



Summary: Evaluation of the Canada-Prince Edward Island Labour Market Development Agreement



Program objectives

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

The following benefits and measures are examined in the evaluation:

- **Training PEI** provides financial assistance to help participants complete a variety of post-secondary certificate or diploma programs to gain the skills and education needed to find and maintain employment.
- **Employ PEI** helps job seekers develop new skills and gain work experience through on-the-job training, by providing a temporary wage subsidy to employers.
- **Work Experience PEI** provides job seekers with an opportunity to work on a project with a local organization to help them gain work experience and to develop new skills needed for employment.
- **Self Employ PEI** helps job seekers who want to launch their own business by providing financial support and business counselling to new entrepreneurs during their first year of operation.
- **Employment Assistance Services** assist unemployed individuals to prepare for, obtain and maintain employment. Services can include employment counselling, career planning, personal and professional development, job search training, labour connections and provision of labour market information.

- **Labour Market Partnerships** provide funding to projects that encourage and support employers and/or employer associations and communities to develop and implement strategies to deal with labour force adjustments and meet human resource requirements.
- **Research and Innovation** supports research and innovative projects to identify better ways of helping persons prepare for, return to or keep employment and be productive participants in the labour force.



The LMDA investment

In fiscal year 2020 to 2021, Canada transferred approximately \$29.8 million to Prince Edward Island.



Evaluation objectives

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



Evaluation methodology

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

- incremental impact analysis for participants who began an intervention between 2010 and 2012
- outcome analysis



- cost-benefit analysis (including savings to health care)
- key informant interviews with 18 program officials, service providers, sponsors, project holders and key stakeholders
- questionnaires
- a survey of Self Employ PEI participants
- document and literature reviews



Key findings

Incremental impacts were produced for 3 programs: Training PEI, Employment Assistance Services, and Employ PEI. Overall, participants in these programs improved their labour market attachment and reduced their use of government income supports compared to similar non-participants.

A subgroup analysis of Training PEI found that the program improved labour market attachment and reduced use of income support among all subgroups of participants.

For all interventions, the benefits accrued by participants and governments exceeded the costs of investments over time. The benefits were found to exceed initial investment costs over a period ranging from 1.3 to 8.7 years.

The evaluation also found that:

- 66% of respondents to a survey of Self Employ PEI participants launched a business during the program that they were still operating in winter 2020 (between 2 to 4 years after program completion). What is more, 73% of all participants maintained or improved their level of income compared to the pre-program period.
- After participating in Training PEI, apprentices increased their employment earnings and decreased their dependence on government income supports.
- The objective of Work Experience PEI is to provide participants with the opportunity to gain work experience or

training that improves their employment prospects.

- Prince Edward Island uses the Labour Market Partnerships program to encourage, support and facilitate labour force adjustments and human resource planning activities, which are in the public interest.
- Activities funded under Research and Innovation aim to fund previously untried solutions to specific labour market issues or problems and create strategic investment mechanisms to fund experiments that could inform the development of policies, programs or industry practices.



Recommendations

The evaluation made 2 recommendations.

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

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