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TO:	CHAIR AND MEMBERS COMMUNITY & PROTECTIVE SERVICES COMMITTEE MEETING ON OCTOBER 28, 2013
FROM:	SANDRA DATARS BERE MANAGING DIRECTOR HOUSING, SOCIAL SERVICES AND DEARNESS HOME
SUBJECT:	ONTARIO WORKS CASELOAD UPDATE FOR JANUARY 2013 TO SEPTEMBER 2013

RECOMMENDATION

That, on the recommendation of the Manager Employment and Strategic Initiatives, with the concurrence of the Managing Director Housing, Social Services and Dearness Home, the following report **BE RECEIVED** for information purposes.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

- Ontario Works Caseload Annual 2012 Update (CPSC Feb. 25, 2013)
- Ontario Works Caseload Update for January 2012 to August 2012 (CSC Oct. 1, 2012)
- Ontario Works Caseload Annual 2011 Update (CSC Mar. 5, 2012)
- Previous reports have been provided monthly and then quarterly to CPSC

BACKGROUND

**ONTARIO WORKS CASELOAD, JANUARY 2013 TO SEPTEMBER 2013**

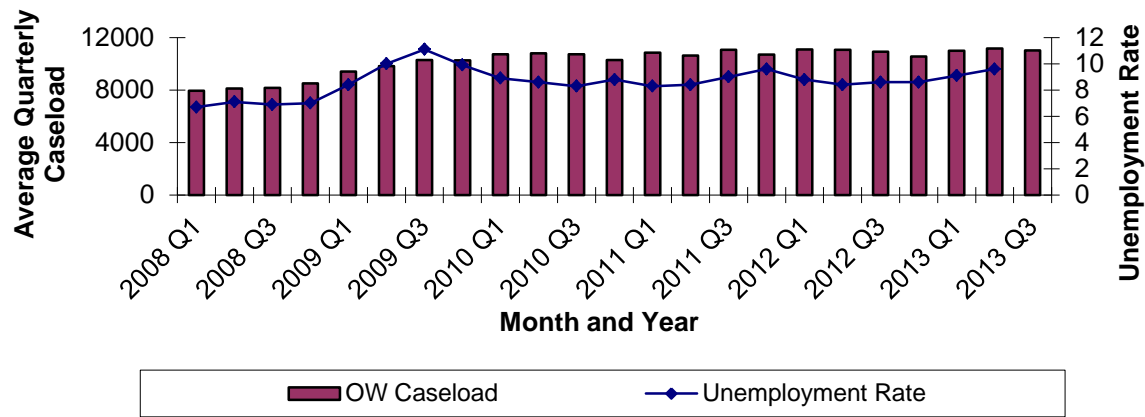
The following are the updated highlights of our Ontario Works caseload and related performance indicators for January to September 2013. The context for this report is that London’s Ontario Works caseload continues to reflect a slow and uneven economic recovery.

**Caseload**

- The Ontario Works 2013 year to date average monthly caseload was 11,065. This is less than 0.1% higher than budgeted for this time period. The average monthly caseload was 10,022 for the same period in 2012.
- Caseload expenditures (net) are estimated to be within budget for 2013.
- The caseload is lagging economic trends. Labour force figures began improving in October 2009 and although caseload growth has stabilized, overall caseload size was 0.4% higher in 2013 (year to date) than in 2012.
- Our caseload is forecasted based on a model that is similar to what is used by the Province except that we use local data. Our model takes into account unemployment rates, economic forecasts, caseload dynamics (entering and exiting the caseload), historical caseload information, and policy and program changes.



**Unemployment Rate and Ontario Works Caseload, Quarterly 2008 to 2013<sup>1</sup>**



- History suggests that high caseloads may persist even after unemployment starts to decline.

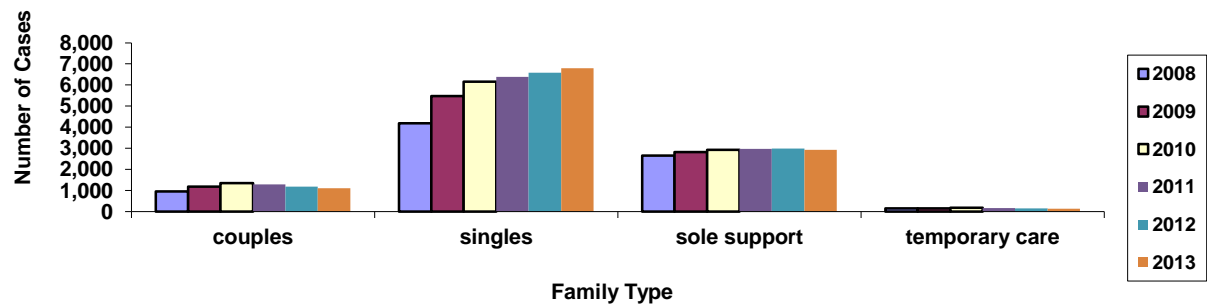
**Caseload Dynamics and Performance Indicators**

- Caseload dynamics and employment outcomes for January to September 2013 are showing some mixed results:
  - There were fewer people applying for Ontario Works than in 2012 and fewer people entering the caseload.
  - The number of people exiting the caseload was lower in 2013 compared to 2012.
  - The number of participants gaining employment, the number of participants with earnings and the number of participants exiting to employment were all lower in 2013 compared to 2012; however they are still above prerecession levels.

**January to September 2013**

- An average of 1,000 people per month applied for Ontario Works from January to September 2013. This is 2.5% lower than for the same months in 2012.
- An average of 639 people per month entered the caseload from January to September 2013. This is 4.9% lower than for the same months in 2012.
- Caseload growth from January to September 2013 differs by family type when compared to 2012: the singles caseload has increased as a proportion of the total caseload; the couples, sole support and temporary care caseloads have declined.
- Caseload by family type was historically derived Form 5 Caseload Statistics, however it has been determined that the Benefit Unit Summary Report (SAR 140M) contains a more accurate breakdown of the caseload by family type and as such will now be the source of that data. Caseload by family type data presented in this report is not comparable to previous reports.

**Figure: Caseload by Family Type, January to September 2008, 2009, 2010, 2011, 2012 and 2013**





- From January to September 2013, 4.9% fewer people gained employment than during these same months in 2012. Some people gaining employment remain on the caseload while others are able to exit.
- From January to September 2013, an average of 650 people left the caseload each month, 12.0% less than for the same months in 2012 when 739 left each month.

**Labour Market Indicators**

Employment in the London Census Metropolitan Area (CMA) for 2013 has generally reflected a slow and uneven economic recovery. The London CMA includes: London, St. Thomas, Townships of Middlesex Centre, Thames Centre, Central Elgin, Southwold and Strathroy-Caradoc.

- Labour Force Survey seasonally adjusted figures for the London CMA (August 2013) indicate that compared to August 2012:
  - The number of people in the labour force who are employed has decreased by 4,600 or 1.8% to 246,100; and
  - The number of people in the labour force who are unemployed has decreased by 1,200 or 5.1% to 22,300.
- In July 2013 (the most recent data available at the time of this report), 5,620 people received regular Employment Insurance (EI) benefits in the London CMA. This is 7.6% lower than in July 2012.
- In August 2013 the unemployment rate in the London CMA was 8.3%. This is higher than the provincial unemployment rate of 7.5% and the national unemployment rate of 7.3%. In August 2012 the London CMA unemployment rate was 8.6% which was also higher than the provincial unemployment rate of 8.0% and the national unemployment rate of 7.3%.
- As a result of the relatively stable unemployment rate in the London Area over the past few months, the number of hours needed to qualify for EI remains at 595. Nationally the number of hours needed to qualify for EI ranges from 420 to 700 hours. The maximum number of weeks that EI can be claimed in London remains at 42. Nationally the number of weeks that EI can be claimed ranges from 36 to 45 weeks. The number of hours needed to qualify and the maximum number of weeks that benefits may be claimed is adjusted monthly based on local unemployment rates.<sup>2</sup>

The Conference Board of Canada’s Summer 2013 Forecast for the London CMA states that London saw its economy moderate in 2012 and that overall economic growth will only be somewhat better in 2013. Although London’s economy continues to recover from the 2008-09 recession; the pace of the recovery has been slow.

- Total employment to decline by 0.2% in 2013 and increase 1.0% in 2014 and 1.3% in 2015;
- Lower unemployment rates are forecast for 2013 through 2015. Unemployment rates are expected to be 9.2% in 2013, 8.6% in 2014 and 8.2% in 2015;
- GDP is predicted to expand by 1.2% in 2013, 2.3% in 2014 and 2.3% in 2015; and
- The forecast increases in total employment and GDP and the forecast decline in the unemployment rate for the London CMA are below both the provincial and national forecasts.

**Conference Board of Canada Summer 2013 Forecast<sup>3</sup>**

	Total Employment			Unemployment Rate			GDP Growth		
	2013	2014	2015	2013	2014	2015	2013	2014	2015
London CMA	-0.2%	+1.0%	+1.3%	9.2%	8.6%	8.2%	+1.2%	+2.3%	+2.3%
Ontario	+1.4%	+1.6%	+1.8%	7.7%	7.3%	6.4%	+1.4%	+2.5%	+2.9%
Canada	+1.5%	+1.4%	+1.8%	7.1%	6.9%	6.3%	+1.8%	+2.5%	+2.8%

FINANCIAL IMPACT

- The 2013 budget is based on a twelve month average of 11,000 cases, 0.08% higher than 2012 actual average caseload of 10,911.
- Net caseload expenditures for January to September 2012 were under budget by \$192,498 or 1.5%.

Financial Impact: Estimated Caseload Expenditures (January to September, 2013)

		2013 Budget	2013 Actual	2013 Difference from Budget to Actual
Total Expenditures	Gross	\$67,570,685	\$66,369,788	\$1,200,897
	Net (14.2%)	\$9,595,037	\$9,402,539	\$192,498
Average Case Cost	Gross	\$679	\$666	\$13
	Net (14.2%) <sup>4</sup>	\$96	\$94	\$2

CONCLUSION

It is generally accepted that the unemployment rate is an indicator of caseload, however a number of other variables also impact caseload such as social assistance policy changes and changes to other policy areas such as employment insurance. The Province has implemented some policy changes to Ontario Works, the impacts of which are yet to be determined. We can anticipate that even with slow improvement to the economy the caseload will continue to remain high.

<div>SUBMITTED BY:</div> <div></div> <div>MOMODOU S. JENG MANAGER, RESEARCH AND POLICY DEVELOPMENT NEIGHBOURHOOD, CHILDREN AND FIRE SERVICES</div>		
<div>RECOMMENDED BY:</div> <div></div> <div>ELISABETH K. WHITE MANAGER, EMPLOYMENT &amp; STRATEGIC INITIATIVES HOUSING, SOCIAL SERVICES AND DEARNESS HOME</div>	<div>CONCURRED BY:</div> <div></div> <div>SANDRA DATARS BERE MANAGING DIRECTOR HOUSING, SOCIAL SERVICES AND DEARNESS HOME</div>	

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- c.     Anna Lisa Barbon, Manager, Financial & Business Services  
       Elaine Sauve, Program Supervisor, Ministry of Community and Social Services

Social Assistance Caseload Size<sup>5</sup>

The number of individuals and households participating in Ontario Works Program are average monthly figures.

Caseload Size

	2013 Caseload	2012 Caseload	Percent Change Previous Month	Percent Change 2012 to 2013
January	11,105	11,152	4.7%	-0.4%
February	10,928	10,996	-1.6%	-0.3%
March	10,967	11,098	0.4%	-1.2%
April	11,036	10,997	0.6%	0.4%
May	11,258	11,153	2.0%	0.9%
June	11,214	11,065	-0.4%	1.3%
July	11,102	10,959	-1.0%	1.3%
August	11,107	10,998	0.0%	1.0%
September	10,865	10,810	-2.2%	0.5%
October		10,525		
November		10,565		
December		10,609		
Average	11,065	10,911		

Beneficiaries

	2013 Beneficiaries	2012 Beneficiaries	Percent Change Previous Month	Percent Change 2012 to 2013
January	24,666	24,198	6.7%	1.9%
February	23,769	23,944	-3.6%	-0.7%
March	23,828	24,201	0.2%	-1.3%
April	23,981	23,915	0.6%	0.2%
May	24,444	24,173	1.9%	0.8%
June	24,465	24,013	0.1%	2.0%
July	24,328	23,796	-0.6%	1.5%
August	24,340	23,845	0.0%	1.6%
September	24,589	23,536	1.0%	4.0%
October		23,027		
November		23,207		
December		23,280		
Average	24,268	23,761		

Caseload Dynamics<sup>6</sup>

2013

Month	Incoming Calls	Applications	Eligibility		Number Finding Employment*	Exits	
			Total	% of Caseload		Total	% of Caseload
January	1,732	1,385	812	7.3%	261	377	3.4%
February	1,272	897	553	5.1%	227	729	6.7%
March	1,257	885	579	5.3%	270	594	5.4%
April	1,564	1,032	620	5.6%	337	611	5.5%
May	1,592	1,073	770	6.8%	296	652	5.8%
June	1,318	895	616	5.5%	308	637	5.7%
July	1,421	980	619	5.6%	376	698	6.3%
August	1,270	950	601	5.4%	333	713	6.4%
September	TBD	901	579	5.3%	405	839	7.7%
October							
November							
December							
Average	1,428	1,000	639		313	650	

*\*Number finding employment based on SDMT report SEE100M and not Service Contact report as data source*



2012

Month	Incoming Calls	Applications	Eligibility		Number Finding Employment*	Exits	
			Total	% of Caseload		Total	% of Caseload
January	1,928	1,345	850	7.6%	298	565	5.1%
February	1,473	1,003	724	6.6%	272	766	7.0%
March	1,546	945	645	5.8%	333	689	6.2%
April	1,490	1,011	634	5.8%	342	667	6.1%
May	1,778	1,087	766	6.9%	364	769	6.9%
June	1,578	965	602	5.4%	292	744	6.7%
July	1,595	950	637	5.8%	306	811	7.4%
August	1,599	1,001	662	6.0%	340	757	6.9%
September	1,545	930	529	4.9%	412	846	7.8%
October	1,542	948	682	6.5%	346	933	8.9%
November	1,687	1,064	723	6.8%	340	676	6.4%
December	1,068	735	633	6.0%	194	619	5.8%
Average	1,569	999	674		320	737	

\* Number finding employment based on SDMT report SEE100M and not Service Contact report as data source

Caseload Profile<sup>7</sup>

2013

Month	Family Profile				Children				Time on Assistance (months)	ODSP Participating in OW Employment
	Couples	Singles	Sole Support	Temporary Care	total	0 to 6	7 to 12	13 to 17		
January	10.2%	61.6%	26.8%	1.3%	6,655	3,359	2,025	1,271	27.1	194
February	10.2%	61.6%	26.8%	1.3%	6,567	3,317	1,997	1,253	27.5	189
March	10.1%	61.9%	26.7%	1.3%	6,535	3,300	1,988	1,247	27.7	191
April	10.0%	61.9%	26.9%	1.2%	6,589	3,336	1,985	1,268	27.9	189
May	10.0%	62.2%	26.6%	1.2%	6,682	3,384	2,040	1,258	27.7	193
June	10.0%	62.1%	26.6%	1.3%	6,736	3,373	2,084	1,279	28.0	192
July	10.1%	61.9%	26.7%	1.3%	6,726	3,377	2,071	1,278	28.3	196
August	10.1%	61.7%	26.8%	1.4%	6,760	3,373	2,087	1,300	28.7	195
September	10.3%	61.2%	27.1%	1.4%	6,712	3,366	2,061	1,285	29.4	195
October										
November										
December										
Average	10.1%	61.8%	26.8%	1.3%	2,527	5,340	2,963	264	28.1	192

2012

Month	Family Profile				Children				Time on Assistance (months)	ODSP Participating in OW Employment
	Couples	Singles	Sole Support	Temporary Care	total	0 to 6	7 to 12	13 to 17		
January	11.0%	60.3%	27.2%	1.4%	6,814	3,445	1,958	1,411	25.7	210
February	11.0%	60.2%	27.4%	1.4%	6,835	3,465	1,982	1,388	25.9	196
March	11.0%	60.6%	27.0%	1.4%	6,738	3,403	1,968	1,367	26.2	199
April	10.9%	60.5%	27.1%	1.4%	6,782	3,450	1,972	1,360	26.3	197
May	10.7%	60.4%	27.4%	1.4%	6,815	3,471	1,991	1,353	26.4	197
June	10.6%	60.4%	27.6%	1.5%	6,726	3,441	1,958	1,327	26.7	192
July	10.6%	60.4%	27.5%	1.5%	6,685	3,413	1,959	1,313	27.0	193
August	10.4%	60.7%	27.5%	1.4%	6,635	3,390	1,967	1,278	27.0	189
September	10.4%	60.3%	27.8%	1.4%	6,612	3,556	1,981	1,275	27.5	187
October	10.4%	60.3%	27.8%	1.4%	6,497	3,290	1,971	1,236	27.9	181
November	10.4%	60.3%	28.0%	1.4%	6,582	3,304	2,014	1,264	27.7	193
December	10.3%	60.6%	27.7%	1.4%	6,555	3,318	1,982	1,255	27.8	190
Average	10.7%	60.4%	27.5%	1.4%	6,690	3,396	1,975	1,319	26.8	194





**Data Sources and Definitions**

<sup>1</sup> Statistics Canada Labour Force Survey data as reported on the Labour Market Information report distributed by Service Canada.

<sup>2</sup> While no direct relationship between low EI benefit rates in recessionary periods and increased social assistance caseloads has been established, there is anecdotal evidence which suggests that provincial social assistance fills some of the gap that occurs when EI is not working well. Source: Medelsohn, M. & Medow, J. *Help Wanted. How Well did the EI Program Respond During Recent Recessions.* School of Public Policy & Governance University of Toronto. Mowat Centre for Policy Innovation. Mowat Note. September 2010.

<sup>3</sup> Conference Board of Canada, Metropolitan Outlook 2: Economic Insights in 14 Canadian Metropolitan Economies (Summer 2012)

<sup>4</sup> Note: Net share has reduced to 14.2% which reflects the fourth year of the Provincial upload of OW benefits. There are some cases funded 100% by the Province. For this reason, actual net is less than the 14.2% of the actual gross. Average Case Cost excludes Transition Child Benefit.

<sup>5</sup> Source: London Ontario Works: SDMT Form 5 Report

<sup>6</sup> Definitions and Data Sources:  
Incoming Calls- The number of calls made to London's Intake Unit, emergency requests and online applications processed for London and Middlesex. Internal Report

Applications- The number of applications where an SDMT record was created for London by any office in Ontario. SDMT Intake Performance Report - Verification, (SIE400M) - number screening

Eligibility- The number of individuals and households who are eligible for assistance following a verification interview. Intake Tracking Report - (SIE100M) – Date Granted

Number Finding Employment - The number of Ontario Works participants who started employment /self-employment. SDMT Participation Report - (SIE100M). Service Contract data is no longer available (2012) as a data source to determine the number finding employment. Number finding employment data in this report cannot be compared to previous caseload reports.

Number with Earnings – The number of Ontario Works participants with earnings currently on the City of London’s caseload. Excludes participants who have left Ontario Works but are receiving Extended Employment Health Benefits (EEHB). Data source: MCSS. Ontario Works Employment Assistance Outcome Data Report. Employment Outcome Measure 2A. Percentage of Caseload with Employment Income.

Total Exits- The number of individuals and households leaving assistance every month for any reason, including reasons such as “missing information”. Many who leave for this type of reason are reinstated within two weeks. SDMT Terminations Detail Report (SPR160M)

<sup>7</sup> Data Sources:  
Family Profile - Benefit Unit Summary Report, SAR 140M. The family profile breakdown contained in this report cannot be compared to previous reports where it was based on Form 5 Caseload Statistics, Finance  
Children - Benefit Unit Summary Report, SAR 140M  
ODSP Participating in Ontario Works Employment – ODSP Participants Participating in Ontario Works Employment Programs as at the end of the month. Internal Report provided by Ontario Works  
Time on Assistance - Benefit Unit Summary Report, SAR 140M

<sup>8</sup> Source: Statistics Canada. Table 276-0031 - Employment Insurance Program (E.I.), beneficiaries by province, census metropolitan areas, census agglomerations and sex, monthly (persons), CANSIM (database).  
[http://cansim2.statcan.ca/cgi-win/cnsmcqi.exe?Lang=E&CANSIMFile=CII\CII\\_1\\_E.htm&RootDir=CII/](http://cansim2.statcan.ca/cgi-win/cnsmcqi.exe?Lang=E&CANSIMFile=CII\CII_1_E.htm&RootDir=CII/)

<sup>9</sup> Regular excludes maternity, sickness, parental, etc. benefit claims