

POLICY UPDATE

February 14, 2020

Employment Services Prototype Service Managers: No Municipal Applicants Selected

Today the Ministry of Labour, Training and Skills Development announced the successful proponents for three regions where the Province will prototype its new service delivery model for employment services. The new model will see employment-related functions of the municipal Ontario Works and the provincial Ontario Disability Support Program integrate with the provincial Employment Ontario network into a single employment services system.

AMO is disappointed that no municipal candidates were selected as a result of the competitive process. The government is starting with the three prototype areas in 2020. A full provincial roll out will occur in the coming years for all Ontario Works employment services currently delivered by 47 municipal governments and District Social Services Administration Boards. The implication of this initial decision is the potential loss of the Ontario Works employment services function provided to social assistance recipients, as of October 1st, affecting nine municipal governments. It is up to the new service managers if they wish to partner and fund municipal service delivery of Ontario Works employment services.

The three prototype regions include the following areas: Peel, Muskoka-Kawarthas, and Hamilton-Niagara. The Muskoka-Kawarthas region includes the District of Muskoka, the City of Kawartha Lakes, the County of Haliburton, the County of Peterborough, the City of Peterborough and Northumberland County. The Hamilton-Niagara region covers Hamilton, Brant County, Brantford, Norfolk County, and Niagara Region.

The service system managers selected for each region are:

A consortium for Hamilton-Niagara Peninsula including current Employment

Ontario and Ontario Disability Support Program service providers led by Fedcap (a U.S. based non-profit employment services provider),

- Fleming College for <u>Muskoka-Kawarthas</u> a post-secondary institution and current Employment Ontario service provider with campus locations in Peterborough, Lindsay, Haliburton, Cobourg, and
- WCG, part of the APM Group for <u>Peel</u>. The WCG is a Canadian subsidiary of the APM Group, an Australian private sector company that provides employment, health, and rehabilitation services in 10 countries.

AMO will monitor the situation based on the experience of the first three prototype areas. We will work with the Province and municipal governments to mitigate any negative municipal impacts in the transition to the new model, including in prototype regions and beyond. There will need to be transitional support and change management for the nine affected municipal governments.

This activity is in addition to other provincial announcements that may result in significant restructuring and labour relations challenges for municipal governments, including the potential restructuring of public health.

In the lead-up to the competitive process, AMO raised concerns about the fiscal, programmatic, accountability, and labour relations impacts of this fundamental change to the delivery of services at the community level. There needs to be a seamless transition for clients regardless of who is chosen as the employment service system manager in a given region. The successful proponents must serve vulnerable residents, including those who are far from entering the labour market and in need of additional supports. As well, the new service system managers must actively engage all municipal governments in their regions about local labour force development.

More information on the government's plan for Employment Services Reform is found in the Ontario Newsroom release.