

**RESPONSE TO THE FEDERAL/PROVINCIAL-
TERRITORIAL CONSULTATIONS ON THE LABOUR
MARKET TRANSFER AGREEMENTS DISCUSSION
PAPER**



NORTHERN ONTARIO SERVICE DELIVERERS ASSOCIATION

Submitted to:

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NORTHERN ONTARIO SERVICE DELIVERERS ASSOCIATION RESPONSE TO THE FEDERAL/PROVINCIAL-TERRITORIAL CONSULTATIONS ON THE LABOUR MARKET TRANSFER AGREEMENTS DISCUSSION PAPER

Below outlines the Northern Ontario Service Deliverers Association's response to the Federal/Provincial-Territorial Consultations on the Labour Market Transfer Agreements Discussion Paper, issued in June, 2016.

1. WHO WE ARE

The Northern Ontario Service Deliverers Association (NOSDA) is an incorporated body that brings together Northern Ontario's 11 Municipal Service Managers. It is comprised of ten District Social Services Administration Boards (DSSABs) that are unique to Northern Ontario; and one Consolidated Municipal Service Manager (CMSM) – the City of Greater Sudbury. NOSDA has a proud fifteen year history: social infrastructure development and support is the core business of its members.

NOSDA members plan and coordinate the Northern Ontario delivery of public services related to helping people integrate or re-integrate into the local labour force. NOSDA members foster and promote social infrastructure programs that result in measurable gains to the quality of life of Northerners through:

- the provision of financial and other supports to persons having difficulty entering or re-entering the labour force;
- the creation, maintenance and provision of affordable, social housing;
- the provision of quality of early learning and child care services that reassure their parents that their children are in safe, nurturing environments while they busy themselves at work or upgrading their skills;
- the provision of emergency medical services in times of personal crisis

Northern Ontario's municipal service managers represent and/or address the needs of a significant component of Northern Ontario's economy and labour force.

NOSDA members:

- serve the needs of nearly a million people spread over 800,000 sq. km.
- operate about 12,000 social housing units representing over a billion dollars in housing assets
- address the needs of 16,000 most vulnerable citizens through Ontario Works cases each year and provide discretionary assistance to the ODSP caseload of over 30,000 persons
- subsidize over 17,000 spaces in the Early Learning System
- respond to over 82,000 EMS calls per year
- collectively have an annual operating budget of nearly half a billion dollars.

2. BACKGROUND

To say the population in Northern Ontario deserves special attention when it comes to developing Labour Market policy changes is an understatement.

It is well documented that Canada's population is aging. This is especially evident in the demographic makeup of Northern Ontario. The proportion of senior households is increasing relative to its' overall population. Part of the reason is that younger people are moving out of the North in search of education and employment, while older people tend to stay in their communities, or are coming to Northern communities to retire. People coming to retire in the North is a significant factor in local business health in some communities such as Elliot Lake, and has contributed to growth of property assessment and has offset some of the population loss of other age groups.

Those in the younger age cohorts which have been traditionally those most engaged in the labour force are adversely affected by externally driven, resource-based cyclical economic downturns, limited economic diversity and job opportunities, an aging-in-place workforce reducing upward occupational mobility, lower literacy, at-risk youth, lower than average family incomes and higher than average low income families and single parents.

Fewer young and working aged adults (e.g. aged 15 to 54 years) can mean more of a tax burden on older adults who may be on fixed incomes. Further, high levels of seniors in communities put pressures on municipal services (e.g. EMS, Housing) which are funded by the municipal property taxes and that have traditionally been the responsibility of the Province.

Further, over ten percent of the population in the North is Indigenous, representing about forty percent of all Indigenous persons in Ontario. Twenty-six percent of Ontario's Francophones live in Northern Ontario. There are a variety of additional structural and cultural barriers that these citizens have to negotiate to participate in the labour force.

In the rural areas of the region, there is a higher than national/provincial average dependency on government transfer payments (pensions, income support programs) due to a lack of earning opportunities. Education levels are lower; unemployment levels tend to be higher.

As a result of these phenomena, northern communities are generally more immediately and severely affected by economic and demographic changes. All of these challenging factors are affecting the long-term viability of some depopulating, de-serviced municipalities. Northern Ontario is the proverbial 'canary in the coal mine' when it comes to being the first area to experience the impacts of cyclical economic downturn and having early insight as to what works to mitigate these effects on the local labour force.

3. RESPONSE TO FEDERAL-PROVINCIAL/TERRITORIAL CONSULTATIONS ON LABOUR MARKET TRANSFER AGREEMENTS

Our comments relate to the need for a Service System Management approach to Employment Assistance, the need for widely available employment 'infrastructure' and NOSDA's support for the funding, evaluation and broad sharing of best practice development through the funding of pilot projects, particularly in Northern Ontario.

3. a. Use a Service System Management Approach to Employment Assistance

At NOSDA's Annual General Meeting held in June, 2016, the following Resolution was passed:

Service System Management and Employment Services

WHEREAS it has been recognized the value of direct relationships with local economic development and business is fundamental in planning for good employment outcomes in a community and by virtue of the municipal linkages to these departments with CMSM/DSSAB's; and

WHEREAS it has also been acknowledged that other municipally delivered services including Housing Services and Children's Services are fundamental to assisting individuals along the continuum of employment;

Therefore be it resolved that NOSDA call on the Premier of Ontario to move forward with the integration of Employment Services and more specifically that the province engage CMSM/DSSABs as full partners in managing and planning employment services in their communities; and

Further be it resolved that the Premier takes the first step along this integration path by immediately expanding the number of CMSM/DSSABs in the North which are designated as Employment Ontario deliverers.

Further be it resolved that the Premier directs the Minister of Training, Colleges and Universities who is responsible for Employment Ontario to make DSSAB's/CMSM the Service System Managers for employment programs and engage in government –to-government relations with CMSM/DSSABs in the same manner as other Provincial Ministries where the CMSM/DSSAB is interested which would mean Employment Ontario would only have one contract within each CMSM/DSSAB jurisdiction. This would allow CMSM/DSSAB to rationalize services and ensure that over time a streamlined and more holistic approach to employment services in a community where being funded.

NOSDA has long advocated that employment and skills training should be decentralized using a 'Service System Management' approach to reach the maximum number of job seekers(see, for example, *An Overview Of Service System Management & Employment Assistance: A NOSDA Position Paper, 2013*). Generally speaking, Service System Management includes establishing and managing relationships with community agencies, local planning bodies, other orders of government and consumer

stakeholders to achieve outcomes and local priorities. What this means is that service provision - across agencies, other providers and stakeholders as well as orders of government - is coordinated and aligned. This approach provides an opportunity to improve efficiencies and most importantly improve outcomes for individuals seeking attachment to local labour markets.

The concept of Service System Management underpinned the expectations of delivery systems that were created through Local Services Realignment (LSR) and figured prominently in the analysis and decision making that informed the Provincial Municipal Fiscal and Service Delivery Review (PMFSDR).

Given the nature of the organizational and inter-organizational relationships involved in a systems approach to service provision and to deliver 'client-centric' services, Service System Management supports an outcomes based accountability model through the focus on integrated planning and collaboration. Outcomes based planning is a shift away from compliance monitoring wherein governments are responsible to ensure that standardized delivery mechanisms meet simple accountability requirements, which are increasingly more efficiently offered through computer systems and e-government. To respond to complex, community/ regional/provincial based issues, greater flexibility in planning and delivery with both clients and community partners is required to achieve the overall outcomes established by the government.

Service System Management is based on Federal, Provincial and Municipal funding with clear accountabilities between the Provincial and Municipal levels of government to ensure that provincially defined Outcomes are achieved.

The Province sets the legislative and regulatory policy framework, as well as establishing province-wide priorities and objectives. It further defines outcome targets and outcome measures and determines the adequate funding allocations to achieve those targets.

Municipalities and District Social Services Administration Boards (DSSAB) are responsible for community based planning and ensuring that local outcomes are congruent with the Provincial Outcomes. They also determine local linkages with other planning bodies and determine the appropriate service delivery approach, and, in some cases, partner on the funding of the objective.

As local governments, CMSMs and DSSABs are accountable to their communities, not just a specific program funder. This dual obligation has a number of implications:

- In many cases, CMSMs and DSSABs go beyond specific program mandates and legislative requirements, in order to ensure that gaps in service are identified, and unique local service needs are met.

- Accountability goes beyond that established with the province as service system managers, as CMSMs and DSSABs are also responsible for meeting local governance requirements and exemplify informed decision-making.
- CMSMs and DSSABs contribute a sophisticated level of comprehensive information in terms of data, research, mapping, local economic development and identifying labour market trends and issues.

As the Service System Manager, the DSSABs lead the planning and coordination of services to communities and to specified client groups, all the while ensuring the achievement of Provincially defined Outcomes. In very few cases is the DSSAB both the Service System Manager and the full service deliverer – typically the delivery is completed through a patchwork of agencies and groups that are organized by the DSSAB to achieve the mandated Outcomes. The various community agencies are coordinated and organized by the DSSAB to ensure that the services achieve not only their mandated outcomes but do so in an effective and efficient manner to meet the broader interest.

So how would Service System Management by DSSABs support integrating employment services?

Over the past several years, a series of government announcements and reports have called for the integration of employment services. As it currently stands, much of the activity in employment services is transactional in nature, typified by the approval of a return to work plan on a case-by-case basis built on the discreet program objectives and requirements. Little community based planning occurs that links individual plans to broader labour market planning. A new mindset is required to move from a transactional management of employment services to a systems approach to managing integrated employment services. For example, the Drummond Commission supported the integration of Employment Services under MTCU while pointing directly to the importance and value of local responses in making this successful. Service System Management is the delivery tool that can bridge the provincial interest with the local need.

The following are examples where the benefits of collaborating with local governments and specifically DSSABs, to achieve improved economic and social outcomes, can result in a more efficient, responsive and intelligent approach to employment services:

- DSSABs are uniquely positioned to play the role of Service System Manager for the Province of Ontario and indeed the Federal Government, in Northern Ontario. DSSAB's are already responsible for the delivery of Ontario Works Employment Services. These services are generally delivered through a mix of self-delivered programs and third party agreements with local colleges, school boards and the non-profit community agencies. DSSABs are in regular contact with local

employers and businesses, offering employers job matching services, on the job coaching, employer wage subsidies and training opportunities for clients.

- DSSAB's work closely with colleges to develop appropriate programming for the individuals they serve within a particular community; often, it is by developing specific programming to meet the needs of clients in a community such as life skills training, handling transactions for cashiers or computer classes required for a specific job. Colleges have been approached and have offered unfilled seats in their programs to social assistance recipients at no cost.
- DSSABs work closely with community literacy agencies that are in the best position to deliver basic literacy and upgrading to individuals in order to achieve a grade 12 equivalency. Further DSSABs work with Colleges and Universities to assist clients in choosing the most appropriate career path based on their individual skills. In the North, there are two DSSABs that directly deliver the full suite of Employment Ontario programs. Through the delivery of the Employment Ontario Program, DSSABs have demonstrated their ability to deliver provincially funded employment programs to all residents of its communities and not only to social assistance recipients. DSSAB-deliverers have even established local, client-specific transportation to get them to upgrading on a daily basis, picking them up and dropping them off at home
- Relationships with local employers, economic development officers and the business community have been developed to ensure that potential employees have the skills and ability they need to be successful in the workplace. DSSABs have worked regularly with their local economic development agencies to host job fairs for new employers and career fairs for students.
- DSSABs, as responsive local governments, are appropriately positioned and willing to take on the responsibilities to work with local stakeholders in planning a range of employment services to meet local and provincial needs.

In short, DSSABs are positioned to link needs to resources. They are the vehicle to connect and coordinate services and resources with an eye towards outcomes and accountability.

What would be the benefits of a Service System Management approach for employment services?

Employment Services should be planned at the community level to ensure they are integrated, that administration is streamlined and that local needs are met – all the while being accountable to the provincially established Outcomes framework, and supporting the economic benefits of stronger communities with more people engaged in the labour market. More flexibility in administering programs and having fewer restrictions and

guidelines would ensure less overlap and direct more resources to targeted services to best meet the needs of residents.

Residents, service providers, governments and other stakeholders need to be involved in planning of services to ensure that choices are available in the services provided, and to ensure public accountability. DSSAB's are uniquely positioned to understand and meet their local communities' needs in terms of Child Care, Social Housing, Income Support, Employment Services and Economic Development, as well as ensuring the provision of collateral or "wrap-around" services that are often crucial to the success of individualized employment plans. It is important to note however, that while the DSSAB role is focused on the above, the impact extends across aspects of the organization of local governments and the health of communities.

When delivering employment supports in conjunction with income support, CMSMs/DSSABs have the ability to:

- Create efficiencies by serving clients in a 'one door' approach and through integrated case management;
- Link and refer clients to other provincially mandated human and social service supports (e.g. childcare, housing);
- Facilitate labour market attachment for clients based on knowledge of local labour market conditions and engagement with local employers through relationships with their municipal economic development arms;
- Contribute to local and regional economic development objectives and further workforce development strategies; and,
- Be responsive and accountable to local elected officials for the social and economic development of their communities.

In short, 47 CMSMs and DSSABs can deliver employment programs more efficiently than the over 400 contracted services currently funded by the province to deliver Employment Ontario programs.

3. b. Improved Access to High Speed Internet and Computer Training

Allow for similar job skills training to be available to those in Southern Ontario and elsewhere in Canada. High speed computer access across Northern Ontario would help mitigate the labour market distortion created by having differences in availability of access due to geography. This condition lends itself to the inherent promotion of a bifurcated labour force – that is, one labour force with future-based skills and knowledge and another disadvantaged due to geography (that is, choosing to live in Northern Ontario).

3. c. Support for Pilot Projects

As noted in the Federal/Provincial-Territorial Discussion Paper,

“This being said, in recent consultations, stakeholders have made clear their support for innovation, indicating an interest in more funding being dedicated to test and evaluate different training approaches. In addition, there was interest in the establishment of and better coordination of existing centres of excellence to help groups, including those marginalized or underrepresented in the workforce, get the best support and encourage research and the sharing of best practices, both domestic and international.

To adapt and respond to a changing labour market, research, pilot projects and innovative ideas and practices will need to be further encouraged and invested in. As labour markets evolve over time, it is also essential for governments and stakeholders to develop and effectively share best practices and new ideas, making best use of available resources and lessons learned to be nimble and respond to emerging trends” (F-P/T Consultations on Labour Market Transfer Agreements, June, 2016 p. 7)

NOSDA agrees with the funding of pilot projects and the broad sharing of results that could improve the delivery of employment and training programs and improve the quality of life of those citizens who need them, particularly in Northern Ontario. Since only two NOSDA members with pre-existing contracts with Employment Ontario got to remain in the new Employment Ontario Service Network established by the Province, other NOSDA members would welcome a dialogue as to where to best situate any pilot projects to ensure full participation and enhance the likelihood of sustainable success.

4. CONCLUSION

We welcome the opportunity to comment on the Consultation Paper, and look forward to working with you both in helping achieve the vision of a trained, integrated and highly productive labour force here in Northern Ontario and across Canada.

August, 2016