

TO:	CHAIR AND MEMBERS INVESTMENT AND ECONOMIC PROSPERITY COMMITTEE MEETING ON AUGUST 27, 2014
FROM:	ART ZUIDEMA CITY MANAGER
SUBJECT:	EMPLOYMENT PROGRAM SUPPORT YEAR END UPDATE & GRANT AGREEMENT

RECOMMENDATIONS

That on the recommendation of the City Manager the following actions **BE TAKEN** with respect to the extension of the Employment Program Support proposal:

- a) the Employment Program Support, previously approved for one year on a pilot basis, **BE APPROVED** for one (1) additional year; it being noted that original agreement included an option to extend the pilot for one (1) additional year;
- b) the attached proposed by-law (Appendix B) **BE INTRODUCED** at the Council meeting of September 2, 2014 to:
 - (i) authorize and approve the Grant Agreement (Appendix C) with WIL Counselling and Training for Employment, for the Employment Program Support, attached as Schedule "A" to the by-law; and
 - (ii) authorize the Mayor and the Clerk to execute the above-noted agreement;
- c) the Civic Administration **BE AUTHORIZED** to undertake all administrative acts which are necessary in connection with this matter;
- d) the financing for this project in the amount of \$105,678 **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix A; and
- e) any additional and/or ongoing funding requests related to this matter **BE DIRECTED** to the Strategic Funding Framework as part of the annual budget process.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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1. November 27, 2012: "Investment and Economic Prosperity Proposal Assessment Process", Corporate Investments and Partnerships.
2. December 18, 2012: "A Path to Prosperity: Community Business Ideas to Stimulate our Economy", Corporate Investments and Partnerships.
3. January 28, 2013: "Investment and Economic Prosperity Proposal Assessment Process Update", Corporate Investments and Partnerships.
4. February 19, 2013: "Investment and Economic Prosperity Proposal Assessment Process Update #2", Corporate Investments and Partnerships.



5. April 29, 2013: “Investment and Economic Prosperity Project Updates”, Corporate Investments and Partnerships.
6. May 21, 2013: “Grant Agreement- Employment Program Support”, Corporate Investments and Partnerships.

BACKGROUND

On January 23, 2012, Municipal Council was presented with the “*Developing a Strategic Investment and Economic Prosperity Plan*” report, where a process was proposed for the purpose of developing the Strategic Investment and Prosperity Plan. Through the implementation of this plan, prosperity projects would move from conception to implementation. Subsequently, the “*Investment and Economic Prosperity Plan: Communicating the Plan, Engaging the Public*” report presented to IEPC on March 27, 2012, proposed community engagement, where members of public would be invited during the months of June and July to provide proposed ideas with respect to accelerating economic growth and moving London forward.

In respect to the prosperity process, on December 18, 2012, the Corporate Investments and Partnerships division prepared a report for the IEPC committee in which a shortlist, for the purpose of accelerating London’s economy and fostering private sector investment in the city, was presented. The report discussed the Industrial Lands Development Strategy and analyzed 49 proposals/ideas previously presented to the IEPC. Identified in the report were five proposals best suited to the advancement of the goal and objectives of London’s Prosperity Plan:

The Goal: The investment and Economic Prosperity Committee is developing a 10-year plan that will move London’s Economy forward faster and ensure long term prosperity for our community.

The Objectives: Create Jobs; Leverage Investment; Stimulate spin-off benefits; Build beneficial partnerships; Benefit key sectors; Fuel transformational change in London’s economy.

As a result of the joint proposal submitted by the Employment Sector Council London Middlesex¹ and London Middlesex Immigrant Employment Council², the “Employment Program Support” was one of the five proposals identified in the December 18, 2012, “*A Path to Prosperity: Community Business Ideas to Stimulate our Economy*” report. In the report, staff recommended that the joint proposal receive City funding in the amount of \$101,980 for the first year of program delivery, with an update to be provided in the 4th quarter of program delivery for re-evaluation; for a potential second year funding in the amount of \$105,678 (*Appendix D: Employment Program Support*).

Municipal Council received the December 18, 2012 report on January 15, 2013 and directed Civic Administration to make the necessary arrangements to hold a public participation meeting

¹ ESCLM is comprised of more than 40 organizations serving 80,000 clients in the London-Middlesex employment and training sector. The members create a collaborative network of non-profit employment service delivery agencies, employers, trainers, educators and representatives from all three levels of government. ESCLM Job Development Network provides skill training and employment support to get people back to work.

² LMIEC is an employer-led initiative that connects local business to immigrant talent to grow the regional economy and strengthen labour market integration of newcomers to Canada. The LMIEC’s Job Match Network (JMN) is a program developed as a direct response to a long-expressed need by local employers for coordinated access to qualified Canadian newcomer talent. The LMIEC Job Match Network not only helps retain those newcomers that have already settled in London, but also makes London a go-to-destination for skilled immigrants from across Canada.



and to circulate the above noted report in order to obtain public input (*Appendix E: Council Resolution, January 15, 2013*).

On January 28, 2013, Civic Administration presented an updated investment and economic prosperity proposal assessment plan to guide the timeline by which proposals would be developed, and the process by which selected proposals would evolve from ideas to executable projects, including the proposed public engagement plan; endorsed by Municipal Council on February 12, 2013 (*Appendix F: Council Resolution, February 12, 2013*).

On the 19th of February 2013, the “Investment and Economic Prosperity Proposal Assessment Process Update #2” report outlined the prosperity projects next steps. This report outlined prosperity project next steps with respect to the financial plan, public engagement plan and project operational plans. The public engagement related to the Employment Program Support program was concluded in early May; the overall feedback results were summarized in the “Investment and Economic Prosperity Projects - Public Input” report.

The “Grant Agreement-Employment Program Support” report was presented to the IEPC committee on May 21, 2013. Subsequently on June 11, 2013 Municipal Council approved the Grant Agreement with WIL Counselling and Training for Employment³, for the Employment Program Support, which was approved on a pilot basis for one year, with the Employment Sector Council London Middlesex and the London Middlesex Immigrant Employment Council, in the amount of \$101,980, with an option to extend the pilot for one (1) additional year, based on the year-end update report and subject to a source of financing.

In addition, the Corporate Investments and Partnerships staff was directed to report back at the end of one year of the Grant Agreement on the results of the program, providing job matching statistics associated with the two organizations and an evaluation of the results, for a potential second year of funding. Total cost for year two of program delivery is \$105,678: ESCLM: \$51,691-year 2; LMIEC: \$53,987- year 2.

DISCUSSION

Employment Program Support Year-End Results

In an effort to help stimulate London’s economy and based on staff recommendation, as well as community feedback, City Council approved the Grant Agreement for one year on a pilot basis in June of 2013, for the Employment Network Program Support, making this the first of five recommendations being officially completed.

The City’s recommendation for one (1) additional year of funding is linked to specific program year-end statistical results and overall program effectiveness; number of job placements and matches compared to the outlined target. Additional consideration of program effectiveness was given to results related to essential employment services.

This year-end performance review assesses the results of successful job placements and matches achieved over a one year timeframe and overall program effectiveness.

The job matching employment services that were to be provided were to support the following:

- **Job Placement and Matching:** Enable local employers to better attract talent and tap into skilled workforce already in London, including unemployed and underemployed individuals

³ WIL Employment Connections is a non-profit organization dedicated to facilitating the economic and social integration of immigrant men and women, and Canadian men and women, into the broader community of London.



that they were previously unable to match due to funding restraints.

- **Essential Employment Services:** Enable job seekers and employers to access employment support and skill training services quickly and efficiently.

As a result of the grant approval on a pilot basis for one year, the Employment Sector Council London Middlesex (ESCLM) has established the Job Developers Network (JDN) which is a key London resource for connecting area employers with JDN's pool of talent, and the London Middlesex Immigrant Employment Council (LMIEC) was able to better support the Job Matching Network (JMN), which matches qualified talent to unfilled job orders.

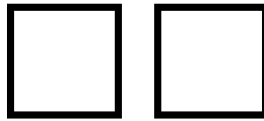
As a direct stipulation of the grant agreement, the Corporate Investments and Partnerships staff has reviewed and evaluated the statistical results of the program on a quarterly basis, as submitted by both ESCLM & LMIEC. Staff has now evaluated the year end statistical results in the context of the number of job matches and has compared these figures to the set targets, as outlined in the quarterly reporting tool (Appendix G: ESCLM Statistical Results; Appendix H: LMIEC Statistical Results).

ESCLM RESULTS:

As a result of the one-time grant, ESCLM was able to establish a Job Developers Network (JDN) intended to provide additional coordinated service delivery across employment agencies, to better connect London area employers with local job seekers. Job Developers are specialized employment agency staff who directly work with employers to match them with the best employees for their needs (i.e., from among their agency's job seeker clients). Before ESCLM's JDN, these Job Developers, and their job seeker and employer clients would frequently work in isolation and/or in competition.

This collaboration enhanced the capacity of the employment sector to coordinate and leverage resources for the increased prosperity for London's citizens and businesses; which is evident in the successes for year 1 of this project:

- 393% of target in the number of job seekers matched/marketed to jobs, this value represents the combined number of clients served by Job Developers from the 11 London agencies which have contributed aggregate data for this project.
- 419% of target in the number of jobs seekers hired category. This value represents the combined number of job seekers which have been hired as a direct result of the efforts of the Job Developers from these participating London organizations; Resulting in 62% of job seekers hired on a full-time basis; 32% part-time; and 6% temporarily.
- 125% of target in the number of partnership meetings held. The 15 member agencies of this Network have met 5 times to plan for and deliver increased information-sharing and service coordination.
- 133% of target in the number of network educational material developed. Shared marketing efforts such as branding, presentation materials and flyers have increased London area employer and job seeker awareness about local hiring opportunities available through the JDN.
- 460% of target in the number of job postings shared. On average, more than 10 job postings each month were shared by agencies across the Network via ESCLM, demonstrating a real commitment to promoting the best fit between London area employers and job seekers, regardless of which agency they may work with.
 - These postings range from highly skilled positions at London's financial institutions to those at newly opened businesses with extensive hiring needs, such as Dr. Oetker Canada.
- Coordination of the JDN has allowed ESCLM to collect and share aggregate data on the real impact of its members: close to 6,000 local job seekers have been served by the



Job Developers participating in this Project; and of these, over 70% have been hired so far, with the majority in Full-Time positions.

As a result of the first year of program delivery, the establishment of the Job Development Network has further strengthened ESCLM's core services: promoting best practices, information dissemination, and engaging all stakeholders in service delivery and community development planning.

Refer to Appendix G: ESCLM Statistical Results, and Appendix I: ESCLM Year-End Results Summary for more details.

LMIEC RESULTS:

The LMIEC Job Match Network has dedicated staff that work together with partner organizations across London to screen, match, short-list and market newcomer job seekers to regional employers seeking their specialized skills. By providing local employers centralized access to an expanded pool of qualified talent, the LMIEC Job Match Network:

- Helps companies of all sizes access the top talent they need at the right time;
- Drives talent attraction to our city;
- Strengthens emerging industry sectors with the skills required to sustain future growth of our local economy; and
- Fuels job creation for all Londoners.

The LMIEC Job Match Network program tracks and reports on activities and outcomes resulting from the City of London's prosperity investment. In its first year of operation, the program exceeded all targets including achieving:

- 149% of target in the number of job seekers matched and marketed to jobs. 112 job seekers were screened as job-ready, matched to the skill requirements of a referred job order through our partner network and then actively marketed to the London employer.
- 118% of target in the number of job seekers hired. 59 job seekers secured employment that would not have been matched and marketed to employment through existing services and traditional funding mechanisms. Approximately 78% of these positions were full-time hires.
- 428% of target in the number of job postings shared. 214 job postings were referred into and shared through the LMIEC Job Match Network covering positions and skill requirements that each referring organization was unable to fill exclusively from the client base of their stand-alone agency. Approximately 51% of the postings were in the information technology sector, followed by 25% in manufacturing, 20% in accounting. The number of job postings shared has a direct correlation with the number of job seekers marketed. However, not every posting had a skill match among the job seeking clients in the immigration statuses covered by the City of London funding. In that case, immigrant job seekers are sourced from the larger pool of candidates registered with the LMIEC Job Match Network.
- 130% of target in the number of participating organizations including a cross-section of immigrant-serving employment organizations, educational institutions, settlement providers, labour market planning bodies and economic development organizations. Over 10 partnership meetings and presentations were held with the LMIEC Job Match Network partner organizations in this period; 250% of target.
- 100% in the number of educational materials developed including a program backgrounder, marketing poster for international student graduates and customized power point presentation. These materials have generated awareness about the



program and how to participate. As a community, when we are able to proactively recruit candidates that are a skill match for open positions that may have otherwise gone unfilled, companies find the talent required to grow their business which leads to further job growth for all Londoners.

The LMIEC Job Match Network was successful in the first year pilot and exceeded all program targets. A considerable investment of time was made in the JMN's first year in establishing registration/referral processes and proactively marketing the program through a variety of mechanisms including outreach at Western and Fanshawe College, London's Student-2-Business Conference and an Internationally Educated Professionals' Conference in Toronto. In year 1, the LMIEC Job Match Network began building its pool of job-ready candidates eager to invest their time and talent into London's local economy.

Refer to Appendix H: LMIEC Statistical Results, and Appendix J: LMIEC Year-End Results Summary for more details.

In summary, based on the above noted results, and the essential need for the City's financial support in order to continue with both programs, it is recommended that Council extend the contract (grant) for one additional year of funding, noting that any future and/or ongoing funding requests should be made through the Strategic Funding Framework. It being noted that the Strategic Funding Framework is used to evaluate requests for capital and / or operational (one-time or on-going) funding requests for City Council's approval as part of the annual budget process.

Agreement Development

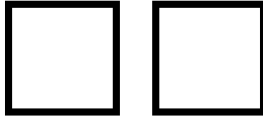
The Corporate Investments and Partnerships division has been instrumental in the development of the form and content of the "Employment Program Support" Grant Agreement. Based on job matching results of the Employment Sector Council London Middlesex and London Middlesex Immigrant Employment Council. As outlined above, it is recommended that the contract be extended for an additional one (1) year period.

The individual Employment Program Support Grant Agreement has to be signed by the respective organizations. One representative contract is attached as Appendix C.

Agreement Summary

The Grant Agreement, attached in Appendix C, stipulates the following:

- The Term of the Agreement is from September ____, 2014 to September ____, 2015, any future and/or ongoing funding requests should be referred to the Strategic Funding Framework.
- The Employment Program Support Service Provider (Job Match Program - LMIEC and Job Developers Program – ESCLM) shall provide job matching employment assistance services in accordance with this Agreement, the "A Path to Prosperity" December 18th, 2012 report, and their Proposal;
- The requirements of the job matching employment assistance services as set out in Appendix N may be amended from time to time on the prior written mutual consent of the City Manager or designate and the Employment Program Support Service Provider;
- Job matching employment services to be provided are dependent on the contract and should help with proper employment job matching and may include the following: Connecting with Employers, Connecting with Job Seekers, Service Coordination, Community Engagement;



- The Employment Program Support Service Provider is obliged to provide job matching services on a basis which is fair, confidential, accessible, responsive, sensitive and adequate and respects the rights, dignity, culture and diversities of the participants;
- The Employment Program Support Service Provider is obliged to use current state of the art methods and shall skillfully and competently deliver the job matching employment assistance services;
- The Employment Program Support Service Provider is obliged to instruct and train its staff to deliver the services required under this Agreement;
- The Employment Program Support Service Provider will participate in quarterly program evaluation activities carried out by the Corporate Investments and Partnerships Division; as set out in “Appendix O”.
- The Employment Program Support Service Provided will provide yearend results summary report; no later than 30 days past the expiry of the one year grant agreement. The report is to provide a summary of job matching statistical results; including other information as may be relevant.
- The Employment Program Support Service Provider shall obtain prior written approval from the City Manager or designate regarding advertising or media involvement surrounding job matching employment assistance services it provides under this Agreement, and acknowledge the City's involvement in the job matching employment assistance services; and,
- Despite any other provisions in this Agreement, the City or the Employment Program Support Service Provider may, at any time and for any reason, terminate this Agreement, effective upon the giving of ninety (90) days' prior written notice to the other party.
- The Employment Program Support Service Provider shall allow the City, upon twenty-four hours' notice and during normal business hours, to enter upon the Employment Program Support Service Provider's premises to review the information related to the statistical reports that have been submitted.

Financial Implications

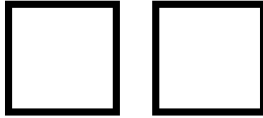
The funding request of \$105,678 is available as a drawdown from the Economic Development Reserve Fund, noting that the remaining balance in the Reserve Fund after this drawdown would be approximately \$4.4 Million.

This initiative is the first of those five proposals to move forward. Funding for the Employment Program Support recommendation in the amount of \$105,678; of which, \$51,691 is to be allocated to the Employment Sector Council London Middlesex and another \$53,987 is to be allocated the London Middlesex Immigrant Employment Council, for one (1) additional year; noting that any future and/or ongoing funding requests in this matter should be referred to the Strategic Funding Framework.

See: **Appendix A** for the supporting Source of Financing.

CONCLUSION

Through the combined efforts of the ESCLM “Job Developers Program and the LMIEC “Job Match Program” to match people with jobs, the joint WIL proposal directly addressed key elements of the City of London’s Strategic Plan: **A Strong Economy:** Develop our skilled workforce; Build partnerships with key private, institutional and community partners, **A Caring Community:** Increase the health and well-being of all citizens. An advantage of the joint WIL proposal is that both (ESCLM and LMIEC) organizations established a supportive workforce climate wherein existing employer demands were met by qualified, skilled job seeker supplies.



The two organizations, ESCLM and LMIEC, complement each other and work collaboratively to achieve the same result: to match qualified job seekers with the right position, and to fill vacant job openings with the appropriate skilled professional. The ESCLM Job Match Program matches the unemployed based on their level of skill with the right employment positions. In the event where those positions cannot be filled due to lack of skill/ knowledge, LMIEC seeks to find skilled immigrants within the City of London to fill positions that are going unfilled.

London's prosperity rides on all Londoners working. The City of London needs to focus on the needs of its local businesses and recognize the fact that competition for talent is international. Matching job seekers with the right job is critical to the growth of the local economy. There are many benefits to the two organizations as they collaboratively work to efficiently match the unemployed with proper jobs and match employers with properly skilled workers which in turn may fill labour shortages and raise productivity. These two organizations strive to reduce the unemployment rate and ultimately support the growth of the local economy.

The Civic Administration recommends that the joint proposal receive City funding in the amount of \$105,678 for one (1) additional year of program delivery, based on the pleasing year-end results.

It's important to note that matching the unemployed with the right kind of job and filling open job vacancies with the right kind of talent may potentially lead to a decrease in the local unemployment rate resulting in wealth creation for the local economy as a whole.

PREPARED AND SUBMITTED BY:	REVIEWED AND RECOMMENDED BY:
CATHY DZIEDZIC SPECIALIST, CORPORATE INVESTMENTS AND PARTNERSHIPS	ART ZUIDEMA CITY MANAGER

- cc. Elisabeth K. White, Manager, Employment & Strategic Initiatives
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- Devin Munro, Manager, Business & Government Relations, WIL Employment Connections
- Jennifer Hollis, London Middlesex Immigrant Employment Council
- Carol Stewart, Employment Sector Council London Middlesex
- Jason Wills, Manager III, Risk Management
- Lynn Marshall, Solicitor II
- Alan Dunbar, Manager III - Financial Planning & Policy
- Larry Palarchio, Director of Financial Planning & Policy

Appendices:

- Appendix A: Source of Financing
- Appendix B: Proposed By-Law
- Appendix C: Grant Agreement – Employment Program Support
- Appendix D: Employment Program Support
- Appendix E: Council Resolution, January 15, 2013
- Appendix F: Council Resolution, February 12, 2013
- Appendix G: ESCLM Statistical Results

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- Appendix H: LMIEC Statistical Results
- Appendix I: ESCLM Year-End Results Summary
- Appendix J: LMIEC Year-End Results Summary
- Appendix K: Joint Proposal for ESCLM-LMIEC
- Appendix L: LMIEC (London-Middlesex Immigrant Employment Council) Business Case
- Appendix M: ESCLM (Employment Sector Council London Middlesex) Business Case
- Appendix N: List of Employment Network Support Services to be Provided
- Appendix O: Employment Network Performance Measurement Tool