



REPORT FOR ACTION

Toronto Youth Job Corps 2017-2020 Contract Authority

Date: February 23, 2017

To: Economic Development Committee

From: Executive Director, Social Development, Finance, & Administration

Wards: All

SUMMARY

This report seeks authority to enter into and administer a contract renewal agreement with Employment and Social Development Canada (ESDC), formally referred to as Service Canada, for the City-administered Toronto Youth Job Corps (TYJC) program for the 2017-2020 contract years.

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 and has been reviewed and updated to meet both changing youth needs and funding requirements.

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

In 2017, the City will open a Request for Proposal (RFP). This RFP will be valid for five years, and will be administered through the City's procurement process.

On August 16, 2016, Social Development, Finance and Administration (SDFA) submitted a contract renewal application with an anticipated start date of April 3, 2017. ESDC approval for the City's application is expected before April 3, 2017. If successful this agreement would extend from April 3, 2017 to March 27, 2020 and would expand the program delivery to five community agencies to serve a total of 1320 youth.

RECOMMENDATIONS

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

1. City Council authorize the Executive Director, Social Development, Finance and Administration to enter into and administer a contract renewal agreement with Employment and Social Development Canada (ESDC), upon Employment and Social Development Canada's approval of the City's annual renewal application, for the Toronto Youth Jobs Corps program for up to \$8,650,858 in federal subsidy for the period April 3, 2017 to March 27, 2020.
2. City Council increase the 2017 Approved Operating Budget for Social Development Finance and Administration and associated service levels by \$1,081,527 gross and \$0 net, with \$808,950 funded by ESDC and \$272,577 funded through a contribution from Social Assistance Stabilization Reserve (XQ1054).
3. City Council authorize the Executive Director, Social Development, Finance and Administration to have delegated authority to extend future contracts and receive and expend funds from Employment and Social Development Canada as specified through annual contract renewals to support the Toronto Youth Job Corps program, with funding and service levels to be approved through the annual budget process.
4. City Council authorize the Executive Director, Social Development, Finance and Administration to extend the current delivery agencies contract to December 31, 2017 in order to provide time to administer an RFP process.

FINANCIAL IMPACT

As outlined in the table below, Social Development, Finance and Administration has applied for a contract renewal for Toronto Youth Job Corps with a total contract value of up to \$11,109,031 gross and \$667,074 net, with \$8,650,858 from Employment and Social Development Canada and \$1,791,099 from the Social Assistance Stabilization Reserve Fund (XQ1054) for the April 03, 2017 – March 27, 2020 period.

	Funding included in the 2017 Approved Operating Budget	Additional 2017 Funding Request	Adjusted 2017 Operating Budget	Total 4 Year Funding Commitment - 2017 - 2020
Gross Expenditures	2,223,693	1,081,527	3,305,220	11,109,031
Federal Funding	1,784,085	808,950	2,593,035	8,650,858
SAS Reserve	217,250	272,577	489,827	1,791,099
Property Taxes	222,358	0	222,358	667,074

The 2017 Approved Operating Budget for Social Development, Finance and Administration will be adjusted to include an increase of \$1,081,527 gross, \$0 net, funded by an increase of \$808,950 in the federal contribution, and an increase of \$272,577 from the Social Assistance Stabilization Reserve required to support the 2017 increase in service levels.

The funding requirements for future years will be included in the 2018 -2020 Operating Budget Submissions for Social Development, Finance and Administration as noted in the table above will be included in the future year Operating Budget Submissions to be considered with the future-years' Operating Budget review process.

The 2017 projected uncommitted balance in the Social Assistance Stabilization Reserve as at January 1, 2017 is \$21,543,200.

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 Employment and Social Development Canada for the City-administered Toronto Youth Job Corps program. At its meeting on May 3, 2016 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>

COMMENTS

Since 1983, the City of Toronto has administered 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.

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, SDFAs staff complied with the CFP which closed on September 30, 2013. The City was selected as the successful applicant for the 2014 - 2017 contract years through this competitive process.

While SDFA administers the program, three community-based organizations deliver the service and include: 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 fall 2017. The Request for Proposal is currently ready pending approval from ESDC.

The current TYJC contract will end on May 12, 2017. On August 12, 2016, SDFA submitted a contract renewal application with an anticipated start date of April 3, 2017 and included a proposal to expand the program from three community based delivery organizations to five in order to serve more youth.

The 2017-2020 contract year service levels will increase from the current level of 158 youth served annually to 180 youth served in 2017, 440 youth served in 2018, 520 youth served in 2019 and 180 youth served in 2020. A total of 1320 youth will be served for the duration of this contract. The contract budget also establishes an allocation of 60% of funds directed toward youth salaries and 40% directed to administration and operational needs for enhanced service delivery.

Once the contract is approved by ESDC, authority is needed to sign the renewal agreement to continue and expand this long-standing youth employment program.

TYJC Connecting Youth to Jobs:

The youth unemployment rate is volatile on a month-to-month basis compared to the overall labour force. In the Toronto region youth unemployment is near 14%, compared with 12.9% nationally [1]. It is also higher than the youth unemployment rate for Ontario (14.2%) [2]. 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 influence the choices these youth make; some may pursue criminal activity or substance abuse, or may experience isolation, 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.

1 Ontario Labour Market Statistics, December 2016.

2 Ontario Labour Market Statistics, December 2016.

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.

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 a nine year period from 2006 to 2015, TYJC provided pre-employment training to 1,880 youth: 879 youth obtained employment, and 399 youth returned to school or participated in skill development opportunities.

As detailed in Table 2 below, for the 2015-2016 TYJC contract year, 265 youth started the program and 202 youth completed the program. TYJC exceeded the federal targets for positive outcomes for youth participants by 9%.

Table 2: Detailed Performance Statistics –
Toronto Youth Job Corps (2015-2016)

TYJC Participation Rate	Federal Target	City Achievement	% of Target Met
	# of youth supported to access the labour market		
Youth who started the program	263	265	101%
Youth who left program – medical, moved, in conflict with the law, lost contact	79	63	79%
Youth who completed pre-employment	224	230	102%

TYJC Outcomes	Federal Target	City Achievement	% of Target Met
Education/Training Obtained	66	66	100%
Employment Secured	118	136	115%
TOTAL Positive Outcomes	184	202	109%

In 2015-2016, TYJC engaged 57 employers who provided 175 youth with on-the-job training opportunities through 175 subsidized job placements. Some employers have multiple locations, some took on multiple participants, and many of them hired the participants after placement. Of the 57 participating employers, 10.5% are restaurants,

26% from the not-for-profit sector, 17.5% from retail, 28% from the service sector, 9% from construction/manufacturing, and 9% from other industries.

In the current 2016-2017 term, 184 (70%) out of 263 youth participants who enrolled in the TYJC program are expected to return to school or to secure employment. For the 2017-2020 contract year service levels will increase to an additional 1320 youth served.

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 while addressing youth unemployment in Toronto.

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SIGNATURE

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