

## **CANADIAN LABOUR MARKET AND SKILLS RESEARCHER NETWORK**

### **CALL FOR PROPOSALS ON INCOME SUPPORT POLICIES AND EMPLOYMENT**

This is a Request for Proposals (RFP) for research studies in the area of Income Support Policies and Employment. This is one of several areas where papers are being commissioned as part of the Canadian Labour Market and Skills Researcher Network (CLSRN) supported by Human Resources and Social Development Canada. The coordinators of this research program are David Green (University of British Columbia) and John Myles (University of Toronto).

CLSRN plans to provide funding for 5 to 10 research papers in this area. Funded studies will generally provide new empirical evidence to support evidence-based policy decision making. They are to be of the quality of papers submitted to peer-reviewed, refereed journals and authors are encouraged to ultimately submit them to such forums (with appropriate acknowledgement to the funding source). The normal budget for such research studies is \$15,000 (plus GST if applicable).

For the purposes of research support, the product of the research will be a peer-reviewed working paper. Copyright of the research paper remains with the author(s). The working paper will appear in the CLSRN research paper series, and will also be posted at the HRSD web site. The findings may also be reported in HRSD's research newsletter.

Working papers are expected to be 20-40 pages in length, although they could be somewhat longer than this standard in order to provide sufficient detail on methods used, results obtained, and discussion of policy implications.

Proposals must involve new research that is not supported by other organizations. However, the proposed research may be related to, or an extension of, research supported elsewhere.

The budget can be used for any purposes deemed appropriate by the researchers to meet the legitimate expenses associated with carrying out the research. Such expenses can include: teaching or administrative release (at the relevant local university rates for such release); research assistance; data collection; honorarium for the author(s); and travel associated with conducting the research. Travel associated with presenting the paper at workshops and conferences organized by CLSRN will be covered separately. Larger amounts could be requested for specific unusual needs (e.g., conducting a survey, extensive data collection or a lab experiment) if justified. In all cases, a brief justification of the budget should be provided.

Payments will normally be scheduled as follows: (i) upon submission of a preliminary outline for the paper, including planned methodology; (ii) upon submission of a satisfactory first draft; and (iii) upon submission of a satisfactory final draft.

All proposals *and* papers will be peer reviewed. Academic reviewers will assess the quality of the proposed research and the potential contribution to knowledge. Representatives of selected Canadian government departments will assess proposals and papers for their policy relevance (broadly defined). Only proposals that meet both criteria – academic excellence and policy relevance – will be funded.

Since one of the objectives of CLRSN is to help ensure the emergence of a new generation of researchers with an interest in labour market policy, proposals from new researchers are especially welcome. For established researchers, proposals that involve graduate students or recent graduates in a significant role are also encouraged.

Government researchers are also invited to submit proposals, either as principal investigators or as co-investigators. However, government researchers are not eligible for financial support.

Given the need to have deliverables within the first year of the project, strict timelines will have to be followed. Please do not submit a proposal if you cannot adhere to those timelines since missing them can jeopardize future funding, both individually and collectively to the project.

The timelines are:

July 31, 2006	Proposals due
August 31, 2006	Researchers are informed of decision and given feedback from peer reviews
October 31, 2006	Preliminary outline of paper due
March 31, 2007	First draft of paper due
April 30, 2007	Feedback on first draft provided to authors
June 2007	Conference on income support policies and employment
July 2007	Peer review of final draft; revisions to working paper completed

The proposals can be brief (e.g., 3-4 pages) and can take the form of the proposed outline of the research paper. Proposals and final working papers may be written in English or French. The proposal should outline the rationale for the study, situating it in the relevant literature and indicating the gaps in our knowledge that it proposes to fill. The proposal should also explain the relevance of the proposed research for public policy. Finally, the proposal should describe the data to be used and the proposed methodology. The CVs of all co-investigators should be included with the proposal.

If the proposed research is to be carried out in a Research Data Centre (RDC), applicants should note that proposals that are approved for funding by CLSRN will not also be required to go through the SSHRC review process that is normally required for RDC

access. Such proposals will, however, still be reviewed by Statistics Canada. The Statistics Canada review focuses on two issues: (i) demonstrated need for access to confidential micro-data (could the proposed research be carried out with public use data?) and (ii) the viability of the methods to be applied given the data to be analyzed (is the data up to the task?). Researchers wishing to use data housed in an RDC should ensure that their proposal addresses these issues.

More than one paper may be commissioned on a particular topic and none may be commissioned in others. The suggested topics (listed below) may also be combined and researchers may propose alternative topics. Researchers may be involved in more than one topic and in different areas.

Proposals should be sent to: Katherine Meredith  
Canadian Labour Market and Skills Researcher Network  
Department of Economics  
University of British Columbia  
#997 – 1873 East Mall  
Vancouver, BC V6T 1Z1

Proposals can also be submitted by email to: [ine2@interchange.ubc.ca](mailto:ine2@interchange.ubc.ca)

Enquiries about this research project can be directed to:

David Green  
Department of Economics  
University of British Columbia  
[green@econ.ubc.ca](mailto:green@econ.ubc.ca)

John Myles  
Department of Sociology  
University of Toronto  
[john.myles@utoronto.ca](mailto:john.myles@utoronto.ca)

## **Call for research proposals on income support policies and employment**

CLSRN is seeking proposals for a project on the interaction of government support policies (both active and passive) with employment and earnings outcomes in Canada. Our initial emphasis is on the three main areas listed below, but we are open to related submissions. The proposals may involve entirely new projects or extensions of ongoing research. The completed projects, along with papers from international researchers designed to help expand our knowledge of practices in other countries, will be presented at a conference in June 2007.

The main areas of focus are:

- 1) Earnings supplementation and the minimum wage. The recent budget and earlier government documents have raised the possibility of the federal government implementing an earnings supplementation program along the lines of the U.S. Earned Income Tax Credit and the U.K. Working Families Tax Credit. Minimum wage increases are sometimes promoted as a competing policy to earnings supplementation schemes based on concerns that the latter policies tend to subsidize low wage jobs. It is possible, though, that they could be seen as complementary policies, with an earnings supplementation program directly helping the working poor while increases in the minimum wage price “bad jobs” out of the market. Consideration would also have to be given to policies to support those who are jobless and, thus, cannot benefit directly from these policies. Projects in this area would focus on expanding our knowledge of how such schemes might impact the Canadian labour market. This could be based on, for example, experience with the Child Tax Benefit, the SSP experiment, and elements of provincial social assistance systems such as earnings disregards. Direct comparisons with the experiences of other countries would likely prove useful.
- 2) Active labour market policies. What role do training and other active labour market programmes play in income support? Do we need very expensive interventions to obtain results? Where should we be targeting training efforts – at initially low skilled or higher skilled workers? The former seems appropriate for equity reasons but studies tend to show that training of the initially more skilled is more effective in terms of changing outcomes. Again, the primary interest would be the Canadian labour market but international comparisons may prove quite useful.
- 3) Welfare to Work transition. Canada experienced a dramatic fall in the proportion of the population relying on social assistance in the late 1990s. Did this occur because of “make work pay” schemes in provincial social assistance programs or because of general improvements in the labour market? What are the lessons from the reforms to provincial income assistance programs introduced in the 1990s? What alternative policies are available for encouraging the transition to employment (e.g., what is the relative efficacy of child care policies)? What role

is played by other income support programs such as employment insurance, workers' compensation and disability support programs in influencing the return to work? What has been the experience in other countries and how can that help inform our choices for Canada?

To further elaborate on the issues that can be addressed by research in this area, you may wish to consult the following documents: HRSDC Policy Research and Survey Plan (November 2005) and HRSD Medium-Term Policy Research Priorities (March 2006).