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TO:	CHAIR AND MEMBERS COMMUNITY SERVICES COMMITTEE MEETING ON FEBRUARY 25, 2013
FROM:	LYNNE LIVINGSTONE ACTING MANAGING DIRECTOR HOUSING AND SOCIAL SERVICES
SUBJECT:	ONTARIO WORKS CASELOAD ANNUAL 2012 UPDATE

RECOMMENDATION

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

PREVIOUS REPORTS PERTINENT TO THIS MATTER

With some exceptions, starting in 2002 until June 18, 2007, Ontario Works Caseload information reports were submitted at the last Community and Protective Services Committee, which was a precursor to the Community Services Committee, meeting of each month. Copies of these reports can be accessed through the City Council, Community and Protective Services Committee, Agenda section of the City of London website.

As of September 24, 2007, the Social Assistance Trends Quarterly Report replaced the Ontario Works Caseload report.

As of January 2009, the Ontario Works Caseload Update report is provided to monitor caseload size and activity.

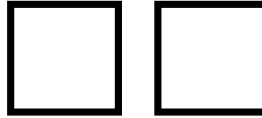
BACKGROUND

ONTARIO WORKS CASELOAD ANNUAL 2012 UPDATE

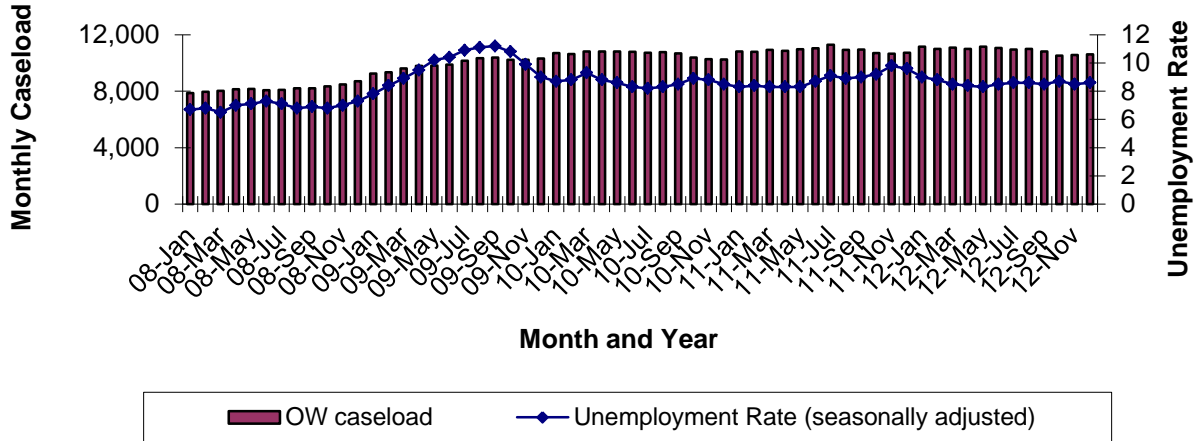
The following are the updated highlights of our Ontario Works caseload and related performance indicators for 2012. The context for this report is that after many years of steady caseload decline to a record low in October 2006 our caseload started to increase. Since the end of 2007 the annual caseload average has increased. This growth was a direct result of the decline in the economy.

Caseload

- The 2012 Ontario Works caseload was comparable to the 2011 caseload in terms of both size and composition.
- The Ontario Works 2012 average monthly caseload was 10,911. This is 0.8% lower than budgeted for this time period. The average monthly caseload was 10,889 in 2011.
- Caseload expenditures (net) were under budget for 2012.
- The caseload is lagging economic trends. Labour force figures began improving in October 2009 and although caseload growth has stabilized, overall caseload size was 0.2% higher in 2012 than in 2011.
- 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, January 2008 to December 2012¹



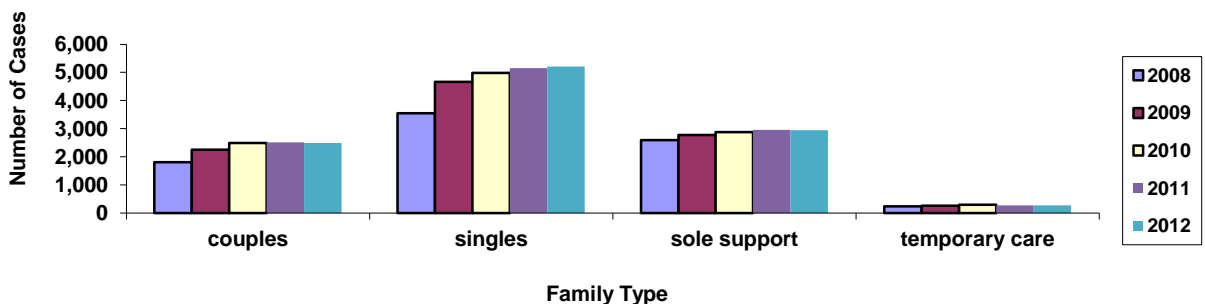
- History suggests that high caseloads may persist even after unemployment starts to decline.

Caseload Dynamics and Performance Indicators

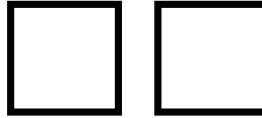
Caseload dynamics and employment outcomes for 2012 are generally comparable to 2011 and are showing some positive results. There were fewer people applying for Ontario Works than in 2011 and fewer people entering the caseload. The number of people exiting the caseload was slightly higher in 2012 compared to 2011. Although the number of participants gaining employment decreased in 2012, compared to 2011 both the number of participants with earnings and the number of participants exiting to employment increased in 2012 compared to 2011.

- In 2012 an average of 999 people per month applied for Ontario Works. This is 1.2% lower than in 2011 when an average of 1,011 people per month applied for Ontario Works.
- An average of 674 people per month entered the caseload in 2012. This is 3.9% lower than in 2011 when an average of 701 people per month entered the caseload.
- Caseload growth in 2012 differs by family type when compared to 2011: the singles caseload has increased as a proportion of the total caseload and the couples and sole support caseloads have declined.

Figure: Caseload by Family Type, 2008, 2009, 2010, 2011 and 2012



- In 2012, 1.2% fewer people gained employment than during 2011. Some people gaining employment remain on the caseload while others are able to exit.
- In 2012 an average of 737 people left the caseload each month, 0.1% more than in 2011 when an average of 736 people left each month.



Labour Market Indicators

Employment in the London Census Metropolitan Area (CMA) for 2012 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 (December 2012) indicate that compared to December 2011:
 - The number of people in the labour force who are employed has increased by 5,800 or 2.4% to 246,600; and
 - The number of people in the labour force who are unemployed has decreased by 2,400 or 9.4% to 23,100.
- In November 2012 (the most recent data available at the time of this report), 4,560 people received regular Employment Insurance (EI) benefits in the London CMA. This is 6.2% lower than in November 2011.
- In December 2012 the unemployment rate in the London CMA was 8.6%. This is higher than the provincial unemployment rate of 7.9% and the national unemployment rate of 7.1%. In comparison the London CMA unemployment rate was 9.6% in December 2011 which was also higher than the provincial unemployment rate of 7.7% and the national unemployment rate of 7.5%.
- 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.²

The Conference Board of Canada’s Summer 2012 Forecast for the London CMA states that economic growth in London is to rebound in 2013, albeit at a modest rate. Although London’s economy continues to recover from the 2008-09 recession; the pace of the recovery has been slow.

- Total employment to increase by 2.7% in 2013, 2.7% in 2014 and 1.7% in 2015;
- Lower unemployment rates are forecast for 2013 through 2015. Unemployment rates are expected to be 7.5% in 2013, 6.7% in 2014 and 6.4% in 2015;
- GDP is predicted to expand by 2.5% in 2013, 2.5% 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 generally below both the provincial and national forecasts.

Conference Board of Canada Summer 2012 Forecast³

	Total Employment			Unemployment Rate			GDP Growth		
	2013	2014	2015	2013	2014	2015	2013	2014	2015
London CMA	+2.7%	+1.7%	+1.3%	7.5%	6.7%	6.4%	+2.5%	+2.5%	+2.3%
Ontario	+2.4%	+1.7%	+1.5%	7.0%	6.5%	6.4%	+2.7%	+2.7%	+2.3%
Canada	+2.3%	+1.8%	+1.4%	6.8%	6.3%	6.0%	+2.7%	+2.8%	+2.4%

FINANCIAL IMPACT

- The 2012 budget was based on a twelve month average of 11,000 cases, 0.8% higher than 2012 actual average caseload of 10,911.
- Net caseload expenditures for 2012 were under budget by \$287,198.00 or 1.8%.



Financial Impact: Estimated Caseload Expenditures (January to December, 2012)

		2012 Budget	2012 Actual	2012 Difference from Budget to Actual
Total Expenditures	Gross	\$91,344,000	\$89,804,989	\$1,539,011
	Net (17.2%)	\$15,711,168	\$15,423,970	\$287,198
Average Case Cost	Gross	\$692	\$686	\$6
	Net (17.2%)⁴	\$119	\$118	\$1

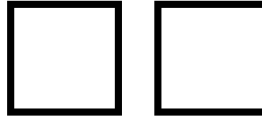
CONCLUSION

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:	
<p>MOMODOU S. JENG MANAGER, RESEARCH AND POLICY DEVELOPMENT NEIGHBOURHOOD, CHILDREN AND FIRE SERVICES</p>	
RECOMMENDED BY:	CONCURRED BY:
<p>ELISABETH K. WHITE MANAGER, EMPLOYMENT & STRATEGIC INITIATIVES HOUSING AND SOCIAL SERVICES</p>	<p>LYNNE LIVINGSTONE ACTING MANAGING DIRECTOR, HOUSING AND SOCIAL SERVICES</p>

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



Social Assistance Caseload Size⁵

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

Caseload Size

	2012 Caseload	2011 Caseload	Percent Change Previous Month	Percent Change 2011 to 2012
January	11,152	10,810	3.9%	3.2%
February	10,996	10,786	-1.4%	1.9%
March	11,098	10,925	0.9%	1.6%
April	10,997	10,856	-0.9%	1.3%
May	11,153	10,977	1.4%	1.6%
June	11,065	11,040	-0.8%	0.2%
July	10,959	11,289	-1.0%	-2.9%
August	10,998	10,937	0.4%	0.6%
September	10,810	10,956	-1.7%	-1.3%
October	10,525	10,707	-2.6%	-1.7%
November	10,565	10,653	0.4%	-0.8%
December	10,609	10,733	0.6%	-1.2%
Average	10,911	10,889		

Beneficiaries

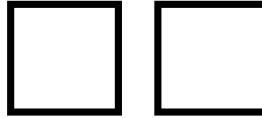
	2012 Beneficiaries	2011 Beneficiaries	Percent Change Previous Month	Percent Change 2011 to 2012
January	24,198	23,453	4.4%	-0.9%
February	23,944	23,328	-0.5%	1.3%
March	24,201	23,660	1.4%	1.2%
April	23,915	23,537	-0.5%	0.7%
May	24,173	23,740	0.9%	1.4%
June	24,013	23,889	0.6%	2.0%
July	23,796	24,272	1.6%	3.9%
August	23,845	23,827	-1.8%	1.4%
September	23,536	23,902	0.3%	1.6%
October	23,027	23,470	-1.8%	2.5%
November	23,207	23,310	-0.7%	3.3%
December	23,280	23,458	0.6%	4.4%
Average	23,761	23,654		

Caseload Dynamics⁶

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%
Total	18,829	11,984	8,087	6.2%	3,839	8,842	6.8%

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



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%	250	707	6.6%
March	1,682	974	692	6.3%	313	685	6.3%
April	1,453	951	558	5.9%	338	654	6.0%
May	1,789	1,108	820	7.5%	352	772	7.0%
June	1,547	1,037	704	6.4%	322	756	6.8%
July	1,624	937	631	5.6%	296	647	5.7%
August	1,861	1,027	699	6.4%	364	933	8.5%
September	1,749	1,084	705	6.4%	435	873	8.0%
October	1,470	925	659	6.2%	362	888	8.3%
November	1,500	1,080	740	6.9%	351	785	7.4%
December	1,229	895	663	6.2%	218	700	6.5%
Total	18,881	12,128	8,409	6.4%	3,887	8,827	6.8%

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

Caseload Profile⁷

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	22.9%	47.8%	26.9%	2.4%	6,814	3,445	1,958	1,411	25.7	210
February	22.9%	47.9%	26.9%	2.3%	6,835	3,465	1,982	1,388	25.9	196
March	23.1%	47.9%	26.7%	2.3%	6,738	3,403	1,968	1,367	26.2	199
April	23.1%	47.9%	26.6%	2.4%	6,782	3,450	1,972	1,360	26.3	197
May	22.9%	48.0%	26.6%	2.4%	6,815	3,471	1,991	1,353	26.4	197
June	22.8%	47.8%	26.9%	2.5%	6,726	3,441	1,958	1,327	26.7	192
July	22.7%	47.6%	27.1%	2.6%	6,685	3,413	1,959	1,313	27.0	193
August	22.6%	47.9%	26.9%	2.6%	6,635	3,390	1,967	1,278	27.0	189
September	22.7%	47.7%	26.9%	2.5%	6,612	3,556	1,981	1,275	27.5	187
October	22.9%	47.4%	27.2%	2.6%	6,497	3,290	1,971	1,236	27.9	181
November	23.0%	47.0%	27.4%	2.5%	6,582	3,304	2,014	1,264	27.7	193
December	23.0%	47.4%	27.1%	2.5%	6,555	3,318	1,982	1,255	27.8	190
Average	22.9%	47.7%	27.0%	2.5%	6,690	3,396	1,975	1,319	26.8	194

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%	40.3%	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

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
2012	7,120	7,230	7,890	6,510	5,490	5,270	7,070	6,940	4,470	4,400	4,560	TBD
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.

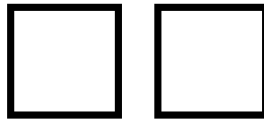
**Labour force characteristics, seasonally adjusted, by census metropolitan area (3 month moving average)
(London Ont.)**

	November 2012	December 2012	November 2012 to December 2012	December 2011 to December 2012	November 2012 to December 2012	December 2011 to December 2012
	thousands		change (thousands)		% change	
London (Ont.)						
Population	417.2	417.4	0.2	3.6	0.0	0.9
Labour force	270.9	268.8	-2.1	1.8	-0.8	0.7
Employment	248.2	246.1	-2.1	4.2	-0.8	1.7
Unemployment	22.7	22.6	-0.1	-2.5	-0.4	-10.0
Unemployment rate (%)	8.4	8.4	0.0	-1.0
Participation rate (%)	64.9	64.4	-0.5	-0.1
Employment rate (%)	59.5	59.0	-0.5	0.5

Note: Population 15 and over.

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

Last modified: 2013-02-01.



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 (Summer 2012)

⁴ Note: Net share has reduced to 17.2% which reflects the third 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 17.2% 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, 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)

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/cnsmcqi.exe?Lang=E&CANSIMFile=CII\CII_1_E.htm&RootDir=CII/

⁹ Regular excludes maternity, sickness, parental, etc. benefit claims