

Integration and Transformation of Ontario's Employment Services

Market Sounding Exercise
Stakeholder Information Session

AGENDA

- 1) Welcome and Introductions
- 2) Context
- 3) Proposed Integrated Employment System: Vision and Overview
- 4) Market Sounding Overview
- 5) Questions
- 6) Closing Remarks

WELCOME & INTRODUCTIONS



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CONTEXT

On February 12, 2019, as part of the government's mandate to make Ontario open for business, the Minister of Training, Colleges and Universities announced plans to transform employment services to ensure job seekers and businesses are provided with the best possible employment services.

"By providing job seekers and businesses with the best possible employment services, we can support a strong workforce and restore Ontario to its rightful place as the economic engine of Canada."

- Merrilee Fullerton, Minister of Training, Colleges and Universities

"We will be engaging our key stakeholders to help inform the next steps of this modernization. Our government wants to find the best solutions to meet our goal of providing access to high-quality employment supports."

- Merrilee Fullerton, Minister of Training, Colleges and Universities.

The information that is shared in this presentation is from the Market Sounding Document that was posted on the Ontario Tenders Portal.

EMPLOYMENT ONTARIO – CURRENT SYSTEM

- Through the Federal Labour Market Transfer Agreements, the Ministry of Training, Colleges and Universities receives over \$1 billion annually to invest in Employment Ontario which delivers employment and training, apprenticeship and adult education programs at over 700 Employment Ontario delivery sites across Ontario.
- Employment Ontario provides services to all Ontarians: unemployed, people with disabilities, youth, Indigenous peoples, women, newcomers, apprentices, employers and businesses. This includes demonstrated outcomes for clients who identify as being on social assistance.
- The system is flexible as it supports local economic development by collaborating with employers, municipalities, labour and other stakeholders as well as responds to emerging workforce disruption (e.g., large scale lay-offs, trade disputes, etc.).
- While positive successes have been achieved, there are a number of areas for improvement that need to be addressed to ensure job seekers, including those on social assistance find and keep good jobs, and to help employers recruit the skilled workers they need to grow their businesses.



Employment Ontario (EO) is a **comprehensive suite of over 30 programs and services**, delivered by government and third-party organizations.



EO is designed to assist **everyone** from **employed workers** seeking skills upgrades to **unemployed individuals** in need of basic literacy training, as well as **employers and businesses** looking to **develop** their **workforce** and **invest** in their current and prospective **employees**.



Part of this EO vision is to promote strong **local economic workforce development** by collaborating with employers, municipalities, labour and other stakeholders.



The Employment Ontario **vision** is to deliver integrated, customer-focused and effective employment and training programs and services to **advance Ontario's economic advantage**.

SOCIAL ASSISTANCE – CURRENT SYSTEM

- In Ontario, social assistance is provided by the Ministry of Children, Community and Social Services (MCCSS) under two programs:
 - Ontario Works – for unemployed or underemployed people in temporary financial need;
 - Ontario Disability Support Program (ODSP) – provides income and employment supports to eligible people with disabilities in financial need, and their families
- In 2017-18, the province spent \$8.1 billion to provide social assistance to approximately 610,000 individuals as well as to their qualifying family members for a total of 950,000 people a month, on average.
- Of this total, approximately 60% of these individuals received assistance through the ODSP and 40% received assistance through Ontario Works.

CASE FOR CHANGE

- The existence of three separate employment systems – Employment Ontario, Ontario Works Employment Assistance and ODSP Employment Support – has created challenges for seamless access to services for job seekers and employers.
- There is an opportunity for the government to create a more locally responsive employment services system that **delivers better employment outcomes for individuals regardless of their needs.**

Better Outcomes

Employment services need to work more effectively to meet employers needs and **better match jobseekers to sustainable jobs.** For example, in each of the last five years, the Ontario Works program has helped only 10% to 13 % of recipients to successfully find employment and leave the program.

Auditor General's Value for Money Audit

The Auditor's report expressed concern that employment and training programs were not effectively helping people keep full-time jobs.

Line by Line Program Review

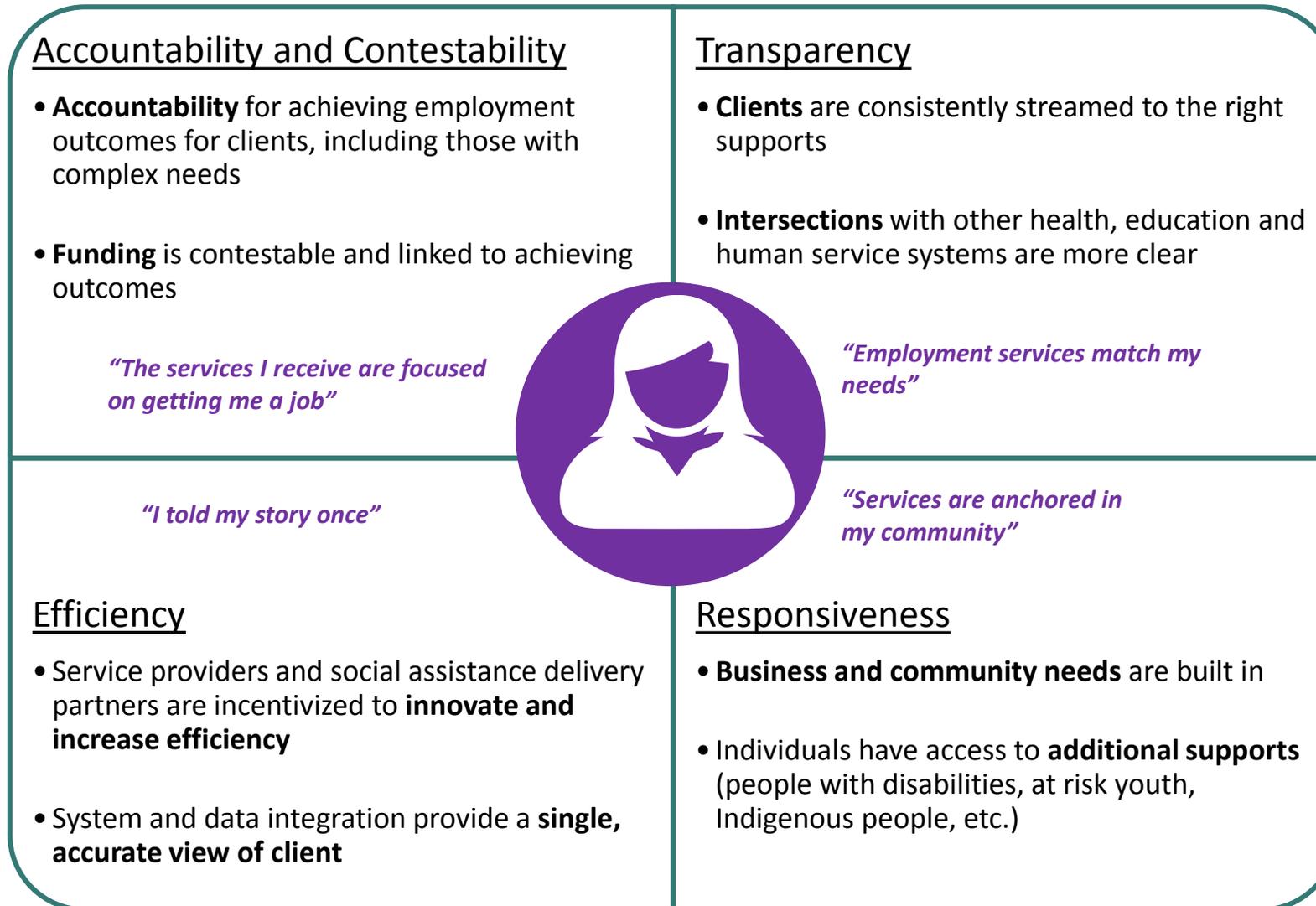
The line-by-line review of government expenditures recommended improvements to **minimize overlap and duplication** across programming. The report specifically noted that almost 1,000 different delivery agencies are funded by Employment Ontario in four regions across the province, with unclear results.

Proposed Integrated Employment System: Vision and Overview

FUTURE STATE VISION

- A locally responsive employment services system that delivers sustained employment outcomes for all individuals and businesses, based on their needs.
- A primary goal behind the employment services transformation is to reduce fragmentation and duplication between provincial employment systems to improve client service, increase accountability, and achieve better outcomes for all job seekers and employers. Changes to the delivery model will also support local responsiveness and system efficiency.
- Individuals with higher or unique support needs including social assistance clients, people with disabilities, Indigenous and francophone clients, need access to timely services that better meet their needs.

INTEGRATED EMPLOYMENT SYSTEM: PRINCIPLES



MARKET SOUNDING EXERCISE: OVERVIEW

- As part of the Employment Services Transformation, the ministry is engaging with municipal, not-for-profit and private-sector partners that are interested in the role of service system manager.
- The engagement, called Market Sounding Exercise, is intended to gather feedback and inform the ministry's thinking and potential approach to a future system for employment and training. The ministry is also seeking input to:
 - Help identify ways to innovate in the delivery of employment services;
 - Test the depth of market interest for, and promote competition for a new delivery model that will make the employment services system more effective to meet local needs of job seekers (including people on social assistance), businesses and communities;
 - Seek feedback on how to effectively provide employment services to people with disabilities who have complex barriers and high support needs; and
 - Seek feedback on serving clients who may have specialized needs or circumstances such as Francophone and Indigenous clients.

FUTURE STATE: PROPOSED OUTCOMES

Through the transformation of employment services, the ministry proposes to achieve the following outcomes:

1. Greater Labour Force Participation

- Increased number of Ontarians completing training or employment programs
- More jobseekers, including those on social assistance and people with disabilities, obtain quality and sustainable employment

2. Locally Driven Service

- Services delivered meet the needs of the local community
- Promising practices for local programs are shared and implemented

FUTURE STATE: PROPOSED OUTCOMES Continued

3. Integrated and Coordinated Service Delivery

- Services are sequenced based on individual need
- Ontarians experience excellent quality of service
- Fewer individuals return for services without a cause

4. Aligned Training Services to Local Business Needs

- Local collaboration (employers, colleges, municipalities and others) occurs to improve the local talent supply.
- Employer capacity improves because employees have the right skills.

Proposed Components of the Integrated Employment System

PROPOSED COMPONENTS OF THE INTEGRATED EMPLOYMENT SYSTEM

- The following proposed components of the integrated and transformed employment service system will be validated through this Market Sounding Exercise.

Component	Description
Redefined Roles	<ul style="list-style-type: none"> • Under the integrated system, the government is exploring redefined roles for the ministry, the new service system manager and social assistance delivery partners.
Program Realignment	<ul style="list-style-type: none"> • The integration of employment-related program elements from the social assistance system.
Service Targeting	<ul style="list-style-type: none"> • Service targeting will provide a common way of assessing and grouping clients into job seeker types based on their needs. • Service targeting will be designed to target resources to clients who could most benefit from more intensive employment services while facilitating less-intensive services and supports to individuals who can more easily transition to employment.
Digital Delivery	<ul style="list-style-type: none"> • The government is exploring an opportunity for improved access to services by offering a single client-centered online channel to support job seekers in their employment journey. • The government is interested in the potential for a cost effective digital channel to support expanded access when delivering services for job seekers.

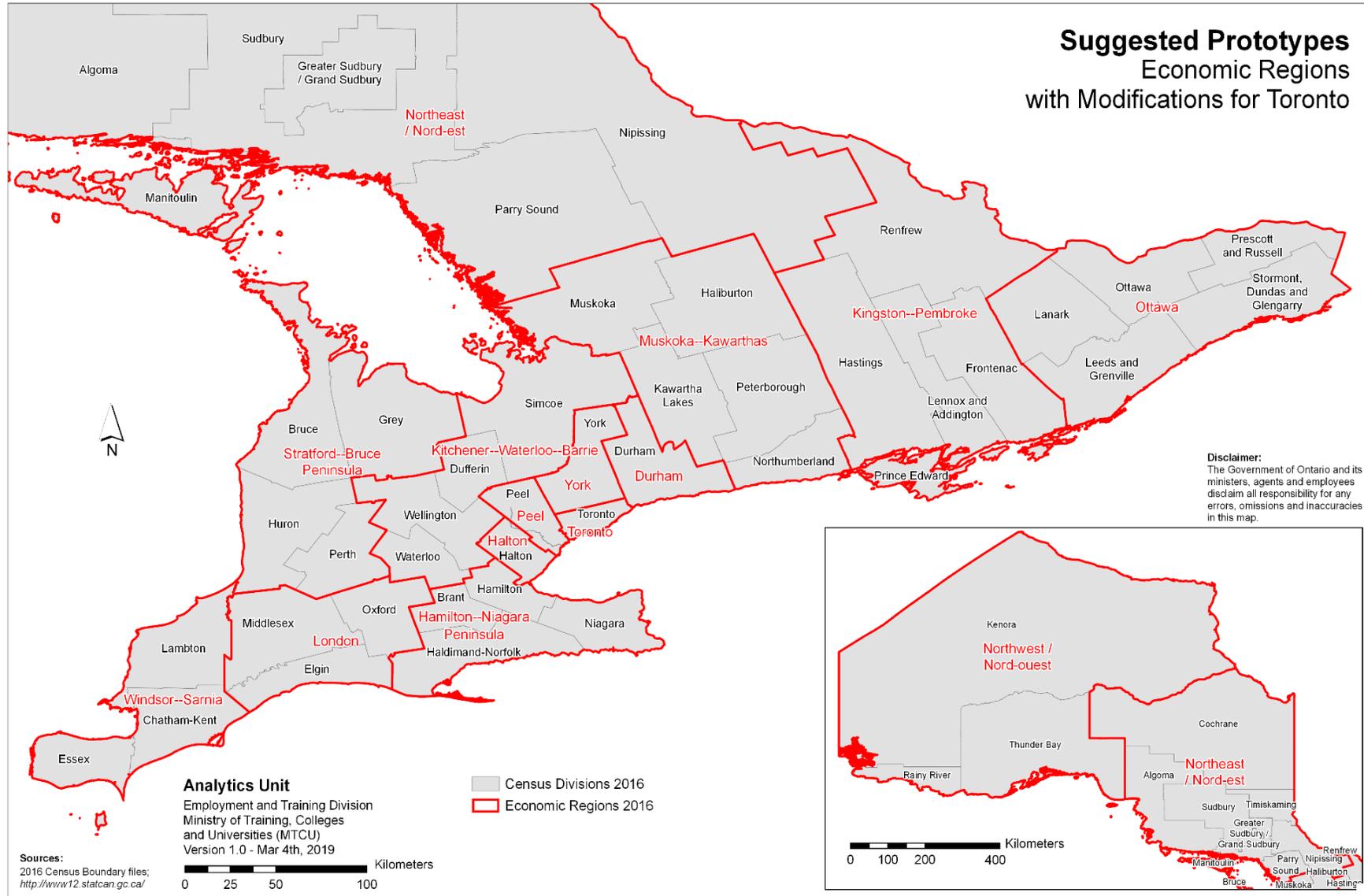
PROPOSED COMPONENTS OF THE INTEGRATED EMPLOYMENT SYSTEM continued

Component	Description
Outcomes-Based Funding	<ul style="list-style-type: none"> • Portion of service system manager funding will be linked to the achievement of client employment outcome. • Funding for service system managers may also include operating, milestone, outcomes and flow-through payments • Competition and performance management will be a core element of the system to drive service innovation and strengthen accountability in the system.
Scope of Authority	<ul style="list-style-type: none"> • At full system maturity, service system managers would be responsible for overseeing a locally responsive and competitive employment and training system. • In order to balance service system managers' autonomy, local network stability and long-term performance, consideration is being given to ensure that a proportion of the delivery network includes third party service providers. • Service system management may include planning, design, and selection of services/programs required to achieve employment outcomes for all jobseekers and employers within their catchment area.

PROPOSED COMPONENTS OF THE INTEGRATED EMPLOYMENT SYSTEM continued

Component	Description
Scope of Transformation	<ul style="list-style-type: none"> • The ministry is seeking feedback on the inclusion of other key functions in the employment and training system that may be needed to achieve outcomes such as: <ul style="list-style-type: none"> • essential skills training and supports, found in the Literacy and Basic Skills program and Ontario Works Employment Assistance. • For prototypes, consideration is being given to the functions related to: <ul style="list-style-type: none"> • job search and placement services • case management and service planning; and • specialized services and supports for all job seekers including people with disabilities.
Catchment Areas	<ul style="list-style-type: none"> • The ministry is considering using Statistics Canada Economic Regions to establish its service system manager catchment areas, except in higher density areas where Census Division boundaries would be used (see map). • Service system managers will be responsible for the delivery of employment services in a given catchment area / service zone.

MAP OF SUGGESTED CATCHMENT AREAS



CONSIDERATIONS FOR SERVICE PROVIDERS

Employment Ontario Service Providers:

- In the new service delivery model, the Ministry will not have a direct relationship with service providers (as it currently does). Instead the Ministry will have a direct relationship with Service System Managers, which will in turn manage relationships with individual service providers in their catchment area(s). Service System Managers will be expected to provide services to a diversity of job seekers within the catchment area.

Ontario Works and Ontario Disability Support Program Service Providers:

- Employment programs for Ontario Works and ODSP will be integrated into the new employment and training system.

CONSIDERATIONS FOR SERVICE PROVIDERS

Francophone Stakeholders:

- In Ontario, the French Language Services Act (FLSA) confers upon members of the public the right to receive services in French from the provincial government, notably in the [designated areas](#). It is, therefore, expected that service system managers will deliver employment services in French in all designated areas.

Indigenous and First Nations Partners:

- Service provision in First Nations Communities is not in scope during the prototype phase while the ministry engages First Nations partners.
- Indigenous and First Nations partners may wish to participate in the vendor engagement and competitive process if interested in service system managing and/or delivering services, during the prototype phase, in catchment areas (outside of First Nations communities).

Stakeholder Questions

Ministry Questions

1. What service delivery opportunities and challenges do you think might exist in different catchment areas and why?
2. What qualifications should be considered in selecting a service system manager?
3. What should be considered to ensure the least disruption to clients during the transformation?
4. What should be considered in serving clients who have more intense service needs to achieve employment service outcomes (e.g. people with disabilities, barriered youth, etc.)?
5. What should be considered in serving Ontario Works and Ontario Disability Supports Program clients to achieve employment outcomes in an integrated system?
6. What should be considered in developing an online channel for services?
7. What services are needed in the system for the Service System Manager to succeed and achieve employment outcomes? What services need to be delivered/coordinated together?

Questions and Answers

Conclusion

To share your ideas, e-mail us at
estransformation@ontario.ca