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TO:	CHAIR AND MEMBERS COMMUNITY SERVICES COMMITTEE MEETING ON MARCH 5, 2012
FROM:	CINDY HOWARD DIRECTOR OF SOCIAL AND COMMUNITY SUPPORT SERVICES COMMUNITY SERVICES DEPARTMENT
SUBJECT	ONTARIO WORKS CASELOAD ANNUAL 2011 UPDATE

RECOMMENDATION

That, on the recommendation of the Director of Social and Community Support Services, with the concurrence of the Executive Director of Community Services, the following report **BE RECEIVED** for information purposes.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Since January 2009, the Ontario Works Caseload Update Report has been provided regularly to monitor caseload size and activity.

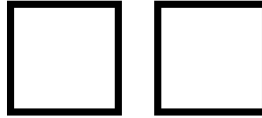
BACKGROUND

ONTARIO WORKS CASELOAD ANNUAL 2011 UPDATE

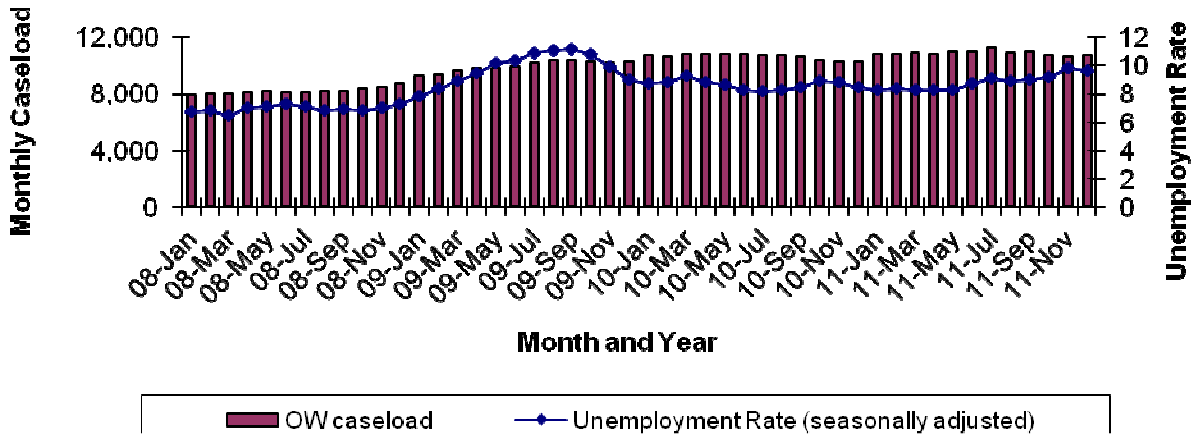
The following are the updated highlights of our Ontario Works caseload and related performance indicators for 2011. Since the end of 2007 the annual caseload average has continued to increase. This growth was a direct result of the decline in the economy.

Caseload

- Overall in 2011 the monthly caseload increased an average of 40 cases per month.
- The Ontario Works 2011 average monthly caseload was 10,889. This is 5.3% lower than budgeted for this time period.
- Caseload expenditures (net) were under budget for 2011.
- The caseload is lagging economic trends. Labour force figures began improving in October 2009 and although caseload growth has stabilized, overall caseload size was 2.4% higher in 2011 than in 2010.
- 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.
- The unemployment rate is the primary driver of the Ontario Works caseload size.
- History suggests that high caseloads may persist even after unemployment starts to decline.



Unemployment Rate and Ontario Works Caseload, January 2008 to December 2011¹

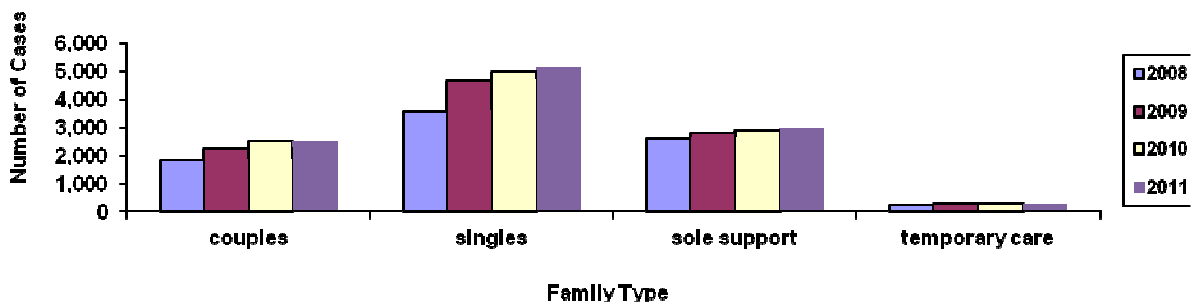


Caseload Dynamics and Performance Indicators

There were more people applying for Ontario Works in 2011 than in 2010. It was also noted that there were more people entering the caseload and fewer people exiting the caseload. However, the number of participants gaining employment increased in 2011 compared to 2010 as did the number of participants with earnings and the number of participants exiting to employment.

- In 2011 an average of 1,011 people per month applied for Ontario Works. This is 9.2% higher than in 2010 when an average of 926 people per month applied for Ontario Works.
- An average of 701 people per month entered the caseload in 2011. This is 1.9% higher than 2010 when an average of 688 people per month entered the caseload.
- Caseload growth for 2011 differs by family type when compared to 2010: the sole support and singles caseload has increased as a proportion of the total caseload and the couples and temporary care caseloads have declined.

Figure: Caseload by Family Type, 2008, 2009, 2010 and 2011



- In 2011, 14.8% more people gained employment than during 2010. Some people gaining employment remain on the caseload while others are able to exit.
- In 2011 an average of 736 people left the caseload each month, 1.2% less than in 2010 when an average of 745 people left each month.

ONTARIO WORKS CASELOAD, SEPTEMBER 2011 to DECEMBER 2011

- The Ontario Works caseload decreased by an average of 56 cases per month from September to December 2011.
- From September to December 2011, 17.4% more people gained employment than



during the same months in 2010.

In addition to these highlights, further details for the September to December caseload are included in the Appendix.

LABOUR MARKET INDICATORS

Employment in the London Census Metropolitan Area (CMA) for 2011 has generally reflected an economy that continues to struggle. The London CMA includes: London, St. Thomas, Townships of Middlesex Centre, Thames Centre, Central Elgin, Southwold and Strathroy-Caradoc.

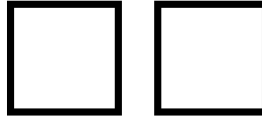
- Labour Force Survey seasonally adjusted figures for the London CMA (December 2011) indicate that compared to December 2010:
 - The number of people in the labour force who are employed has increased by 400 or 0.2% to 240,800; and
 - The number of people in the labour force who are unemployed has increased by 3,300 (14.9%) to 25,500.
- In December 2011, 5,610 people received regular Employment Insurance (EI) benefits in the London CMA. This is 20.1% lower than in December 2010.
- In December 2011 the unemployment rate in the London CMA was 9.6%. This is higher than the provincial unemployment rate of 7.7% and the national unemployment rate of 7.5%. In comparison the London CMA unemployment rate was 8.5% in December 2010 which was also higher than the provincial unemployment rate of 8.1% and the national unemployment rate of 7.6%.
- 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. The maximum number of weeks that EI can be claimed in London remains at 42. 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.²

The Conference Board of Canada's Winter 2012 forecast for the London CMA states that although London's economy continues to recover from the 2008-09 recession, the pace of the recovery has been slower than expected:

- Total employment to increase by 1.0% in 2012, 1.4% in 2013 and 1.1% in 2014;
- Lower unemployment rates are forecast for 2012 through 2014. Unemployment rates are expected to be 8.3% in 2012, 7.7% in 2013 and 6.9% in 2014;
- Following a 0.4% decline in 2011, London's Gross Domestic Product (GDP) is predicted to expand by 1.7% in 2012, 2.5% in 2013 and 2.3% in 2014; and
- The forecast increases in total employment and Gross Domestic Product (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 Winter 2012 Forecast³

	Total Employment			Unemployment Rate			GDP Growth		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
London CMA	+1.0%	+1.4%	+1.1%	8.3%	7.7%	6.9%	+1.7%	+2.5%	+2.3%
Ontario	+2.1%	+2.3%	+1.5%	6.9%	6.4%	6.2%	+2.2%	+3.3%	+2.7%
Canada	+2.0%	+2.0%	+1.6%	6.8%	6.4%	6.1%	+2.4%	+3.3%	+2.8%



FINANCIAL IMPACT

Financial Impact: Estimated Caseload Expenditures (January to December, 2011)

		2011 Budget	2011 Actual	2011 Difference from Budget to Actual
Total Expenditures	Gross	\$96,186,000	\$89,221,993	\$6,964,007
	Net (18.8%)	\$18,082,968	\$16,732,326	\$1,350,642
Average Case Cost	Gross	\$697	\$683	\$14
	Net (18.8%)⁴	\$131	\$128	\$3

Note: The 2011 budget was based on a twelve month average of 11,500 cases.

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. Unless there are some significant policy changes, we can anticipate that even with slow improvement to the economy the caseload will continue to remain high.

SUBMITTED BY:	
Elisabeth K. White Manager, Employment & Strategic Initiatives Social and Community Support Services Community Services Department	
RECOMMENDED BY:	CONCURRED BY:
Cindy Howard, Director Social and Community Support Services Community Services Department	Ross L. Fair Executive Director Community Services Department

Prepared by: Randy MacTaggart, Community Planning and Research Associate with the support of Gail Devito, Momodou Jeng and Anna Oliveira

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



Social Assistance Caseload Size⁵

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

Caseload Size

	2011 Caseload	2010 Caseload	Percent Change Previous Month	Percent Change 2010 to 2011
January	10,810	10,704	5.4%	1.0%
February	10,786	10,634	-0.2%	1.4%
March	10,925	10,826	1.3%	0.9%
April	10,856	10,819	-0.6%	0.3%
May	10,977	10,824	1.1%	1.4%
June	11,040	10,793	0.6%	2.3%
July	11,289	10,721	2.3%	5.3%
August	10,937	10,715	-3.1%	2.1%
September	10,956	10,679	0.2%	2.6%
October	10,707	10,382	-2.3%	3.1%
November	10,653	10,277	-0.5%	3.7%
December	10,733	10,259	0.8%	4.6%
Average	10,889	10,636		2.4%

Beneficiaries

	2011 Beneficiaries	2010 Beneficiaries	Percent Change Previous Month	Percent Change 2010 to 2011
January	23,453	23,663	4.4%	-0.9%
February	23,328	23,032	-0.5%	1.3%
March	23,660	23,377	1.4%	1.2%
April	23,740	23,374	0.3%	1.6%
May	23,826	23,423	0.4%	1.7%
June	24,023	23,411	0.8%	2.6%
July	24,179	23,351	0.6%	3.5%
August	23,827	23,504	-1.8%	1.4%
September	23,902	23,528	0.3%	1.6%
October	23,470	22,891	-1.8%	2.5%
November	23,340	22,555	-0.7%	3.3%
December	23,458	22,466	0.6%	4.4%
Average	23,684	23,215		2.0%

Caseload Dynamics⁶

2011

Month	Incoming Calls	Applications	Eligibility		Number Finding Employment*	Exits	
			Total	% of Caseload		Total	% of Caseload
January	1,510	1,212	847	7.8%	286	427	4.0%
February	1,467	898	691	6.4%	263	707	6.6%
March	1,682	974	692	6.3%	304	685	6.3%
April	1,453	951	558	5.9%	374	654	6.0%
May	1,789	1,108	820	7.5%	353	772	7.0%
June	1,547	1,037	704	6.4%	342	756	6.8%
July	1,624	937	631	5.6%	358	647	5.7%
August	1,861	1,027	699	6.4%	403	933	8.5%
September	1,749	1,084	705	6.4%	459	873	8.0%
October	1,470	925	659	6.2%	395	888	8.3%
November	1,500	1,080	740	6.9%	344	785	7.4%
December	1,229	895	603	6.2%	197	700	6.5%
Total	18,881	12,128	8,349	6.4% avg.	4,078	8,827	6.8% avg.

*Number finding employment is as of January 20, 2012 report



2010

Month	Incoming Calls	Applications	Eligibility		Number Finding Employment*	Exits	
			Total	% of Caseload		Total	% of Caseload
January	1,592	1,148	787	7.4%	221	452	4.2%
February	1,462	977	738	6.9%	229	765	7.2%
March	1,636	951	748	6.9%	271	734	6.8%
April	1,527	896	596	5.5%	285	674	6.2%
May	1,305	927	696	6.4%	324	762	7.0%
June	1,302	914	730	6.8%	320	810	7.5%
July	1,181	916	735	6.9%	349	794	7.4%
August	1,106	931	664	6.2%	365	823	7.7%
September	1,227	916	736	6.9%	394	841	7.9%
October	1,165	841	592	5.7%	337	868	8.4%
November	1,267	902	632	6.1%	309	817	7.9%
December	1,004	796	598	5.8%	148	597	5.8%
Total	15,774	11,115	8,252	6.5% avg.	3,552	8,937	7.0% avg.

*Number finding employment is as of January 14, 2011

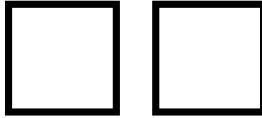
Caseload Profile⁷

2011

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	23.3%	47.2%	26.9%	2.6%	6,934	3,457	2,004	1,473	24.8	293
February	23.2%	47.6%	26.8%	2.6%	6,923	3,457	1,994	1,472	24.9	286
March	23.1%	47.7%	26.7%	2.6%	6,953	3,469	2,018	1,466	24.8	278
April	23.3%	47.3%	26.8%	2.6%	6,915	3,453	2,015	1,447	25.2	278
May	23.3%	47.5%	25.7%	2.5%	6,959	3,494	2,017	1,448	25.0	275
June	23.2%	47.5%	26.8%	2.5%	6,936	3,492	2,008	1,436	25.1	258
July	22.9%	48.0%	26.7%	2.5%	6,936	3,483	2,008	1,445	25.3	254
August	23.1%	47.0%	27.6%	2.3%	6,978	3,533	2,019	1,426	25.6	246
September	22.9%	46.9%	27.8%	2.3%	6,905	3,512	1,982	1,411	25.7	240
October	23.0%	46.7%	27.9%	2.4%	6,807	3,451	1,959	1,397	26.1	227
November	23.0%	46.9%	27.6%	2.4%	6,803	3,432	1,960	1,411	26.1	216
December	22.9%	47.0%	27.5%	2.5%	6,776	3,417	1,962	1,397	26.2	209
Average	23.1%	47.3%	27.1%	2.5%	6,903	3,471	1,996	1,436	25.4	255

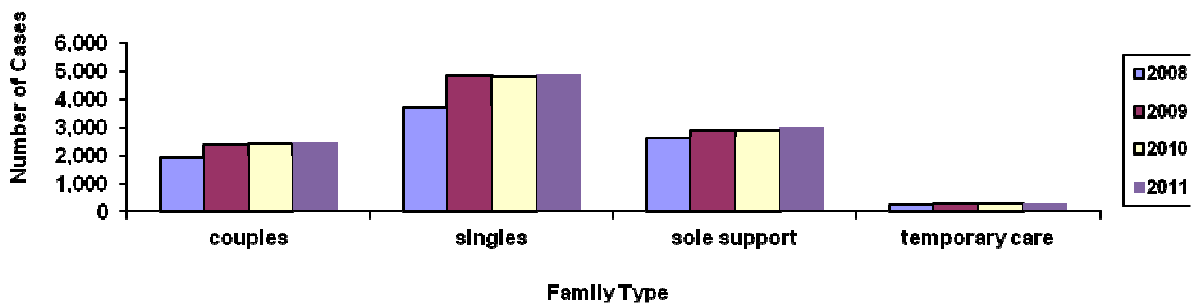
2010

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	22.9%	47.4%	26.7%	2.7%	6,949	3,467	2,048	1,434	22.2	468
February	23.3%	47.5%	26.6%	2.6%	6,952	3,467	2,053	1,432	22.5	457
March	23.2%	47.7%	26.4%	2.7%	7,038	3,496	2,075	1,467	22.7	441
April	23.3%	47.5%	26.5%	2.7%	7,028	3,495	2,071	1,462	23.2	470
May	23.3%	47.5%	26.6%	2.7%	7,035	3,496	2,075	1,464	23.4	423
June	23.4%	47.0%	26.8%	2.7%	7,048	3,523	2,072	1,453	23.5	406
July	23.5%	46.7%	27.1%	2.7%	7,051	3,527	2,080	1,444	23.9	453
August	23.7%	46.1%	27.2%	2.7%	7,120	3,573	2,080	1,457	24.2	444
September	23.8%	45.7%	27.7%	2.8%	7,078	3,531	2,091	1,456	24.4	423
October	23.8%	45.9%	27.4%	2.9%	6,928	3,435	2,052	1,441	25.0	311
November	23.7%	46.1%	27.5%	2.7%	6,807	3,407	1,975	1,425	25.2	297
December	23.5%	46.3%	27.5%	2.7%	6,799	3,397	1,990	1,412	25.3	296
Average	23.5%	46.8%	27.0%	2.7%	6,986	3,485	2,055	1,446	23.8	407



Caseload - September to December 2011

- An average of 996 people per month applied for Ontario Works in September to December 2011. This is 15.3% higher than for the same months in 2010.
- An average of 676 people per month entered the caseload in September to December 2011. This is 5.6% higher than for the same months in 2010.
- Caseload growth for September to December 2011 differs by family type: the sole support caseload has increased as a proportion of the total caseload and the couples and singles caseload has declined.



- From September to December 2011, 17.4% more people gained employment than during these same months in 2010. Some people gaining employment remain on the caseload while others are able to exit.
- From September to December 2011, an average of 812 people left the caseload each month, 4.0% more than for the same months in 2010 when 781 left each month.



Labour Market Indicators

Labour Market and Employment Insurance figures are available for the London Census Metropolitan Area (CMA). The London CMA includes: London, St. Thomas, Townships of Middlesex Centre, Thames Centre, Central Elgin, Southwold and Strathroy-Caradoc.

Employment Insurance⁸

Regular⁹ EI Beneficiaries

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
2011	7,880	8,040	8,300	6,440	5,660	5,320	5,950	6,750	4,220	4,380	4,740	5,610
2010	9,410	9,430	9,770	7,680	7,040	6,810	7,840	8,280	6,310	5,510	5,840	7,020
2009	9,450	9,970	12,720	9,350	9,020	9,350	11,290	10,010	7,010	6,800	7,130	8,000
2008	5,550	5,450	6,000	5,930	4,590	4,190	5,950	5,900	4,100	4,270	5,390	7,440

Source: Statistics Canada.

Labour force characteristics, seasonally adjusted, by census metropolitan area (3 month moving average)

London (Ont.)

	December 2011	January 2012	December 2011 to January 2012	January 2011 to January 2012	December 2011 to January 2012	January 2011 to January 2012
	thousands		change (thousands)		% change	
London (Ont.)						
Population	413.8	414.1	0.3	4.1	0.1	1.0
Labour force	266.3	265.8	-0.5	1.2	-0.2	0.5
Employment	240.8	241.8	1.0	-0.3	0.4	-0.1
Unemployment	25.5	24.0	-1.5	1.5	-5.9	6.7
Unemployment rate (%)	9.6	9.0	-0.6	0.5
Participation rate (%)	64.4	64.2	-0.2	-0.3
Employment rate (%)	58.2	58.4	0.2	-0.6

Note: Population 15 and over.

Sources: Statistics Canada, CANSIM, table [282-0116](#) and Catalogue no. [71-001-XIE](#).

Last modified: 2012-02-03.



Data Sources and Definitions

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

² 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.

³ Conference Board of Canada, Metropolitan Outlook 2: Economic Insights in 14 Canadian Metropolitan Economies (Winter 2012)

⁴ Note: Net share has reduced to 18.8% which reflects the second year of the Provincial upload of OW benefits. There are some cases funded 100% by the Province. For this reason, net is less than the 18.8% of the actual gross. Average Case Cost excludes Transition Child Benefit.

⁵ Source: London Ontario Works: SDMT Form 5 Report

⁶ Definitions and Data Sources:

Incoming Calls- The number of calls made to London's Intake Unit, including inquiry and application calls 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 through employment assistance services. This figure is subject to change. January to May - reflects data as of the second Friday of the month. June to December – reflects data as of the third Friday of the month.

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)

⁷ Data Sources:

Family Profile - 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

⁸ Source: Statistics Canada. Table 276-0009 - 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/cnsmcgi.exe?Lang=E&CANSIMFile=CII\CII_1_E.htm&RootDir=CII/

⁹ Regular excludes maternity, sickness, parental, et cetera benefit claims