

First Work – 2022 Budget Consultations Submission

A human-centered approach to transformation and recovery must address gaps in service provision for Ontario's economy to thrive

Ontario's public workforce development sector – supported employment providers – has shown incredible perseverance throughout this economically turbulent time, meeting the needs of individual – job seekers – and the economy – employers. Pandemic disruption aside, the skills-mismatch existing in the Province pre-pandemic has only been exacerbated by a depleted youth talent pipeline, diminished immigration, and labour force in flux. The causes of this labour force disruption cannot be reduced to slogans but are instead comprised of individuals dealing with the ramifications of ongoing public health measures, rising cost of living, and an environmentally unclear future. It is essential Ontario adhere to the vision ascribed in the Employment Services (ES) Transformation – a human-centered approach – throughout economic recovery planning and strongly consider the following recommendations. The Government must reintroduce youth-specific programming through Employment Ontario, conduct targeted consultations with frontline providers regarding the ES transformation, and provide operating funding for ES providers to ensure Ontario's publicly funded workforce development sector can meet the needs of this province's recovering economy.

Young people have unique challenges – lack of experience, soft skills, professional networks – and must be serviced to account for these needs. Though youth are designated a priority population to service in the new model, dedicated funding for youth-specific programming has been cut in transformation. Without access to youth-specific supports, young people in various regions of Ontario are at even greater risk of *employment scarring*: long-term negative impacts on career growth and earnings. The Government must reintroduce youth-specific programming through Employment Ontario – particularly in the current employment transformation catchment areas – to ensure youth facing barriers to employment are not left further behind.

With the many of changes ongoing with ES transformation, there is ample opportunity for gaps in the system to occur without proper oversight. First Work has taken on responsibility to monitor the transition on the ground via ES providers in transformation, identifying successes and gaps in the new model; however, as transition to the new model continues, it is critical to address challenges for best practices in service delivery moving forward. As such, the Government must conduct targeted consultations with frontline providers regarding the ES transformation to ensure these gaps in the system are not advanced through the following stages of the systems change.

Ontario's publicly funded workforce development sector champions efficiency, delivering roughly 2% of cost savings annually to accommodate for inflation as service delivery funding remains unchanged since 2010. To meet the regional needs of this province's recovery economy, ESPs continue to value the taxpayer's dollar while providing essential services for the whole of community: individuals and economy. Programs like the Canada-Ontario Job Grant (COJG) – assisting employers to train new or existing employees – have incredible potential to support post-pandemic recovery. A lack of operating funding for these programs, however, impedes the necessary outreach, application and execution processes ESPs must undertake with the local businesses who would most benefit from this type of program. Coupled with the decade-long funding freeze, these fiscal constraints take a real toll on staff, impacting retention and capacity to serve. For the Government to fully leverage their funded workforce development sector, they must provide these employment service providers with the operating funding needed for successful program recruitment and delivery.

Gaps in service provision can have serious ramifications for vulnerable individuals, but also impact the preparedness of Ontario's recovering workforce. Prioritizing equitable access to service, by bringing back youth-specific programming and funding employment services groundwork, will ensure those furthest from employment are not left behind in recovery. Helping our most vulnerable to thrive is one of the only ways we can ensure a flourishing economy for tomorrow.

For more information:

Akosua Alagaratnam | Executive Director
First Work | Ontario's Youth Employment Network
Executive.director@firstwork.org

About First Work

First Work is Ontario's employment network: a leading membership organization bringing together the best providers of employment programming and services, business leaders, academia, and government to develop and advance evidence-led solutions for employment. Our membership community positions us at the bridge between job seekers and employment, bringing innovative partnerships with industry partners to the workforce development space. Our direct engagement with job seekers, youth and employment services providers ensures our services are relevant, timely and apply an intersectional lens. Our continued advocacy at all levels of government supports progressive policy development for the benefit of all job seekers.