs*

### ▶ **National Employment Services – mostly on-line**

- **Job Bank:** is an electronic listing of jobs provided by employers from everywhere across Canada. Allows job seekers to search for work posted by business, and provides employers with an effective means of advertising job vacancies.
- **Labour Market Information:** is a one-stop site for labour market conditions which gives Canadians information and analysis from a national network of experts to help them search for work and make career decisions. Products include: occupational profiles, lists of potential employers, labour market reviews and community profiles.
- **Jobs, Workers, Training and Careers Cluster:** connects Canadians to job listings, career planning assistance, training resources and workplace information through a single access point.
- **Human Resources Management Clusters:** supports Canadian small-to medium sized businesses in managing their human resources: recruitment, retention, training and regulatory information.





## *Strong Focus on Client's Individual Needs*

- ▶ **Needs Assessment:** is an interview process with the client to determine and confirm the employment barrier(s) and consider alternative approaches to assist the client to return to work.
  
- ▶ **Development of a Return To Work Action Plan:** is a mutually agreed upon plan of action for the client to find and maintain employment. It usually includes:
  - A consideration of the employment barriers
  - An agreed upon strategy of interventions/approaches to address those barriers
  - A rationale to explain why these specific interventions/approaches were chosen
  - A financial plan which identifies related costs
  - Timelines for the plan
  
- ▶ **Case Management:** follow-up with the client to discuss progress on the return to work action plan, at various stages of the process.





## *Accountability and Evaluation*

- ▶ Rigorous accountability and evaluation requirements, with a focus on results and outcomes:
  - EI active measures results-based accountability framework involves partners in setting targets and monitoring of three key indicators:
    1. EI clients served
    2. Returns to employment
    3. Unpaid EI benefits
  - The Government of Canada tracks key indicators in all provinces and territories, and publishes them in the *Employment Insurance Monitoring and Assessment Report*, tabled annually in the Canadian Parliament.
  - Comprehensive evaluations of active measures, funded through the Employment Insurance, are being undertaken in all provinces and territories. These evaluations are aimed at providing information on the impact and effectiveness of active measures in helping participants prepare for, obtain and maintain employment.





## *Preliminary Findings of Evaluations*

- Preliminary findings from two regions are available. In general, results show that:
  - Modest positive impacts of active measures in terms of improved skills and employability of participants.
  - Clients with lower levels of education are less likely to seek assistance through active measures.
  - Certain constituencies in the labour market (e.g. Aboriginal, visible minorities, immigrants) have a lower participation rate in these active measures.
  - There is a need to be more aware of employer requirements.





## *Considerations for Future Policy Direction*

- ▶ Current employment programs and services have been in place for eight years, were designed to respond to different labour market conditions of the mid-1990's which were marked by higher unemployment rates.
- ▶ The labour market has shifted significantly in the past decade: lower unemployment rates, increased competitiveness and demand for higher skills.
- ▶ Current evaluations will inform us of the need to adjust current programming or develop new initiatives.
- ▶ Discussions are underway with Provinces and Territories, and other key stakeholders such as educators, unions and community organizations to establish common priorities and identify areas for moving forward with future direction for employment services.





## *Activities Covered under the EAS Measure*

- ▶ The provision of an Employment Resource Centre, which dispenses labour market information and other employment related resources to self-serve clients.
- ▶ The provision of an interactive one day Group Session, which outlines employment resources and assists clients to consider personal barriers to employment.
- ▶ The provision of individual or group Employment Assessment interviews for clients with barriers to employment.
- ▶ The development of a Return to Work Action Plan and the linkage to the intervention(s) in the community, which best meet, the employment needs of the client.
- ▶ The provision of individual or group Employment Counselling Assessment for clients facing multiple barriers to employment.
- ▶ The provision of Employment Counselling services e.g. vocational testing and guidance, employment maintenance assistance, diagnostic assessment referral and follow-up, development of decision making and learning strategies.
- ▶ The provision of job search activities, which may include individual or group approaches e.g. the 3-week Job Finding Club model, or other Job Search workshops offered to assist clients to improve their job search capabilities.
- ▶ The provision of job placement services which may include assistance for multi-barrier clients to help them choose and apply to appropriate job opportunities.
- ▶ The provision of employment preparation activities such as pre-employment workshops, or the arrangement of unpaid work placements for multi-barriered clients.
- ▶ The case management and follow-up of those clients who have committed to a Return to Work Action Plan to assist in the client in carrying out their plan.





## **ANNEX B**

### ***Useful Website Addresses***

- ▶ Human Resources and Skills Development Canada:  
<http://www.hrsdc.gc.ca>
- ▶ Job Bank: [http://www.jobbank.gc.ca/Intro\\_en.asp](http://www.jobbank.gc.ca/Intro_en.asp)
- ▶ Jobs, Workers, Training and Careers Cluster: <http://www.jobsetc.ca>
- ▶ Human Resources Management Cluster:  
<http://hrmanagement.gc.ca/gol/hrmanagement/interface.nsf/>
- ▶ Labour Market Information: <http://labourmarketinformation.ca>
- ▶ Employment Insurance Monitoring and Assessment Report:  
[http://www.hrsdc.gc.ca/en/ei/reports/eimar\\_2003.shtml](http://www.hrsdc.gc.ca/en/ei/reports/eimar_2003.shtml)

