A Helping Hand Goes a Long Way Long-Term Effects of Counselling and Support to Workfare Program Participants

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We study the long-run impacts of the Canada Self-Sufficiency Project (SSP) Plus program, which randomly offered intensive employment support services for up to three years to long-term welfare recipients eligible for temporary work subsidies. We examine whether this intervention – aiming to address both economic and psycho-social barriers faced by the poor in finding and retaining desirable employment – led to long-run changes in individuals’ socioeconomic trajectories. We link study participants to their federal tax and employer-employee matched records for up to 20 years after random assignment. The intensive services treatment led to a 20-27 percent increase in participants’ annual earnings over the 20-year period, or approximately 26,000 CAD in present discounted real 2010 terms. As possible mechanisms, individuals experience increases in full-time employment throughout the first decade post-intervention, a greater retention of jobs in higher paying firms, and an improvement in non-cognitive skills.

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