

Acknowledgements

The authors would like to thank all interviewees for their generosity of time and their support of this work. We would also like to thank Margaret Cappa for her early work on this project and our colleagues at the Mowat Centre, particularly Elizabeth Sweitzer and Elaine Stam, for their assistance, feedback, and design work on this paper. Our thanks also to Kim Nguyen, Research Analyst at Economic Development & Culture, City of Toronto, for her help with data. Finally, this paper has benefited tremendously from the insights and comments of those who read earlier drafts.

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Redesigning Collaboration

Opportunities for Innovation in Toronto's Labour Market

EXECUTIVE SUMMARY

By Jill Shirey & Serene Tan

Executive Summary

The Greater Toronto Area (GTA) has many programs and services to help new immigrants and youth find jobs, yet unemployment and under-employment among these groups remain stubbornly high. As Ontario grapples with an annual economic growth rate of only 1.3 per cent,¹ the GTA has the opportunity to leverage its untapped human capital to lead the province's next stage of prosperity.

This report focuses on the experiences of those with direct knowledge of the challenges as well as of the supports available: youth and new immigrant job seekers, employment service providers, and employers. A total of 54 individual, semi-structured interviews and two focus groups were held with these individuals. These interviews and focus groups were supplemented by conversations with researchers, experts, and public servants who work on issues of youth and immigrant employment in the GTA. The main objective of this research is to better define the problem, identify successful models that are matching job seekers and available positions, and suggest next steps for governments.

The GTA labour market is complex, competitive, and characterized by polarization between high and low skilled jobs. Access is challenging for many, particularly youth with little or no experience and immigrants with experience from elsewhere. Once entry is obtained, employment is often precarious and improved social and economic outcomes are not assured. Some suggest that labour market challenges are due to skills shortages and skills mismatches, but the evidence for these phenomena is underwhelming, particularly given the scarcity of reliable labour market information.

Some of the facts are stark. Youth unemployment is persistently much higher in the GTA than it is across Canada. Unemployment rates are higher and incomes are lower for immigrants as compared with Canadian-born individuals in the GTA—and these trends are getting worse. Youth and new immigrant unemployment and underemployment cost the economy tens of billions of dollars.²

Governments have invested significantly in initiatives designed to better integrate youth and new immigrants into the GTA labour market. Investments have also been made to help employers identify, hire, and retain youth and new immigrants, yet these initiatives are not solving the problem of persistently high unemployment and—for some employers—difficulty in recruiting workers.

If we continue to do what we have been doing, we are likely to continue to get the same results: poor labour market outcomes for youth and new immigrants and lost opportunities for GTA employers. We will also continue to lack the tools to understand and address these challenges.

It is time to consider a new approach. Deploying a *collective impact model* could produce better results as well as better tools to understand the current challenges. Under such a model, all relevant actors work toward, and are measured against, the same common goals, in addition to metrics specific to their programs and services. With new system-wide measures in place, all actors have incentives to support one another and collaborate to achieve shared goals, such as higher employment rates and better retention rates for new immigrants and youth.

Such an approach will not arise on its own. Internal cultural and behavioural changes within governments can help to provide the right incentives for a collective impact process. For example, where relevant, performance targets for those working within the employment services system could include excellence at collaboration, and performance evaluations could include assessments from peers and colleagues working for other governments or providers. Undertaking more joint work rather than individual initiatives could also enable governments to explore the growing body of program delivery innovations that involve service integration.³

To provide a broader framework for the process of collective impact, it may be useful for governments to resurrect the model of the tripartite Urban Development Agreement that has been used successfully in Winnipeg and Vancouver to

deliver services in challenging urban environments.⁴ Toronto also has a history of involvement in tripartite agreements: a neighbourhood-focused agreement was negotiated⁵ by the federal, provincial and municipal governments in 2005, and the Canada-Ontario-Toronto Memorandum of Understanding on Immigration and Settlement was signed in 2006.

Building on this past experience, a tripartite agreement or similar strategic intergovernmental mechanism could create a process whereby all partners identify and work toward the same shared goals, which are reinforced by robust evaluation mechanisms and transparent funding arrangements. A long-term vision with a clear roadmap toward measurable success is crucial.

Our research identified a number of existing assets in the GTA, both in terms of programs and services, but also with regard to relationships and patterns of working together. These form the foundation from which new approaches can be pursued.

The challenges of youth and new immigrant unemployment cannot be adequately addressed by simply introducing a new program or by starting an isolated collaborative initiative between only a few organizations. While some programs are helping job seekers find work and employers find workers, more could be accomplished by deploying a collective impact model—not just in word but in deed and approach.

1 Ontario Ministry of Finance. 2013. "Ontario Economic Outlook and Fiscal Review." November 2013. At: <http://www.fin.gov.on.ca/en/budget/fallstatement/2013/chapter2.html> (Accessed December 2013).

2 Toronto Board of Trade. 2010. "From World-Class to World Leader: An Action Plan for the Toronto Region." Toronto: Toronto Board of Trade, p. 28; also Schwerdtfeger, M. 2013. "Assessing the Long-Term Cost of Youth Unemployment." Special Report. January 29, 2013. TD Economics, p. 4.

3 Gold, J., and Dragicevic, N. 2013. "The Integration Imperative: Reshaping the Delivery of Human and Social Services." Toronto: Mowat Centre and KPMG; also Gold, J. with Hjartarson, J. 2012. "Integrating Human Services. A Shifting Gears Report." Toronto: Mowat Centre and KPMG.

4 Western Economic Diversification Canada. 2010. "Evaluation of the Vancouver Agreement." Western Economic Diversification Canada, Audit and Evaluation Branch. Ottawa: Government of Canada. At: http://www.wedc.gc.ca/images/cont/12531_eng.pdf (Accessed December 2013); also Bradford, N. 2008. "Rescaling for Regeneration? Canada's Urban Development Agreements." Paper prepared for Canadian Political Science Association Annual Meetings, Vancouver B.C. June 4-6, 2008. At: <http://www.cpsa-acsp.ca/papers-2008/Bradford.pdf> (Accessed Jan. 2014).

5 This agreement was not implemented by the federal government.