

## **Memorandum**

**To:** Employment Ontario Delivery Partners

**From:** Ken Nakahara, Assistant Deputy Minister

**Date:** December 13, 2023

**Subject:** Employment Services Transformation Update

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Dear Employment Ontario partners:

I am pleased to be writing today about the rapidly progressing Employment Services Transformation (EST) initiative. I am excited to have joined the Employment and Training Division during such a pivotal time in the process. There are several updates I would like to share with you and your organizations.

### **Evaluation Update**

Following the implementation of Integrated Employment Services (IES) model in the prototype catchments (Peel, Muskoka-Kawarths, and Hamilton-Niagara) in January 2021, the Ministry of Labour, Immigration, Training and Skills Development (MLITSD), in close collaboration with the Ministry of Children, Community and Social Services (MCCSS), engaged a third-party vendor, Goss Gilroy Inc, to conduct an external evaluation. It assessed the implementation of the model in these three catchments from January 2021 to May 2022.

The evaluation, now completed, engaged almost 3,000 individuals including 180 stakeholders (e.g., MLITSD and MCCSS staff, Service System Managers (SSMs), service providers,

community informants), 193 employers and 2,382 Ontarians through 44 focus groups and interviews and 9 surveys. Their feedback was complemented by Employment Ontario (EO) administrative data and labour market analysis. Below are some key takeaways from the evaluation:

- The model was implemented as intended with SSMs designing and administering programs that were responsive to their local needs, including supporting clients accessing social assistance and those at high risk of long-term unemployment.
- Based on survey results, the model helped 87% of those who completed pre-employment services to secure at least 20 hours of employment per week over the course of one year post program.
  - Almost two thirds of these clients met or exceeded their personal “hourly wage goal” at some point post program, earning between \$18.70 and \$19.70 per hour.<sup>1</sup>
- The model also provided valuable supports to many employers, with two thirds of employers surveyed sharing that they had access to sufficient supports to accommodate jobseekers with disabilities; employers also noted that the supports received helped them in retaining workers.

The evaluation serves as one of the many lines of evidence that the ministries will use to continue to monitor and evaluate the IES model. We will also continue to consult with SSMs, stakeholders and partners to improve the IES model.

A general [Questions and Answers document](#) is available for those who would like more information about the evaluation results.

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<sup>1</sup> The minimum wage in Ontario at the time of the evaluation was \$15; it has since increased twice.

## **Phase 1 Integrated Employment Services Implementation**

As of October 1, 2023, all Phase 1 catchment areas (York, Halton, Stratford-Bruce Peninsula, and Kingston-Pembroke) have commenced with the full implementation of IES. IES is now supporting Social Assistance clients with the full range of employment services.

## **Phase 2 Transition and Preparing for Launch of IES**

The Phase 2 catchments (Durham, London, Windsor-Sarnia, Kitchener-Waterloo-Barrie, and Ottawa) are currently in their Transition Period and will launch IES as of January 2024. The transition period is designed to ensure that service providers have had a period of stability while the SSMs continue to establish a community presence and build stakeholder partnerships.

Referral of Ontario Works clients into EO service delivery will begin after the Transition Period. Clients who are receiving employment services during the Transition Period, including EO and Ontario Disability Support Program clients, will continue to receive services into the IES delivery period. MLITSD, as well as MCCSS, will continue to work with all delivery partners to provide support throughout the Transition Period.

## **Phase 3 Toronto and Northern Catchment Areas**

The ministry is currently in the final stages of completing the two-stage competitive process to select the successful SSMs for the Northeast, Northwest, and Toronto catchment areas.

The qualified organizations who participated in the Request for Qualification process were invited to participate in a Call for Proposal which closed on October 27, 2023. This is then followed by an evaluation phase completed by the ministry.

The selection of the successful SSMs for Phase 3 will mark a significant milestone for the ministry as it will be the last and final stage of rolling out the IES model across the province. We look forward to announcing successful candidates for the Phase 3 catchment areas in early 2024.

### **Next Steps**

As we approach the end of 2023, I would like to offer my sincere gratitude for all of your efforts to support the transformation of the province's employment services. Together, I believe we are making important strides towards improving the system for jobseekers, businesses, and local communities. Your commitment to Ontarians is significant and I appreciate your collaboration and investment in this important work.

I hope that each of you find time over the upcoming holidays to rest, recharge and enjoy time with your loved ones. I look forward to providing you with regular updates in the new year as the ministry continues to move through the Phase 3 competitive process and the new system continues to be implemented across Ontario.

Sincerely,

### ***Original signed by***

Ken Nakahara  
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