



Goodwill
Amity

Changing lives and strengthening
communities through the power of work.

2022 Budget Submission from Goodwill Amity

Submitted to:

The Department of Finance

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Submitted by:

Tracy Cunning, Vice President of Employment Services, Goodwill Amity

tcunning@goodwillonline.ca 905-526-8488, x 1305

Kelly Duffin, President and CEO, Goodwill Amity

kduffin@goodwillonline.ca 905-526-8482 x 2222

Introduction

Since 1935, the mission of Goodwill has been to strengthen employment readiness, facilitate the return to work of job seekers, and serve as a resource for employers to attract and retain a workforce. Goodwill's founder, Edgar J. Helms, created Goodwill to provide "a chance not a charity" and "a hand up not a hand out." These sentiments continue to guide our work today.

We deliver Employment Services that help people enter or re-enter the workforce, including for people too often marginalized – those with a disability, women, newcomers, those from racialized communities, at-risk youth, individuals with a criminal record, and Indigenous peoples, among others. We also serve employers in recruiting the workforce they need.

Typical Results and ROI

Goodwill across Ontario place a person in a job every 46 minutes.

Every year Goodwill Amity serves over 330 employers in hiring candidates.

Our clients typically earn an average starting wage 19% to 25% higher than minimum wage and often see further wage increases as they progress in their employment.

33.3 was the average working hours per week for those who found employment last year.

With those farthest from the labour market Goodwill has achieved a placement rate of over 40% (compared to the three year provincial average of 10-13%) and retention of 12.58 months on average.

The outcomes and impact of these services, as illustrated above, gives opportunities to people facing barriers to employment; a healthy workforce for employers; a solid ROI to taxpayers; and contributions to the economic resilience, growth, and prosperity of our communities.

As a result of COVID-19, already marginalized individuals and communities have been disproportionately impacted; some sectors have grown with others have seen major disruption; some employers are struggling to recruit and retain staff; automation will increase; and new skills will be required.

These impacts mean Employment Services are now more critical than ever and point to evolutions in Employment Services that will be necessary to contribute to economic recovery in the months and years ahead.

Our Recommendations are offered with that knowledge and with the intention of playing our part in delivering an inclusive and equitable recovery.

Recommendations

Recommendation 1: Provide multi-year funding for Employment Services through Employment and Social Development Canada (ESDC) and via provincial transfer payments, and provide timely notices of granting/renewal.

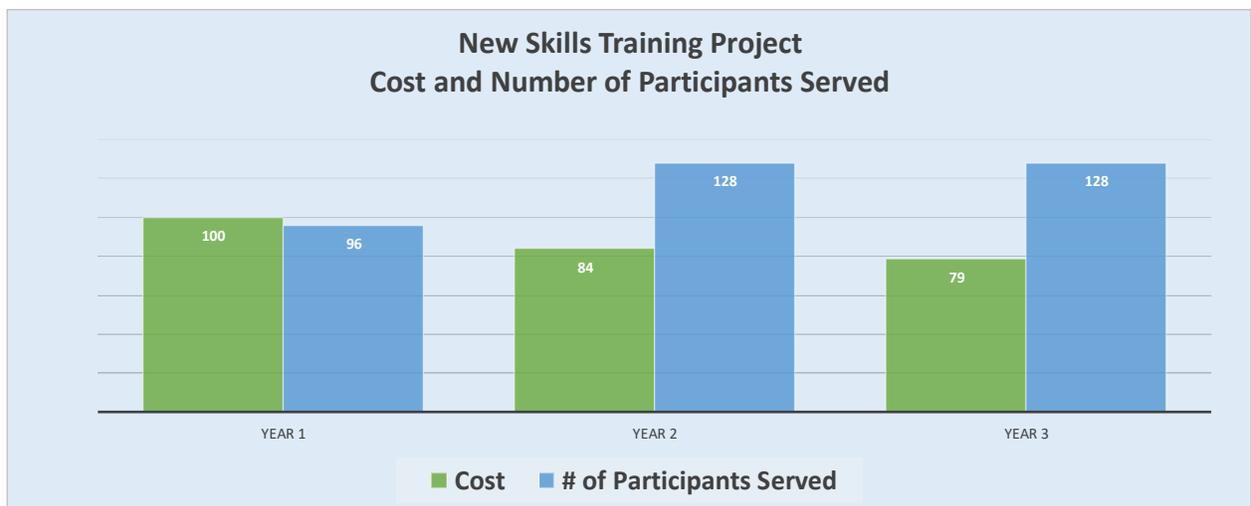
Driving genuine and sustained employment impacts is not a 12-month or 18-month proposition. In today's highly competitive labour market we also know it will be almost impossible for Employment Service providers to attract the talent needed to deliver a program if they can only offer a one-year contract. To see the caliber of proposals and the nature of impact that ESDC funding has the potential to deliver, multi-year programs must be eligible for funding. In addition, notice of approval or renewal of funds would ideally be more timely. In some cases organizations get notice months after their submission and on or even after their proposed start date, which is very difficult to manage.

Given the government's commitment to value for money and a strong return on investment for public funding, it is also important to note that that value increases with multi-year versus annual funding. The chart below, based on an actual contract, demonstrates that the cost to run a program declines by 21% by year 3 versus year 1 on a per participant basis while participants served increase 33% (from 96 to 128). The reduced costs is because the start-up costs – including technology and other equipment and supplies, marketing collateral, recruitment and training expenses – need only be incurred in the first year. The increase in participants is because the initial program development, staff recruitment and onboarding, and marketing for the first cohort's intake requires one to three months of a one-year contract. In subsequent years, with those elements in place, that time can be spent in service.

Lastly, given the complexity of proposals for ESDC funding, not having to write proposals every 12 months would free up sector capacity that is better spent in service than in administration.

The same issues exist in provincial Employment Services project funding, such as Ontario's Skill Development Fund, much of which is enabled through federal transfer payments. We therefore also recommend that federal transfer payments for provincial Employment Services be multi-year as well.

To create the desired outcomes and assure value for money we urge the government to provide for multi-year Employment Services funding with timely notices of approval.



Recommendation 2: Recognize mental health impacts on employment in policy and funding frameworks.

Mental health was a major concern before the pandemic and has become a crisis since then. With respect to employment, mental health is becoming THE primary barrier to attaining and retaining work. Anxiety and depression keep people out of the workforce. Many who are able to work can only manage part-time employment. These realities need to be reflected in policy and funding decisions.

First, we recommend approving funding for Cognitive Behavioral Therapy (CBT) in ESDC-funded Employment Services contracts where it would support clients in service who need targeted, practical, work-related mental health supports to cope with the anxiety of starting a new job and managing workplace stress.

This funding and policy consideration would make a real impact in getting more people into employment.

Recommendation 3: Develop and launch, either in partnership with provinces or alone, an awareness campaign for Employment Services.

A recent article highlighted Canadians' lack of awareness of Employment and career Services (<https://www.theglobeandmail.com/business/article-canadians-lag-other-countries-in-using-career-advisory-services-study/>).

A robust marketing campaign for Ontario's Second Career program (which enables displaced workers to return to education and skills training) was undertaken a decade or so ago and drove unprecedented awareness and uptake of the available program.

Given the important role Employment Services can play in addressing current labour market pressures – for both job seekers and employers – a national advertising campaign, ideally in partnership with the provinces – would be far more effective than a provider-by-provider approach. We therefore recommend that an awareness campaign be developed and deployed for Employment Services in Canada.

Recommendation 4: Continuously engage with the non-profit sector as well as business.

Nonprofits, especially social services, are connected and knowledgeable about our communities. We know what's needed and can be part of the solution – and a cost-effective part at that. As already noted, at Goodwill, for instance, we are on the front lines in the labour market, supporting employment readiness so those not attached to the workforce develop the attributes they will need in employment; coaching job seekers so they successfully attain and retain a job; and serving employers in finding the skills and staff they need to meet their operational objectives.

Also as already noted, COVID has made all of this more essential than ever but nonprofits are too often an afterthought, sitting at only sector-specific tables while business is considered and consulted separately. Ensure that the nonprofit sector is recognized as integral to and included in recovery conversations.

Summary

Our Recommendations are meant to support the government's objectives of job creation, building a more inclusive and resilient Canada, strengthening the middle class, and stimulating a better economy for everyone.

We stand ready to consult with government on the tactics that could bring our Recommendations into effect.

About Goodwill Amity

Goodwill Amity harnesses the power of work to address the most pressing economic and social issues facing our communities today.

We're a path to income security for individuals and their families and in some cases, a means of breaking generational cycles of poverty. Having work can determine how people raise their children, provide for their health, attain or maintain housing, and plan for the future.

We're a catalyst for strong and healthy neighbourhoods.

We're a means of filling workforce needs so employers can meet their business objectives.

In all these ways, Goodwill Amity is influencing positive, long-lasting transformational change.

Goodwill Amity, which operates in the Halton and Hamilton-Niagara regions, is one of the networks of 157 Goodwills across North America.