

### Employment Services Review

#### **Background**

In March 2012, Toronto City Council unanimously endorsed the City's workforce development strategy, *"Working as One: A Workforce Development Strategy for Toronto"*. *Working as One* includes a set of recommendations aimed at advancing the City's workforce development objectives, including the establishment of an integrated employment services system serving both employers and jobseekers.

In order to achieve this, *Working as One* made a number of recommendations, including the following:

*"Consistent with the priorities and objectives of the City's approach to workforce development, City staff led a review of the current mix of employment centres across Toronto and forward the results to appropriate government partners."*

Acting on this recommendation, Toronto Employment and Social Services (TESS), in partnership with the Ministry of Training Colleges and Universities (MTCU), co-led a city-wide Employment Services Review<sup>1</sup> with the goal of strengthening Toronto's employment services system and providing better services to employers and jobseekers.

#### **Purpose**

Informed by the strategic direction articulated in *Working as One*, the purpose of the review was to:

- Demonstrate how the current network of employment centre services is meeting the needs of residents, and identify service gaps and overlap.
- Highlight opportunities to improve service planning and coordination to address gaps and overlaps and maximize results for jobseekers and employers.
- Inventory the mix and types of services provided through employment services across Toronto.
- Demonstrate the overall value for resources invested in employment services in ways that support workforce development goals and objectives.

Evidence from the review will also provide a basis for planning a more coordinated approach to the delivery of services within an integrated employment services system.

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<sup>1</sup> Due to the range of services offered in Toronto, the scope of the review was broadened to include all employment services, rather than a focus on just those delivered through traditional employment centre settings.

## **Methodology**

In order to achieve these goals, the review used a number of different approaches to collect and analyze information, including:

- Completing a mapping of TESS and EO employment centres [See Appendix A].
- Completing an inventory of Ontario Works, Employment Ontario, Ontario Disability Supports Program, and the Ministry of Citizenship and Immigration employment-related program descriptions and employment service providers [See Appendix B].
- Conducting a series of six consultation meetings held across Toronto in November and December 2012.
- A total of 154 individuals attended these consultation meetings, representing 85 publicly funded employment agencies and local employment community organizations, 2 provincial ministries, 3 City divisions, and 5 research and planning bodies [See Appendix C for a complete list of participants].
- The consultation engagement methodology comprised of three exercises that focused on:
  - Employers: determining needs, available services and gaps.
  - Jobseekers: determining needs, available services and gaps.
  - System Coordination: defining consistent integrated system goals and management systems to track and measure results.

## **Review Findings**

The review identified a number of key findings which are summarized below under the following themes:

1. Employment Services Landscape: Capacity in Toronto
2. Employers: Needs, Service Gaps and Outstanding Issues
3. Jobseekers: Needs, Service Gaps and Outstanding Issues
4. System-Level Issues

## **1. Employment Services Landscape: Capacity in Toronto**

As an important first step in the review, staff completed a mapping of TESS and EO employment centres and also developed an inventory of Ontario Works, Employment Ontario, Ontario Disability Supports Program, and the Ministry of Citizenship and Immigration employment-related program descriptions and employment service providers.

This provided a comprehensive understanding of the current employment services landscape in Toronto, the players involved and services offered. Doing so demonstrated that there are a number of service providers and service locations available throughout Toronto that provide support to employers and jobseekers.

The review found that there is substantial capacity in Toronto's employment service locations. Ministry of Training Colleges and Universities, through Employment Ontario (EO), funds 40 community organizations to operate 69 employment service locations that offer “One Stop” access to all EO programs and services, including self employment programs and skills training programs such as Second Career, Literacy and Basic Skills, and Apprenticeship.

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. While the review documented the availability of these services, it did not analyze them in great detail.

The following describes EO and City services within Toronto:

### *EO Employment Services*

- 2012/13 year to date (April 1, 2012 to January 31<sup>st</sup>, 2013) EO employment services were provided to 134,667 jobseekers in Toronto:
  - 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 need of employers for skilled labour; 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 provided with staff assisted career management and work search supports at TESS employment centers;
- TESS employment centres provide information and referral to government-funded education, training and employment service programs;
- TESS employment centres also provide access to the full range of Ontario Works (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 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.

## **2. Employers: Services, Gaps and Outstanding Issues**

In recent years, governments and service providers delivering employment services have increasingly recognized the importance of engaging employers and developing strong partnerships with them. Working closely with employers' highlights the fact that, like jobseekers, employers have different needs, and as a result, require customized services. As well as ensuring that employers are better served, this approach also creates new opportunities for jobseekers. Finally, this approach not only helps to address immediate hiring needs, but also provides important insights into changing hiring and skills needs.

Good examples of partnerships exist among governments, employment services and employers, such as the Partnership to Advance Youth Employment, larger scale employment planning initiatives, smaller customized recruitment initiatives, and employer partnerships with individual community employment service providers. However, employers consistently highlight the lack of coordination among employment service providers who are engaging the private sector. The complexity of Toronto's employment services landscape makes it difficult for employers to find and access the services and supports they need. They are often approached by various employment services organizations with competing or similar mandates.

One mechanism that the review utilized to generate information on employer needs and available services was the 'Business Stage Growth' model. The purpose of this model is to identify the needs and corresponding services required by employers according to their stage of business growth. The five major stages are: (1) start-ups, (2) survival businesses, (3) businesses that have successfully taken off, (4) resource mature businesses and (5) businesses facing downsizing, succession planning or closure.

The rationale for using this specific model is that businesses in different growth stages have different needs and require diverse services to address those needs. The model thus reflects the highly diverse nature of all types of employers and provides a way of taking into account the complex needs of businesses at different stages of growth. The Business Stage Growth model is depicted in Diagram 1. A further explanation of how it has been applied within a Toronto context is described in Appendix E.

**Diagram 1. Business Stage Growth Model**



Through the use of the Business Stage Growth approach, the review found the following with respect to the workforce needs of employers in Toronto:

- There are a number of services available to support the recruitment needs of employers, through a variety of mechanisms including one-on-one interviewing, job fair events and customized recruitment strategies.
- There is a pressing need for better coordination, service standards and a consistent approach to quality assurance with respect to services provided to employers, including quality recruitment and customized supports.
- While there are services available to employers in the event of downsizing and closures, sufficient business start-up services are lacking. There is a need for additional services to support business startups, particularly in the area of self-employment and entrepreneurship development. This includes the provision of financial supports such as access to microloans, startup capital, credit counseling, as well as business incubators and cooperatives supports.
- There is a need for customized services to support social enterprises and non-profit organizations in their role as employers. These types of employers have the potential to simultaneously create innovative job opportunities and work experience.

### 3. Jobseekers: Services, Gaps and Issues

Conventionally, services are often organized with respect to population groups such as youth, newcomers and women. This makes sense because different groups have different needs and often require services to be delivered differently. However, it is also the case that, regardless of population group, the degree to which people are employment ready and have the skills they need to become employed can vary greatly.

To address this, the review adopted a 'distance from the labour market' approach to identifying the broad range of jobseeker needs and services. In contrast to a “one-size-fits-all” approach which determines responses based strictly on demographic characteristics or siloed program criteria, a 'distance' approach acknowledges that residents have unique needs and draws on these to organize and allocate the most appropriate services. This distance model is depicted on page 9.

A distance approach provides a foundation to address the needs of all residents, whether they require only occasional supports to progress through their careers, or require more comprehensive and intensive supports. This approach provides a consistent, practical way to provide differentiated services to individuals, and to organize programs and services within a more coordinated employment services system. It also reflects the highly diverse nature of jobseekers in a large city, and provides a way of taking into account the complexity, and rapidly changing nature, of current labour markets. A closer look at how the distance approach was applied to the review can be found in Appendix F.

#### *Applying the Distance from the Labour Market Approach*

The review used this distance approach to identify the types of services currently available to jobseekers that meet their unique and individualized needs, and the remaining gaps and issues that exist. This approach was introduced during the consultation meetings, and was used in collaboration with employment service providers in attendance to complete an exercise that identified services and gaps. This approach was also incorporated into other aspects of data collection and analysis undertaken for the review. The review identified the following findings with respect to the needs of a diverse range of jobseekers in Toronto:

- *Employed/Close to Labour Market*

These individuals generally possess qualifications and skills that are in demand in the labour market, but may be unemployed, underemployed, or employed and looking to advance their careers. They are often characterized as having a recent attachment to the labour market, good literacy and numeracy proficiency, and possess relevant work experience, education and training. For example, underemployed highly skilled internationally educated professionals and recently unemployed skilled workers may find themselves within this group.

The service needs of this group are less complex than others. They typically require job search supports that focus on making connections with employers and job opportunities. The review highlighted the provision of adequate job search services for individuals within this group, including, but not limited to, resume writing, interview preparation, job search skills and computer training. There are also substantial job development services available to those 'employed/close to the labour market'.

While many services exist to address the needs of this group in comparison to the other groups, there remains a lack of sufficient self-employment and entrepreneurship supports. There is also a need for flexibility with respect to how and when employed individuals may access services beyond traditional business hours. During the course of the review, service providers also noted the need to customize their delivery approach to meet the unique needs of specific populations within this group, such as mature workers and youth.

- *Moving Towards the Labour Market*

Individuals who are moving towards the labour market require more intensive supports than those who are employed or close to the labour market. They typically have gaps in their qualifications and skills that impede their ability to successfully participate in the labour market, such as a lack of Canadian credentials, education that is not relevant to the labour market, or skills that may require advancement. For example, unemployed workers whose skills are outdated or youth without adequate qualifications to meet job requirements may find themselves within this group.

The types of services available to individuals within this group include job search supports, academic upgrading, specialized assessments, work experience opportunities through placements and internships, and skills training through apprenticeships, pre-apprenticeships and workshops. In addition, there are a number of training programs available to individuals 'moving closer to the labour market' who qualify, such as Second Career, Ontario Works Skilled Development Linked to Employment Program, and a number of bridge training programs. Academic upgrading as well as GED preparation and certification are also available to those who qualify.

While there are a number of programs that provide training, certification and work experience placements, eligibility for these services is often restricted to people in receipt of income support (i.e. EI, OW and ODSP). In addition, while there are good examples of pre-apprenticeship and bridge training programs, they do not provide income support or living allowances. Similarly, while there are good examples of mentorship opportunities, such as the Toronto Region Immigrant Employment Council (TRIEC) Mentoring Partnership Program, these types of mentorship opportunities only serve a specific population group (i.e. skilled immigrants). As a result, many under and unemployed low-income residents who do not qualify for income supports are unable to access these various services.

- *Distant from the Labour Market*

Those most distant from the labour market possess multiple self-sufficiency challenges that serve as barriers to accessing and fully participating in the labour market, such as a lack of vocational focus, poor language and numeracy skills, low or no education, and/or no work experience. For example, individuals who have been out of the workforce for an extended period of time may be found within this group.

Since individuals within this group require the most intensive supports, the types of services available to them include targeted career exploration supports, individualized one-on-one coaching, basic language and literacy training, financial literacy workshops, settlement services, and some mental health and addiction services, including psychological assessments, counselling and psychotherapy.

For these individuals, a number of significant service gaps are apparent. Most notable is the need for targeted and specialized services. Many existing services are generic and do not meet the needs of multi-barriered individuals. These services also tend to be short-term in nature, and do not reflect the time required to adequately address multiple barriers. In particular, a greater emphasis on resiliency and job retention services is required, specifically for those with special needs or disabilities. Sufficient mental health and addiction services are also lacking, particularly psychological assessments and supports for individuals with disabilities.

### ***Summary of Job Seeker Findings***

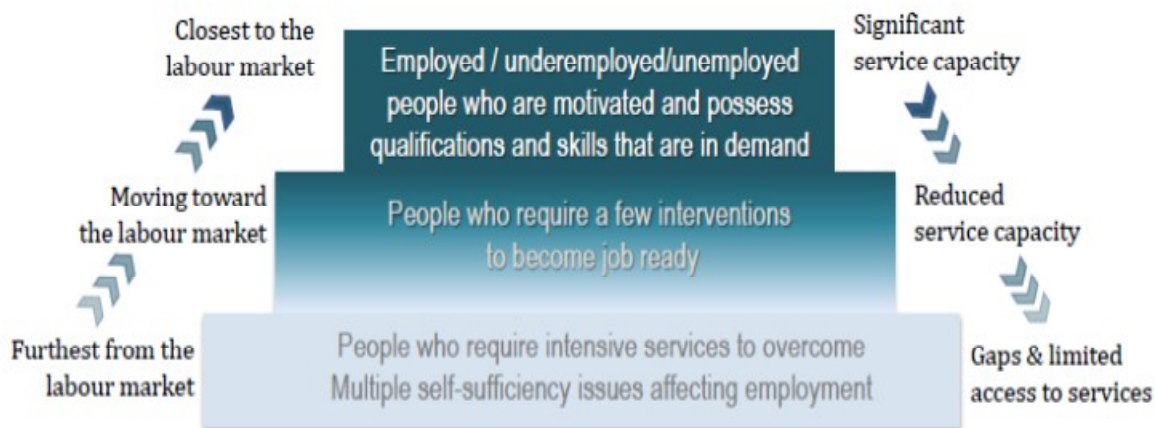
The 'distance' approach provided important insights into current services for jobseekers. While a number of services and supports exist for and respond to the specific needs of individuals who are 'employed/close to the labour market', there are fewer services and supports offered to address the unique needs of those 'moving closer', and even fewer adequate supports to address the challenging issues faced by individuals who are most 'distant from the labour market.' During the course of the review, service providers noted that there is growing demand for services for those who are more distant from the labour market.

Notwithstanding the unique challenges that jobseekers face within each of these groups, a number of common issues affect all individuals irrespective of their degree of labour force attachment. Most notable is the dire need for adequate financial support to access child care, housing, and other broader human services. Also, individuals who do not meet the restrictive requirements to qualify for public programs face considerable difficulty accessing services due to associated financial costs, such as certification, training, career exploration, educational upgrading and beyond. Often times, individuals just at or above the poverty line are unable to access the very services that are critical to their success in the labour market.

Diagram 2 on the next page illustrates the employment service capacity within Toronto in relation to the distance approach.



**Diagram 2: Distance from the Labour Market Approach**



### **3. System-Level Issues**

As well as identifying service issues specific to employers and jobseekers, the review also highlighted a number of systemic issues that affect employers, jobseekers, service providers and government organizations alike. These issues fall within the following areas:

#### ***Coordinating Employment Services Planning, Management and Delivery***

The review identified a number of issues related to employment services planning, management and delivery at a system level. One of the most common findings was the apparent lack of coordination between programs, service providers and funders in the planning, management and delivery of employment services in Toronto. This lack of coordination led to the following concerns:

- Program funding models have created a culture of competition amongst employment service providers, thereby hindering their ability to better coordinate activities. There is a need for flexibility within funding models to allow service providers to allocate resources to those most in need. This includes the need for targeted funding for individuals just at or slightly above the poverty line who do not currently qualify for programming.
- Not all jobseekers are eligible for all services provided through EO, OW and ODSP. Eligibility restrictions have led to inequitable access to programs and services. For example, the ability to pay for short-term certification, some skills training and job retention services is limited to those who qualify for these programs. In addition, there is

inequity across programs, as services and benefits levels differ between programs. As a result, many under and unemployed low-income Toronto residents are unable to access these types of services.

- A culture of competition, coupled with the lack of a common approach to sharing information among service providers, has resulted in greater system fragmentation and hinders their ability to better serve employers and jobseekers in a coordinated way.
- While the City plays a significant role in connecting residents to many broader human services in their pursuit for stable employment, this is not happening at a system level. The employment services system needs to be better connected to the broader human services system, which includes access to services such as childcare, shelter and public health. In particular, provincial programs need to be better connected to these types of services.
- There is also a need for increased capacity within Toronto's regulated childcare system to support families with children to enter the labour market and sustain employment.
- Clarity is required with regards to the roles and responsibilities that governments and service providers play in the employment service system.

Despite the lack of coordination between governments and service providers, the review did identify examples of local planning that have attempted to mitigate these issues. Notable examples include: the Integrated Local Labour Market Planning Pilots in Toronto, Local Immigration Partnerships and Neighbourhood Action Partnerships.

### ***Employer Access and Engagement***

While a number of employment services and supports exist within Toronto, the review highlighted the difficulty many employers face accessing the services they need, when they need them. With no central gateway to direct employers, employers are often unaware of the resources available to them and how to access them.

There is also no coordinated approach to employer engagement in Toronto. Competition among service providers due to funding structures has resulted in employers often being approached by a number of service providers who offer competing or overlapping services.

As a result, the review demonstrated the need for greater coordination and partnership between governments, service providers and employers in order to better identify employment opportunities that exist within the labour market, and connect employers to qualified jobseekers.

### ***System Capacity Building, Standards, Outcomes***

The review identified a number of findings with respect to the current capacity of the employment services system to identify and meet the needs of employers and jobseekers. These findings also highlighted the various factors that impede the current system's ability to improve the level of service offered to employers and jobseekers. These findings are as follows:

- There is a need to build capacity amongst service providers to serve individuals at all distances from the labour market. For example, there is limited capacity within the current system to meet the needs of individuals with mental health and addiction issues.
- A lack of modernization with respect to technological advancements is hindering the ability of service providers to adequately meet the needs of employers and jobseekers. In an increasingly modernized and digital labour market, there is a heightened need for online services, such as virtual portals and online learning tools.
- There is a lack of common and consistent standards with respect to services provided to both employers and jobseekers. This includes consistency amongst governments and service providers.
- At present, employment service outcomes are captured at a program level. As a result, there is limited capacity to capture and monitor outcomes at a system level. This includes an inability to measure the level of investment on a broader scale across the employment service system. The lack of system level outcomes also impedes the system's ability to report on its success and ensure the right service improvements are made.

### **Conclusion: A "Made in Toronto" Employment System**

The review demonstrated that Toronto's current employment landscape is focused on serving those closest and moving closer to the labour market. As a result, there is less focus on service provision to those most distant from the labour market. It is also evident that the current employment services system needs to strengthen its partnerships with employers and service partners in order to enhance job matching and capitalize on opportunities that exist within the labour market. Most pressing, however, is the apparent lack of coordinated and integrated employment services planning, management and delivery. This lack of coordination has resulted in a number of systemic challenges that prevent jobseekers and employers from participating in the labour market.

Moving forward, it is apparent that what is required is a 'made in Toronto' integrated employment services system that encompasses the following principles:

- Coordinated planned approach to working with employers
- Alignment and coordination with economic development priorities
- Serving jobseekers at all distances within the labour market
- Connections to a broader human services system in Toronto
- Outcomes driven-and results-focused

With this in mind, the following next steps are being pursued to support this vision of an integrated and coordinated employment service system in Toronto:

1. MTCU and the City are committed to working together to address the issues identified throughout the course of the review.
2. The City, through TESS and its partners, will seek to develop an employer gateway and long-term coordinated employer engagement strategy to address the needs of employers.
3. The City, through TESS, will take a lead role in facilitating collaboration between employment service providers, employers and jobseekers to improve system level coordination at the neighbourhood level.
4. The City, through TESS and its partners, will lead the development and management of a carefully planned approach to collect, monitor and evaluate common system-level outcomes and performance.

## Appendix C: Employment Service Review - Consultation Meeting Participants

Employment Service Providers	
<ul style="list-style-type: none"> <li>o Ability Learning Network (ALN)</li> <li>o Abrigo Centre</li> <li>o ACCES</li> <li>o Arab Community Centre of Toronto</li> <li>o Auberge Francophone</li> <li>o Birchmount Bluffs Neighbourhood Centre</li> <li>o Canadian Hearing society (CHS)</li> <li>o Canadian Ukrainian Immigrant Aid society</li> <li>o Catholic Cross-cultural Services</li> <li>o Centennial College</li> <li>o Centre for Education &amp; Training</li> <li>o Centre for Information and Community Services of Ontario</li> <li>o Centre for Security Training and Management Inc</li> <li>o Centre of Addiction and Mental Health</li> <li>o Christie Ossington Neighbourhood Centre</li> <li>o College Boreal</li> <li>o Community Microskills Development</li> <li>o COSTI Immigrant Services</li> <li>o CultureLink</li> <li>o Dixon Hall</li> <li>o East Scarborough Storefront</li> <li>o Elspeth Heyworth Centre for Women (North York)</li> <li>o EnVision Education Foundation</li> <li>o Epilepsy Toronto</li> <li>o Eva's Initiatives (Eva's Phoenix)</li> <li>o Fred Victor Centre</li> <li>o George Brown College</li> <li>o Global Experience Ontario (GEO), MCI</li> <li>o Goodwill Industries Toronto</li> <li>o Hawkins Institute</li> <li>o Humber College</li> <li>o Interval House</li> <li>o Jamaican Canadian Association</li> <li>o Jay's Professional Truck Driving</li> <li>o Jewish Immigrant Aid Services Toronto (JIAS)</li> <li>o Jewish Vocational Services</li> <li>o JobStart</li> <li>o John Howard Society of Toronto</li> <li>o Labour Education Centre</li> <li>o Learning Enrichment Foundation</li> <li>o Malvern Family Resource Centre</li> <li>o Ministry of Citizenship &amp; Immigration</li> <li>o Miziwe Biik Aboriginal Employment</li> <li>o Neighbourhood Link Support Services</li> </ul>	<ul style="list-style-type: none"> <li>o Newcomer Women's Services Toronto</li> <li>o On Track</li> <li>o Ontario March of Dimes</li> <li>o Operation Springboard</li> <li>o Owlware Ltd – Online Abilities Project</li> <li>o Polycultural Immigrant &amp; Community Services</li> <li>o Progress Career Planning Institute (PCPI)</li> <li>o Project Work</li> <li>o PTP Adult Learning &amp; Employment Program</li> <li>o Rehabilitation Network Canada Inc.</li> <li>o Rexdale Women's Centre</li> <li>o Riverdale Immigrant Women's Centre</li> <li>o S &amp; A Sprint Truck Driving School</li> <li>o Salvation Army</li> <li>o Seneca College of Applied Arts &amp; Technology (Seneca College)</li> <li>o Skills for Change of Metro Toronto</li> <li>o South Asian Women's Centre</li> <li>o Spinal Cord Injuries Ontario (Formerly Canadian Paraplegic Association)</li> <li>o St. Christopher House</li> <li>o St. Stephen's Community House</li> <li>o TDSB Next Steps Employment Centre and TDSB Scarborough Centre for Employment Accessibility</li> <li>o Thorncliffe Neighbourhood Offices of Toronto</li> <li>o Times Change Women's Employment Service Inc</li> <li>o Toronto Business Development Centre</li> <li>o Toronto Community Employment Services</li> <li>o Training Renewal Foundation</li> <li>o Tropicana Community Services Organization of Scarborough (Alternative Youth Centre for Employment )</li> <li>o University Settlement</li> <li>o VPI Employment Strategies Working Solutions</li> <li>o Wooden Woods Community Centre</li> <li>o WoodGreen Community Services</li> <li>o Work Initiative Network (WIN)</li> <li>o Working Skills Centre of Ontario</li> <li>o Workplace Essential Skills Partnership (WESP)</li> <li>o Yonge Street Mission</li> <li>o York Construction Academy</li> <li>o York Region Education Industry Foundation (Career Foundation)</li> <li>o Youth Employment Services (YES)</li> <li>o Youth Without Shelter</li> <li>o YMCA and YWCA</li> </ul>
Other Stakeholders	
<ul style="list-style-type: none"> <li>o Ministry of Community and Social Services</li> <li>o Ministry of Training Colleges and Universities</li> <li>o City of Toronto</li> <li>o Atkinson Foundation</li> </ul>	<ul style="list-style-type: none"> <li>o Toronto Workforce Innovation Group</li> <li>o First Work</li> <li>o J.O.I.N</li> <li>o Toronto Regional Immigration Employment Council</li> </ul>