



### Toronto Youth Jobs Corps 2020-2023 Contract Authority

**Date:** September 8, 2020

**To:** Executive Committee

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

**Wards:** All

#### SUMMARY

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This report seeks authority to enter into and administer a contract renewal agreement with Employment and Social Development Canada (formerly referred to as Service Canada), for the City-administered Toronto Youth Job Corps program for the 2020-2023 contract period.

The Toronto Youth Job Corps program provides group-based pre-employment support, structured employment training, work experience through job placements and follow up supports for vulnerable youth furthest from labour market. Toronto Youth Job Corps commenced in 1983 and has been reviewed and updated to meet both the changing needs of youth and funding requirements.

For 37 years, the City of Toronto has administered Toronto Youth Job Corp. It is delivered by community agencies selected through an open Request for Proposal. Five agencies have been selected through the 2020 Request for Proposal. This resulting agreement through the Request for Proposals will be valid for five years.

On July 25, 2019, Social Development, Finance and Administration submitted a contract renewal application with an anticipated start date of April 1, 2020, following the completion date of March 27, 2020 for the 2017-2020 contract period. In mid-February 2020, Employment and Social Development Canada extended the current contract until September 25, 2020. On March 4, 2020, the City received written confirmation from Employment and Social Development Canada for the City's 2020-2023 application, awaiting negotiation of full details. Social Development, Finance and Administration has proposed to Employment and Social Development Canada a start date of October 5, 2020. If accepted, this agreement will run from October 5, 2020 – September 29, 2023.

#### RECOMMENDATIONS

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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, for the Toronto Youth Jobs Corps program for up to \$8,939,959 in Federal subsidy for the period, October 5, 2020 to September 29, 2023.
2. City Council authorize the Executive Director, Social Development, Finance and Administration to convert one temporary Program Support Analyst position, to a permanent Agency Review Officer, to better meet the program development requirements for the Toronto Youth Job Corps program.
3. City Council authorize the Executive Director, Social Development, Finance and Administration to have delegated authority to extend this and future contracts and receive and expend funds as submitted in the application to Employment and Social Development Canada to support the Toronto Youth Job Corps program through the annual budget process.
4. City Council authorize the Executive Director, Social Development, Finance and Administration to enter into agreements with other entities, including purchase of service agreements for the delivery of Toronto Youth Job Corp with the successful proponents of the Request for Proposals process, other federal agencies, community organizations, private entities, or individuals, and to spend federal funding in accordance with the federal program requirements and guidelines.

## **FINANCIAL IMPACT**

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There are no 2020 financial impacts rising from this funding contract, and future years operating impacts will be considered through the annual budget process as identified in Table 2 below.

As outlined in Table 1 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 \$10,994,736 gross and \$820,120 net for the October 5, 2020 – September 29, 2023 period. This includes \$8,939,959 funding from Employment and Social Development Canada and \$1,234,657 from the National Child Benefit Supplement Fund (XR2102) over the contract period

### **Table 1: Toronto Youth Job Corps 2017 – 2020 & 2020 - 2023 Funding Contracts**

Toronto Youth Job Corps Contract Value	2017 - 2020 Contract Period	2020 - 2023 Contract Period	Increase in Contract Period
Gross Expenditures	\$11,109,031	\$10,994,736	-\$114,295
Federal Subsidy	\$8,650,858	\$8,939,959	\$289,101
City's Contributions	\$2,458,173	\$2,054,777	-\$403,396

\*Note: The City's contribution includes reserve draws and property taxes. Also, in November 2019, Toronto Youth Job Corps was approved for a 6-month extension (April to September 2020) from Employment and Social Development Canada. For a 3 year comparison, this amount is excluded from the table above.

**Table 2: Toronto Youth Job Corps – Funding Requirements**

	2020 Approved Operating Budget	2021	2022	2023
Gross Expenditures	3,373,857	3,652,287	3,665,404	2,764,493
Federal Funding	(3,116,972)	(2,966,980)	(2,982,565)	(2,249,502)
Reserve	(40,726)	(469,147)	(466,679)	(298,831)
Property Taxes	216,160	216,160	216,160	216,160

The 2020 portion of the new contract is included in the 2020 Approved Operating Budget and there will be no additional reserve draw. The funding requirements for future years will be included in the 2021-2023 Operating Budget Submissions for Social Development, Finance and Administration as noted in the table above and will be considered with the future-years' Operating Budget review process.

The City's contribution in Table 1 includes the financial impact of the position conversion from a temporary Program Support Analyst to permanent Agency Review Officer. While the City receives federal government contribution to Toronto Youth Job Corps through contract terms, the Government of Canada has annually funded the program with the City of Toronto for 37 years necessitating resources to appropriately support strong program administration. The converted position will introduce enhanced monitoring and evaluation protocols to track agency performance on this contract and foster the successful integration of new program elements such as case management for greater effectiveness. As it is anticipated that the program will continue indefinitely after nearly 40 years of successive contract renewals, a permanent position to support the program is required.

The 2020 uncommitted balance in the National Child Benefits Supplement Fund as of June 30, 2020 is \$25,625,375.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

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On November 26 and 27, 2019, City Council authorized the Executive Director, Social Development, Finance and Administration to receive \$1,346,318 from Employment and Social Development Canada for the Toronto Youth Job Corp contract extension from March 30, 2020 to September 25, 2020 and to extend the contract with the existing five (5) Service Delivery Agencies for the period under the same terms and conditions of the current contract.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC9.1>

On March 28 and 29, 2017, City Council authorized the Executive Director, Social Development, Finance and Administration to enter into, extend and administer a contract renewal agreement with Employment and Social Development Canada and service agencies, for up to \$8,650,858 in federal subsidy for the period April 3, 2017 to March 27, 2020. City Council increased 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 Employment and Social Development Canada and \$272,577 funded through a contribution from Social Assistance Stabilization Reserve (XQ1054).

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.ED19.5>

## **COMMENTS**

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Since 1983, the City of Toronto has administered Toronto Youth Job Corps as a cost-shared program with the Government of Canada. Delivery of the Toronto Youth Job Corps program has required partnership between the City and community-based organizations. Contract renewals for Toronto Youth Job Corps have been carried out on Call for Proposals basis by both orders of government.

During the 2014 contract year, the Federal government changed its renewal procedure and required the City to comply with a Call for Proposal process for its role in administering the Toronto Youth Job Corps program. As directed by Council, Social Development, Finance and Administration staff complied with the Call for Proposal in 2013, 2016 and 2019. The City was selected as the successful applicant for the 2014-2017, 2017-2020, and now, 2020-2023 contract periods through this competitive process.

With this contract renewal agreement, the City will enter into a three year agreement with Employment and Social Development Canada ensuring that the program continues uninterrupted into 2023, with the possibility of a program expansion as expressed by Employment and Social Development Canada. Staff will pursue any contractual extension to maximize employment and training outcomes for vulnerable young people, particularly in the COVID-19 economic recovery period.

## **Connecting Vulnerable Youth to Jobs**

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

In the context of COVID-19, youth employment and job preparedness is a significant barrier for young people distant from the labour market. There are unique job opportunities for young people and these opportunities have faced challenges in the COVID-19 context. In response to the COVID-19 pandemic, the Toronto Youth Job Corps program will be working with the service agencies to develop in person and virtual services to ensure equitable access to the program and reduce barriers to the digital divide.

The delivery of the Toronto Youth Job Corps Program supports recommendations of The Mayor's Economic Recovery and Rebuild Task Force – Children and Youth Working Group May 2020 including the offering of full time subsidies for youth placements across all City of Toronto youth employment programs.

The youth unemployment rate is volatile on a month-to-month basis compared to the overall labour force. However, youth in Toronto experience higher unemployment rates than the average for the population. This negative trend specifically impacts youth ages 15-24, despite lower levels of participation in the labour force. Unemployment rate for ages 15-19 is 26.7% and ages 20-24 is 17.3% compared to the total population which is 8.2% [1]. In this economic climate, young people find it extremely difficult to gain access to employment opportunities. Their employment prospects become even 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 isolation, depression and feelings of hopelessness and anxiety. Toronto Youth Job Corps aspires to mitigate these negative impacts on youth, giving access to meaningful entry level opportunities.

### **Program Overview**

The Toronto Youth Job Corps supports vulnerable youth who face multiple barriers to access and maintain employment, education and training opportunities through:

1. Pre-employment skill development workshops tailored to participant needs
2. Community projects such as paint-sites to simulate work environments and develop basic employment skills
3. Job placements and work experience with employers

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1 Statistics Canada Census of Population, 2016 Toronto Census Division

4. Individualized client centred case management to meet participant needs and career goals.

The populations served by the program include youth that are:

- Indigenous
- Black
- Two-Spirit, Lesbian, Gay, Bi-Sexual, Trans, Queer
- Youth who are vulnerable to serious violence and crime
- Involuntary NEET (not in Education, Employment, Training) for at least 4 months
- Homeless or at risk of becoming homeless
- Living in a low-income household
- Living with family care responsibilities
- Affected by substance use
- Currently in, coming out of, or who have had involvement in the justice system
- In or aging out of care - the individual is either in or leaving care of the child welfare system
- Youth living with low levels of literacy and numeracy
- Youth living with disabilities

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.

In a seven year period from 2013 to 2020, Toronto Youth Job Corps provided intensive pre-employment training to 2,334 youth resulting in 1,153 youth obtaining employment, and 426 youth returning to school.

As detailed in Table 2 below, for the 2017-2020 Toronto Youth Job Corps contract period, 1,287 youth commenced the program resulting in 592 youth obtaining employment, and 221 youth returning to school.

**Table 2: Detailed Performance Statistics: Toronto Youth Job Corps (2017 – 2020)**

Toronto Youth Job Corps Outcomes	City Achievement	Federal Target*	% of Target Met
Commenced the program	1,287	1,320	98%
Employed	592	726	82%
Returned to school	221	192	115%

Note: Federal Target numbers are from the original 3-year agreement and does not include extension targets at the time of this report. Final numbers will be impacted due to COVID-19 and available November 30, 2020.

From 2017-2020, Toronto Youth Job Corps engaged 258 employers who provided 525 youth with on-the-job training opportunities through job placements. Some employers have multiple locations and are able to take on multiple participants and many of them

have hired the participants as full-time staff after their placement. Participating employers include social service organizations, retail stores, the service sector, construction/manufacturing/logistics companies.

During the COVID-19 pandemic, modifications to the Toronto Youth Job Corps program have been made to continue to provide on-the-job training opportunities through in-person programming respecting Public Health guidelines and virtual services to bridge the digital divide for vulnerable young people. Funding for personal protective equipment, transportation and hardware will help to increase program accessibility.

Toronto Youth Job Corps 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 Toronto Youth Job Corps model while addressing youth unemployment in Toronto.

### **Community Service Delivery Agencies**

With this renewal agreement, the City is required to administer a Request for Proposals process to select five community agencies to deliver the Toronto Youth Job Corps program from 2020-2023. To facilitate a timely start to the program, Requests for Proposal to select the community agencies commenced in early July 2020 and completed early September 2020. This report recommends entering into a purchase of service agreement with each of the successful proponents for the contract period of 2020-2023.

Four community service delivery agencies will focus on the Toronto Youth Job Corps core programming which includes two phases:

- Phase I provides 5-weeks of pre-employment engagement where youth receive skills development training before entering into the workforce.
- Phase II supports youth to gain real world work experience to practice and apply the skills and concepts learned in Phase I. Furthermore, Phase II enhances youth employability, encourages youth to explore and evaluate different vocations allowing them to create a clearer vision for their future.

One community service delivery agency will be selected to facilitate the Case Management. This is a new component of Toronto Youth Job Corps that will facilitate program completion and provide wrap-around supports to stabilize youth while in the programming. Agencies and youth have made explicit mention of this component as an important resource to support vulnerable youth. The agency providing case management will:

- Provide one-on-one support for participants;
- Co-ordinate and implement one-on-one case management and system navigation supporting participants gain access to needed resources, services, or supports that will help them successfully complete the program;
- Providing warm referrals across the spectrum of: mental health services, health, housing, youth justice, family support, etc., and

- Monitoring progress and maintain case files and documentation in accordance with privacy and information protocols.

Successful proponents will be announced upon City Council's approval of this report's recommendations, currently anticipated to occur at its meeting on September 30, 2020.

## **CONTACT**

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## **SIGNATURE**

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