Submission to the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (HUMA) on the Canada Summer Jobs wage subsidy program and ways it could be modified to improve funding and flexibility for applicants.

Submitted October 18, 2023,

# by

Pillar Nonprofit Network

## and

Childreach, Climate Action London, Community Living London, Community Living Tillsonburg, Culturx London, Forest City Gallery, Glen Cairn Community Resource Centre, Growing Chefs! Ontario, Humanity 8 Charitable Organization, Hutton House Association for Adults with Disabilities, Ingersoll Support Services Inc., Junior Achievement (JA) South Western Ontario, Komoka Railway Museum, LEADS Employment Services, Literacy Link South Central, London Cycle Link, London Downtown Business Association MainStreet London Revitalization Organization, London Environmental Network, London Food Bank, Middlesex Community Living, Pearce Williams Summer Camp & Retreat Facility, ReForest London , Resonant Business Solutions, SARI Therapeutic Riding, TechAlliance of Southwestern Ontario, Thames Talbot Land Trust, Urban Roots London, and YMCA of Southwestern Ontario.

# "When young people learn, work and succeed, Canada thrives." ~ Employment and Social Development Canada Media Release

Dear Committee Members,

No truer words.

We, the undersigned, recognize that the Canada Summer Jobs (CSJ) program is part of an impressive array of youth employment programs with great outcomes for young people, for employers, for the community, and for government. Indeed, counting nonprofits, profit-making businesses, and public sector organizations, CSJ funded positions at 421 organizations in London, Ontario ridings in 2022, an investment into our community and our young people of greater than \$3M.

But we also believe these good outcomes are highly interdependent, and we are writing to express our concern that ongoing cuts to the CSJ and unaddressed administrative inefficiencies are devaluing the program for youth and for nonprofit employers, threatening to also reduce the good outcomes for community and government.

We are grateful for this opportunity to address our concerns to the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (HUMA). We urge HUMA, following this study, to recommend that the government:

- 1. Reverse planned funding cuts to the Canada Summer Jobs program and commit to an increase in Budget 2024 to allow for
  - a. A greater number of funded positions for nonprofit organizations
    - i. to create more opportunities for young people to acquire nonprofit workforce skills; and
    - ii. in recognition that the current economic outlook does not support a 'return to normal,' especially for the nonprofit sector.
  - b. Greater consideration of longer term appointments when requested, to ensure quality experiences and good community outcomes;
  - c. Support for living wage employment; and
- 2. Improve program administration and communication, including
  - a. More proactive and transparent communication of CSJ funding projections to employers;

- b. Earlier decision making and review timelines to allow for earlier notification of employers;
- c. Elimination of the requirement that employers rank their applications by priority.

#### <u>Context</u>

In the London region, just as elsewhere across Canada, nonprofits are significant economic drivers and essential service providers, delivering on public priorities, serving those in need, and contributing to community development across a range of sectors, including social justice, mental health, safety, human rights, environment, sports, faith, arts, and more.

Nonprofits have been challenged by the same cascading crises that all Canadians have faced in recent years and months and have been slower to recover than other sectors, beleaguered by rising costs, rising demand, reduced giving, lowered business revenues, and reduced volunteering. National and provincial surveying in Ontario paints a bleak picture for nonprofit recovery. In our own region, a collaboration between Pillar Nonprofit Network has tracked the recovery of the nonprofit sector and found that, though times are tough for everyone, our local nonprofit sector has lagged behind other sectors in both 2021 and 2022 in being able to attract, hire, and retain workers, chiefly because of the inability to compete on compensation. Until these conditions are reversed or mitigated at least to pre-pandemic levels, nonprofits are not prepared for the withdrawal or reduction of what scant supportive programs remain.

The CSJ program provides important learning opportunities for young people here in our community and is highly valued by a wide variety of organizations, especially in the midst of a human resources crisis in paid and volunteer workers. Indeed, CSJ may be 'a victim of its own success' insofar as it is wildly over-subscribed by nonprofit, business, and public sector organizations. As noted above, CSJ may be part of an array of programs supporting youth employment, but it stands virtually alone as a program that supports nonprofit work and nonprofit workforce development.

In consequence, nonprofit organizations, and the youth they employ, have shared concerns about the impacts of recent cuts to the program budget, a lack of transparent and timely communications about CSJ budget changes, late notifications provided to employers, and a lack of trust in employer organizations to allocate supports effectively.

Investing in the Canada Summer Jobs program more fully would be an impactful investment in Canada's struggling nonprofit sector and our shared aspirations for a better future for young people. We offer these recommendations and concerns on behalf of nonprofit organizations and the youth and families of our community. We are indebted to a cross-affiliated group of MPs and members of our extended networks for gathering some of the supporting data.

We urge HUMA, following this study, to recommend that the government:

 Reverse planned funding cuts to the Canada Summer Jobs program and commit to an increase in Budget 2024. This year, CSJ grants and contributions were over 30% lower than the 2022-23 fiscal year, a loss of over \$124 million to CSJ employers in 2023. Compared to the 2021 peak, CSJ funding has dropped by \$448 million, and employers have lost over 119,000 positions through the end of fiscal year 2024-25. As a result, critical community organizations are reeling from the sudden loss of funding. CSJ funding is currently projected to be even lower in the 2024-25 fiscal year, amounting to a 50% cut, \$202 million below 2022 levels, and \$60 million below even pre-pandemic years. Young people and potential employers are rightly concerned. We urge you to advocate for additional CSJ funding in Budget 2024 to ensure that organizations and young people are able to benefit from important employment opportunities in 2024 and beyond. In view of the lack of other supports to attract young people to the nonprofit sector, we urge re-investment in CSJ to create more jobs.

We also urge that greater consideration be given to longer terms when requested. In many cases, organizations apply for support for a 16-week appointment and are granted funding for only 8-9 weeks. We noted earlier the \$3M local investment from CSJ in positions at 421 organizations. The average number of hours funded per position was 252.35 – a 6-9 week appointment depending on the hours of work. An appointment this brief is not likely to be attractive to a university student, especially one who's self-supporting, and may reinforce existing inequities: it means only financially privileged students can apply, because they are most likely to have family support to get through the rest of the summer. And few may be inspired to apply for a 9-week position at all with its reduced expectations for skills acquisition and genuine community benefit. To ensure good outcomes for youth, employers, communities, and government, this should change.

Finally, with reinvestment, the government has the opportunity to practice and model best practices in funding by supporting living wage employment, another way that CSJ could better align with and support the government's equity targets.

#### 2. Improve program administration and communication.

We greatly hope to see re-investment in CSJ, but the administration and communication with stakeholders is in need of improvement in any case. We hope that following your study, HUMA will recommend that:

# CSJ funding projections be communicated to past and prospective employers in a more proactive and transparent manner.

For recipient organizations and youth, the decision to significantly cut CSJ funding this year was both unexpected and severe. These cuts followed four years of consistent and increased CSJ funding and occurred without sufficient communication to past or prospective CSJ program recipients. Many employers – already reeling from spiking demand, rising costs, and lowered revenues and donations – were caught unawares and did not have time to adjust their operations and hiring plans to deal with the reduction in CSJ funding. Nationally, **the CSJ program received applications for greater than five times the funding available**, leaving many employers disappointed. Going forward, we urge you to communicate projected budget changes to employers in a proactive and transparent manner, before applications open, to help them prepare for any changes in funding.

Move up decision making and review timelines to allow for earlier notification of employers. CSJ decision-making and notification timelines are too late in the spring, making it difficult to plan summer programs and hire qualified staff. This was made worse this year when funding was cut so drastically. Although notification timelines were a few days earlier this year, employers still did not learn about the funding they would receive until mid-April at the earliest and, in some cases, until July, making summer staffing decisions and effective recruitment impossible. Many post-secondary students are seeking jobs that run from May to August and have already secured less career-oriented employment by the time CSJ positions are posted. We would like to see CSJ application and decision timelines revised to align with post-secondary schedules so students can start work at the end of April or beginning of May. We ask that Service Canada be directed to notify employers by the end of March at the latest, to give them sufficient time to post and hire qualified staff.

And finally, the current application process asks CSJ employers to rank their priorities for position funding. We recommend that CSJ employers be trusted to know what is most important to them and ensure funding contracts align with requested priorities.

We understand that the reliance of nonprofit organizations on Canada Summer Jobs may be an 'unintended consequence' of the government's youth employment strategy. And yet, we encourage you to see nonprofits as valuable partners in delivering good outcomes to youth and communities by embracing and expanding on this perhaps unanticipated success.

In closing, we offer this CSJ success story shared by Leah Derikx, Interim Executive Director or co-signer London Environmental Network:

"The London Environmental Network has relied on the CSJ program for several years to provide quality, paid employment opportunities in the environmental sector. Over the years, we have employed over 12 youth which has provided them with meaningful work experiences and allowed us to deliver our environmental education & services to thousands in the London community. Many of our CSJ youth have gone on to become full-time or permanent employees at our organization (including me!), or have leveraged the opportunity for other jobs in the nonprofit or corporate sustainability spheres. The CSJ program is especially important for environmental organizations within our network that operate seasonally. Invasive plant removals, tree planting, pollinator gardens, urban agriculture, and trail maintenance are all activities that provide immense environmental, social, and economic benefits to the community that are largely dependent on the CSJ program. We hope to see the recommended actions move forward for a sustainable and thriving nonprofit sector across Canada."

Canada Summer Jobs is a valuable program that supports the work of many organizations and creates important job experiences for young people, especially those that develop skills required in the nonprofit sector. In many cases, it is also a financial lifeline for community-based organizations and nonprofits who depend on CSJ funding to deliver essential community services, often on behalf of or for the government. With predictable, sustained funding levels: certainty that funding contracts align with requested priorities; timely, clear public communication about projected budgets; and earlier notifications to employers, the program could provide even more benefit to young people and employers across Canada and greater benefit to communities and government.

And so, again, we urge to HUMA to recommend, following this study, that the government:

- 1. Reverse planned funding cuts to the Canada Summer Jobs program and commit to an increase in Budget 2024 to allow for
  - a. A greater number of funded positions for nonprofit organizations to
    - i. create more opportunities for young people to acquire nonprofit workforce skills; and
    - ii. in recognition that the current economic outlook does not support a 'return to normal,' especially for the nonprofit sector.
  - b. Greater consideration of longer term appointments when requested, to ensure quality experiences and good community outcomes; and
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  - c. Elimination of the requirement that employers rank their applications by priority.

We appreciate this opportunity to inform HUMA's study of the CSJ program and look forward to hearing positive news of this valuable program. We would welcome any opportunity to consult further if it could assist you in your study.

Sincerely,

#### Pillar Nonprofit Network

YMCA of Southwestern Ontario Humanity 8 Charitable Organization LEADS Employment Services Growing Chefs! Ontario Glen Cairn Community Resource Centre Thames Talbot Land Trust Resonant Business Solutions Komoka Railway Museum Forest City Gallery Culturx London Community Living Tillsonburg Community Living London

Pearce Williams Summer Camp & Retreat Facility Literacy Link South Central TechAlliance of Southwestern Ontario Urban Roots London London Cycle Link London Environmental Network Ingersoll Support Services Inc. Climate Action London ReForest London SARI Therapeutic Riding Childreach London Food Bank Middlesex Community Living Junior Achievement (JA) South Western Ontario

Hutton House Association for Adults with Disabilities and

London Downtown Business Association MainStreet London Revitalization Organization

#### About this submission

This brief was co-created by members of the Pillar Nonprofit Network with anchor support from Pillar staff.

## About Pillar Nonprofit Network

Pillar Nonprofit Network strengthens individuals and organizations invested in positive community impact, through a heightened equity lens. We offer training, advocacy, knowledge exchange, and creating opportunities for cross-sectoral solution-making across the three pillars of nonprofit, business, and government.