

Report to Civic Works Committee

To: Chair and Members
Civic Works Committee

From: Kelly Scherr, P. Eng., MBA, FEC
Managing Director, Environmental & Engineering
Services & City Engineer

Subject: Community Employment Benefits

Date: March 2, 2021

Recommendation

That, on the recommendation of the Managing Director, Environmental and Engineering Services and City Engineer, the following summary of Community Employment Benefits requirements under the Investing in Canada Infrastructure Program (ICIP) **BE RECEIVED** for information.

Executive Summary

Community Employment Benefits (CEB) programs are created to encourage economic benefit for communities in which large infrastructure is being built. The federal CEB initiative for ICIP projects aims to support underrepresented groups through employment pathways.

With the support of Purchasing and Supply and Major Projects, the City of London's Rapid Transit and Municipal Infrastructure Improvement projects and the Adelaide Street Underpass will include London's first CEB program. CEB requirements will be outlined to contractors during the tendering stage of each construction contract. The CEB program for these projects will include a cash allowance for the successful contractor to use to hire individuals from federally targeted equity-seeking groups.

Linkage to the Corporate Strategic Plan

The following report supports the Strategic Plan through the strategic focus area of "Growing Our Economy" by leveraging infrastructure investments to achieve social and economic value and employment opportunities in the community.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- Strategic Priorities and Policy Committee – March 25, 2018 – Investing in Canada Infrastructure Program - Public Transit Stream Transportation Projects for Submission;
- Strategic Priorities and Policy Committee – March 25, 2019 – Investing in Canada Infrastructure Program, Public Transit Stream, Transportation Projects for Submission;
- Strategic Priorities and Policy Committee – October 28, 2019 – Investing in Canada Infrastructure Program, Public Transit Infrastructure Stream, Approved Projects;
- Civic Works Committee – March 14, 2019 – London’s Rapid Transit Initiative;
- Civic Works Committee – January 7, 2020 - Downtown Loop and Municipal Infrastructure Improvements Appointment of Consulting Engineer; and
- Civic Works Committee – February 9, 2021 – Contract Award: Tender No. 21-01 – Downtown Loop and Municipal Infrastructure Improvements

2.0 Discussion and Considerations

2.1 Investing in Canada Infrastructure Program Requirement

As required by the Investing in Canada Infrastructure Program (ICIP) funding, all projects with over \$10 million in federal contributions are required to participate in the Community Employment Benefits (CEB) initiative. This initiative provides community benefits by incorporating local opportunities for employment through the infrastructure projects. The community benefits that are created include employment, training, apprenticeship, local supplier selection, and social procurement for federally targeted equity-seeking groups.

The goal of the initiative is to leverage infrastructure investments to achieve social and economic value for the community in which the infrastructure is built.

Compliance with the ICIP’s requirements involves projects selecting a minimum of three equity-seeking groups to target and to provide annual reporting on the efforts and outcomes. As determined by the federal government, the applicable equity-seeking groups are:

- Youth
- Women
- Indigenous Peoples
- Veterans
- Apprenticeships
- Social enterprises
- People with disabilities
- Recent immigrants

The City of London recognizes that the groups listed by the Federal Government are not the only groups in the community who face barriers to employment, while also facing other inequality and oppression and that intersectionality for people who are part of multiple groups can further increase barriers and discrimination. In June 2020, Municipal Council reaffirmed its commitment to eradicating racism and oppression faced by Black, Indigenous, and People of Colour and the mandate of the Strategic Priorities and Policy Committee was amended to include anti-racism, diversity, inclusion and anti-oppression as a strategic initiative. In September, 2020, Municipal Council reaffirmed its commitment by unanimously approving the creation of the Anti-Racism and Anti-Oppression Division. While all groups are not specifically indicated in the list provided by the federal government, contractors are encouraged to hire diversely and create opportunities to support the entire community. In addition, the City will formally request that the Federal Government expand its criteria to also include Black and racialized people and apply an intersectional lens to that criteria.

2.2 London’s CEB Framework for ICIP Project

CEB initiatives and social procurement are new to the City of London. For support, staff researched and consulted with other municipalities as well as organizations that provide guidance in implementing effective social procurement programs. To help understand the employment needs of our community, staff worked with United Way Elgin Middlesex, Employment Sector Council, and Inclusive Economy London. Staff also met with local construction industry representatives from London District Heavy Construction Association (LDHCA); Ontario Sewer and Watermain Construction Association (OSWCA); and spoke with LiUNA 1059 with the goal of creating a program that would be successful for contractors.

Using this research, a CEB strategy was created that fits with the City of London’s Request for Tender procurement process. It is the intent that the rapid transit projects will be procured as a series of traditional design-bid-build contracts. This strategy allows the City to pilot a social procurement process for capital projects and then build on successes while allowing the opportunity to make adjustments through future tenders where needed.

As ICIP funded projects, London’s three rapid transit projects and the Adelaide Street Underpass are required to report on a selection of three CEB target groups. Rather than limiting reporting to just three, staff has decided to track all eight equity-seeking groups as a way to acknowledge and support as many of the targeted groups as possible. Tracking all groups provides insight into which of our community groups are seeing CEB support success, and which are still facing barriers to sustainable employment and recognizes that individual characteristics may intersect with one another and overlap.

Creation of London’s CEB program involved the following components:

- Identify existing workforce pathway opportunities that contractors can use to connect with targeted labour groups
- Establish a cash allowance to ensure the CEB position is an incremental increase to the employers’ complement

- Embed CEB clauses in construction tender documents to establish targets and methods for monitoring and reporting
- Develop a CEB appendix to include in the contract Tender documents, it will provide background, direction, and resources for contractors bidding on the projects

2.3 CEB Cash Allowance

CEB employees are to be incremental hires that create new job opportunities for people looking to gain practical on-the-job experience and build their resumes. The cash allowance approach will be applied as a line item in the contract with the contractor being responsible and accountable to demonstrate that they are using the allowance for a new hire.

The federal CEB program requires participating municipalities to set a target for the value of wages paid to identified individuals as a percentage of all wages paid on the project. Based on our findings from other municipalities, 5% was determined as a reasonable goal.

An estimate of the anticipated payroll burden of an entry level position for one construction season was used to create the allowance value. Based on several sources, we found base hourly wages to be in the range of \$21-\$35 plus fringe costs in the range of 52%-63%. Working within those ranges, and assuming a 50 hour work week with a 35 week construction season, a cash allowance of approximately \$85,000 was established for one individual.

Based on the Downtown Loop and Municipal Infrastructure Improvements Phase 1 construction contract estimate, a CEB allowance would need to cover the salary of one individual. The CEB cash allowance value may change given the complexity and duration of each subsequent rapid transit contract. More and more employees will be hired through contractors as the construction contracts progress for each of the rapid transit projects, increasing the overall community impact of the CEB framework.

Contractors are encouraged to go beyond the cash allowance and find additional ways to support the local community when hiring. The hope is that the CEB framework and cash allowance will provide a good start in this direction.

2.4 CEB Special Provisions Tender Clauses

With the support of the rapid transit design consultant, CEB has been incorporated into the Special Provisions section of the Tender documents which outlines and explains to the bidding contractors what documentation is required.

The City is required to report what employment opportunities have been created through the CEB program to upper levels of government. To support this, the contractor is required to identify to the project team what targeted equity-seeking group(s) they have hired from as well as the hours and wages. To receive the assigned cash allowance, the contractors must indicate the wages as a separate line item on their invoices.

2.5 CEB Appendix

The CEB appendix provides contractors with information about Community Employment Benefits as well as contact information for community organizations who are able to assist with hiring from the targeted equity-seeking groups. These organizations offer support at no additional cost to the contractor and can provide a wealth of knowledge. The list is not exhaustive and will continue to grow as the City's experience using a CEB to support employment pathways in the community grows.

2.6 Annual Reporting

CEB reporting is to be quantitative and qualitative as both measures will provide a narrative that will the federal government inform municipalities across Canada of the successes and challenges experienced implementing the CEB initiative. This information will help in forming diversity employment and procurement opportunities.

Annual reports to MTO will include the total value of wages paid to targeted equity-seeking individuals, number of employees hired who identify with one of the targeted groups, and total number of hours worked by the hired individuals. All of these will also be reported as a percent relative to the contractor's total numbers. Quantitative information will be collected through the contractor's invoices with the support of the project consultant. The project team will also work with the contractor and community partners to also include qualitative context to CEB reporting.

2.7 Community Employment Benefits and City Projects

The City has taken a pilot approach to its first efforts at a CEB strategy with the intention that lessons will be learned and carried into other projects. It is possible that this approach could inform the creation of a city-wide framework for Community Employment Benefits and Social Procurement to further support equity-seeking groups and social enterprise. It will be important to provide time to implement and evaluate this initial CEB strategy before undertaking a city-wide framework.

The City must also be cognizant of public procurement regulations when seeking to better the community's employment opportunities. Public procurement policies require purchases to be completed in an open, fair, and transparent manner and, typically, have included rules surrounding the inability to award based on criteria like local preference, for example. If extending the CEB beyond federally funded projects, external consultation will be required to ensure the City is still adhering to federal and provincial procurement regulations and outlined in legislation, like the Broader Public Sector Procurement Directive and the Municipal Act.

Creation of a city-wide framework would require support from internal groups including Purchasing and Legal as well as external resources not limited to social procurement consultants and fairness monitoring consultants.

The above notwithstanding, staff are evaluating using the CEB model described in this report to other large capital projects that are not funded under ICIP where the existing budgets are sufficient to provide incremental employment opportunities with the contractor.

Conclusion

While the CEB initiative for federally funded projects is a federal requirement, the City recognizes and supports the value that additional employment opportunities add to the community. The CEB works to create employment pathways for those that often face barriers to employment, which results in experience and income that can help community members find future employment opportunities. The CEB program will benefit more and more community members as the rapid transit program continues to roll out.

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Appendix A – Community Employment Benefits Resources for Employers



London
CANADA

**Community Employment Benefits
Resources for Employers**



London
CANADA



Community Employment Benefits Resources for Employers

The City of London (the City) recognizes that through the procurement of construction, goods, and services we can achieve additional community benefits. Some of the benefits to the community include registered apprenticeships (as defined in the Ontario College of Trades and Apprenticeship Act, 2009); targeted workforce opportunities for disadvantaged groups; and supply chain opportunities for small, medium-sized, and social enterprises.

To support our community and to meet federal funding requirements, the City will be incorporating community employment benefits with this project, as described in the Request for Tender (RFT) documents. In accordance with federal requirements, the RFT's Successful Bidder shall hire resources from the identified groups as well as monitor and provide reports to the City that demonstrate the Successful Bidders' participation with the community employment benefit program.

The City will provide a cash allowance, identified in the RFT documents, to support the hiring from the Community Employment Identified Groups, as listed below and as identified by [Infrastructure Canada](#):

- Apprenticeships
- Indigenous peoples
- Women
- Persons with disabilities
- Veterans
- Youth
- Recent immigrants
- Social enterprises

In June 2020, City of London Municipal Council affirmed the City's commitment to help eradicate anti-Black, anti-Indigenous, and people of colour oppression and implement a Community Diversity & Inclusion Strategy. Black people and people of colour are not specifically identified as federally targeted groups under the CEB initiative; still, the City will also include commentary on inclusion efforts for these groups as part of annual reporting in keeping with our commitment to address systematic racism and oppression in our community.

The Successful Bidder will be required to identify community employment resource information as a separate line item with each invoice submitted for payment. The Successful Bidder will work with the City to track resource utilization for federal reporting. The City requires the Successful Bidder to provide details of their participation with the requirement such as, but not limited to, the number of resources and the quantity of hours worked. The City encourages contractors to go beyond the cash allowance and find additional ways to support the local community when hiring.

Community Employment Benefit Resources for Employers

Working with United Way Elgin London, Employment Sector Council, and Inclusive Economy London, the City has provided hiring and resource information to assist contractors in understanding community employment benefits and locating employees that self-identify with the Community Employment Identified Groups.

Contractors are encouraged to work with the community employment organization(s) in their area to access no-fee, professional, and high-quality assistance with recruiting, hiring, and training. Below is a list of local consultants who can help with developing and tracking the impact of a community employment benefits strategy with contractors.

This resource list includes:

1. London and Region Community Employment Organizations
2. London Region Employment Resource Networks: providing streamlined access to services for employers
3. Subcontracting Social Enterprises
4. Background and Best Practices in Community Employment Benefits

1. Community Employment Organizations in London and surrounding Region

Community employment organizations provide pre-screened, qualified candidates from a pool of motivated, skilled, job-ready applicants, for a customized fit. These organizations provide individualized supports to employers, including access to government resources and funding to provide on-the-job training to ensure that employees transition smoothly into their new role. Other services include advanced employment support and job coaching, including an employee mentorship program for employers who want it. These services are entirely free of charge.

Some of the organizations can be found below; this is not a complete list as there are additional resources in our community. Contractors are encouraged to use resources

they are familiar with and should seek pre-approval from the contract administrator to ensure the resource meets the requirements.

If you are unsure which organization is right for you? Contact the Job Developers Network: info@esc.network or 519-663-0774 x224.

Location	Organization	Contact Information
London (Downtown)	ATN Access Inc. (Persons with a Disability)	London: Room 509, 141 Dundas St. www.atn.ca (519) 433-7950
Elgin County (St. Thomas and Aylmer)	Career & Employment Services - Fanshawe (St. Thomas and Aylmer)	St. Thomas: Elgin Centre, 417 Wellington St. www.fanshawec.ca/cesstt (519) 637-9876 Aylmer: 25 Centre St www.fanshawec.ca/cesayl
Huron & Perth Counties (Clinton, Exeter, Goderich, Listowel, Seaforth, Stratford, Wingham)	Centres for Employment & Learning (AMDSB)	Exeter: 349 Main St. (519) 235-0471 www.thecentreforemploymentandlearning.ca See website for services and phone numbers in: Clinton, Goderich, Listowel, Seaforth, Stratford, Wingham
London (East)	Centre for Lifelong Learning (Adult Students)	London: 1230 King St. www.cfl.ldcso.ca (519) 675-4436
London and Area	CNIB London Community Hub (Persons with Sight Loss)	London: 171 Queens Ave., Unit 101 www.cnib.ca/en?region=on_west 1-800-265-4127
London (Downtown)	Collège Boréal (Services in French and English)	London: Citi Plaza, 142-355 Wellington St. www.1job.ca (519) 672-1562
Middlesex County (Strathroy, Dorchester, Lucan, Parkhill, Glencoe)	Community Employment Choices	Strathroy: Main Office, 16B Second St. www.communityemploymentchoices.ca See website for services in: Dorchester, Lucan, Parkhill, Glencoe (519) 245-4500
London (East)	Community Employment Services - Fanshawe (London)	London: Nelson Plaza, 155 Clark Rd. www.fanshawec.ca/ces (226) 268-5122
Oxford County (Woodstock, Ingersoll, Norwich)	Community Employment Services Oxford	Woodstock: 40 Metcalfe St. www.cesoxford.ca/ (519) 539-8161

& public library branches)		See website for services in: Ingersoll, Norwich, Princeton, Tavistock, Plattsville, & Thamesford
London (Downtown)	Community Living London (Persons with a Disability)	London: 379 Dundas St., Suite 120 www.cl.on.ca/services/employment-services 519-673-5600
Elgin County (St. Thomas & West Lorne)	Employment Services Elgin	St. Thomas: 400 Talbot St. (519) 631-5470 West Lorne: 160 Main Street (519) 768-0401 www.employmentserviceselgin.ca
London and Middlesex County	Ontario Works – employment supports for ongoing clients	London: (519) 661-4520 socialservices@london.ca Middlesex County: (519) 434-7321 socialservices@middlesex.ca
London (Downtown)	Goodwill Industries	London: 255 Horton St., 2nd Fl. www.goodwillindustries.ca (519) 850- 9000
London (West)	Hutton House (Persons with a Disability)	London: 654 Wonderland Rd. N London: Cherryhill Mall, 301 Oxford St W www.huttonhouse.com/ 519-472-1541 Ext 232
London & Elgin, Middlesex, Oxford, Huron-Perth, Grey-Bruce & Lambton Counties	Leads Employment Services (Persons with a Disability)	London: 171 Queens Ave. Suite. 410 www.leadsservices.com (866) 955-3237 See website for services in Elgin, Middlesex, Oxford, Huron-Perth, & Grey-Bruce Counties
London (Downtown)	London Employment Help Centre	London: 150 Dufferin Ave., Suite 100 www.lehc.ca (519) 439-0501
London (South)	London Training Center	London: 317 Adelaide St. S, Unit 110 www.londontraining.on.ca (519) 685-4331
London (South)	March Of Dimes Canada (Persons with a Disabilities)	London: 920 Commissioners Rd. E www.marchofdimes.ca (866) 496-8603
Oxford, Norfolk & Elgin Counties	Multi-Service Centre	Tillsonburg: 96 Tillson Avenue (in The Livingston Centre) (519) 842-9000 www.multiservicecentre.com
London (Downtown)	N’Amerind Friendship Centre (Indigenous People)	London: 260 Colborne St. (519) 672-0131 www.namerind.on.ca/

London (South)	Nokee Kwe (Indigenous People)	London: 104-1069 Wellington Rd. S www.nokeekwe.ca (519) 667-7088
Middlesex County	Oneida Nation of the Thames Employment and Training (Oneida Community)	Southwold: 2110 Ball Park Rd, Unit 2 www.oneida.on.ca/employment-training/ (866) 460-4278
London (Downtown)	Pathways	London: 205 Horton St. E. Unit 1 www.pathways.on.ca/ (519) 667-7795
London (South)	Prevention and Early Intervention Program for Psychoses (PEPP), LHSC	London: Victoria Hospital, 800 Commissioners Rd. East Door A, Zone A (519) 685-8500 ext. 71680 www.lhsc.on.ca/About_Us/PEPP/
Sarnia-Lambton County (Aamjiwnaang, Kettle & Stony Point) Chatham-Kent County (Delaware Nation) Middlesex County (Chippewas of the Thames, Muncey/Delaware)	Stepping Stones Support Services (Indigenous People)	Moraviantown: Head Office: 22268 Centre Rd http://www.ssssp.ca (519) 692-5050 See website for services in: Aamjiwnaang FN, Chippewas of the Thames FN, Delaware FN, Kettle & Stony Point FN, and Munsee - Delaware FN
London (North)	Western University (Students and Alumni)	London: 1151 Richmond St, Western University, University Community Centre, Room 210. http://hirewesternu.ca/ (519) 661-3619
London (Downtown)	WIL Employment Connections (Immigrants and Newcomers)	London: 141 Dundas St., 4th Floor www.wil.ca (519) 663-0774
London (Downtown) & Windsor	YMCA of Southwestern Ontario	London: 382 Waterloo St. www.ymcawo.ca (519) 667-3300 ext. 2037
London (Downtown) Middlesex County (Strathroy)	Youth Opportunities Unlimited (YOU) (Young People)	London: 333 Richmond Street (519) 432-1112 Strathroy: Next Wave Youth Centre 32 Front St W www.you.ca

2. London Region Employment Resource Networks: providing streamlined access to services for employers

Job Developers Network

<https://esc.network/jd-network/>

A single point access to Southwestern Ontario community employment organizations, providing access to the London area's largest and most diverse talent pool of individuals who are actively seeking employment. The JDN is a one-stop-shop for employers, providing customized recruitment assistance, and pre- and post-employment supports, including funding for employee training. The organizations listed above are members of the JDN: by working with one organization, you are accessing talent at all JDN members.

Southern First Nations Secretariat

<https://sfnsgetset.com/>

A tool to find procurement and employees from Indigenous communities in Southwestern Ontario

The Apprenticeship Network

<https://www.theapprenticeshipnetwork.com/>

Organizations and professionals working collaboratively to support apprenticeship for employers, youth, and job seekers in Elgin, Middlesex, and Oxford.

Partners in Employment (PIE)

<https://abilityfirst.ca/>

A coalition of service providers in London and area who work together to achieve a person-centred employment and training service system for people with disabilities. Their objective is to increase the number of people with disabilities who obtain and retain meaningful employment.

3. Subcontracting Social Enterprises

Procuring services from businesses which use labour from target employment groups and/or create social impact as part of their mission is encouraged as one way to meet Community Employment Benefits targets.

Below is a list of some of the London social enterprises that work with employees who experience barriers to the labour market and can provide services that may be helpful for construction projects. If you would like assistance in finding a social enterprise supplier, contact Julie Forrester from Pillar Nonprofit Network,

jforrester@pillarnonprofit.ca.

- [Clean Works](#): Full service interior and exterior commercial cleaning, operated by Pathways Skills Development
- [Over 55](#): mature, reliable, and pre-screened contractors and entrepreneurs to meet your home maintenance and service needs.
- [YOU Made It Enterprises](#): Catering, recycling, and other professional services which focuses on young people who are becoming independent adults. Operated by Youth Opportunities Unlimited.
- [Edgar and Joe's](#): A social purpose enterprise of Goodwill Industries, providing catering, meeting space rental, and event planning.
- [Momos At The Market](#); a social enterprise caterer serving Nepalese food starting while improving newcomer lives through job opportunities and training.
- [Impact Junk Solutions](#): A social enterprise of Canadian Mental Health Association Middlesex that provides junk removal and cleaning services
- [Innovation Works](#), a social enterprise coworking office, meeting and event space operated by Pillar Nonprofit Network

4. Background and Best Practices for Community Employment Benefits

Government Background:

Government of Ontario (July 2019). *Ontario Investing in Canada Infrastructure Program: Public Transit Stream*.

www.grants.gov.on.ca/prodconsum/groups/grants_web_contents/documents/grants_web_contents/prdr019920.pdf

Infrastructure Canada (June 2018). *Community Employment Benefits General Guidelines*. www.infrastructure.gc.ca/alt-format/pdf/guidelines-lignes-directrices/ceb-general-guidance-2018-06-21.pdf

Step-by-Step Guide to Formulating and Tracking Community Employment Benefits:

Buy Social Canada (2020). *Social Value Menu: Community Employment Benefit Templates for Implementation*. https://prismic-io.s3.amazonaws.com/buy-social-canada/65e0d863-a518-4983-b5c7-9877028fc58c_CEB+Menu-+Final+Web.pdf

Other Background Reports on Community Benefits Generally

Thirgood, Jordan; Alwani, Kiran and Erich Hartmann (2018). *Empower & Engage*:

Defining and engaging community in Ontario's community benefits initiatives.
Mowat Centre: University of Toronto

Hebb, T. and; Hachigian, H. (2017). *Social Value Procurement Measurement and Evaluation. A Global Review and Assessment of Social Value Procurement.*
Carleton Centre for Community Innovation.

Canadian Community Economic Development Network (CCED-NET) Community
Benefits Resource Page: <https://ccednet-rcdec.ca/en/page/community-benefits>