

Table 1: Distribution of Age and Year of Entry in the Sample

<u>Age</u>	<u>Age of Entry</u>		<u>Year</u>	<u>Year of Entry</u>	
	<u>Frequency</u>	<u>Cumul. freq.</u>		<u>Frequency</u>	<u>Cumul. freq.</u>
15	0.105	0.105	1972	0.493	0.493
16	0.124	0.229	1973	0.061	0.553
17	0.110	0.339	1974	0.049	0.602
18	0.079	0.418	1975	0.038	0.640
19	0.049	0.466	1976	0.035	0.675
20	0.035	0.501	1977	0.034	0.709
21	0.029	0.531	1978	0.033	0.742
22	0.026	0.557	1979	0.034	0.776
23	0.025	0.582	1980	0.031	0.807
24	0.024	0.606	1981	0.030	0.837
25	0.023	0.629	1982	0.020	0.857
26	0.020	0.649	1983	0.022	0.879
27	0.019	0.668	1984	0.023	0.902
28	0.018	0.685	1985	0.023	0.925
29	0.017	0.702	1986	0.021	0.946
30-34	0.069	0.771	1987	0.021	0.967
35-39	0.057	0.828	1988	0.013	0.981
40-44	0.055	0.883	1989	0.010	0.991
45-49	0.049	0.932	1990	0.006	0.996
50-54	0.038	0.970	1991	0.004	1.000
55-59	0.025	0.995			
60-64	0.005	1.000			

Note: Based on a sample of 618,911 men aged 15 to 65. A person "enters" the sample the first time he receives T4 income between 1972 and 1991.

Table 2: Summary Statistics of the Sample

	<u>Mean</u>	<u>Proportion starting a UI claim</u>
Age:	34.759	---
Employed during the year:	0.796	---
UI claim:	0.210	---
<u>Province:</u>		
Newfoundland	0.025	0.375
PEI	0.005	0.349
Nova Scotia	0.036	0.259
New Brunswick	0.031	0.321
Quebec	0.286	0.234
Ontario	0.350	0.179
Manitoba	0.037	0.185
Saskatchewan	0.029	0.196
Alberta	0.087	0.176
British Columbia	0.115	0.194
<u>Year:</u>		
1972	0.030	0.234
1973	0.033	0.205
1974	0.036	0.204
1975	0.038	0.238
1976	0.041	0.216
1977	0.043	0.221
1978	0.044	0.215
1979	0.046	0.180
1980	0.048	0.183
1981	0.049	0.198
1982	0.050	0.267
1983	0.051	0.230
1984	0.052	0.225
1985	0.053	0.204
1986	0.054	0.199
1987	0.055	0.183
1988	0.055	0.182
1989	0.055	0.190
1990	0.055	0.215
1991	0.055	0.222
1992	0.054	0.214

Note: Based on a sample of 10,253,535 observations of men aged 15 to 65 from the years 1972 to 1992 who have earned some T4 income at least once since 1972.

Table 3: Autocorrelation in the Use of Unemployment Insurance over Time

<u>Time Interval:</u>	<u>Correlation:</u>	<u>Time Interval:</u>	<u>Correlation:</u>
Same year	1.000		
1 year	0.291	11 year	0.108
2 years	0.280	12 years	0.100
3 years	0.243	13 years	0.090
4 years	0.215	14 years	0.082
5 years	0.190	15 years	0.070
6 years	0.175	16 years	0.063
7 years	0.158	17 years	0.051
8 years	0.142	18 years	0.044
9 years	0.127	19 years	0.032
10 years	0.116	20 years	0.026

Note: These correlations are calculated from a sample of 604,185 observations on men born in the years 1931, 1941, and 1951.

Table 4: Grouped Data Estimates of the Effect of Learning on the Future Probability of Receiving Unemployment Insurance

	Probability of Receiving UI in:			Difference between (1) and (2)	Difference-in-Differences
	1981-83	1984-86	1987-89		
	(1)	(2)	(3)	(4)	(5)
1. Men born in 1931					
1.a. Had no previous UI experience	0.355	0.373	0.345	0.019	0.123
1.b. Had some previous UI experience	0.432	0.328	0.260	-0.104	
2. Men born in 1941					
2.a. Had no previous UI experience	0.406	0.365	0.330	-0.041	0.042
2.b. Had some previous UI experience	0.436	0.353	0.295	-0.083	
3. Men born in 1951					
3.a. Had no previous UI experience	0.421	0.395	0.325	-0.026	0.056
3.b. Had some previous UI experience	0.412	0.330	0.269	-0.082	
B. Adjusted for selection					
1. Men born in 1931					
1.a. Had no previous UI experience	0.2119514	0.2567694	0.3109244	0.045	0.083
1.b. Had some previous UI experience	0.6806551	0.642784	0.6489253	-0.038	
2. Men born in 1941					
2.a. Had no previous UI experience	0.250655	0.2707424	0.3379913	0.020	0.064
2.b. Had some previous UI experience	0.6756757	0.6313974	0.6354227	-0.044	
3. Men born in 1951					
3.a. Had no previous UI experience	0.2752355	0.2960969	0.3304172	0.021	0.071
3.b. Had some previous UI experience	0.6510591	0.6006132	0.6042363	-0.050	

**Table 5A: Random Effect Probit Estimates of the Learning Effect
by Demographic Group and by Province, 1972-1992:**

Unobserved (normal) heterogeneity in intercept only

Province	Born before 1946		Born from 1946 to 1955		Born after 1955		Average
	Men	Women	Men	Women	Men	Women	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Newfoundland	0.548 (0.047)	0.165 (0.075)	0.117 (0.050)	-0.153 (0.063)	-0.411 (0.052)	-0.437 (0.056)	-0.028
Nova Scotia	0.481 (0.040)	0.097 (0.055)	0.100 (0.042)	0.011 (0.052)	-0.304 (0.039)	-0.252 (0.049)	0.022
New Brunswick	0.471 (0.044)	0.014 (0.065)	-0.072 (0.045)	-0.158 (0.056)	-0.303 (0.044)	-0.289 (0.050)	-0.056
Quebec	0.225 (0.046)	0.134 (0.055)	-0.054 (0.045)	0.105 (0.053)	-0.257 (0.045)	-0.091 (0.053)	0.010
Ontario	0.437 (0.034)	0.130 (0.040)	0.034 (0.040)	0.010 (0.046)	-0.055 (0.037)	0.002 (0.046)	0.093
Manitoba	0.403 (0.038)	0.094 (0.046)	-0.037 (0.042)	-0.064 (0.052)	-0.056 (0.038)	-0.034 (0.052)	0.051
Saskatchewan	0.512 (0.037)	0.129 (0.056)	0.149 (0.047)	-0.064 (0.061)	0.042 (0.035)	0.050 (0.047)	0.136
Alberta	0.505 (0.044)	0.242 (0.053)	0.409 (0.046)	0.249 (0.057)	0.409 (0.038)	0.355 (0.047)	0.361
British Columbia	0.464 (0.037)	0.136 (0.053)	0.187 (0.045)	0.208 (0.052)	-0.007 (0.041)	-0.037 (0.051)	0.158
Average	0.449	0.127	0.093	0.016	-0.105	-0.082	0.083

Note: Standard errors are in parentheses. All models also include a full set of year effects, four lagged values of the dependent variable, age and its squared, and nine industry dummies. Unobserved heterogeneity is accounted for by including a standard normal component in the intercept and estimating the model using simulated maximum likelihood (20 draws).

Table 5B: Sum of the Estimated Coefficients on the Four Lags of the Dependent Variable by Demographic Group and by Province.

<u>Province</u>	<u>Born before 1946</u>		<u>Born from 1946 to 1955</u>		<u>Born after 1955</u>		<u>Average</u>
	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Newfoundland	1.345	1.415	1.400	1.618	1.580	1.555	1.441
Nova Scotia	1.572	1.634	1.436	1.483	1.355	1.383	1.454
New Brunswick	1.728	1.798	1.591	1.631	1.349	1.390	1.556
Quebec	1.390	1.396	1.296	1.252	1.388	1.306	1.358
Ontario	1.484	1.622	1.182	1.284	1.188	1.166	1.285
Manitoba	1.765	1.809	1.334	1.366	1.203	1.122	1.434
Saskatchewan	1.927	1.946	1.444	1.373	1.305	1.146	1.559
Alberta	1.500	1.503	1.348	1.422	1.101	0.995	1.317
British Columbia	1.399	1.469	1.261	1.324	0.988	0.970	1.216
Average	1.568	1.621	1.366	1.417	1.273	1.226	1.402

Note: See the note at the bottom of Table 5A for more information on the estimated models.

Table 5C: Number of Observations and Persons Used in the Estimation

<u>Province</u>	<u>Born before 1946</u>		<u>Born from 1946 to 1955</u>		<u>Born after 1955</u>	
	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>
	(1)	(2)	(3)	(4)	(5)	(6)
Newfoundland	19047 (1087)	8606 (544)	16843 (846)	9592 (530)	11788 (723)	8383 (548)
Nova Scotia	34682 (2018)	18293 (1161)	24056 (1233)	15847 (879)	18742 (1175)	15252 (1024)
New Brunswick	25466 (1488)	14061 (893)	19236 (976)	12576 (691)	15588 (957)	11845 (789)
Quebec	27120 (1558)	15250 (962)	18678 (961)	13008 (712)	13972 (859)	11098 (735)
Ontario	39187 (2282)	26842 (1623)	25005 (1291)	19600 (1066)	20226 (1251)	18039 (548)
Manitoba	32750 (1950)	23373 (1462)	22553 (1166)	17383 (947)	20101 (1265)	17245 (1131)
Saskatchewan	28322 (1714)	23248 (1437)	22793 (1188)	15783 (850)	23305 (1471)	18441 (1208)
Alberta	36200 (2123)	23558 (1448)	31299 (1645)	21736 (1191)	29090 (1789)	23714 (1532)
British Columbia	30826 (1795)	20017 (1244)	21232 (1114)	15903 (885)	16869 (1057)	13995 (924)

Note: The number of individuals in each subsample is in parentheses.

**Table 6A: Random Effect Probit Estimates of the Learning Effect
by Demographic Group and by Province, 1972-1992:**

Unobserved (normal) heterogeneity in intercept and learning coefficient

Province	Born before 1946		Born from 1946 to 1955		Born after 1955		Average
	Men	Women	Men	Women	Men	Women	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Newfoundland	0.548 (0.047)	0.165 (0.075)	0.117 (0.051)	-0.153 (0.063)	-0.411 (0.052)	-0.437 (0.056)	-0.028
Nova Scotia	0.713 (0.040)	0.078 (0.055)	0.168 (0.049)	-0.028 (0.071)	-0.138 (0.048)	-0.235 (0.055)	0.093
New Brunswick	0.438 (0.048)	-0.034 (0.062)	0.034 (0.057)	-0.336 (0.075)	-0.221 (0.057)	-0.309 (0.068)	-0.071
Quebec	0.647 (0.044)	0.104 (0.060)	0.056 (0.054)	0.117 (0.074)	-0.154 (0.060)	0.022 (0.065)	0.132
Ontario	0.598 (0.035)	0.271 (0.041)	0.129 (0.046)	0.097 (0.057)	0.023 (0.047)	0.117 (0.046)	0.206
Manitoba	0.578 (0.044)	0.343 (0.058)	0.066 (0.047)	0.093 (0.057)	0.139 (0.049)	0.205 (0.056)	0.237
Saskatchewan	0.591 (0.052)	0.174 (0.062)	0.399 (0.051)	-0.009 (0.075)	0.016 (0.046)	0.253 (0.058)	0.237
Alberta	0.757 (0.057)	0.235 (0.065)	0.786 (0.058)	0.744 (0.086)	0.510 (0.043)	0.499 (0.064)	0.588
British Columbia	0.720 (0.045)	0.410 (0.061)	0.352 (0.053)	0.440 (0.059)	0.035 (0.054)	0.040 (0.067)	0.333
Average	0.621	0.194	0.234	0.107	-0.022	0.017	0.192

Note: Standard errors are in parentheses. All models also include a full set of year effects, four lagged values of the dependent variable, age and its squared, and nine industry dummies. Unobserved heterogeneity is accounted for by including a standard normal component in the intercept and the learning coefficient and estimating the model using simulated maximum likelihood (20 draws).

Table 6B: Sum of the Estimated Coefficients on the Four Lags of the Dependent Variable by Demographic Group and by Province.

Province	Born before 1946		Born from 1946 to 1955		Born after 1955		Average
	Men	Women	Men	Women	Men	Women	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Newfoundland	1.253	1.358	1.379	1.611	1.586	1.550	1.406
Nova Scotia	1.513	1.718	1.300	1.481	1.155	1.300	1.323
New Brunswick	1.743	1.926	1.355	1.550	1.214	1.297	1.437
Quebec	1.337	1.469	1.143	1.198	1.231	1.222	1.237
Ontario	1.320	1.470	1.042	1.211	1.038	1.006	1.133
Manitoba	1.488	1.510	1.210	1.246	0.962	0.856	1.220
Saskatchewan	1.683	1.824	1.436	1.409	1.218	1.039	1.445
Alberta	1.141	1.305	1.208	1.261	0.910	0.790	1.087
British Columbia	1.068	1.194	1.025	1.093	0.846	0.881	0.979
Average	1.394	1.530	1.233	1.340	1.129	1.105	1.252

Note: See the note at the bottom of Table 6A for more information on the estimated models.

Table 6C: Number of Observations and Persons Used in the Estimation

<u>Province</u>	<u>Born before 1946</u>		<u>Born from 1946 to 1955</u>		<u>Born after 1955</u>	
	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>
	(1)	(2)	(3)	(4)	(5)	(6)
Newfoundland	19047 (1087)	8606 (544)	16843 (846)	9592 (530)	11788 (723)	8383 (548)
Nova Scotia	34682 (2018)	18293 (1161)	24056 (1233)	15847 (879)	18742 (1175)	15252 (1024)
New Brunswick	25466 (1488)	14061 (893)	19236 (976)	12576 (691)	15588 (957)	11845 (789)
Quebec	27120 (1558)	15250 (962)	18678 (961)	13008 (712)	13972 (859)	11098 (735)
Ontario	39187 (2282)	26842 (1623)	25005 (1291)	19600 (1066)	20226 (1251)	18039 (548)
Manitoba	32750 (1950)	23373 (1462)	22553 (1166)	17383 (947)	20101 (1265)	17245 (1131)
Saskatchewan	28322 (1714)	23248 (1437)	22793 (1188)	15783 (850)	23305 (1471)	18441 (1208)
Alberta	36200 (2123)	23558 (1448)	31299 (1645)	21736 (1191)	29090 (1789)	23714 (1532)
British Columbia	30826 (1795)	20017 (1244)	21232 (1114)	15903 (885)	16869 (1057)	13995 (924)

Note: The number of individuals in each subsample is in parentheses.

**Table 7: Random Effect Probit Estimates for Each of the three
Groups of Men for all Provinces, 1972-1992.**

	<u>Men born before 1946</u>		<u>Men born in 1946-55</u>		<u>Men born after 1955</u>	
	Main	Interact.	Main	Interact.	Main	Interact.
	Effect	with	Effect	with	Effect	with
	(1a)	(1b)	(2a)	(2b)	(3a)	(3b)
Intercept	-1.168 (0.100)	0.381 (0.138)	-1.441 (0.120)	0.368 (0.148)	-1.285 (0.13625)	0.068 (0.229)
First Lag	0.549 (0.012)	---	0.420 (0.012)	---	0.421 (0.012)	---
Second Lag	0.508 (0.012)	---	0.422 (0.012)	---	0.411 (0.011)	---
Third Lag	0.316 (0.012)	---	0.250 (0.012)	---	0.239 (0.011)	---
Fourth Lag	0.223 (0.013)	---	0.208 (0.012)	---	0.145 (0.011)	---
Age	-0.079 (0.020)	---	-0.319 (0.018)	---	-0.491 (0.027)	---
Age squared	0.018 (0.005)	---	0.133 (0.012)	---	-0.381 (0.020)	---
Subsidy Rate	0.097 (0.029)	0.069 (0.039)	0.122 (0.033)	-0.011 (0.042)	0.120 (0.033)	0.019 (0.044)
<u>Province Dummies:</u>						
Nova Scotia	-0.399 (0.040)	0.116 (0.045)	0.023 (0.039)	-0.189 (0.048)	-0.213 (0.040)	0.202 (0.041)
New Brunswick	-0.307 (0.037)	0.135 (0.039)	0.074 (0.032)	-0.133 (0.041)	-0.280 (0.036)	0.038 (0.046)
Quebec	-0.293 (0.039)	-0.067 (0.044)	0.059 (0.036)	-0.302 (0.046)	-0.299 (0.039)	0.170 (0.060)
Ontario	-0.423 (0.050)	-0.034 (0.059)	-0.004 (0.052)	-0.351 (0.063)	-0.548 (0.050)	0.267 (0.059)
Manitoba	-0.446 (0.050)	0.029 (0.059)	-0.001 (0.051)	-0.354 (0.062)	-0.588 (0.050)	0.297 (0.061)

Table 7 (continuation)

	(1a)	(1b)	(2a)	(2b)	(3a)	(3b)
Saskatchewan	-0.519 (0.053)	0.114 (0.063)	-0.235 (0.053)	-0.184 (0.066)	-0.613 (0.052)	0.571 (0.057)
Alberta	-0.699 (0.051)	0.149 (0.060)	-0.463 (0.052)	0.019 (0.064)	-0.986 (0.049)	0.303 (0.050)
British Columbia	-0.448 (0.044)	0.048 (0.049)	-0.197 (0.043)	-0.120 (0.053)	-0.605 (0.043)	0.288 (0.050)
<u>Year Dummies</u>						
Year 1973	-0.352 0.026	---	-0.187 0.025	---	-0.060 0.085	---
Year 1974	-0.578 0.030	0.022 0.055	-0.312 0.028	0.064 0.051	0.087 0.079	-0.148 0.199
Year 1975	-0.401 0.029	-0.255 0.053	-0.208 0.029	-0.058 0.051	0.301 0.077	-0.060 0.189
Year 1976	-0.569 0.032	-0.150 0.054	-0.314 0.032	0.028 0.052	0.233 0.077	-0.171 0.188
Year 1977	-0.466 0.031	-0.242 0.053	-0.251 0.034	-0.011 0.053	0.338 0.077	-0.363 0.186
Year 1978	-0.458 0.032	-0.267 0.054	-0.240 0.036	-0.013 0.054	0.393 0.077	-0.462 0.185
Year 1979	-0.534 0.041	-0.084 0.063	-0.332 0.049	0.057 0.065	0.256 0.081	-0.351 0.187
Year 1980	-0.406 0.040	-0.133 0.062	-0.327 0.050	0.170 0.066	0.277 0.081	-0.345 0.187
Year 1981	-0.302 0.042	-0.256 0.063	-0.279 0.052	0.183 0.068	0.411 0.081	-0.427 0.187
Year 1982	0.036 0.035	-0.366 0.055	0.022 0.044	0.177 0.057	0.706 0.079	-0.564 0.184
Year 1983	-0.126 0.036	-0.373 0.055	-0.236 0.047	0.268 0.059	0.444 0.079	-0.429 0.184
Year 1984	-0.046 0.037	-0.475 0.055	-0.335 0.052	0.362 0.062	0.340 0.081	-0.356 0.184

Table 7 (continuation)

	(1a)	(1b)	(2a)	(2b)	(3a)	(3b)
Year 1985	-0.241 (0.042)	-0.322 (0.059)	-0.414 (0.056)	0.347 (0.065)	0.322 (0.082)	-0.433 (0.185)
Year 1986	-0.341 (0.047)	-0.280 (0.064)	-0.384 (0.057)	0.426 (0.066)	0.265 (0.085)	-0.343 (0.186)
Year 1987	-0.330 (0.049)	-0.288 (0.065)	-0.518 (0.063)	0.438 (0.071)	0.117 (0.088)	-0.293 (0.187)
Year 1988	-0.340 (0.052)	-0.265 (0.069)	-0.630 (0.072)	0.570 (0.079)	0.068 (0.090)	-0.200 (0.188)
Year 1989	-0.255 (0.053)	-0.304 (0.069)	-0.422 (0.066)	0.426 (0.074)	0.002 (0.094)	-0.071 (0.190)
Year 1990	-0.154 (0.053)	-0.344 (0.069)	-0.320 (0.068)	0.359 (0.074)	0.150 (0.093)	-0.141 (0.190)
Year 1991	-0.082 (0.055)	-0.346 (0.071)	-0.451 (0.074)	0.579 (0.079)	0.270 (0.094)	-0.191 (0.190)
Year 1992	0.237 (0.057)	-0.459 (0.071)	-0.221 (0.073)	0.438 (0.076)	0.358 (0.098)	-0.077 (0.192)
<u>Heterogeneity parameters</u>						
Variance of Intercept	0.4436 (0.0311)		0.0456 (0.0099)		0.0512 (0.0073)	
Variance of Learning Coeff.	0.0626 (0.0133)		0.2024 (0.0110)		0.0228 (0.0061)	
Covariance	-0.1666 (0.0169)		-0.0069 (0.0050)		0.0321 (0.0047)	
<u>Observations:</u> (persons)	273600 (16015)		201695 (10420)		169681 (10547)	
<u>Log-likelihood:</u>	-71054.8		-68441.82		-73401.1	

Note: The subsidy rate is the UI replacement rate multiplied by the maximum number of weeks of eligibility and divided by the minimum number of weeks to qualify. Unobserved heterogeneity in the intercept and the learning coefficient is modelled as a bivariate standard normal distribution. The model is estimated by simulated maximum likelihood (20 draws). Nine industry dummies are also included in all models.

Table 8: Random Effect Probit Estimates for Each of the three Groups of Women for all Provinces, 1972-1992.

	<u>Women born before 1946</u>		<u>Women born in 1946-55</u>		<u>Women born after 1955</u>	
	Main Effect	Interact. with Learning	Main Effect	Interact. with Learning	Main Effect	Interact. with Learning
	(1a)	(1b)	(2a)	(2b)	(3a)	(3b)
Intercept	-1.217 (0.133)	-0.094 (0.187)	-1.389 (0.135)	0.142 (0.185)	-2.037 (0.18445)	0.427 (0.471)
First Lag	0.668 (0.016)	---	0.565 (0.016)	---	0.457 (0.016)	---
Second Lag	0.588 (0.017)	---	0.502 (0.016)	---	0.441 (0.015)	---
Third Lag	0.339 (0.017)	---	0.338 (0.016)	---	0.276 (0.015)	---
Fourth Lag	0.247 (0.018)	---	0.238 (0.017)	---	0.134 (0.016)	---
Age	-0.126 (0.027)	---	-0.058 (0.021)	---	-0.406 (0.032)	---
Age squared	0.018 (0.007)	---	0.011 (0.014)	---	-0.370 (0.026)	---
Subsidy Rate	0.100 (0.037)	0.144 (0.053)	0.181 (0.038)	-0.079 (0.052)	0.281 (0.035)	-0.162 (0.054)
<u>Province Dummies:</u>						
Nova Scotia	-0.136 (0.052)	-0.045 (0.061)	-0.093 (0.046)	-0.125 (0.054)	-0.374 (0.044)	0.139 (0.050)
New Brunswick	-0.085 (0.048)	-0.036 (0.055)	-0.065 (0.039)	-0.035 (0.045)	-0.288 (0.042)	0.161 (0.046)
Quebec	-0.109 (0.052)	-0.080 (0.060)	-0.114 (0.044)	-0.095 (0.053)	-0.309 (0.045)	0.008 (0.053)
Ontario	-0.243 (0.063)	-0.029 (0.078)	-0.121 (0.059)	-0.217 (0.072)	-0.478 (0.057)	-0.006 (0.072)
Manitoba	-0.278 (0.062)	-0.005 (0.077)	-0.136 (0.059)	-0.218 (0.071)	-0.479 (0.057)	-0.014 (0.070)

Table 8 (continuation)

	(1a)	(1b)	(2a)	(2b)	(3a)	(3b)
Saskatchewan	-0.451 (0.066)	0.108 (0.081)	-0.170 (0.062)	-0.283 (0.076)	-0.523 (0.059)	0.019 (0.073)
Alberta	-0.478 (0.063)	0.066 (0.079)	-0.455 (0.059)	-0.022 (0.074)	-0.814 (0.056)	0.291 (0.069)
British Columbia	-0.311 (0.056)	0.052 (0.066)	-0.313 (0.050)	0.006 (0.060)	-0.472 (0.049)	0.054 (0.058)
<u>Year Dummies</u>						
Year 1973	-0.166 0.034	---	-0.122 0.034	---	0.241 0.150	---
Year 1974	-0.303 0.037	-0.133 0.080	-0.199 0.036	-0.014 0.083	0.236 0.142	0.351 0.470
Year 1975	-0.428 0.039	-0.117 0.077	-0.180 0.037	0.029 0.082	0.323 0.139	-0.071 0.463
Year 1976	-0.404 0.039	-0.184 0.077	-0.222 0.039	0.015 0.080	0.370 0.138	-0.142 0.441
Year 1977	-0.363 0.040	-0.205 0.076	-0.298 0.042	0.118 0.081	0.452 0.138	-0.143 0.444
Year 1978	-0.358 0.041	-0.319 0.076	-0.250 0.043	0.040 0.080	0.536 0.137	-0.221 0.442
Year 1979	-0.381 0.051	-0.068 0.087	-0.217 0.054	0.004 0.091	0.600 0.140	-0.382 0.445
Year 1980	-0.293 0.050	-0.027 0.085	-0.201 0.055	0.056 0.090	0.547 0.140	-0.324 0.444
Year 1981	-0.232 0.053	-0.070 0.087	-0.235 0.059	0.159 0.092	0.697 0.141	-0.397 0.444
Year 1982	-0.094 0.046	-0.126 0.078	-0.154 0.053	0.225 0.084	0.820 0.139	-0.428 0.443
Year 1983	-0.133 0.046	-0.178 0.076	-0.240 0.053	0.277 0.082	0.663 0.139	-0.331 0.443
Year 1984	-0.061 0.049	-0.217 0.078	-0.254 0.056	0.298 0.084	0.709 0.140	-0.301 0.443

Table 8 (continuation)

	(1a)	(1b)	(2a)	(2b)	(3a)	(3b)
Year 1985	-0.170 (0.053)	-0.141 (0.080)	-0.378 (0.060)	0.361 (0.086)	0.616 (0.141)	-0.263 (0.443)
Year 1986	-0.132 (0.055)	-0.117 (0.083)	-0.324 (0.063)	0.302 (0.088)	0.637 (0.143)	-0.264 (0.443)
Year 1987	-0.167 (0.058)	-0.155 (0.086)	-0.426 (0.066)	0.434 (0.089)	0.604 (0.144)	-0.227 (0.443)
Year 1988	-0.122 (0.062)	-0.119 (0.089)	-0.344 (0.069)	0.344 (0.093)	0.599 (0.146)	-0.195 (0.444)
Year 1989	-0.121 (0.064)	-0.137 (0.091)	-0.334 (0.070)	0.356 (0.094)	0.630 (0.146)	-0.208 (0.445)
Year 1990	-0.042 (0.066)	-0.144 (0.094)	-0.409 (0.075)	0.459 (0.097)	0.711 (0.147)	-0.248 (0.445)
Year 1991	0.129 (0.067)	-0.304 (0.094)	-0.389 (0.078)	0.453 (0.098)	0.609 (0.150)	-0.099 (0.446)
Year 1992	0.306 (0.072)	-0.226 (0.096)	-0.195 (0.080)	0.460 (0.098)	0.954 (0.151)	-0.079 (0.446)
<u>Heterogeneity parameters</u>						
Variance of Intercept	0.4206 (0.0369)		0.0916 (0.0145)		0.0943 (0.0139)	
Variance of Learning Coeff.	0.1450 (0.0246)		0.0021 (0.0020)		0.0011 (0.0015)	
Covariance	-0.2309 (0.0221)		0.0027 (0.0073)		0.0050 (0.0070)	
<u>Observations:</u> (persons)	173248 (10774)		141428 (7751)		138012 (9058)	
<u>Log-likelihood:</u>	-42926.24		-41914.78		-46000.23	

Note:

The subsidy rate is the UI replacement rate multiplied by the maximum number of weeks of eligibility and divided by the minimum number of weeks to qualify. Unobserved heterogeneity in the intercept and the learning coefficient is modelled as a bivariate standard normal distribution. The model is estimated by simulated maximum likelihood (20 draws). Nine industry dummies are also included in all models.