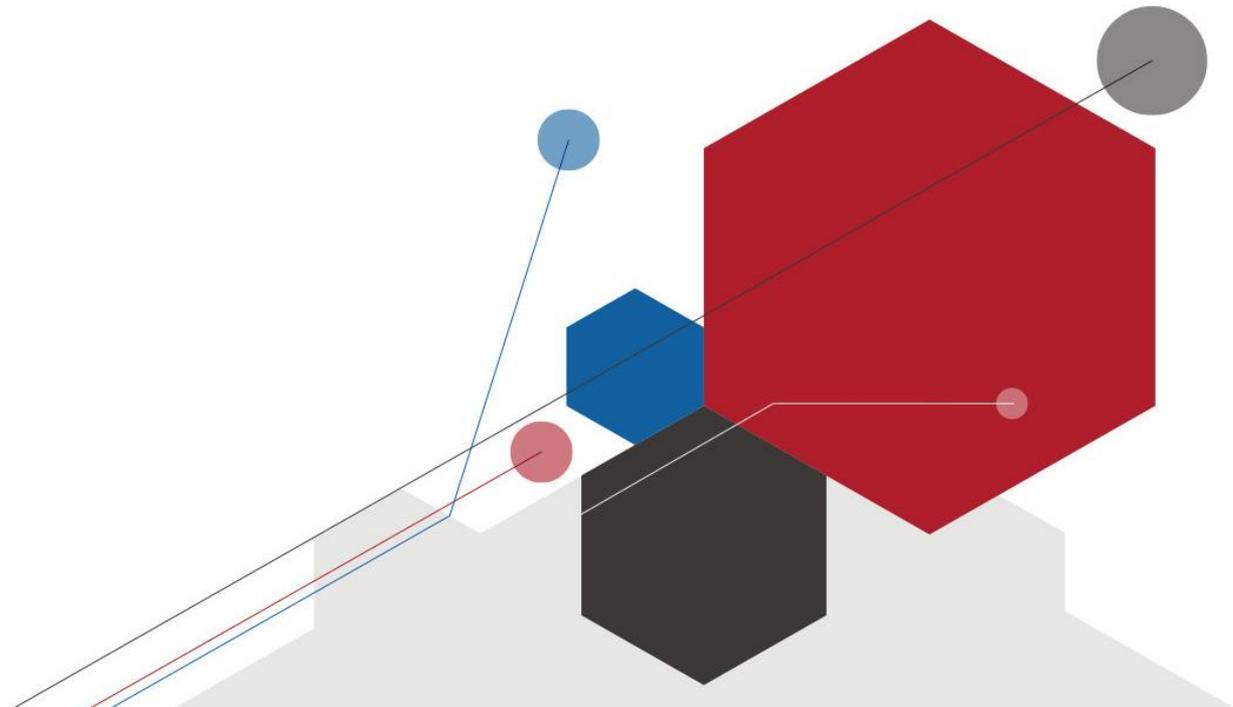


MANITOBA WORKS RESEARCH FINDINGS

November 2016 Social Research and Demonstration Corporation



EVALUATION PARTNERS

- SRDC was engaged by Manitoba's Department of Jobs and the Economy in 2013 to evaluate Manitoba Works
- Four service delivery partners in Manitoba:



- We would like to thank our service delivery partners for their collaboration and commitment to learning what works
- We would also like to thank the Manitoba Government for funding this project and their commitment to evidence-informed decision making

CONTEXT FOR IMPLEMENTING MANITOBA WORKS

Manitoba Works is part of system-wide transformation of employment services

- Manitoba faces skilled labour shortages in many sectors, but social assistance caseload has grown over past 5 years
- New policies and practices are being developed as part of a transformation of the employment programming continuum to better meet client needs

EVIDENCE BASE

- Literature distinguishes between two models:
 - **Work-first** – Rapid employment to encourage development of work skills and habits
 - **Human capital development** – Develop work skills and habits before entering workforce
- Strong evidence ‘work-first’ models effective for rapid employment, but impacts fade over medium-term and less effective for clients with multiple barriers (Michalopoulos et al. 2002)
- Critics argue financial incentives common to ‘work-first’ models discourage investments in human capital (Moffitt 2002; Riddell and Riddell 2012)
- Recent research suggests subsidized employment models with longer-lasting interventions and complementary supports (such as wraparound services and post-placement retention) are promising (Dutta-Gupta et al. 2016)

WHAT IS MANITOBA WORKS?

- Designed to build on these findings to provide programming that improves the labour market outcomes of individuals who are receiving social assistance and/or have multiple barriers to employment
- Five key features:
 1. **Demand-informed** – Providers work closely with employers to understand needs
 2. **Intensive human capital development** – Includes basic employability and essential skills training and lasts up to 16 weeks, depending on provider
 3. **Work experience in quality jobs in competitive labour market** – Jobseekers matched to positions aligned with their career interests
 4. **Employer financial incentives** – 6-month full wage subsidy
 5. **Post-placement retention support** – Both employer and jobseeker receive coaching to improve retention

GENERAL PROGRAM MODEL

Pre-employment training

- All participants participate in full-time classroom training for 1.5 to 4 months
- Training focuses on essential skills, life skills, job search training/assistance
- Tailored to individual needs and interests, integrated with placement search

Placements

- 6-month employment placement, with wages fully subsidized
- Jobseekers matched to jobs which align with skills and interests
- Only openings for existing jobs eligible for subsidy (no newly created jobs)

Retention supports

- Service providers deliver ongoing retention supports through placement
- Involve both placements and employers to resolve issues as they emerge

Project scope and implementation

Implementing and evaluating Manitoba Works

PROGRAM SCOPE

- Tracked social assistance usage of clients across all service providers:
 - **OFE** – Serves wide range of jobseekers ($N=220$)
 - **Momentum** – Specializes in serving Aboriginal youth ages 18-30 ($N=55$)
 - **REES** – Specializes in serving individuals with physical disabilities ($N=28$)
 - **FireSpirit** – Located in The Pas, serves mostly Aboriginal local jobseekers ($N=13$)
- Participants randomly assigned to program or control at first 3 providers
- Eligible participants (unemployed, receiving or at risk of receiving social assistance, and not receiving other employment insurance benefits)
- Control group invited to participate in existing employment services, such as job search assistance, light-touch employability training, and non-subsidized job matching and placements

PROVIDER-SPECIFIC VARIATIONS

OFE (generalist)

- 4 months of pre-employment, relative to 1.5 for other providers
- Substantial portion of pre-employment was focused on developing document use and numeracy skills relative to other providers

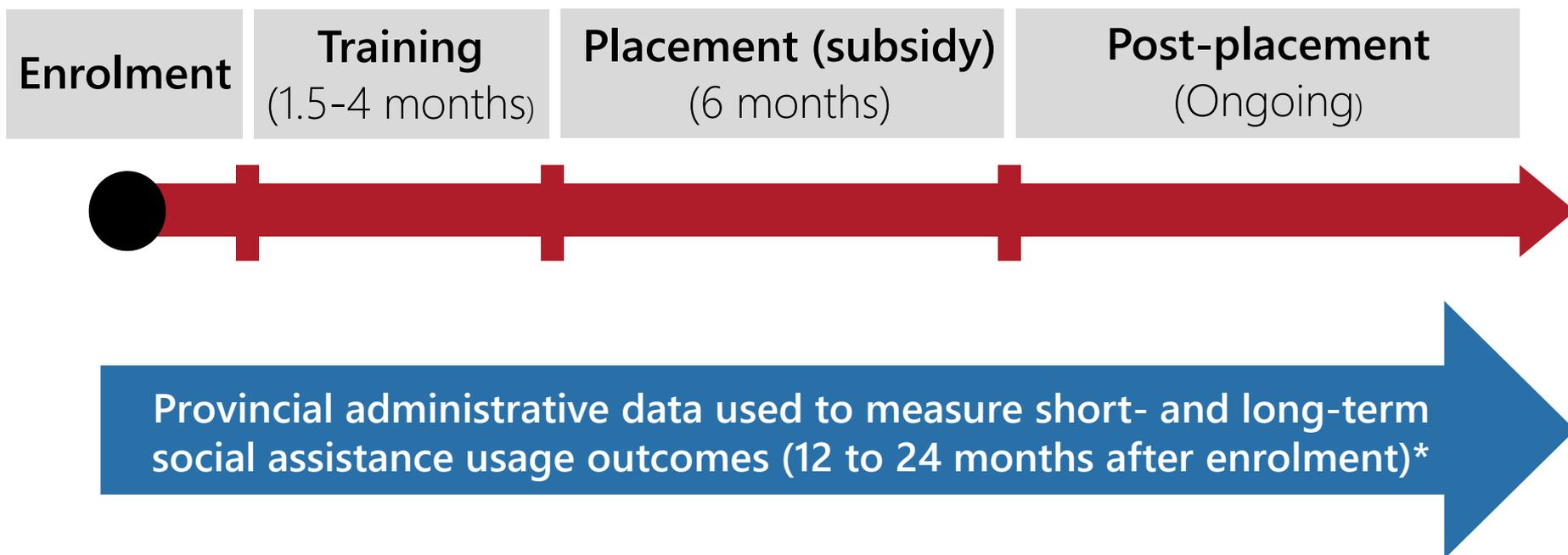
Momentum (youth specialist)

- Ongoing in-class sessions during placement period to support retention
- Greater focus on life skills development in pre-employment

REES (specialist in serving individuals with disabilities)

- Greatest staff-to-participant ratio of any service provider
- Emphasis on building participant job search skills, and supporting self-directed job search activities to find placements

DATA COLLECTION



*16-month follow-up data available for all participants ($N=303$); 24 months after enrolment currently available for earliest cohorts ($N=155$)

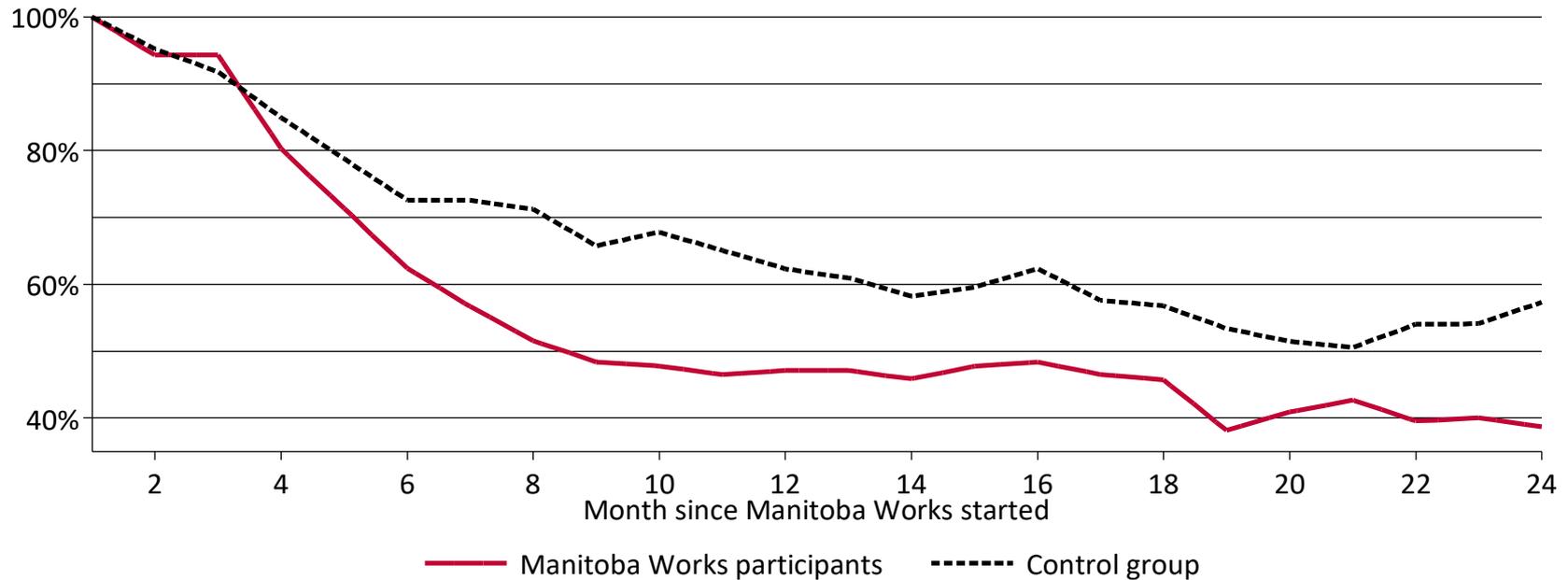
EVALUATION DESIGN AND ANALYTICAL STRATEGY

- RCT design aimed to minimize observable and unobservable differences between program and control groups at enrolment
- Differences in outcomes between program and control measured at multiple points in time throughout study period
- Model estimated for sub-group of participants at each service provider and overall group of participants
- Monthly sample size decreases over time because not all participants have reached 24 month follow-up
 - Outcome data available for 303 randomly assigned participants at 16 months, but only 155 participants at 24 months

Impact on social assistance use

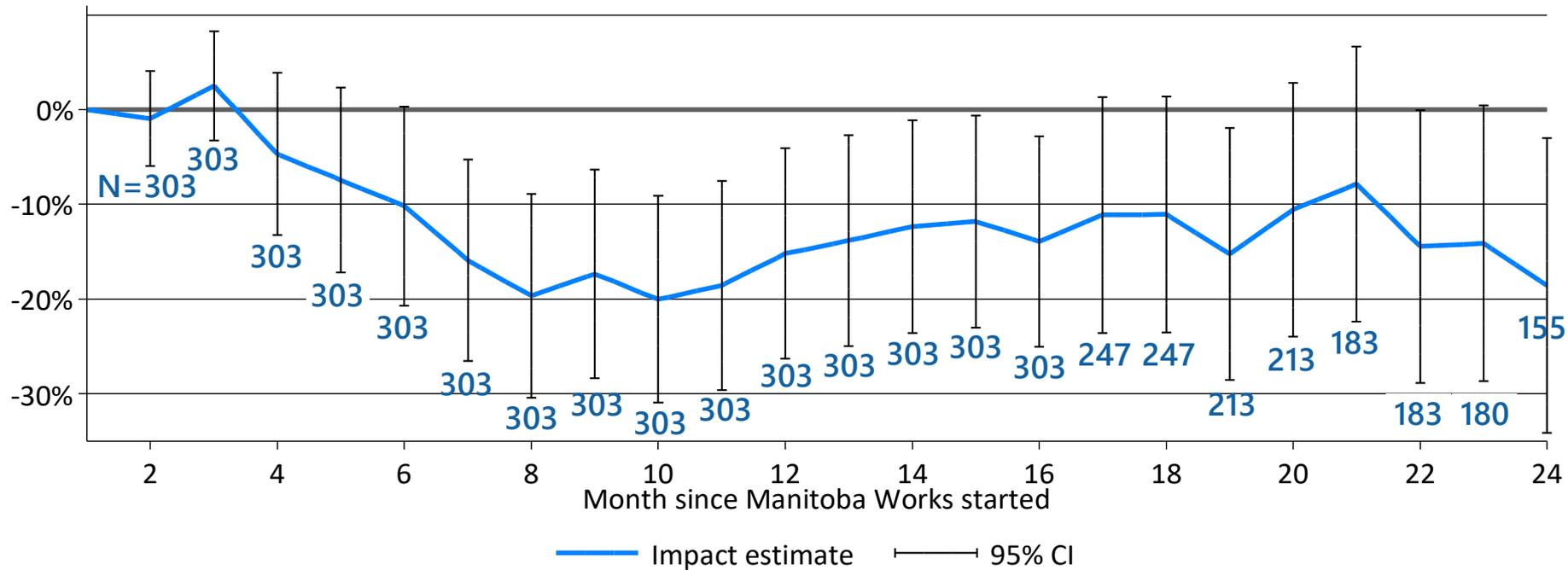
Is Manitoba Works effective?

IMPACT ON SOCIAL ASSISTANCE EXIT— RANDOMLY ASSIGNED



- Red, solid line is percentage of all clients randomly assigned to program group who are still receiving social assistance
- Black, dashed line is percentage of all clients randomly assigned to control group receiving social assistance
- Social assistance use decreases among both groups, but much more so among group who received MB works programming
- **Impact estimate:** Manitoba Works *caused* an additional 13% of clients to exit social assistance as of 2 years after starting, compared to alternate services
- Plot shows full sample up to month 16, fewer observations up to month 24

IMPACT ESTIMATES—ALL MANITOBA WORKS PARTICIPANTS



- All participants pooled, all observations included (fewer observations for later months)
- Impact averages approximately 14 percentage points after month 8 with no indication of a weakening impact over time

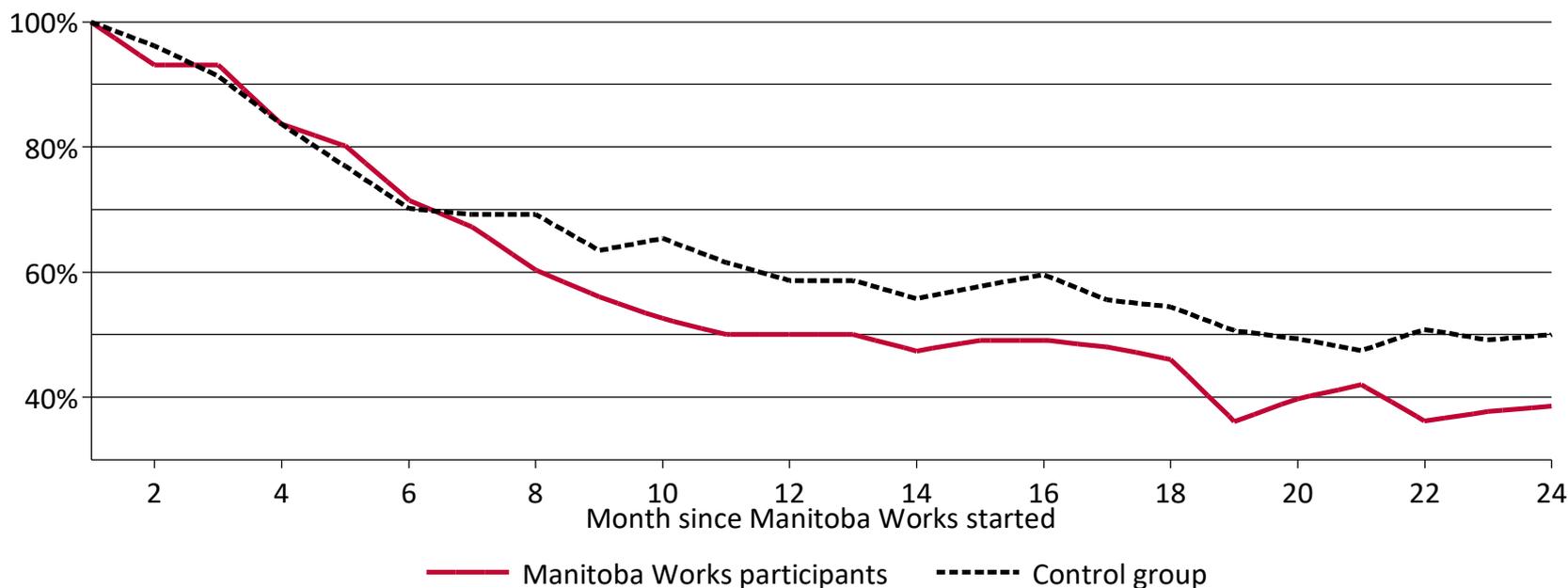
CONCLUDING POINTS

1. Manitoba Works model produces substantial impacts on social assistance exit, which are sustained over time
2. The model is cost-intensive, and replications/adaptations should consider ways to include its key features while lowering overall delivery and subsidy cost
3. To fully understand the value of reduced social assistance dependence, a comprehensive cost-benefit analysis should be conducted incorporating benefits beyond employment

Appendix

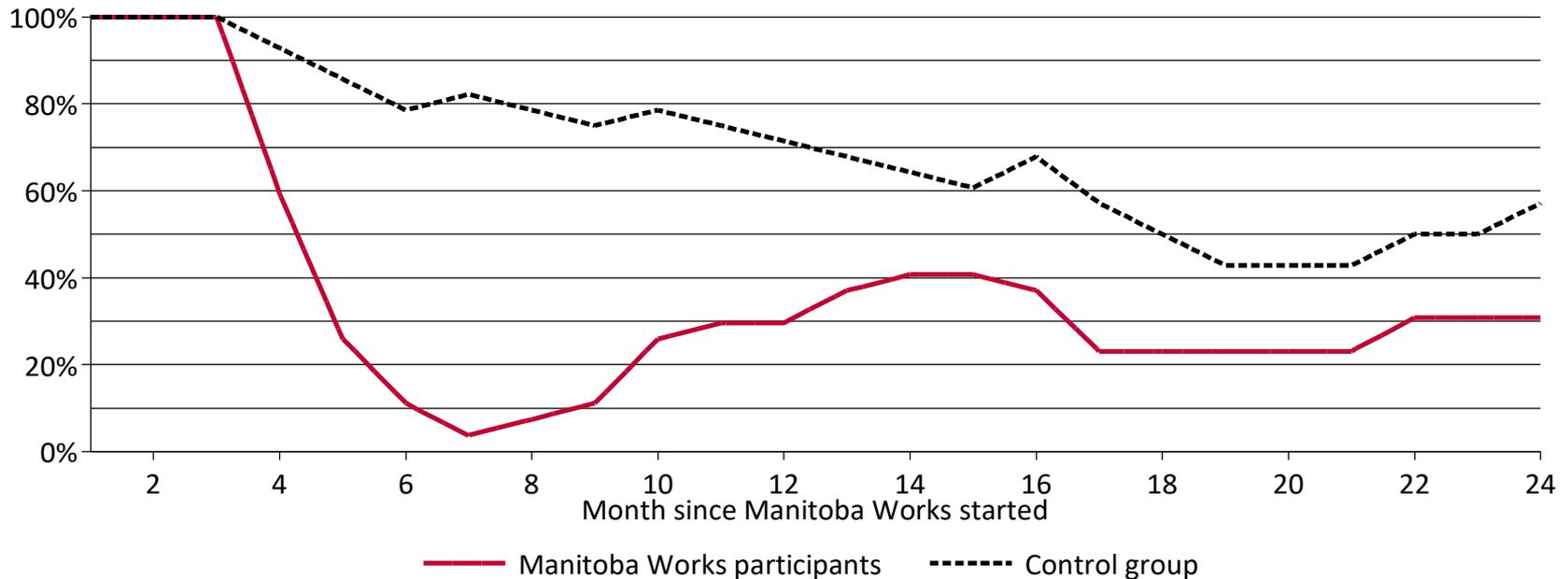
Results for different providers

CLIENT OUTCOMES AT OFE (GENERALIST)



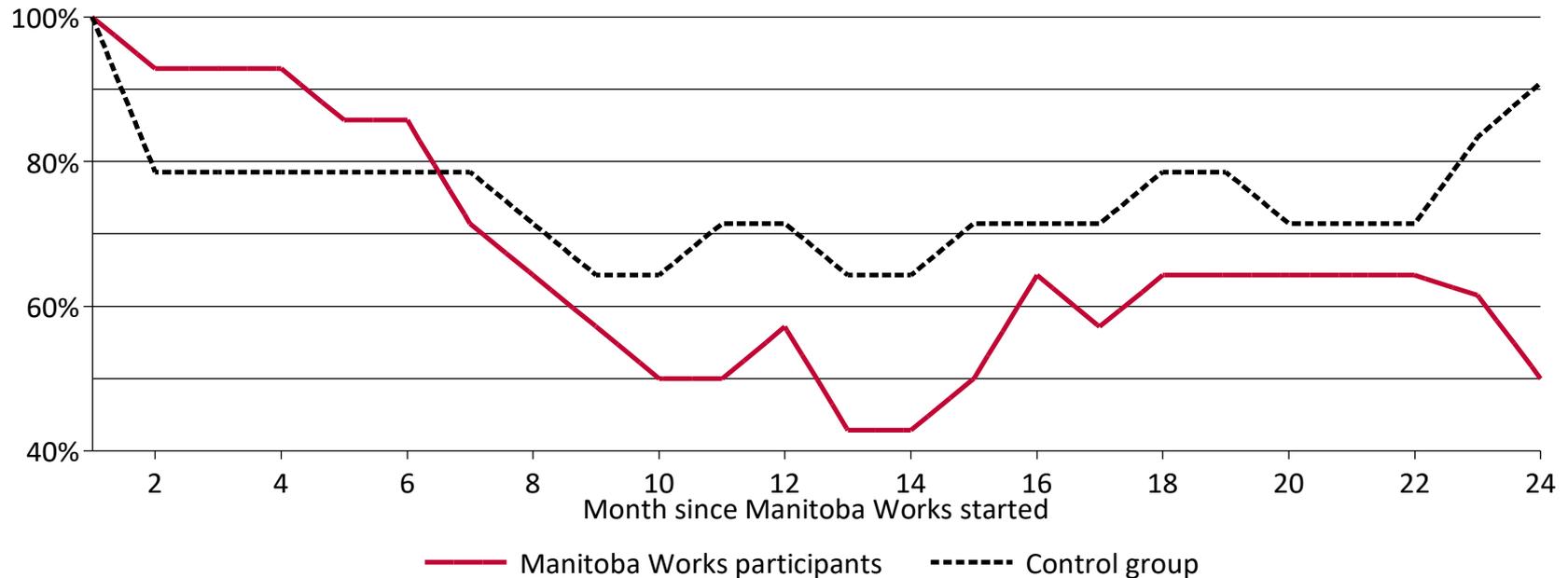
- At OFE, social assistance usage tends to decrease at the same rate for program and control until around 6 months after enrolment
- By month 10, 11 percentage points fewer program participants are in receipt of social assistance than control participants
- Level of impact is preserved over time, indicating a substantial reduction in social assistance use for participants 2 years after enrolment

CLIENT OUTCOMES AT MOMENTUM (YOUTH SPECIALIST)



- At Momentum, the program group exits social assistance rapidly from month 4 to month 7 after enrolment
- Some people in program group subsequently re-enter social assistance
- Control group social assistance use decreases more gradually over time
- Difference between program and control group roughly 20 percentage points from month 14 to month 24, indicating that impacts are sustained for many participants

OUTCOMES FOR CLIENTS AT REES (DISABILITY/HEALTH BARRIER)



- At REES, program participants began to exit social assistance rapidly around 6 months after enrolment
- Over time, program clients range from 5 to 20 percentage points less likely to remain on social assistance than control clients
- Variation in impacts is partially due to smaller sample of clients at REES, meaning that changes for a small number of people can have substantial impacts on results