To: Chair and Members
Community and Planning Services Committee

From: Wade Matthews
Director of Human Services

Date: February 2025

Subject: Ontario Works Caseload Profile and Activity Report

Report: CPS-2-2025-1

Recommendation

This report is provided for information.

Origin

This report is initiated by staff. Under the Ontario Works Act, 1997, the District of Muskoka (District) is an Ontario Works (Social Assistance) Delivery Partner with the Ministry of Children, Community and Social Services (MCCSS).

Background

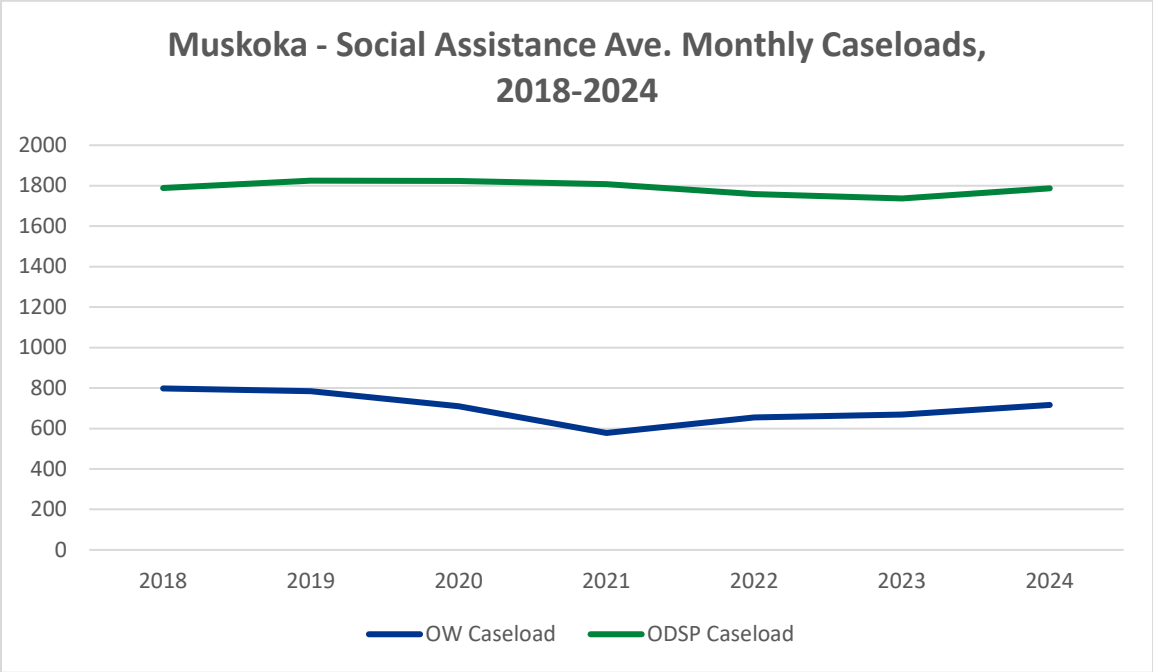
The Ontario Works Caseload Profile and Activity Report provides a point-in-time overview of social assistance (Ontario Works and Ontario Disability Supports Program) caseload numbers, demographic characteristics of Ontario Works (OW) clients, and other related program activities which reflect how staff assist clients to prepare them to participate in Employment Ontario (EO) employment services. These activities are referred to as stability supports and fall under four headings:

- **Crisis and safety** – such as financial support, housing, crisis resolution;
- **Health** – such as access to health supports and benefits including mental heath and addictions;
- **Life skills** – such as self-sufficiency, education and literacy, language and numeracy supports;
- **Community supports** – such as access to dependent care or caregiving supports, cultural connections and justice, and legal supports.

Analysis

For a broad perspective on social assistance in Muskoka, in our area as of December 2024, there were 724 benefit units (caseload) and 1,125 beneficiaries on the OW caseload and 1,814 benefit units and 2,389 beneficiaries on the Ontario Disability Supports Program (ODSP) caseload, a total of 3,514 residents (or 5.5% of the permanent population on social assistance in general, and more specifically approximately 2% of the population on OW), including children, whose main source of income was social assistance. In addition, there are 177 families in receipt of Assistance for Children with Severe Disabilities (ACSD) who are served through ODSP, and 65 children in Temporary Care who are served through OW.

Figure 1: Muskoka – Social Assistance Average Monthly Caseloads, 2018-2024

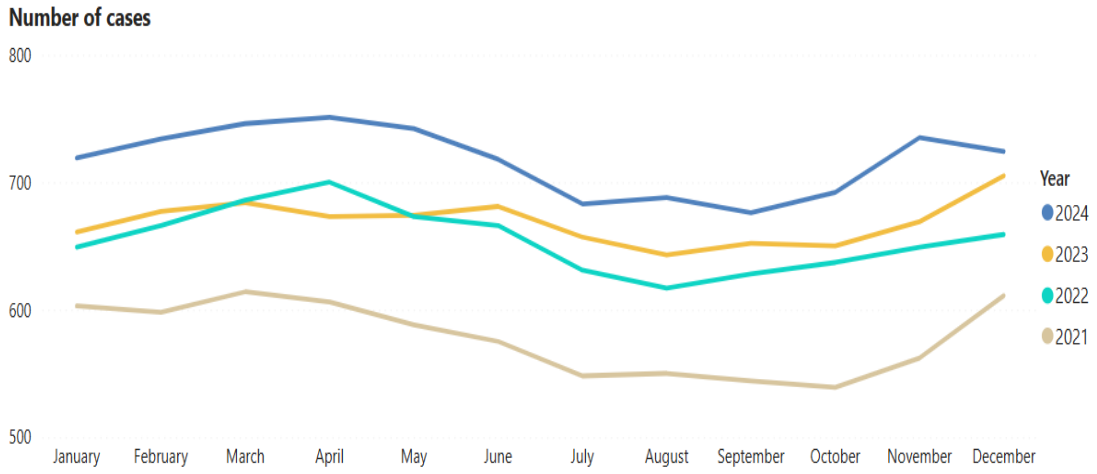


Source: MCCSS, Social Assistance Performance Report, December 2024

As shown in Figure 1, Muskoka's OW average monthly caseload (not including Temporary Care and Emergency Assistance cases) has been steadily increasing since 2021, however, remains approximately at pre-pandemic levels. Muskoka's ODSP average monthly caseload has remained relatively stable since 2018.

Figure 2 presents the number of monthly OW cases (excluding Temporary Care and Emergency Assistance cases) in Muskoka since 2021.

Figure 2: Muskoka - OW Caseload by Month, 2021-2024.



Source: MCCSS, Social Assistance Interactive Performance Report

69.5% of Muskoka's OW caseload in 2024 were singles without children, while 27.5% were singles with children. There are currently 213 cases (households) with children, with 102 cases with children aged under five years.

The average age of primary beneficiaries on the Muskoka OW caseload is forty-one years. 21.5% of the caseload is under thirty years old; 30.4% is over fifty years old.

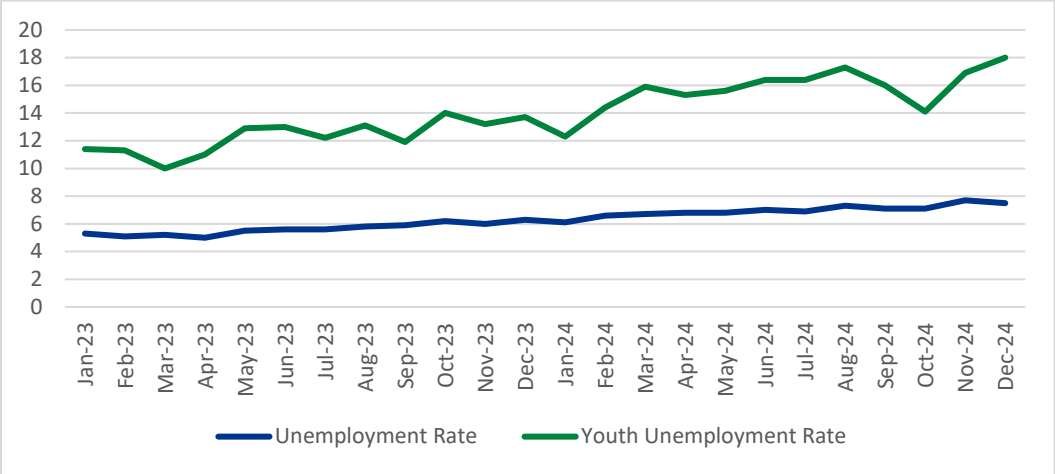
The overwhelming number of households in receipt of OW financial assistance in Muskoka live in the private rental market. Thirteen (13) households (or 1.8% of the caseload) live in subsidized housing.

Based on recent economic and caseload trends, the MCCSS is forecasting a 16.3% increase in the Provincial OW caseload in 2024-25, and a further 10.6% increase in 2025-26. In Muskoka, from January 2024 to January 2025, we saw an actual 7.6% increase in caseload. As in Figure 2 above, the peak caseload months tend to occur in late winter/early spring; staff will monitor the increase over the coming few months. The MCCSS is predicting an almost 2% increase in the Provincial ODSP average monthly caseload in 2024-25 and a 3.2% increase in 2025-26 (Ontario MCCSS, Fall 2024 Provincial Social Assistance Caseload Forecast).

Based on the MCCSS forecast, the average monthly OW caseload in Muskoka would increase to 817 by the end of 2026.

A key input into the MCCSS's Fall 2024 Provincial Social Assistance Caseload Forecast is the Ontario Ministry of Finance's Fall 2024 Financial Statement and its projected unemployment rate. According to the MCCSS forecast, if economic conditions should deteriorate, and the unemployment rate exceeds that forecast for 2025-26 (6.9% and 6.4% respectively), then a 1% increase in the unemployment rate could lead to a 9% increase in the Provincial OW caseload.

Figure 3 – Ontario, Unemployment Rate and Youth Unemployment Rate, Monthly, 2023-2024.



Source: Statistics Canada: Table 14-10-0287-02 Labour Force Characteristics by Age Group, Monthly, Seasonally Adjusted.

As shown in Figure 3, Ontario has seen increases to both the overall unemployment rate and the youth unemployment rate between January 2023 and December 2024, with the unemployment rate increasing by 2% and the youth unemployment rate by 7%. If unemployment trends persist into 2025-2026, or worsen, particularly in youth unemployment, Muskoka may see an increase in the OW caseload beyond that forecast by the MCCSS.

Referrals to Employment Ontario (EO)

Since Employment Services Transformation (EST) in 2021, Fleming College, under the auspices of Employment Ontario (EO), is the Service System Manager for employment services in Muskoka. Muskoka has four EO employment services providers – Employment North (Gravenhurst), YMCA (Huntsville), Agilec (Bracebridge), and Community Living (Huntsville and South Muskoka).

As a Service Delivery Partner with the MCCSS, the District is responsible for case management and other services that focus on connecting OW clients to person-centered supports that prepare and enable them to participate in EO employment services and employment, and to make referrals to employment services when clients are ready.

In 2024, District OW staff made 233 referrals to EO, up from 181 in 2023. Referrals to EO is a key performance outcome target per the District's 2024 OW Service Plan (Report CPS-2-2024-7).

Through referrals to EO, and the ongoing provision of stability supports, staff support exits from the OW program to employment, a further key performance outcome target. In 2024, 13.1% of the OW caseload exited to employment, up from 10.8% in 2023.

These numbers compare favourably with the Provincial figures for exits to employment in 2023 and 2024 (8.1% and 8.6% respectively).

Under eligibility conditions, OW clients may earn some employment income. As of December 2024, almost 11% of OW cases in Muskoka had employment earnings (this compares favourably with the Provincial average of 7.1%), with average monthly employment earnings per case of $805.

Barriers to Employment

District OW staff assist clients with face-to-face case management services to support them along the continuum from income support to employment. However, a proportion of the OW caseload is not EO referral ready, sometimes requiring intensive staff assistance with navigating community supports and services.

A recent caseload segment analysis prepared for the MCCSS revealed that the principal structural barriers to a client being referred successfully to EO in Muskoka are access to a range of supports and services including:

- mental health and wellness supports;
- physical health supports;
- secure housing;
- transportation;
- dependent care; and
- disability supports.

Since 2022, an increasing number of clients in Muskoka cite homelessness when applying for OW financial assistance. This increase is reflected in Provincial data. The number of OW households in Ontario who are homeless nearly doubled between 2022 and 2024. According to the MCCSS in June 2022 there were 14,436 social assistance (both OW and ODSP) households (or 17,635 beneficiaries) who were homeless across the province. In 2024 this number had increased to 26,553 (or 31,957 beneficiaries). 85% of these social assistance clients are in receipt of OW financial assistance.

In 2023 District Council declared a homelessness emergency (Report CPS-3-2023-5). In 2024 OMSSA, in collaboration with Association of Municipalities of Ontario (AMO) and the Northern Ontario Service Deliverers Association (NOSDA), released a report on homelessness which noted that Ontario is at a tipping point in its homelessness crisis. Based on data provided by the 47 Ontario municipal Service Managers, including the District, the report demonstrated that there has been a 25% increase in known homelessness in Ontario since 2022 (and a 51% increase since 2016), and a marked rise in chronic homelessness (defined as people in prolonged or repeated episodes of homelessness). The report concluded that, beyond housing, this increase reflects systemic failures in the healthcare, mental health services, and justice systems among others.

Beyond a lack of affordable, appropriate housing, and the ongoing homelessness emergency, the most common barrier to OW client success in Muskoka is timely access to appropriate mental health and addictions supports and services.

Up to 60% of the OW caseload in Muskoka have action plans which include goals related to mental health and wellness. However, available supports and services, such as those offered by Canadian Mental Health Association – Muskoka Parry Sound (CMHAMPS), are often over-subscribed and have significant waitlists. According to CPS-2-2025-3 - 2024 Muskoka Homelessness Enumeration – Outcome Report, 77% of those who experienced homelessness on November 20, 2024, had mental health and/or addictions concerns. The closest in-patient psychiatric services are in Orillia. In addition, Muskoka has no residential treatment centres, with some addiction treatment centers as far away as Owen Sound.

Part of the District's role as a Service Delivery Partner with the MCCSS is to refer individuals to ODSP upon request. Over the last 48 months, staff have made over 600 referrals to ODSP on behalf of clients, at an average of 13 per month. However, clients experience several barriers to successfully transitioning to ODSP, including:

- An ODSP application must be supported by a health professional, and often clients do not have access to a family health physician or cannot easily access psychological and psychiatric services.
- Some family health physicians are not willing or do not have the time to support a client's application to ODSP.
- Clients must complete the application for ODSP within ninety (90) days of receiving the application package, a timeline that can be challenging for clients if they do not have ready access to health services and supports or if they have literacy barriers.
- Clients often require intensive support from staff to complete sections of the application.
- A significant proportion of applications for ODSP are denied by the Ministry and the client, with the support of staff, must seek a referral to the Social Benefits Tribunal (SBT). The SBT overturns approximately 60% of the Ministry's decisions according to a 2021 report by the Ontario Auditor General. The time between an initial denial by the Ministry and review by the SBT can be up to 12 months.

District Council has approved a number of recent initiatives, in addition to longer standing initiatives such as the Specialized Transportation Fund, that will potentially further address some of the structural barriers experienced by a significant proportion of Muskoka's OW case load, including:

- The Big Move On Housing (Report FCS-4-2024-1/CPS-3-2024-1);
- The Demand Responsive Transit pilot program (Report CPS-12-2024-7);
- The Human Services Integration Implementation Roadmap (Report CPS-10-2023-2);
- The creation of the Human Services and Supports Program (Report CPS-11-2024-4);

- The creation of new registered child care spaces (Report HS-5-2024-1/CPS-6-2024-1).

Community Offices

District OW staff support social assistance clients from three District locations – 70 Pine St. Bracebridge, 1 King William St. Huntsville, and 1 Main St. Gravenhurst. In each office staff from multiple District programs work together to provide integrated client service. A number of community organizations, including CMHAMPS and EO, have staff who regularly co-locate at these locations to ensure clients receive wrap-around supports or to facilitate case collaboration.

Staff across OW, Housing and Homelessness, and Human Services and Supports work at the intersection of the various affordable housing and homelessness, mental health and addictions, and food insecurity crises in Muskoka. These intersecting crises are evident in community offices every day and can be compounded when clients are impacted by multiple crises at the same time.

In response, these offices have begun to operate as integrated hubs which encourage a "no wrong door" approach to client service in line with Action Area 3.2. of District Council's Strategic Plan, 2023-2026, and the Council approved Human Services Integration (HSI) implementation roadmap. HSI facilitates a new client service delivery model based on a recognition that staff across multiple programs serve the same client, and that the promotion of client success must involve a whole of District and community response.

The District's community offices have seen an increasing volume of client visits, and an increasing depth, complexity, and intensity of client need, since the COVID pandemic. In 2024 there were 11,054 client visits across the community offices, up from 7,552 in 2023 – a 41% year-over-year increase. Many of these visits relate to appointments with staff or community enquiries about available services and supports. However, increasingly the community office visits are made by social assistance and housing and homelessness clients and those who are not attached to District programs who are looking for refuge from social isolation, from extreme temperatures, unsafe housing or who are seeking food security supports.

In addition to moving forward with Human Services Integration Implementation Roadmap (Report CPS-10-2023-2), and the creation of a new service delivery model characterized the provision of person-centered, wraparound supports and services, staff will continue to work closely with community agencies, including the potential co-location of services and case collaboration, to ensure the heightened needs of clients are successfully met.

Financial Considerations

The OW budget includes two programs that are legislatively required to be part of the District's Tax Supported Operating Budget – OW Financial Assistance and OW

Programs both of which are mandated by the Province but funded with grants at different rates. The OW Financial Assistance program is fully funded by the Province with no levy requirement, while the OW Programs budget being funded on average at a 50/50 cost-share, ie half the cost, as shown in the table below:

	2025 OW Financial Assistance	2025 OW Programs	2025 Total	2026 OW Financial Assistance	2026 OW Programs	2026 Total
Total Expenditures	$8,174,200	$4,795,193	**$12,969,393**	$8,542,000	$4,786,229	**$13,328,229**
Total Grants and other revenue	(8,174,200)	(2,437,000)	**(10,611,200)**	(8,542,000)	(2,347,000)	**(10,889,000)**
Total Levy	**$0**	**$2,358,193**	**$2,358,193**	**$0**	**$2,439,229**	**$2,439,229**

There was a slight reduction in net levy spending on OW programs in 2025 compared to 2024 of $32,859. Should staff see an increase in OW caseload during 2025, Committee will be apprised through the quarterly budget variance reporting.

Climate Change Implications

The District assesses climate implications in all staff reports using the Clean Air Partnership's 'Municipal Climate Lens Tool' to consider climate impacts or benefits associated with any project, program or initiative. There is no climate impact related to this report.

Communications

Staff will continue to advise the Committee regarding Muskoka's OW caseload, successes and barriers., including future increases in caseload.

Strategic Plan

The District assesses the impact or influence of the information or recommendations included in staff reports toward achieving Council's Strategic Plan objectives.

This report includes information or recommendations that impact or influence the following Strategic Plan Objectives:

- Objective 5 Community health and wellbeing – Connect residents – all ages, stages, and circumstances – to the health and social supports they need.

Respectfully submitted,

Wade Matthews, Director of Human Services; and
Arfona Zwiers, BSW, M Ed, Commissioner of Community and Planning Services.