



## STAFF REPORT ACTION REQUIRED

### Implementing Toronto's Workforce Development Strategy: Progress to Date and Necessary Next Steps

<b>Date:</b>	February 18, 2013
<b>To:</b>	Economic Development Committee
<b>From:</b>	General Manager, Service Integration & Business Transformation General Manager, Toronto Employment & Social Services
<b>Wards:</b>	All
<b>Reference Number:</b>	

#### SUMMARY

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In March 2012, City Council unanimously endorsed Toronto's first workforce development strategy, *Working as One: A Workforce Development Strategy for Toronto*. The strategy provides a blueprint, in terms of both its vision and approach, for an integrated employment services system in Toronto, as part of an integrated workforce development strategy. Along with *Collaborating for Competiveness: A Strategic Plan to Accelerate Economic Growth and Job Creation in Toronto* and the *Toronto Strong Neighbourhoods Strategy 2020*, it is a key component of the City's strategic framework to sustain and advance economic growth, ensure all communities share in the opportunities that are created, and better connect jobseekers and employers.

This report begins with an overview of City work in 2012 to further advance its workforce development strategy by improving services to and outcomes for employers and jobseekers. Next, it provides an update on the implementation of key recommendations contained in *Working as One*, focusing in particular on a recently completed review of employment services in Toronto and the progress towards a workforce development dashboard.

Finally, with reference to key reports released by the *Commission for the Review of Social Assistance in Ontario* and the *Commission on the Reform of Ontario's Public Services*, it highlights the opportunity that now exists to accelerate this progress and build a 'made in Toronto' system that better aligns resources, works towards shared outcomes while better serving local employers and jobseekers and strengthening Toronto's economy. To achieve this, it suggests a new alignment of roles and responsibilities within Toronto's employment services system and proposes a framework to make that happen.

## RECOMMENDATIONS

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The General Manager, Service Integration & Business Transformation and the Acting General Manager, Toronto Employment & Social Services recommends that:

1. Given the potential implications for the City of Toronto of the recommendations made by the provincially appointed *Commission for the Review of Social Assistance in Ontario* and the *Commission on the Reform of Ontario's Public Services* (Drummond Report), City Council authorize the City Manager to collaborate with the province with respect to the potential implementation of these reports, in accordance with the following positions:
  - Informed by the principles established through the Provincial-Municipal Fiscal Service Delivery Review and the Toronto-Ontario Cooperation and Consultation Agreement, the City and Province need to establish and agree on an implementation framework, structure and process that recognizes the need for full partnership between the City and the Province;
  - Implementation of key recommendations build on the work undertaken through the Provincial-Municipal Fiscal Service Delivery Review and by the City with respect to simplifying and modernizing the delivery of income assistance and employment related supports, and better integrating social assistance and Employment Ontario services; and
  - Any changes resulting from the transfer of responsibility, service integration or service transformation of social assistance and employment services shall not result in new or additional short and long-term net costs to the City.
2. Within the framework established to implement the Social Assistance Review Commission's recommendations and relevant Drummond Report recommendations, as per Recommendation 1, City Council direct the General Manager of Employment & Social Services, on behalf of the City of Toronto, to advance City Workforce Development priorities and the integration of the employment services system in Toronto, by:
  - Establishing, in conjunction with the Province, a City of Toronto table comprised of provincial and municipal officials to pursue the transfer of full responsibility from the Provincial government to the City of Toronto for the planning, management and delivery of employment services in Toronto, subject to the transfer not resulting in new or additional short and long-term net costs to the City.
3. City Council approve the City of Toronto Employment Service System Outcomes presented in this report and direct the General Manager of Employment & Social Services to consult with appropriate stakeholders to create a common reporting framework for employment services system level outcomes.

## Financial Impact

There are no financial implications arising from this report.

## DECISION HISTORY

At its meeting on March 5, 6 and 7, 2012 City Council endorsed the vision, principles, objectives and recommendations contained in *Working as One: A Workforce Development Strategy for Toronto*.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.ED11.5>

The General Manager of Toronto Employment & Social Services was requested to report back to the Economic Development Committee on the implementation of the strategy in 2013.

## ISSUE BACKGROUND

In March 2012, City Council unanimously endorsed *Working as One: A Workforce Development Strategy for Toronto*. The City's workforce development strategy was developed in the context of:

- Significant changes to the nature of employment and the labour market with a decline in full-time, well-paid manufacturing jobs and an increase in temporary, part-time and contract jobs or self-employment;
- Both high and persistent unemployment and labour and skills mismatches, leaving many jobseekers unable to find work and many employers unable to find skilled workers; and
- The lack of an integrated employment services system in Toronto or Ontario, with limited coordination among governments or service providers.

Reflecting the importance of integrated actions, this report discusses the City's workforce development strategy, which is integrally linked with *Collaborating for Competitiveness* and *Strong Neighbourhoods 2020*. Other City initiatives, notably efforts to enhance job quality and the *Toronto Newcomer Strategy*, which seeks to advance the successful settlement and integration of all newcomers, are also important aspects of the City's work to advance economic growth and ensure that economic and social opportunities are shared across Toronto's communities.

## COMMENTS

### 1. Progress to Date: Improving and Aligning Services to Employers and Jobseekers

*Working as One* set out a focused and pragmatic strategy to advance workforce development in Toronto. It identified two primary customers – employers and jobseekers – and described ways to better connect and support them. This section highlights City

actions in the past year that have further improved services to and outcomes for employers and jobseekers.

### **A: Working with Employers**

The City is working with employers in a variety of ways to help them address their hiring needs. In the past year, the City worked with close to 300 employers, in all areas of the City and in diverse industries and sectors, to identify opportunities and provide customized services. Much of this success was achieved through: employment planning; coordinating employer engagement; connecting the City's workforce and economic development activities; capitalizing on the City's own role as an employer and promoting workforce development.

#### ***Employment Planning***

The City continues to develop integrated employment plans that capitalize on city building initiatives involving the private and public sectors. These initiatives build long-term assets, such as infrastructure, housing, transit and commercial developments that support sustainable and inclusive growth, and provide a legacy in terms of employment opportunities.

Employment planning is recognized as an integral part of such projects. As a result, Toronto Employment & Social Services (TESS) is involved, wherever possible, from the early stages of project development. In recent years: TESS has led or been engaged in 26 employment planning initiatives, with a further five initiatives led by Social Development Finance & Administration (SDF&A). As a result:

- Close to 300 employers have been engaged through these initiatives, some in more than one project; and
- Approximately 750 residents have obtained employment with close to 3500 participating in recruitment preparation or skills upgrading.

This work has evolved from a small number of signature initiatives (e.g. Regent Park and the Partnership to Advance Youth Employment) to become an essential feature of the City's workforce development activities across the City. Projects are currently underway that span 12 sectors ranging from Financial Services to Food, Hospitality and Retail and Construction. Attachment 1 lists the employment planning initiatives TESS and SDF&A are currently involved in.

Key examples of current employment planning efforts include the following:

- Metrolinx – Georgetown South Rail Expansion; and
- Toronto Waterfront Redevelopment including the building of the Athletes Village for the 2015 Pan Am and ParaPan Am Games.

### ***Coordinating Employer Engagement***

Whether through the Partnership to Advance Youth Employment or through larger scale employment planning initiatives and smaller customized recruitment initiatives, the City now works with many of Toronto's largest employers, including the 5 major banks, private developers, construction companies and retailers, as well as a growing number of small and medium sized enterprises. These employers consistently highlight the lack of coordination between employment service providers who are engaging the private sector.

- Starting in 2011, to create a coherent way for employers to access the appropriate range of government- funded recruitment, skills and business supports, the City leveraged its long-standing partnership with the Toronto Region Immigrant Employment Council (TRIEC) to better coordinate employer engagement activities. Working together, the City and TRIEC have shown that they can successfully connect employers both to youth looking to enter the job market and skilled newcomers who offer more experience.
- In Fall 2012, this partnership was expanded to include JOIN (a network of agencies serving job seekers with disabilities) and agencies serving aboriginal job seekers.

### ***Connecting Workforce Development with Economic Development***

- In 2011/12, 53 businesses were connected to TESS by Economic Development and Culture (EDC) through a new standardized process whereby Economic Development Officers and specialized Sector Advisors work with TESS to respond to business needs. TESS works with these employers, many of which are small and medium enterprises located throughout the city, to connect them with qualified jobseekers;
- A similar process has also been developed with Invest Toronto. In 2012, this resulted in 6 businesses entering into discussion with TESS; and
- EDC and TESS continue to use the Imagination Manufacturing Innovation Technology (IMIT) grant program to engage employers<sup>1</sup>. A notable example is the work with Ripley Entertainment Inc to develop customized recruitment strategies for aquarists and venue operations staff for the Toronto Aquarium.

### ***City as an Employer***

The City is also demonstrating leadership as an employer by enhancing access to City job opportunities. TESS & Human Resources (HR) have increased efforts to assist City divisions facing recruitment challenges for specific job opportunities and those seeking to conduct outreach to diverse communities across the city. As a result, more than 20 City divisions and Agencies, Boards, Commissions and Corporations have partnered in at least one initiative.

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<sup>1</sup> The program allows eligible businesses to receive a Tax Incremental Equivalency Grant (TIEG) of up to 60% of the increase in the municipal taxes attributable to eligible new commercial and industrial construction over a 10 year period.

Prominent examples include:

- Through TESS employment centres, candidates are supported to apply for City opportunities. In 2012, over 300 applications were made to City employment opportunities. This resulted in 52 hires in a variety of positions;
- In partnership with TESS, Toronto Emergency Medical Services developed a Primary Care Paramedic Program. Meanwhile, Fires Services has developed a Career Information Program for the Operations Firefighter position; and
- TESS and HR worked closely with Parks, Forestry & Recreation, Humber College and Community Microskills to develop a recruitment strategy for gardening positions which are traditionally difficult to fill. In the pilot in 2012, 26 people applied and 7 were hired.

### ***Social Procurement***

As well as working with traditional workforce development partners like EDC, SDF&A and HR, the City is also advancing its corporate objectives in other ways. Led by SDF&A, an interdivisional team is developing a social procurement framework which will be forwarded to City Council in Spring 2013. The Social Procurement policy will:

- Enhance the City's purchasing power to maximize economic, workforce and social development benefits for residents and business that result from the procurement of City contracts; and
- Maximize opportunities for small, medium and large business to compete for City contracts.

### ***Promoting and Connecting Workforce Development Services in Toronto***

Over the past year, the City has taken important steps to promote and connect workforce development services in Toronto, including:

- The City's first annual Workforce Development Week, held in October 2012, saw more than 100 employers, 3000 residents, 86 community partners and 24 City divisions, agencies, boards, and commissions take part in 19 different events and initiatives. Attachment 2 provides an overview of the week's events and outcomes.
- Toronto WorkOne: Opportunity Starts Here provides a consistent visual identifier for all City workforce development initiatives and services. Through its online presence ([www.toronto.ca/workone](http://www.toronto.ca/workone)), Toronto WorkOne also provides employers and jobseekers with simplified access to the City's workforce development services.

### **B: Working with Job Seekers**

As well as better serving local businesses and employers, the City's focus on employment planning is also creating new opportunities for jobseekers. TESS' increasing engagement with employers is strengthening its services for jobseekers – a direct result of connecting demand and supply-side approaches. Actions in this area are focused on integrating

services so that they can be more readily accessed by service users and ensuring that jobseekers are more knowledgeable about labour market opportunities, better prepared to enter the labour market and better connected to employers and employment opportunities.

### ***Integrated Services***

A number of recent initiatives have proven successful at better integrating services for jobseekers and city residents.

- TESS is continuing to increase access to a broad range of employment and human services in its employment centre's through the provision of itinerant services. In 2012, 49 itinerant service arrangements were in place for such services as housing, settlement, youth outreach and literacy assessments, through its employment centres;
- To bring City services together for common clients and to streamline access, TESS and Children's Services have established a joint service counter at Metro Hall;
- To address gaps in self-employment supports for City residents, EDC and the Toronto Business Development Centre are offering business incubation services in Libraries and will pilot this in TESS' Consilium Employment Centre; and
- To address the mismatch between the skills required in many jobs and the skills possessed by jobseekers, TESS is working with education institutions, such as University of Toronto, George Brown College and Humber College, to:
  - Provide customized education and training opportunities to local residents (e.g. the Paintbox Bistro in Regent Park) as part of employment planning initiatives; and
  - Address the credential and workplace language needs of internationally educated professionals through a pilot with the University of Toronto's School of Continuing Education.

### ***Improving Employment Services***

The City continues to improve the services it directly delivers to jobseekers with notable advancements in the following areas:

#### ***Improving Employment Center Services***

- In 2012, over 2650 employment focussed workshops were offered and approximately 20,000 residents registered to participate;
- These workshops have been standardized and aligned with established competency frameworks such as the Blueprint for Life/Work Designs and Essential Skills;
- As a result of the increase in employer-focused services and the number of employers partnering with TESS' Employment Centers, services designed for jobseekers are being better informed by the needs and expectations of employers e.g. career networking events for engineers and financial services professionals; and
- Jobseekers have greater access to customized services combining career information, skill building, job search preparation and direct connections to employers.

## *Improving Access to Opportunities and Services*

Through increased partnerships with employers, the City offers more opportunities for jobseekers to connect directly with employers. This occurs in two main ways:

- i. Job Fairs/Customized Recruitment Initiatives
  - The City hosts both large scale job fairs which primarily provide opportunities for networking and smaller, customized events which focus on recruitment (see Attachment 1);
  - In 2012, there were 12 job and career fairs attended by over 5000 jobseekers, with the participation of over 100 unique employers and service providers;
  - In 2012, a further 21 customized recruitment initiatives, each combining career information sessions, resume and interview preparation, scheduled job interviews and job retention supports, were held. Over 825 job seekers and 28 different employers participated. To date, with more outcomes pending, this has resulted in approximately 170 hires; and
  - TESS has led the development of a system to track job fair participants and job fair outcomes across the City.
- ii. Technology
  - To improve jobseeker access to services and opportunities, TESS has introduced new tools, including self-service technology to facilitate online job matching, program information access and registration (e.g. the EC Portal and the Employment Opportunities System); and
  - In addition, TESS Employment Centres will explore leveraging technology to offer jobseekers access to on-line coaching and real time feedback.

### **Investing in Staff**

- TESS continues to invest in staff knowledge and expertise by providing the training and tools they require to better serve jobseekers;
- All TESS frontline staff received specialized employment service training and the competencies required to support residents with career planning and to develop personalized employment service plans; and
- New business tools were introduced to improve service planning and case management with jobseekers (e.g. the Employment Service Planner and the Employment and Service Information tool).

## **2. Advancing a System Level Approach**

### **A: Employment Services Review**

More than ever, Toronto needs employment services that better connect jobseekers to employers. Despite recovery from a prolonged recession, at between 9-10%, Toronto's



unemployment rate is 2.5% higher than the regional and national average. This means that approximately 135,000 residents are unemployed.<sup>2</sup> Unemployment rates among youth and newcomers are at least twice the general rate and are higher still in many of the city's poorest neighbourhoods. Recognizing this, the City's Economic Growth Plan, recently tabled at Economic Development Committee, seeks to eliminate the gap between City and national unemployment rates by 2018. In January 2013, Toronto's unemployment rate was 9.4 % compared to a national rate of just over 7%. A 1% decrease in Toronto's current unemployment rate would see approximately 14,000 residents employed who now do not have jobs.

The social assistance caseload has also risen by more than 30% since the recession and clients' length of stay is increasing. Overall, approximately 280,000 Toronto residents are in receipt of income supports<sup>3</sup>.

The large numbers of jobseekers in Toronto, and the extended time it takes many to find employment, reflects the recession's lingering effects, ongoing shifts in labour markets and the nature of employment. Given this, if steps are not taken to address the needs of jobseekers and employers, they are likely to persist and worsen over time.

Among the recommendations contained in *Working As One*, therefore, was a commitment for City staff to undertake a review of employment services across Toronto. In response to this recommendation, TESS, in partnership with the Ministry of Training Colleges and Universities (MTCU), co-led a review which included consultations with 145 representatives from 85 publicly funded employment agencies (including those who serve youth, women, newcomers and persons with disabilities). Attachment 3 provides further details about the review and the detailed findings. The review also addressed a recommendation arising out of the City's Core Service Review to consider adjusting the mix of contracted and directly delivered employment services<sup>4</sup>.

The review showed that there is substantial capacity in Toronto's employment service locations. MTCU, through Employment Ontario (EO), funds 40 community organizations to operate 69 service locations. Through TESS, the City operates 18 employment centres. It also funds 269 community agencies to deliver a broad range of pre-employment, training programs and placements. There are also a range of training and employment programs funded by various provincial ministries, as well as federal departments, which target programs to youth, newcomers, Aboriginals and persons with disabilities. The review did not look in detail at these services.

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<sup>2</sup> This measure of unemployment does not capture the full range of unemployed individuals. Statistics Canada produces information on supplementary measures of unemployment that include discouraged searchers and involuntary part-timers. While there are no statistics for Toronto at a national level these additional categories increase the unemployment rate by approximately 3%.

<sup>3</sup> This number includes 170,000 residents who are in receipt of Ontario Works, 90,000 who are in receipt of the Ontario Disability Support Program and 21,500 who are in receipt of Employment Insurance.

<sup>4</sup> In 2011, the City contracted with KPMG to undertake a Core Service Review of all services delivered by City divisions and agencies which defined and benchmarked services and identified service changes.

The following describes the EO services and City services:

#### *EO Services*

- In 2012/13 EO services were provided to 134, 667 Toronto job seekers including:
  - 100, 222 through Resources and Information services; and
  - 34, 445 through more intensive assisted employment services.
- The primary focus of these services is to:
  - Respond to the career and employment needs of individuals;
  - Respond to the skills labour needs of employers; and
  - Help individuals on a path to skills training and employment.
- EO-funded agencies deliver a full suite of services: client service planning and coordination, resource and information, job search, job matching, placement and employer incentives and job/training retention.

#### *City OW Services*

- In 2012, 58,000 jobseekers were served through TESS employment centres;
- TESS employment centres provide the full range of OW employment services to under and unemployed low-income residents, most of whom have exhausted or do not qualify for Employment Insurance;
- They also serve as the focal point for connecting City services that support workforce development, from economic development initiatives to broader income and stabilization services;
- 7,000 Ontario Works (OW) recipients were connected to pre-employment, skill building and work placement services funded by TESS and delivered by 269 agencies; and
- 19,000 OW recipients were provided with financial supports to cover the costs of minor fees and certification needed to obtain jobs.

While it appears that there is significant employment services capacity in Toronto, there are issues related to the degree services are available to different groups with different needs. To better understand how the current mix of services works for jobseekers and employers, and how they function as a "system", the review utilized the "distance from the labour market" approach (see Attachment 4) which differentiates between jobseekers based on their proximity to the labour market or the degree to which they require intensive service interventions to find and keep jobs. The distance approach both identifies the needs of individual jobseekers and helps organize services within a more coordinated employment services system<sup>5</sup>.

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<sup>5</sup>During the review the distance approach was well received and increasingly understood as an important component and organizing principle of a more integrated employment service system. The Commission for the Review of Social Assistance in Ontario recommended that a standard way of defining the needs of different segments of unemployed individuals, based on a "distance from the labour market" approach, be used in provincial employment services programs.

## ***Findings***

Overall, the review findings reflect the current fragmentation of roles and responsibilities with respect to employment service planning, management and delivery in Toronto and the absence of an integrated system. The review found that existing services are skewed towards the service needs of jobseekers 'closest to the labour market', leaving significant gaps for others. Service providers also noted that there is growing demand for services from those who are more distant from the labour market. Similarly, duplication exists for employers given the lack of coordinated approaches to engagement and partnerships. Finally, at the 'system' level, it is evident that current funding models further reinforce overlap and siloed approaches.

The findings show that there is a need to rethink the planning and management of employment services in Toronto, especially with regard to the continued evolution of the City's role, to achieve the goal of an integrated employment service system. In particular, as evidenced by the success it is achieving through the integrated work of TESS, SDF&A and Economic Development, the City is uniquely positioned to connect workforce development and economic development strategies at the local level to better serve local employers and jobseekers and strengthen Toronto's economy.

### **B: Towards a Workforce Development Performance Dashboard**

Currently, information on outcomes for employment services in Toronto is only available at the program level and the way outcomes are identified and measured is inconsistent. As result, there is no ability to report on basic employment services usage, such as the total numbers of individuals or employers served, or basic outcomes, such as the number of residents who obtained jobs or their satisfaction with the services they received.

One of *Working as One's* recommendations was to create a workforce development dashboard focused on customer and system outcomes. Common, consistent outcomes are needed to determine how effective services are, to ensure accountability at a city level for the delivery of services to employers and jobseekers and to demonstrate overall system success. Ultimately, they direct resources to areas where the best outcomes can be achieved.

Based on work done in other jurisdictions, and the City's own experience, the following five core employment services outcomes have been established:

Jobseekers	Service users obtain jobs
Employers	Employers find the skilled workers they need
Access	Jobseekers and employers can access the service they need
Public investment	Residents receive good value for the resources used to support employment services
Satisfaction	Employers, jobseekers and residents are satisfied with employment services and results

Chart 1 below lists the core outcomes stated above, plus other relevant outcomes. As a first step in developing a performance dashboard, TESS has begun to drill down from these core outcomes to develop measures that apply, initially, to residents who use OW services.

<b>Chart 1: Toronto's Workforce Development Outcomes</b>	
<b>For Employers</b>	<b>For Jobseekers</b>
<ul style="list-style-type: none"> <li>❖ <b>Employers find skilled workers they need</b> from diverse communities and retain them</li> <li>❖ Employer recruitment expectations are exceeded when interacting with employment service providers</li> </ul> <p><b>Satisfaction</b></p> <p><b>Employers are satisfied with employment services and results</b></p>	<ul style="list-style-type: none"> <li>❖ <b>Jobseekers obtain employment</b></li> <li>❖ Job seekers improve earnings</li> <li>❖ Jobseekers' skills and qualifications meet employers' current human resource needs</li> <li>❖ Jobseekers have access to supportive programs to improve their employment prospects and quality of life</li> </ul> <p><b>Satisfaction</b></p> <p><b>Jobseekers are satisfied with employment services and results</b></p>
<b>For the System</b>	
<p><b>System Access</b></p> <ul style="list-style-type: none"> <li>❖ <b>Employers and jobseekers can readily access employment services</b></li> <li>❖ Employment services are coordinated and seamless to the customer as they navigate the system</li> <li>❖ Direct and indirect costs associated with employment services are affordable for both employers and jobseekers</li> </ul>	<p><b>Public Investment</b></p> <ul style="list-style-type: none"> <li>❖ The public dollar value of investments in the employment services system is known</li> <li>❖ <b>Taxpayers/residents are satisfied that the public investment in the employment services system offers good value for money spent</b></li> </ul>

### *Next Steps*

There are currently no system level outcomes for employment services in Toronto. City of Toronto approval of these core employment service system outcomes provides a basis for engaging stakeholders across Toronto, and for identifying viable measures that will form the basis for a performance dashboard.

The relationship among core outcomes listed in Chart 1 can be presented as a straightforward model for describing the results expected of Toronto's employment service system. As the model shows (see Attachment 5), public investment is used to create a set of services that are designed to produce specific outcomes. The satisfaction of jobseekers and employers is determined by their experiences accessing these services and achieving their expected outcomes. Finally, the services must provide outcomes consistent with the system's goals and objectives.

City staff have begun to share and compare measures and indicators now used by other service deliverers and funders. Building on the City's own work to measure core outcomes, on the data and information gathered by others service funders and providers, and on the input from a range of employment service system stakeholders, City staff will work with its partners to develop an initial performance dashboard for the City's workforce service system.

### **3. The Evolving Intergovernmental Context**

A joint effort of the Province, the Association of Municipalities of Ontario (AMO) and the City of Toronto, the Provincial-Municipal Fiscal Service Delivery Review's (PMFSDR) 2008 report, *Facing the Future Together*, emphasized the need for greater streamlining and service integration within provincial and municipal human services.

Under the PMFSDR framework, the City partnered with the Province and AMO to develop a vision and guiding principles for integrated human services (through the Service Delivery Accountability Table) and to implement PMFSDR's human service recommendations (through the Human Services Implementation Steering Committee).

The City has taken important steps to advance this vision, culminating in Council's approval in 2012 of *Working as One* which is a blueprint for developing an integrated employment services system in Toronto.

Despite this progress, significant challenges remain with respect to the way employment services work in Toronto for both jobseekers and employers, including overlapping services, fragmentation and gaps. The systemic nature of these challenges means that they represent a roadblock to the City's efforts to further integrate employment services in Toronto and to implement its workforce development strategy.

In the past year, the province has released two related, landmark reports, namely *Brighter Prospects: Transforming Social Assistance in Ontario* (Lankin & Sheikh) and *Public Services for Ontarians: A Path to Sustainability and Excellence* (Drummond) that directly focus on transformation of social assistance and employment services. The wide ranging recommendations in both reports, if implemented, have significant cost and service system arrangement implications for Toronto.

The collective focus of these reports on issues of employment services and local planning and management provide an unprecedented opportunity to move beyond incremental changes and to focus on systemic issues, specifically a new alignment of roles and responsibilities within Toronto's employment services system.

The principles and commitments coming out of PMFSDR, the work it completed and the structure that it developed to undertake this work, serve as a foundation for the continuing transformation of social assistance and employment services in Toronto.

Implementation of recommendations made in *Brighter Prospects* and the Drummond Report represents a key next phase in this transformation. How implementation proceeds next is pivotal to advancing the City's efforts to integrate employment services and execute its workforce development strategy. For that reason, the City and province need to establish and agree on an implementation framework, structure and process that recognizes the need for full partnership between the City and the province.

It should be noted that AMO has similarly proposed that social assistance transformation should adhere to PMFSDR principles and commitments, and that an implementation framework consistent with the PMFSDR structure should be developed to act on the recommendations from *Brighter Prospects* and the Drummond report.

### ***An Evolving City Role in an Evolving System***

The findings of the employment services review, the evolving intergovernmental context and the City's ongoing work to implement its workforce development strategy, highlight the next steps required to develop an integrated employment services system in Toronto. Converging perspectives and practical experience indicate that a "made-in-Toronto" approach is now needed to further the integration of employment services in the city. This will require greater clarity over specific Provincial and City roles and responsibilities with regard to employment services.

To that end, within the framework developed to implement the Social Assistance Commission's recommendations, the City and the Province should establish a City of Toronto Table, comprised of provincial and municipal officials, to pursue the transfer of full responsibility for the planning, management and delivery of employment services in Toronto from the Provincial government to the City of Toronto. This transfer would be subject to the condition that there are no new or additional short or long term net costs to the City.

The goal of such a transfer is to accelerate progress and build a 'made in Toronto' system that better aligns resources, works towards shared outcomes and ultimately better serves local employers and jobseekers and strengthens Toronto's economy.

## **CONTACT**

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## **SIGNATURE**

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Heather MacVicar, General Manager, Service Integration & Business Transformation

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Phil Eisler, Acting General Manager, Toronto Employment & Social Services

## **ATTACHMENTS**

- Attachment 1: Inventory of Employment Planning Initiatives
- Attachment 2: Workforce Development Week Summary Report
- Attachment 3: Employment Services Review
- Attachment 4: Distance from the Labour Market Approach
- Attachment 5: Employment Services Outcomes Model