

MHR Exit Survey—Spring 2003

Summary

This is the fifth in a series of reports based on the BC Ministry of Human Resources (the Ministry or MHR) quarterly survey of former BC income assistance (IA) clients. The reports provide information on the employment, earnings and subsequent activity of people who left IA and had not returned in the six months preceding the survey. This report presents the results for Spring 2003 (Quarter 5), as well as some comparisons with findings from Spring 2002 (Quarter 1).

The Quarter 5 group of 1,517 respondents left IA in September 2002 and did not receive income assistance during the period October 2002 through to March 2003. These respondents were surveyed in May and June 2003. Almost half (47 percent) of the

survey respondents left IA for work; 30 percent reported that they left IA for school or training.

The average earned income of respondents who left IA for work and who were not in school when surveyed was 2.2 times what they would have received on assistance. Earned income for single men was 3.7 times the maximum assistance available to them; for single-parent families the ratio was 1.6.

Reasons for Leaving IA

Work	47%
School	30%
Other Income	4%
Change in Family Status	3%
Change in Financial Need	5%
Sub-Total	89%
Closed by MHR	7%
Dissatisfaction with IA Requirements	4%

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Background

The Ministry's annual Service Plan, released in February 2003, outlines the strategic goals and objectives for the Ministry over the next three years. The first goal is that BC Employment and Assistance clients achieve independence through sustained employment. As part of the effort to measure its performance in meeting this goal, the Ministry started surveying former income assistance recipients on a quarterly basis in the spring of 2002.

The surveys provide information on the employment and earnings of people who left income assistance and who did not return in the following six months. The reports of survey findings present an overview of what former clients are doing now that they are no longer receiving income assistance.

The Centre for Education Information (CEISS) assists in designing and managing the project. CEISS is a research organization that provides outcomes research, reporting, and data warehousing services. CEISS is responsible for project management and implementation, procurement of professional data collection services, and data management for the MHR Exit Survey.

The Surveys

The survey is administered four times a year. Each quarter, the Ministry's Economic Analysis Branch creates a file of people to be contacted, which ranges from 3,000 to 6,000 cases. The survey is conducted over the telephone by a data collection firm, using a Computer Assisted Telephone Information (CATI) system, to ensure effective call management and question sequencing. Survey questions are close-ended and designed to gather information on respondents' activities since leaving income assistance. There are no opinion or attitude measurements in the survey.

Participation in the survey is completely voluntary. Notification letters are sent to everyone in the contact file to let them know about the survey project, to explain why it is being conducted, and to give them the opportunity to have their names removed from the interview list.

The Ministry interviews approximately one-third of the people who left income assistance in each quarter. Surveyors find they are unable to contact some former IA clients at the phone numbers they used when they were on income assistance. Former IA recipients are not required to inform the ministry of new addresses or phone numbers when they move.

Survey Schedule

	Q5 Spring 2003	Q6 Summer 2003	Q7 Fall 2003	Q8 Winter 2004
Period off IA	Oct 2002- Mar 2003	Jan 2003- Jun 2003	Apr 2003- Sep 2003	Jul 2003- Dec 2003
Draw Cohort	Early April	Early July	Early October	Early January
Survey Period	May - June	July - August	October - November	January - February
Analysis	July	September	December	March
Reporting	August	October	January	April

Summary, Continued

Income Ratios	
Single Men	3.7
Single Women	2.7
Couples	2.5
Two-Parent Families	1.8
Single-Parent Families	1.6
Overall	2.2

For survey respondents who worked at any time since leaving IA, 83 percent were employed in the service sector—17 percent in the goods sector. The most commonly reported occupations were in the areas of sales and service; business, finance, and administration; and trades, transport, and related occupations. Of those respondents who were not working when surveyed, 28 percent had been employed at some time since leaving IA.

Quarter 5 Respondents

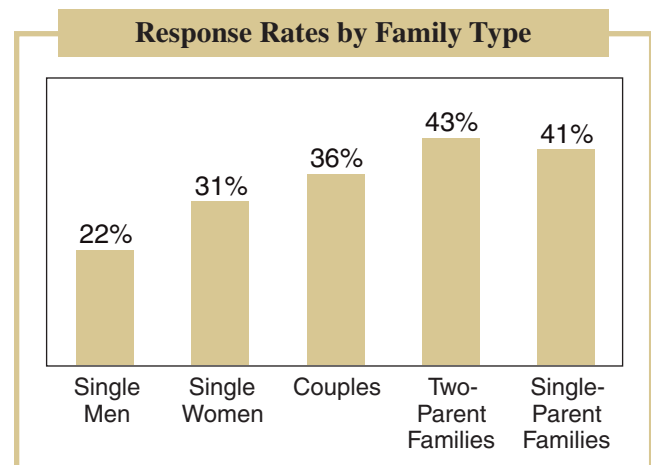
In April 2003, the Ministry prepared a file of 4,612 individuals who left income assistance the previous September and who did not return in the six-month period following. These former IA recipients were surveyed between May 8 and June 15, 2003.

Surveyors were able to contact 43 percent of the original survey file. Thirty-eight percent of former IA clients could not be contacted at the same phone number they had while on income assistance. A further 20 percent were unavailable for other reasons. A number of those contacted declined the interview—5 percent of the survey file—and a few were found to be ineligible for surveying, making the overall response rate 37 percent. Of those who were surveyed, a number had returned to income assistance; these

respondents were excluded from the analysis. This report is based on the responses of the 1,517 former IA recipients who completed the survey.

Survey Response		
Survey Cohort	4,612	100%
Phone Number Not Current	1,745	38%
Unavailable for Interview	905	20%
Total Contacts	1,962	43%
Declined Interview	238	5%
Ineligible	15	0.3%
Overall Response	1,709	37%
Back on IA	192	4%
Completed Interviews	1,517	33%

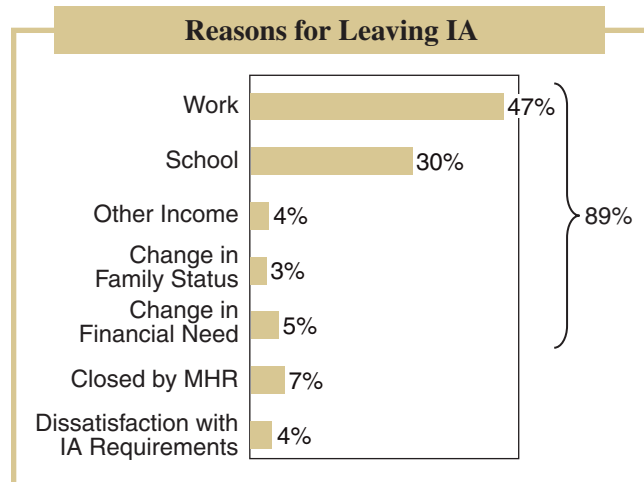
Single-parent families constituted the largest group among the survey respondents (48 percent). Single men were the next largest group, making up 22 percent of the total; single women followed at 18 percent. The highest response rates were from two-parent and single-parent families.



These response rates are similar to the rates for Quarter 1—the former IA recipients that were surveyed last spring and who left IA in September of 2001. In Quarter 1, the lowest response rate was for single men (24 percent), and two-parent families had the highest rate (43 percent).

Reasons for Leaving IA

Almost half (47 percent) of Quarter 5 respondents left income assistance for work. School was named by almost one-third of respondents as their main reason for leaving IA. The high proportion of people leaving IA to go to school reflects the fact that this group left IA in September. The results are similar to those from Quarter 1, where 35 percent reported leaving IA for school, but markedly different from the pattern of responses observed in quarters 2, 3 and 4.



Reasons for Leaving by Family Type

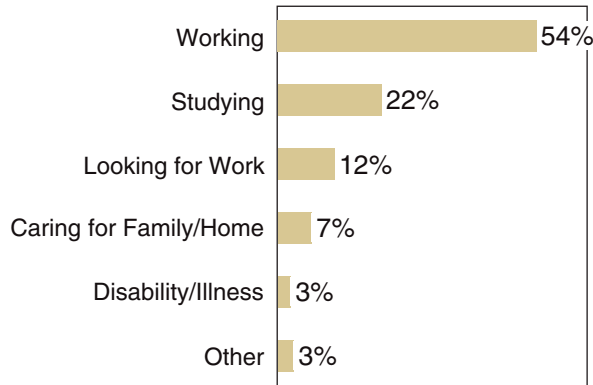
	Single Men	Single Women	Couples	2-Parent Families	1-Parent Families
Work	60%	56%	58%	43%	38%
School	17%	23%	7%	23%	41%
Other Income	3%	4%	12%	5%	3%
Change in Family Status	<1%	5%	2%	3%	4%
Change in Financial Need	5%	3%	5%	18%	4%
Subtotal	86%	91%	84%	92%	90%
Closed by MHR	9%	6%	9%	6%	6%
Dissatisfaction with IA Requirements	5%	4%	7%	3%	4%

In both Quarter 1 and Quarter 5, former IA recipients from single-parent families were the most likely to leave IA for school. In Quarter 5, 41 percent of single-parent family respondents left for school; this was low in comparison with the 55 percent of Quarter 1 single-parent families who said they left for school in September of 2001.

Activity and Household Income

In both Quarter 1 and Quarter 5, over half of those surveyed were working as their main activity: 52 and 54 percent respectively. A relatively high proportion of respondents who were not working reported studying as their main activity in both quarters: 25 percent for Quarter 1 and 22 percent for Quarter 5.

Main Activity at the Time of the Survey



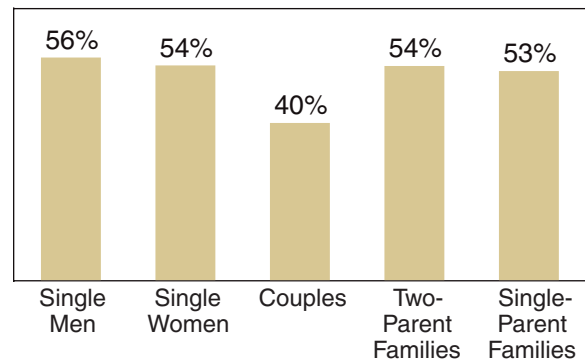
Although 22 percent of Quarter 5 respondents reported that studying was their main activity, 29 percent of respondents were in school or taking training at the time of the survey. Of those who were in school or studying, 48 percent were attending a community college or institute, 17 percent were at university, and 11 percent were in a university college—others were in trade or vocational schools, business schools, secondary schools, or other types of educational institutions.

Of those Quarter 5 respondents who did not have a job at the time of the survey, 28 percent had been employed at one time since they left income assistance. The comparable figure for those surveyed in Quarter 1 was 30 percent. Seven percent of Quarter 5 respondents were self-employed, as were 6 percent of Quarter 1 respondents.

Former income assistance recipients surveyed in Quarter 5 were asked to estimate their total monthly income from all sources, including income from

spouses. The following household income amounts are for all respondents, regardless of employment status or reason for leaving IA. The overall average was \$1,421. The average household income for two-parent families was the highest, at \$1,741. Single-parent families had an average income of \$1,517 per month, and single women averaged \$1,072.

Employed at the Time of the Survey



Employment Income

Employment income was calculated for respondents who left income assistance for work and who were not in school at the time of the survey. The average monthly earned income for these respondents in Quarter 5 was \$1,620. This is 2.2 times what they would have received on IA. Single men earned 3.7 times more than their maximum IA amount, while single women earned 2.7 times as much. Single-parent families earned, on average, \$1,482, which is 1.6 times the assistance they would have received.

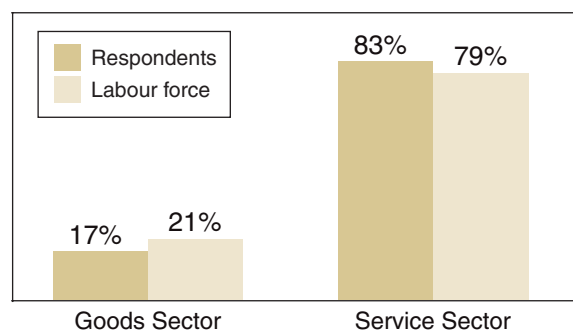
Average Monthly Earned Income and Maximum Income Assistance

Family Type	Average Earned Income	Maximum IA Amount	Ratio
Single Men	\$1,884	\$510	3.7
Single Women	\$1,370	\$510	2.7
Couples	\$2,122	\$840	2.5
Two-Parent Families	\$1,802	\$1,028	1.8
Single-Parent Families	\$1,482	\$909	1.6
Overall	\$1,620	\$722	2.2

Note: Earned income is the mean of income amounts <\$10,000 and >\$99 reported by respondents who left for work and who were not in school.

The average monthly earned income amounts were similar for Quarter 1 respondents who left for work and were not in school when surveyed. The overall average in Quarter 1 was \$1,731, compared to \$1,620 for Quarter 5. In both quarters, single men earned 3.7 times what they would have received on income assistance. In Quarter 1, the ratio of earnings to IA benefits for single women was 2.6; for two-parent families it was 2.1, and for single-parent families it was 1.8.

Employment by Sector for Former IA Clients and BC Labour Force

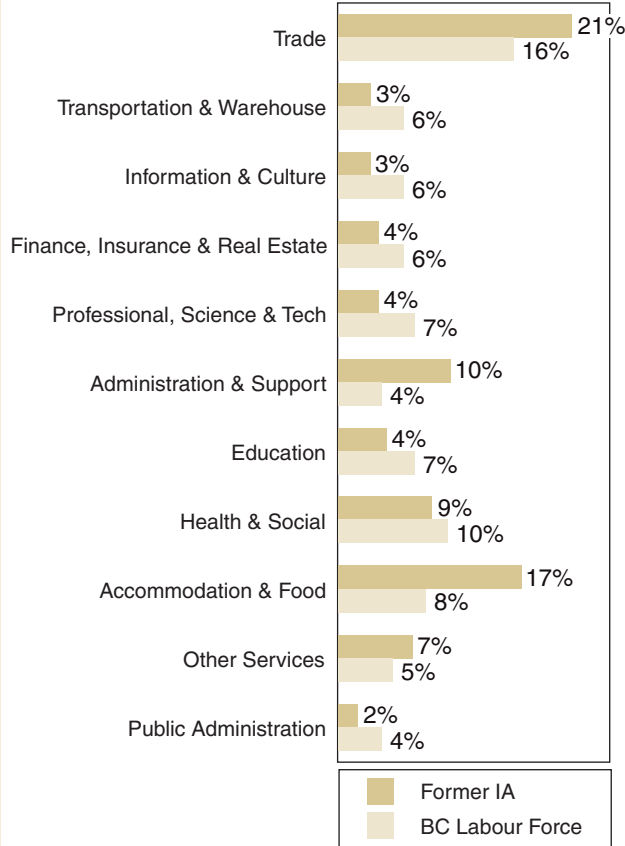


Occupations

The occupations of former income assistance recipients who were surveyed in Quarter 5 were compared with the occupations of the BC labour force, from Statistics Canada's May 2003 Labour Force Survey. That month, 79 percent of the BC labour force was employed in the service sector. In comparison, 83 percent of survey respondents who had worked at any time since leaving IA were working in the service sector. This result is similar to that of Quarter 1 respondents, who were surveyed in the spring of 2002: 81 percent were in the service sector.

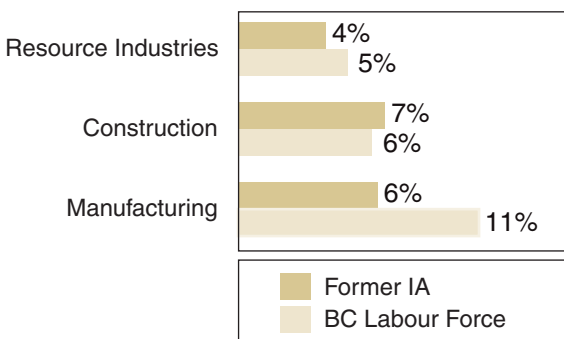
The largest percentage of respondents (21 percent) worked in the industry area of wholesale and retail trade; the next largest area was that of accommodation and food (17 percent). Former IA recipients worked in these areas—and in administration and support—in somewhat higher proportions than did people from the BC population. The pattern of industry-area employment of respondents compared with the BC labour force is virtually identical to that of the employment of Quarter 1 respondents and the 2002 labour force.

Service Sector Employment



Employment in the goods sector for survey respondents was close to what it was for the BC labour force, except that a smaller percentage of respondents were employed in manufacturing. The former IA recipients surveyed and the BC population worked in the resource industries (which include agriculture,

Goods Sector Employment



fishing, forestry, mining, oil and gas, and utilities) and the construction industry at about the same rates.

Former income assistance recipients who were employed at the time of the survey, or who had been employed since leaving, had a variety of occupations, although half (51 percent) were working in sales and service jobs. The area of business, finance, and administrative occupations and the area of trades, transport, and equipment operators each had 13 percent of respondents. Again, this pattern closely resembles the distribution of occupation types from Quarter 1.

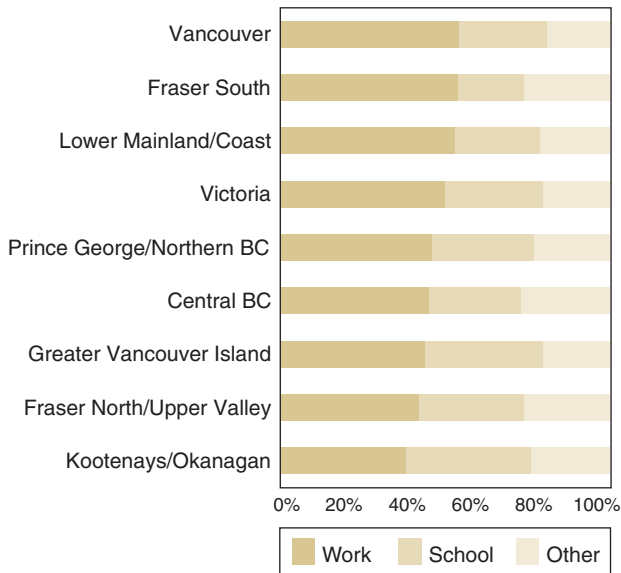
Occupation Type of Main or Most Recent Job

Sales and Service Occupations	51%
Business, Finance and Administrative Occupations	13%
Trades, Transport and Equipment Operators and Related Occupations Unique to Primary Industry	13%
Occupations Unique to Processing, Manufacturing and Utilities	5%
Occupations in Social Science, Education, Government Service	5%
Natural and Applied Sciences and Related Occupations	2%
Health Occupations	2%
Occupations in Art, Culture, Recreation and Sport	2%

Regional Variations

In Quarter 5, the Kootenays/Okanagan region had the highest percentage of former IA recipients who left for school: 38 percent. Greater Vancouver Island was the next highest at 36 percent. Survey respondents from the regions of Vancouver and Fraser South were the most likely to leave for work. In Quarter 1, Greater Vancouver Island had the highest percentage of those leaving for school, followed by Prince George/Northern BC.

Reasons for Leaving by MHR Region



For respondents who left IA for work and were not in school at the time of the Quarter 5 survey, earned income varied somewhat by region. The ratios of earned income to maximum assistance ranged from 1.7 for Kootenays/Okanagan to 2.7 for Vancouver.

Earned Incomes by MHR Region

