

## **Attachment 1: Purchase of Employment Services**

### **Overview**

In January 2015, Toronto Employment and Social Services (TESS) launched its new Purchase of Employment Services (POES) programs. As well as increasing the investment from \$10.5M in 2014 to \$15M in 2015, the new POES also provides more programs for job seekers at all distances from the labour market, more customized support and a new focus on training in higher-demand sectors with good jobs. In addition, the programs provide improved geographic distribution, strengthened performance expectations and targets for expected outcomes and place a greater emphasis on work-based learning.

In 2015, it is anticipated that approximately 3000 individuals in receipt of Ontario Works will benefit from participation in these programs.

### **Background**

The need to renew TESS' purchased employment programs reflects a number of factors:

- As labour markets have become more polarized and employment more precarious, there are fewer stable opportunities for people with low levels of education. Helping them find and keep employment requires an enhanced focus on training directly related to employment.
- The profile of the social assistance caseload in Toronto has changed in important ways. Significantly, the caseload has become more distant from the labour market. For example:
  - Over 60% of Ontario Works clients identify multiple barriers to employment;
  - Fewer than 50% have Canadian work experience;
  - Approximately one-third of applicants have less than a high school education; and
  - On average, OW clients are on assistance for more than 2 years
- In recent years, TESS has undertaken a number of employment service reviews, engaging a range of City Divisions and external stakeholders. These reviews yielded recommendations to enhance programs and services.

### **Objectives**

The key objectives of the new POES include the following:

- Increase investment in programs to better serve clients more distant from the labour market;
- Target specific populations, including youth;
- Create opportunities in emerging/high-demand sectors with good jobs;
- Increase the number, range and geographic distribution of contracted providers and programs;
- Increase focus on specialized assessment, career guidance, and career advancement;
- Increase focus on employer connections and work-based learning; and
- Increase flexibility, responsiveness and enable innovation.

## **Program Streams**

TESS has contracted with 60 organizations compared to 39 in 2014. Of these, twenty four (40%) organizations are contracting with TESS for the first time. In total, there are more than 100 programs divided across four streams. The introduction of a new stream – Sector-Focused Career Development – emphasizes greater employer and sector engagement. The four streams are described briefly below:

### ***1): Employment Essentials***

- Helps participants prepare for employment or self-employment and career advancement.
- Provides intensive supports to help participants with complex needs explore career options, develop career/life skills, and establish career/life goals.
- Designed for clients who are distant from the labour market or for clients who are moving closer to the labour market.
- Anticipated Service Levels: 1540 individuals.

### ***2): Sector-Focused Career Development***

- Helps participants develop a career in sectors where there is room for advancement within established career pathways.
- Balances sector-focused career exploration, essential skill development, and technical skill training, and leads to employment or further education/training.
- Designed for participants who are moving closer to the labour market.
- Anticipated Service Levels: 300 individuals.

### ***3): Occupational-Specific Skill Training***

- Helps participants find and maintain suitable employment through occupation-specific skill training and practical work experience.
- Prepares participants for specific occupations that: a) are in high demand, based on labour market information; and b) that can be obtained after less than one year of training.
- Designed for participants who are moving closer to the labour market.
- Anticipated Service Levels: 1000 individuals.

### ***4): Self-Employment Development***

- Helps participants develop their own businesses to achieve financial independence.
- Work with participants while they start their own business and help them develop the skills necessary for self-employment.
- Designed for clients who have a viable business idea and the potential to develop that idea into a profitable business within a 60 week time frame.
- Anticipated Service Levels: 160 individuals.

In addition, each stream includes a number of common elements, such as screening assessments, post-program support and post-hiring support.