



STAFF REPORT ACTION REQUIRED

Workforce Development Strategy: 2013 Progress Report

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| Date: | February 11, 2014 |
| To: | Economic Development Committee |
| From: | General Manager, Toronto Employment and Social Services |
| Wards: | All |
| Reference Number: | |

SUMMARY

Since City Council endorsed Toronto's first Workforce Development Strategy (WDS) in 2012, significant progress has been made towards creating a more coordinated and effective approach to workforce development in Toronto. As a result, employment services and outcomes for both employers and jobseekers have improved.

This report provides an update on City actions to advance the WDS in 2013, highlighting the work that Toronto Employment and Social Services (TESS) is doing to implement the strategy in conjunction with City partners -- notably Economic Development and Culture (EDC) and Social Development, Finance and Administration (SDFA) -- as well as with community organizations and other governments. It describes key accomplishments and showcases prominent examples of the work being done. Finally, informed by the City's new Strategic Actions and reflecting the lessons emerging from implementing the strategy to date, the report identifies the City's priorities for workforce development in 2014.

By demonstrating the positive difference that the WDS is making, the report also highlights two essential points: first, that workforce development is inherently based on partnership and cooperation and, second, that success is cumulative. Positive outcomes reflect significant investments in building relationships with employers, community organizations and others, and planning and implementing initiatives with them. As more relationships are built and as more projects reach maturity, the outcomes that the strategy achieves will continue to grow.

RECOMMENDATIONS

The General Manager, Toronto Employment and Social Services, recommends that:

1. City Council direct the General Manager, Employment and Social Services, the General Manager, Economic Development and Culture, and the Executive Director, Social Development, Finance and Administration to work together on initiatives that support the employment objectives of the Seniors Strategy, Youth Equity Strategy and Newcomer Strategy.
2. City Council direct the General Manager, Employment and Social Services, in conjunction with the General Manager, Economic Development and Culture, and the Executive Director, Social Development, Finance and Administration, to establish a City of Toronto Workforce Development Leadership Table that brings together government, employers, community organizations, and other stakeholders to advance a streamlined, responsive and coordinated workforce development system in Toronto.

Financial Impact

The funding for various initiatives in this report is included in the 2014 Approved Operating Budget for City Divisions.

There are no financial implications arising from this report over and above what is included in the 2014 Approved Operating Budget for City Divisions.

The Deputy City Manager and Chief Financial Officer have reviewed this report and agree with the financial impact information.

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>

At its meeting on April 3 and 4, 2013, City Council adopted the report entitled *Implementing Toronto's Workforce Development Strategy: Progress to Date and Necessary Next Steps*.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.ED20.2>

ISSUE BACKGROUND

In March 2012, against a background of significant and ongoing changes to the labour market, persistently high unemployment and documented employment service system challenges in Toronto, City Council endorsed Toronto's first workforce development

strategy. *Working as One: A Workforce Development Strategy for Toronto* set out a focused and pragmatic approach to advancing workforce development in Toronto. Importantly, it identified two primary customers – employers and jobseekers – and described a range of ways in which they could be better connected and supported. Since its introduction, the Workforce Development Strategy (WDS) has acted as a catalyst for the City to better meet the needs of employers and jobseekers. A progress report in April 2013, [*Implementing Toronto's Workforce Development Strategy: Progress to Date and Necessary Next Steps*](#), provided an update on the impact of the WDS in its first 12 months, highlighting work to improve and align services for employers and jobseekers.

This report provides a further update on the City's WDS. Following a brief overview of the current context for workforce development in Toronto, it describes the work that TESS is doing to implement the WDS in conjunction with City partners – notably with Economic Development and Culture (EDC) and Social Development, Finance and Administration (SDFA) – as well as with community organizations and other governments. It highlights the major accomplishments in 2013, detailing outcomes for employers and jobseekers and showcasing a number of examples in each area. Finally, the report identifies the City's priorities for workforce development in 2014.

COMMENTS

The Current Context for Workforce Development

The City's efforts to implement the WDS are shaped by both the supply and demand sides of the labour market. Toronto continues to face labour market and demographic challenges that cannot be ignored. The unemployment rate has risen in recent months, reaching 10.1% in December 2013, while fewer than 25% of unemployed Toronto residents qualify for Employment Insurance. Toronto's youth unemployment rate of 18.2% is the highest in Canada, and is of particular concern.

Toronto residents in receipt of Ontario Works (OW) are staying on social assistance longer and a large number are 'distant' from the labour market. For example, almost 40% of OW clients have less than a grade 12 education and two-thirds report multiple barriers to employment. At the same time, skilled workers are in high demand and the demand for workers is predicted to gradually increase as the "baby boomer" generation retires.

The implementation of the WDS also must reflect changes in City-wide priorities. Three developments within the City are especially noteworthy:

- First, and most importantly, the [*City of Toronto Strategic Actions 2013-2018*](#), adopted in October 2013, set out 26 strategic actions that complement City initiatives and programs and advance Toronto's vision for the city and its residents. These strategic actions provide clear direction for the WDS in 2014, especially as it relates to increasing employment opportunities and accelerating economic growth.
- Second, in addition to *Collaborating for Competitiveness* (the City's Economic Growth Plan) and *Toronto Strong Neighbourhoods Strategy 2020*, a number of

recently developed strategies, notably the *Toronto Seniors Strategy*, the *Toronto Newcomer Strategy* and the *Toronto Youth Equity Strategy*, also have clear connections to and implications for the success of the City's WDS.

- Finally, TESS has established new strategic directions for 2014. Advancing the WDS continues to be a leading priority, both in its own right and as it relates to other priorities, such as delivering excellent services to residents and building a high-performing organization that achieves its stated outcomes.

A number of positive Provincial changes are also helping Toronto residents move toward employment. For Toronto residents in receipt of social assistance, the 2013 Provincial Budget introduced important changes to the amount of money that can be received and retained, including the introduction of a \$200 monthly earnings exemption.¹ The Budget also increased limits for liquid assets and removed key barriers to self-employment.

In addition, the Budget established the Youth Jobs Strategy to help more young people find jobs or start their own businesses while helping employers find the skilled workers they need to thrive in the global economy. The strategy, with funding of \$295 million over two years, seeks to create employment opportunities for about 30,000 youth, while promoting innovation and entrepreneurship. The Ontario Youth Employment Fund (YEF), which is a core part of the strategy, provides eligible unemployed youth with an entry point to long-term employment through job placements that offer the chance to learn work skills while earning income.

Finally, in late January, the Province also raised the minimum wage to \$11 an hour and indexed it to inflation. Collectively, these changes are helping those in receipt of assistance to stabilize their lives, better prepare for work and maintain a stronger foothold in the labour market.

Progress Update – 2013 Achievements

Since its adoption in 2012, the City's WDS has benefited employers and jobseekers alike. In 2013, the City entered into more partnerships with employers, developed and implemented numerous employment plans, established important sector-specific strategies and connected more residents with employment opportunities. A number of the key accomplishments that resulted from the City's employment planning, integrated employment service management, and employment service delivery activities² are highlighted below.

¹ Other notable changes included a 1% increase in social assistance rates generally, as well as a 3% increase for singles and an increase in the Ontario Child Benefit from \$1,100 to \$1,210 in 2013 and \$1,310 in 2014.

² Employment Planning is about working with businesses to identify, respond to and connect their workforce needs with the training and employment needs of jobseekers. Integrated Employment Service Management coordinates activities within the City and externally to leverage resources, reduce duplication and ensure that employers and jobseekers can better access the services they need. Employment Service

To better serve jobseekers, the City:

- Served more than 68,000 unique individual visits to City Employment Centres;
- Helped 28,841 OW clients leave social assistance for employment;
- Connected 6,955 OW clients to purchased employment services; and
- Hosted 120 job fairs, networking events and customized recruitment initiatives with 16,000 participants. Many of these were conducted in partnership with community organizations and were hosted in Neighbourhood Improvement Areas.

To better serve employers, the City:

- Partnered with 300 employers;
- Developed 50 local employment plans; and
- Established 23 sector-specific employment strategies.

This section describes how the City is working with employers, jobseekers, and community partners to make this happen. Collectively, the examples demonstrate that the City is leveraging its many roles to advance workforce development, and that the WDS is being consistently connected to other key City strategies. Indeed, reflecting the evolving maturity of inter-divisional collaboration, integration is a common thread running through all of the activities and outcomes, rather than a separate focus within the report.

Working with Jobseekers

The City's work with jobseekers focuses on increasing their knowledge of employment opportunities, preparing them for employment, and connecting them with employers and community service providers. In 2013, the City continued to strengthen its own employment services while developing new partnerships with community organizations to better support jobseekers. The City also helped 28,800 OW recipients find work in 2013 - which is the primary focus of TESS' employment programs and services. Overall, between December 2012 and December 2013, there was an 8% decline in the City's OW caseload. This decline, in part reflecting the impact of the WDS, is reducing City costs while helping unemployed residents progress into employment.

Meeting the Employment Needs of Toronto Residents

The City's 19 Employment Centres (ECs) provide a readily accessible entry point to a broad range of employment, workforce development and human services offered by the City, as well as by the provincial and federal governments. Trained City staff provide jobseekers with career management and employment services and connect jobseekers to training, employment and placement services delivered by community agencies. In addition to serving jobseekers, ECs also provide services to employers.

In 2013, use of City ECs continued to increase, with:

- Almost 250,000 visitors served (a 16% increase over 2012);

Delivery is about transforming key elements of service delivery, such as customer service, programming, and technology, to increase the efficiency and effectiveness of services for employers and jobseekers.

- More than 68,000 unique individuals served (an increase of 18% over 2012);
- Some 5,600 visits during extended hours (with 20% of these new visitors); and
- Over 46,600 individuals registered in 5,400 workshops (with over 23,700 attending).

In 2013, ECs continued to build partnerships and invest in continuous improvement:

- Partnerships with boards of education, postsecondary institutions, community organizations, the Aboriginal community and sector-based organizations ensure that jobseekers have access to services that are relevant to their needs in the current labour market;
- EC workshops, career development resources and staff professional development opportunities are continually updated to reflect best practices;
- ECs partnered with local community agencies and Neighbourhood Action Partnerships to coordinate services to increase access for unemployed residents; and
- Finally, as well as being modernized and refurbished, ECs have introduced extended hours to better accommodate jobseeker schedules.

Meeting the Employment Needs of Ontario Works Recipients

While City ECs provide important employment services to many low income residents, those in receipt of OW are the primary focus of TESS' direct employment service delivery work. TESS has put in place a range of responsive employment service strategies for OW clients to realize their career goals³. These employment benefits and services include:

- One-on-one career counselling and referral to appropriate employment services;
- Employment-related financial benefits (e.g. money for transportation, clothing, and child care);
- Access to contracted programs and services delivered by community agencies (e.g. vocational assessments, skill training programs, and pre-employment services).

In 2013, 6,955 clients registered in employment programs delivered by 43 contracted agencies. Given the varied and often multiple barriers faced by many of these individuals, these programs address the personal, educational and skill building goals of participants, and at the same time help them to progress towards an eventual return to work. The two main program areas are noted below:

- Nearly 1,850 OW recipients participate in Skill Training Directly Linked to Employment programs (STDLE) for those moving closer to the labour market. These programs prepare participants for specific occupations through skill training, practical work experience, job search training, employment placement, and job retention supports. On average, 55% of those who complete programs obtain employment within four months, in sectors including finance, security and child care
- Approximately 2,000 OW recipients participate in contracted Pre-Employment Development programs for those who are more distant from the labour market.

³ While the focus here is on City services, like other jobseekers, OW recipients also participate in a range of provincially- and federally-funded employment programs that also lead to positive outcomes.

OW participants are also connected to paid work experience through the Investing in Neighbourhoods (IIN) program. IIN offers non-profit organizations the opportunity to create positions for OW participants funded by TESS for up to one year. IIN increases the service delivery capacity of participating organizations and offers OW participants skill building opportunities and the potential to obtain current references through paid employment. Reflecting its success, IIN continues to grow. In 2013, 1,100 OW participants worked in 250 non-profit organizations across the city.

Strengthening Community Partnerships

In 2013, TESS alone partnered with over 100 community-based organizations to meet employer and jobseeker needs. As discussed earlier, the City worked closely with community partners on specific hiring initiatives (e.g. Ripley's, Waterfront Toronto, Metrolinx and PAYE). Of equal importance, the City also supported networks of community organizations in their coordination efforts.

For example, the City and Province are co-leading five Integrated Local Labour Market Planning (ILLMP) pilots that aim to integrate employment service planning and delivery in specific geographical areas of the city. In 2013, the Scarborough-wide ILLMP organized community consultations and conducted an analysis of the skills in demand within the local labour market.

The City is also supporting a range of community led agency networks. For example, the City is an active member of Don Valley Employment Solutions, East End Local Employment Planning, and the Etobicoke Service Delivery Network, among many others. These networks are coordinating employer outreach, organizing events, creating joint marketing materials, and sharing employment opportunities. These community partnerships have a significant role to play in meeting employer and jobseeker needs.

In addition, a range of Neighbourhood Action employment initiatives were developed in direct response to identified resident needs in areas such as job readiness, resume development, interview coaching and job fairs. Such partnerships have also created opportunities to support entrepreneurs in innovative ways. For example, the Youth Enterprise Network (YEN), a committee of the Black Creek Community Collaborative, was awarded funding over 3 years to provide business training to youth and to open a social enterprise store. The project has provided hands on training and real economic opportunities and experiences for young entrepreneurs.

Finally, the City continued to support established events. For example, the City co-sponsored the 2013 Internationally Educated Professionals Conference that was attended by more than 1600 individuals. Staff from EDC and TESS provided participants with practical information and advice on how to advance their careers.

Working with Employers

Through its implementation of the WDS, the City has dramatically increased its employer engagement work. In 2013, City staff focused on building on existing partnerships with employers and working across City divisions to leverage economic development opportunities. In 2013, the City also capitalized on its own role as an employer to advance the WDS. Both of these efforts are summarized below.

Building on Existing Partnerships with Employers

Previous reports to Council have highlighted a number of signature projects, such as the revitalization of Regent Park and the Partnership to Advance Youth Employment (PAYE), through which the City has leveraged its relationships with employers to rebuild communities and provide employment opportunities for disadvantaged residents. These initiatives represent long-term investments that the City is strongly committed to and engaged in and that continue to deliver positive impacts. Examples include the following:

- Building on the success of the Regent Park revitalization, TESS continued to work with Toronto Community Housing (TCH) on employment planning for other revitalization projects. In 2013, the Employment Plan for the Lawrence Allen Revitalization was completed. TESS is actively working with TCH and the developer (Context Development) on its implementation. Discussions with TCH and the developer (Tridel) are also underway for the Alexandra Park and Leslie Nymark revitalization projects.
- In 2013, TESS continued to work with GO Transit (a division of Metrolinx) and community partners on the Georgetown South Employment Initiative. The Initiative connects individuals living in Georgetown South with opportunities to pursue careers in civil engineering, design and construction. In 2013, 318 people attended four Transit Construction and Engineering Career Information Sessions and six people were hired by the project contractors. The Initiative also includes the Hammer Heads construction training program for youth aged 18 to 26. In 2013, 16 youth graduated from the program, and 12 found employment as apprentices in specific unions.
- In 2013, Waterfront Toronto, the City of Toronto and numerous community partners advanced the Waterfront Toronto Employment Initiative (WTEI). WTEI works directly with developers, contractors and commercial tenants to connect unemployed and underemployed residents to the employment and training opportunities being generated by waterfront projects. In 2013, 11 employers were engaged, 200 residents attended a Career Information Sharing Networking Event, and 11 people were hired.
- Through the Partnership to Advance Youth Employment (PAYE), the City continued to work with the business community and employment service providers to increase access to employment opportunities for youth. In 2013, PAYE engaged 39 employers; provided 581 youth with coaching and learning opportunities; facilitated 366 interviews; and enabled 220 youth to secure employment. Thanks to new partnerships, PAYE has also expanded to connect newcomers, persons with disabilities and Aboriginal job seekers with employment opportunities.

Leveraging Economic Development Opportunities

In 2013, the City effectively leveraged economic development grants and initiatives to advance the WDS, *Collaborating for Competiveness*, and *Strong Neighbourhoods Strategy 2020*. Staff from EDC, SDFSA and TESS worked together in communities to support the creation of local employment partnerships and used the Imagination Manufacturing Innovation Technology (IMIT) grant program to connect Toronto residents to new employment opportunities.⁴ The City also increased its focus on workforce development associated with sector-based economic development.

During the IMIT grant process, for example, TESS staff partner with employers to develop customized employment plans and recruitment strategies that provide employment opportunities to local jobseekers. In 2013, the opening of Ripley's Aquarium of Canada demonstrated the effectiveness of this approach. In partnership with Ripley's and with community-based employment service providers, the City connected approximately 400 qualified jobseekers to 200 employment opportunities, leading to the recruitment of 10% of the Ripley's workforce. As part of the recruitment initiative, City staff organized six Career Information and Networking events across the city. Reflecting the success of this approach, Ripley's also acted as the host site for the launch of the City's second annual Workforce Development Week, discussed further below.

In 2013, the City also worked with a wide range of sectors, from automotive repair to film production, to develop customized employment strategies. For example, in the hospitality sector, the City worked with UNITE HERE Local 75 and community partners to train new entrants to the industry - many of them immigrant women. Through this Local Initiative, 16 residents were employed as room attendants, eight were employed as banquet servers, and three were employed as stewards, mainly in unionized jobs.

The City also worked with the film sector union, IATSE Local 873, to create an awareness of opportunities in the film industry and to help youth access these opportunities. Fourteen youth attended IATSE Local 873 orientation training, and five youth obtained entry-level positions in the film industry. Finally, a number of sector-based initiatives were developed in Neighbourhood Improvement Area's to better connect local residents to employment opportunities. The Weston Mount Denis Employment Work Group, for example, is developing a sector-based training strategy for Irving Tissue.

These sector-based employment strategies were successful because they were demand-driven and served small and mid-sized enterprises. City staff were able to develop specialized knowledge of the sector's human resource needs and connect employers, training providers, and community-based employment service providers.

⁴ The IMIT 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. Wherever the City issues this grant, the employer has a commitment to participate in a City-endorsed hiring initiative.

Leading by Example: The City as an Employer

In 2013, the City continued to demonstrate leadership as an employer by increasing access to City job opportunities. TESS worked in partnership with Human Resources (HR) on an employment plan to recruit candidates from diverse communities and to fill specific, hard-to-fill job opportunities. For example, TESS, HR and Parks, Forestry and Recreation (PFR) partnered to create a talent pool for the Gardener 2 position. In 2013, seven positions were filled through this partnership.

Workshops on applying for City jobs were held at all ECs and staff helped more than 200 residents with job applications. Thirty-two of these candidates obtained employment with City divisions including PFR, Public Health, the Office of the Chief Corporate Officer and City Clerks. The City also continued to support Career Bridge Internships and Profession to Profession mentoring with HR taking a coordinated approach to these programs.

Finally, a City of Toronto Career Event, in partnership with the Toronto Public Library, included 27 City divisions and 4 ABCCS, and drew 1,100 residents. It provided an opportunity for residents to meet City staff face-to-face, to ask questions about their work, and to learn about the skills and qualifications required for these jobs. Since 2012, the City's work to leverage its role as an employer has resulted in approximately 80 residents securing quality jobs.

Putting it Together - Workforce Development Week 2013

The success of the WDS and the collaborative approach underlying this success are exemplified by the City's Workforce Development Week. Initiated in 2012, this event showcases the broad range of workforce development activities that take place throughout the year, promotes participation in a variety of initiatives and highlights successful outcomes.

Between October 21- 25 2013, the second Workforce Development Week included 38 different events, including open houses, forums, workshops, job and career information fairs, community resource and agency information fairs. These events engaged over 6,800 residents, 108 employers, 136 community partners, 37 different City Divisions and Agencies, Boards, Commissions and Corporations (ABCC) and 5 federal and provincial ministries. Significantly, more than 200 jobseekers were interviewed by employers, with more than 60 securing jobs. Attachment 1 provides further details.

The continued growth of the City's Workforce Development Week demonstrates the importance of the WDS as a catalyst for workforce development efforts in Toronto. It is also proving an important forum for promoting [*Toronto Workone*](#) as a comprehensive means of branding the City's workforce development activities.

Building on Success – 2014 Priorities

In 2014, informed by the City's new Strategic Actions, as well as the various other key strategies identified in this report, a key focus will be to strengthen inter-divisional collaboration. Over the past two years, TESS, EDC, SDF, and other City Divisions have found new ways to partner on projects, programs, and policies that achieve the City's workforce development goals. The City has also worked closely with community partners and employers to improve residents' connections to employment services and supports. In the coming years, we will continue to work across Divisions and across sectors to increase economic vitality and implement Strategic Actions #4 and #5, "Increase Employment Opportunities" and "Accelerate Economic Growth".

Our 2014 priorities also stem from our experience implementing the WDS over the past two years, from changes in the labour market, and from internal and external reviews of our workforce development activities. The reviews that guide our efforts are described briefly below.

- In 2013, TESS engaged approximately 200 stakeholders in an in-depth review of employment benefits and services offered to Toronto residents in receipt of OW. The review yielded recommendations to enhance programs and services, to improve their administration, to strengthen organizational capacity, and to lead system change in support of workforce development objectives.
- In 2013, the Auditor General conducted a review of TESS employment services contracts and provided recommendations to improve case management, financial controls, and contract performance outcomes. TESS reported back to Council on the implementation of these recommendations.
- In 2012/13, the City and Province worked together on a joint employment services review that highlighted gaps in the employment services landscape and identified strategies to address these gaps. The review included consultation with 154 individuals, representing 85 publicly funded employment organizations, five research and planning bodies, three City divisions, and two provincial ministries.

The following specific workforce development priorities have been identified to reflect both the City's evolving strategic context and our experience implementing the WDS to date.

(a): Continuing to Enhance Services for Jobseekers

As described earlier, the City has helped thousands of Toronto residents access employment services, build their skills, and capitalize on employment opportunities. In 2014, TESS will work to improve the design and delivery of employment services as well as to increase access to employment opportunities for all Toronto residents, including residents from disadvantaged groups.

Improving Employment Benefits and Services for Ontario Works Recipients

TESS has identified several opportunities to improve the design and delivery of employment services for OW clients. In Spring 2014, TESS will be issuing a new Request For Proposal (RFP) for contracted employment services, as current contracts will expire at the end of 2014. The RFP will include enhanced programs for jobseekers at all distances from the labour market, based on recent employment service reviews and labour market trends.

For example, the 2013 review highlighted the effectiveness of sector-focused training and programs that are customized to meet the needs of specific groups. The RFP will therefore request programs designed for specific populations, with a particular emphasis on programs for unemployed older workers and high-risk youth. The RFP will also solicit programs in new sectors and from new community partners, and will call for greater employer involvement in the design of sector-specific training programs. The goal of these changes is to establish a continuum of employment services that provide OW clients with the skills and experience to obtain jobs and advance in employment, given the current and future needs of employers.

Increasing Access to Employment Opportunities and Supports for all Toronto Residents

To support employment opportunities for all Toronto residents, the City will be piloting a number of social procurement initiatives in 2014. The pilots stem from the City's Social Procurement Framework, adopted by Council in 2013, that aims to use the City's purchasing power to maximize economic, workforce and social development benefits for residents and businesses, and to equalize opportunities for all businesses to compete for City contracts. Through the 2014 pilots, led by SDFA, the City will be evaluating different approaches to the design and implementation of social procurement.

Changes in the labour market and jobseeker characteristics indicate the need to increase the City's focus on disadvantaged jobseekers, including youth, newcomers, older workers, and those with disabilities. In 2014, working in partnership, SDFA, EDC and TESS will collaborate on initiatives identified in the *Youth Equity Strategy*, *Newcomer Strategy* and *Seniors Strategy* to address the employment needs of these vulnerable groups. In addition, in 2014, the City will continue to work with the Province to identify ways to enhance employment opportunities for people with disabilities. As noted, further strengthening of partnerships and ongoing co-ordination of services with our community partners will ensure that members of all groups are full participants in all of the City's workforce development initiatives.

Finally, reform of Employment Insurance (EI) continues to be an important issue for the City and for many Toronto residents. There has been a significant decrease in the number of Toronto residents who qualify for EI over the past 20 years. With respect to recent Federal government changes to EI in 2012 and 2013, the Mowat Centre concluded that they would add to the complexity of EI and would have a disproportionately negative impact on youth and newcomers in large urban centres. The City will therefore continue

to support calls for EI reforms so that more unemployed residents can access financial and employment supports.

(b) Continuing to Strengthen Relationships with Employers

Based on evidence and experience, the best outcomes for businesses and jobseekers are obtained when employment service and training providers work closely with employers and business sectors. In 2014, the City will strengthen relationships with employers through sector-based initiatives. We will also enhance and expand existing programs to support small businesses and entrepreneurs. Finally, we will explore opportunities to improve coordination in employer engagement at the service system level.

Sector-Focused Initiatives

TESS' employment services reviews highlighted the value of sector-focused initiatives. In 2014, TESS, EDC and SDFA will therefore partner with new employers, industry associations, training providers and colleges and universities to develop sector-specific training, employment, and recruitment strategies. For example, EDC, SDFA and TESS will work with technology sector organizations to develop a Technology Sector Employment Plan. The Plan will identify opportunities to connect job seekers, educators, trainers, employers and recruitment firms, and will strengthen relationships within the sector. It will include, among other activities, sector-focused job fairs, career information fairs, and a workshop forum for recruitment firms specializing in the Tech sector.

In 2014, EDC, SDFA and TESS will also be working with representatives from Toronto manufacturing sector organizations to identify sector recruitment and workforce training needs. This initiative will help to ensure that education programs are aligned with industry needs, concentrating on base skills that are transferable. It will identify opportunities to connect jobseekers, educators, trainers, and employers. It will also include sub-sector activities, including the pilot "Foodstart" program that will place students from George Brown and Durham College in paid internships within the food processing industry.

Support for Small Businesses and Entrepreneurs

Collaborating for Competiveness identifies small business start-up and growth as core strategies for advancing job growth in Toronto. More than 75% of all business establishments in Toronto have less than 10 employees, and these small businesses generate an estimated \$18B in GDP. Furthermore, the joint employment services review conducted by TESS and the Province through MTCU, identified a need for additional services to support business start-ups, particularly in the area of self-employment and entrepreneurship development.

In 2014, the City will seek to strengthen services that support business start-up and growth, to ensure that Toronto residents can access the skills, tools and resources they need to create their own employment opportunities. For example, TESS and EDC will

work together to expand the Business Incubation and Commercialization (BIC) program and to market it more effectively.⁵ In 2014, TESS, EDC and the Toronto Business Development Centre will also expand and improve *Jumpstart Your Biz*, a pilot program that is designed to help people receiving social assistance start small businesses.

Coordinated, High-Quality Employer Engagement

According to recent employment service reviews, the lack of coordination among service providers and the inconsistency of service provision leads to time-consuming and unsatisfactory experiences for employers. While the lack of coordination is a systemic problem for which there is no "quick fix", there are undoubtedly opportunities to work within the current system to better meet employers' needs.

Currently, City staff participate on a number of advisory bodies that engage other orders of government and community agencies that are developing coordinated approaches to both workforce development and engaging employers⁶. In 2014, the City will continue working with partners to initiate a broad conversation about employer engagement. We will consult with employers, community partners, and other stakeholders to identify opportunities for improvements – and to take action on the opportunities that are identified. As part of this work, we will explore the marketing of employment services, including use of the WorkOne brand. We will also explore options for recognizing employers that make significant contributions to workforce development in Toronto.

(c): Continuing to Strengthen Community Partnerships

As discussed earlier, the City has developed strong relationships with Toronto workforce development agencies and organizations, including those that deliver provincial and federal employment programs. Recognizing the critical role that our community partners play in Toronto's workforce development system, we will strive to work even more effectively with community agencies and organizations. In 2014, this will include partnering on place-based, sector-focused, and population-specific employment initiatives.

In 2014, the City will continue to work with community organizations to build capacity within the workforce development system. This will entail organizing learning sessions and workshops across the City on topics including: understanding the labour market, understanding specific sectors, understanding employer expectations and recruitment practices, and developing local employment service partnerships. These events for City and agency staff alike will help all Toronto service providers to better meet jobseeker and employer needs.

⁵ The BIC program is delivered by the Toronto Business Development Centre, and offers an array of services including business advisory support, access to physical space, workshops, and networking events.

⁶ These include, for example, Job Search Workshop Advisory Committee, the Youth Employment Partnerships Advisory Committee, the TRIEC Intergovernmental Relations Committee, the IEP Conference Advisory Committee and the Newcomer Leadership Table.

(d): Focusing Divisional Services and Resources

TESS' workforce development efforts over the past two years have highlighted the need to realign its resources to better serve residents and employers.

TESS' programs and services have evolved significantly in recent years, and our administrative structure has not kept pace with these changes. In 2014, TESS will be realigning administrative portfolios to strengthen service management, service delivery, and accountability. This Divisional realignment will lay the foundations for continuous improvement in our workforce development activities over the coming years.

In 2014, TESS will also enhance performance measurement and performance management. Moving to a more outcome driven approach to service delivery, the division has identified key outcome metrics for the City's Financial Planning, Analysis, and Reporting System (FPARS). These metrics will establish the basis for a divisional dashboard to measure and track outcomes for the delivery of services to OW clients. This focus on the outcomes of divisional activities will help us to achieve the City's service delivery and workforce development objectives. Attachment 2 lists these metrics.

(e) Continuing to Partner with the Province

In 2013, the City and Province engaged in ongoing discussions around the redesign of social assistance and employment services, notably through the Provincial Municipal Social Assistance and Employment Committee.

In 2014, the City will therefore continue to work with the Province, notably the Ministry of Community and Social Services (MCSS), the Ministry of Training Colleges and Universities (MTCU) and the Ministry of Citizenship and Immigration (MCI), to support workforce development in Toronto. This work will focus on addressing client needs, improving service coordination, and building staff capacity.

For example, the City will be working with MTCU to pilot program options that specifically address the needs of clients that are furthest from the labour market. This may include life skills training, mental health services, and/or sector based training. The City will also be developing a new streamlined referral process to ensure OW recipients can easily access services through Employment Ontario.

To better serve internationally trained professionals, the City will be partnering with MCI and MTCU on capacity building sessions for front line staff, to improve their understanding of the employment services available to newcomers. Further work with MCI will ensure that employment services for internationally trained professionals are available across the City.

The City will also be carefully watching the ongoing negotiation of the Canada-Ontario Labour Market Agreement to ensure that the services in our communities are sustained.

Next Steps

Since Council endorsed the Workforce Development Strategy in 2012, the City has significantly improved services for both employers and jobseekers. We have made progress toward a more coordinated and effective approach to workforce development, and we have connected thousands of employers and jobseekers to opportunities that will help them succeed.

At the heart of this success is the focus and impetus the WDS has given to the City's work with employers. Effective employer engagement has allowed the City to cement existing relationships and build new partnerships, leading to new opportunities with both large and small employers, across all sectors and in all parts of the city. Similarly, the WDS has also fostered greater collaboration between TESS and EDC, enabling the City to leverage economic development in support of workforce development objectives.

Important lessons from the City's experience to date demonstrate that workforce development is inherently based on partnership and cooperation and that success is cumulative. Positive outcomes reflect significant investments in building relationships with employers, community organizations and others.

Given the importance of customizing services to meet the needs of jobseekers and employers, TESS, EDC, and SDFA intend to continue to work together on initiatives that support the employment objectives of the *Seniors Strategy*, *Youth Equity Strategy* and *Newcomer Strategy*.

Given the importance of partnerships to the success of workforce development, we recommend establishing a Workforce Development Leadership Table to advance a streamlined, responsive and coordinated workforce development system in Toronto. Following 2013 consultations with stakeholders including the Toronto Workforce Innovation Group, Toronto Region Immigrant Employment Centre, Mowat Centre, Miziwe Biik Aboriginal Employment and Training, United Way Toronto, and Toronto Region Board of Trade, the City is now ready to launch the Leadership Table and support its ongoing activities.

The Workforce Development Leadership Table will bring together government, employers, community organizations and other stakeholders to support workforce development in Toronto by:

- Providing a forum for leaders from government, employers, and the community-based sector to collaborate on workforce development system planning, implementation, and assessment;
- Systematically supporting the strengthening of partnerships within Toronto's workforce development system, and between the workforce development system and employers; and
- Fostering innovation within the workforce development system.

In 2014, we will continue to work across City divisions to enhance services for jobseekers and employers, to strengthen partnerships with stakeholders, and to increase capacity within the workforce development system.

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SIGNATURE

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ATTACHMENTS

Attachment 1: Workforce Development Week 2013: Summary Report
Attachment 2: Outcome Metrics