



## STAFF REPORT ACTION REQUIRED

### Service Canada Funding for the Toronto Youth Job Corps Program

<b>Date:</b>	March 29, 2016
<b>To:</b>	Economic Development Committee
<b>From:</b>	Executive Director, Social Development, Finance & Administration
<b>Wards:</b>	All
<b>Reference Number:</b>	AFS # 22917

### SUMMARY

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This report seeks authority to renew the agreement with Service Canada for the City-administered Toronto Youth Job Corps (TYJC) program for the 2016 contract year.

TYJC provides pre-employment support, structured employment training, employer placement and follow up supports for youth most distant from the labour market. TYJC was initiated in 1983 by the former Municipality of Metropolitan Toronto and has been reviewed and updated to meet both changing youth needs and funding requirements.

TYJC is administered by the City of Toronto and delivered by three community agencies selected through an open request for proposals process: JVS Toronto, West Neighbourhood House and West Scarborough Neighbourhood Community Centre.

On December 29, 2015, Social Development, Finance and Administration submitted a contract renewal application with an anticipated start date of April 11, 2016. Service Canada approval for the City's application is expected before April 8, 2016.

### RECOMMENDATIONS

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The Executive Director, Social Development, Finance and Administration (SDFA) recommends that:

1. City Council authorize the Executive Director, Social Development, Finance and Administration, to sign a contract renewal agreement with Service Canada, upon Service Canada's approval for the City's renewal application, for the Toronto Youth Job Corps program for up to \$2,223,693 in federal subsidy with a \$217,250

contribution from the Social Assistance Stabilization Reserve (XQ1054) and \$222,358 contribution from the City's tax base.

## Financial Impact

As outlined in Table 1 below, Social Development, Finance and Administration has applied for a renewal contract for Toronto Youth Job Corps with a total contract value of up to \$2,223,693 gross and \$222,358 net for the April 11, 2016 – April 7, 2017 period.

The 2016 contract proposal includes an increase of \$41,272 in the gross, funded by an increase in the federal contribution of \$34,973, an increase in Social Assistance Stabilization Reserve funding of \$4,670, with an increase in the net of \$1,629, required to maintain the current service levels.

**Table 1: TYJC 2016 Funding Contract**

TYJC Contract Value	2015 - 2016 Contract Year	2016 - 2017 Contract Year	Increase in Contract Period
<b>Gross Expenditures</b>	<b>\$2,182,421</b>	<b>\$2,223,693</b>	<b>\$41,272</b>
<b>Federal Subsidy</b>	<b>\$1,749,112</b>	<b>\$1,784,085</b>	<b>\$34,973</b>
<b>Social Assistance Stabilization Reserve (XQ1054)</b>	<b>\$212,580</b>	<b>\$217,250</b>	<b>\$4,670</b>
<b>City Net</b>	<b>\$220,729</b>	<b>\$222,358</b>	<b>\$1,629</b>

The 2016 Approved Operating Budget includes \$1,667,770 gross and \$166,769 net for the 2016 portion of the contract, with \$555,923 gross and \$55,590 net in the 2017 Plan.

The increase in the net funding requirement of \$1,629 for the term of this contract will be offset by Program savings, resulting in \$0 net increase in the 2016 Approved Operating Budget for SDFSA, with any additional 2017 net pressure to be absorbed in the Program base.

The uncommitted balance in the Social Assistance Stabilization Reserve as at March 30, 2016 is \$18,697,000.

The Deputy City Manager/Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## DECISION HISTORY

City Council annually approves funding renewal with Service Canada for the City-administered Toronto Youth Job Corps program. At its meeting on March 31, 2015, City Council approved the report, "Service Canada Funding for the Toronto Youth Job Corps Program." <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.ED2.4>

At its meeting on February 19 and 20, 2014, City Council unanimously adopted the Toronto Youth Equity Strategy that targets young people (aged 13 to 29) who are most vulnerable to involvement in serious violence and crime by taking steps to better coordinate youth service delivery in Toronto, and by identifying specific service enhancements to achieve equity in outcomes for these youth.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.CD26.2>

At its meeting on October 8, 2013, City Council adopted a report entitled “Changes to Federal Requirements for the Toronto Youth Job Corps Program” directing the Executive Director, Social Development, Finance and Administration to comply with Service Canada's Call for Proposal process for the Toronto Youth Job Corps program and in doing so, to ensure the continued effectiveness of the Toronto Youth Job Corps program model. The report also directed that Council be informed of any change in support for 2014 and the implications for vulnerable Toronto youth.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.ED24.4>

## **ISSUE BACKGROUND**

TYJC was initiated in 1983 by the former Municipality of Metropolitan Toronto and since amalgamation in 1998, the City of Toronto has been administering Toronto Youth Job Corps (TYJC) as a cost-shared program with the federal government. Delivery of the TYJC program has been provided through a partnership between the City and community-based organizations. Contract renewals for TYJC have been carried out on an annual basis by both levels of government.

The current TYJC community-based delivery organizations are: West Neighbourhood House in the downtown core west, Jewish Vocational Services (JVS) in the Jane and Finch area, and West Scarborough Neighbourhood Community Centre in Scarborough. These delivery organizations were selected through a City Request for Proposal process that allows annual contract renewals over a 5-year period (2011-2016); with the 2017-2021 Request for Proposals scheduled for 2017.

In the 2014 contract year, the federal government changed its renewal procedure and required the City to comply with a Call for Proposal (CFP) process for its role in administering the TYJC program. As directed by Economic Development Committee at its meeting on September 17, 2013, Social Development, Finance and Administration staff complied with the Call for Proposal which closed on September 30, 2013. The City was selected as the successful applicant for the 2014 - 2017 contract years through this competitive process.

The second of the three year TYJC contract will end on Friday April 8, 2015. On December 29, 2015, Social Development, Finance and Administration submitted a contract renewal application with an anticipated start date of Monday April 11, 2016. Authority is needed to sign the renewal agreement with Service Canada to continue this long-standing youth employment program.

## **COMMENTS**

The youth unemployment rate in the Toronto region is near 22%, over 14% higher than the national rate. It is also higher than the youth unemployment rate for Ontario (15.3%).<sup>1</sup> In this climate, young people find it is extremely difficult to gain access to jobs. Their employment prospects become more challenging if they lack a high school diploma, have little work experience or have few financial resources to seek employment or training opportunities. Being marginalized from the labour market in this manner can begin to influence the choices these youth make; some may pursue criminal activity or substance abuse, or may experience depression and feelings of hopelessness and anxiety.

The Toronto Youth Equity Strategy (TYES) recognizes that not all of Toronto's youth live in the same context of opportunity and support. TYES targets young people who are most vulnerable to involvement in serious violence and crime by taking steps to better coordinate youth service delivery in Toronto, and by identifying specific service enhancements to achieve equity in outcomes for these youth in a supportive and holistic manner.

The Toronto Youth Job Corps supports the TYES objectives by assisting vulnerable youth who face multiple barriers to access and maintain employment, education and training opportunities through: (1) in-house workshops tailored to participant needs; (2) community painting projects to simulate work environments and develop basic employment skills; (3) work experience with employers; and (4) individualized client centred case management to meet participant needs and career goals.

The program also supports improved youth service coordination by working in partnership with employers, training providers, community organizations, schools and governments in providing group-based employment skills intervention to youth who have a sporadic or non-existent employment history.

### **TYJC Connecting Youth to Jobs**

The TYJC program supports the objectives of the City's Work Force Development Strategy that connects employers to job seekers, and is aligned with the Mayor's priority to tackle youth unemployment in the city. TYJC is a valuable part of the City's employment services for vulnerable youth who are most distant from the labour market.

In an eight year period from 2006 to 2014, TYJC provided pre-employment training to 1,615 youth: 743 youth obtained employment, and 333 youth returned to school or participated in skill development opportunities.

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<sup>1</sup> *Labour Force Survey, Statistics Canada, January 2016.*

As detailed in Table 2, for the 2014-2015 TYJC contract year, 266 youth started the program and 253 youth completed the program. TYJC exceeded the federal targets for positive outcomes for youth participants by 7%.

**Table 2: Detailed Performance Statistics – Toronto Youth Job Corps (2014-2015)**

TYJC Participation Rate	Federal Target	City Achievement	% of Target Met
	# of youth supported to access the labour market		
Youth who started the program	263	266	101%
Youth who left program – medical, moved/lost contact	79	22	28%
Youth who completed pre-employment	224	253	113%

TYJC Outcomes	Federal Target	City Achievement	% of Target Met
Education/Training Obtained	66	61	92%
Employment Secured	118	135	114%
<b>TOTAL Positive Outcomes</b>	<b>184</b>	<b>196</b>	<b>107%</b>

In 2014-2015, TYJC engaged 71 employers who provided 116 youth with on-the-job training opportunities through 174 subsidized job placements. Of the 71 participating employers, 17% are restaurants, 14% from the not-for-profit sector, 25% from retail, 25% from the service sector, 13% from construction/manufacturing, and 6% from other industries.

In the current 2015-2016 term, 184 (70%) out of 263 youth participants who enrolled in the TYJC program are expected to return to school or to secure employment.

TYJC employs a holistic case management approach that is client-centred and able to support youth facing multiple barriers with the comprehensive life skills support they need to prepare for employment, maintain their placements and navigate concerns in other areas of their lives. These program components are proven key success factors of the TYJC model.

## CONTACT

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## SIGNATURE

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