

Second Career: Program Redesign, Phase Three

Questions and Answers

November 22, 2021

Q. What are you announcing today?

We are pleased to announce that Ontario is making further changes to Second Career (SC), as part of the SC Redesign. These changes will expand the eligibility of the program to unemployed individuals who have little or no work experience, those who are self-employed or those in the gig economy. The expanded program will offer better access for those whose employment barriers may have been made worse by the pandemic, including young people, recent newcomers, those who are self-employed and gig workers, people on social assistance, and people with disabilities.

Starting in Spring 2022, these changes will allow the program to move beyond helping laid-off workers find a “second career”, and will now also assist other people who could benefit from skills training because they have a hard time building their first career.

The implementation of the third phase of SC redesign demonstrates the government’s commitment to helping people who face barriers to employment while ensuring that Ontario businesses have access to the skilled workers they need.

Q. What happens next, and when will we see results?

Our goal is to have the changes that are focused on supporting Phase 3 of Redesign implemented in Spring 2022. That means that in early 2022 we will have a program that focuses on expanding access to training, and prioritizing those most in need, regardless of whether they have previous work history or not, using revised eligibility and suitability criteria. This is expected to improve access for groups with known barriers to employment which may have prevented them from accumulating work experience, such

as youth with employment barriers, recent newcomers, persons with disabilities and social assistance clients.

Q. What changes were made as part of Phases 1 and 2?

Phase 1 of Redesign, implemented in December 2020, provided fast-tracked access to individuals laid-off from sectors highly impacted by COVID-19. Changes also focused on shorter-duration training for jobs which are in demand in local or provincial priority areas such as advanced manufacturing, life sciences, information and communication technology and supportive health services.

Phase 2 further improved client access by increasing financial support amounts available for living expenses to reflect the current costs of living, simplifying the application process, and beginning to test a new online application process.

Second Career Redesign builds on Budget 2019 commitments: taking action to change our system so it works better for workers, job seekers and businesses by making it more relevant, effective and responsive to labour market demands. This will contribute to the government's broader economic recovery efforts.

Q. What are you hoping to achieve with the overall redesign?

Second Career Redesign is a key lever for the government's efforts to provide displaced workers and other jobseekers with access to training supports to enable workforce resiliency and prosperity through sustainable employment success.

As part of the economic recovery efforts, we want to help employers find the workers they need. The phased redesign looks to better target clients, build in-demand skills and modernize and improve the client experience. This Redesign is a part of the recovery plan that will bring government, businesses, workers and communities together to rebuild a better Ontario.

Phase three of the Redesign will focus on expanding access for individuals who have had challenges transitioning into the labour market, and therefore would not previously have qualified due to limited previous labour market attachment. Many of these individuals may belong to groups with known barriers to labour market attachment, which have been exacerbated by COVID-19's impact on jobs, such as recent newcomers, persons with disabilities, youth with employment barriers and social assistance recipients.

Q. Who will benefit from the implementation of Phase Three?

Currently the Second Career program prioritizes individuals who have been in receipt of EI and have been laid-off. Clients who have limited labour market history and have never been laid-off do not qualify under existing policy. Individuals in receipt of social assistance may also face barriers related to information and effective referral supports needed to apply and understanding how enrolling in Second Career may impact their social assistance supports.

Next Spring, individuals who have faced barriers to transitioning into the labour market, which have been exacerbated by COVID-19, will have improved access to Second Career, including social assistance clients.

This means more unemployed individuals who are interested in skills training will be able to acquire skills that can help them avoid or transition out of long-term unemployment and reliance on social assistance by gaining the skills in-demand by employers in high growth sectors of the economy.

Q. What are Gig Workers, and why is Second Career extending access to them?

For the purposes of Second Career, eligibility will be extended to suitable unemployed individuals who have lost the gig work or “solo” self-employment they were relying on due to forces beyond their control, such as COVID-19.

There is no standard definition of “gig workers” however they can be understood as part of a growing trend in Ontario and Canada towards non-standard work; meaning work that is not full-time, not permanent, and which includes part-time workers, independent contractors and the self-employed. Specifically, “gig-work” can be understood as a subset of self-employed individuals with no paid help (also known as “solo self-employed”) and is also often associated with on-demand work mediated through online platforms.

It can be difficult to validate that gig workers and the self-employed are experiencing unemployment due to forces beyond their control. For example, they could be not working because they are in between contracts or choosing to not take their next “gig.” However, gig workers can lose the ability to work, such as when a high number of gig workers lost work across Canada due to COVID-19¹.

Q. Will Social Assistance clients be required to participate in Second Career training?

No. Second Career is only one option of the employment and training suite of services offered to all Ontarians through Employment Ontario. This phase of re-design will expand access to training, and prioritize those most in need regardless of whether they have previous work history or not. This is expected to improve access for groups with known barriers to employment, such as youth with employment barriers, recent newcomers, persons with disabilities and social assistance clients.

¹In Canada between February 2020 and March 2021, gig-workers (defined as unincorporated self-employed without paid help) decreased by 4.3% compared to 8.5% for the category “other/self employed” and 0.9% for employees (Federal Budget 2021. Chapter 2, Section 2.2.)

Q. Will Second Career clients lose their EI when they participate in Second Career?

No. Section 25 of the Employment Insurance Act allows individuals who receive EI regular benefits to take part in training programs and other employment activities that will facilitate their return to the labour force by exempting them from their obligation to actively look and be available for work. MLTSD has the authority to issue a Section 25 approval request under the Labour Market Development Agreement and already does so for clients participating in Second Career.

Q. Will the Redesign also consider the needs of specific populations and people with barriers to employment?

Phase 3 of the Redesign will focus on expanding access for individuals who have had challenges transitioning into the labour market, and therefore would not previously have qualified due to limited previous labour market attachment. Many of these individuals may belong to groups with known barriers to labour market attachment, which have been exacerbated by COVID-19's impact on jobs, such as social assistance clients, recent newcomers, people with disabilities and youth with employment barriers.

Q. Why is the Second Career Redesign being undertaken?

The SC Redesign builds on Budget 2019 commitments to change our system so it works better for workers and businesses by making it more relevant, effective and responsive to labour market demands and contribute to the government's broader economic recovery efforts.

Ontario is committed to supporting workers whether they are struggling to transition into the labour market, searching for a new job, or need retraining to start a new career. We know that COVID-19 has resulted in job loss and has exacerbated challenges for

individuals facing barriers to labour market attachment, such as youth with employment barriers, recent immigrants, and persons with disabilities.

Q. Will the expanded client groups be able to receive the same amount of funding?

Yes. The financial assessment for Second Career is not changing in Phase 3 of the redesign. Funding is determined on a case by-case basis, and is available for tuition, books, supplies, living expenses, childcare and support for disability-related costs.

Individuals in need of disability-related supports and/or childcare may receive additional funds in excess of the program maximum to support those needs.

The total program maximum will continue to be \$28,000 per client, with additional constraints placed on levels of support available for tuition and living expenses.

Q. Have stakeholders been engaged on the work to date? Are there plans to engage stakeholders?

The overall Second Career Redesign approach was developed as a result of ongoing program review, feedback and in response to Ontario's shifting economic landscape.

However, the ministry has conducted province-wide stakeholder engagement with key workforce development partners to identify gaps and challenges in the current system as part of the Workforce Development Action Plan. The Second Career program was one of the programs in-scope for these engagement activities.

Q. Now that you will be offering education grants through Second Career for people without work experience, should new postsecondary students apply for Second Career grants instead of OSAP loans?

Second Career and OSAP help Ontarians achieve different goals.

The Second Career program aims to help unemployed individuals who are ready and interested to take short duration, and occupationally-focused training (52 weeks or less) to join the workforce quickly. Applicants must also be deemed suitable for the program based on criteria such as level of need for training to secure employment, and the occupational demand for the training they are interested in.

The Ontario Student Assistance Program provides financial assistance to qualified students in postsecondary studies. OSAP includes grant, loan, bursary, scholarship and other aid programs. Postsecondary students who seek financial assistance for longer duration programs or those who are ineligible for Second Career are encouraged to apply for OSAP.

Q: How does this redesign align with the employment services transformation?

Second Career Redesign aligns closely with Employment Services Transformation (EST) as part of ongoing efforts to help more Ontarians get the supports they need to develop new skills and supporting employers by helping them find the skilled workers they need to thrive.

Ontario's Government is moving ahead with the integration of the employment services system, which started with 3 prototype areas (Peel, Hamilton-Niagara and Muskoka-Kawarthas) in January 2021. EST is now being expanded provincewide using a phased approach, beginning in 2022 with the addition of four additional catchment areas (Halton, Kingston-Pembroke, Stratford-Bruce Peninsula and York). This approach will:

- Create an efficient employment service to meet the needs of all clients, including those on social assistance or with a disability.
- Be more responsive to local labour market needs.
- Drive results for job seekers, employers and communities.

Lessons learned from prototype communities will be applied to the full rollout of the new system, beginning in 2022.

Phase 3 changes to Second Career to improve access for suitable unemployed individuals with limited labour market attachment, including social assistance clients, will be supported by the Employment Services Transformations service delivery model, which integrates social assistance employment services into Employment Ontario, enabling a more common understanding of client readiness to pursue employment, such as through skills training.