

# 'From Disability to Welfare'

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Open Policy

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# Presentation

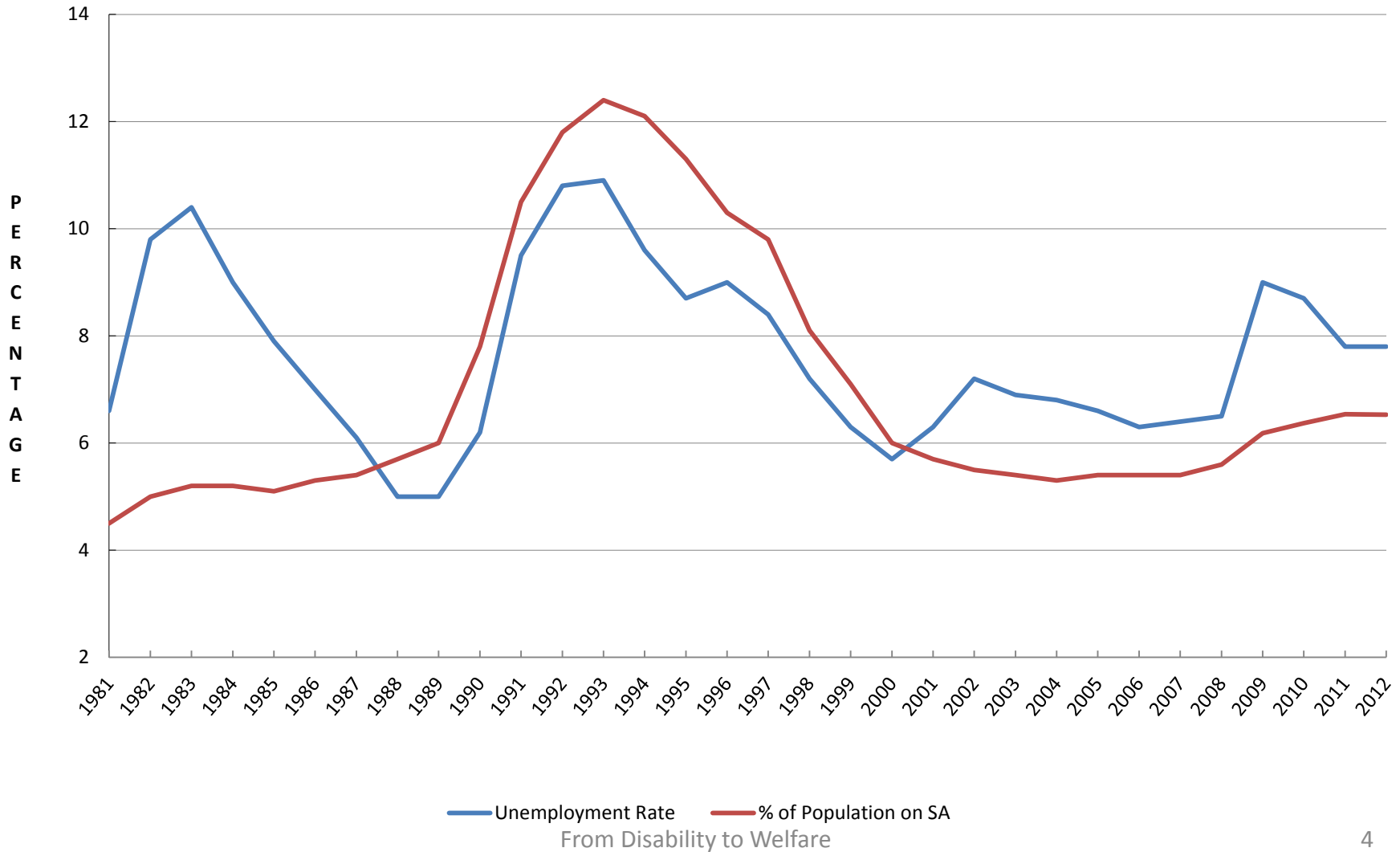
- **Part One:** Social Assistance in Ontario – ‘the *mainstream* story’
- **Part Two:** Brighter Prospects Appendix ‘F’: The Social Assistance Review
- **Part Three:** Disability Income Data - The tale of Canada, Ontario and Nova Scotia
- **Part Four:** More of the Per Capita story (disability income type)
- **Part Five:** The story of ODSP growth

Part One

# **SOCIAL ASSISTANCE LONG TERM TRENDS: THE MAINSTREAM STORY OW DOWN AND ODSP UP**

# ONTARIO

## Unemployment Rates and Percentage of Population on SA 1981 to 2012



# ONTARIO

## Unemployment Rates and Percentage of Population on SA June 2007 to February 2013

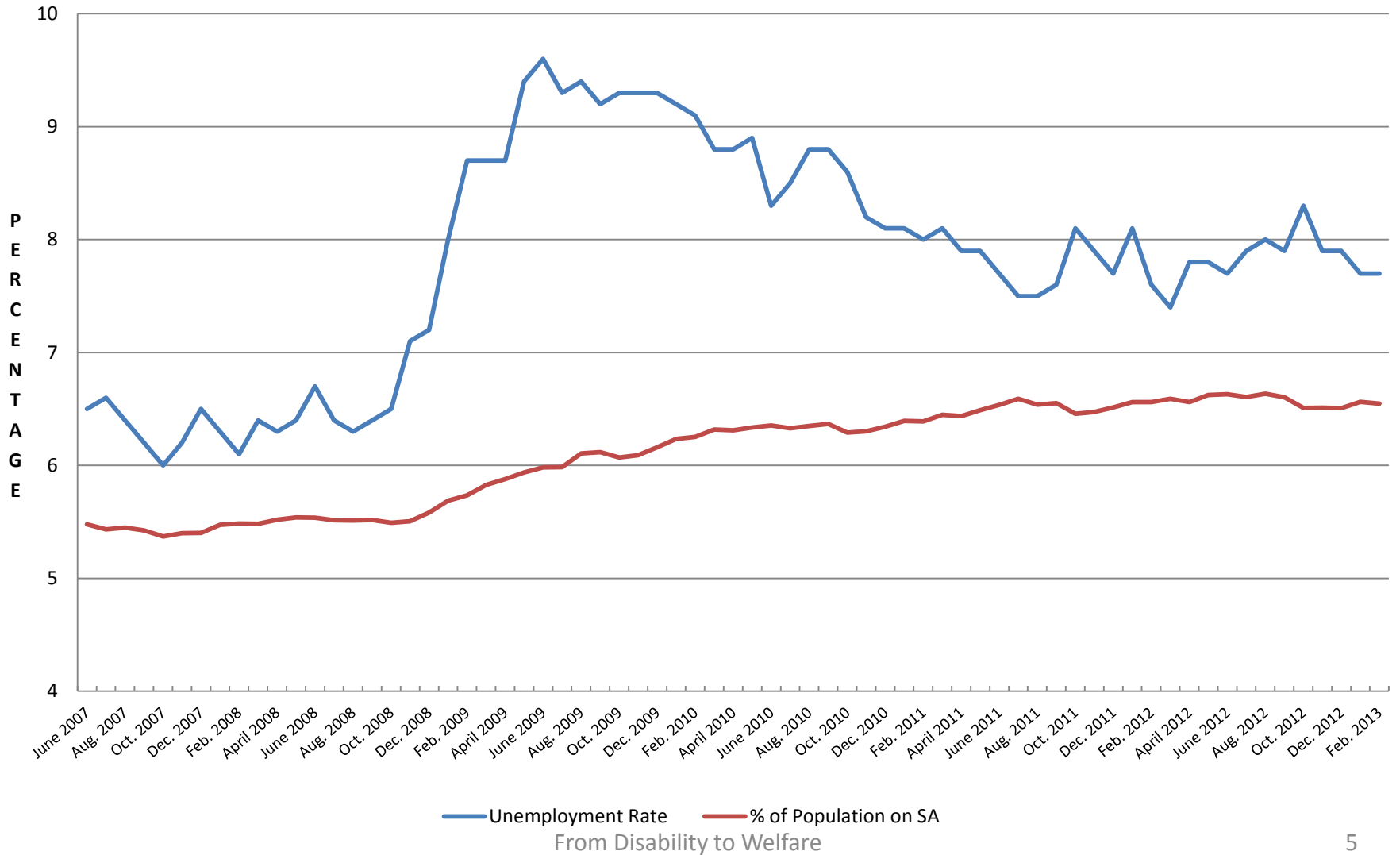


Fig 10: Ontario Works: Average Monthly Cases, Beneficiaries, and Children - Trends, 1995-96 to 2011-12

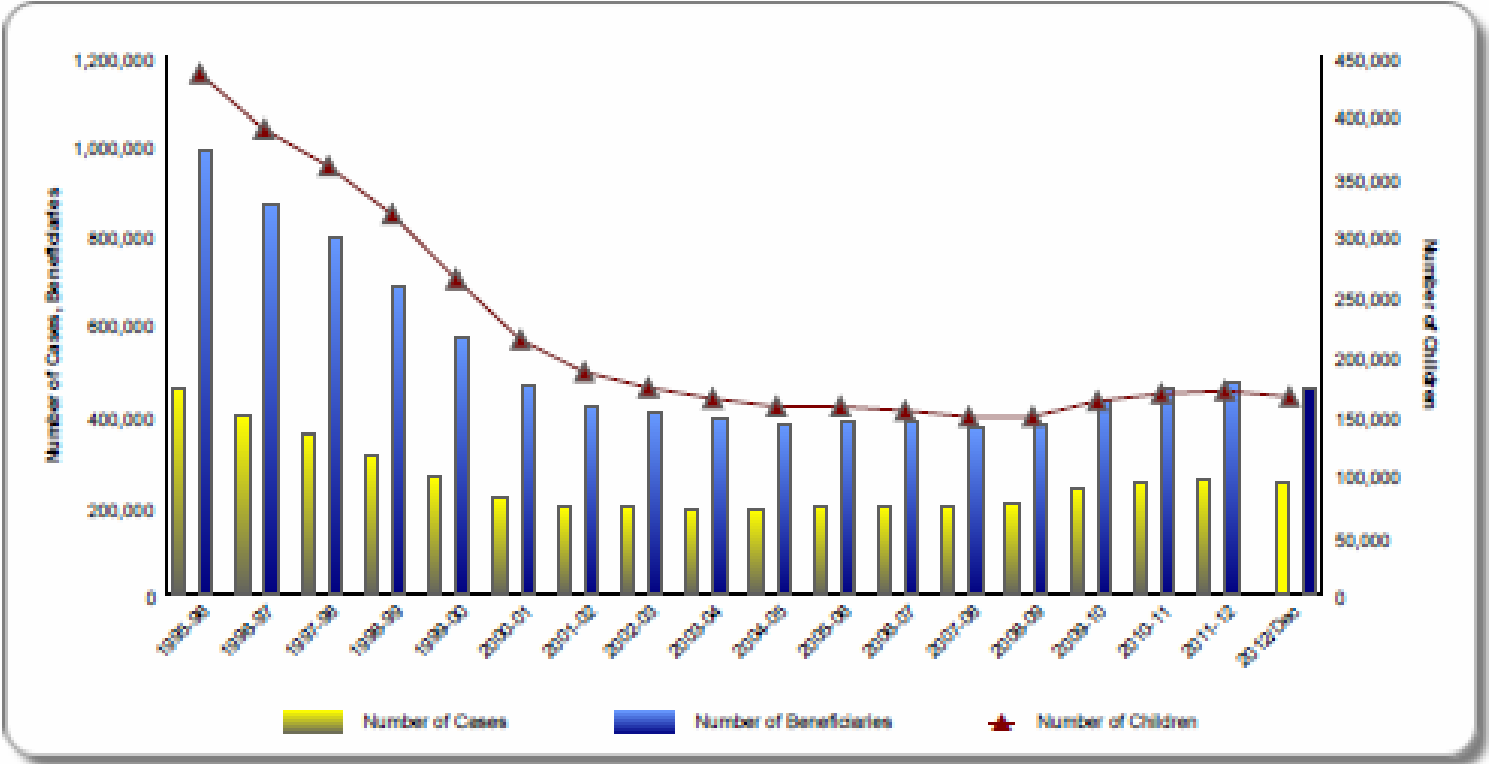
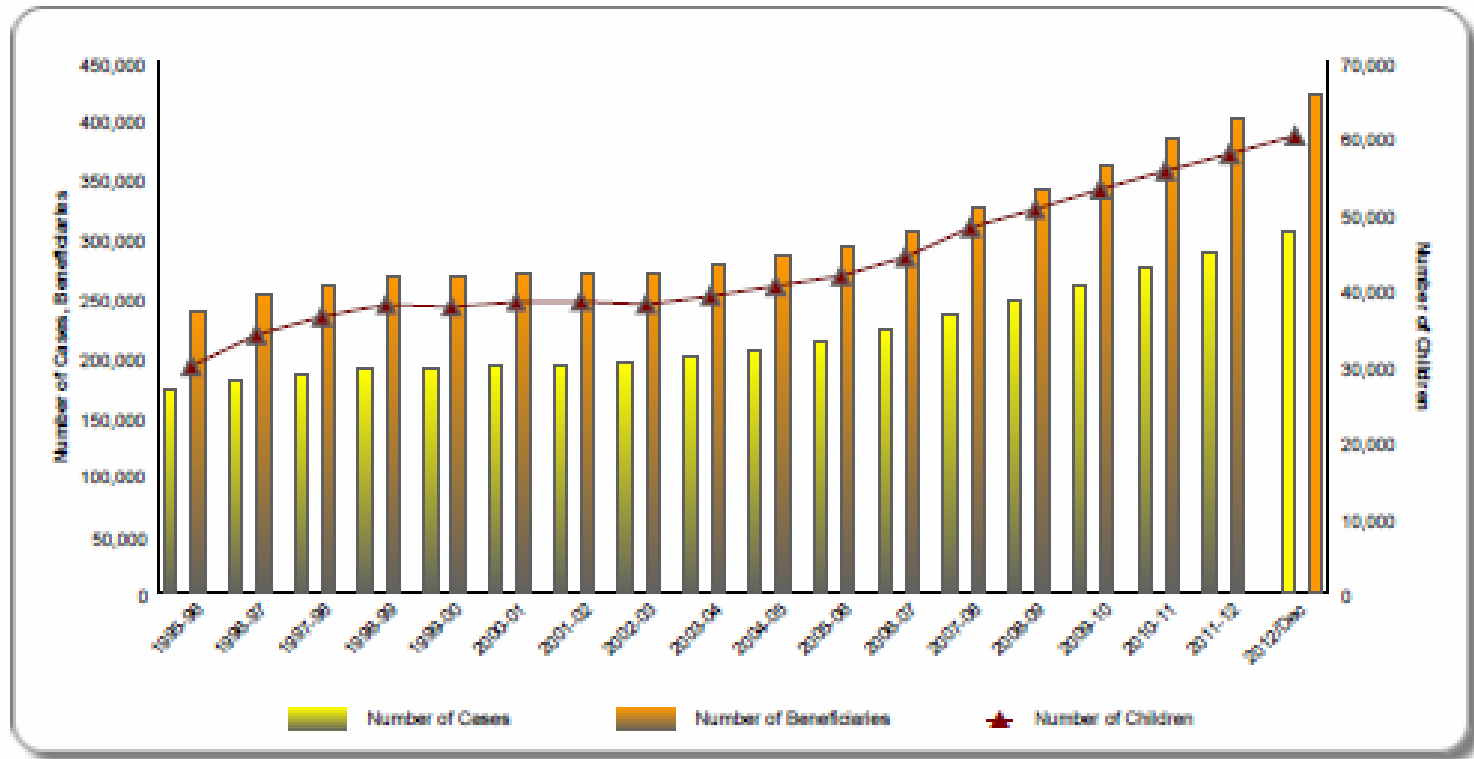


Fig 12: ODSP: Average Monthly Cases, Beneficiaries, and Children - Trends, 1995-96 to 2011-12



Part 2

# **APPENDIX F: BRIGHTER PROSPECTS ON DISABILITY GROWTH**



# Appendix F (157-168): The Mythology of Unsustainable ODSP Growth

- ODSP growing: in 1988, less than 1/3 of social assistance – now 66% and growing
- OW much smaller – esp. lone parents
- OECD: 5% to 10% of population and growing
- Disability income policy considered huge challenge:
  - More restrictions on unemployment benefits
  - Poorer education among pwd's
  - Barriers and recession spikes

# Appendix F (157-168): The Suggestion of Unsustainable ODSP Growth

- Other Reasons:
  - Work may not pay
  - Aging of population plays small part
  - Business cycle plays a small part
- Brighter Prospects suggests:
  - New grants related to mental disorders 3X others
  - Developmental delay higher than expected
  - High (60% of new grants) rate of mental disorders
  - Separate disability programs paternalistic and stigmatizing

# Appendix F (157-168): The Suggestion of Unsustainable ODSP Growth

- Brighter Prospects suggests:
  - Many *“one might expect...”* propositions about lower ODSP caseloads due to breaking down barriers to work and other indicators.
  - Need to move to assessment of employment capacity to serve clients better
  - Promising employment models in other jurisdictions: mixed, individual, integrated human services, intensive, proactive, treatment, supported employment services, and performance-based funding

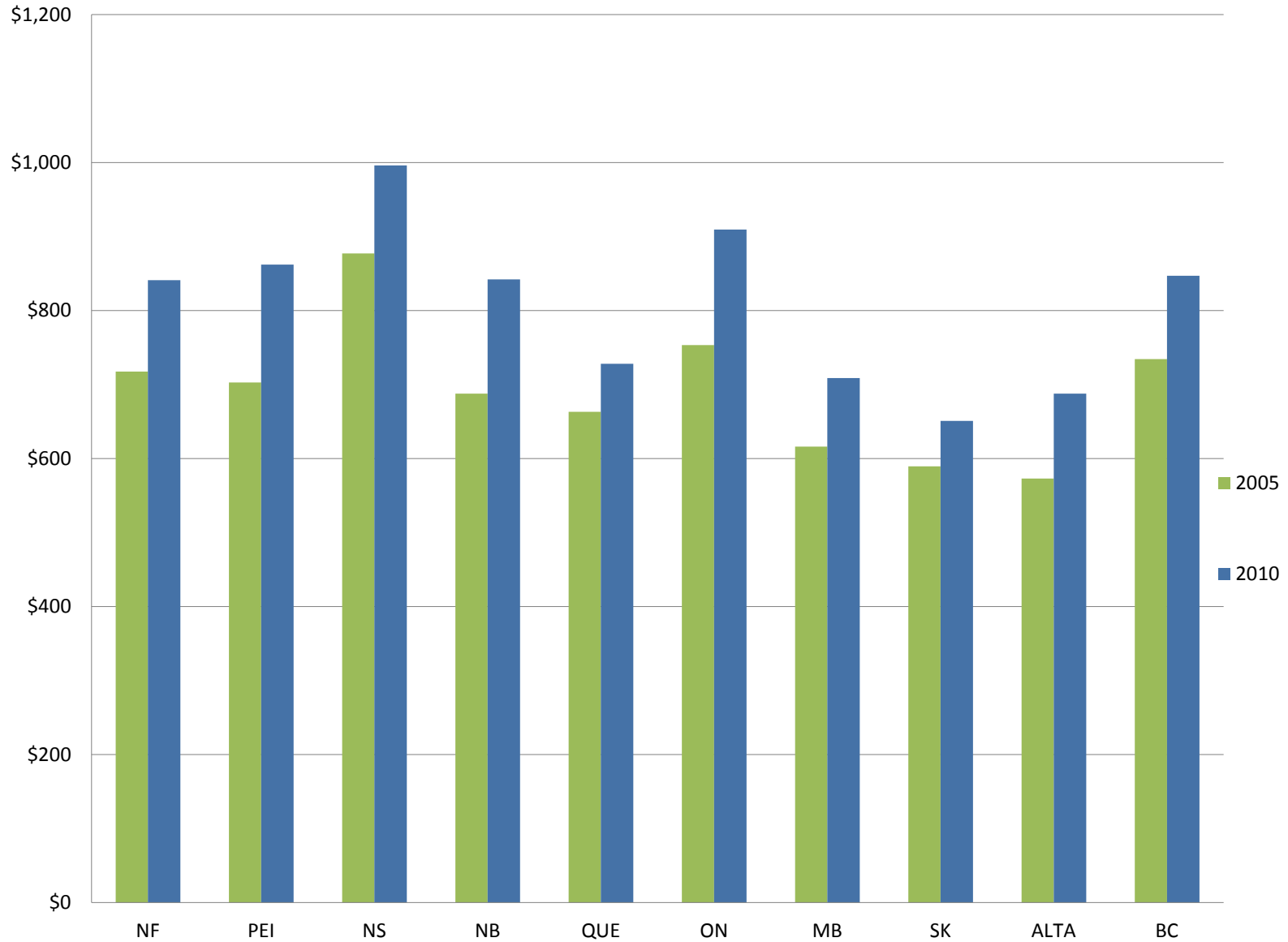
# Appendix F (157-168): The Suggestion of Unsustainable ODSP Growth

- Brighter Prospects alerts readers to high ODSP growth but does not canvass all the issues i.e.:
  - The Report can leave the impression that the increase in ODSP caseloads and costs is more of an ODSP and/ or disability issue as opposed to a wider labour market and disability benefit issue
  - The Report leaves the impression that caseloads and costs are higher than would be otherwise expected and that demographics etc. do not explain the issues at hand.

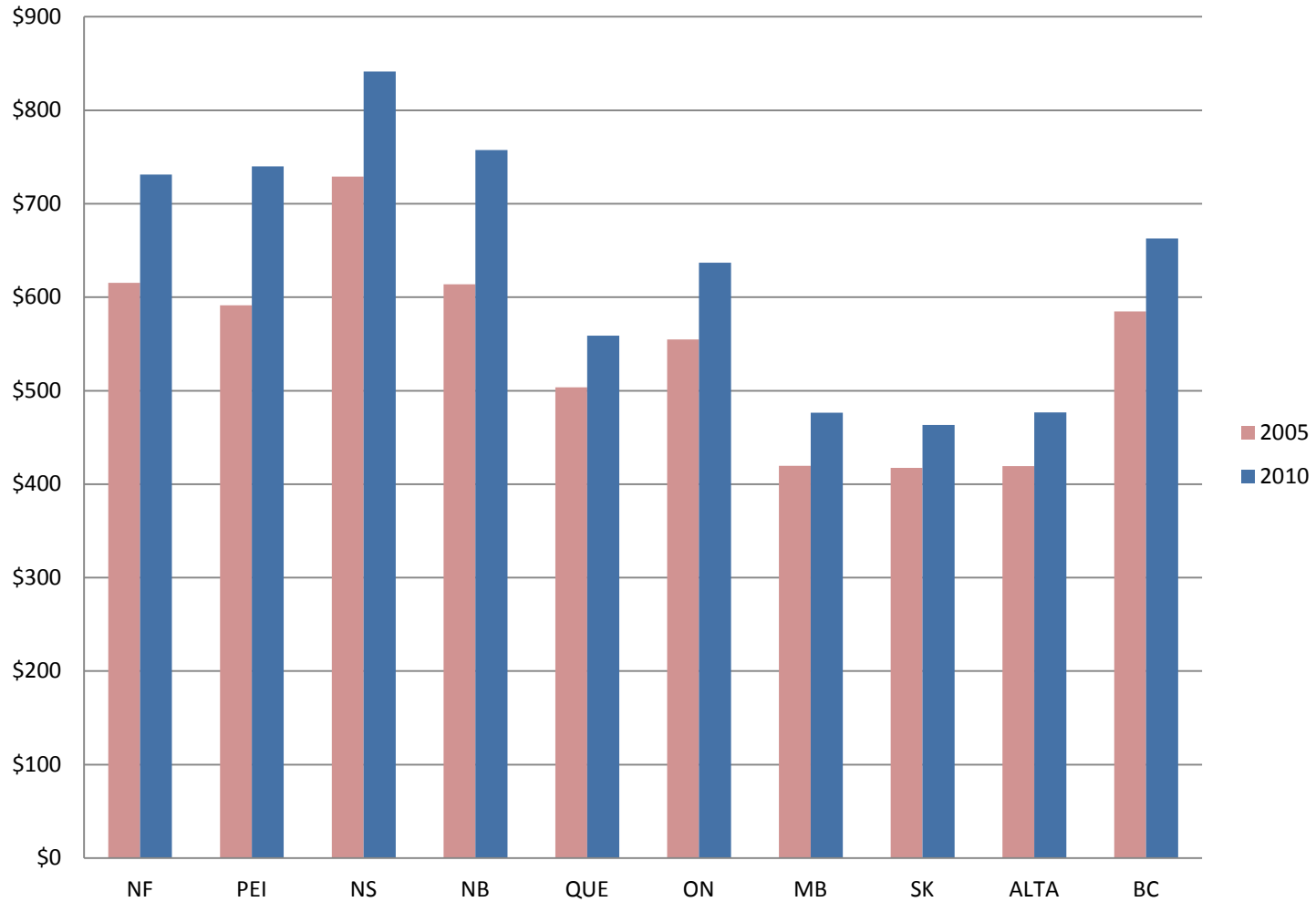
## Part Two

# THE DATA: DISABILITY INCOME DATA - THE TALE OF CANADA, ONTARIO AND NOVA SCOTIA

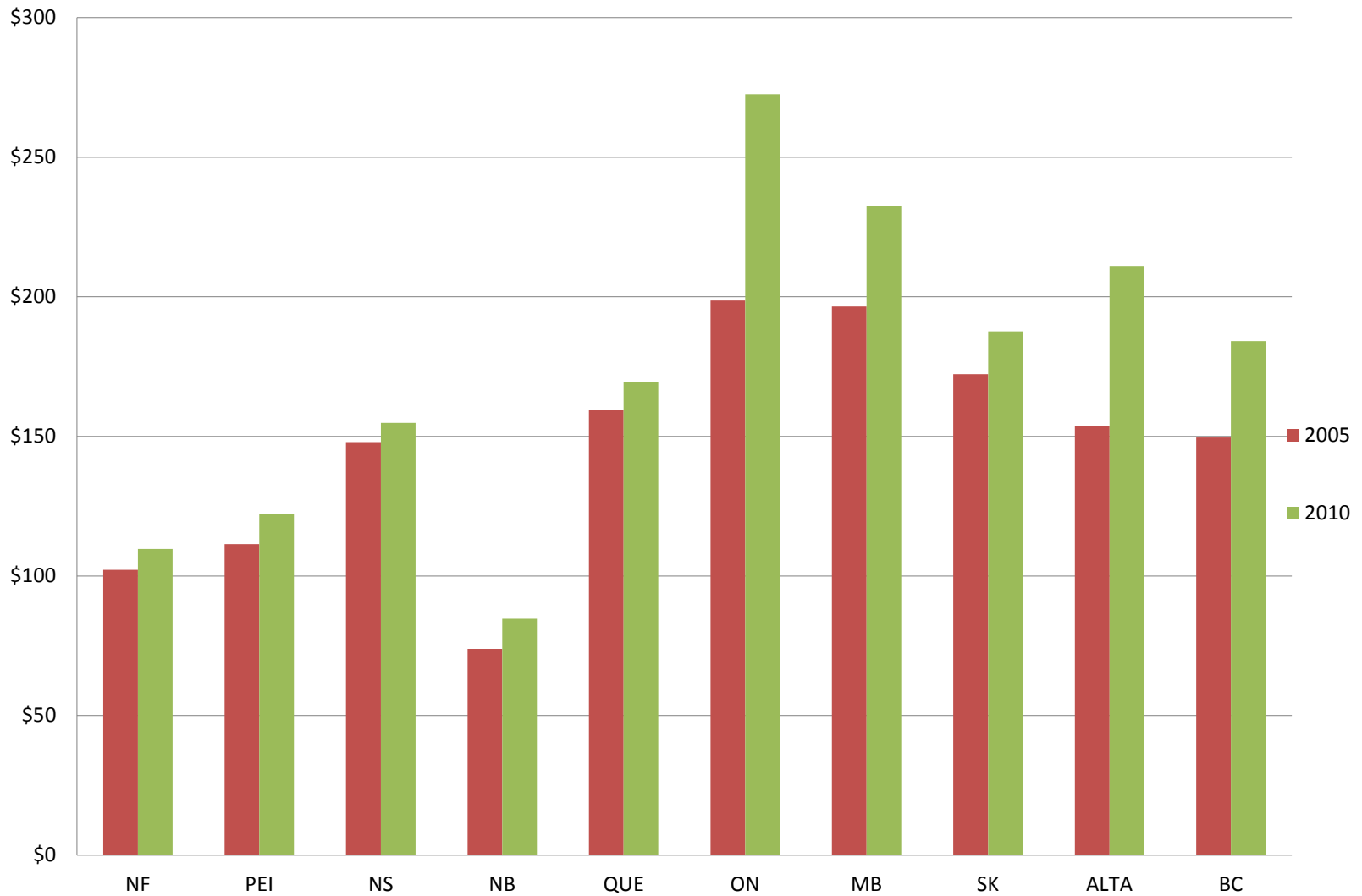
**Total Assistance for the Disabled, per capita, 2005 and 2010**



**Total Assistance for Persons with Disabilities, *excluding* Social Assistance,  
per capita, 2005 and 2010**



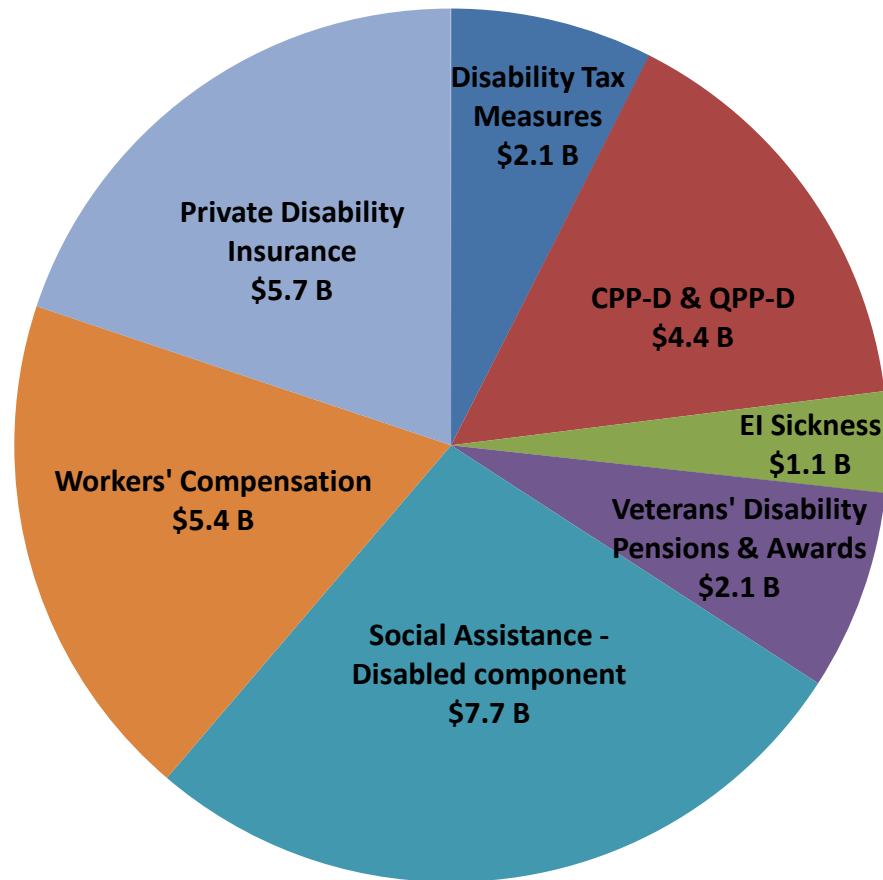
### Social Assistance for persons with disabilities, per capita, 2005 and 2010



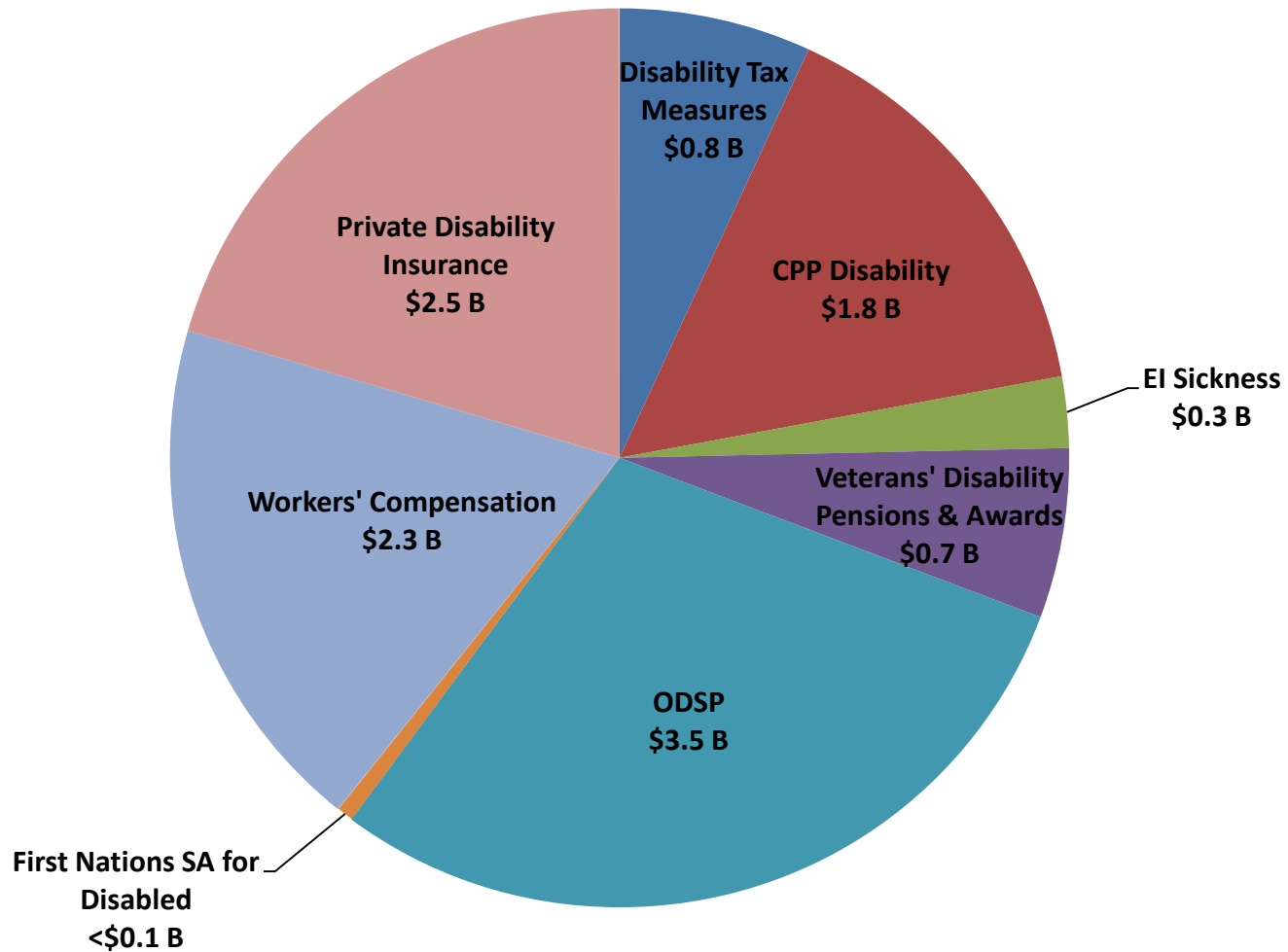


# ESTIMATED DISABILITY BENEFIT EXPENDITURES, CANADA 2010-11

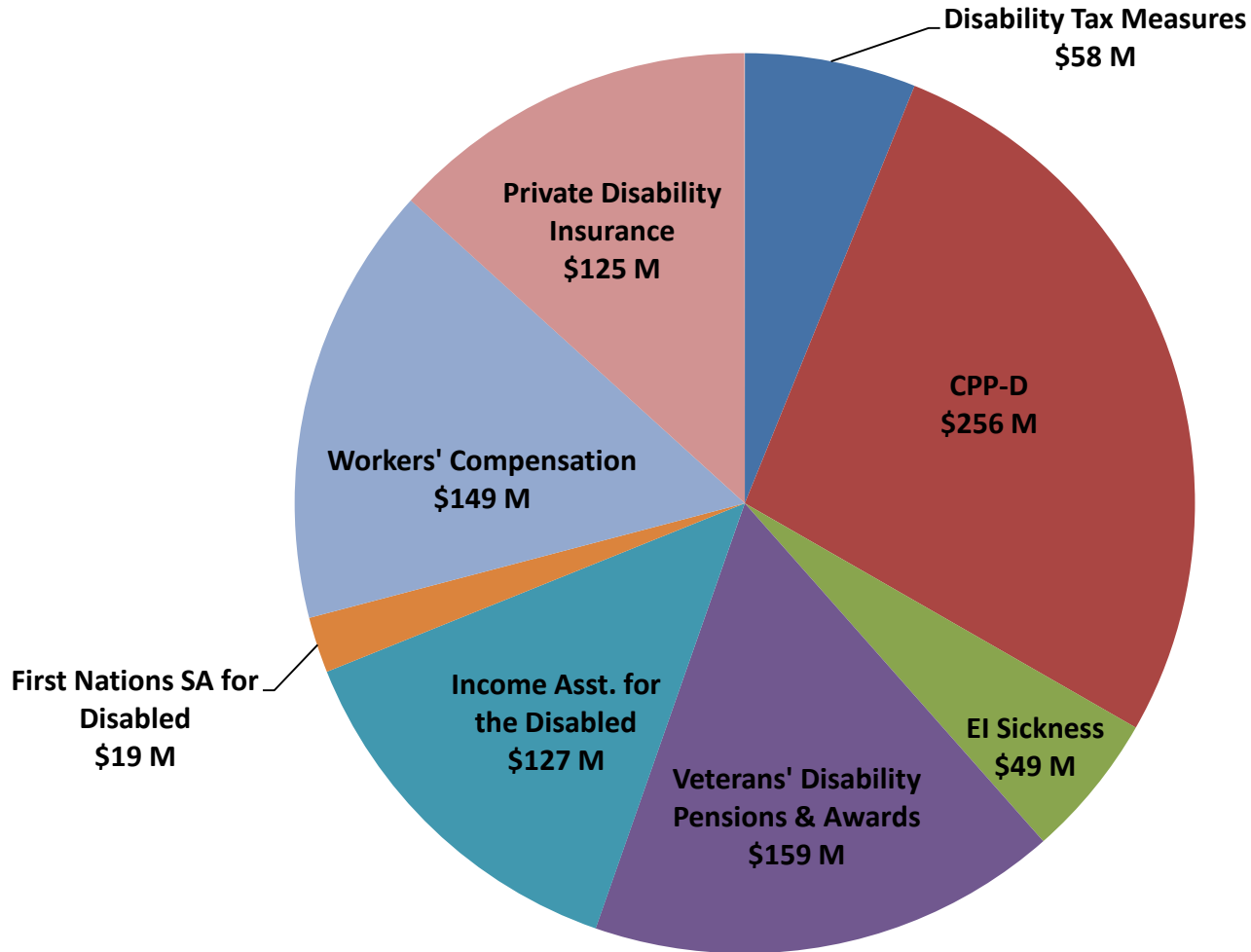
**\$28.6 B**



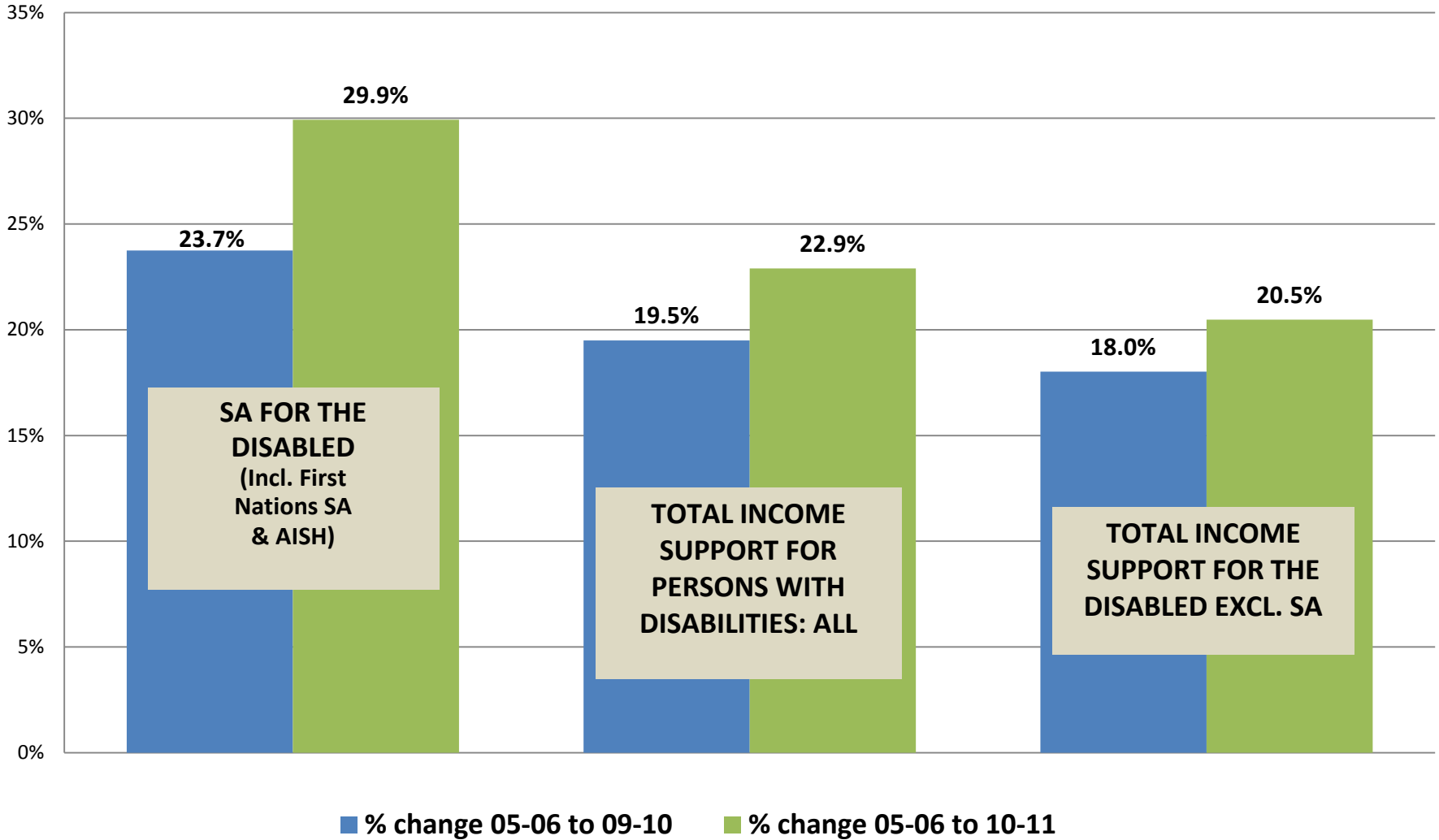
**ESTIMATED DISABILITY BENEFIT EXPENDITURES,  
ONTARIO 2010-11  
\$12 B**



**ESTIMATED DISABILITY BENEFIT EXPENDITURES  
NOVA SCOTIA 2010-11  
\$942 M**

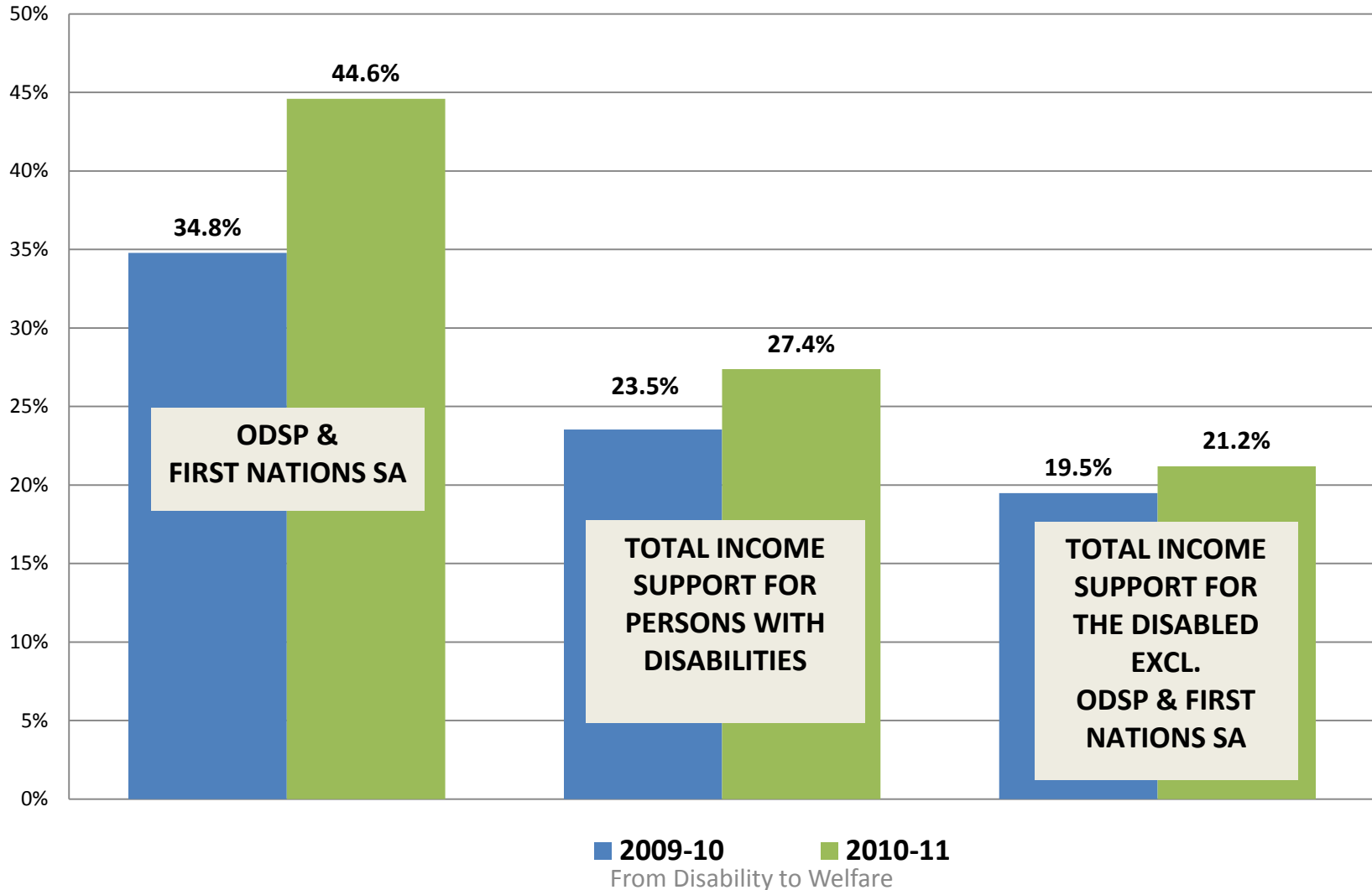


# INCOME SUPPORT FOR PERSONS WITH DISABILITIES: PERCENTAGE INCREASE FROM 2005-06 TO 2009-10 AND 2010-11 CANADA

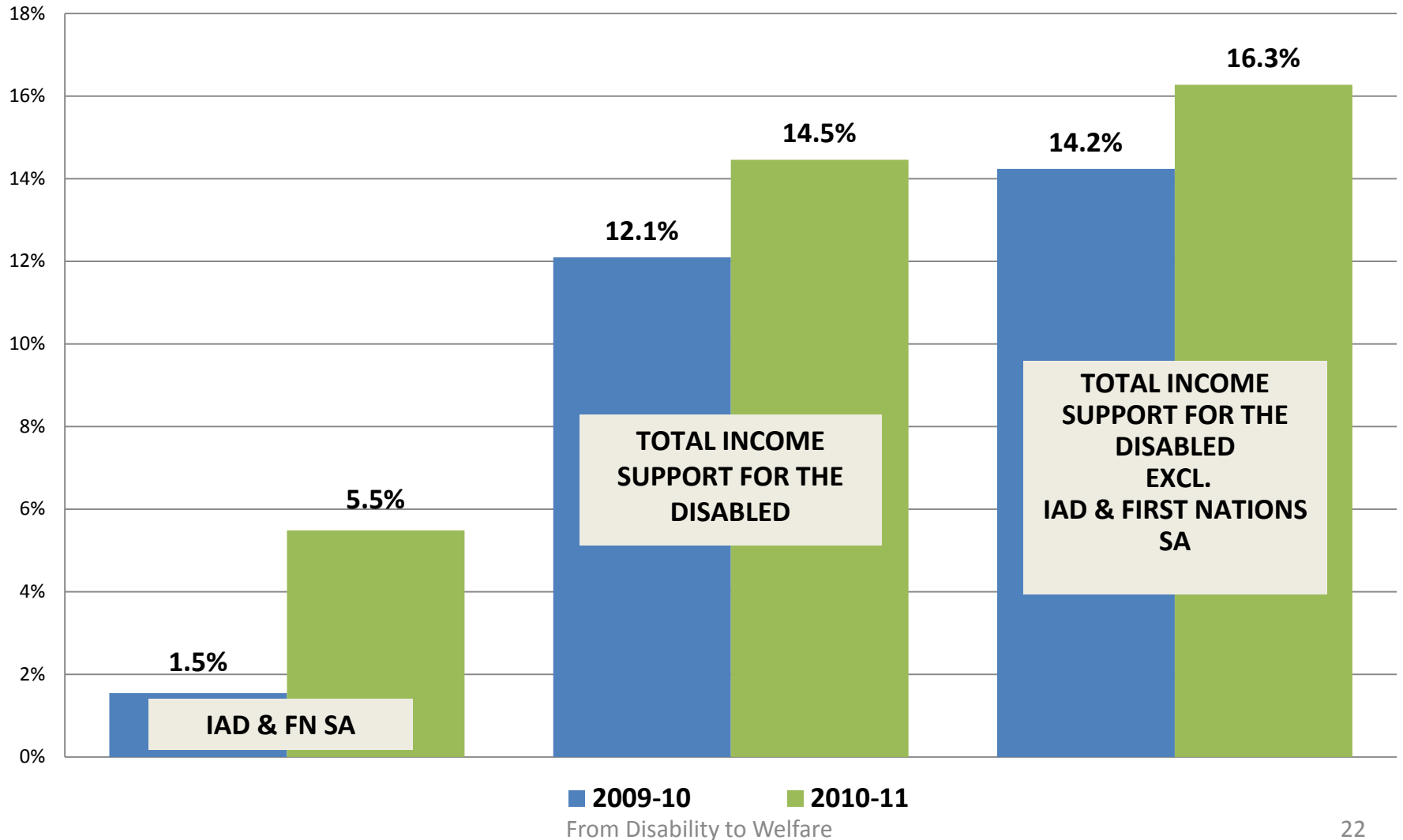


From Disability to Welfare

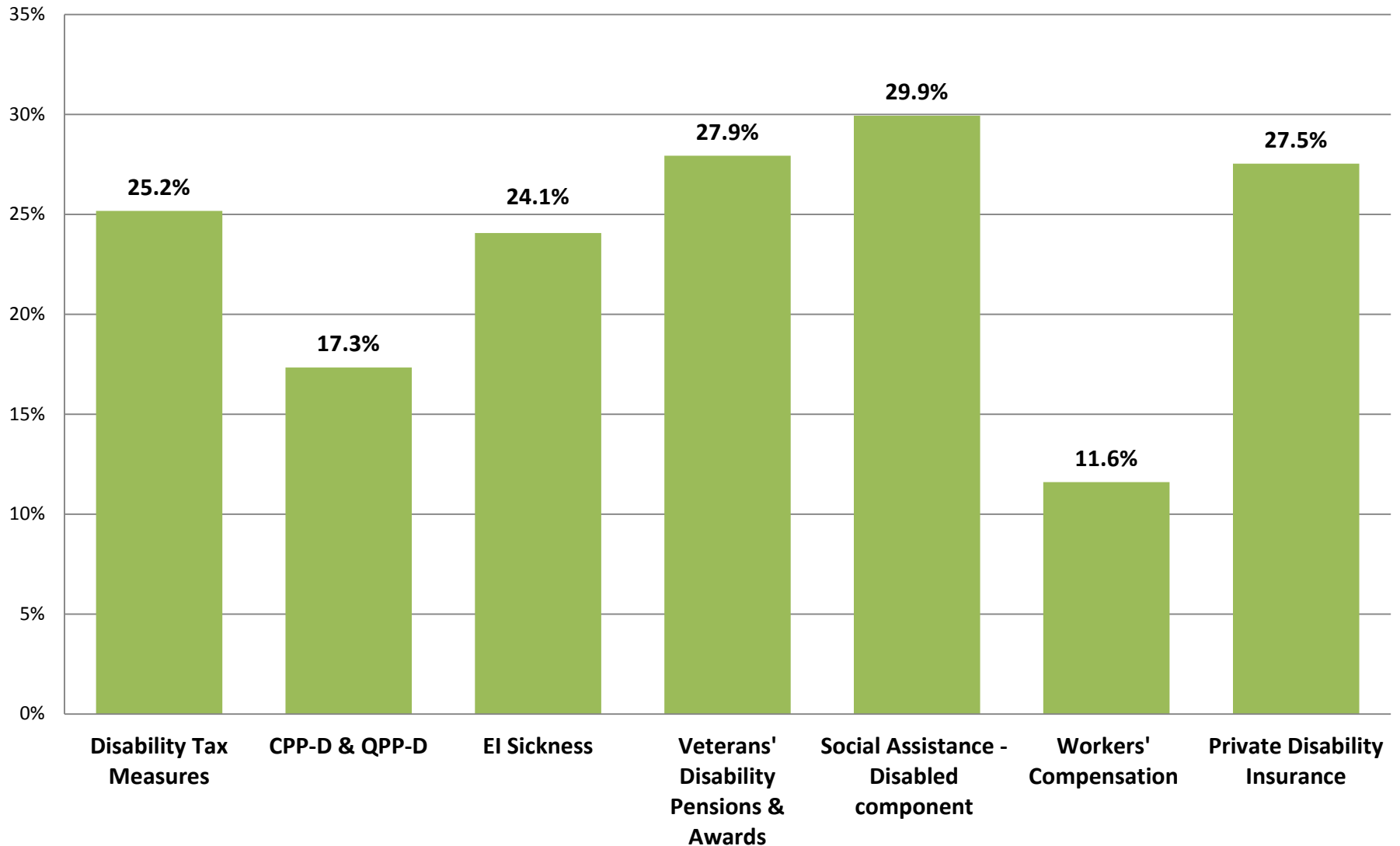
**INCOME SUPPORT FOR PERSONS WITH DISABILITIES:  
 PERCENTAGE INCREASE FROM 2005-06 TO  
 2009-10 AND 2010-11  
 ONTARIO**



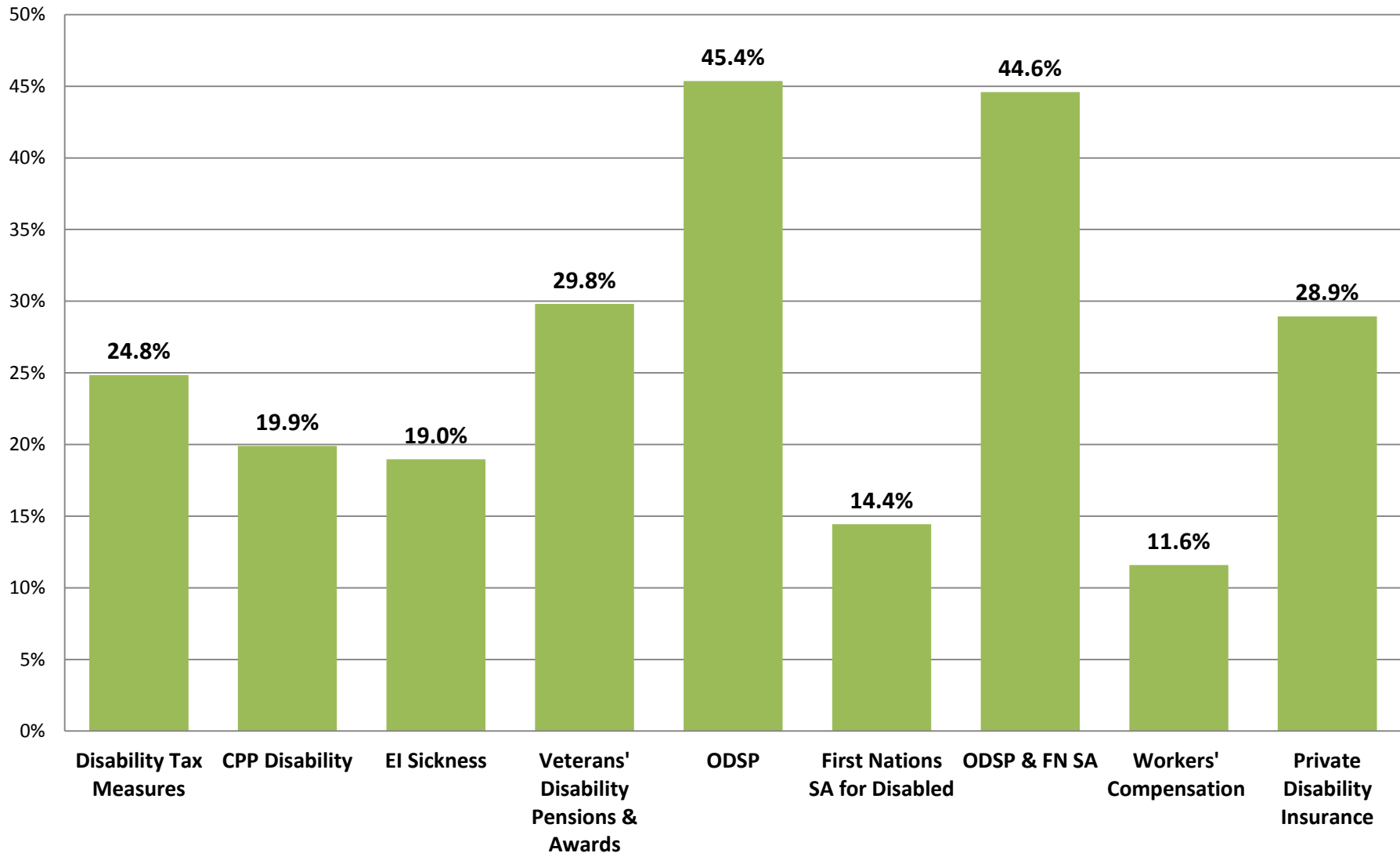
# INCOME SUPPORT FOR THE DISABLED: PERCENTAGE INCREASE FROM 2005-06 TO 2009-10 AND 2010-11 NOVA SCOTIA



# Income Support for persons with disabilities by Program: Percentage Change in Estimated Expenditures from 2005-06 to 2010-11 CANADA

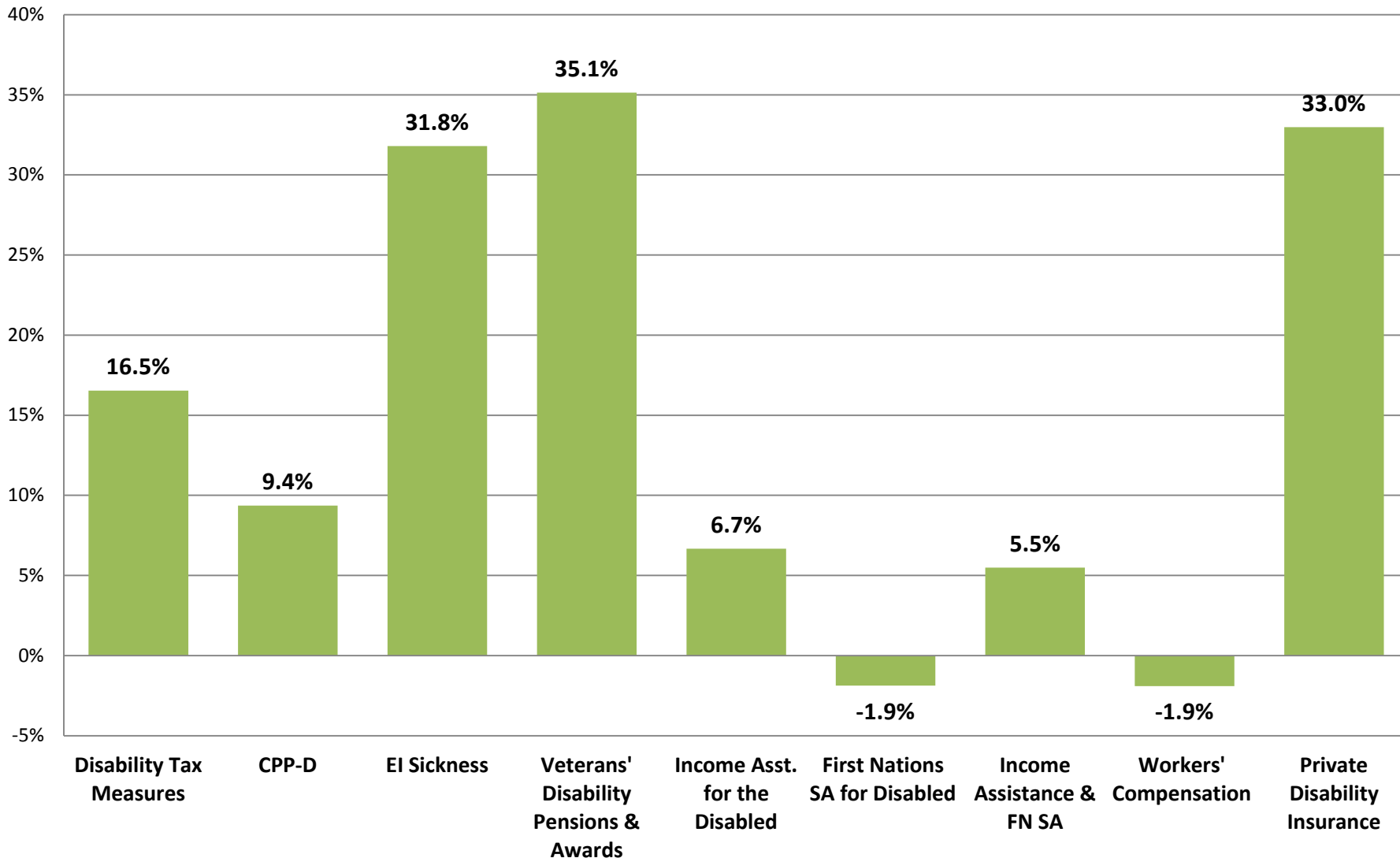


# Income Support for persons with disabilities by Program: Percentage Change in Estimated Expenditures from 2005-06 to 2010-11 ONTARIO





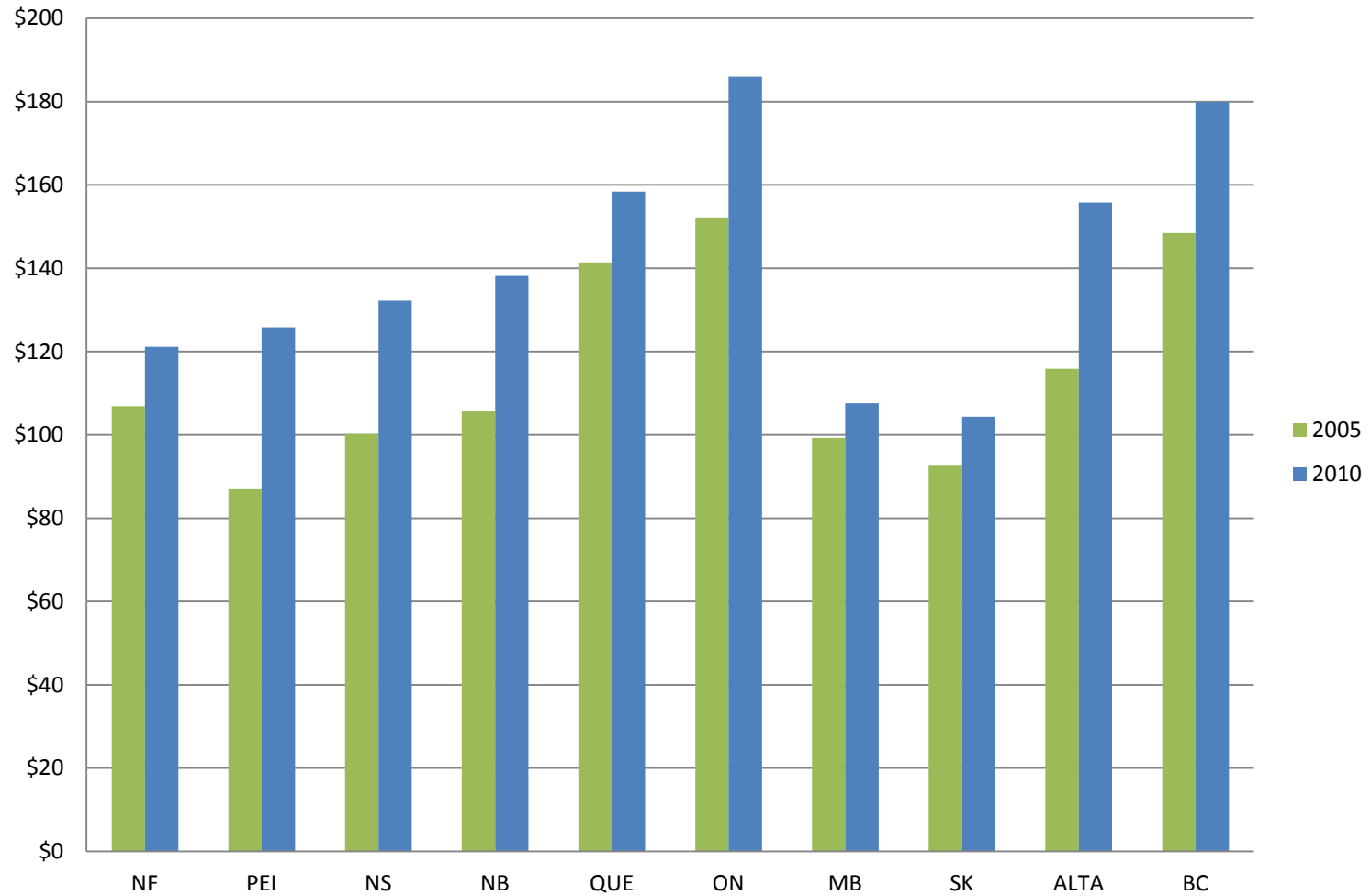
# Income Support for persons with disabilities by Program: Percentage Change in Expenditures from 2005-06 to 2010-11 Nova Scotia



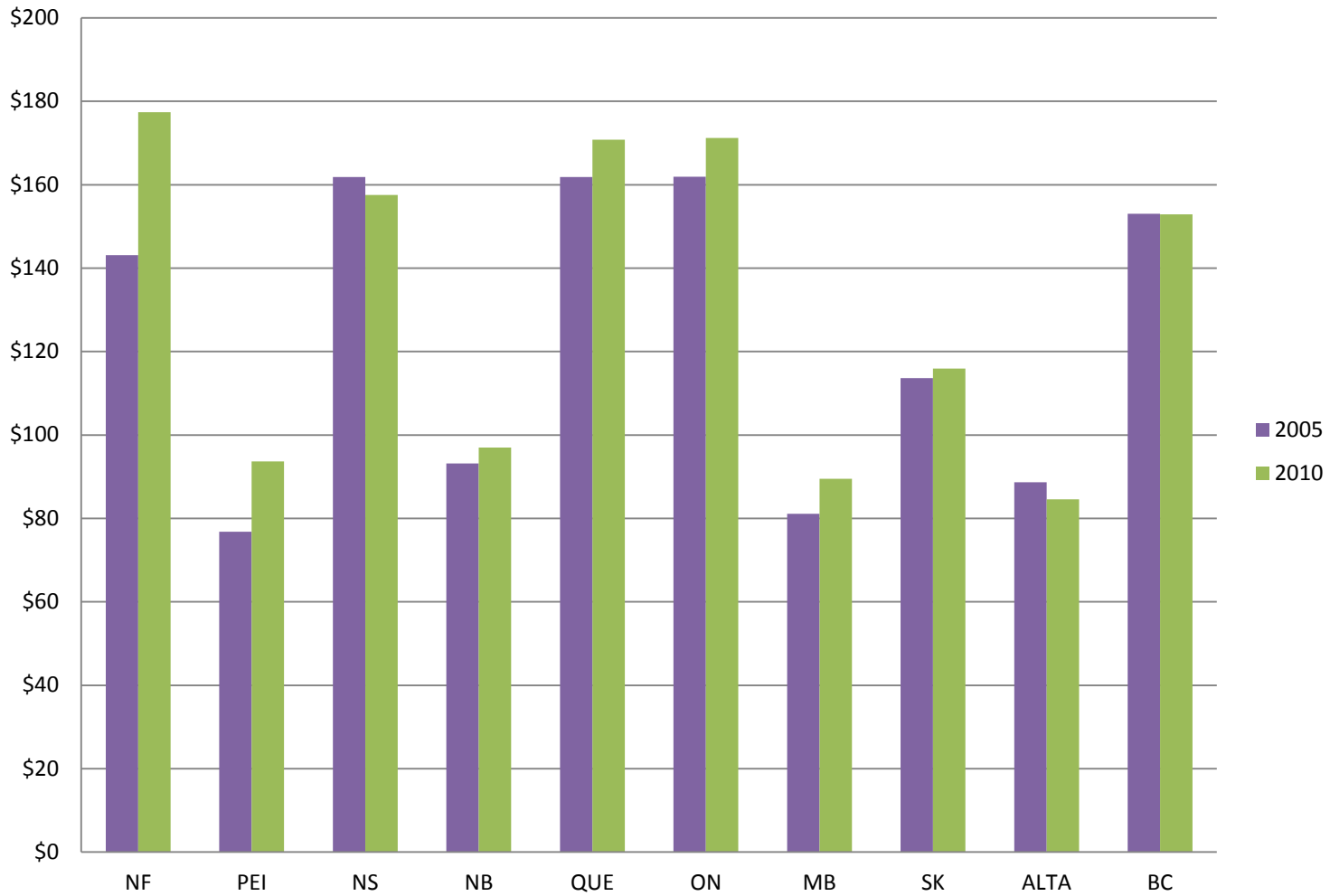
Part 4

# THE PER CAPITA STORY..... BY PROGRAM

### Private Disability Insurance, per capita, 2005 and 2010



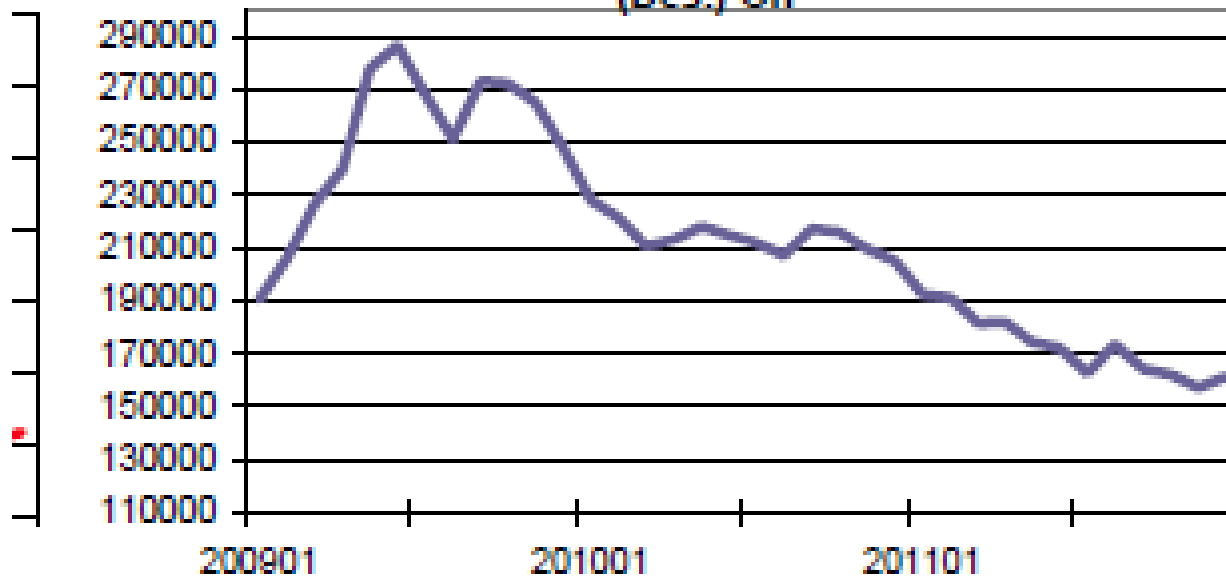
## Workers' Compensation, per capita, 2005 and 2010



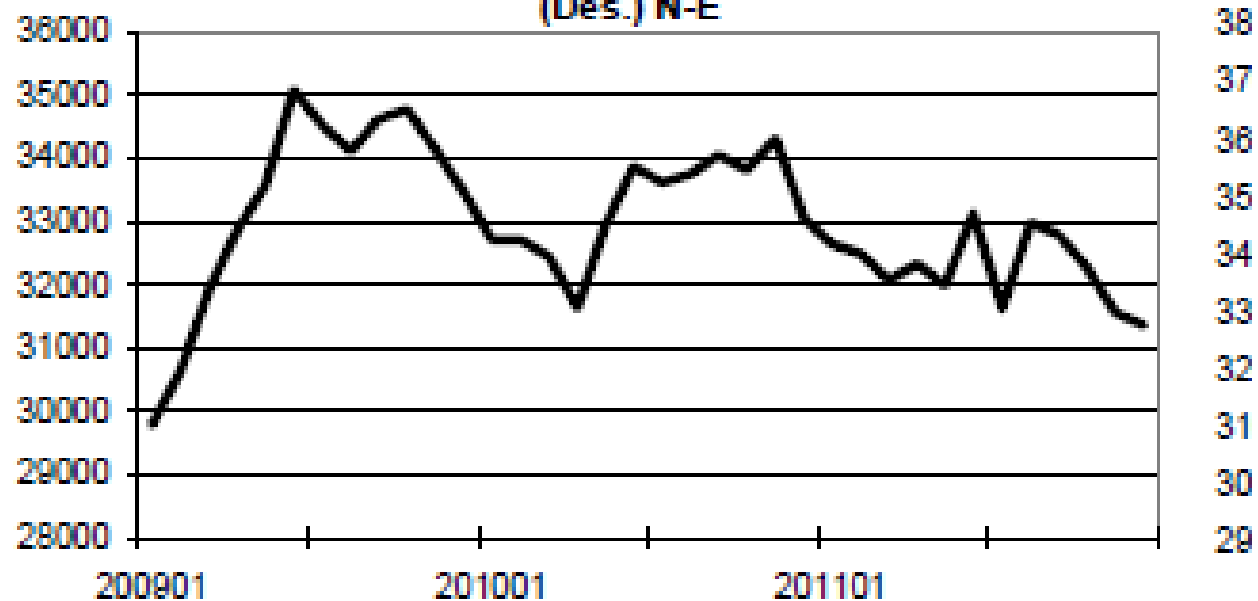
# Employment Insurance

- El ratio to employed by province
- El payments per capita by province
- El Sickness by Province

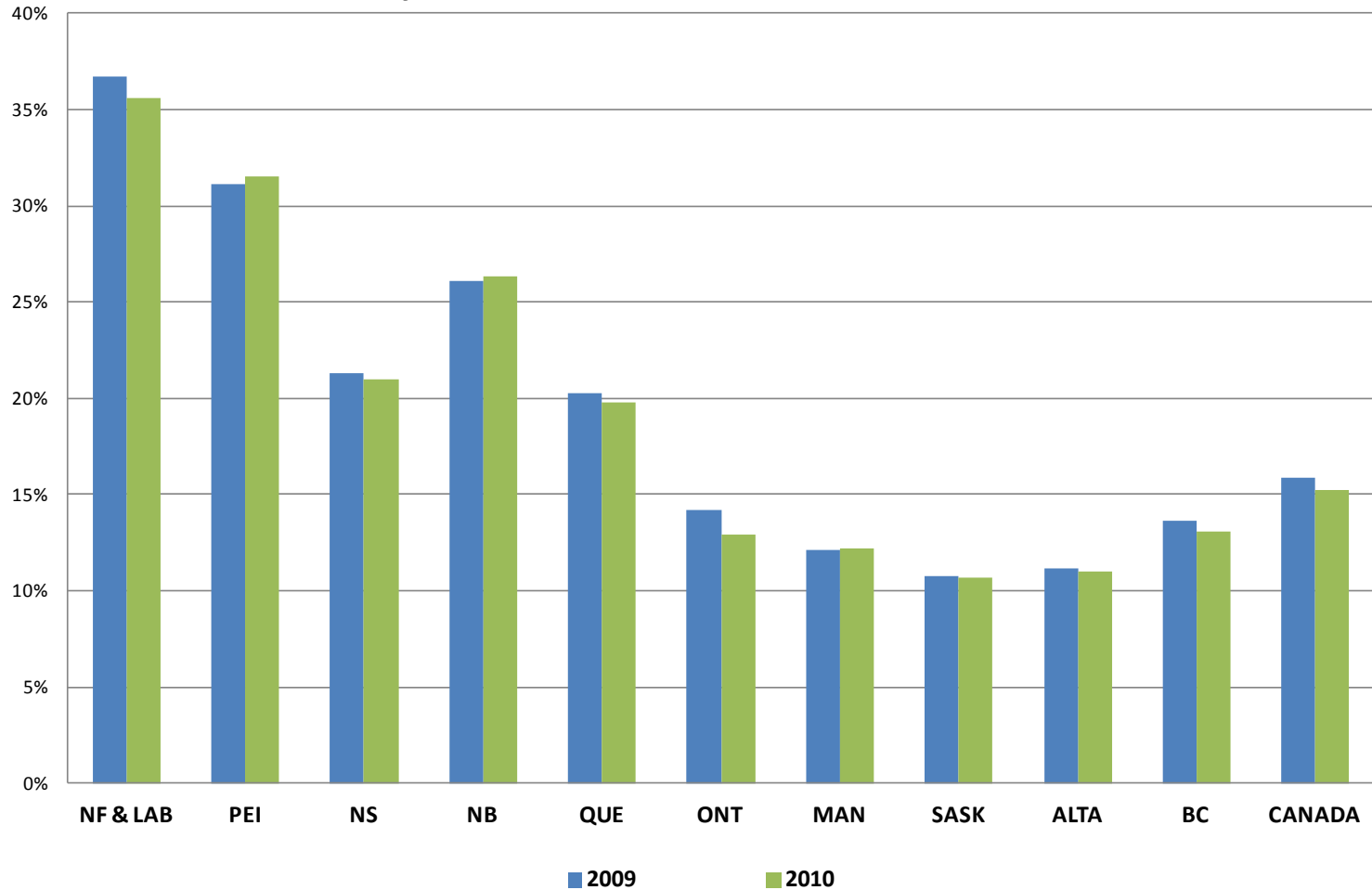
**Regular Beneficiaries - (SA) ON**  
**Bénéficiaires touchant des prestations ordinaires**  
**-(Dés.) On**



**Regular Beneficiaries - (SA) NS**  
**Bénéficiaires touchant des prestations ordinaires -**  
**(Dés.) N-É**

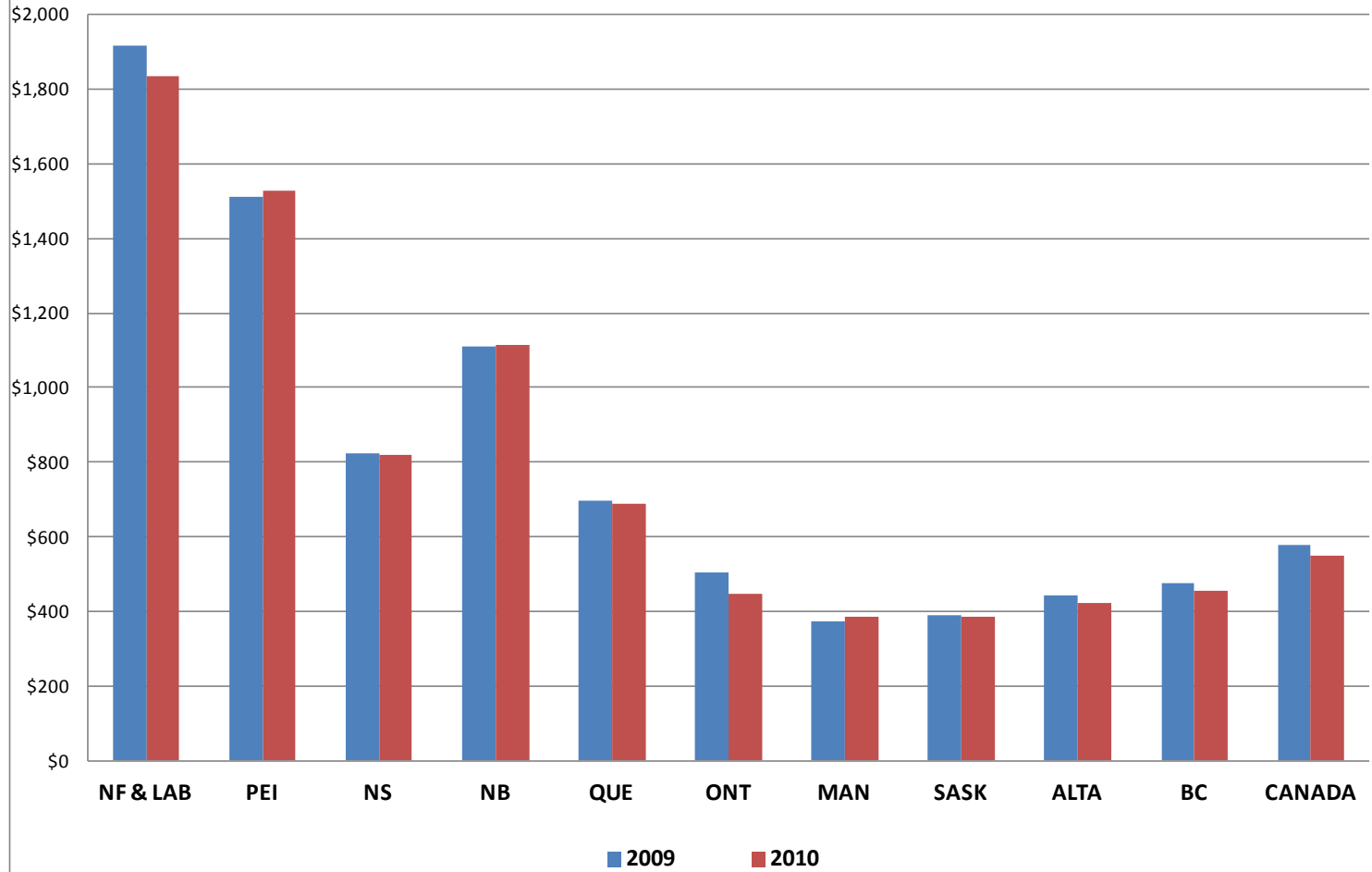


### Ratio of EI Income Recipients to Employment Income Earners by Province and for Canada, 2009 & 2010

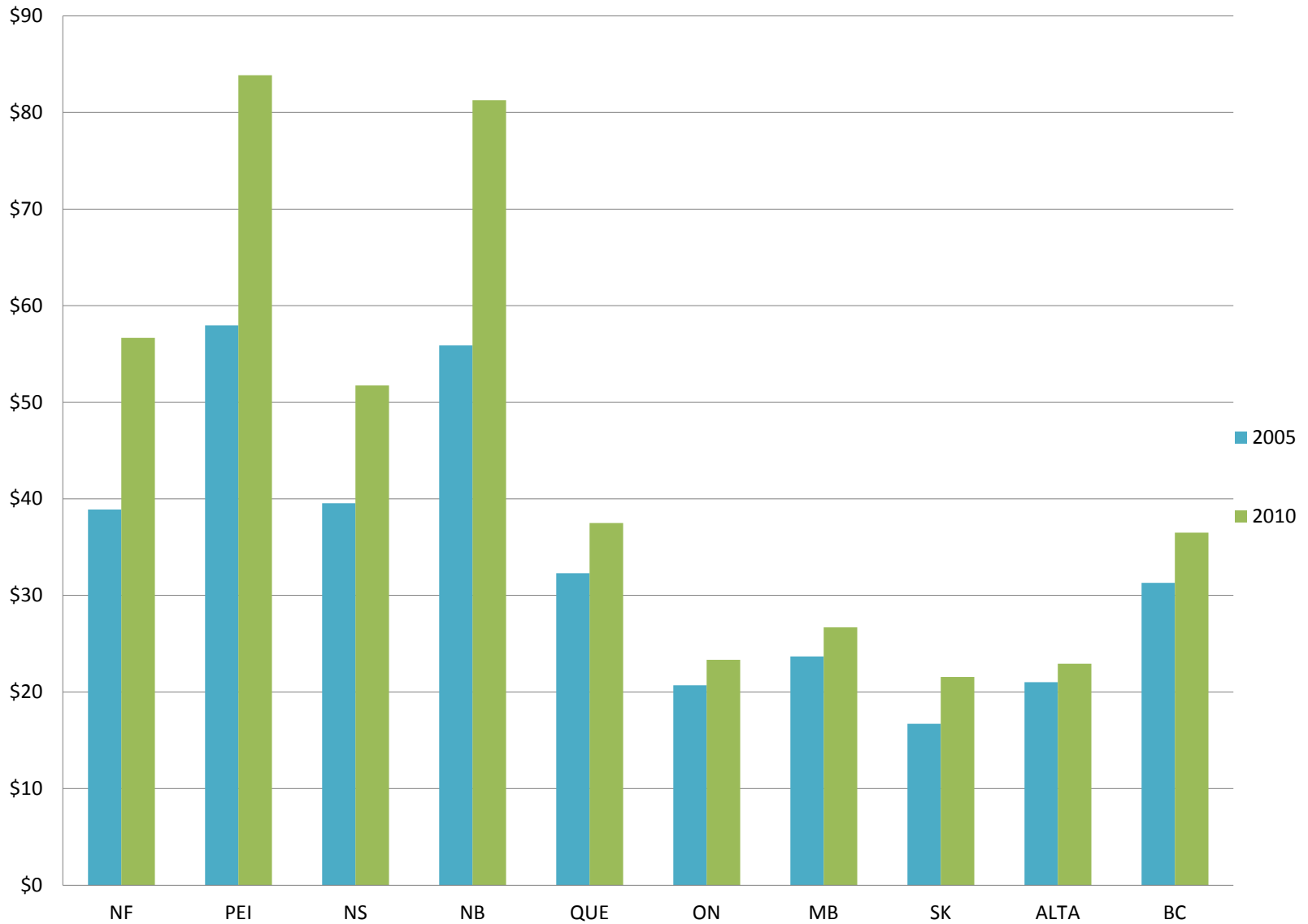




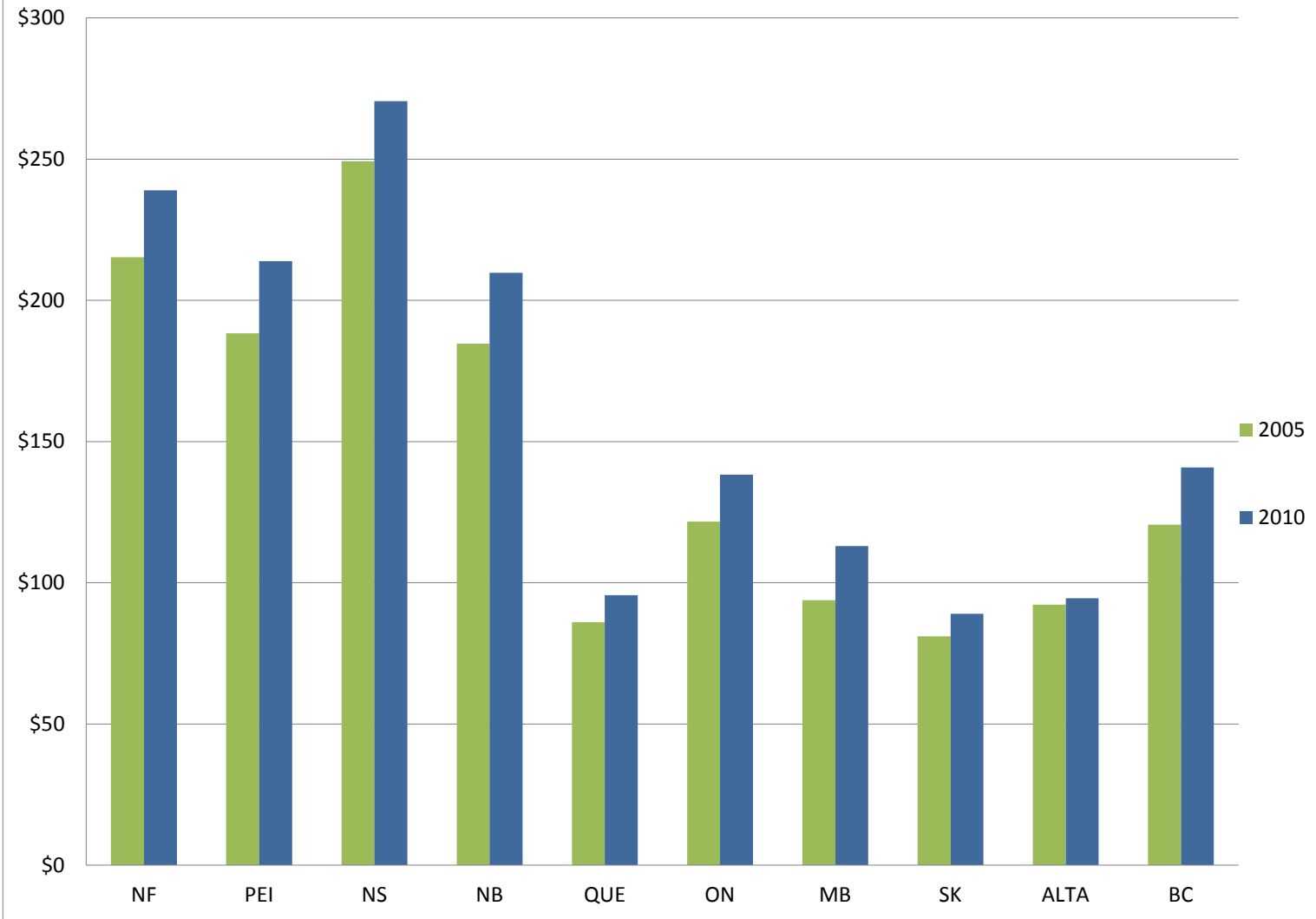
**EI Payments Per Capita, by Province and for Canada, 2009 & 2010**



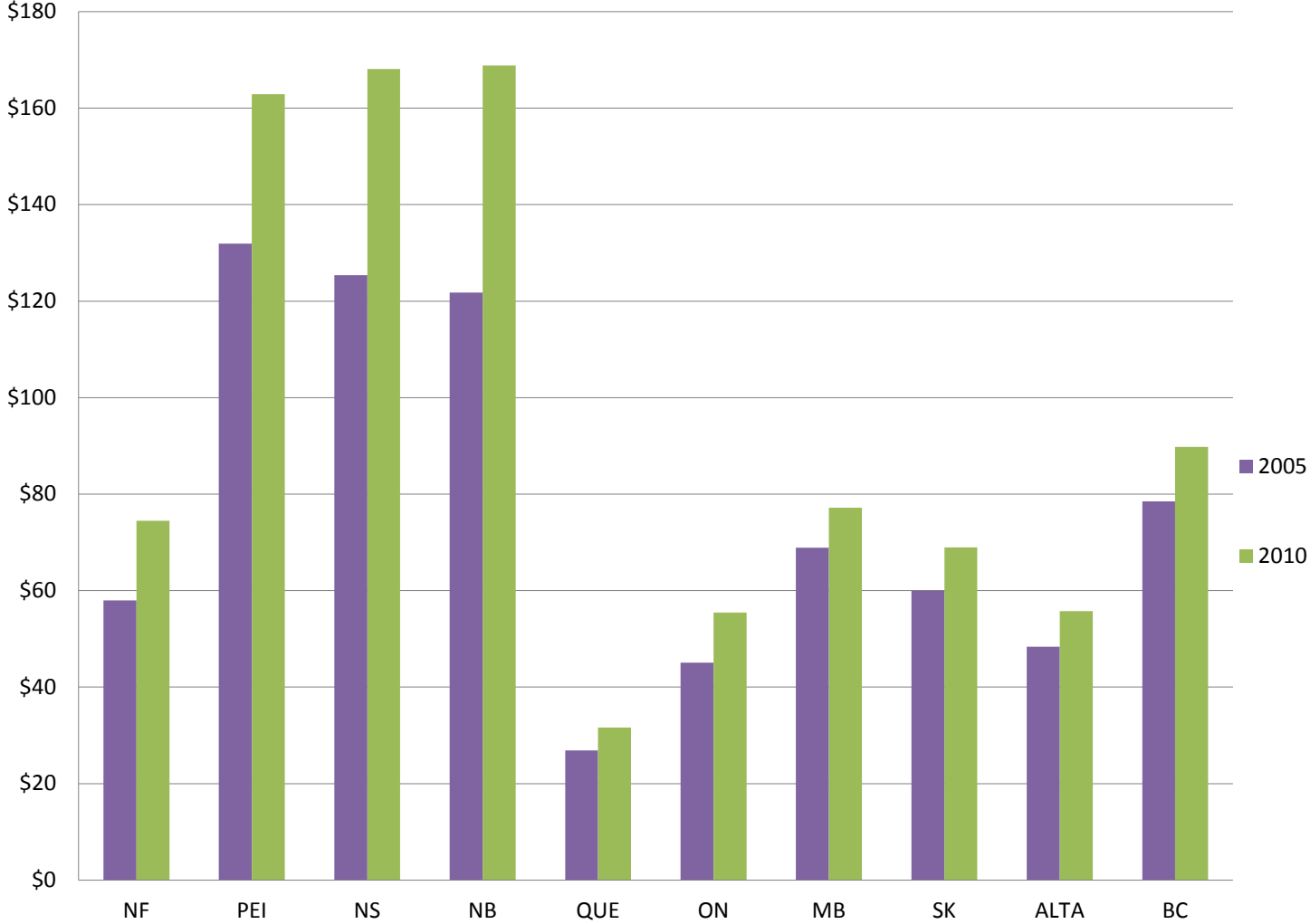
EI Sickness per capita, 2005 and 2010



CPP disability, per capita, 2005 and 2010



Veterans' Pensions & Awards, per capita, 2005 and 2020



Part Five

# THE STORY OF ODSP GROWTH

# The Story of ODSP Growth

- ODSP one of eight disability income systems:
  - CPP-D
  - EI sickness
  - Veterans
  - Private plans
  - WSIB
  - RDSP
  - Disability Tax Credits
  - ODSP

# The Story of ODSP Growth

**But there are at least 14 answers for an increasing social assistance share among disability income systems. In brief, they are:**

- Workforce changes whereby persons with disabilities and others do not have tenured salary and wage jobs that would trigger disability benefits
- Cuts in some of the other 7 disability income systems leaving social assistance with more to do
- Embedded rules that do not support work in older disability income systems (like CPPD)
- Changes in medical treatment and especially advances in medicine and trauma treatment
- Aging of the population
- Inclusion of mood disorders and neuroses as disabilities

# The Story of ODSP Growth

- the supposed existence of a 'disability culture' where people choose disability benefits over employment
- existence of separate social assistance disability programs and large differences in benefit levels between them and general social assistance
- reductions in OAS and GIS for immigrant seniors
- post-economic crash unemployment among persons with disabilities and continuing economic stagnation
- lack of knowledge about disability income systems other than social assistance
- post-recession differences in employment patterns and benefits
- differing financial incentives among programs to bring people with disabilities back to work
- Barriers to work in general



# The Story of ODSP Growth

**In addition, there appear to be six major reasons for the differences among provinces:**

- Huge differences in EI coverage that reduces number of persons going on social assistance in eastern provinces. As regular social assistance is often a precursor to application for disability benefits, more robust regular EI appears to reduce social assistance overall.
- Social assistance disability programs that are smaller, less generous, and not separate in eastern provinces
- Smaller Social Assistance based Disability components for First Nations in Eastern Provinces
- A greater portion of persons with disabilities in the mainstream (wage and salary) work forces in eastern provinces
- A greater presence of interventions by other disability systems in eastern provinces; and
- Fewer persons with disabilities that are ineligible for (or eligible for reduced benefits for) Old Age Security at age 65 in eastern provinces.