

Chapter 2

Ontario's employment and skills system

This chapter provides an overview of Ontario's employment and training system. Ontario is Canada's largest province in terms of population and overall economic activity. Employment and training policies are managed by the Ministry of Training, Colleges and Universities. Employment services are delivered through Employment Ontario, which is a network of locally based outsourced service providers. The training system is highly developed and Ontario's community colleges play a significant role in supporting local economic development through their responsiveness to employers.

In addition to the Ministry of Training, Colleges, and Universities, policies and programmes to support employment, training, economic development and the inclusion of disadvantaged groups are developed by the Ministry of Economic Development, Trade, and Employment, the Ministry of Research and Innovation, the Ministry of Community and Social Services, the Ministry of Citizenship and Immigration, and the Ministry of Aboriginal Affairs.

Overview

Ontario is Canada's most populous province with a population of 13 505 900 as of 2011 – up from 12 160 282 in 2006 (Statistics Canada, 2012). Ontario is a highly urbanised province with 5 583 064 people located in the Greater Toronto Area (GTA). In the Northern part of the province, municipalities are significantly smaller – Sudbury is the largest city with a population of 160 770. The two other large centres in the North are Thunder Bay (121 596) and Sault Ste Marie (79 800) (Statistics Canada, 2012).

The global recession hit Ontario harder than the rest of the country. Ontario's growth started to falter in 2007 and in 2008, real GDP fell resuming only in the third quarter of 2009 (representing five quarters of contraction). From peak to trough, Ontario lost 5.0% of its GDP. Even with this difficult period, Ontario's GDP is CAD 673 billion representing about 37% of Canada's national GDP.

Local government in Ontario

In Ontario, the Ministry of Municipal Affairs and Housing is responsible for municipal affairs. The Ministry works with municipal partners and community stakeholders to develop policies and standards that promote and support local governments to plan, manage and invest in their communities' futures. Municipal (local) governments are local authorities created by the provinces and territories. Ontario's three municipality types include upper and lower-tier municipalities within the two-tier structure and single-tier municipalities (unitary authorities) that are exempt from the two-tier structure. Single and lower-tier municipalities are grouped together as local municipalities. Of Ontario's 444 municipalities, 30 of them are upper-tier municipalities and 414 are local municipalities – 241 lower-tier municipalities and 173 single-tier municipalities.

The Municipal Act, 2001 is the legislation that enables incorporation and stipulates governance of Ontario's municipalities, excluding the City of Toronto, which is subject to the City of Toronto Act, 2006. The Municipal Act, 2001 provides lower and single-tier municipalities with the authority to incorporate as cities, towns, villages, townships, or generically as municipalities.

Municipal governments in Ontario provide a wide variety of services associated with essential public infrastructure, policing, public health, child-care, public housing, public transportation and long term care and seniors housing. Many provincial ministries have a local presence through district and regional offices. Consolidated municipal service managers (CMSMs) are service delivery agents for social assistance, childcare, and affordable and social housing. Municipalities that are CMSMs may also have certain responsibilities in connection with land ambulance and public health services, as well as courts administration. Consolidation of such services helps enable them to be planned and administered on a regional basis, even in areas not served by two tier systems.

In the southern part of the province and in Greater Sudbury in northern Ontario, CMSMs are simply designated municipalities. Most are upper tier municipalities; however, some are single tier municipalities. Their service areas follow current or historical upper tier boundaries and include separated municipalities within the boundaries. Separated municipalities usually have consolidated municipal service agreements and joint governance arrangements with the upper tier municipality in their service area.

In northern Ontario, outside of Greater Sudbury, bodies called District Social Services Administration Boards (DSSABs) provide these services. These boards serve both the

municipalities and the unorganised territory in their districts. DSSABs are not municipalities, but separate legal entities created by legislation.

The management of employment policies and programmes

Employment policies and programmes are managed by the Ministry of Training, Colleges and Universities (MTCU). This Ministry also manages postsecondary education and vocational training policies creating a single policy space for the 15-64 year old Ontario workforce. The Ministry is guided by the broad vision of ensuring that Ontario will have the most educated and highly skilled workforce in the world to build the province's competitive advantage and quality of life.

Employment Ontario

Employment Ontario is the employment and training system primarily managed by the Ministry of Training, Colleges and Universities. Employment Ontario was created through the integration of a variety of federal and provincial programmes through the 2007 Canada-Ontario Labour Market Development Agreement. In addition to the Labour Market Development Agreement, Ontario has also signed a Labour Market Agreement with the federal government as well as a Labour Market Agreement for Persons with Disabilities.

Employment Ontario is responsible for delivering employment and training services to the public across the province; developing policy directions for employment and training; setting standards for occupational training, particularly for trades under the Trades Qualification and Apprenticeship Act; managing provincial programmes to support workplace training and workplace preparation, including apprenticeship, career and employment preparation, and adult literacy and basic skills; and, undertaking labour market research and planning

Employment services are delivered in part through a network of 170 contracted service providers with over 400 service delivery locations across Ontario (Ontario Ministry of Training, Colleges and Universities, 2013a). The Employment and Training Division of the Ministry manages the delivery of programmes and services through four regional branches and a network of local offices. Staff monitor and work with local employment providers on delivery and operational aspects.

Through Employment Ontario, individuals have access to client service planning and co-ordination; resource and information; job search; job matching, placement and incentives; and, job training and retention services. In general, two levels of service are provided: unassisted; and, assisted (Ontario Ministry of Training, Colleges and Universities, 2013b). For unassisted services (e.g. self-services), any client entering an employment service provider office will have access to job search assistance, such as filling out applications or completing a curriculum vitae. Assisted services are provided to clients who require more intensive services in finding a job. While service providers have considerable latitude in organising counseling and placement services for training programmes, they recommend courses for clients to a training consultant (an MTCU employee) who reviews and approves the application.

Work Force Planning Boards

In 1994, 25 Workforce Planning Boards were established across Ontario through a joint funding arrangement between Canada and Ontario to plan and lead labour market activities at the local level (Ontario Ministry of Training, Colleges and Universities, 2013b). These Workforce Planning Boards undertake the following activities:

- Engage labour market partners at the local level to identify and respond to key employment and training issues and priorities;
- Research employers' skills requirements to gain insight into occupational and skill needs specific to local industry;
- Facilitate local planning where community organisations agree to implement joint actions to address local labour market gaps; and
- Develop partnership projects that respond to local labour market challenges.

In 2007, as part of the federal LMDA/LMA devolution to Ontario, MTCU assumed full responsibility for funding the Local Board network. On April 1, 2012 oversight of the Workforce Planning Boards was transferred from the Ministry's head office to the regional branches with the view to provide autonomy, promote stronger local linkages, and broaden community involvement in local economic development activities.

Vocational Education and Training

The MTCU provides operating and capital funding to publicly funded colleges and universities. It also establishes provincial objectives for the use of public funds as well as a provincial framework for achieving provincially set objectives. The Ministry ensures that high quality postsecondary education is accessible to all qualified candidates through tuition regulation, operating grants, capital investments, student assistance, targeted funding and accountability mechanisms.

Colleges and universities

Ontario has 20 publicly funded universities and 24 colleges of applied arts and technology operating in more than 100 locations across the province. The MTCU outlined the following priorities for 2012-13:

- Raise Ontario's postsecondary educational attainment rate to 70% (from 63%);
- Ensure a college or university space is available for every qualified student;
- Increase quality and modernise the delivery of postsecondary education; and,
- Improve access to postsecondary education through a strong student financial assistance programme.

Apprenticeship and the creation of the Ontario College of Trades

Ontario has been placing considerable emphasis on the number of people enrolling and certifying in qualified trades. In Ontario, there are more than 120 000 apprentices – double from ten years ago and new annual apprenticeship registrations have grown from 17 100 in 2002-03 to more than 29 000 in 2010-11 (Results-based Plan Briefing Book 2012-13, Ministry of Training, Colleges and Universities).

In 2009, legislation was passed to create the Ontario College of Trades. As an independent, industry-driven body, the College of Trades is designed to raising the profile of the skilled trades. The governance structure of the College includes a diverse range of employer and union representation. It is designed to make the system of apprenticeship training more responsive to the evolving skills and training needs of Ontario employers and consumers (Ontario College of Trades, 2011). The College will also determine the best way to deal with a variety of issues that face the Ontario apprenticeship system including apprentice journeyman ratios and compulsory certification.

Ontario Centres of Excellence

The Ontario Centres of Excellence (OCE) not-for-profit programme was formally established in 1987 with seven independent centres that evolved and amalgamated into the Ontario Centres of Excellence Incorporated in 2004. OCE fosters the training and development of the next generation of innovators and entrepreneurs and is a key partner with Ontario's industry, universities, colleges, research hospitals, investors and governments. OCE is funded by the Government, is a member of the Ontario Network of Entrepreneurs (ONE) and is a key partner in delivering Ontario's Innovation Agenda.

Ontario Centres of Excellence (OCE) drive the development of Ontario's economy by helping create new jobs, products, services, technologies and businesses. In partnership with industry, OCE co-invests to commercialise innovation originating in the province's publicly funded colleges, universities and research hospitals. The commercialisation and talent development projects OCE supports are in the segments of the economy that will drive Ontario's future prosperity and global competitiveness. These segments include energy and environment (including water); advanced manufacturing; advanced health technologies; and information, communications technologies and digital media (Ontario Centres of Excellence, 2013).

Economic development policies

The Ontario Ministry of Economic Development, Trade, and Employment is the lead Ministry that helps Ontario business become innovative, more competitive, and attract new growth, and investment. The Ministry completes its work through the implementation of comprehensive Sector Strategies that build and continue to strengthen sector relationships to support the long-term innovation, productivity and competitiveness of Ontario's strategic sectors in the global market (Ontario Ministry of Economic Development and Trade, 2012). These strategic sectors include Advanced Manufacturing (Aerospace, Automotive, Clean Technologies, Steel and Chemicals), Information and Communications Technology (Interactive Digital Media), Life Sciences (Biology, Pharmaceuticals and Medical) and Financial Services.

The Ministry supports economic growth at the regional and local level by working with industry associations to address challenges, assisting new Ontario businesses in start-up and early stage development through a network of 57 Small Business Enterprise Centres (SBECs) to assist new entrepreneurs in the evaluation and process of business start-up and provides support primarily to early growth-stage businesses through their first five years.

Business advisory services are provided through 12 field offices located throughout southern Ontario. These offices provide advice on exporting, marketing, financing, innovation, sustainability as well as establishing ways to become more competitive through cost reduction strategies.

The Ministry of Economic Development, Trade and Employment also supports programmes, such as the Youth Entrepreneurship Partnerships Programme which provides funding to non-profit organisations to facilitate the development of an enterprising culture among Ontario youth. Ontario Global Edge provides entrepreneurial international work opportunities to post-secondary students, allowing them to gain the experience, knowledge and skills needed to effectively engage in the global market place.

Other programmes operated by the Ministry include the Strategic Jobs and Investment Fund, the Next Generation of Jobs Fund, the Jobs and Investment Programme and Advanced Manufacturing Investment Strategy, the Eastern Ontario Development Fund and the Automotive Strategy, and the Communities in Transition Programme

The development of social enterprises

There are 61 Community Futures Development Corporations (CFDCs) in Ontario. FedDev Ontario works with the 37 CFDCs in rural Eastern and Southern Ontario, while FedNor works with the 24 organisations in the North. CFDCs offer a wide variety of programmes and services supporting community economic development and small business growth. In particular, they provide:

- Strategic community planning and socio-economic development;
- Support for community-based projects;
- Business information and planning services; and
- Access to capital for small- and medium-sized businesses and social enterprises.

These community-based, not-for-profit organisations are staffed by professionals and are each governed by local volunteer boards of directors familiar with their communities' needs, concerns and future development priorities.

The Ministry of Research and Innovation (MRI)

The Ministry of Research and Innovation plays a more indirect role in local economic development and is an important vehicle for connecting university and college research to commercial business opportunities. Launched in 2005, the Ministry of Research and Innovation (MRI) is focused on strengthening Ontario as a leading, innovation-based economy. The Ministry invests in and supports research, innovation and commercialisation projects and partnerships across the province, collaborating with colleges, research hospitals, universities, and private companies. MRI has three key priorities, intensifying business-led innovation and commercialisation, building human capital for the innovation economy, and renewing government leadership on global opportunities. Several programmes assist local economic development efforts.

The Ministry of Research and Innovation supports the Innovation Demonstration Fund and the Ontario Emerging Technologies Fund (Ontario Ministry of Research and Innovation, 2011). Both programmes support innovative projects to help companies develop new technologies. Other programmes include the Ontario Venture Capital Fund (OVCF), the Ontario Tax Exemption for Commercialization and the Ontario Network of Excellence.

Supporting inclusion

The Ministry of Community and Social Services

The Ministry of Community and Social Services provides employment supports to social assistance clients through the Ontario Disability Support Programme (ODSP) and Ontario Works (OW). The Ontario Disability Support Programme helps people with disabilities who are in financial need pay for living expenses, like food and housing (Ontario Ministry of Community and Social Services, 2012). The intent of the Ontario Works programme is to help people in temporary financial need find sustainable employment and achieve self-reliance through the provision of effective, integrated employment services and financial assistance. Both the Ontario Disability Support Programme and Ontario Works provide employment supports to individuals to develop stronger labour force attachment.

The Ministry of Citizenship and Immigration

The Ministry of Citizenship and Immigration (MCI) offers programmes to facilitate labour-market integration of immigrants, including bridge training programmes to provide newcomers with the occupation-specific training that gives them the skills, language capabilities and Canadian work experience to obtain employment in their field (Ontario Ministry of Citizenship and Immigration, 2012). Much of the growth in Ontario's population and workforce comes through immigration. The province is the top destination for immigrants to Canada and over the last 20 years, Ontario received 2.4 million landed immigrants – 52% of all those who came to Canada (Citizenship and Immigration Canada, 2012). Toronto is the principal destination for immigrants but all of Ontario's cities receive a significant number of newcomers who are increasingly important in contributing to labour force growth.

The Ministry of Citizenship and Immigration (MCI) works in partnership with the federal government, other provincial ministries, and the private and not-for-profit sectors to develop and implement policies and programmes that maximise the benefits of immigration for newcomers and Ontario by providing services for successful economic integration and social inclusion. Key activities include:

- Selecting immigrants to support economic growth through the Provincial Nominee Programme (PNP) which allows employers and investors to attract highly skilled workers;
- Supporting community-based delivery of settlement services to newcomers by providing information, referrals, orientation, and facilitating social and economic integration through the Newcomer Settlement Programme;
- Continuing to improve and enhance Ontario's Adult Non-Credit English as a Second Language (ESL)/French as a Second Language (FSL) Language Training Programme to ensure that it is more learner-focused and results-based, aligning with provincial objectives for adult education programmes and is better co-ordinated with the federal language training programmes;
- Continuing initiatives to ensure that immigrants have the opportunity to fully utilise their skills within the Ontario labour market as quickly as possible;
- Supporting bridge training programmes for internationally trained individuals to get licensed and find employment that is commensurate with their skills and experience;
- Connecting newcomers and employers.

The Ministry of Aboriginal Affairs

The Ministry of Aboriginal Affairs (MAA) was created in 2007 to develop a stronger, broader partnership with First Nations, Métis and Inuit people in Ontario. The ministry leads corporate government initiatives on Aboriginal affairs, and co-ordinates cross-ministry Aboriginal policy initiatives and multi-lateral relationships. Building on this broad mandate, in May 2008, the government approved a new four-year Strategic Course of Action. This new strategic direction set the following four areas of focus for the ministry:

- Building stronger relationships between Ontario and Aboriginal partners
- Improving social conditions and quality of life for Aboriginal people
- Increasing economic opportunity and sustainability for Aboriginal people
- Resolving land claim issues and working to achieve reconciliation between Aboriginal people and the Ontario government.

To create economic opportunities and sustainable Aboriginal economies, the Ministry Works with other provincial ministries to ensure aboriginal interests are reflected in legislation such as through the proposed Forest Tenure and Pricing modernisation process, the Green Energy Act, Far North Planning, and the Growth Plan for Northern Ontario. The Ministry works with the federal government and its partners to align Aboriginal economic development efforts and to identify and explore key economic development priorities through the Minister's Advisory Council on Aboriginal Economic Development.

The Ministry has introduced several initiatives to create economic opportunities and sustainable Aboriginal economies including continued delivery of the Aboriginal Community Capital Grants Programme, which invested CAD 3.61 million in 2010-11 for the construction or renovation of facilities serving First Nations and urban Aboriginal communities (Ontario, Ministry of Aboriginal Affairs, 2012). The Ministry established the Friendship Centre Infrastructure Programme (FCIP) with funding of CAD 8 million over three years. As part of the government's Open Ontario Plan, the 2010 Budget committed to investing CAD 45 million over three years to prepare northern Ontarians for new jobs in emerging resource sectors.

The Ministry of Aboriginal Affairs worked with the Ministry of Training, Colleges and Universities to develop the Northern Training Partnership Fund, a new project-based skills training programme to help Aboriginal and non-Aboriginal northern Ontarians participate in and benefit from emerging economic development opportunities such as the Ring of Fire. The Northern Training Partnership Fund, launched in July 2010, supports skills training concentrated on sustainable employment in resource-related sectors and encourages collaboration between employers and both Aboriginal and non-Aboriginal communities and organisations in the north.

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From:
Employment and Skills Strategies in Canada

Access the complete publication at:
<https://doi.org/10.1787/9789264209374-en>

Please cite this chapter as:

OECD (2014), "Ontario's employment and skills system", in *Employment and Skills Strategies in Canada*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/9789264209374-6-en>

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