

# *EI Reform and Persons with Disabilities*

**Final Report**

*EI Evaluation  
Program Evaluation  
Strategic Policy and Planning  
Human Resources and Skills Development Canada*

*December 2004*

**SP-ML-027-12-04E  
(également disponible en français)**

Paper

ISBN : 0-662-39680-4

Cat. No.: HS28-18/2005E

PDF

ISBN : 0-662-39681-2

Cat. No.: HS28-18/2005E - PDF

HTML

ISBN : 0-662-39682-0

Cat. No.: HS28-18/2005E - HTML

# *Table of Contents*

<b>Executive Summary .....</b>	<b>i</b>
<b>1. Introduction.....</b>	<b>1</b>
<b>2. Description of Persons with Disabilities.....</b>	<b>3</b>
2.1 How are Persons with Disabilities Defined?.....	3
2.2 Who are the Persons with Disabilities?.....	3
2.3 Job Characteristics and Unemployment Experiences of Persons with Disabilities .....	5
2.4 Job Search Experiences of Persons with Disabilities .....	6
2.5 Unemployment Duration of Persons with Disabilities.....	8
2.6 EI Receipt by Persons with Disabilities .....	9
<b>3. The Impact of the 1996 EI Reforms .....</b>	<b>11</b>
3.1 Impact of 1996 Reforms on EI Receipt.....	11
3.2 Impact of 1996 Reforms on Weeks of Entitlement.....	15
<b>4. After EI Reform .....</b>	<b>19</b>
<b>5. Conclusions.....</b>	<b>21</b>
<b>Appendix 1 – Description of the COEP Survey .....</b>	<b>23</b>



## *List of Tables*

Table 1	Percentage of Disabled Among Job Leavers by Selected Characteristics	4
Table 2	Percentage of Disabled Among Job Leavers by Job and Unemployment Experience.....	6
Table 3a	Job Search Comparison of Job Leavers .....	6
Table 3b	Job Search Techniques of Job Leavers – Percentage Using Each Technique	7
Table 3c	Percentage of Job Leavers Taking Training in 10 Months After Job Separation .....	8
Table 4	Percentage of Job Leavers Receiving EI Benefits by Demographic/Job Characteristics .....	10
Table 5	Percentage of Persons with Disabilities Among Job Leavers who Received EI Benefits.....	12
Table 6	Regression for Probability that a Job Leaver will Claim EI Benefits.....	14
Table 7	Regression for Impact on Weeks of Entitlement of Job Leavers.....	16

## *List of Figure*

Figure 1	Distribution of Length of Unemployment of Job Leavers.....	8
----------	--	---



# *Executive Summary*

Persons with disabilities face the same rules as persons who have none under both the new Employment Insurance (EI) system and the old Unemployment Insurance (UI) system. However, this does not guarantee equal access to EI benefits as the disabled may have more difficulty in satisfying the entrance requirements for EI. This study examines the use of EI by persons with disabilities and the impacts of EI reform on persons with disabilities.

## **Data and Methodology**

This study uses information from the Canadian Out-of-Employment Panel (COEP) Survey. This survey provides estimates of the prevalence of disabilities among those experiencing an employment termination. Important information on socio-economic conditions and other personal and employment-related information is available from the survey to allow the development of descriptive statistics of persons with disabilities. It is also possible to link the results of this survey to EI administrative data to allow for estimates of the receipt of EI.

## **Main Findings**

- 8.7 percent of all COEP respondents reported that they had some type of disability. These individuals were on average older and had lower levels of education than persons without disabilities.
- Persons with disabilities had more difficulty finding new employment. They were thus more likely to experience long-term unemployment. Higher incidence of Social Assistance followed from this. This was even more pronounced for older persons with disabilities.
- Although persons with disabilities used the same job-search techniques as persons with no disabilities, they were less likely to take training courses during their unemployment.
- Persons with disabilities were more likely to collect EI. This was partly because persons with disabilities tended to be older, and the likelihood of collecting EI increases with age.
- The statistical analysis found no evidence that the EI reforms of 1996 had any significant impact on the likelihood that a person with a disability would collect EI, or on their weeks of entitlement to EI benefits.





# *1. Introduction*

This paper examines the role of EI Part 1 and the working disabled. They make up a substantial portion of the labour force. During the period under study, one year before and one year after EI reform, 8.7 per cent of those experiencing a job termination were found to have some form of disability. Disabilities were far more prevalent among older workers. Thus with the ageing population and growing skill shortages drawing more of the disabled into the workforce, this issue is expected to grow in importance.

From the perspective of assessing the EI system, it is important that EI afford the same level of income protection that is available to the non-disabled. Persons with disabilities face the same rules as persons who have none under both the new EI system and the old Unemployment Insurance (UI) system. However, this does not guarantee equal access to EI benefits as the disabled may have more difficulty in satisfying the entrance requirements for EI. There is the further possibility that EI reform, which benefits those who work longer hours, may also have put the disabled at a disadvantage.

This report first examines the job and unemployment experiences of persons with disabilities. In particular, their use of Employment Insurance Part 1 is studied. Secondly, the report examines the extent to which the 1996 reform of Employment Insurance (EI) led to changes in the eligibility and entitlements of persons with disabilities. The report finishes by examining the recent trends.

A survey of persons who have had a job separation, the Canadian Out of Employment Panel (COEP) survey, formed the basis of the analysis for this study.<sup>1</sup> A one-year period before EI reform (1995Q3 -1996Q2) and a one-year period after (1997Q1 - 1997Q4) is used. The period during the phase-in of EI reform (1996Q3 - 1996Q4) was omitted as this was a period of transition.

---

<sup>1</sup> See Appendix 1 for a more detailed description.



## ***2. Description of Persons with Disabilities***

This section provides a contextual background describing the major characteristics of persons with disabilities. First, it describes how persons with disabilities are identified. The section continues with a statistical profile of persons with disabilities in terms of their demographics, job and unemployment experience, job search experience, unemployment duration, and EI receipt.

### **2.1 How are Persons with Disabilities Defined?**

Persons with disabilities are self-defined within the COEP dataset. The actual question within the COEP survey is:

*“Are you limited in the kind or amount of activity that you can do at work because of a long-term physical condition, mental condition or health problem?”*

Unlike Statistics Canada’s Health and Activity Limitation Survey (HALS), in which participants pass through a series of filter questions to determine the exact nature of their disability, the COEP survey simply defines a person with a disability as someone who answered positively to the above question. As shown in Table 1 below, persons with disabilities represent 8.7 percent of COEP survey respondents. This proportion is lower than what was found in HALS, because it is a survey of persons experiencing a job separation. Therefore, persons with disabilities who had never worked would not be part of the survey. The 1991 HALS, for example, found that 14.7 percent of the population had a disability. The 1996 CENSUS, which uses a slightly more strict definition, found that 10.0 percent of the Canadian population had a disability.

### **2.2 Who are the Persons with Disabilities?**

Selected characteristics of the overall COEP survey respondents are presented in Table 1.<sup>2</sup> These characteristics include gender, age, whether a visible minority, family type, education, region of residence, and industry in which employed. By presenting the percentage of disabled persons among different demographic groupings, the survey results confirm some known characteristics of persons with disabilities.

From the first column of Table 1, persons with disabilities make up 8.7 percent of the COEP sample. In the first column, any numbers greater than 8.7 percent indicate that persons with disabilities are over-represented in this category. For example, residents of British Columbia are slightly more likely to define themselves as disabled, since 11.1 percent are disabled as compared to the 8.7 percent for the entire sample.

---

<sup>2</sup> The numbers in the following tables are accurate up to the reported decimal. Some values look the same at the reported decimal level because of rounding.

In terms of demographics, the COEP survey results show that gender has little bearing on the probability of having a disability. The first column of Table 1 shows that persons with disabilities make up 8.7 percent of the female population, just as they do for the male and the general population. However, age is a significant factor. Thus 14.4 percent of older persons report having a disability, as compared to only 3.8 percent of youths and 9.2 percent for those of prime age. Overall, persons with disabilities tend to be older than are persons without disabilities. The low prevalence of disability among youth will be an important point in interpreting the results with respect to the receipt of EI.

**Table 1**  
**Percentage of Disabled Among Job Leavers by Selected Characteristics**

	All (%)	Older Workers (%)	Female Workers (%)
All	8.7	14.4	8.7
Demographics			
Male	8.7	14.6	—
Female	8.7	14.1	—
Age			
Youth (15-24)	3.8	—	4.0
Prime (25-54)	9.2	—	9.2
Older (55 and over)	14.4	—	14.1
Visible Minority	8.9	13.5	8.9
Family Type			
Single with children	9.8	26.0	11.2
Single without children	8.6	17.6	9.6
Married with children	6.1	9.4	5.8
Married without children	11.5	13.3	10.3
Education			
Less than High School	12.8	17.1	13.1
High School	8.6	10.7	9.0
More than High School	6.9	12.1	7.2
Other	8.1	26.7	11.2
Region			
Atlantic	7.7	11.4	6.9
Quebec	7.6	15.3	6.5
Ontario	8.4	11.8	9.1
Prairies	10.0	16.8	9.5
British Columbia	11.1	18.3	12.8
Industry			
Primary	8.2	11.9	4.9
Manufacturing	8.9	13.7	9.8
Construction	7.7	13.4	6.7
Services	8.9	16.1	8.9
Government	8.8	7.0	6.3

Source: COEP Survey of Job Terminations  
1995Q3 - 1996Q2, and 1997Q1-1997Q4

Persons with disabilities are less likely to have children than are persons without disabilities. This is clear since persons with disabilities make up 11.5 percent of all those who are married with no children, but only 6.1 percent of those who are married with children.

In terms of education, persons with disabilities tend to have fewer years of formal education than do persons without disabilities. The disabled make up 12.8 percent of the population with less than a high school diploma, and only 6.9 percent of the population with a post-secondary education.

As well as looking at the percentage of persons with disabilities among the general population, it was also felt that this should be examined for older workers as it is clear that age plays an important role in disability. The second column gives the percentage of persons with disabilities for those experiencing a job termination and who are fifty-five years of age or more. Looking at the older workers column however, the percentage of persons with disabilities is much higher than for the general population. However, the trends are roughly the same. For example, older disabled workers have fewer years of formal education than older non-disabled workers, since older disabled workers are over-represented in the less than high school category (17.1 percent versus 14.4 percent of all older workers), but under-represented in high school and post-secondary categories (10.7 and 12.1 percent). The third column examines the role of gender and disability. The trend that emerges is that gender does not play a significant role. One interesting exception is in Primary Industries where females are substantially less likely to be disabled if they are experiencing a job termination in that sector.

## **2.3 Job Characteristics and Unemployment Experiences of Persons with Disabilities**

In Table 2 the characteristics of the lost job and the ensuing experience of unemployment are investigated. Again, persons with disabilities make up 8.7 percent of the general population. Therefore, in the first column, numbers greater than 8.7 percent indicate that persons with disabilities are over-represented in that category. Persons with disabilities made up a slightly higher proportion of those who were unionized in their last jobs, had medical benefits, dental benefits, and a pension plan, than they did of the general COEP population. They were also slightly over-represented among those who worked part-time.

Table 2 suggests that persons with disabilities had greater challenges in finding new employment than did persons without disabilities. In particular, those who were long-term unemployed were nearly twice as likely to be disabled (16.8 percent). Persons with disabilities were also over-represented among those who had to change their occupations or their industry of work (both at 9.2 percent). A high percentage of persons receiving EI benefits (9.7 percent) was disabled. Persons with disabilities were also over-represented among those who exhausted their EI benefits (10.6 percent). Furthermore, persons receiving Social Assistance were much more likely to be disabled (18.1 percent).

**Table 2**  
**Percentage of Disabled Among Job Leavers by Job and Unemployment Experience**

	<b>All (%)</b>	<b>Older Workers (%)</b>	<b>Female Workers (%)</b>
Total	8.7	14.4	8.7
Job characteristics			
Seasonal	7.7	13.4	6.5
Part-time	9.8	19.5	10.0
Union Worker	9.5	16.7	10.8
Has Medical Benefits	9.3	14.4	8.8
Has Dental Benefits	9.2	15.0	8.9
Has Pension	10.5	16.8	9.4
Has Enough Weeks for EI	8.5	14.0	8.5
Unemployment Experience			
Long-term Unemployed (52+ weeks)	16.8	16.2	13.2
Received Severance	8.7	14.6	8.7
Received EI Benefits	9.7	15.7	9.5
Exhausted EI Benefits	10.6	13.1	10.6
Received Social Assistance	18.1	19.8	19.5
Changed Industry	9.2	15.4	9.1
Changed Occupation	9.2	14.8	9.0

Source: COEP Survey of Job Terminations  
1995Q3 - 1996Q2 and 1997Q1-1997Q4

## 2.4 Job Search Experiences of Persons with Disabilities

**Table 3a**  
**Job Search Comparison of Job Leavers**

	<b>All (%)</b>	<b>Persons with No Disabilities (%)</b>	<b>Persons with Disabilities (%)</b>	<b>Older Persons with Disabilities<sup>1</sup> (%)</b>
Average Hours per Week Spent Searching	13.6	13.5	14.8	11.0
Average Weeks of Unemployment	22.2	21.0	34.8	45.6

Note: 1. Excludes those who left their job for the purpose of retirement.

Source: COEP Survey of Job Terminations  
1995Q3 - 1996Q2, and 1997Q1-1997Q4

Tables 3a, 3b and 3c compare the job search strategies of persons who are seeking new employment. From Table 3a, we see that persons with disabilities face a much longer average duration of unemployment than do persons without disabilities (34.8 weeks versus 21.0 weeks). Perhaps because of the additional difficulty persons with disabilities face, they also average about an extra hour and a half per week searching for new employment. The last column looks specifically at older persons with disabilities. For them, the average unemployment duration is 45.6 weeks. However, they also search somewhat less for new employment, investing only 11.0 hours per week seeking work.

<b>Table 3b</b>				
<b>Job Search Techniques of Job Leavers – Percentage Using Each Technique</b>				
	<b>All (%)</b>	<b>Persons with No Disabilities (%)</b>	<b>Persons with Disabilities (%)</b>	<b>Older Persons with Disabilities<sup>1</sup> (%)</b>
Job Search				
Talk to friends/relatives	41.4	41.7	39.3	32.6
Direct contact with employers	42.1	42.3	39.9	35.7
Answering ads about jobs	37.0	37.2	35.1	27.3
Visiting Canada Employment Centre	38.5	38.5	38.9	30.6
Visiting Provincial Agency	5.9	5.7	7.7	5.2
Visiting Private Employment Agency	9.8	9.7	11.0	6.6
Visiting Union Hiring Hall	4.9	5.1	3.8	6.6
Placing job ad	4.7	4.7	4.7	3.7
Other	7.7	7.6	8.7	4.5
Note: 1. Excludes those who left their job for the purpose of retirement.				
Source: COEP Survey of Job Terminations				
1995Q3 - 1996Q2 and 1997Q1-1997Q4				

Table 3b shows that persons with disabilities use roughly the same job search techniques as do persons with no disabilities. Older persons with disabilities, however, are less likely to use almost all of the techniques, which also reflects the fact that they spend less time searching for employment.

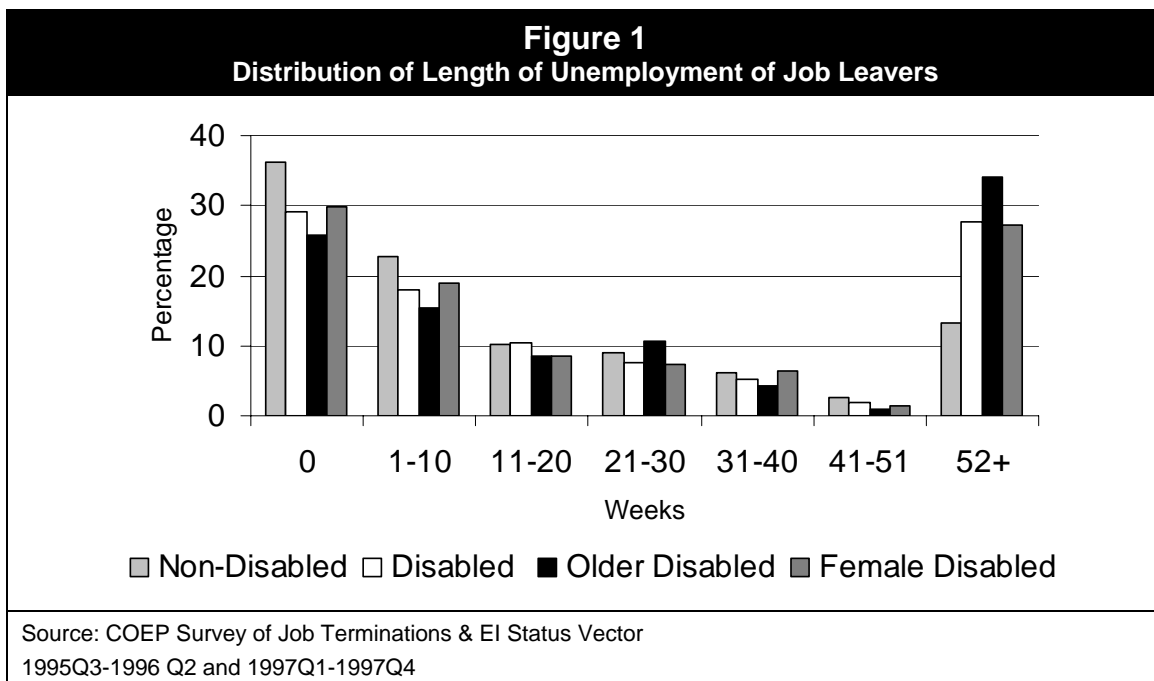
Table 3c shows the percentage of workers taking training after a job separation. Persons with disabilities are less likely to take training courses than are persons with no disabilities (18.1 percent versus 22.8 percent). Part of the explanation could be that persons with disabilities are more likely to be older workers, who are known to be less likely to take training. Therefore, the first and second columns of Table 3c separate older workers from those who are less than 55 years of age. Although the second column of Table 3c confirms that older workers are less likely to take training, older workers who are disabled are even less likely to do so (6.5 percent and 11.6 percent).

<b>Table 3c</b>			
<b>Percentage of Job Leavers Taking Training in 10 Months After Job Separation</b>			
	<b>Under 55 (%)</b>	<b>55+<sup>1</sup> (%)</b>	<b>Total (%)</b>
Persons with No Disabilities	24.1	11.6	22.8
Persons with Disabilities	20.3	6.5	18.1
Total	23.8	10.8	22.4

Note: 1. Excludes those who left their job for the purpose of retirement.  
Source: COEP Survey of Job Terminations  
1995Q3 - 1996Q2, and 1997Q1-1997Q4

## 2.5 Unemployment Duration of Persons with Disabilities

Figure 1 shows the distribution of unemployment duration for persons with and without disabilities. It shows that, upon experiencing a job separation, 36.3 percent of persons without disabilities start a new job within one week as compared to only 29.2 percent of persons with disabilities. Persons with disabilities are less likely to find new employment up to around the ten-week mark, as compared to persons with no disabilities. Confirming the results from Table 2, Figure 1 shows that persons with disabilities are far more likely to experience long-term unemployment of at least 52 weeks (27.8 percent versus 13.1 percent). Clearly, when finding new employment, persons with disabilities face greater challenges than do persons without disabilities. Women who are disabled face roughly the same difficulties as the general disabled population. However, disabled persons who are also older workers fare far worse. They are less likely to find work immediately and are more likely to face long-term unemployment.





## 2.6 EI Receipt by Persons with Disabilities

Table 4 looks at the percentage of persons who made an EI claim. The results indicate that a higher percentage of persons with disabilities collected EI (50.1 percent versus 44.4 percent).<sup>3</sup>

Table 4 confirms that this remains true once the results are broken down for job characteristics and unemployment experience. In no case is the proportion of persons collecting EI benefits significantly greater for persons with no disabilities than for those with disabilities. Overall, upon job separation, persons with disabilities are more likely to collect EI. This, however, is partly because youth with disabilities are far more likely to collect EI than are youth with no disabilities (43.7 percent versus 27.2 percent) and also because persons with disabilities tend to be older and the percentage collecting EI increases with age. The difference in the percentage collecting EI between persons with and without disabilities is not very large in the prime aged and older workers categories. Later in this report, statistical analysis will show that after controlling for age and other characteristics such as education, province, industry and job type, there is no significant difference between the percentage that collects EI for persons with and without disabilities.

---

<sup>3</sup> In this study, the 10% level of significance is used throughout.

**Table 4**  
**Percentage of Job Leavers Receiving EI Benefits by Demographic/Job Characteristics**

	All (%)	Persons With No Disability (%)	Persons With A Disability (%)	t stat
Total Sample	44.9	44.4	50.1	-3.00
Gender				
Male	42.7	42.2	48.3	-2.45
Female	47.3	46.9	52.2	-1.83
Age				
Youth (15-24)	27.8	27.2	43.7	-2.82
Prime (25-54)	49.1	48.9	51.0	-0.95
Older (55 and over)	45.6	44.9	49.2	-0.84
Family Type				
Single with children	43.7	43.6	44.9	-0.21
Single without children	38.5	37.6	48.1	-3.20
Married with children	50.4	50.2	53.0	-0.69
Married without children	46.8	46.2	51.8	-1.76
Education				
Less than High School	51.3	50.8	55.2	-1.39
High School	45.2	44.9	48.7	-1.04
More than High School	41.7	41.4	46.7	-1.65
Other	43.5	42.8	52.4	-0.73
Region				
Atlantic	54.7	54.9	52.5	0.86
Quebec	49.5	48.9	57.0	-1.90
Ontario	40.2	39.4	48.8	-2.11
Prairies	37.3	36.6	43.1	-2.63
British Columbia	48.2	48.1	49.1	-0.28
Industry				
Primary	44.3	44.1	47.2	-0.53
Manufacturing	46.1	46.1	46.0	0.03
Construction	50.5	50.3	52.7	-0.45
Services	44.3	43.5	51.7	-3.27
Government	37.8	36.9	46.8	-1.30
Job characteristics				
Seasonal	48.8	48.1	58.0	-2.31
Part-time	34.4	33.5	42.2	-1.94
Union Worker	44.1	43.1	53.4	-2.20
Has Medical Benefits	43.7	42.9	52.1	-2.37
Has Dental Benefits	43.4	42.8	49.4	-1.66
Has Pension	44.0	43.2	50.9	-1.60

Source: COEP Survey of Job Terminations & EI Status Vector  
1995Q3 - 1996Q2 and 1997Q1-1997Q4

### ***3. The Impact of the 1996 EI Reforms***

The 1996 EI reforms made no special provisions for persons with disabilities making EI claims. Since such a high share of persons with disabilities experiences long-term unemployment, it is clear that they have greater difficulties finding employment in the labour market. The impacts of the hours provision, which favours those who work more than thirty-five hours a week, are therefore examined. The degree of support provided to the disabled by EI Part 1 will be examined in terms of the percentage of those experiencing a job termination who receive EI and the maximum number of weeks that they are entitled to collect EI if they qualify.

#### **3.1 Impact of 1996 Reforms on EI Receipt**

Table 5 shows the percentage of persons with disabilities among those who received EI benefits, before and after the 1996 EI reforms. There has been no significant change between the pre-EI reform and post-EI reform period. This holds true for all categories, except workers with a high school education, where persons with disabilities make up a slightly higher percentage after the EI reforms. Overall though, the percentage of persons with disabilities among all those receiving EI benefits remained unchanged from pre- to post-EI Reform periods. This would suggest that persons with disabilities were not made *relatively* worse off compared to persons without disabilities by the 1996 reforms, when it comes to their probability of receiving EI benefits.

**Table 5**  
**Percentage of Persons with Disabilities Among Job Leavers who Received EI Benefits**

	Pre-EI Reform (95Q3-96Q2) <sup>1</sup> (%)	Post-EI Reform (97Q1-97Q4) <sup>1</sup> (%)	t stat
All Persons	9.4	9.9	0.60
Gender			
Male	9.5	10.2	0.57
Female	9.3	9.7	0.31
Age			
Youth (15-24)	4.7	7.3	1.27
Prime (25-54)	9.1	9.9	0.69
Older (55 and over)	18.0	13.5	-1.17
Family Type			
Single with children	10.8	9.6	-0.37
Single without children	9.7	11.9	1.25
Married with children	6.6	6.1	-0.38
Married without children	12.3	12.8	0.27
Education			
Less than High School	13.4	14.1	0.36
High School	7.8	10.7	1.70
More than High School	7.7	7.5	-0.20
Other	13.6	4.2	-1.50
Region			
Atlantic	7.2	7.6	0.35
Quebec	8.6	8.8	0.09
Ontario	9.7	10.5	0.33
Prairies	11.0	12.1	0.73
British Columbia	10.9	11.6	0.39
Industry			
Primary	7.5	9.7	0.86
Manufacturing	8.4	8.8	0.19
Construction	7.3	8.9	0.73
Services	10.4	10.4	0.02
Government	10.8	10.7	-0.03

Notes: 1. Refers to initial job loss date.

Source: COEP Survey of Job Terminations

Table 6 presents the basic results of a statistical estimation of the probability that an unemployed worker would collect EI benefits based on the key demographic and work characteristics, as well as whether or not the worker reported a disability.<sup>4</sup> The first column shows the likely change in the probability of receiving EI benefits when compared to a specified control group. The EI reform variable did not have a significant impact on the probability that an unemployed worker would collect EI benefits. Furthermore, after controlling for demographics, education level and job characteristics, having a disability had no significant impact on the probability that the unemployed worker would collect EI-benefits. Most important is the “Disabled\*EI Reform” variable. This variable measures the effects of the reforms specifically on persons with disabilities. Once again, the variable is statistically insignificant. There is no evidence that the 1996 reforms had any significant impact on the probability that persons with disabilities would collect EI benefits. Also included was a variable specifically for the older disabled and one for the impact of EI reform on these workers. Again, however, both of these variables were statistically insignificant.

The statistical results in Table 6 do show some of the factors that are significant in determining whether a person collects EI. The following results help explain the results shown above. These results reflect inherent differences in work behaviour of different demographic groups, and are not reflective of changes caused by EI reform. In particular, youth were far less likely to collect EI benefits than were workers of prime age. Older workers were also somewhat less likely to collect EI than persons of prime age. However, it is notable that the difference of 6 percent in the overall percentage collecting EI between the disabled and non-disabled, given in Table 4, is not considered statistically significant in Table 6. This occurred partly because of the adjustment for the age distribution as the disabled included a smaller number of youth, who were less likely to receive EI.<sup>5</sup>

---

<sup>4</sup> These estimates were produced with the probit regression technique. Only those test statistics were included that were directly pertinent to the discussion. The probit regression analysis shown in Table 6 was based on the data for both the pre-EI and the post EI reform periods.

<sup>5</sup> Youth are typically found to be less likely to collect EI since they are more likely to return to school after a job separation (i.e. after working for the summer), and because they have a smaller period of job attachment in which to build up eligibility.

**Table 6**  
**Regression for Probability that a Job Leaver will Claim EI Benefits**

	<b>% diff.</b>	<b>P value</b>	<b>Confidence Interval (90%)</b>	
EI Reform	-0.357	0.804	-2.724	2.011
Disabled	-1.290	0.731	-7.460	4.880
Disabled*EI Reform	7.906	0.111	-0.137	15.950
Older and Disabled	9.475	0.307	-5.456	24.405
Older and Disabled * EI Reform	-14.219	0.240	-33.401	4.964
Gender				
Male	-7.118	0.000	-9.676	-4.561
Female	-	-	-	-
Age				
Youth (15-24)	-18.450	0.000	-21.564	-15.336
Prime (25-54)	-	-	-	-
Older (55 and over)	-5.078	0.054	-9.400	-0.756
Family Type				
Single with children	-1.057	0.706	-5.669	3.554
Single without children	-3.372	0.074	-6.472	-0.272
Married with children	4.758	0.011	1.692	7.824
Married without children	-	-	-	-
Education				
Less than High School	-	-	-	-
High School	-2.259	0.238	-5.408	0.890
More than High School	-4.415	0.015	-7.389	-1.441
Other	-7.487	0.136	-15.674	0.701
Region				
Atlantic	8.369	0.000	4.910	11.828
Quebec	6.069	0.006	2.446	9.693
Ontario	-	-	-	-
Prairies	-1.757	0.332	-4.734	1.219
British Columbia	8.196	0.000	4.908	11.485
Industry				
Primary	3.594	0.334	-2.509	9.696
Manufacturing	4.953	0.142	-0.573	10.480
Construction	8.746	0.010	3.267	14.224
Services	9.973	0.001	4.999	14.948
Government	-	-	-	-

<b>Table 6 (continued)</b>				
Job characteristics				
Seasonal	0.414	0.811	-2.432	3.260
Part-time	-15.564	0.000	-18.767	-12.362
Union Worker	-2.313	0.274	-5.787	1.162
Has Medical Benefits	4.029	0.200	-1.127	9.186
Has Dental Benefits	-1.908	0.551	-7.168	3.352
Has Pension	-2.761	0.278	-6.946	1.423
Regional Unemployment Rate	0.057	0.793	-0.299	0.412
Sample Size	20091			
Source: COEP Survey of Job Terminations 1995Q3 - 1996Q2 & 1997Q1-1997Q4				

Workers with more than a high school education were also less likely to collect benefits than were workers without a high school education. Also, workers who were married with children were more likely to collect benefits than were workers who were married but had no children. Workers in Atlantic Canada, Quebec, and British Columbia were more likely to collect benefits than were workers in Ontario. Workers in construction or services industries were more likely to collect EI benefits than were workers in government. Finally, part-time workers were less likely to collect EI benefits than were full-time workers.

### **3.2 Impact of 1996 Reforms on Weeks of Entitlement**

Table 7 provides statistical estimates of the impact of EI reform on the weeks that a claimant is entitled to collect EI.<sup>6</sup> This table also shows the impact of having a disability on the weeks of entitlement of an EI claimant. Once again, neither the reform variable nor the disability variable had any statistically significant impact on the weeks of entitlement. Again, most important is the “Disabled\*EI Reform” variable. Since the variable is statistically insignificant, there is no evidence that the 1996 reforms had any impact on the weeks of entitlement of persons with disabilities. This is also the case for older workers with disabilities. Not surprisingly, as the unemployment rate rises, more weeks of entitlement are allowed.

<sup>6</sup> Table 7 reports the results of an Ordinary Least Squares regression of the number of weeks of entitlement on the key demographic factors as well as a reform period variable and a variable for persons with or without disabilities.

**Table 7**  
**Regression for Impact on Weeks of Entitlement of Job Leavers**

	<b>Coef.</b>	<b>P value</b>	<b>Confidence Interval (90%)</b>	
EI Reform	-0.249	0.401	-0.736	0.238
Disabled	-0.604	0.533	-2.196	0.988
Disabled*EI Reform	-1.502	0.236	-3.589	0.585
Older and Disabled	-1.214	0.549	-4.547	2.119
Older and Disabled * EI Reform	4.078	0.110	-0.124	8.279
Gender				
Male	0.132	0.704	-0.440	0.705
Female	–	–	–	–
Age				
Youth (15-24)	-2.295	0.000	-3.222	-1.368
Prime (25-54)	–	–	–	–
Older (55 and over)	-0.249	0.631	-1.099	0.602
Family Type				
Single with children	-0.321	0.530	-1.163	0.520
Single without children	-1.450	0.000	-2.129	-0.772
Married with children	0.198	0.568	-0.373	0.769
Married without children	–	–	–	–
Education				
Less than High School	–	–	–	–
High School	0.026	0.945	-0.597	0.649
More than High School	-0.067	0.854	-0.669	0.535
Other	1.983	0.106	-0.033	4.000
Region				
Atlantic	-1.021	0.032	-1.804	-0.237
Quebec	0.924	0.057	0.125	1.723
Ontario	–	–	–	–
Prairies	-1.584	0.000	-2.237	-0.930
British Columbia	-0.383	0.386	-1.110	0.344
Industry				
Primary	-0.195	0.795	-1.429	1.039
Manufacturing	-0.031	0.968	-1.299	1.237
Construction	-1.943	0.008	-3.139	-0.747
Services	0.883	0.193	-0.232	1.997
Government	–	–	–	–



**Table 7 (continued)**

Job characteristics				
Seasonal	-5.635	0.000	-6.179	-5.090
Part-time	-3.228	0.000	-4.002	-2.453
Union Worker	-1.095	0.020	-1.867	-0.322
Has Medical Benefits	2.081	0.000	1.218	2.944
Has Dental Benefits	2.175	0.000	1.315	3.035
Has Pension	0.542	0.297	-0.312	1.397
Regional Unemployment Rate	0.786	0.000	0.712	0.861
Constant	27.336	0.000	25.815	28.857
Sample Size	15349			
Source: COEP Survey of Job Terminations & EI Status Vector 1995Q3 - 1996Q2 and 1997Q1-1997Q4				



## ***4. After EI Reform***

Using the most recent data available, further research was conducted to monitor any changes since December 1997. Further analysis was conducted using the COEP data for the third quarters of the years 1995 through 2000. Based on the results, there is no reason to believe that the probability of collecting EI has changed for any other reason than compositional changes in the unemployed population and the phase of the business cycle. Nor is there any reason to believe that the likelihood of collecting EI has changed for persons who have disabilities.



## *5. Conclusions*

The first part of this paper described the demographic characteristics of persons with disabilities compared to persons without disabilities. The COEP survey results indicated that persons who identified themselves as having a disability made up around 8.7 percent of persons leaving their jobs. Persons with disabilities tended to be older and had less formal education than did persons without disabilities. Furthermore, persons with disabilities had greater challenges finding new employment than did persons with no disabilities. They experienced longer periods of unemployment and were about twice as likely to be long-term unemployed (52 weeks or longer). They were also more likely to collect either EI benefits or social assistance. For persons with disabilities who were also older workers, these difficulties were even more pronounced.

The second part of the paper determined whether the EI reforms had any impact on the likelihood that persons with disabilities would claim EI benefits or on their weeks of entitlement to EI benefits. The analysis found no evidence that the EI reforms had any significant impact on either the probability that a person with a disability would collect EI benefits or on their weeks of entitlement. In other words, the EI reforms exerted no influence (either positive or negative) on either EI entitlement or claims on the part of disabled persons.



# *Appendix 1*

## *Description of the COEP Survey*

The COEP survey is administered on behalf of HRDC by Statistics Canada. The COEP survey collects information on the sampled individuals and their households who experienced a job separation as recorded on HRDC's Record of Employment (ROE) administrative file. The survey collects information on an individual's personal and household characteristics, reasons for job separation, detailed employment history, job search activities, training, receipt of EI/UI benefits, receipt of social assistance, as well as information on their household finances, including assets and liabilities.

Each survey participant was interviewed twice. The first interview (wave 1) occurred within one year after job separation and the second interview (wave 2) was conducted roughly nine months after the first interview. In total, approximately 42,000 Canadians who had a change or an interruption in their employment activity were surveyed from July 1995, until December 1997, covering 10 different quarters. Each of these quarters is referred to as a "Cohort". For example, the COEP data for the period from October 1997 to December 1997 is referred to as Cohort 10. In studying the impact of the reform, the Cohorts are grouped into three periods as follows:

*Pre-Reform (Cohort 1 to Cohort 4).* Participants for the first four interviews had a job separation in one of the four quarters (i.e., third quarter 1995 to second quarter 1996) prior to EI reform implementation.

*During Reform (Cohort 5 and Cohort 6).* Participants for the next two interviews had a job separation in one of the two quarters (i.e., third and fourth quarter, 1996) during implementation of the EI reform.

*Post-Reform (Cohort 7 to Cohort 10).* Participants for the last four interviews had a job separation in one of the four quarters (i.e., first to fourth quarters of 1997) after implementation of the EI reform.

For the purposes of this study, the pre-EI reform period was compared to the post-EI reform period as a means of determining the changes associated with EI reform. No analysis was done on the period during the EI reforms, as the implementation of the reforms was not complete and the analysis of this period would be complex.

Excluding the period in which the 1996 EI reforms were introduced (the third and fourth quarters of 1996), approximately 33,000 persons were interviewed for the COEP survey.

The data from the COEP survey was also linked, by means of a masked SIN number, to HRDC's EI Status Vector file, in order to examine the use of EI by the COEP respondents.