

2020 Prebudget Submission from Goodwill

Submitted to The Honourable Rod Phillips, Minister of Finance
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Introduction

The mission of Goodwill is to strengthen employment readiness, facilitate the return to work of job seekers, and serve as a resource for employers who need to attract and retain a workforce. We do that by delivering Employment Services that support job seekers in overcoming barriers to employment and by working with employers to find candidates who will fulfill their business needs.

Our submission addresses the Prebudget objectives of:

- Preparing people for jobs
- Creating a more competitive business environment, and
- Building healthier and safer communities

Two significant government policy levers can be key to advancing the objectives noted above:

- The Employment Ontario (EO) transformation underway, being led by MLTSD
- The Poverty Reduction Strategy, being led by MCCSS

As a large, successful, and long-standing Employment Service provider, Goodwill is well positioned to support the government's Budget objectives and advise on the Employment Ontario transformation and the Poverty Reduction Strategy, as well as other related initiatives. Further, we note that:

1. The marginalized groups identified in the Poverty Reduction Strategy are also the populations that face the most barriers to employment (Indigenous people, single mothers, people with disabilities, seniors, recent immigrants, and racialized communities)¹. We have a track record of success with clients with barriers in preparing them for work and helping them secure and retain jobs.
2. Income and Social Status, and Employment and Working Conditions are the #1 and #2 Social Determinants of Health². Supporting individuals in securing employment not only fosters their own economic empowerment but literally builds healthier communities.
3. To create a more competitive business environment, indeed, In order for Ontario to be "open for business," employers must have a workforce. It is no surprise that for Ontario businesses "recruiting and retaining talent" is the #1 Critical Success Factor.³

¹ Ontario News, December 16, 2019 press release, Ontario Looking for Innovative Ideas on How to Help Reduce Poverty

² Government of Canada, Public Health

³ Ontario Economic Report 2019, Ontario Chamber of Commerce

As Steve Foxcroft, AVP of Fluke Transportation notes: "While it is good to have a low unemployment rate in the province, the downside is that finding and keeping employees is an enormous challenge for businesses, especially small to medium sized enterprises that are the backbone of the economy. By working with Goodwill we have been able to attract candidates I know we would not otherwise have found."

Our Recommendations are meant to ensure that the transformation of Employment Services, initially in the prototype regions, is successful for job seekers, businesses, communities, taxpayers, the government, and those employed in the provider network.

Performance and Value

It is critical that Ontario has partners within the labour market who are able to source employees. This is especially true at a time of high employment when labour demand can exceed supply, as highlighted by Steve Foxcroft above. At Goodwill, we work with a range of employers, from small to large, and across the spectrum of skills, from unskilled to professional. We have placed part-time retail sales associates and pilots; maintenance staff and PhDs. A sample of that range is attached to this submission.

Employment Services contribute to the economy as a whole. They also deliver a solid ROI to the province and to taxpayers as described below.

Goodwills across Ontario place a candidate in a job every 31 minutes.⁴ The majority of those jobs are full-time positions in manufacturing, retail, food service, and administration and pay more than minimum wage.⁵ These are quality jobs; often in positions employers find hardest to fill; and where the new hire will become a taxpayer even in the new income tax structure.

In many cases, the individuals Goodwill serves also come off social assistance when they find employment. In 2018/19 alone, for those ODSP recipients we placed in a job, the ROI in social assistance savings was 5.7 times the funding we received to provide that service.⁶ Or, every dollar invested in Goodwill Employment Services for people with disabilities generates savings of \$5.70 in payments.

With OW clients Goodwill achieved a placement rate of 35% in 2018/19 (compared to the three year provincial average of 10-13%).

With ODSP clients we are also very successful with retention, achieving 14.35 months on average in 2018/19.

⁴ In 2018 Goodwills in Ontario placed 3,909 individuals in employment. The time is considered to be 2,000 working hours a years.

⁵ In 2018/19, 32.5 was the average working hours per week and the average starting wage for candidates placed by Goodwill, The Amity Group was \$16.73, or 20% above minimum wage.

⁶ In 2018/19, Goodwill supported 77 OW and 101 ODSP recipients in securing employment. Average annual ODSP payments multiplied by the average retention of 14.35 months, results in savings of \$2,555,952 in social assistance payments versus provincial funding received for Goodwill's program delivery of \$446,250.

Changing Lives through the Power of Work

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Recommendations

Goodwill has been an active participant in consultations around the government's transformation of Employment Services. We support and share the vision the government brings, of:

- "Creating an easy and efficient system to meet the employment needs of all businesses, communities and job seekers, including those on social assistance or with a disability;
- Delivering employment services in a way that better matches the needs of the local economy in each community; and
- Selecting service system managers who will plan and deliver employment services at a local level and receive funding based on achieving results"⁷

We see the potential to address inefficiencies and seize opportunities for improvement and innovation through the transformation.

To bring that vision to life and achieve the Budget objectives of Preparing people for jobs; Creating a more competitive business environment; and Building healthier and safer communities we offer the following Recommendations:

1. Ensure the current service provider network has transition tools.

- Transition tools and resources for the SSMs were outlined in the RFP. Tools and resources to support current providers in the same transition will be equally important. Clearly, this will be essential for providers who are shuttered, but even for those continuing in the new order any co-locations or re-locations would impact existing real estate; new and expanded roles in a redesigned system would require scaling up in certain functions and skill sets and releasing staff in others.
- Tools and resources for effective transition are essential to ensuring that the current network is not decimated in this process. Leaving an estimated 3,096 of people⁸ in transition and 172 organizations unable to manage severance and associated costs would not only be economically and socially devastating but, for an initiative whose sole objective is employment, counter-intuitive.

2. In the remaining 12 catchments, require 50% outsourcing of service provision by the SSM in the first contract term.

- This is a risk management mechanism for this signature initiative of the Ford government. If the first contract term requires no subcontracting and all current service providers disappear, there is no fall back in the next contract term if performance was sub-par. Some of the ecosystem, even if much more concentrated, must survive to have future alternatives.
- This type of phased approach will also ensure that the client transition process is smoother and more successful and that local expertise is not lost, especially in areas where an external provider becomes the SSM.

⁷ Ontario, 2019 Ontario Economic Outlook and Fiscal Review; A Plan to Build Ontario Together

⁸ Estimated based on 172 unique service organizations who hold EO contracts and an estimated average staffing level of 18 FTEs.

3. Authentically and continuously engage the current service providers who are strong performers.

- It is understood that not all providers will survive in the new order but the most successful current providers are undeniably the greatest source of local knowledge within a system that is being designed expressly to be locally responsive. Especially given the tight timelines, a majority of organizations that progressed to the RFP in the Hamilton-Niagara Peninsula catchment have no local footprint. Leveraging the existing expertise in the regions will be a critical success factor for the transformation.
- Timelines for the RFQ and RFP were understandably aggressive to get the prototypes underway. One result of that is that the larger players were more successful because they had the personnel to dedicate to the exercise in the time allowed. In the remaining 12 catchments, having longer lead times would ensure the process is as accessible to community not for profits as to large multi-nationals.

Lastly, we have a Recommendation for the source of funds. The EO Transformation doubtless has its own line(s) in the provincial budget such that the above Recommendations may have already been accounted for. If, however, they would introduce any new costs, monies could be drawn from what was previously allocated to employer and client incentive dollars in the Youth Job Connection (YJC), and the Employing Young Talent Incentive programs (EYTI), which were dramatically underspent, and from the Canadian Ontario Job Grant (COJG) Over 25 program, which was similarly underspent.

Summary

Goodwill supports the goals of the EO Transformation “to ensure Ontario’s employment services are responsive to local labour market needs, so job seekers can find jobs and employers can find skilled workers.”⁹ Ensuring employers have a workforce is critical to Ontario’s competitiveness. Ensuring individuals, including those with barriers, are prepared for and able to secure employment is one driver of the economy and lifts people out of poverty.

As the only service provider in the Hamilton-Niagara Peninsula catchment with both EO and MCCSS service delivery experience, with recognized expertise and success working with barriered clients (including those with disabilities and those on social assistance), and operating within the largest and most complex of the prototype catchments, Goodwill has knowledge and experience that can help make the transformation of Employment Services successful.

Our Recommendations are intended to ensure success, manage risk for the government and taxpayers, maintain a healthy ecosystem, and most importantly drive results for job seekers, businesses, and the economy.

We stand ready to consult with government on the tactics that could bring our Recommendations into effect. To that end, we will also be sharing this submission and seeking opportunities to meet within the Ministries engaged in Employment Service delivery and the Poverty Reduction Strategy.

We look forward to ongoing discussions and are committed to doing our part to ensure “Ontario is open for business.”

⁹ MTCU General Questions and Answers, July 2, 2019

About Goodwill

Since 1935, Goodwill has worked to find employment solutions for job seekers and employers alike.

Through our Employment Services, Goodwill provides job preparation, skills development, and training to help individuals who are seeking work. For those facing barriers to employment, we help break down the barriers. And we provide job maintenance, to ensure once a job is secured that it is retained.

For individuals a job gives a sense of purpose and pride. It means a paycheque and the ability to provide for – and be a role model for – their families. It can break the cycle of poverty.

For employers, finding the right candidate means they can meet their operational objectives.

For the economy as a whole, employment is the key measure of our collective performance.

Goodwill, The Amity Group, which operates in the Halton and Hamilton-Niagara Peninsula regions, in partnership with Goodwill Niagara, has three “sister” Goodwill’s that cover the rest of the province, and is one of the network of 158 Goodwill’s operating across North America.

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Appendix 1

A small sample of the hundreds of employers we have worked with is below:

GENERAL LABOUR AND TRADES

Action Electric Construction	Raintree Irrigation
Active Green and Ross	Rennie Heating and Air
Amber Stairs	Rust Cast
Atlantic Roofers	Servco Manufacturing
ATR	Silverline Construction
Avis Car Rental	Sunrise Metals
Barnard Custom Build	Taylor Made Roofing Systems
BDM Home Improvements	The Cleaning House
Cabcon Renovations	The Maids
Canway Equipment Manufacturing	Volvo
Cargo Jet	Yard Masters
Cleanall Cleaning Services	
Complete Plumbing	
Davidson Environmental	
DF Design Crew	
Eastwood Specialties	
Ecosuds Carpet and Upholstery	
Escarpment Landscaping	
Fibre Lamination	
Flexco	
Foam Core	
G4 Home and Property Service	
Gatta Himes	
Hamilton Cleaners	
Hunter Road Greenhouses	
Janco Steel	
Keegan Forklift and Industrial	
Leed Mechanical	
Maeers Construction	
Mister Transmission	
Niacon	
Nickerson Customs	
Ontario Tank Specialist	
Painting Canada	
Paris Crane Inspection	
PepsiCo Frito Lay	
Pinewood Homes	
Premium Delivery Services	
Queenston Tire	

PROFESSIONAL / ADMIN

Animal Hospital of Milton
Call Centre Technologies
Concentrix
Dental Urgent Care
Easy Financial
Executive Aviation
Fox 40 International
Frank Raso Law Office
Geotab
Mainview Animal Hospital
Maxima Tours
Minics
Mohawk Medbuy
Oakville Chamber of Commerce
Oakville Community Foundation
One Touch Direct
Royal Hamilton Yacht Club
Sitel
Start Me Up Niagara
State Farm Insurance
Stoney Creek Optometry Clinic
Upper Ottawa Dental Clinic
Village Spa

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HUMAN SERVICES

AbleLiving Services
Access Personal Support
Adelaide's Residence
Choice Living Homecare
Durand Retirement Residence
First Class Children's Centre
Hamilton Back Clinic
Institute for Health Personnel
Maple Crest Manor
Oakville Seniors Centre
Parkview Terrace
St. Andrew's Lodge
The Rosslyn Retirement

RETAILERS

Amazon
Best Buy
Boat House
Book Depot
DF Computers
Farm Boy
Food Basics
Foodland
Forever 21
Giant Tiger
H&M
Home Depot
Hudson's Bay
KFC
Landmark Cinemas
Leon's Furniture
Lowe's
PetSmart
Shoe Company
St. Catherine's Building Supply

FOOD SERVICES

Antipasto's
Boston Pizza
Burger King
C.C.'s Dugout
Canadian Niagara Falls Organization
Coppola's Restaurant & Banquet Hall
Denny's Restaurant
Donnelly's Pub
Five Guys Burger and Fries
Foodland
Fortis Restaurant
Frescos
Freshly Squeezed
Harveys
Joe Fetas
KFC
Lester D's
Longo's
McDonald's
Milestone's
Napoli's Pizza
Pie Guys Pizzeria
Pizza Pizza
Sobey's
Sunset Grill
The Lancer Restaurant
Tim Hortons
Wendy's

HOSPITALITY

Best Western
Days Inn
Fairfield Inn by Marriott
Four Points Sheraton
Holiday Inn
Marquis Gardens Banquet Centre
Ramada

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Appendix 2

A small sample of the network of community partners we collaborate with is below:

Adult Basic Education Association (ABEA)	Neighbour to Neighbour
Autism Niagara	Newark Neighbours
Brock University	Niagara Catholic District School Board
Canadian Armed Forces	Niagara Centre for Independent Living
Canadian Hearing Society (CHS)	Niagara College
Catholic Children's Aid Society of Hamilton	Niagara Education Foundation
Children's Aid Society	Niagara Peninsula Area Aboriginal Management Board
Community Care	Niagara Poverty Network
Community Living Hamilton, Oakville, and Burlington	Niagara Region
Community Living Niagara	Niagara Regional Housing Committee
Community Support Services of Niagara	Niagara Training and Employment Centre
DARTS	ODSP
District School Board of Niagara	Ontario Works
Diversity Employment Network of Niagara (DENN)	Positive Living Niagara
Employment Assistance Resource Network (EARN)	Red Hill Adult Learning Centre
Family and Children Services	Seniors Activation Maintenance Program (SAM)
Halton Employment Service Providers	Service Canada
Halton Equity and Diversity Roundtable	Skills Development Flagship
Halton Multicultural Council	St. Charles Adult Learning Centre
Halton Newcomer Strategy Committee	Start Me Up Niagara
Halton Peel Workforce Talent Hub	Threshold School of Building
Halton Poverty Roundtable	Xperience Annex Sub-Committee
Hamilton Community Legal Clinic	Youth Employment Network (YEN)
Hamilton Employment Service Providers	
Hamilton Immigration Partnership Council	
Hamilton Literacy Council	
Hamilton Wentworth Catholic District School Board	
Hamilton Wentworth District School Board	
Hill Park	
HIPC Mentorship Program	
Housing Help Centre	
Immigrant Working Centre (IWC)	
Industry Education Council	
Liberty for Youth	
Literacy and Basic Skills – DSBN	
Living Rock	
Ministry of Children and Youth Services – Probation and Parole Officers	
NALD Niagara – Deaf Literacy Initiative	

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