

**EMPLOYMENT BENEFITS AND SUPPORT MEASURES
PURSUANT TO PART II OF THE *EMPLOYMENT INSURANCE ACT***

TERMS AND CONDITIONS

1. LEGISLATIVE AUTHORITY

The purpose of Part II of the *Employment Insurance (EI) Act* is to help maintain a sustainable employment insurance system through the establishment of employment benefits for insured participants and the maintenance of a National Employment Service. Section 59 of the *EI Act* authorizes the Canada Employment Insurance Commission to establish Employment Benefits to enable insured participants to obtain employment. Section 60 of the *EI Act* provides that the Commission shall maintain a National Employment Service to help workers find suitable employment and help employers find suitable workers and further provides that the Commission may establish Support Measures in support of the National Employment Service. Section 61 of the *EI Act* authorizes the Commission to provide financial assistance for the purpose of implementing Employment Benefits and Support Measures in accordance with terms and conditions approved by the Treasury Board.

2. INTERPRETATION

In these terms and conditions,

“HRSDC” means Human Resources and Skills Development Canada;

“Minister” means the Minister of State of Human Resources and Skills Development;

“Commission” means the Canada Employment Insurance Commission.

STANDARD CRITERIA

3. OBJECTIVE

- 1) The objective of the Employment Benefits and Support Measures is to assist individuals to prepare for, obtain and maintain employment resulting in savings to the Employment Insurance Account. In so doing, a return on investment will be achieved through a reduction in dependency on Employment Insurance and Social Assistance and additional tax revenues through increased employment.
- 2) The following Employment Benefits are established in support of this objective:
 - a) Targeted Wage Subsidies encourage employers to hire individuals whom they would not normally hire in the absence of a subsidy;
 - b) Targeted Earnings Supplements encourage individuals to accept employment by offering them financial incentives;
 - c) Self-Employment helps individuals to create jobs for themselves by starting a business;
 - d) Job Creation Partnerships provide individuals with opportunities through which they can gain work experience which leads to on-going employment;
 - e) Skills Development helps individuals to obtain skills for employment, ranging from basic to advanced skills through direct assistance to individuals and, where applicable, contributions to provinces/territories or provincially/territorially funded training institutions to cover costs not included in tuition fees.
- 3) The following Support Measures are established in support of this objective and of the National Employment Service:
 - a) Employment Assistance Services assist organizations in the provision of employment services to unemployed persons;
 - b) Labour Market Partnerships encourage and support employers, employee and/or employer associations and communities to improve their capacity for dealing with human resource requirements and implementing labour force adjustments;

- c) Research and Innovation supports activities which identify better ways of helping persons prepare for or keep employment and be productive participants in the labour force.
- 4) The objective will be achieved by working in concert with the government of each province or territory in designing and implementing Employment Benefits and Support Measures and developing a framework for evaluating their success. Details of the arrangements made with each province and territory will be outlined in federal-provincial/territorial agreements.
- 5) No financial assistance in support of Employment Benefits and Support Measures which assists individuals to obtain skills for employment may be provided without the agreement of the government of the province or territory in which the activity will take place.

4. GUIDELINES

Activities undertaken through Employment Benefits and Support Measures will be carried out in accordance with the following guidelines:

- 1) harmonization with provincial employment initiatives to ensure that there is no unnecessary overlap or duplication;
- 2) reduction of dependency on insurance benefits by helping individuals obtain or keep employment;
- 3) co-operation and partnership with other governments, employers, community-based organizations and other interested organizations;
- 4) flexibility to allow significant decisions about implementation to be made at the local level;
- 5) commitment by persons receiving assistance under Employment Benefits and Support Measures to
 - a) achieving the goals of the assistance,
 - b) taking primary responsibility for identifying their employment needs and locating services necessary to allow them to meet those needs, and
 - c) if appropriate, sharing the cost of the assistance;

- 6) implementation of Employment Benefits and Support Measures within a framework for evaluating their success in assisting persons to obtain or keep employment; and
- 7) ensuring that persons can obtain access to assistance under Employment Benefits and Support Measures in either of Canada's official languages where there is a significant demand for access in that official language.

5. DELIVERY

Employment Benefits and Support Measures may be delivered in one or both of two ways. The Commission may deliver Employment Benefits and Support Measures itself. A third party such as a government department, board or agency or a public or private organization may be delegated to deliver Employment Benefits and Support Measures under an agreement with the Commission pursuant to section 62 of the *Employment Insurance Act*.

6. CLASSES OF RECIPIENTS

Payments may be made to two groups of eligible recipients.

- 1) Under Employment Benefits:

Individuals who qualify as "insured participants" pursuant to section 58 of the *Employment Insurance Act*. An insured participant is an individual who, when requesting assistance under an employment benefit, is an unemployed person

- a) for whom an unemployment benefit period has been established or has ended within the preceding 36 months; or
- b) for whom a claim for maternity or parental benefits has been established within the preceding 60 months, after which the individual remained out of the labour market in order to care for a new-born or newly adopted child and is now seeking to re-enter the labour force.

- 2) Under Employment Benefits and Support Measures:

Businesses, including federal crown corporations found on Schedule 3, Part II of the *Financial Administration Act* and comparable provincial/territorial crown corporations, organizations, individuals, public health and educational institutions, municipal governments and band/tribal

councils are eligible to receive funding and act as employers or coordinators/community coordinators for activities.

Provincial/territorial government departments and agencies are eligible to receive funding and act as employers or coordinators of activities only if specified in a federal-provincial/territorial agreement or Memorandum of Understanding, or specifically approved by the Minister.

However, provinces/territories may receive contributions to reimburse them for the difference between the full costs attributable to training Skills Development participants at provincially/territorially funded training institutions and the costs recovered through tuition fees charged to these EI participants.

7. STACKING LIMITS

Where possible and appropriate, the costs of an eligible activity will be shared with the recipient and/or with government and/or the private sector. However, where the sharing of costs with the recipient and private sector are not feasible, Total Government Assistance (federal, provincial or municipal) may total 100% of eligible costs.

The Commission shall ensure that the amount of the contribution it makes is appropriate where a contribution in support of the costs of the eligible activity from more than one program in HRSDC, from more than one federal department or more than one level of government or from the private sector, is anticipated.

The Commission shall obtain from the recipient a statement or declaration about other sources of funding (government and private sector) for the eligible activity prior to approving contributions or grants in excess of \$100,000 and shall require the recipient to report any additional assistance received after that time.

In the event that Total Government Assistance, as defined in the Treasury Board Policy on Transfer Payments, received by a Recipient in respect of an eligible activity exceeds the amounts of such assistance declared, the Commission has the right to reduce its contribution by the amount of any additional assistance that is to be received, or to require repayment of an amount equal to the amount of such assistance if the Commission's contribution has already been paid.

8. APPLICATIONS FOR ASSISTANCE

- 1) Applications for assistance from eligible recipients must:
 - a) demonstrate that their implementation supports the objective of Employment Benefits and Support Measures;
 - b) be in accordance with paragraph 4 – Guidelines, as applicable;
 - c) outline the specific Employment Benefit or Support Measure applied for and the activities to be performed in pursuit of stated objectives;
 - d) provide an estimate of costs to be incurred;
 - e) outline the results to be achieved;
 - f) disclose the involvement of former public servants who are under the Conflict of Interest and Post-Employment Guidelines.
- 2) The final approval of applications for assistance is the responsibility of the Commission which may delegate this authority and establish advisory and/or consultative mechanisms to assist in the process.

9. AGREEMENTS

Each approved application for assistance will be the subject of a formal agreement specifying the responsibilities of each party, the items for which expenditures are anticipated, the conditions under which payments will be made and mutually agreed upon measures designed to assess the success of the activity in attaining its objectives. A clause will be included in the agreement which would allow for a reduction in the amount of financial assistance specified should funding made available to the Commission be reduced. Agreements will also include appropriate termination clauses indicating that agreements may be terminated upon notice by either party.

10. TYPES OF FINANCIAL ASSISTANCE

Financial assistance may be provided to eligible recipients in the form of:

- 1) Contributions including Repayable Contributions
- 2) Grants

- 3) Payments for Services Requested by the Commission
- 4) Loans
- 5) Loan Guarantees
- 6) Vouchers to be exchanged for services and payments for the provision of such services

11. ELIGIBLE EXPENDITURE CATEGORIES

The following types of expenditures are permitted under Employment Benefits and Support Measures:

- 1) Support to Individuals

Financial assistance may be provided to individuals to cover all or a portion of living expenses. Assistance may also be provided to cover all or part of the incremental costs related to participation such as tuition costs, dependant care costs, disability needs costs, transportation and accommodation costs. Incentives such as earnings supplements are also eligible.

- 2) Payments may be made to all other eligible recipients, including community coordinators who redistribute funds to ultimate recipients, with respect to the following costs of eligible activities:

- a) Participant Wages and Employment Related Costs

Financial assistance may be provided to employers and coordinators to cover the costs of wages and the employer's share of employment related costs for participants.

- b) Overhead Costs

Financial assistance may be provided to employers and coordinators to cover such overhead costs as wages and employment related costs for staff, licences, permits, fees for professional services, disbursements for research or technical studies, costs related to research subjects, disability needs, bank interest, utilities, materials, supplies, travel, insurance, rental of premises, leasing or purchase of equipment, costs of audits, evaluations and assessments. Assistance may be provided for capital costs to a maximum of

\$1 million per year where and to the extent that such costs are essential to the achievement of objectives. Where specified in the specific criteria for each Employment Benefit or Support Measure, assistance provided for capital costs must be on a cost-shared basis. Assistance may also be provided in consideration of the central administrative functions of the employer/coordinator's operations that are drawn upon to support agreement activities.

c) Workers' Compensation

The costs associated with the workers' compensation actual costs or assessment paid directly to the provincial/territorial workers' compensation authority on behalf of employers and coordinators for participants or administrative staff are eligible expenditures. Payments made under this expenditure category may be made with respect to any of the Employment Benefits and Support Measures operating within a specific province or territory.

d) Community Coordinator Participant Costs

Financial assistance may be provided by community coordinators to individuals to cover all or a portion of living expenses. Assistance may also be provided to cover all or part of the incremental costs related to participation such as tuition costs, dependant care costs, disability needs costs, transportation and accommodation costs. Incentives such as earnings supplements are also eligible.

e) Community Coordinator Administrative Costs

Where the recipient further distributes funding to ultimate recipients that propose to carry out eligible activities, the reasonable and proper administration costs incurred by the recipient in administering the distribution of the funding and monitoring and coordinating the implementation of eligible activities being carried out by the ultimate recipients are eligible expenditures.

3) Provincial/territorial Subsidies to Public Educational Institutions for Costs of Courses Taken by Skills Development Participants

The provincial/territorial subsidy costs in respect of courses of training taken by Skills Development participants at publicly funded educational institutions are eligible expenditures. "Provincial/territorial subsidy costs"

means the costs incurred by provinces/territories to subsidize the difference between the full cost of courses of training taken by Skills Development participants at publicly funded educational institutions and the portion of the costs covered by the course tuition fees charged to the participants.

12. MAXIMUM AGREEMENT VALUE AND DURATION

The maximum level of funding for Employment Benefits and Support Measures shall be established by the Commission consistent with the EI Part II Expenditure Plan.

- 1) There is no maximum financial support per agreement. The amount of the financial assistance will be determined:
 - a) for employers and community coordinators, by the number of eligible participants who participate or are to be served;
 - b) for individual participants, according to individual client needs; and
 - c) for the Labour Market Partnerships and the Research and Innovation support measures, as a function of the requirements of the project.
- 2) The maximum duration of agreements will not exceed three years, subject to the specific criteria for each Employment Benefit or Support Measure. Renewals will be made on the basis of performance and results achieved.

13. BASIS AND TIMING OF PAYMENT

- 1) Contributions including Repayable Contributions may be paid as follows:
 - a) Direct payments to individuals under the Support to Individuals cost category may normally be made on a bi-weekly basis. Payments to cover such costs as tuition, other institutional costs and disability needs may be made on a lump-sum basis, when needed, based on an estimate from the provider, followed by proof of purchase upon request.
 - b) All other payments may be made as follows:
 - i) Monthly, quarterly or annual progress payments may be made based on expenditure claims and a final payment of any

sums due following receipt of the final claim and, if considered necessary, following completion of a financial audit.

- ii) Advance payments may be made in accordance with the Treasury Board Policy on Transfer Payments.
- 2) Grants may be paid on a bi-weekly, monthly or quarterly basis following receipt of satisfactory reports substantiating continued entitlement.
- 3) Payments for services requested by the Commission may be made on a monthly, quarterly or annual basis based on the terms specified in the agreement.

14. AUTHORITY TO SIGN AND AMEND AGREEMENTS

Authority to sign and subsequently amend agreements may be delegated by the Commission as per HRSDC's delegation instruments.

15. AUTHORITY TO APPROVE PAYMENTS

Authority to approve payments by certifying compliance with the terms of the agreement may be delegated by the Minister as per HRSDC's delegation instruments.

16. DISPOSAL OF CAPITAL ASSETS

Any capital asset costing \$1,000 or more and purchased by a recipient with Commission funds which has not been physically incorporated into the project or premises of a recipient acting as an employer or coordinator may be disposed of in a manner determined by the local HRSDC office. The governing considerations will be to encourage the continued use of the assets in support of the employability needs of individuals and to ensure that assets are not redirected for HRSDC's own use.

17. DUE DILIGENCE

HRSDC provides assurance that departmental systems, procedures and resources for ensuring due diligence in approving transfer payments and verifying eligibility and entitlement and for the management and administration of the program are in place. They include the following: Common System for Grants and Contributions, Grants and Contributions Operations Guide, Specialization and Concentration Initiative, Quality Assurance Framework, Project file, EBSM Operational Directives, Financial and Administrative Services Grants and

Contributions Policy, EI Part II Activities Accountability Framework, evaluations, and quality assurance reviews by the National Grants and Contributions Performance Tracking Directorate.

18. COST OF MANAGING THE PROGRAM

The cost of managing and administering the Employment Benefits and Support Measures is a cost of administering the *EI Act* and is charged to the EI Account pursuant to paragraph 77(1)(d) of the *EI Act*.

19. AUDIT

Each agreement will specify that the Commission retains the right to audit the records of the recipients and, if it is determined that the amount paid exceeds the amount payable, the difference will be considered as a debt to the Crown.

20. ACCOUNTABILITY AND EVALUATION

- 1) The EI Part II Activities Accountability Framework, which was developed in the context of the Labour Market Development Agreements, applies to Employment Benefits and Support Measures delivered by the Commission, similar benefits and measures provided by provinces and territories under Labour Market Development Agreements and similar benefits and measures provided by Aboriginal organizations under Aboriginal Human Resources Development Agreements. The primary indicators are:
 - a) Active EI claimants served;
 - b) EI clients returned to work (with an emphasis on active EI claimants);
 - c) Unpaid EI benefits (resulting from EI claimants returning to work before exhausting their EI benefits).
- 2) Pursuant to section 3 of the *Employment Insurance Act*, the effectiveness of the Employment Benefits and Support Measures will be the subject of reports which the Minister will table annually from 2001 to 2006 in Parliament within 30 days of receipt from the Commission, or if Parliament is not then sitting, on any of the first 30 days that either House of Parliament is next sitting. Further reports will be provided as considered necessary.
- 3) A two-phase approach has been implemented within the Labour Market Development Agreement/Employment Benefits and Support Measures

evaluation framework. The first phase is comprised of formative evaluations focused on program design, delivery and implementation issues. This phase has been completed, with the exception of the formative/summative evaluation of the Nunavut Labour Market Development Agreement which is planned for completion by fiscal year 2004-05. In the second phase, summative evaluations have been launched in most jurisdictions. Summative evaluations of Employment Benefits and Support Measures are aimed at providing information on the impact of Employment Benefits and Support Measures in helping participants prepare for, find and keep jobs. In addition to employment impacts, these evaluations examine a range of outcomes related to Employment Benefits and Support Measures participation including skills gains, job quality and increased self-sufficiency in relation to government income support assistance. Subsequent evaluations will be conducted regularly, on a three-to-five year basis.

- 4) The Commission will monitor the implementation of Employment Benefits and Support Measures and report on the results achieved on an annual basis. This report will form part of the plan which is approved by Treasury Board and included in the Main Estimates Part III – Report on Plans and Priorities for each fiscal year estimating the amounts to be paid for that year under Employment Benefits and Support Measures. The targets and results to be reported are the primary indicators listed above.
- 5) Integrated Results-based Management and Accountability Framework (RMAF) and Risk-based Audit Framework (RBAF)

The Department will prepare an integrated Results-based Management and Accountability Framework/Risk-based Audit Framework for the program that includes measurable results. The framework will contain a concise logic model and an overview of the performance measurement strategy, including the performance data (key indicators) to be tracked. Also included will be a description of program monitoring and recipient auditing; and an overview of suitable provisions. It will also provide the key areas of analysis for the summative evaluations and an overview of suitable provisions for departmental reporting, including reporting to Parliament.

In order to measure and report on the results of the program, HRSDC will ensure that appropriate performance measurement systems are integrated into the operational cycle of its activities. Internal and recipient audits will be conducted in accordance with the integrated RBAF/RMAF.

A new labour market framework is now under development which could result in significant changes to the active measures funded under EI Part II.

As such, the RMAF/RBAF developed will be an interim document that will be in place for the duration of these terms and conditions. Upon completion of the new framework, a new RMAF/RBAF will be completed.

21. DURATION OF TERMS AND CONDITIONS

These Terms and Conditions will expire March 31, 2007 and will be reviewed and modified as necessary based on working in concert with the government of each province or territory on the design of Employment Benefits and Support Measures. Amendments to these terms and conditions will be subject to approval by Treasury Board.

No new agreements will be approved after that date. Payments under any agreements already in progress before that date will continue as detailed in the agreement terms and conditions and schedules, subject to continued EI Part II spending authority as approved by the Treasury Board pursuant to section 79 of the *EI Act*.

SPECIFIC CRITERIA

EMPLOYMENT BENEFITS

22. TARGETED WAGE SUBSIDIES

A. Class of Recipient

As per standard criteria, paragraphs 6(1) and 6(2).

B. Participant Eligibility

As per standard criteria, paragraph 6(1).

C. Type of Financial Assistance

Financial assistance for participants, employers and community coordinators will be in the form of Contributions, as per standard criteria, paragraph 10(1).

D. Expenditure Categories

When financial assistance is provided directly to participants, the standard expenditure category in paragraph 11(1) Support to Individuals (except for living expenses, tuition costs and earnings supplements) is permissible. When financial assistance is provided to employers, the standard expenditure categories in paragraph 11(2)(a) Participant Wages and Employment Related Costs and paragraph 11(2)(b) Overhead Costs (costs related to the special needs of disabled participants only) are permissible. When financial assistance is provided to community coordinators, the standard expenditure categories in paragraph 11(2)(a) Participant Wages and Employment Related Costs, paragraph 11(2)(b) Overhead Costs, paragraph 11(2)(d) Community Coordinator Participant Costs (except living expenses, tuition costs and earnings supplements) and paragraph 11(2)(e) Community Coordinator Administrative Costs are permissible.

E. Maximum Agreement Duration

As per standard criteria, paragraph 12, the maximum duration of an agreement with an employer or a participant is 78 weeks. In the case of

community coordinators the maximum duration of an agreement is three years.

23. TARGETED EARNINGS SUPPLEMENTS

A. Class of Recipient

As per standard criteria, paragraphs 6(1) and 6(2).

B. Participant Eligibility

As per standard criteria, paragraph 6(1).

C. Type of Financial Assistance

Financial assistance for participants will be in the form of Grants, as per standard criteria, paragraph 10(2). Financial assistance for community coordinators will be in the form of Contributions, as per standard criteria, paragraph 10(1).

D. Expenditure Categories

When financial assistance is provided directly to participants, the standard expenditure category in paragraph 11(1) Support to Individuals (except for living expenses and tuition costs) is permissible. When financial assistance is provided to community coordinators, the standard expenditure categories in paragraph 11(2)(b) Overhead Costs, paragraph 11(2)(d) Community Coordinator Participant Costs (except living expenses and tuition costs) and paragraph 11(2)(e) Community Coordinator Administrative Costs are permissible.

E. Maximum Agreement Duration

As per standard criteria, paragraph 12, the maximum duration of an agreement with a participant is three years. In the case of community coordinators the maximum duration of an agreement is three years.

24. SELF-EMPLOYMENT

A. Classes of Recipient

As per standard criteria, paragraphs 6(1) and 6(2).

B. Participant Eligibility

As per standard criteria, paragraph 6(1).

C. Type of Financial Assistance

Financial assistance for living expenses for participants not in receipt of Insurance Benefits will be in the form of Grants, as per standard criteria, paragraph 10(2), based on a regionally or locally determined flat rate or a rate based on individual need. Active claimants may receive Insurance Benefits under Part I of the *EI Act* until the end of their benefit periods.

These Insurance Benefits may be enhanced by payments in the form of Grants, as per standard criteria, paragraph 10(2), to the level of the regionally or locally determined flat rate or a rate based on individual need.

Financial assistance may be provided to any participant for the incremental costs of participation throughout the activity in the form of Grants, as per standard criteria, paragraph 10(2). Financial assistance for community coordinators and coordinators who provide only business/technical assistance to participants will be in the form of Contributions, as per standard criteria, paragraph 10(1).

D. Expenditure Categories

When financial assistance is provided directly to participants, the standard expenditure category in paragraph 11(1) Support to Individuals (except for earnings supplements) is permissible. When financial assistance is provided to coordinators who provide only business/technical assistance to participants, the standard expenditure category in paragraph 11(2)(b) Overhead Costs is permissible. When financial assistance is provided to community coordinators, the standard expenditure categories in paragraph 11(2)(b) Overhead Costs, paragraph 11(2)(d) Community Coordinator Participant Costs (except earnings supplements) and paragraph 11(2)(e) Community Coordinator Administrative Costs are permissible.

E. Maximum Agreement Duration

As per standard criteria, paragraph 12, the maximum duration of an agreement with a participant is 52 weeks. In exceptional circumstances, duration may be extended to a total of 78 weeks for disabled participants.

In the case of business/technical assistance coordinators and community coordinators the maximum duration of an agreement is three years.

25. JOB CREATION PARTNERSHIPS

A. Classes of Recipient

As per standard criteria, paragraphs 6(1) and 6(2).

B. Participant Eligibility

As per standard criteria, paragraph 6(1).

C. Type of Financial Assistance

Active claimants may receive Insurance Benefits under Part I of the *EI Act* until the end of their benefit periods. Insurance Benefits may be enhanced to the level of the maximum Insurance Benefit rate. The enhanced assistance will be in the form of Grants, as per standard criteria, paragraph 10(2). Financial assistance for the incremental costs of participation throughout the activity and for living expenses for participants not in receipt of Insurance Benefits will be in the form of Grants, as per standard criteria, paragraph 10(2). Financial assistance to project coordinators will be in the form of Contributions, as per standard criteria, paragraph 10(1).

D. Expenditure Categories

When financial assistance is provided directly to participants, the standard expenditure category in paragraph 11(1) Support to Individuals (except for tuition costs and earnings supplements) is permissible. When financial assistance is provided to project coordinators, the standard expenditure categories in paragraph 11(1) Support to Individuals (except for tuition costs and earnings supplements) and paragraph 11(2)(b) Overhead Costs (capital costs must be cost-shared) are permissible.

E. Maximum Agreement Duration

As per standard criteria, paragraph 12, the maximum duration of agreements is 52 weeks.

26. SKILLS DEVELOPMENT

A. Class of Recipients

As per standard criteria, paragraphs 6(1) and 6(2). In addition, provinces/territories or provincially/territorially funded training institutions may receive contributions for the difference between tuition fees charged and full costs of training Skills Development participants at provincially/territorially funded training institutions.

B. Participant Eligibility

As per standard criteria, paragraph 6(1).

Contributions for the difference between tuition fees charged and full costs of training are not payable with respect to individuals (other than apprentices) who pay their own tuition fees (when charged) and receive no EI funding other than income support through EI Part I benefits.

C. Type of Financial Assistance

Financial assistance may be provided to eligible recipients in the form of:

1) Insurance Benefits

Active claimants may receive Insurance Benefits under Part I of the *EI Act* until the end of their benefit periods.

2) Contributions including Repayable Contributions

Financial assistance for the incremental costs of participation throughout the activity and where appropriate, for living expenses, as negotiated on an individual basis, may be in the form of contributions, including repayable contributions, as per standard criteria, paragraph 10(1). Financial assistance for community coordinators will be in the form of Contributions, as per standard criteria, paragraph 10(1).

D. Expenditure Categories

When financial assistance is provided directly to participants, the standard expenditure category in paragraph 11(1) Support to Individuals (except for

earnings supplements) is permissible. In addition, financial assistance may be provided to individuals to cover all or a portion of the cost of required books, software and related expenses for a course of instruction.

When financial assistance is provided to community coordinators, the standard expenditure categories in paragraph 11(2)(b) Overhead Costs, paragraph 11(2)(d) Community Coordinator Participant Costs (except earnings supplements but including all or a portion of the cost of required books, software and related expenses for a course of instruction) and paragraph 11(2)(e) Community Coordinator Administrative Costs are permissible.

When payments are made to provinces/territories or provincially/territorially funded training institutions, the standard expenditure category in paragraph 11(3) is permissible.

E. Maximum Agreement Duration

As per standard criteria, paragraph 12, the maximum duration of an agreement with a participant or a community coordinator or with a province/territory or a provincially/territorially funded training institution is three years.

F. Basis of Payment and Repayment

1) Payment

As per standard criteria, paragraph 13(2).

2) Repayment

Repayable contributions are established as accounts receivable if following the completion of the client's course(s) of instruction, one of the following conditions is met:

A) Employment

- i) Within the regionally established time limit, ranging from a minimum of 12 months to a maximum of 18 months, the client obtains full time employment, excluding employment under the Job Creation Partnerships Employment Benefit, at the gross earnings level at least equivalent to the gross earnings level at the bottom of the range for the occupation

targeted in the return to work action plan. Before considering the trigger to be met under this condition, the client must thereafter maintain this employment for a period of 12 consecutive weeks.

OR

- ii) Within the regionally established time limit, ranging from a minimum of 12 months to a maximum of 18 months, the client obtains employment, excluding employment under the Job Creation Partnerships Employment Benefit, and within 12 consecutive months of obtaining this employment, earns a gross income from employment at least equivalent to the gross annual earnings level at the bottom of the range for the targeted occupation.

OR

B) Self-Employment

Within the regionally established time limit, ranging from a minimum of 12 months to a maximum of 18 months, the client becomes self employed and within 12 consecutive months of becoming self employed, earns an income from the business after business expenses which is at least equivalent to the gross annual earnings level at the bottom of the range for the occupation targeted in the return to work action plan.

OR

C) Default

The client fails to provide information on his/her employment or self-employment status at the intervals specified in the agreement.

G. Interest Charges

The interest rate to be charged on Skills Development accounts receivable will be in accordance with the formula prescribed in the regulations made under section 80.1 of the *EI Act* for EI Part II amounts owing to the Commission.

SPECIFIC CRITERIA
SUPPORT MEASURES

27. EMPLOYMENT ASSISTANCE SERVICES

A. Class of Recipient

As per standard criteria, paragraph 6(2).

B. Type of Financial Assistance

As per standard criteria, paragraph 10(1) Contributions.

C. Expenditure Categories

As per standard expenditure categories in paragraph 11(1) Support to Individuals (not including tuition, living expenses and earnings supplements) and paragraph 11(2)(b) Overhead Costs.

D. Maximum Agreement Duration

As per standard criteria, paragraph 12, the maximum duration of an agreement is three years.

28. LABOUR MARKET PARTNERSHIPS

A. Class of Recipient

As per standard criteria, paragraph 6(2).

B. Assistance to Individuals

Assistance may be provided to individuals who are employed and facing a loss of employment.

C. Type of Financial Assistance

As per standard criteria, paragraph 10(1) Contributions.

D. Expenditure Categories

As per standard expenditure category in paragraph 11(2)(b) Overhead Costs. Capital costs must be cost-shared, except where the recipient is a non-profit organization.

E. Maximum Agreement Duration

As per standard criteria, paragraph 12, the maximum duration of an agreement is three years.

29. RESEARCH AND INNOVATION

A. Class of Recipient

As per standard criteria, paragraph 6(2).

B. Type of Financial Assistance

As per standard criteria, paragraph 10(1) Contributions or paragraph 10(2) Grants, as applicable, based on the nature of the activity to be funded.

C. Expenditure Categories

As per standard expenditure category in paragraph 11(2)(b) Overhead Costs.

D. Maximum Agreement Duration

As per standard criteria, paragraph 12, the maximum duration of an agreement is three years.