

Evaluation Summary: Wage Earner Protection Program



About the services

The Wage Earner Protection Program offers economic relief to Canadian workers owed unpaid wages, vacation, termination and severance by an employer who has experienced a bankruptcy or receivership. The program is administered through the collaboration of a number of partners and stakeholders, including the Labour Program, Service Canada, the Canada Revenue Agency, the Canada Industrial Relations Board and trustees and receivers. The Program issued payments to beneficiaries totalling \$318.9 million between 2011-2012 and 2019-2020.



Key findings

- 1. The Program continues to see high levels of use and issued 18,165 payments to individual beneficiaries in 2018-2019.
- 2. There were 106,331 Program applicants between 2011 and 2019. The majority were male (58%), between the ages of 31 and 54 (52%), and employed in the service industry (53%).
- 3. From 2011 to 2019, the Program released payments to beneficiaries that, on average, covered between 60% and 76% of the eligible wages they were owed by their former employers.
- 4. Changes made to the Program, since its inception, increased its ability to meet the needs of beneficiaries.
- 5. Service Canada met or exceeded its target, in most years, by processing over 80% of applicants with the Program's service standard

- 6. Lack of understanding of the Program, and being eligible for only a small payment are reasons eligible workers may not have applied to the Program.
- 7. Eligible former employees and Program beneficiaries need more information about the implications that being a Program beneficiary can have on Employment Insurance claims.
- 8. Program beneficiaries, program officials and delivery partners were satisfied with the Program. However, both program officials and delivery partners reported the level of its administrative burden placed on trustees and receivers as an area for improvement.



Recommendations

- Explore strategies to reduce trustees' and receivers' administrative burden when submitting program forms and/or requesting fee payments.
- 2. Explore ways to provide improved information about the implication that being a Wage Earner Protection Program beneficiary can have on an Employment Insurance claim.
- 3. Work in partnership with trustees and receivers to help them provide Program information to potential beneficiaries to improve their understanding of the Program and their potential entitlements.

The full **Evaluation of the Wage Earner Protection Program** is now available.



