Ontario Works Directives

8.5: Employment Placements

Legislative Authority

Sections 4, 7(4), 39 and 45 of the Act.

Sections 1, 14(1), (2), 25-28, 29(1) and 30 of Regulation 134/98.

Audit Requirements

Documentation is on file to support decisions made.

Employment placements meet policy and program requirements.

Open and competitive procurement processes are used if awarding contracts to third party agencies (or “service providers”), and accounting processes are used by service providers to meet standards and support billing requirements (where appropriate).

Participant follow-ups are documented and have taken place.

Application of Policy

The Administrator may require a participant to participate in an employment placement whereby the delivery agent (or a broker) works directly with an employer to identify employment opportunities and match the participant to a job.

The Administrator has the discretion to deliver employment placement services in-house, or contract with an external service provider.

The delivery agent may negotiate a range of incentives that will be provided to an employer for up to six months.

The activity is only an employment placement with incentives when the delivery agent or its broker has had direct contact and worked directly with the employer to place participants in paid employment.

A participant who is interested in self-employment and has a viable business idea that merits further development should be referred to the Self-Employment program (see Directive 2.5: Participation Requirements and the Ontario Works Self-Employment Guidelines for more information).
Employment placements are available for participants who are unable to secure employment on their own or leave social assistance as a result of sustainable employment.

**Employment Placement**

Employment placement is an employment assistance activity where the delivery agent or broker works directly with employers to identify employment opportunities and matches participants to jobs. Employment placement activities include the provision of hiring assistance, screening and matching services to employers, job development and employer outreach.

Employment placements are not applicable for short-term employment such as seasonal or temporary positions, except if the short-term employment leads to full-time employment or includes an employer’s commitment to re-hire the participant full-time, and/or assists the participant in exiting Ontario Works.

Employment achieved through the following means does not count as employment placements:

- independent job search or structured job search;
- employer initiated recruitment that participants access on their own, for example, job postings on a bulletin board, computerized job bank; and
- basic education, literacy and job-specific skills training.

Administrators in First Nations and northern communities have the discretion to exercise flexibility when approving employment activities and/or expenses based on cultural and geographic considerations in order to support employment outcomes for clients.

**Delivery of Employment Placements**

**Delivery by a Service Provider**

The Administrator has the discretion to determine whether an employment agency or training organization will act as a service provider on behalf of the delivery agent to deliver all or parts of the employment placement program.

Delivery agents that have employment placement contracts with external service providers should provide compensation to the broker on a performance basis only as it relates to their activities and/or outcomes.

Delivery agents must not pay external service provider any fees for Ontario Works participants who are in an employment relationship with the placement agency (i.e., the participant is required to be on that employer’s payroll).
Temporary Employment Agencies

Employment placement does not include participants who are placed on a temporary agency’s roster of staff who are available for temporary assignments with a variety of employers.

However, if a placement organization similar to a temporary agency also provides placements services for long-term employment, such an agency may be contracted by the delivery agent to deliver employment placements. Any placement fees charged by the agency will be paid based on the completion of steps (milestones) taken to get a participant into the placement.

Contract Compliance Monitoring For External Service Providers

Delivery agents must develop internal administrative processes to ensure participating brokers:

- comply with Ontario Works legislative requirements and program standards;
- monitor and provide information to delivery agents on a regular and timely basis; and
- collect information in an appropriate and verifiable manner.

Calculating Payments to External Service Providers

When calculating payments to brokers providing employment placement services, delivery agents may consider a variety of approaches to payments and fee schedules which are linked to performance, i.e. based on reductions (related to employment) in allowance expenditures over the specified time period, or the achievement of milestones.

Municipalities establish the level of payment made for performance of brokers in the delivery of employment placement services. The payment level may vary depending on the caseload profile, local labour market conditions, the level of job development, the level of hiring assistance, and the level of human resource support services, if any, provided during the placement period. Note that:

- payment for services must be based on a fee-for-performance model;
- fees must be paid in arrears, based on milestones; and
- fees should reflect estimated actual costs of providing services.

The minimum required milestones for payments to service providers are noted below. Additional milestones may be developed by the delivery agent and applied generally, or selectively, depending on the circumstances of a participant, and the level of services required to secure an employment placement.

In exceptional circumstances payment may be made to the broker if the
participant was employed for six months out of an eight-month placement, if employment ends as a result of illness, injury or temporary shutdown before the end of the placement period (i.e., eight months).

Example fee schedule

<table>
<thead>
<tr>
<th>Event Description</th>
<th>Fee Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Placed in employment</td>
<td>25% of negotiated fee</td>
</tr>
<tr>
<td>• placement of participant into job (i.e., participant is hired).</td>
<td></td>
</tr>
<tr>
<td>Job-retention at three months</td>
<td>25% of negotiated fee</td>
</tr>
<tr>
<td>• Participant is still employed, and has been employed continuously (with original or alternate employer) three months after beginning of placement.</td>
<td></td>
</tr>
<tr>
<td>Job-retention at 6 months</td>
<td>50% of negotiated fee</td>
</tr>
<tr>
<td>• participant is employed following placement, and has been employed continuously (with original or alternate employer) six months after beginning of trial job placement.</td>
<td></td>
</tr>
</tbody>
</table>

It is expected that delivery agents will refer appropriate participants to existing community services (e.g., Job Connect).

The placement of a participant into employment through an existing community service provider may be considered an approved employment placement activity for the participant by the delivery agent.

While the delivery agent does not require a contract with a service provider, there should be written protocols to ensure that the employment obtained for the participants meets the standards for an employment placement under Ontario Works.

**Employment Placement with Incentives (EPI)**

Employment placement with incentives may be provided directly by the delivery agent or delivered by a broker. Employment placement incentives are only used for part-time employment if the placement leads to an opportunity to obtain full-time work and/or leave social assistance. Delivery agents or their broker may negotiate with employers to provide an appropriate mix of supports. Incentives are available for up to a maximum of six months and must be documented in a signed agreement between the delivery agent or service provider, and the employer. Employment placement incentives include:

- human resource follow-up services; and
workplace Safety and Insurance Board (WSIB) or Accident Insurance Coverage; and

financial incentives.

Human Resources Follow-up Services

This incentive includes follow-up services that are available to help participants and employers to identify and resolve work-place issues that may arise through the duration of the placement and to promote retention of participants in jobs.

Human resource follow-up services include a mechanism, protocol or process that can be promptly accessed by both the participant and the employer in resolving any problems that may arise. Delivery agents should also identify a strategy to deal with concerns raised by participants regarding workplace issues such as safety or harassment.

Through these services, if the participant and/or the employer determine at an early stage that the placement is inappropriate, then the participant is assisted in finding a more appropriate placement.

Workplace Safety and Insurance Board (WSIB) or Accident Insurance Coverage

This incentive may be provided to employers while the participant is in a placement.

This incentive protects the employer’s existing WSIB experience rating and/or their insurance premiums in the event that a participant makes a WSIB claim. With this incentive, the ministry is responsible for any claims made by a participant. See Appendix A (attached) for more information on coverage and instructions for filing claims.

Financial Incentives

Incentives may be provided to employers up to a maximum of six months to:

• offset employer costs of any training and supervision; or
• to purchase courses or required certification where the employer/training institution has provided a letter of offer (may be paid directly to an educational or training institution).

Delivery agents must ensure financial incentive payments:

• reflect the level of on-the-job training required;
• reflect any additional costs to the employer associated with the job
placement;
• are targeted to meet the training requirements of the participant consistent with their Participation Agreement;
• reflect the minimum level of incentive required to secure the employer’s participation;
• are negotiated to reflect the level of on-the-job training required and to offset additional costs to the employer associated with the job placement (i.e., the duration and amount of the payment to the employer reflects the complexity of training and supervision needs for the job);
• do not exceed $4500 to a single employer for a single placement, up to a maximum of six months, including periods of formal and on-the-job training; and
• are made in arrears to the employer, either at the end of the placement period or in installments throughout the placement period. Payments are based on the training the participant received for that period and if the training was not provided for whatever reason, financial incentive payments are not paid.

Participating Employers

Agreements with Employers Receiving Incentives

Written agreements with employers are required when incentives are being provided. An agreement will establish:

• the employer’s responsibility to provide participants with adequate supervision and training that is consistent with negotiated training plans;
• the length of the placement;
• the level of supervision to be provided;
• the range of incentives provided, including:
  o human resource support services, where applicable;
  the level of financial incentive payment, where applicable; and/or
  o the provision of Workplace Safety and Insurance Board (WSIB) or ministry accident insurance coverage, where applicable.

Requirements of Employers

Employers providing placements must:

• place participants on their payroll and pay them the prevailing wage rate for the position in which the participant is hired;
• have appropriate level of liability insurance coverage to cover third party liability; and
• be in compliance with all applicable federal, provincial and municipal legislation, regulations and by-laws respecting the workplace including: the Employment Standards Act, the Occupational Health and Safety Act, the
Labour Relations Act, the Pay Equity Act, and the Workplace Safety and Insurance Act.

Employers providing placements must not:

- use participants to displace existing staff, replace staff who are on lay-off, or decrease the hours of work available to existing staff;
- hire immediate family as placements;
- pay the participant less than minimum wage (even in the case of a commissioned salary where a base wage may be lower than minimum wage);
- be receiving a duplicate financial incentive or subsidy from any other similar program funding source for the same placement such as: federal sources (e.g., HRSDC) or provincial sources (e.g., Job Connect); and
- **NOTE:** If an employer is only receiving WSIB/Accident Insurance Coverage as part of EPI and is not receiving other financial incentives, the employer can receive a financial subsidy from another source (e.g. HRSDC, Job Connect).
- demonstrate any behaviour or pattern of behaviour that is inconsistent with the objectives of employment placement or in contravention of Ontario Works legislative requirements and program standards.
Appendix A

Workplace Safety and Insurance Board/Accident Insurance Coverage

The delivery agent may negotiate with an employer to extend Workplace Safety and Insurance Board (WSIB) or accident insurance coverage to the participant for the duration of the placement period up to a maximum of six months.

Where WSIB or accident insurance coverage has been extended to the participant during the placement, the ministry will cover the cost of all accident claims during the placement period, if any, so that the employer’s experience rating and premiums are not affected.

Workplace Safety and Insurance Board Coverage

When a participant is placed with an employer who is covered under the Workplace Safety and Insurance Act (WSIA), and WSIB is negotiated as part of the incentive package, the delivery agent must inform the employer that:

- the participant is covered under the WSIA;
- Workplace Safety and Insurance premiums are not required;
- Workplace Safety and Insurance benefits paid to the participant are charged to the ministry; and
- accident costs do not affect the organization’s standing in experience rating, or premiums.

WSIB Accident Reporting and Claims Process

If the participant incurs either an injury or illness while on the job during the placement period, the following steps must be taken as part of the claims process:

- participant notifies the placement employer immediately;
- the placement employer gives the participant a Workplace Safety and Insurance Treatment Memorandum (Form 156) that they must present to any doctor or hospital department giving the initial treatment and indicate that they are an Ontario Works participant;
- the placement employer ensures that, if necessary, the participant is provided with immediate transportation to seek medical assistance (any expense incurred may be reimbursed by the ministry);
- the placement employer notifies the delivery agent immediately about the accident;
- the placement employer immediately completes the Workplace Safety and
Insurance Employer’s Report of Accidental Injury or Industrial Disease (Form 7) and forwards this report along with any relevant documentation to the WSIB for adjudication with a copy to the delivery agent;

- this process is completed within 72 hours; and
- the delivery agent forwards a copy of the WSIB Form 7 to the Regional Office for their records.

If compensation is awarded, the Board covers the cost of the claim at that time. Following payment by the WSIB to the injured claimant, the Board then forwards a copy of the Form 7 along with any other relevant documentation to the respective Regional Office, which is identified by the firm number. The Regional Office staff must verify the claim with the delivery agent and once verified the regional office forwards the written verification (i.e., WSIB Form 7 and other documentation) to the Ontario Works Branch. Ontario Works Branch staff review the claim package to ensure that verification of the claim has been completed. The Ontario Works Branch then provides payment to WSIB for the cost of the claim.

**WSIB Firm Numbers**

In completing the WSIB Accident Report Form 7, sponsoring organizations are required to input the appropriate WSIB Firm Number.

<table>
<thead>
<tr>
<th>Regional Office</th>
<th>Firm Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toronto Region Office</td>
<td>825049</td>
</tr>
<tr>
<td>Central East Regional Office</td>
<td>825050</td>
</tr>
<tr>
<td>Central West Regional Office</td>
<td>825051</td>
</tr>
<tr>
<td>Hamilton/Niagara Regional Office</td>
<td>825052</td>
</tr>
<tr>
<td>South West Regional Office</td>
<td>825053</td>
</tr>
<tr>
<td>South East Regional Office</td>
<td>825056</td>
</tr>
<tr>
<td>Eastern Regional Office</td>
<td>825057</td>
</tr>
<tr>
<td>Northern Regional Office</td>
<td>825059</td>
</tr>
<tr>
<td>North East Regional Office</td>
<td>825060</td>
</tr>
</tbody>
</table>

Note: When coverage under Ontario Works is extended to participants placed with employers who are required to carry WSIB coverage, the employer must be informed that they are NOT required to include the participant in their WSIB count – which determines their premium – since the ministry covers dollar for dollar the cost of all claims. However, the employer must be encouraged to make a written note that the employed Ontario Works participant is covered under the ministry’s agreement with WSIB for the duration of the placement period and therefore are not included in the employer’s WSIB count.

**Return to Work Plan (RTW)**
The employer and the participant will develop the RTW plan together, taking into consideration medical and functional ability with written verification provided by the participant’s health care practitioners(s). The WSIB can provide assistance when required and appropriate to support the worker’s early and safe return to work. Sample RTW plans are available on the WSIB/SCPAAT website.

**Accident Insurance Plan Process Where Workplace Safety and Insurance is Not Required**

When a participant is placed with an employer who is not covered under the [Workplace Safety and Insurance Act](#), where accident insurance coverage is negotiated as part of the incentive package, the participant is extended accident insurance coverage under the ministry’s Accident Insurance Plan. The plan is a group plan with other training ministries and arranged with ACE INA Insurance. The cost of the insurance is covered by the ministry.

Where the ministry’s accident insurance coverage is extended to a participant in an employment placement, the delivery agent must ensure that the participant and the employer receives a copy of the accident insurance plan brochure explaining the policy, the benefits available and the claims process.

If the participant incurs an injury or illness while on the job during the placement period, the following steps must be taken:

- participant notifies the placement employer immediately;
- the placement employer ensures that, if necessary, the participant is provided with immediate transportation to get medical assistance;
- the placement employer notifies the delivery agent immediately about the accident; and
- the initial claim must be made within 30 days of the accident.

Claim forms are to be completed and sent to:

ACE INA Insurance  
The Exchange Tower  
130 King Street West, 12th Floor  
Toronto, Ontario  
M5X 1A6  
Attention: Claims Department.

The ACE INA policy number **10 28 45** must be noted in any correspondence.

Any questions related to the completion of the claim form or the claims process may be directed to ACE INA Insurance at 416-368-2911 or 1-800-387-7199. ACE INA Insurance will also provide the necessary claim forms.
Third Party Liability Insurance

The ministry does not extend third party liability insurance coverage to participants, sponsoring organizations or employers. It is the responsibility of each organization/employer to ensure that they have an appropriate level of liability insurance coverage in place.