



## Evaluation of the Work- Sharing Program

December 2024



## **Evaluation of the Work-Sharing Program**

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## Executive summary

Work-Sharing is an employment retention program designed to help employers and employees avoid layoffs when there is a temporary reduction in the normal level of business activity that is beyond the control of the employer. The goal is for all participating employees to return to normal working hours by the end of the term of the Work-Sharing agreement. The Program helps employers retain skilled employees and avoid the costly process of recruiting and training new employees when business returns to normal levels. It also helps employees maintain their skills and jobs while supplementing their wages with EI benefits for the hours they are not working due to the Work-Sharing agreement. While the Program has largely responded to temporary economic recessions, the Program has also been used on numerous occasions to assist employers affected by a disaster or state of emergency.

This evaluation builds upon the previous evaluation of the Program completed in 2016. As such, the evaluation approach seeks to provide evidence towards whether the Program is continuing to meet its stated objectives. It also provides evidence on whether improvements were made to the delivery and awareness of the Program since the 2016 evaluation. The primary scope of this evaluation was employers and employees who participated in a Work-Sharing agreement any time between 2013 and 2020, including the application process in place prior to the pandemic.

## Key Findings

### Labour market need and awareness of the Program

- The Program was perceived to be meeting the needs of surveyed employers and employees by retaining workers and preventing layoffs. Additionally, the administrative data analysis showed that the Program helped employers during economic downturns.
- Program participation was low. Key factors that hindered the Program participation included difficulty assessing program eligibility, the application process, and the requirement of a recovery plan. Key factors that facilitated employers' participation included their relationship with employees, previous participation in the Program, and specific industry needs.
- Program awareness was found to be low among surveyed and/or interviewed employers, employer associations and employees.

### Participation and usage of the Program

- While low, the take-up of the Program is counter-cyclical. Claimants exhibited a greater likelihood of claiming Work-Sharing benefits compared to EI regular benefits during economic downturns and a decreased likelihood during periods of economic recovery.
- Between 2013 and 2020, males, individuals living in the Prairies, those working in the manufacturing industries, working in the business/finance/administration or sciences occupation, being married or in a common-law relationship, and having a longer job tenure were more likely to claim Work-Sharing benefits compared to EI regular benefits.

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- Program participation was higher among businesses experiencing temporary reductions in work hours of 10% to 30% compared to 31% and over.

### Impact of the Program

- Between 2013 and 2020, an annual average of 4,877 layoffs were estimated to be averted by the Program. Among Work-Sharing claimants, 7% were laid-off within 3 months, and about 15% within 12 months after their claims.
- The number of work-sharing claimants who claimed EI Regular benefit within 12 months after their claim, represented about 50% of the estimated number of averted layoffs.
- Employees with a higher reduction in work hours were more likely to be laid off within 3 and 6 months after the end of their Work-Sharing claims.
- Impact analysis showed that employee participation in the Program led to lower benefit usage, higher return-to-work rates, less reliance on employment insurance, and higher employment income.
- Overall, participating firms were less likely to close. Regression results suggested the firms that laid-off employees during their Work-Sharing agreement were more likely to close within 4 years.
- Special measures for the commodity prices downturn had no noticeable impact on the duration of benefits, hours worked, or the benefit amount paid. After the introduction of the measure, both benefit weeks and the benefit amount declined, while hours worked increased.
- The majority of participating employees did not engage in any training while receiving Work-Sharing benefits. The limited provision of training by participating employers was primarily due to financial/capacity considerations, and its perceived irrelevance in the context of business losses.

### Delivery of the Program

- Most of surveyed and interviewed employers and employees had a positive experience with the Program administration. However, some employers found the overall application process burdensome and time consuming.
- The recovery plan was found to be challenging and time consuming by surveyed and interviewed employers.

### Recommendations

- It is recommended the Program work towards simplifying the application process, including the recovery plan requirement.
- It is recommended the Program enhance its promotion and awareness to increase program participation.



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# Management Response and Action Plan

## Overall Management Response

The Skills and Employment Branch (SEB) and Program Operations Branch (POB) would like to thank those who conducted the evaluation of the Work-Sharing Program and acknowledge the contributions of all the key informants who participated in interviews.

Overall, the findings of the Work-Sharing evaluation are positive and demonstrate that there is a continued need for the program. The evaluation found that the program is achieving its expected outcomes, including preventing layoffs. For employers, the Program led to greater employee retention and saved costs from onboarding new employees. Additionally, firms which participated in the Program were less likely to close after the termination of their Work-Sharing agreement.

For employees, Program participation led to greater financial security, higher return-to-work rates, less reliance on Employment Insurance, and higher employment income. Both employers and employees reported positive impacts in employee/firm relations and had a positive experience with Program delivery. The evaluation also found that Program take-up is counter-cyclical to economic conditions, with applications increasing as the economy slows and decreasing during economic expansion. This is consistent with the findings of the previous Work-Sharing evaluation.

The evaluation identified two recommendations to 1) simplify the application process and 2) increase promotion. SEB and POB accept these recommendations and note that several related changes have been implemented since the end of the evaluation in 2020, and additional changes are planned or underway.

## Recommendation #1

It is recommended the Program work towards simplifying the application process, including the recovery plan requirement.

### Management Response

SEB and POB agree with this recommendation and note that significant improvements to simplify the application process have been made since the end of the evaluation period in 2020. The evaluation reinforces that several interventions that were put in place during the COVID-19 pandemic helped streamline application and review processes, including via a simplification of the requirement to submit a recovery plan as part of the application process. These changes have already had an impact, as the number of inquiries for support related to the application process have decreased by 50% from 2021 to 2023. In addition to these recent changes, POB is currently undertaking a review of the Work-Sharing application process, which may lead to further simplifications. In tandem, SEB and POB will review how the Program's usage varied during the time when Temporary Special Measures were established in response to the COVID-19 pandemic and identify areas for efficiency gains.

Management action plan	Planned completion date	Action status	Accountable lead(s)
1.1 Permanently integrate into the application form the simplification to the recovery plan requirement introduced in March 2020. The previous four-page annex was replaced with a simplified question on the application form.	June 2025	In progress	Workforce Development and Youth Program Oversight, POB
1.2 Starting in March 2020, the application process was simplified and/or clarified through additional changes including: <ul style="list-style-type: none"> <li>- The requirement for employers to provide proof of a 10% reduction in business activity was simplified and is now permanently submitted via attestation.</li> <li>- The requirement for a wet signature for applications was removed and made permanent.</li> <li>- Applications started being accepted by email in addition to mail and in-person at Service Canada Centres.</li> <li>- The application and amendments/extension forms were integrated into a single document.</li> <li>- The How to Complete the Utilization Report guide was updated.</li> </ul>	August 2024	Complete	Workforce Development and Youth Program Oversight, POB

	<ul style="list-style-type: none"> <li>- A step-by-step guide for completing the application was added to the website.</li> <li>- A post-approval employer correspondence notice was created.</li> <li>- The Utilization Report template was updated.</li> </ul>			
1.3	Analyze how the Program's usage varied during COVID-19 and identify areas for efficiency gains.	March 2025	In progress	Workforce Development and Youth Program Oversight, POB  Employment Insurance Policy Directorate, Skills and Employment Branch
1.4	Assess the feasibility of developing a multi-feature online application that enables users to register for the program, apply for EI benefits, provide feedback, submit requests, and send reports.	March 2025	In progress	Workforce Development and Youth Program Oversight, POB  Employment Insurance Policy Directorate, Skills and Employment Branch,  Innovation and Information Technology Branch

## Recommendation #2

It is recommended the Program enhance its promotion and awareness to increase program participation.

### Management Response

SEB and POB agree with this recommendation. To increase program participation, the Department is currently engaged in promoting and raising awareness of the Work-Sharing program through several strategies. The Department collaborates with regional and provincial

stakeholders, conducts targeted sector-specific outreach, and conducts mobile presentations to effectively inform and support employers and employees. Departmental service delivery personnel are equipped with comprehensive program information and utilize multiple support channels, including an external general inbox operated by POB, the Employer Contact Centre (ECC), Citizen Service Branch (CSB), and EI Contact Centres. The website has been extensively updated to improve access and information. Regional staff and provincial/territorial governments are involved in sector-specific outreach, exemplified by presentations at various industry events such as the CPA conference and Atlantic Employer Association. Moving forward, the Program area will explore the possibility of additional promotional opportunities, including leveraging the EI Commissioners, Service Canada regional offices, and ECC connections and continuing to strengthen our outreach activities to increase program participation. This promotional work will need to be balanced against the ongoing program funding needs, to ensure the Department is positioned to deliver on increasing demand generated via promotion. The Program area also wants to highlight that the Program's counter-cyclical nature leads to greater awareness and participation during economic downturns. The evaluation demonstrated this, as 50% of the employers that participated in the Program for the first-time over the evaluation period did so during the economic downturn related to the COVID-19 pandemic.

Management action plan	Planned completion date	Action status	Accountable lead(s)
2.1 The Program area implemented an extensive modernization of the Work-Sharing website to improve access and program information.	June 2021	Complete	Workforce Development and Youth Program Oversight, POB
2.2 The Program area will explore opportunities to enhance promotion and awareness by: <ul style="list-style-type: none"> <li>- Leveraging the EI Commissioners networks</li> <li>- Leveraging Service Canada regional offices to support the development of best practices on promotions, and outreach with small and medium sized businesses.</li> <li>- Leveraging the Employer Contact Centre and other internal partners.</li> </ul>	March 2025	In progress	<p><i>Led by:</i></p> <p>Workforce Development and Youth Program Oversight, POB</p> <p><i>Supported by:</i></p> <p>Employer Contact Centre, Integrated Expertise Network, Integrated Services Strategy and Operations Branch</p>

<ul style="list-style-type: none"> <li>- Updating promotional materials with 1-800-O'Canada information.</li> <li>- Adding the Work-Sharing Program to the Business Benefits Finder tool.</li> <li>- Continuing to provide Program information to provincial and territorial partners.</li> </ul>			<p>In-Person Operations, Integrated Services Strategy and Operations Branch</p> <p>Digital Services Directorate, Integrated Services Strategy and Operations Branch</p> <p>Employment Insurance Policy Directorate, SEB</p>
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# 1. Introduction

This report presents the findings of the evaluation of the Work-Sharing program (also referred to as “the Program”). The Work-Sharing program is an employment retention program designed to help employers and employees avoid layoffs when there is a temporary reduction in the normal level of business activity that is beyond the control of the employer. This evaluation builds on the previous evaluation completed in 2016, which covered the period from 2000 to 2013. The objectives of this evaluation are to assess the impact of the Program on employees and employers from 2013 to 2020, as well as on special measures introduced during this period<sup>1</sup>. Multiple lines of evidence were used, including surveys of participating employers and employees, administrative data, key informant interviews and a literature review.

## 2. Program description

### 2.1 Background

The Work-Sharing program was first introduced in 1977 as a pilot project through the Unemployment Insurance program, as today’s Employment Insurance (EI) program was formerly termed. After being discontinued, it was re-introduced in 1981 during the economic recession. In 1985, the Program was made a permanent feature of the Unemployment Insurance program. It has been a component of the Unemployment Insurance and then the EI program ever since, with little fundamental change in its design or rules.

### 2.2 Objective of the Program

Work-Sharing is an employment retention program designed to help employers and employees avoid layoffs when there is a temporary reduction in the normal level of business activity that is beyond the control of the employer. The program allows all participating employees to remain employed with a temporarily reduced schedule by 10% to 60% of their regular hours. The goal is for all participating employees to return to normal working hours by the end of the term of the Work-Sharing agreement. The Program helps employers retain skilled employees and avoid the costly process of recruiting and training new employees when business returns to normal levels. It also helps employees maintain their skills and jobs while supplementing their wages with EI benefits for the hours they are not working due to the Work-Sharing agreement. While the Program has largely responded to temporary economic recessions, the

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<sup>1</sup> This report focused on assessing the effect of the response to the commodity price downturn and other special measures were excluded due to availability of data and/or small sample sizes.

Program has also been used on numerous occasions to assist employers affected by a disaster or state of emergency.

The Work-Sharing program avoids layoffs by offering EI Part I income support to employees eligible for EI benefits who work a temporarily reduced work week while their employer recovers. A key feature of the Program is that earnings received for any week by claimants from Work-Sharing employment shall not be deducted from the Work-Sharing benefits payable to the claimants while they are under a Work-Sharing agreement. Moreover, the claimant's waiting period is deferred until other EI benefit types are payable. Furthermore, the payment of Work-Sharing benefits does not impact a worker's entitlement to regular EI benefits. A worker's benefit period is extended by the number of weeks that he or she is working under a Work-Sharing agreement. If recovery is not achieved and workers are laid off during or at the end of the Work-Sharing agreement, they are still eligible for EI regular or special benefits based on the number of hours of insurable employment accumulated prior to the commencement of the Work-Sharing agreement.

To illustrate how the Program works, consider a firm with 100 workers sharing the same work responsibilities, that is considering a temporary layoff of 20 of these workers. If the 20 workers were laid off, they would collect regular EI benefits during their unemployment at a rate of 55% of their insurable earnings. Work-Sharing allows all 100 of the firm's employees to share the costs of the downturn. Rather than laying off the 20 workers, the firm could reduce the work week by 20% (e.g., work a four-day week) for all 100 workers. All of the workers would collect Work-Sharing benefits for 1 day per week (at the same rate of 55% of their insurable earnings).

## 2.3 Eligibility

In order for employers to be eligible to the Program, they must meet the following criteria:

- be a year-round business operating in Canada for at least two years
- be a publicly-held company, a private business or a certain type of non-for-profit
- have experienced a decrease in business activity of at least 10% (maximum of 60%) in the last six months that is beyond their control and not related to re-occurring cyclical or seasonal factors
- have a minimum of 2 eligible employees in the Work-Sharing unit who must share the available work equally, and
- must implement recovery measures outlining how their business will return to normal staffing levels and hours of work upon the completion of the Work-Sharing agreement.

The duration of a Work-Sharing agreement is a minimum of 6 weeks and can last up to 26 weeks. An employer may request an extension up to 12 additional weeks—to a maximum agreement duration of 38 weeks. Employers must demonstrate that, in the absence of the extension, they will continue to experience a reduction in business activity and will not be able to return to normal working hours within the original time frame. Therefore, they would risk laying off one or more employees. A Work-Sharing

agreement may be terminated if the average loss of hours falls below 10% or exceeds the 60% limit.<sup>2</sup> Following every Work-Sharing agreement, employers are required to serve a mandatory cooling-off period before they can participate in another agreement. The cooling-off period is equal to the number of weeks they participated in the Program.

For individual employees to qualify for benefits under the Program, they must meet the following criteria:

- be year-round, permanent, and a full-time or part-time employee needed to carry out the day-to-day functions of the business—i.e., core staff
- be eligible to receive EI benefits<sup>3</sup>
- agree to a reduction of their normal working hours and to share the available work equally among all members of the Work-Sharing unit, and
- do not have more than 40% of the controlling stake in the organization.

Unlike EI regular benefits, participants are not required to serve a waiting period prior to drawing benefits.<sup>4</sup> However, if workers are laid off after their participation in the Program, they remain eligible for EI regular benefits if all entitlement conditions are met. In such cases, employees must then serve the waiting period before collecting EI benefits. The participating employees' weeks of entitlement to EI benefits are not affected by their prior use of the Program.

## 2.4 Delivery

The application process begins with the employer completing a Work-Sharing application. The employer must submit the completed application by email to their respective regional Work-Sharing Unit, a minimum of 30 business days prior to the requested start date.<sup>5</sup> Service Canada officers can help employers in completing their applications to ensure they meet the eligibility criteria to participate in the Program. They review the application, analyze its cost effectiveness, and assess social/community impact to conclude if:

- Work-Sharing is the appropriate program to address the work reduction
- there is a reasonable expectation that all participating employees in Work-Sharing will return to normal working hours by the end of the agreement, and

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<sup>2</sup> An agreement is typically terminated once a (all) participating employee (s) has returned to full-time hours over a period of six weeks. However, any such decision on termination is conditional on the Work-Sharing program officer's judgement, made in consultation with the employer, regarding where the increased work is merely temporary and likely to return to the 10% to 60% range.

<sup>3</sup> Although members of the Work-Sharing unit must qualify to receive EI benefits, Service Canada cannot determine eligibility until after individuals have formally filed for benefits. Therefore, all members of a Work-Sharing unit are considered eligible for benefits unless an EI officer advises them otherwise. The employee does not have to inform their employer of the status of their eligibility for EI benefits.

<sup>4</sup> The waiting period is 2 weeks for claims established up to December 2016 and 1 week for claims established since January 2017.

<sup>5</sup> After March 2020 applications processing timeframes were changed to 10 business days. Further information on the Work-Sharing application can be found here: [Work-Sharing agreement - How to apply - Canada.ca](#)



- supporting information is on file to render the decision.

Once approved, a legal document, or “Work-Sharing Agreement”, is developed by Service Canada. The document becomes legally binding once it has been signed by the authorized employer representative, employee representatives and Service Canada representatives.

After a Work-Sharing agreement has been implemented, Service Canada staff will ensure the agreements are being carried out in compliance with regulations. Upon completion of the Work-Sharing agreement, a Service Canada officer completes a close-out report summarizing the key outcomes.

## 2.5 Special measures

The Work-Sharing program is also designed to be responsive to the needs of the economy. When appropriate, special measures have been made available in response to emerging labour market challenges and to assist local employers affected by natural disasters or other emergencies. Typically, these special measures have involved:

- easing eligibility requirements for employers
- extending the maximum duration of the Work-Sharing agreements, and
- removing the requirement to serve a mandatory cooling-off period.

For example, in March 2020, special measures were announced to support employers and workers affected by the economic fallout resulting from COVID-19. These measures extended the duration of Work-Sharing agreements by an additional 38 weeks, for a total of 76 weeks. The mandatory cooling-off period was also waived so that employers with a recently expired agreement could immediately apply for a new one.

Refer to Appendix B for the special measures implemented between 2013 and 2020.

## 3. Evaluation approach

This evaluation builds upon the previous evaluation of the Program completed in 2016.<sup>6</sup> As such, the evaluation approach seeks to provide evidence towards whether the Program is continuing to meet its stated objectives. It also provides evidence on whether improvements were made to the delivery and awareness of the Program since the 2016 evaluation. The primary scope of this evaluation was employers and employees who participated in a Work-Sharing agreement any time between 2013 and 2020.

The evaluation approach and evaluation questions were developed in consultation with the Skills and Employment Branch and Service Canada. The evaluation questions inform labour market needs, participation, usage, and the impact of the Program on employment outcomes of participating employees

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<sup>6</sup> [Evaluation of the Work-Sharing program, April 4, 2016 - Canada.ca](#)

and employers. Multiple lines of evidence were used to provide timely and relevant information to support ongoing and future policy work:

- literature review
- two technical studies using administrative data for employers and employees
- survey of participating employers
- survey of participating employees
- internal key informant interviews with government officials, and
- external key informant interviews with employers, employer/employee associations and experts.

Refer to Appendix C for the evaluation matrix, and Appendix D for more information about these lines of evidence.

### **Main Limitations Associated with this Evaluation**

**1. Limited information on COVID-19 special measures:** Most recent available tax records at the time of this evaluation were for the 2020 tax year (available in fall 2022). As a result, post-agreement information was not available for those who participated in a Work-Sharing agreement during the pandemic.

**2. Small sample sizes for special measures introduced prior to 2020:** Many of these special measures were designed for specific regions or industry segments, which led to few Work-Sharing claims associated with these special measures. For instance, in 2013, despite the introduction of special measures due to flooding in Alberta and train derailment, explosion and fire in Lac-Mégantic (Quebec), only 217 and 1,100 Work-Sharing claims were established, respectively. Therefore, this report focused on assessing the effect of the response to the commodity price downturn and other special measures were excluded due to small sample sizes.

**3. Lower response rate and recency bias for surveys and key informant interviews:** The surveys focused on those who had more recently participated in the Work-Sharing program to mitigate recall bias. However, there could have been recency bias due to experiences of employers and employees with Work-Sharing during the COVID-19 pandemic. Response rate for the survey respondents and certain key informants was low. Nevertheless, findings presented in the evaluation report have been triangulated with other lines of evidence.

Subsequent chapters (4 to 7) of the report present key findings from the evaluation on the:

- labour market needs and awareness of the Work-Sharing Program
- participation and usage
- impacts of the Program, and
- delivery of the Program.

## 4. Labour market need and awareness of the Program

### 4.1 Labour market need of the Program

**Key finding:** Program was perceived to be meeting the needs of surveyed employers and employees by retaining workers and preventing layoffs. Additionally, administrative data analysis showed that the Program helped employers during economic downturns.

When facing a decline in normal level of business activity, firms may be more likely to lay off workers rather than engage in other workplace practices such as adjusting their employees' working schedules. Work-sharing aims to help mitigate the risk of layoffs and to help employers retain workers by leveraging benefits under the EI program.

Most surveyed employers reported that the Program was effective from a “good to full extent” in:

- retaining employees (91%),
- reducing hiring and training costs (75%), and
- preventing layoffs (82%).

Moreover, approximately 84% of surveyed employers indicated their likelihood of participating in the Program again from a “good to full extent” if their business would be facing employee layoffs in the future.

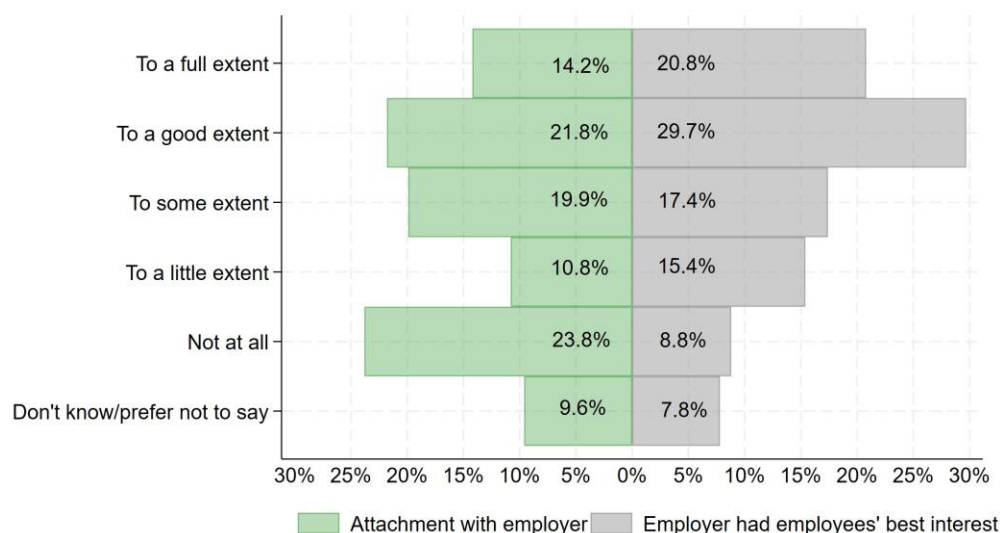
In addition, administrative data analysis showed that the use of the Program was generally counter-cyclical to economic conditions. Most of employers participated in the Program for the first-time during the 2015 to 2016 commodity price downturn (22%) and during the COVID-19 pandemic (50%). The number of new Work-Sharing claims and benefit amounts received increased significantly during these two time periods. The repeat use of the Program remained low, around 8% between 2013 and 2020. Similarly, it was found that most of the surveyed employers (60%) participated in the Program only once, while 28% participated twice, and only 7% participated three or more times between 2013 and 2020. Around half (51%) of surveyed employers who applied only once, participated in the Program during the commodity price downturn.

Further, the Program design helped employees and employers adjust to economic recessions. The Program parameters, especially the agreement duration can be extended, if the economy slows down for a longer period. For example, employer survey results showed that approximately 49% of Work-Sharing agreements were extended due to special measures. Among these extensions, 44% were related to the COVID-19 pandemic and 39% to a downturn in commodity prices. Notably, around 70% of extended agreements were extended because the initial period was deemed insufficient for business recovery.

Employee survey findings also underscored a positive perception among respondents regarding their attachment/loyalty to their employers and their perception about their employers. Around one-third (36%) of respondents indicated that the Program strengthened their attachment/loyalty to their employers from “a good to full extent”. Close to one-third (31%) of respondents indicated that the Program strengthened their attachment to their employers from “a little to some extent.” Half of the surveyed employees (51%)

indicated that they felt their employer had their best interest in mind by participating in the Work-Sharing Program from “a good to full extent.” Another one-third (32%) indicated they felt their employer had their best interest from a “little to some extent.” Further, three-quarters (75%) of the surveyed employees indicated their intention to participate in the Program if offered again in the future. About 75% of them said they would recommend the Program to other employees (see Figure 1).

**Figure 1:** Effectiveness of the Work-Sharing Program in enhancing employees’ attachment and positive perception of their employer



Source: Employee Survey

Experts interviewed had mixed views on the role of the Program in the labour market. However, more were leaning towards a program that should be used for firms that have a strong indication for recovery and with strong employment relationships.

Moreover, review of literature showed that the main goal of similar Work-Sharing programs offered internationally was to reduce potential layoffs and assist employers in retaining their skilled workers who would be costly to replace.<sup>7</sup> Such programs, grouped in the broad category of Short-Time Work programs, were found to be significantly diverse in their design and usage.<sup>8</sup> This was partly due to substantial cross-

<sup>7</sup> Faioli, M. & Bologna, S. (2021). “Job Retention Schemes in Europe Italy”. ETUI Working Paper Retrieved from: [Job retention schemes in Europe - Italy 2021.pdf \(etui.org\)](https://etui.org/publications/job-retention-schemes-in-europe-italy-2021)

Giupponi, G. & Landais, C. (2022). “Subsidizing Labor Hoarding in Recessions: The Employment and Welfare Effects of Short-time Work”. *The Review of Economic Studies*.

<sup>8</sup> Arni, P. (2020). “Covid-10 Crisis Response Monitoring: Switzerland”. IZA Institute of Labour Economics. Retrieved from: [Switzerland – COVID-19 and the Labor Market \(iza.org\)](https://iza.org/publications/short-time-work-switzerland).

Lam, R. & Solovyeva, A. (2023). “How Effective Were Job-Retention Schemes during the Covid-19 pandemic? A Micro-simulation Approach for European Countries” IMF Working Paper 23/3, International Monetary Fund, Washington, D.C.

country variation in employment protection legislations affecting the relationships employers and employees have with such programs.<sup>9</sup>

Finally, it was found that the presence of other developed programs or lack thereof, affects the design and take-up of Short-Time Work programs. For example, during the COVID-19 pandemic, Canada rolled out a suite of temporary measures, including the “Canada Emergency Wage Subsidy.” The Wage Subsidy provided up to 75% of eligible remuneration, paid by an eligible entity (eligible employer) that qualified, to each eligible employee<sup>10</sup>.

This may have potentially lowered how many employers would have otherwise participated in the Work-Sharing program in the absence of the Canada Emergency Wage Subsidy. On the other hand, in some European countries (e.g. France, Germany, Italy, and Switzerland) employers routinely relied on their existing Short-Time Work programs during every market downturn.

### **The Canada Emergency Wage Subsidy (CEWS)**

CEWS was introduced on April 11, 2020, to provide financial support to employers during the COVID-19 pandemic. It was available from March 15, 2020, to October 23, 2021, initially covering wages up to 75% with a cap of \$847 per week per employee.

This subsidy was reduced to 65% in September 2020, with subsequent declines until June 2021. This program was originally 12 weeks in duration, but was later extended up to 80 weeks, ending in October 2021. To qualify, the employer had to have experienced a drop of at least 15% of their qualifying revenue in March 2020 and 30% for the following months of April, May and June, when compared to their qualifying revenue for the same period in 2019. As of November 22, 2020, CEWS had approved over 350,000 unique claims and paid out over \$50 billion in subsidies. At the peak, in May and June 2020, just over 3.9 million workers were being supported by the CEWS program. In comparison, based on internal data over 2020, only 180 million dollars in benefits were paid out for 78,000 Work-Sharing claims.

Similar to the Work-Sharing Program, the CEWS aimed to help employers retain employees despite reduced revenues, offering direct wage subsidies. In contrast, the Work-Sharing program, designed to prevent layoffs by reducing employees' hours, provided Employment Insurance (EI) benefits to supplement the reduced wages. While CEWS offered direct financial aid to employers, Work-Sharing focused on employees, requiring a reduction in work hours and providing EI benefits instead.

Sweetman, A. and Tobin, S. (2020) credit CEWS to being similar to the WS program, but providing faster access to funds, being less administratively burdensome and usually more generous. However, the study by Smart et al. (2023) estimated that the average fiscal cost per job saved by CEWS was nearly \$200,000 per year and concluded that the subsidy did little to preserve job matches.

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<sup>9</sup> Cahuc, P., Kramarz, F. & Nevoux, S. (2021). “The Heterogeneous Impact of Short-Time Work: From Saved Jobs to Windfall Effects.” CEPR Discussion Paper 16168.

<sup>10</sup> [Frequently asked questions: Canada emergency wage subsidy \(CEWS\) - Canada.ca](https://www.canada.ca/en/employment-social-development/news/2020/04/canada-emergency-wage-subsidy.html)

## 4.2 Program participation

**Key finding:** Program participation was low. Key factors that hindered Program participation included difficulty assessing program eligibility, the application process, and the requirement of a recovery plan. Key factors that facilitated employers' participation included their relationship with employees, previous participation in the Program, and specific industry needs.

Over the period between 2013 and 2020, the average annual participation in the Program was about 19,000 employees, equivalent to approximately 1 employee per 1,000 of the Canadian Labour force. The average amount of Work Sharing benefits paid was about \$44 million per year, equivalent to about \$2,200 per 1,000 of the Canadian labour force. The average annual participation in the comparable programs in the four largest European countries – Germany, the United Kingdom, France, and Italy, was about 2% of the labour force.

Administrative data analysis showed employees with certain socio-demographic characteristics were more likely to participate in the Program<sup>11</sup>:

- males
- those residing in the Prairies
- working in the manufacturing industry
- being married or in a common-law relationship, and
- having longer job tenure.

However, the likelihood of participating in the Program decreased with age.

Similarly, most surveyed employees were primarily from the manufacturing industry (66%) with over 10 years of work experience (37%). These respondents were predominantly full-time (97%) and not unionized (85%). Around 84% of employees in the affected units were full-time employees prior to the agreement.

Most surveyed employers were also primarily from the manufacturing industry (60%) with over 20 years of business operation (80%). Half (50%) of surveyed employers had 80% or more of their employees participating in the Work-Sharing Program. Additionally, surveyed employers predominantly represented for-profit firms (95%), and most firms (85%) had fewer than 100 employees. Of note, contrary to the administrative data analysis, the highest proportion of surveyed employers and employees were in Quebec (37% and 23%, respectively).

Factors affecting employees' participation in the Program are presented in Table 1. The majority of surveyed employers considered their relationship with their employees as the primary facilitating factor to their participation in the Program. Additionally, nearly half of respondents cited their previous

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<sup>11</sup> This is further discussed in chapter 5.



experience with participation in the Program, while slightly over one-third attributed their participation to specific industry needs.

**Table 1:** Factors that facilitated employers' participation in the Program

Facilitating Factors*	Reponses
Your relationship with your employees	58%
Previous experience participating in the Program	49%
Specific industry needs	35%
Your experience with Service Canada	20%
A larger number of employees	9%
Specific region needs	9%
Presence of labour union	2%
Don't know/Prefer not to say	8%

\*Survey respondents were asked to select all that apply.

Source: Work-Sharing employer survey, n =251

On the other hand, key informants interviewed identified factors that hindered participation in the Program. Interviewed employers (n=8) and employer associations (n=2) had difficulty assessing program eligibility, and they found the application process, especially the requirement of a recovery plan, burdensome (further discussed in Chapter 7). Interviewed employers, associations, and internal officers also suggested that reducing the administrative burden of the application and making employers and employees' eligibility to the Program more lenient, could improve Program participation. This could include removing or simplifying the recovery plan requirement, auto-enrollment of employees, and simplifying eligibility rules.

Further, interviewed employers and employer associations indicated that barriers to participation differ by firm size. For example, small firms may face more barriers to participation due to the burdensome application requirements. Larger firms may face more barriers to participation due to heavy reporting requirements of working hour changes and high turnover during their participation in the Program. Finally, interviewed experts suggested that a higher replacement rate and higher insurable earnings could facilitate program participation in Canada as it did in European countries.

As mentioned in Chapter 4.1, participation in the Program could also depend on the availability of alternate special programs during economic recessions. In comparison with countries with Short-Time Work programs, Canadian participation in the Work-Sharing Program remained very low. Across participating countries, the average take-up rate of comparable programs was 21% in May 2020 at the height of the COVID-19 pandemic. Canada's take-up rate was 0.2% in May 2020.<sup>12</sup> Similarly, in the

<sup>12</sup> Number of participants in Work-Sharing in May 2020 was 28,717. The number of employed workers in Canada was 16,086,500 in May 2020.  $28,717/16,086,500 = 0.18\%$ . Labour force data: [Add/Remove data - Labour force characteristics by province, monthly, seasonally adjusted \(statcan.gc.ca\)](https://www150.statcan.gc.ca/n1/pub/75-602-x/2020001/article/00001-eng.htm)

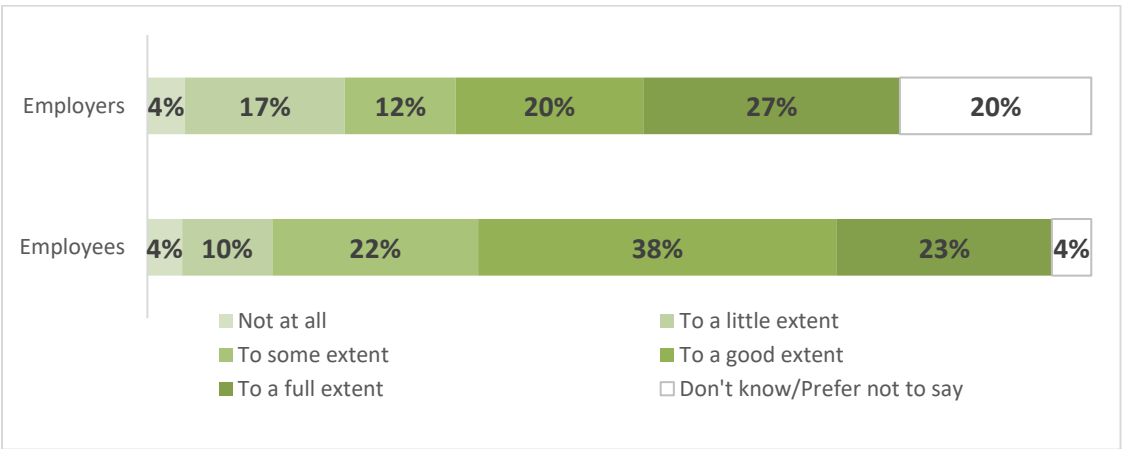
United States, applications to the state-level Short-Time Work Programs covered only 0.1% of the labour force at the height of the pandemic. This was likely because the United States primarily provided support through their Unemployment Insurance program.<sup>13</sup>

### 4.3 Program awareness

**Key finding:** Program awareness was found to be low among surveyed and/or interviewed employers, employer associations and employees.

Less than half of surveyed employers (47%) viewed their prior awareness of the Program as ‘good or to a full extent’. About 21% employers had ‘no or little’ prior awareness of the program. These same proportions for surveyed employees were 61% and 14%, respectively (see Figure 2).<sup>14</sup>

**Figure 2:** Employers and employees’ prior awareness of the Program



Source: Work-Sharing employer survey, N= 251; Work-Sharing employee survey, N= 408.

Further, around half (51%) of surveyed employers had “no or little” prior familiarity with the Program’s criteria, while about one-third viewed their familiarity as ‘good or to a full-extent’.

Surveyed employers and employees were also asked about how they learned about the Program (see Table 2). More than half (54%) of surveyed employers learned about the Program through their previous participation. More than three quarters (76%) of surveyed employees learned about the Program through their employers.

<sup>13</sup> [State and Local Fiscal Recovery Funds | U.S. Department of the Treasury](#)

<sup>14</sup> Of note, the surveyed employers and employees had previously participated in the Program and may be at risk of recall bias. In this case, they may have been more likely to over-estimate their prior awareness of the Program.



**Table 2:** Sources of information about the Program

Sources of information	Employers	Employees
Previous participation in the Work-Sharing program	54%	12%
Research on the Government of Canada website	15%	2%
Government of Canada (ESDC) officials	8%	1%
Other organizations / colleagues	7%	3%
Employer(s)/ Employee(s)	4%	76%
Higher management or owner / Employees' representative	3%	5%
Don't know/prefer not to say	9%	3%

Source: Work-Sharing employer survey, N=251; Work-Sharing employee survey, N=408.

One of the union representatives said they did not know about the Program until they were asked to be a key informant interviewee. This, in combination with the small response rate of the unions invited to participate in the key informant interviews, may indicate that many organizations were not very familiar with the Program.

Similarly, awareness of the Program among interviewed employers and employer associations was also found to be low. Most employer associations (n=3) stated very few or none of their members were aware of the Program. One employer association provided results of a survey of their members (n=7,335) with findings showing 64% of their members were unaware of the Program.<sup>15</sup>

Four-fifths (81%) of the surveyed employees were satisfied with the information provided to them about the Program before their participation and almost half (46%) of respondents indicated that they were given the opportunity to express their views about the idea of participating in the Work-Sharing Program from a “good to a full extent.” One-third (33%) reported having ‘no or little’ opportunities to express their views. Half of survey respondents (50%) indicated that they were aware that their EI entitlement will not be affected due to their participation in the Program.

Finally, more than half of internal program officers mentioned that more promotion of the Program is needed. To raise awareness about the Program, key informants suggested that the Government of Canada could undertake activities such as:

- conducting outreach to unions
- advertising the Program on the Service Canada website and on social media
- incorporating information about the Program in newsletters and
- utilizing existing networks such as the *Council of Canadian Entrepreneurs*, and the *Federation of Canadian Chambers of Commerce*

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<sup>15</sup> Canadian Federation of Independent Business conducted an Employment Insurance survey between March 16, 2016 and April 18, 2016.

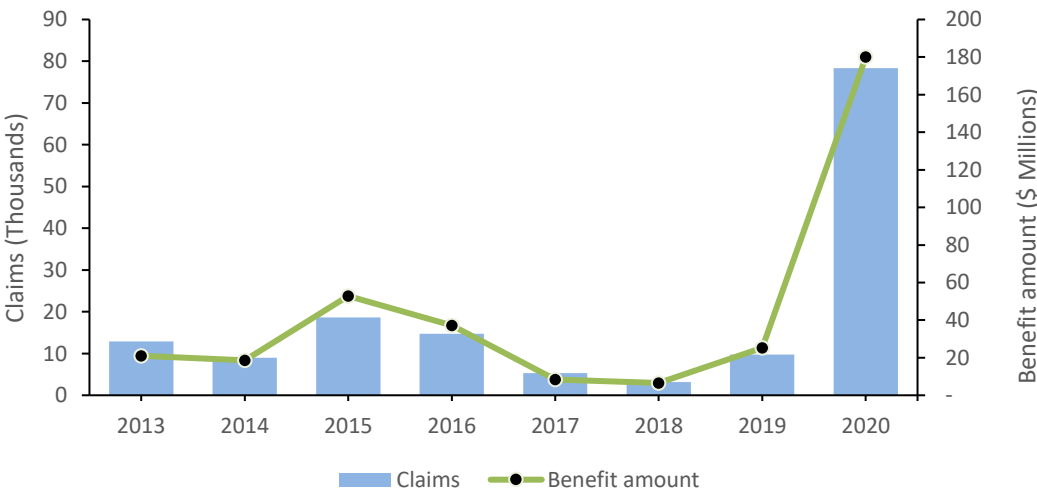
# 5. Participation and usage of the Program

## 5.1 The take-up of the Program

**Key finding:** Program take-up was low and counter-cyclical.

Figure 3 shows the average annual take-up of the Program was about 19,000 claims. Further, the average benefits paid amounted to \$43.7 million annually between 2013 and 2020. To put this in perspective, there were about 1.5 claims per 1,000 employed persons between 2013 and 2020. Nonetheless, these averages were significantly skewed by the Program usage in 2020, during the first year of COVID-19. For instance, there were over 78,000 claims in 2020 compared to as low as approximately 3,000 claims in 2018. Similarly, the total benefit amount received by Work-Sharing participants was approximately \$180 million in 2020 compared to \$6.5 million in 2018. The participation rate increased to 4.3 claims per 1,000 employed persons in 2020 from 0.2 claims per 1,000 employed persons in 2018. The Work-Sharing benefit amount paid followed a similar trend with over \$10 per employed person in 2020 and \$0.40 per employed person in 2018.

**Figure 3:** Work-Sharing claims and benefit amount, 2013 to 2020

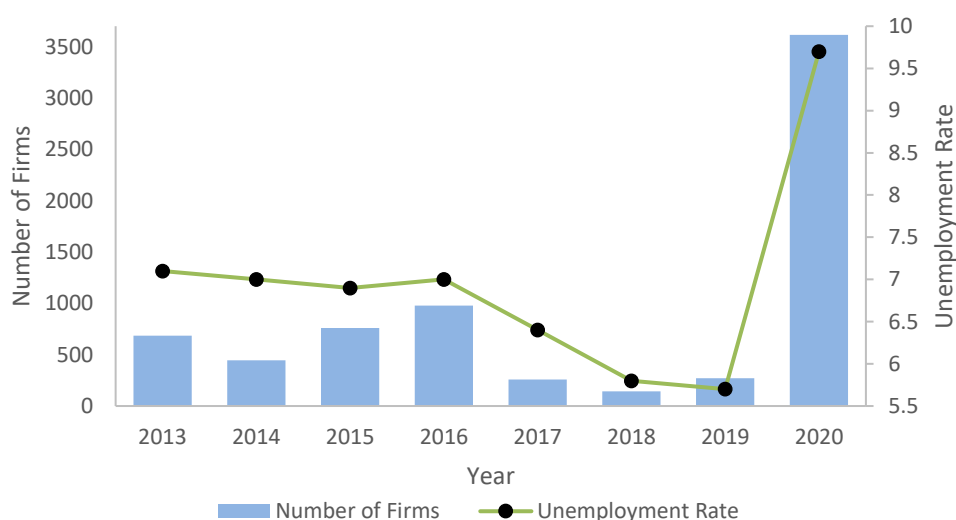


Excluding 2020, the number of claims and benefit amounts were “to some extent” constant across the study period. However, there was relatively higher participation in 2015 and 2016 during the commodity crisis, and it was lower during periods of economic recovery. This finding suggests that the use of Work-

Sharing benefits is generally counter-cyclical to economic conditions. This is consistent with the findings of the previous Work-Sharing evaluation.<sup>16</sup>

Firms' administrative data also provided evidence of the counter-cyclicity of the Program. During years with low unemployment, there was lower participation in the Program. As shown in Figure 4, the unemployment rate was lower in the 2017 to 2019 period than in the 2013 to 2016 period. Consequently, the participation in the Program was lower too. In contrast, during the commodity crisis (2015 to 2016) the unemployment rate was higher and so were the number of firms participating in the Program. Supporting the evidence that the Work-Sharing Program is counter-cyclical. Further, in the wake of the COVID-19 pandemic, the national unemployment rate rose to 9.6% and number of firms participating in the program rose to 3,616 in 2020.

**Figure 4:** Yearly number of Work-Sharing firms and national unemployment rate, 2013 to 2020




## 5.2 Socio-economic profile of participating employees

EI administrative data analysis showed that employees who participated in the Work-Sharing Program between 2013 and 2019 were:

- male (74%)
- older (44-years-old)
- living in the Prairie provinces (36%)
- working in the manufacturing industries (73%)
- working in the utilities occupations (40%)

<sup>16</sup> Evaluation of the Work-Sharing Program, April 4, 2016.

[https://publications.gc.ca/collections/collection\\_2013/rhdcc-hrsdc/HS28-7-2004-eng.pdf](https://publications.gc.ca/collections/collection_2013/rhdcc-hrsdc/HS28-7-2004-eng.pdf)

- 
- married or common-law (67%), and
  - longer tenured workers (71%).

They also reported higher levels of average employment income (\$45,934) compared to EI regular claimants (\$33,574). In general, the characteristics of the Work-Sharing claimants in 2020, when Work-Sharing participation was at its highest, exhibited a comparable profile to Work-Sharing claimants between 2013 and 2019. There were slight variations in magnitude and some exceptions. Notably, in contrast to claimants from 2013 to 2019, women's participation was at its highest point (36% compared to 26%) and a greater proportion of 2020 claimants were residing in Ontario (37% compared to 27%). See Table 1, Appendix E.

Evidence from the employee survey also showed that most survey respondents were not members of a visible minority group (74%) and were born in Canada (57%). The majority (58%) of those who were born outside of Canada had been living in Canada for over 15 years, while 40% of them immigrated to Canada around 5 to 14 years ago. Approximately one-quarter of respondents had a bachelor's degree or higher education (26%), with similar proportions having college, CEGEP or its equivalent (23%), and high school or less or its equivalent (22%). Around 2% of respondents identified as Indigenous (First Nation, Metis, or Inuit) and another 2% identified as a person with a disability. Further, employee survey respondents had 10 years of work experience (37%), were working predominantly full-time (97%) and were not unionized (85%). See Table 2, Appendix E.

The likelihood of participating in the Work-Sharing Program compared to claiming EI regular benefits<sup>17</sup> is presented in Table 3. The following characteristics were found to increase the likelihood of claiming Work-Sharing benefits compared to claiming EI regular benefits:

- male
- living in the Prairies
- working in the manufacturing industries
- working in the business/finance/administration or sciences occupation
- being married or in a common-law relationship, and
- having a longer job tenure

For example, the probability of claiming Work-Sharing benefits decreases with age. Specially, while keeping all other factors constant, the probability of claiming Work-Sharing benefits were estimated to decrease by 0.04 percentage points with each additional year of age.

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<sup>17</sup> Seasonal claimants were excluded due to their distinct claiming patterns. According to EI MAR seasonal claimants are EI claimants who had at least 3 regular or fishing claims in the 5 years preceding the reference (current) claim, with at least 2 of these claims having started during the same time of year as the current claim. The "same time of year" is defined as the 8 weeks before and the 8 weeks after the week of the current claim's establishment, for a total window of 17 weeks.

In addition, claimants exhibited a greater likelihood of claiming Work-Sharing benefits compared to EI regular benefits during economic downturns and a lower likelihood during periods of economic recovery. For example, during the commodity downturn of 2015 there was a 0.4 percentage points increase in the likelihood of claiming Work-Sharing benefits, and during the COVID-19 pandemic in 2020, this likelihood increased by 3.2 percentage points compared to the baseline year of 2013 (not shown in Table 3).

**Table 3:** Probability (percentage points) of Work-Sharing take-up by claimants' characteristics compared to EI regular claimants, 2013 to 2020<sup>1</sup>

Characteristics	2013-2020	2013-2019	2020
<b>Gender (Male)</b>	-0.7*	-0.6	-0.6
Age	-0.04*	-0.02*	-0.07*
<b>Region (Atlantic)</b>			
Quebec	1.4*	2.1*	1.1
Ontario	1.0	1.0*	0.1
Prairies	5.5*	6.3*	3.8
British Columbia	1.9*	1.1*	2.3
<b>Industry (Primary)</b>			
Construction	-0.7*	-0.6	-1.2
Manufacturing	18.5*	16.5*	20.5*
Services	1.3*	0.5	2.4*
<b>Occupation (Management)</b>			
Business/Finance/Admin	2.8*	2.0*	4.8*
Sciences	6.5*	4.8*	10.5*
Sales/Services	-1.4*	-0.5*	-3.2*
Trade/Transport	0.3	1.1*	1.2*
Manufact/Utilities	2.2*	3.8*	-0.4
<b>Marital status (Married/Common-Law)</b>			
Widow/Divorced/Separated	-1.2*	-0.9*	-1.6*
Single	-1.6*	-1.2*	-2.4*
Long-tenured	3.5*	3.2*	4.2*
Observations	1,212,206	687,957	524,249

Notes: \* significant at 99%. Base categories are in parenthesis.

<sup>1</sup>Selected estimates, based on importance and statistical significance, have been presented. For instance, employment income was statistically significant, yet its impact was otherwise quite insignificant (0.00001 pp). Therefore, it was not reported.

### 5.2.1 Work-Sharing Benefit Amounts

Overall, it was found that certain groups of individuals received higher average benefit amounts as compared to their counterparts (see Table 4):

- females
- older individuals

- living in the Prairies
- working in primary industries
- working in management professions, and
- widowed/divorced/separated.

**Table 4:** Work-Sharing average benefit amount, benefit weeks, and weekly benefit amount by claimants' characteristics, 2013 to 2020

Characteristics	Average benefit amount	Average benefit weeks	Average weekly benefit amount
<b>Gender</b>			
Male	\$2,529	18.0	\$140
Female	\$2,616	20.1	\$130
<b>Age</b>			
Up to 25 years	\$2,098	16.2	\$129
26 -54	\$2,496	18.3	\$136
55 and over	\$2,878	20.5	\$140
<b>Region</b>			
Atlantic	\$2,476	19.4	\$128
Quebec	\$2,145	16.5	\$130
Ontario	\$2,599	19.1	\$136
Prairies	\$2,860	20.0	\$143
British Columbia	\$2,523	18.2	\$139
<b>Industry</b>			
Primary	\$3,152	19.6	\$161
Construction	\$3,014	19.4	\$155
Manufacturing	\$2,429	17.8	\$137
Services	\$2,719	20.1	\$135
<b>Occupation</b>			
Management	\$2,850	20.7	\$138
Business/Finance/Admin	\$2,549	19.8	\$129
Sciences	\$2,545	18.4	\$138
Sales/Services	\$2,741	21.1	\$130
Trade/Transport	\$2,724	18.1	\$150
Manufact/Utilities	\$2,316	17.5	\$132
<b>Marital Status</b>			
Married/Common-Law	\$2,586	18.8	\$138
Widowed/Divorced/Separated	\$2,624	19.2	\$137
Single	\$2,449	18.2	\$135
Canada	\$2,556	18.7	\$137

Average benefit amounts increased with age likely due to relatively higher employment incomes of older employees. Overall (Canada) claiming reported a weekly average benefit amount of \$137 over a benefit period of 18.7 weeks.

### 5.3 Socio-economic profile of participating employers

Overall, the profile of participating firms remained relatively the same during the pandemic (2020) and between 2013 and 2019. As shown in Table 5, the profile of firms participating in Work-Sharing differs from the profile of Canadian firms. Overall, participating firms had relatively more employees, were more likely to operate in the manufacturing industry and less likely to be in the Atlantic provinces.

Among firms participating in Work-Sharing, 34% had fewer than 20 employees and 43% had between 20 and 99 employees. In contrast, 93% of Canadian firms have fewer than 20 employees and about 6.5% have between 20 and 99 employees.

Between 2013 and 2019, firms in the manufacturing industry were the largest user of the Work-Sharing Program, representing 57% of participating firms. This contrasts with the distribution of Canadian firms at-large, where 78% of firms operated in the service industry, and 4% in the manufacturing industry. However, in 2020, the profile of Work-Sharing firms by industry aligned more closely with the profile of firms across the country, as firms operating in the services industry accounted for 58% of participating firms.

Among participating firms, between 2013 and 2020, most firms were in the Prairies (33%) and in Ontario (31%). On the other hand, while about 22% of Canadian firms were in the Atlantic provinces, 4% of participating firms were located in the same provinces. During the commodity crisis, the proportion of firms in the Prairies increased from 6% in 2014 to 55% in 2015 and 61% in 2016 (not shown in Table 5). While the proportion of participating firms in the Prairies decreased substantially after the commodity crisis, it did not fall back to the level observed prior to the crisis (around 7%). It hovered at around 30% in 2019 and 2020. This may suggest that the usage of the Program during the commodity crisis increased its awareness in the region.

Finally, findings of the employer survey showed that the majority of the participating firms were for-profit (95%) and had been operating for over 20 years (80%). The Program participation was higher among businesses experiencing temporary reductions in work hours of 10% to 30% compared to 31% and over.

**Table 5:** Characteristics of firms with a Work-Sharing agreement, 2013 to 2020

	Work-Sharing firms			Reference – Firms in Canada*
Characteristics	2013 to 2020	2013 to 2019	2020	2013-2020
<b>Firm Size</b>				
< 20	34%	34%	34%	93%
20 - 99	43%	44%	41%	6.5%
100 - 499	17%	17%	17%	0.5%
500+	6%	5%	8%	0.1%
<b>Industry</b>				

	Work-Sharing firms			Reference – Firms in Canada*
Characteristics	2013 to 2020	2013 to 2019	2020	2013-2020
Manufacturing	41%	57%	28%	4%
Services	47%	34%	58%	78%
Other Industries <sup>18</sup>	12%	10%	14%	18%
<b>Region</b>				
Atlantic Provinces	3%	3%	4%	22%
Quebec	21%	27%	18%	19%
Ontario	31%	31%	34%	37%
Prairies	33%	31%	29%	6%
British Columbia	11%	8%	14%	16%
Territories and Outside Canada	1%	-	1%	0.3%
Total Number of Firms	7,158	685	3,616	~1.2 million

\*Source: Statistics Canada

### 5.3.1 Employers usage pattern of the Program

The utilization rate measures a firm's usage of the Work-Sharing Program. It shows their employees' share of hours on Work-Sharing as a proportion of their regular working hours (see Table 6). Overall, the utilization rate remained at around 17% between 2013 and 2020. It was highest at 18% in 2015 and lowest at 16% in 2019. The average agreement length in a given year was around 30 weeks. In the wake of the commodity downturn the average agreement length increased to about 38 to 40 weeks in 2015 and 2016. Similarly, in the wake of COVID-19, agreement length increases to 73 weeks in 2020. In both instances, the observed increase in agreement length stems from the introduction of special measures. Additionally, the proportion of firms with multiple agreements remained low, around 1% to 2%, throughout the years. The exception was an increase to 3.7% in 2020, likely due to an increase in the number of larger firms with over 500 employees.

<sup>18</sup> Social services, construction and primary industries were grouped due to small sample size.



**Table 4:** Average utilization rate, agreement length and firms with multiple agreements, 2013 to 2020

	<b>Total</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Utilization rate (%)	17	17	17	18	17	16	17	16	17
Agreement length (weeks)	54.2	29.3	29.2	38.0	40.2	30.5	31.1	40.4	72.8
Firms with multiple agreements (%)	3	2	3	2	3	1	1.4	1	4
Total number of firms	7158	685	445	760	978	259	144	271	3,616

Table 7 presents characteristics on firms that made a repeated use of the Program within 1 and 4 years of the original agreement, excluding 2020 data. Between 2013 and 2019, 10% of firms re-used the program within 1 year, and 23% within 4 years. In terms of firm size, smaller firms had lower rates of repeat usage after 1 and 4 years, while larger firms showed higher rates of repeat usage, suggesting a correlation between firm size and repeat participation.

Additionally, the rate of repeat usage varied by province and industry. The Prairies had the highest repeat rates, while the Atlantic Provinces had the lowest. Manufacturing firms exhibited higher repeat rates compared to services industry firms, both after 1 and 4 years. Furthermore, firms with higher average employment income demonstrated higher repeat rates after 1 and 4 years, indicating a positive correlation between income level and repeat participation.

**Table 5:** Characteristics of the firms that made a repeated use of the Program 1 year (2013-2019) and 4 years after an agreement, 2013 to 2016

<b>Characteristics</b>	<b>Percent of firms that made a repeat use of the program</b>	
	<b>After 1 year</b>	<b>After 4 years</b>
<b>Firm Size</b>		
<20	7%	18%
20-99	11%	25%
100-499	12%	26%
500+	17%	28%
<b>Region</b>		
Atlantic Provinces	4%	18%
Quebec	7%	17%
Ontario	10%	23%
Prairies	13%	28%
British Columbia	9%	17%
Other	25%	27%
<b>Industry</b>		
Manufacturing	12%	28%
Services	8%	18%
Other	7%	18%

Characteristics	Percent of firms that made a repeat use of the program	
	After 1 year	After 4 years
<b>Employment Income</b> (2013 dollars)		
<25,000	7%	16%
25,000-39,999	9%	23%
40,000-54,999	12%	26%
55,000+	16%	27%
Total firms	3,500	2,838

\*Territories and regions outside Canada were not included due to the small sample size

## 5.4 Special measures

**Key finding:** special measures for the commodity prices downturn had no noticeable impact on the duration of benefits, hours worked, or the benefit amount paid. After the introduction of the measure, both benefit weeks and the benefit amount declined, while hours worked increased.

Between 2013 and 2020, the Work-Sharing Program introduced seven special measures aimed at providing targeted support to businesses facing significant labour market disturbances at the national, regional, or industry level (see Appendix A for more details). As mentioned in Chapter 3, this report focused on assessing the effect of the response to the commodity price downturn due to small number of claims for the other special measures. In addition, the information collected from key informants were limited.

### 5.4.1 Commodity prices downturn

In the wake of the commodity (Oil and Gas) prices downturn, the Government of Canada announced special measures in Budget 2016. Among those, the duration of Work-Sharing benefits was extended by an additional 38 weeks, up to a maximum of 76 weeks for employers in the regions affected by the downturn in the commodities sector<sup>19</sup>. Employers taking advantage of the special measures had to first enter into an initial 26-week agreement and apply for the 12-week extension, before applying for the additional 38-week extension.

To understand the effects of the extension on the duration of Work-Sharing benefits in terms of benefit weeks paid, hours worked, and benefit amount paid, a comparison was drawn between the commodity downturn regions and other regions. The commodity downturn started in early 2014 and lasted for about 2 years, until the end of 2016. Consistent with previous analysis, duration of the Work-Sharing benefits,

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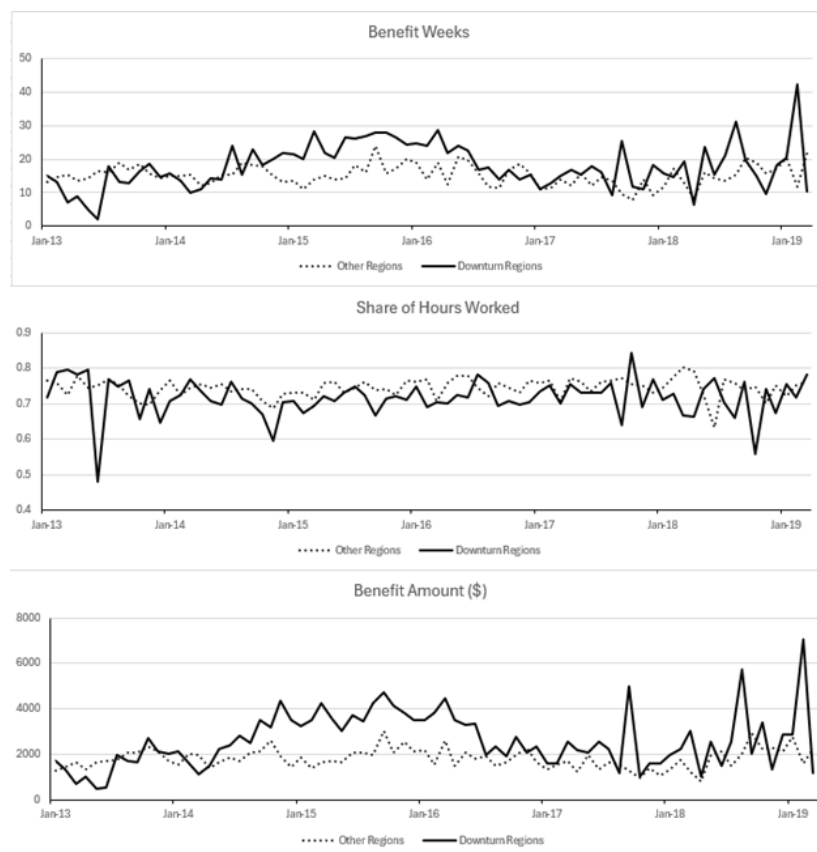
<sup>19</sup> Newfoundland-Labrador, Sudbury, Northern Ontario, Northern Manitoba, Saskatoon, Southern Saskatchewan, Northern Saskatchewan, Calgary Alberta, Edmonton, Northern Alberta, Southern Alberta, Southern Interior, Northern British Columbia, Whitehorse -- Yukon, Nunavut (excl Iqaluit)

hours worked, and amount paid followed counter-cyclical patterns. The benefit weeks and the benefit amount increased, while hours worked decreased before the on-set of the commodity downturn. However, this special measure appeared to have had no noticeable impact on the duration of benefits, hours worked, or the benefit amount paid. After the introduction of the measure, both benefit weeks and the benefit amount declined, while hours worked increased (see Figure 5. The two vertical red lines indicate the start (April 1, 2016) and the end (March 31, 2017) date of the special measure).

<b>Special measures announced in Budget 2016 for the regions experienced the downturn in the commodity prices.</b>	
<b>If the employer's agreement...</b>	<b>then...</b>
Begins or ends between April 1, 2016 and March 31, 2017.	They may be eligible for a 38-week extension for a total of 76 weeks.
Ended between July 12, 2015 and May 21, 2016 prior to an extension under the special measures being put in place.	They can waive the mandatory waiting period and apply for a new agreement with a maximum possible duration of 76 weeks (26 + 12 + 38 weeks).
Began after July 12, 2015 and ended after May 22, 2016 prior to an extension under the special measures being put in place.	They can waive the mandatory waiting period and apply for a new agreement with a maximum possible duration of 38 weeks (26 + 12 weeks).

This outcome might be attributed to the retroactive nature of the measure – i.e., claimants with open claims could continue to receive Work-Sharing benefits. On the other hand, labour market conditions in these regions may have already been in the process of recovery following the commodity price downturn. Therefore, there was less need for the renewal of existing Work-Sharing agreements or entering into new ones.

**Figure 5:** Comparison of Work-Sharing benefit duration, hours worked and benefit amount in commodity downturn and other regions, 2013-2019



## 6. Impact of the Program

### 6.1 Estimated averted layoffs

**Key finding:** between 2013 and 2020, an annual average of 4,877 layoffs were estimated to be averted by the Program. Among Work-Sharing claimants, 7% were laid-off within 3 months and about 15% within 12 months after their claims. The number of work-sharing claimants who claimed EI Regular benefit within 12 months after their claim, represented about 50% of the estimated number of averted layoffs.

The core objective of the Program is to prevent layoffs. Nevertheless, there could be instances where participants of the Program may still face layoffs shortly after the end of their Work-Sharing claim. In these situations, Work-Sharing could in some cases be seen as postponing the layoffs rather than preventing them. This was not evident in all cases, as a firm may be subject to new, unanticipated economic /operational challenges. This report provides evidence pertaining to two aspects: first, the prevention of layoffs during Work-Sharing claims, and second, deferral of layoffs. Following the approach from the 2016 Evaluation report, there was a presumption of perfect substitution between one hour of work reduction

through Work-Sharing and one hour of work reduction via layoffs.<sup>20</sup> This meant that if employers reduced employee hours by 20% through Work-Sharing, it was assumed that in the absence of Work-Sharing, a corresponding 20% of the workforce would have been layoffs. This approach assumed that the average reduction in work hours corresponded to an equivalent reduction in the labour force on average.

By multiplying the mean reduction in work hours with the count of Work-Sharing claims, an approximate number of prevented layoffs due to the Program was obtained. The estimated averted layoffs during the claim are presented in Table 8.

The estimated averted layoffs due to participating in the Work-Sharing Program ranged from a low of 3,463 in 2013 to a high of 19,593 in 2020 during the COVID-19 period. On average, across all the years presented, 4,877 layoffs were estimated to be prevented by the Program. Consistent with the finding that Program participation is counter-cyclical, so are the estimated number of layoffs averted by the Program. The economic downturn of 2015 and the labour market disruption brought by the pandemic in 2020 led to the highest estimated number of layoffs averted. This is largely attributed to the number of claims, given the stable average work reduction of 26% across the years.

Among Work-Sharing claimants between 2013 and 2019, 7% were laid-off within 3 months, 11% within 6 months and about 15% within 12 months after their claims.<sup>21</sup> The number of work-sharing claimants who claimed EI Regular benefit within 12 months after their claim, represented about 50% of the estimated number of averted layoffs.

As mentioned previously, workers retain their EI eligibility and entitlement while on Work-Sharing. The proportion of workers claiming Work-Sharing benefits again increased to 74% and 96% for claims initiated in 2018 and 2019, respectively. This underscored the repeat use of the Program by their employers particularly in the wake of the COVID-19 pandemic.

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<sup>20</sup> Reduction in work hours can have positive or negative effects on workers' productivity under perfect substitution and complementarity of workers assumptions that may lead to over or under estimation of the number of averted layoffs.

<sup>21</sup> Within 52 weeks after the Benefit Vector Termination week. Normally, the Benefit Vector Termination week represents the last week in which the claimant filed a report to Service Canada.

### **Reducing working hours as an alternative to layoffs**

From an employer perspective reducing hours represent an alternative cost-cutting strategy to layoffs. From an operational standpoint, temporarily reducing hours can be viewed as less disruptive than layoffs. Still, for employees, reducing hours entail a reduction in pay. The Work-Sharing Program seeks to make up part of the difference in pay for employees reducing their working hours. As mentioned previously, the Work-Sharing program allows all participating employees to remain employed with a temporarily reduced schedule by 10% to 60% of their regular hours while their employer recovers.

The employer survey found that half (50%) of the Work-Sharing agreements resulted in employees reducing their workweek hours by 10% to 30%, 20% by 31% to 40%, 10% by 41% to 50%, and about 8% by 51% to 60%.

- Further, the proportion of reduced workweek hours was higher in extended agreements and lower in standard agreements. For example, extended agreements represented about 21% of 10%-30% reduced workweek hours compared to 28% for standard agreements. Conversely, extended agreements accounted for 22% of 31%-60% reductions, whereas standard agreements accounted for 16%.

A similar distribution was found from respondents to the employee survey regarding the difference in earnings stemming from the reduction in their working hours. Among respondents, about 6% indicated a reduction of less than 10% in their earnings, 37% indicated a reduction ranging from 10% to 30%, 18% indicated a reduction ranging from 30% to 49% and 8% of 50% or more.

In terms of the number of reduced working hours, most respondents to the employee survey reduced their work week by around 13 hours. Among respondents, 8% reduced their workweek by 5 or fewer hours, 60% by 6 to 19 hours, and 18% by 20 or more hours.

- As similar distribution was observed among respondents working in the manufacturing industry. In the services industry fewer respondents (12%) reduced their work week by 20 hours or more. On the other hand, in the primary and construction industries, more respondents (24%) did.
- Across the Prairies, Atlantic, and British Columbia, a similar distribution was observed. However, 27% of respondents working in Quebec reduced their hours by 20 or more hours.

Lastly, almost all (96%) of surveyed employers indicated that employees were informed about their reduced hours. Four-fifths (80%) indicated employees were informed about how long they would be working reduced hours under the Work-Sharing agreement from a “good to a full extent”. Moreover, nearly 70% of employees who responded to the survey indicated that the information about the reduced work-week hours was shared with them from a “good to a full extent”. However, one-quarter (25%) said “not at all to a little extent”.

**Table 6:** Averted layoffs after the end of Work-Sharing claims and layoffs within 52 weeks of Work-Sharing claims, 2013 to 2020

Year	Number of Work-Sharing claims	Percentage of average work reduction	Estimated layoffs averted	Number of Work-Sharing claimants laid-off 52 weeks after their claims
2013	12,925	27%	3,463	1,590
2014	8,978	27%	2,433	1,537
2015	18,648	27%	5,039	3,097
2016	14,706	26%	3,820	1,281
2017	5,315	25%	1,324	454
2018	3,185	27%	849	516
2019	9,746	26%	2,497	2,322
2020	78,394	25%	19,593	--
Average Up to 2018	10,626	26%	2,821	1,412
Average Up to 2020	18,987	26%	4,877	--

The evaluation carried out an approach like the one used back in 2016 in a technical study for the Work-Sharing Program evaluation<sup>22</sup>, and was employed to assess the success of the Program in reducing layoffs. The number of averted layoffs within 3 months and 6 months after the Work-Sharing claim were examined. In this study, it was assumed that the Program ‘failed’ to avert layoffs if employees received EI regular benefits within a specified period following the termination of Work-Sharing claims. It was assumed that Work-Sharing claims were terminated on the last week in which employees received Work-Sharing benefits.

This definition can be considered a reasonable proxy of layoffs. One of the requirements to participate in the Program was that employees have already met the qualification requirements for EI regular benefits. Further, the benefit rate and the normal duration of their claims would not be reduced by participating in Work-Sharing. Therefore, it is reasonable to assume most qualified employees would receive EI regular benefits if they were laid off after the termination of their participation in the Work-Sharing Program. However, this would not apply to those who started another job immediately or had withdrawn from the labour force.

Layoffs are identified as any Work-Sharing participant receiving EI regular benefits (at least \$1) within 3 months (13 weeks) and 6 months (26 weeks) of their final week of Work-Sharing benefits (see Table 9).

<sup>22</sup> Phil Leonard. 2013. “An Examination of the Impacts of Temporary Budgetary Changes on Work-Sharing Claim Duration and Subsequent Employee Layoff: A Technical Report on the Work-Sharing Program”. ESDC.



The variation of layoffs across the years may be explained by the labour market conditions faced by workers' employers over the period. Overall, layoff rates were higher during or at the onset of economic downturns (2015, 2016, and 2019) and lower towards the end or after the economic downturns (2017).

**Table 7:** Layoffs within 3 months and 6 months after the end of Work-Sharing claims by year, 2013 to 2019

Years	Work-Sharing claims	Layoffs as % of Work-Sharing claims <sup>23</sup>	
		Within 3 months	Within 6 months
2013	12,925	5%	8%
2014	8,978	10%	13%
2015	18,648	9%	13%
2016	14,706	4%	7%
2017	5,315	4%	6%
2018	3,185	6%	10%
2019	9,746	13%	18%
Average	10,500	7%	11%

The employer survey also supported that the Program was effective in preventing layoffs. Notably, 87% of employers reported that none of their employees were laid-off due to lack of work after the Work-Sharing agreement. Responses from employers represents those that were still in operations after having use the Work-Sharing program and at the time of the survey (explicitly excluding employers no longer in business), which most likely positively affected responses received.

Further, all employers interviewed (n=8), stated that the Program prevented layoffs for their business. One employer elaborated on how much the Program supported them,

*"We would not achieve the same outcome because we would have to have laid people off. Then the recovery would have been a lot more painful because we would have had to rehire and once you lay people off, most of them would already have other employment. Then we would be looking for new employees and have that learning curve and a lot of time, effort and money is spent".*

<sup>23</sup> Based on receiving regular benefits within this period after the last week in which they received Work-Sharing benefits, 2013-2019.



Few employers also spoke to the effectiveness of the Program because it saved them costs of retraining. One employer stated,

*“We invest a lot of time and effort in training the people and we work in a very specialized area of computer science. It is not easy to find replacements when we lose our staff because of the severe economic downturns. A program like Work-Sharing goes a long way in helping us keep our staff and avoiding any difficulties in replacing staff that are very specialized and in short supply. It was positive on every aspect”.*

These positive attitudes were common among most of the employers interviewed, indicating overall satisfaction with the Program.

Finally, the literature review provided evidence that the presence of a Short-Time Work program helped stabilize employment during the Great Recession and the COVID-19 pandemic. Further, many of the studies also found the impact of Short-Time Work Programs would likely be more positive if their use would be limited to economic downturns rather than during recovery. For example, one cross-country study<sup>24</sup> found that enrolling 1 additional worker in Short-Time Work was correlated with 0.27 fewer workers being unemployed. Firm-level studies<sup>25</sup> from Germany and France found that unemployment would have increased between 2.9-4.5 percentage points during the pandemic for participating countries.

## 6.2 The likelihood of layoffs by claimant and firm characteristics

The likelihood of layoffs of claimants was explored further using multivariate analysis (probit regression<sup>26</sup>). This was used to help understand how claimants' characteristics and other related factors might influence whether they were laid off after participating in the Work-Sharing Program (see Table 10). To capture the effects of an economic downturn, a dummy variable for the commodity downturn regions was also included.

It was found that certain groups of individuals were more likely to be laid off within 3 months and 6 months after the end of their Work-Sharing claims:

- older individuals
- living in the Atlantic region

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<sup>24</sup> Giupponi, G. & Landais, C. (2022). “Subsidizing Labor Hoarding in Recessions: The Employment and Welfare Effects of Short-Time Work”. *The Review of Economic Studies*.

<sup>25</sup> Aiyar, S. & Chi Dao, M. (2021). “The Effectiveness of Job-Retention Schemes: COVID-19 Evidence From the German States”. European Department. IMF Working Paper.

Albertini, J., Fairise, X., Poirier, A. & Terriau, A. (2022). “Short-Time Work Policies During the Covid-19 Pandemic”. *Annals of Economics and Statistics*, 146, 123–172.

<sup>26</sup> The dependent variable takes the value of 1 if the individual was laid off within three and six months at the end of Work-Sharing claim, and 0 otherwise.

- working in the primary industries
- working in management or in trade and transport professions
- single
- short-tenured workers,
- workers subject to larger reductions in their working hours; and
- living in commodity downturn regions.

Claimants living in the Prairies and those working in manufacturing industries were the least likely to be laid off following their Work-Sharing claims established between 2013 and 2019, compared to claimants living in other regions and working in other industries, respectively.

The unemployment rate and claim duration (number of weeks used) were negatively associated with layoffs. An explanation of this relationship could be that the claimants with Work-Sharing claims established during high unemployment periods (during economic downturns) and ending during relatively lower unemployment periods were less likely to experience layoffs at the end of their Work-Sharing claims. Moreover, in general, Work-Sharing agreements tend to be extended during prolonged periods of high unemployment – longer claim duration –, thereby reducing the incidence of layoffs. Long-tenured workers were found to have a lower likelihood of being laid off, likely due to their experience and seniority within the company. Reduced workhours showed a strong positive association with the probability of layoffs. Moreover, claimants in regions affected by the downturn in commodity prices were positively associated with the probability of layoffs, consistent with prior findings.

When examining the layoffs associated with claims established in 2020, a similar trend was observed. However, claimants from Quebec, and those working in the construction industry were an exception, as they were more likely to face layoffs.

**Table 8:** Likelihood of layoffs within 3 and 6 months after the end of Work-Sharing claims by claimants' characteristics, 2013 to 2020

Characteristics	Layoffs within 3 months		Layoffs within 6 months	
	2013-2019	2020	2013-2019	2020
<b>Gender (male)</b>	0.3	0.2	1.1*	0
<b>Age</b>	0.0*	0.1*	0.1*	0.1*
<b>Regions (Atlantic)</b>				
Quebec	-3.1	2.7*	-5.0*	3.6*
Ontario	-6.0*	-0.5	-7.9*	-1.1
Prairies	-7.8*	-1.9*	-11.3*	-2.5*
British Columbia	-6.4*	-2.0*	-10.1*	-2.9*
<b>Industry (primary)</b>				
Construction	-1.6	2.5	-0.6	3.7*
Manufacturing	-2.7*	-1.3	-1.5	-1.0

Characteristics	Layoffs within 3 months		Layoffs within 6 months	
Services	-1.3	-1.8	1.7	-1.6
<b>Profession (management)*</b>				
Business/Finance/Administration	-2.0*	-1.3*	-2.1*	-1.9*
Sciences	-1.5	-0.7	1.1	-1.3*
<b>Marital status (married/common law)</b>				
Widowed/Divorced/Separated	0.8	0.7	0.8	1.1*
Single	1.4*	0.5	2.0*	0.7*
Long tenured	-2.5*	-1.6*	-3.4*	-2.2*
Unemployment rate	-0.6*	-	-0.9*	-
Duration (weeks used)	-0.07*	-0.04	-0.08*	-0.06
Reduced workhours	25.8*	12.8*	32.9*	15.5*
Commodity downturn regions	7.5*	2.6*	10.3*	3.5*
Observations	71,307	72,698	71,307	72,698

Notes: \* significant at 99. Base categories are in parenthesis.

\* Sales/Services and Trade/Transport were not significant

Regression analysis was also conducted to estimate the likelihood of layoffs by firm characteristics and other factors after participation in the Program. The analysis showed a higher probability of a firm laying off Work-Sharing employees if their agreement started in 2015 and 2019. For instance, firms were 5.2 and 8.3 percentage points more likely to lay-off employees in 2019 after 3 and 6 months respectively. The higher probability of layoffs in both 2015 and 2019 is likely due to the crises that followed in 2016 and 2020, respectively. Nonetheless, firms who began agreements in 2020 had a lower probability of laying off Work-Sharing employees after participating in the Program. This may be due, in part, to the resurgence of the Canadian labour market in 2021.

From 2013 to 2020, most firms (72% and 67%, respectively) laid off 10% or less of their Work-Sharing employees within 3 and 6 months after their participation in the Program. Work-Sharing firms were more likely to layoff Work-Sharing employees after their agreement if they also laid-off employees during their agreement. In addition, larger firms and firms with a higher employment income were less likely to layoff workers after the agreement. Lastly, firms in the manufacturing industry were more likely to layoff a higher proportion of Work-Sharing employees.

Generally, there were fewer firms that laid off a larger proportion of their employees. For instance, only 15% of firms laid-off over 90% of their Work-Sharing employees. This can be explained by the fact that a small proportion of Work-Sharing firms were still struggling or in need of financial support after the end of their agreements.

Findings from the employee survey also suggested a positive perception of the Program regarding the Program's effectiveness in preventing layoffs. For instance, the majority (65%) of the surveyed employees indicated the Program prevented them being laid off. In addition, only 5% of the survey respondents indicated that they were laid off (see Table 11). Most employees who responded to survey

returned to their full-time work, with male respondents more likely to do so than women. On the other hand, female respondents were more likely to be laid off than male.

**Table 9:** Work status at the end of the Program

Work status at the end of the Program	All	Male	Female
Returned to full-time work	84%	87%	80%
Returned to part-time work	3%	2%	4%
Laid off	5%	3%	7%
Found another job	5%	6%	6%
Don't know/prefer not to say	3%	2%	3%

Source: Work-Sharing employee survey, n=408

## 6.3 Impact analysis on participating employees

**Key finding:** impact analysis showed that employee participation in the Program led to lower benefit usage, higher return-to-work rates, less reliance on employment insurance, and increased income. This highlights the Program's success in maintaining job stability and economic resilience.

Impact analysis was carried out by comparing employees who received Work-Sharing benefits to non-seasonal employees who were laid off due to shortage of work and did not participate in a Work-Sharing agreement.<sup>27</sup> The impact analysis focused on Work-Sharing claims established between 2015 and 2017.<sup>28</sup>

The treatment and control groups were constructed in two steps. First, firms participating in the Work-Sharing Program between 2015 and 2017 were paired based on industry, region, and size with similar firms where employees filed EI regular claims during the same period. Next, individuals in the Work-Sharing Program (treatment group) were matched with those who filed EI regular claims (control group) based on their characteristics. A Propensity Score Matching technique was employed to help reduce the impact of selection bias. The analysis was extended to commodity downturn regions. The treatment and control groups within the commodity downturn regions were compared with those residing in regions other than commodity downturn regions (see Table 12).

The findings showed that Work-Sharing claimants used around 3.5 benefit weeks less than EI Regular claimants. Correspondingly, Work-Sharing participants (treatment group) received significantly lower

<sup>27</sup> Did not participate in a Work-Sharing agreement in the 52 weeks before they received their Record of Employment.

<sup>28</sup> The claims established between 2013 and 2014 and between 2018 and 2020 were not included. The outcomes could have been potentially affected by the commodity downturn and COVID-19 pandemic, respectively.

average benefit amounts than comparable EI regular claimants. This is due to Work-Sharing claimants receiving payment for reduced work hours unlike other EI benefits.

The Work-Sharing participants (treatment group) also shows a statistically significant positive impact on the likelihood of individuals returning to work, with an effect size of around 10 percentage points. Similarly, the treatment group was substantially more likely to return to the same business. This demonstrates, in line with the descriptive analysis, that the Work-Sharing Program helped employers retain their skilled workforce.

In addition, the likelihood of future use of EI was lowered following participation in the Work-Sharing Program. Similarly, Work-Sharing Program participants (treatment group) was more likely to have an increase in employment income.

**Table 10:** Impact of the Program on selected outcome variables, 2015 to 2017

<b>Outcomes (Work-Sharing vs. EI Regular)</b>	<b>All regions</b>	<b>Commodity downturn regions</b>	<b>Other regions</b>
Benefit weeks used	-3.5*	-3.0*	-2.8
Average benefit amount received	-\$291*	-\$298*	-\$282*
Return to work after the claim	10pp*	10pp*	10pp*
Return to same business after the claim	48pp*	50pp*	45pp*
Future EI use (within 52 weeks of the claim)	-15pp*	-11pp*	-18pp*
Employment income difference (1 year before and 2 years after the claim)	\$3,625*	\$5,241*	\$1,716*
Observations	152,751	50,033	102,718

Notes: \* significant at 99%, Propensity Score logit model estimates (marginal effects)

Finally, 25% of the surveyed employee respondents indicated the Program affected their spending habits from “not at all to a little extent”. Similarly, 38% of the respondents believed the Program had “no or little” affect on their ability to meet their financial obligations. Around 26% of the respondents indicated they were financially better off by participating in the Program from a “good to a full extent.”

## 6.4 Likelihood of participating firms to subsequently close

**Key finding:** Participating firms were less likely to close.

As noted in the averted layoffs section, around 15% of participating firms laid-off most or all their Work-Sharing employees. Therefore, it is important to consider to what extent these firms closed after participation. Firms were deemed to have closed after the end of their work-sharing agreements if they had 0 employees associated with their business in any of the year(s) over a four-year period following their participation.

Like averted layoffs, the firms that laid-off employees during their Work-Sharing agreement were more likely to close within 4 years. The smallest and largest firms had the highest closure rates, each at 13%.

However, after 4 years, smaller companies with less than 20 employees had a much higher closure rate (45%) compared to larger ones (35%). The analysis found that after 1 year, most provinces had similar closure rates. However, within 4 years, the Prairie provinces had a much higher closure rate (54%) compared to Ontario and Quebec (at 25% and 28%, respectively). This might be because of the commodity downturn crisis which affected the Prairie provinces.

In terms of industries, after 1 year, the firms in the manufacturing and services industries had similar closure rates (around 10 to 11%). However, after 4 years, manufacturing firms had a lower closure rate (35%) compared to services firms (41%). Further, the firms with Work-Sharing agreements in 2016 or 2019 were more likely to close, possibly due to the commodity crisis and/or the pandemic. It was also found that firms with multiple Work-Sharing agreements were less likely to close, but this might be because larger companies, which are less likely to close in the first place, tend to have more agreements. Overall, the regression results suggested that the participating firms were less likely to close, and the crises were temporary. The regression results are provided in Table 3, Appendix E.

## 6.5 Training

**Key finding:** according to employee and employer survey results, a small proportion of employers provided training to their employees while they were receiving Work-Sharing benefits. The limited provision of training by participating employers was primarily due to cost concerns or its perceived irrelevance in a context of business losses.

Only around 6% of surveyed employees participated in any training activities while they were receiving Work-Sharing benefits. Of those who participated in training, skills enhancement activities accounted for 87%, while apprenticeship accounted for 13% of the training activities. Moreover, almost all the training activities (over 91%) were provided by the employers. The skills enhancement was provided predominately during work hours, either on-site (50%) or off-site (20%), followed by training during non-working hours on-site or off-site (at 15% each). Apprenticeship programs occurred mainly on-site during working hours (67%) and were offered for an average of 7 weeks.

On the other hand, among surveyed employers, one-third (32%) indicated that training activities were provided to their employees while the Work-Sharing agreement was in place. Among those providing training activities to their employees, most (88%) provided skills enhancement training activities whereas apprenticeship training accounted for only 12%. Of the training activities, on-site skills enhancement during regular working hours was predominant (76%), followed by on-site (17%) and off-site (7%) courses during non-working hours. Surveyed employers indicated the apprenticeship programs occurred mainly on-site during working hours (80%) and were offered for an average of 8 weeks. Overall, these latter findings were consistent with the findings from the employee survey.

Findings from the key informant interviews also suggested the limited provision of training by participating employers was primarily due to cost concerns or its perceived irrelevance in a context of business losses. While some employers opted for cross-training where employees were prepared to perform other jobs duties to facilitate labour flexibility, others expressed reservations. Internal officers generally opposed mandatory training, emphasizing flexibility in recovery measures, while experts debated its effectiveness, with some questioning its relevance to cyclical downturns or structural issues.



These findings underscore a significant focus on on-site training for skills enhancement during regular working hours. However, the majority (86%) of employee survey respondents did not participate in any training activities, and 8% of respondents were uncertain about such activities. Similarly, most employer survey respondents (53%) did not provide any training activities, and 15% were uncertain about such activities.

## 7. Delivery of the Program

### 7.1 Application process

**Key finding:** most surveyed and interviewed employers and employees had a positive experience with the Program administration. However, some employers found the overall application process burdensome and time consuming.

It was found that a significant majority (82%) of surveyed employers were satisfied with the overall application process from initiation to approval from “a good to a full extent” (see Table 13). In addition, most of surveyed employers were satisfied from a “good to a full extent” with the:

- information and resources available on Service Canada’s website (65%)
- timeliness of approval (80%)
- clarity of instructions on how to complete a recovery plan (64%), and
- overall communication and support, such as technical support, completion of utilization reports, agreement extension, etc. (77%)

**Table 11:** Extent to which surveyed employers were satisfied with the application process

Satisfied	Overall application process	Service Canada’s website	Timeliness of approval	Clarity of instructions*	Overall communication and support
Not at all	-	1%	-	-	-
To a little extent	5%	6%	4%	5%	4%
To some extent	10%	22%	12%	27%	15%
To a good extent	47%	51%	56%	51%	49%
To a full extent	35%	14%	24%	13%	28%
Don’t know/prefer not to say	2%	6%	3%	4%	3%

\*Clarity of instructions on how to complete a recovery plan.

Source: Work-Sharing employer survey, n=251.

However, areas needing improvement for a more consistent and seamless service delivery were identified by surveyed employers. Around 6% of employer respondents found the application process very challenging and provided details regarding the challenges they experienced. Most of them found the application process very complicated, felt it required a lot of paperwork and found it very time consuming. Some indicated that the instructions to complete the application were unclear and they did not receive adequate support from Service Canada.

Further, most of the interviewed employers were satisfied with the support from regional officials. However, some also found that the overall application process was burdensome and time consuming. A few specifically identified that the application process was particularly a barrier to participation for smaller firms and employers for whom their first language was not English or French. They also found the completion of recovery plans and employees' login on the government website challenging. Employer associations also supported the views of employers stating that the application process can be daunting, especially for employers who never applied before. Most of the internal officers also identified the application process as a barrier to participation as well. Lastly, internal officials noted inconsistency across regions in the Program delivery in terms of the various levels of approval and details required in reports.

Key suggestions by employers to ease the application process were to make it less bureaucratic, require less paperwork, and have less demand on employees. Further, the associations suggested the language on the website and application should be simplified. Employers, internal officials, and experts suggested the Program needs an improved system that can manage online applications and pull information from common payroll systems and the Canada Revenue Agency. Further, internal officials requested improved access of information between the Work-Sharing and EI Regular benefits. Internal officials also identified training needs on EI Regular benefits, managing expectations by employers, soliciting information from employers and training on best practices across regions.

On the other hand, the majority (69%) of surveyed employee respondents were also satisfied from "a good to full extent" with the overall application process (see Table 14). In addition, most surveyed employee respondents were satisfied from a "good to a full extent" with the:

- online information available on the Service Canada's website (70%)
- information and support provided to them in a Service Canada office (in-person) (59%), and
- information provided by employer (64%) and employee's representative (45%)

**Table 12:** Extent to which employees were satisfied with the application process and the available information

<b>Satisfied</b>	<b>Overall application process</b>	<b>Service Canada's website (online)</b>	<b>Service Canada's office (in-person)</b>	<b>Information provided by employer</b>	<b>Information provided by employee's representative</b>
Not at all	2%	2%	5%	5%	7%
To a little extent	5%	5%	9%	8%	6%
To some extent	15%	18%	27%	18%	15%
To a good extent	45%	43%	50%	38%	29%
To a full extent	24%	27%	9%	26%	16%
Don't know/prefer not to say	9%	6%	5%	6%	27%

Source: Work-sharing employer survey, n =251



The majority of respondents (81%) applied for the Work-Sharing benefits via Service Canada's online application portal. Only 5% of the respondents completed their application in-person at a Service Canada office. The rest of the respondents (14%) were either unsure or preferred not to say.

## 7.2 The recovery plan

**Key finding:** the recovery plan was found to be challenging and time consuming by surveyed and interviewed employers.

Since the COVID-19 pandemic and the resulting special measures, the recovery plan requirement has been simplified to "recovery measures". Previously, the recovery plan was 4 pages long and required numerical detail. Now, the measures only require a short description of recovery activities.

The completion of the recovery plan was identified as notably challenging for many surveyed employer respondents. They encountered difficulties due to unclear instructions from Service Canada, along with experiences of encountering unsupportive or inadequately knowledgeable staff. In fact, 2 of the surveyed employer respondents eventually chose not to continue pursuing their applications.

Further, interviewed employers had mixed opinions about requiring a recovery plan. Those who said there should be one had one already prepared. Those who suggested there should not be one, indicated their recovery was strictly dependent on market conditions. Employer associations and most of the internal officers supported that the requirements should not be so heavy. Experts stated it would not be possible to identify from a recovery plan which companies would be able to survive downturns. A few internal officers confirmed this by stating that the firms could write down anything and they have no way of knowing if it was valid. Moreover, some internal officers indicated that monitoring the implementation of the recovery plan was very hard for program officers who were not involved in the industry.

One officer explained,

*"One of the cons is from an operational standpoint, we don't really have a good grounding for how to assess whether that's good plan or not?". Another stated "Honestly, they can tell us anything. Are they really going to take these actions? Will it really make a difference?".*

While it is uncertain whether the officers were referring to the recovery plan prior to COVID-19 pandemic or the current recovery measures, the findings suggest they were leaning towards keeping it simple.

Despite the challenges in the completion of recovery plans, surveyed employers indicated they adopted certain measures for business recovery. Only cost-cutting measures were implemented by 15% of the respondents in their recovery plans, while almost 2% focused only on marketing and advertising, and almost 2% on product development-related strategies. When these strategies were combined with other approaches, cost-cutting measures accounted for 75% of the overall strategies, followed by marketing and advertising strategies at 55%, and product development-related strategies at 40%. There were no significant differences observed by region and/or industry.

## 8. Conclusion

The Work-Sharing Program has been perceived as effective in addressing the needs of both employers and employees by helping to retain workers and prevent layoffs. The Program has been particularly beneficial during economic downturns, such as the commodity price downturn and the COVID-19 pandemic. The Program helped in retaining employees, reducing hiring, and training costs, and preventing layoffs, as reported by surveyed employers. The majority of surveyed employers expressed their likelihood of participating in the Program again if faced with employee layoffs in the future.

The Program has been found to be counter-cyclical to economic conditions, with increased participation during economic downturns and decreased participation during periods of economic recovery. The Program has been primarily utilized by employers in the manufacturing industry, with a significant number of participants from the Prairies. Smaller firms have faced more barriers to participation due to the requirements of the application process, while larger firms have faced more barriers during participation due to reporting requirements and high turnover.

Participants in the Program were predominantly male, older, residing in the Prairies, and working in the manufacturing industry. They tended to have longer job tenure and higher employment income compared to EI Regular claimants. Participating employees had a positive perception of the Program, with the majority indicating that it strengthened their attachment to their employers and their employers had their best interest in mind. The Program led to lower benefit usage, higher return-to-work rates, less reliance on employment insurance, and increased income for participating employees.

Between 2013 and 2020, an annual average of 4,877 layoffs were estimated to be averted by the Program. Among Work-Sharing claimants, 7% were laid-off within and about 15% within 12 months after their claims. However, the number of work-sharing claimants who claimed EI Regular benefit within 12 months after their claim, represented about half of the estimated number of averted layoffs.

The majority of participating employees did not engage in any training while receiving Work-Sharing benefits. The limited provision of training by participating employers was primarily due to financial/capacity considerations, and its perceived irrelevance in the context of business losses.

Overall, the Program administration was perceived positively by surveyed employers and employees. However, some employers found the application process burdensome and time-consuming, and there were challenges in completing the recovery plan.

In conclusion, the Work-Sharing Program has been effective in meeting the needs of employers and employees by retaining workers and preventing layoffs during economic downturns. The Program has led to positive outcomes for participating employees, including lower benefit usage, higher return-to-work rates, and increased income. However, there are areas for improvement in program administration and awareness. Overall, the Program has played a role in maintaining job stability and economic resilience.

## 9. Recommendations

Based on the findings of this report, the following are the recommendations for the improvement of the Work-Sharing Program:

### **Recommendation 1:**

**It is recommended the Program work towards simplifying the application process, including the recovery plan requirement.**

The report highlighted that some employers found the overall application process burdensome and time-consuming. To encourage greater participation, it is recommended to simplify the application process, providing clear instructions and support to employers. This could include reducing paperwork, improving online resources, and ensuring consistent and knowledgeable support from Service Canada staff.

The report also found that smaller firms may have faced more barriers to participation due to the demands of the application process. To encourage greater participation from small firms, it is important to provide tailored support and resources that address their specific needs. This could include dedicated assistance for completing the application, providing clear guidelines and templates, and offering language support for employers whose first language is not English or French.

Further, the report highlighted completing the recovery plan was challenging for many employers, with unclear instructions and difficulties in implementation. It is recommended to revise the recovery plan requirement to make it more user-friendly and relevant to different industries. Simplifying the plan and focusing on key recovery measures rather than detailed numerical information could alleviate the burden on employers while still ensuring accountability and monitoring of program outcomes.

### **Recommendation 2:**

**It is recommended the Program enhance its promotion and awareness.**

The report found that program awareness among employers and employees was relatively low. To increase program participation, it is recommended to enhance promotion and awareness efforts. This could involve conducting outreach to unions, advertising the Program on the Service Canada website and social media, incorporating program information in newsletters, and utilizing existing networks such as the Council of Canadian Entrepreneurs and the Federation of Canadian Chambers of Commerce.

By implementing these recommendations, the Work-Sharing Program can be further improved to better meet the needs of employers and employees, increase program participation, and enhance the overall effectiveness of the Program in preventing layoffs and maintaining job stability.

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## Appendix B: Special measures

Between 2013 and 2020, the Program implemented seven (7) special measures. These measures and their changes are highlighted in Table 1.

### Special measures—2013 to 2020

Date	Description of the measure
<b>July 5, 2013, to September 27, 2013.</b>	Due to flooding in Alberta, Program accessibility was increased through expanded eligibility criteria and certain program criteria were waived such as the cooling-off period, and the recovery plan requirement.
<b>July 12, 2013, to October 4, 2013.</b>	Due to the train derailment in Lac-Mégantic, (Quebec) certain program criteria were waived. This included the requirement for businesses to prove a 10% decrease in business activity, the cooling-off period, and the requirement for labour market information.
<b>April 1, 2016, to March 31, 2017.</b>	Due to the downturn in the commodities sector the maximum duration of an agreement was extended to 76 weeks and the cooling-off period was waived.
<b>May 4, 2016, to May 4, 2017.</b>	Due to wildfires in Fort McMurray (Alberta), certain program criteria were waived, such as the requirement of employers to prove a 10% decrease in business activity, a 60% average usage rate, the cooling-off period, and the recovery plan requirement.
<b>July 30, 2017, to March 28, 2020.</b>	Due to trade disputes with the United States in the forestry sector, the maximum duration of an agreement was extended to 76 weeks, the cooling-off period was waived, and the recovery plan requirements were eased.
<b>April 19, 2018, to March 27, 2021.</b>	Due to trade disputes with the United States in the steel and aluminum sector, the maximum duration of an agreement was extended to 76 weeks, the cooling-off period was waived, and the recovery plan requirements were eased.



Date	Description of the measure
<b>March 15, 2020, to September 25, 2022.</b>	The duration of agreements was extended to a maximum of 76 weeks and the mandatory cooling-off period was waived. This allowed for a subsequent 26-week agreement immediately following the 76-week agreement for a maximum duration of 102 weeks, if not combined with other special measures. In addition, the recovery plan requirements were eased. Eligibility was also expanded to include Government Business Enterprises, and not-for-profit organizations experiencing a reduction in revenues and essential staff.

## Appendix C: Evaluation matrix

Evaluation questions	Lines of evidence
<p><b><u>Labour market needs and awareness:</u></b></p> <p>Q1. What labour market needs does the Work-Sharing program address?</p> <p>a) What factors facilitate/hinder the participation into the program by an employer and a group of employees?</p> <p>b) To what extent are employers and employees aware of the program?</p>	<ul style="list-style-type: none"> <li>• literature review</li> <li>• survey of employers</li> <li>• survey of employees</li> <li>• key informant interviews</li> </ul>
<p><b><u>Participation and usage</u></b></p> <p>Q2. What is the socio-economic profile of employers and employees who utilized an agreement under the standard parameters of the Work-Sharing program and when special measures were in effect (e.g., age, gender, industry, and income)?</p> <p>Q3. What is the usage pattern of employers and employees who utilized an agreement under the standard parameters of the Work-Sharing program and when special measures were in effect (e.g., duration of EI benefits and length of agreements)?</p>	<ul style="list-style-type: none"> <li>• literature review</li> <li>• survey of employers</li> <li>• survey of employees</li> <li>• key informant interviews</li> <li>• technical studies</li> </ul>
<p><b><u>Impacts</u></b></p> <p>Q4. How many layoffs were averted as a result of the Work-Sharing program during standard agreements and when special measures were in effect?</p> <p>Q5. What are the impacts of the Work-Sharing program on employer and employee outcomes (e.g., income, job tenure, future EI use, business viability, and future Work-Sharing use)?</p> <p>a) Are these outcomes different when agreements are utilized when special measures are in effect compared to standard agreements?</p>	<ul style="list-style-type: none"> <li>• literature review</li> <li>• survey of employers</li> <li>• survey of employees</li> <li>• key informant interviews</li> <li>• technical studies</li> </ul>
<p><b><u>Delivery</u></b></p> <p>Q6. What are the implementation challenges and best practices in the delivery of the Work-Sharing program, in terms of initiating Work-Sharing agreements?</p>	<ul style="list-style-type: none"> <li>• survey of employers</li> <li>• survey of employees</li> <li>• key informant interviews</li> </ul>



## Appendix D: Lines of evidence

This evaluation incorporated a mixed-methods approach using both quantitative and qualitative lines of evidence. While it primarily relied on administrative data, the evaluation also consisted of a literature review, two surveys, and key informant interviews.

### **Literature review:**

The literature review assessed the Canadian Work-Sharing program and various international Short-Time Work schemes and to identify if they have been effective at preventing layoffs and stabilizing employment during times of economic downturns. More broadly, the literature review helped contextualize the labour market need of the Work-Sharing Program within Canada and internationally in terms of its participation, usage, effect, design, and delivery of the Program. Academic papers that used various methodologies to estimate the impacts of Short-time Work Programs during the Great Recession and the COVID-19 Pandemic were reviewed. The studies discussed in this literature review have been primarily collected using the EBSCO and Google Scholar search engines. The key words used included “Work-Sharing”, “Short-Time Work”, “Job-retention scheme” “Layoff prevention”, “Canada” and “United States”. The research papers considered were those from 2009 onwards with data covering at least up until 2010 to estimate how many layoffs were prevented due to the Short-time Work Program.

### **Survey of employers:**

The employer survey sought information directly from employers who participated in the Work-Sharing program relatively recently, anytime during 2016 and 2020. The employers who participated in the Program between 2016 and 2019 were contacted (n=1,882), and the overall response rate was 13.3% (n=253).

The survey included questions related to, but not limited to:

- overall awareness of the Program—i.e., where do employers learn about the Program views on the factors that facilitate/hinder participation into the Program
- whether Work-Sharing is meeting the needs of employers
- the effect of Work-Sharing on business viability and averted layoffs
- the effect of program criteria—e.g., application process, cooling off period—on program usage from employers

The survey was administered through ESDC’s Interactive Fact-Finding Service’s web survey platform, and the analysis was carried out in-house by the Evaluation Directorate.

### **Survey of employees:**

The employees survey sought information directly from employees who participated in the Work-Sharing program anytime during 2018 and 2020. The employers who participated in the Program between 2017 and 2019 were contacted (n=7,219), and the overall response rate was 5.7% (n=429).



The survey included questions related to, but not limited to:

- overall awareness of the Work-Sharing program—i.e., where do they learn about the Program
- views on the factors that facilitate/hinder participation into the Program
- the ability for employees to partake in training while in a Work-Sharing agreement
- the effect of Work-Sharing on employee outcomes, such as future employment income, job tenure, and EI use

The sample frame of employees was stratified using administrative data on key variables such as age, gender, regions, and industry for 2019 and 2020. However, due to the comparatively low participation of employees in the Work-Sharing program in 2018, all 2018 participants were included in the sample. The survey was administered through ESDC's Interactive Fact-Finding Service's web survey platform, and the analysis of the web survey questionnaire was carried out in-house by the Evaluation Directorate.

### **Key informant interviews:**

The Key informant interviews were built upon the surveys and quantitative analysis to provide context and a deeper understanding of the Program. Four groups of key informants that could provide insight into the Work-Sharing Program were selected to be interviewed. These groups included employers that had participated in the Program, employer and employee associations that represent employers and employees that may have participated in the Program, program internal officials and experts in Canadian labour market programs. In total, 26 key informant interviewees were interviewed: 8 employers, 4 associations, 10 internal officials and 4 experts.

The interviewed employers were selected from the employers who consented to participate in interviews after completing the survey. These interviewees were chosen from diverse regions and industries. Notably, the majority were from the manufacturing industry, reflecting the predominant sector among consenting employers. No employers from the Atlantic provinces expressed consent to participate in the interviews from the survey pool.

### **Technical studies—administrative data analysis:**


Two technical studies—one for employees and the other for employers—using administrative data, from 2013 to 2020, provided quantitative evidence for the two broad evaluation questions: Participation and Usage; and the effect of the Work-Sharing program on employee and employer outcomes.

Data for these analyses was extracted from the EI Status Vector file, the Records of Employment, Business Registry, the Canada Revenue Agency tax files (T4/T1), and applications and agreements stored in the Common System for Grants and Contributions system.

#### **Technical Report #1: Work-Sharing Program and employees**

The primary group under examination in this report were those employees who have received a Record of Employment and received EI benefits during a Work-Sharing agreement. The report provided empirical evidence related to, but not limited to:

- a socio-economic profile of employees (age, gender, industry, occupation, education, region/province, and income);

- 
- the amount of EI benefits paid to employees and the duration of their claims; and,
  - the post-agreement employment income, job tenure, and the likelihood of future use of EI.

#### Technical Report #2: Work-Sharing Program and employers

The primary group under examination in this report were those employers who started a Work-Sharing agreement at some point from 2013 to 2020.

The report provided empirical evidence related to, but not limited to:

- a socio-economic profile of employers (industry, firm size, timing of entering the agreement, and share of employees who received EI benefits under a Work-Sharing agreement);
- the requested length, estimated reduction in normal business activity (average work reduction), number of participants and estimated averted layoffs.

## Appendix E: Supplementary Tables

**Table 13:** Comparison of demographic and claim related characteristics and outcomes between Work-Sharing and Regular benefit claimants, 2013 - 2020

Socio-demographic Characteristics	Work Sharing Claims		Regular Claims	
	2013-2019	2020	2013-2019	2020
Gender (male)	73.9%	64.5%	60.7%	50.8%
Age (years)	43.6	44.1	40.7	39.5
<b>Region</b>				
Atlantic	1.8%	4.5%	12.6%	7.3%
Quebec	29.0%	20.7%	27.3%	25.0%
Ontario	27.3%	36.6%	30.8%	37.0%
Prairies	36.0%	25.8%	18.2%	18.2%
British Columbia	6.0%	12.4%	11.0%	12.4%
<b>Industry</b>				
Primary	1.8%	1.3%	5.2%	2.7%
Construction	3.3%	2.2%	20.8%	10.5%
Manufacturing	72.9%	51.0%	12.1%	11.2%
Services	22.0%	45.4%	61.9%	75.7%
<b>Occupation</b>				
Management	3.8%	9.2%	6.5%	6.3%
Bus/Fin/Admin	12.8%	18.0%	12.2%	10.6%
Sciences	10.8%	13.7%	5.6%	3.5%
Sales and Services	3.6%	11.4%	16.3%	33.3%
Trade and Transportation	26.3%	18.1%	32.3%	18.2%
Manufacturing and Utilities	39.9%	24.5%	8.8%	12.4%
Other	2.8%	5.2%	18.3%	15.7%
<b>Marital Status</b>				
Married/Common Law	66.7%	63.7%	51.4%	43.6%
Widow/Divorced/Separated	10.4%	9.2%	11.8%	9.4%
Single	22.9%	27.1%	36.8%	47.0%
Long Tenures	70.9%	71.1%	34.4%	36.1%
Employment Income	\$45,934	\$61,070	\$33,574	\$28,490
Insurable Hours	1750	1749	1429	1438
Entitlement (weeks)	38	41	32	36

Benefit Rate	\$468	\$533	\$441	\$509
Benefit Weeks Used	17.5	19.7	19.9	20.1
Benefit Amount Received	\$2,300	\$2,796	\$8,217	\$9,955
Returned to Work	95%	-	86.5%	-
Returned to Same Business	75%	-	36.4%	-
Future EI Use (within 1 year)*	15%		44.8%	
Total Claims	73,503	78,394	666,912	531,653

\* Only for the claimants who started their claims in 2019 or before

**Table 14:** Demographic profile of employee survey respondents

Demographic Characteristics	Survey Data		Admin Data
	(#)	(%)	(%)
<b>Gender</b>			
Female	159	39.0%	34.1%
Male	249	61.0%	65.9%
<b>Age</b>			
25 - 34	40	9.8%	21.7%
35 - 44	112	27.5%	24.6%
45 - 54	126	30.9%	27.1%
55 and over	130	31.9%	26.5%
<b>Marital Status</b>			
Married	222	54.4%	-
Common-law	64	15.7%	-
Widowed, Separated,	43	10.5%	
Single	71	17.4%	-
Don't Know/Prefer not to	8	2.0%	-
<b>Immigration Status</b>			
Born in Canada	236	57.8%	
Born Outside Canada	172	42.2%	
<b>Visible Minority Status</b>			
Yes	79	19.4%	
No	303	74.3%	
Don't Know/Prefer not to	26	6.4%	
<b>Education</b>			
High school or less or its	91	22.3%	
College, CEGEP or its	94	23.0%	
Trades certificate or	62	15.2%	
University certificate or	40	9.8%	
Bachelor's degree or	104	25.5%	
Don't know/Prefer not to say	17	4.2%	
Total	408	100%	100%

**Table 15:** Closure regression at 1 and 4 years after the Work-Sharing agreement, 2013 - 2019

Explanatory Variables	Closure After	
	1 Year	4 Years
<b>Year (Base = 2013)</b>		
2014	-0.000307	0.0109
2015	-0.000715	0.0997***
2016	-0.0111	0.430***
2017	-0.00725	
2018	0.0307	
2019	0.568***	
<b>Firms with Multiple Work-Sharing Agreements</b>	-0.0545*	-0.219***
<b>Number of Claims During the Agreement</b>		
Regular Claims	0.000153	0.000655**
Work-Sharing Claims	0.000734***	0.000765*
Other Claims	-0.000287	-0.000253
<b>Firm Size (Base= 0-19)</b>		
20-99	-0.0297***	-0.0779***
100-499	-0.0552***	-0.110***
500+	-0.0565**	-0.140***
<b>Employment Income (Base = &lt;25,000)</b>		
25,000-39,999	-0.0506***	-0.0506**
40,000 - 55,000	-0.0620***	-0.0812***
55,000+	-0.00887	-0.0270
<b>Province (Base = Ontario)</b>		
Atlantic Provinces	0.00365	0.0689
Quebec	0.0132	0.0180
Prairies	0.0345***	0.123***
British Columbia	0.0424**	0.0418
Other	-0.00906	-0.125
<b>Industry (Base = Services)</b>		
Manufacturing	-0.0226	-0.0747***
Other	-0.00488	-0.0183
Agreement duration	0.0014***	0.0114***
Observations	3,500	2,838

\*\*\* p&lt;0.01, \*\* p&lt;0.05, \* p&lt;0.1