

Memorandum

To: Employment Ontario Partners

From: Didem Proulx
Assistant Deputy Minister
Employment and Training Division

Date: June 30, 2026

Subject: **Integrated Employment Services Update**

I am writing today to inform you about important near and longer-term changes to the ministry's approach for contracting with Service System Managers (SSMs) and key policy aspects of the Integrated Employment Services (IES) model.

SSM Re-Competition

Seven years ago, the Ministries of Labour, Immigration, Training and Skills Development and Children, Community and Social Services embarked on a multi-year transformation of employment services to improve access for jobseekers and employers, strengthen outcomes and build better connections between the social assistance and employment systems.

One of the critical elements of success in this transformation was the introduction of competition into the delivery of employment services. The initial competitive processes undertaken as part of implementing the SSM model attracted a range of organizations that have since brought their expertise in designing and delivering employment services to Ontario jobseekers and employers.

Continued competition within IES will drive ongoing innovation and continuous improvement

of employment service design and delivery, achieving better outcomes for our clients.

In keeping with this principle of contestability, the ministry will be introducing a competitive process to regularly re-compete all SSM catchments at five-year intervals.

Details of this process are below:

Prequalification (July – December 2026)

Similar to the initial SSM selection process, the ministry will be initiating a Request for Qualifications (RFQ) process to identify organizations with the capacity, capability and interest to become an SSM. Organizations that have successfully pre-qualified will be eligible to participate in SSM selection processes for five years. Further information regarding the release of the RFQ on the Ontario Tenders Portal will be provided in July.

SSM Re-Competition Calls for Proposals (CFPs)

The ministry will be initiating CFPs, only open to pre-qualified organizations, to determine which applicants can best achieve outcomes for specific IES catchments. The competitive process schedule will be as follows:

CFP 1 (April to December 2027):

Peel	Stratford-Bruce Peninsula	Durham
Muskoka-Kawartha	Halton	Windsor-Sarnia
Hamilton-Niagara	Kingston-Pembroke	London
York	Ottawa	
Kitchener-Waterloo-Barrie		

CFP 2 (April to December 2028):

Toronto

Northwest

Northeast

Contracting

New Transfer Payment Agreements (TPAs) negotiated with successful CFP applicants will be five years in duration, harmonized to the Ontario government's fiscal year cycle (April 1 – March 31).

- **CFP 1** – TPAs will start April 1, 2028
- **CFP 2** – TPAs will start April 1, 2029

IES Policy Improvements

Leading up to the launch of CFP 1, the ministry will be developing a range of IES policy improvements with three objectives:

- Strengthening service access and outcomes for people with disabilities.
- Ensuring the broader system is sufficiently resourced to respond to changing labour market conditions.
- Better aligning performance expectations with government priorities.

Additional information regarding the implementation of IES policy changes will be provided at a later date.

I will provide regular updates to our service providers and stakeholders as the ministry continues to move through the SSM competitive process and its design of IES policy changes.

Regards,

Didem Proulx

Assistant Deputy Minister

Employment and Training Division

CC: Cindy Perry, Executive Director, Program Development and Coordination

Robert Coleman, Director, Integrated Employment System Branch

Mike Wallace, Senior Manager, Integrated Employment System Branch