

## MHR Exit Survey—Summer 2003

### Summary

This is the sixth in a series of reports based on the BC Ministry of Human Resources quarterly surveys of former BC income assistance (IA) clients. The surveys provide information on the employment, earnings, and subsequent activity of people who leave IA and do not return within a six-month period. This report presents the results for Summer 2003 (Quarter 6), as well as some comparisons with findings from Summer 2002 (Quarter 2).

There were 803 former income assistance recipients surveyed in Quarter 6; two-thirds left IA for work, and 6 percent left for school or training. Another 15 percent left for reasons included a change in income, financial need, or family status.

At the time of the survey, 68 percent of the survey respondents were employed. The average earned income of those who left IA for work and who were not in school when surveyed was 2.1 times what they would have received on assistance. Earned income for single men was 3.6 times the maximum assistance available to them; for single-parent families the ratio was 1.6.

Reasons for Leaving IA	
Work	66%
School	6%
Other Income	4%
Change in Family Status	4%
Change in Financial Need	7%
<b>Sub-Total</b>	<b>87%</b>
Closed by MHR	9%
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

### Income Ratios

Single Men	3.6
Single Women	2.5
Couples	1.6
Two-Parent Families	1.9
Single-Parent Families	1.6
<b>Overall</b>	<b>2.1</b>

Of the survey respondents who worked at any time since leaving IA, 87 percent were employed in the service sector and 13 percent in the goods sector. The former IA recipients surveyed in Quarter 6 were somewhat less involved in goods industries than the BC labour force overall. The most commonly reported occupations were in the areas of sales and service; business, finance, and administration; and trades, transport, and related occupations.

## Quarter 6 Respondents

At the beginning of July 2003, the Ministry of Human Resources prepared a file of 2,281 former income assistance recipients who left IA in December 2002 and who had not returned in the following six-month period. These former IA recipients were surveyed between July 7 and August 22, 2003. Although the contact file was smaller in Quarter 6, typically fewer people leave IA in December than other months. The rate at which people left IA was the same for quarters 2 and 6. The survey results for the two quarters are also consistent.

The telephone surveyors were able to contact 44 percent of the original file. The other former recipients either were unavailable or could not be contacted at the same phone number as they had when they were on IA. Some people who were contacted declined the interview (7 percent), a few were found to be ineligi-

### Survey Response

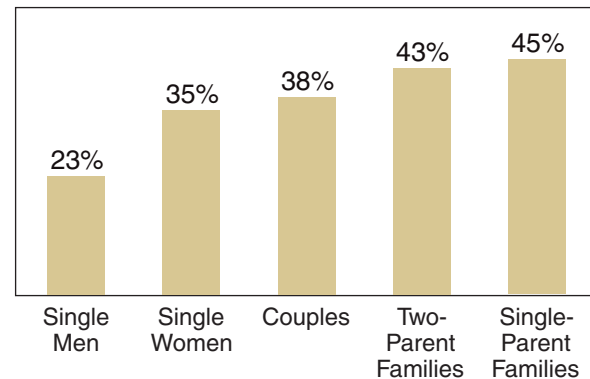
Survey Cohort	2,281	100%
Phone Number Not Current	973	43%
Unavailable for Interview	309	14%
Total Contacts	999	44%
Declined Interview	149	7%
Ineligible	5	0.2%
Overall Response	845	37%
Back on IA	42	2%
Completed Interviews	803	35%

ble for surveying, and 2 percent were back on income assistance. In total, 803 completed responses were obtained from eligible respondents—a response rate of 35 percent.

Of the survey respondents, single-parent families made up the largest proportion at 46 percent. Single men were the next largest group (22 percent), followed by single women (20 percent), two-parent families (9 percent), and couples (4 percent).

The response rates were highest for respondents from single-parent and two-parent families. Single men had the lowest response rate at 23 percent.

### Response Rates by Family Type



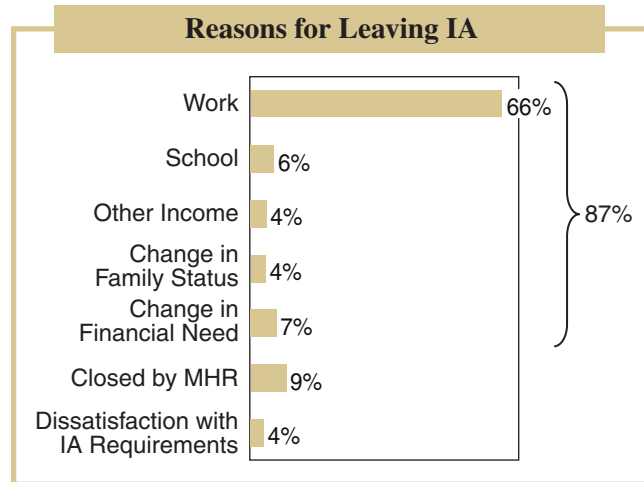
This is very similar to the response rate pattern observed a year ago in Quarter 2. The survey for Quarter 2 was conducted in the summer of 2002, with former recipients who left IA in December 2001. In Quar-

ter 2, two-parent and single-parent families had the highest response rates at 45 percent and 41 percent, respectively, followed by couples (36 percent), single women (32 percent), and single men (23 percent).

## Reasons for Leaving IA

Two-thirds of former income assistance recipients surveyed in Quarter 6 left IA for work, and 6 percent left for school. These figures are almost identical to those from Quarter 2.

Single-parent families surveyed in Quarter 6 were more likely to have left IA for work than those surveyed in Quarter 2: 67 percent versus 52 percent.



However, single women in Quarter 6 were less likely to have left income assistance for work than their Quarter 2 counterparts (66 percent versus 77 percent)

### Reasons for Leaving by Family Type

	Single Men	Single Women	Couples	2-Parent Families	1-Parent Families
Work	70%	66%	38%	58%	67%
School	5%	4%	0%	11%	7%
Other Income	5%	6%	14%	4%	2%
Change in Family Status	1%	4%	10%	1%	6%
Change in Financial Need	5%	7%	14%	17%	6%
<b>Subtotal</b>	<b>86%</b>	<b>87%</b>	<b>76%</b>	<b>92%</b>	<b>87%</b>
Closed by MHR	9%	11%	17%	8%	9%
Dissatisfaction with IA Requirements	5%	3%	7%	0%	4%

## Activity and Household Income

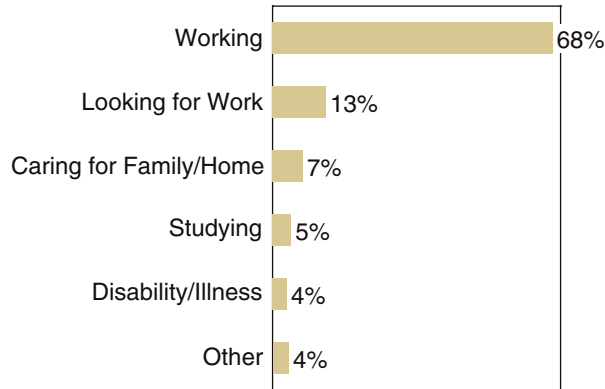
At the time of the Quarter 6 survey, 68 percent of respondents were working as their main activity—a further 13 percent were looking for work.

The survey results for “main activity” in Quarter 6 are very similar to the results for Quarter 2 respondents. In Quarter 2, 66 percent of respondents were work-

ing, 11 percent were looking for work, 9 percent were caring for family, and 5 percent were studying.

Although 5 percent of Quarter 6 respondents reported studying as their main activity, 10 percent were in school or taking training at the time of survey. Of these respondents, 35 percent were attending a college or institute, 10 percent were studying at

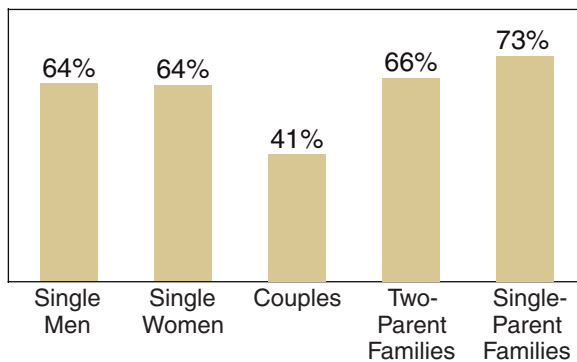
### Main Activity at the Time of the Survey



university, and 15 percent were at secondary school. The remaining respondents were studying or training at other types of public and private educational institutions.

Overall, 68 percent of respondents were employed at the time of survey. For single-parent families the rate of employment was 73 percent. This is significantly higher than the rate for Quarter 2 single-parent families, which was 59 percent.

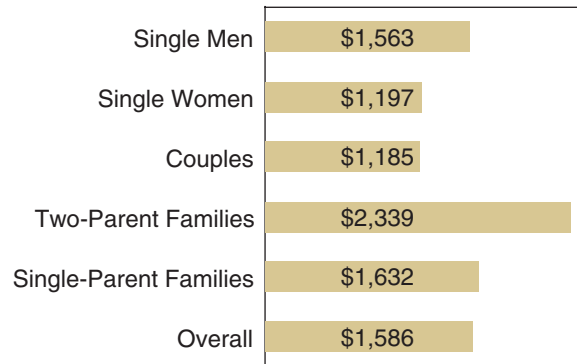
### Employed at the Time of the Survey



Of the Quarter 6 respondents who did not have a job at the time of the survey, 41 percent had been employed at some point since leaving IA. The comparable figure for Quarter 2 respondents was 45 percent.

The former income assistance recipients surveyed in Quarter 6 were asked to estimate their total monthly income from all sources, including income from spouses. The following household income amounts are for all Quarter 6 respondents, regardless of employment status or reason for leaving IA.

### Average Monthly Household Income



## Employment Income

The average monthly earned income for respondents who left income assistance for work and who were not in school at the time of the survey was \$1,553. Single women had the lowest average earned income, at \$1,293, although it was 2.5 times what they would have received on income assistance. Single-parent families with employment income earned 1.6 times the assistance they would have received.

The average monthly earned income for Quarter 2 respondents was \$1,800, and the overall ratio of earnings to IA benefits was 2.6. Quarter 6 single-parent families earned less than Quarter 2 single-parent families: \$1,485 versus \$1,813.

### Average Monthly Earned Income and Maximum Income Assistance

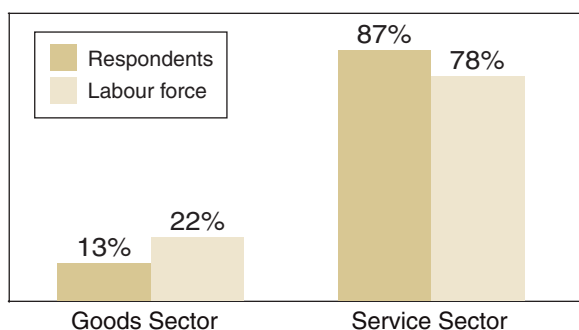
Family Type	Average Earned Income	Maximum IA Amount	Ratio
Single Men	\$1,812	\$510	3.6
Single Women	\$1,293	\$510	2.5
Couples	\$1,347	\$840	1.6
Two-Parent Families	\$1,905	\$1,028	1.9
Single-Parent Families	\$1,485	\$909	1.6
<b>Overall</b>	<b>\$1,553</b>	<b>\$744</b>	<b>2.1</b>

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.

## Occupations

The industry occupations of Quarter 6 former income assistance recipients were compared with the occupations of the BC labour force, using the July 2003 Labour Force Survey from Statistics Canada. In that month, 78 percent of the BC labour force was employed in the service sector. For MHR survey respondents, service sector employment was 87 percent and goods sector employment was 13 percent.

**Employment by Sector for Former IA Clients and BC Labour Force**

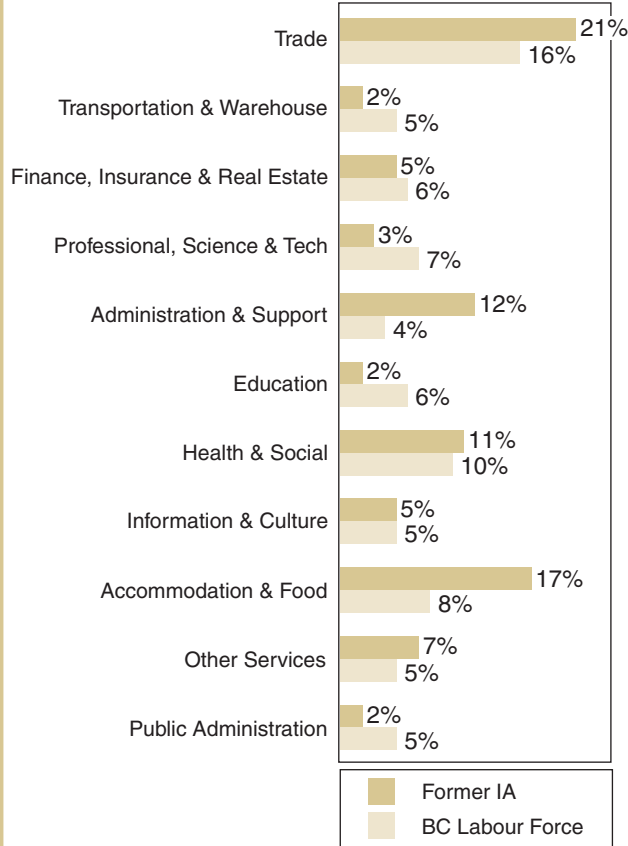


Quarter 6 survey respondents were more concentrated in the service sector than were their Quarter 2 counterparts. In Quarter 2, 81 percent of employed respondents were in the service sector and 19 percent were in the goods sector.

Those employed in the goods sector earn more, on average, than those in the service sector. In Quarter 6, respondents who were not in school and who left for work in the goods sector earned \$2,190 per month on average, compared with \$1,448 for those in the service sector.

The largest percentage of former IA recipients worked in wholesale and retail trade—21 percent; the accommodation and food services industry was next at 17 percent. Since the first quarter in the spring of 2002, the pattern of a higher concentration of former IA recipients being in the service sector than among the general BC Labour force has persisted. In particular, MHR survey respondents are more likely to be employed in trade, accommodation and food, and administration and support services.

### Service Sector Employment



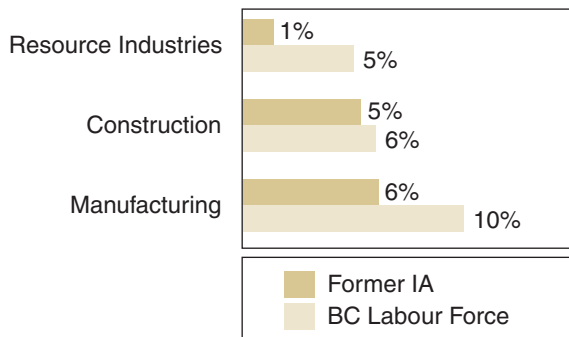
Survey respondents who worked at any time since leaving income assistance reported a wide variety of occupations, although 50 percent worked in sales and service positions. The next most popular areas are business, finance, and administration occupations and trades, transport, and equipment operators' positions. Again, this is a pattern that has been consistent across all survey quarters.

### Occupation Type of Main or Most Recent Job

Sales and Service Occupations	50%
Business, Finance and Administrative Occupations	15%
Trades, Transport and Equipment Operators and Related	15%
Occupations in Social Science, Education, Government Service	4%
Occupations Unique to Processing, Manufacturing and Utilities	4%
Health Occupations	4%
Occupations in Art, Culture, Recreation and Sport	3%
Occupations Unique to Primary Industry	2%
Natural and Applied Sciences and Related Occupations	1%
Management	0.2%

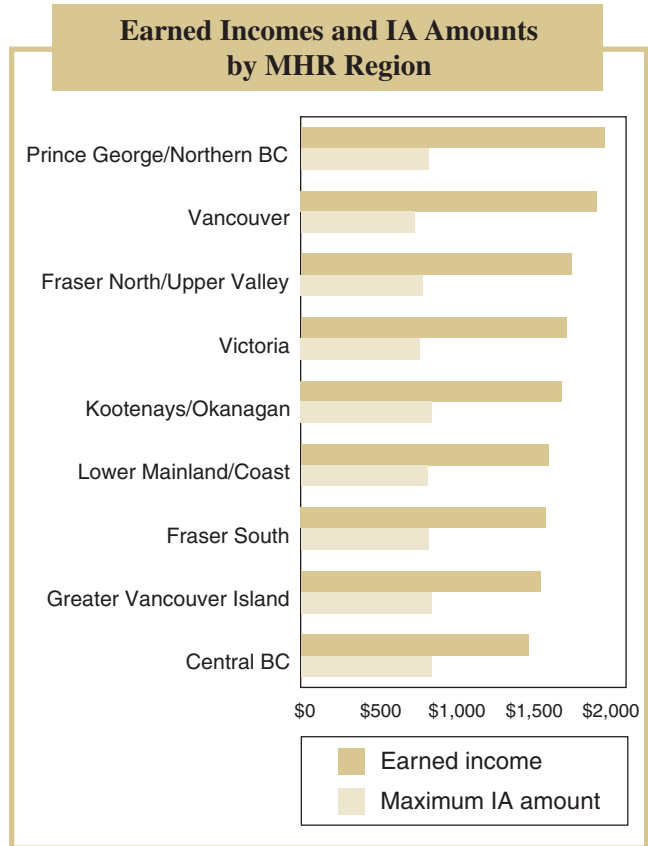
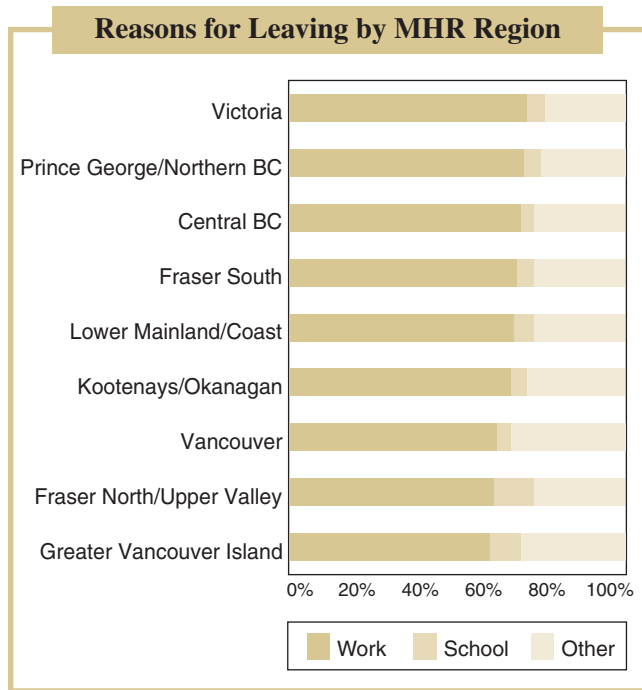
The former IA recipients surveyed in Quarter 6 were somewhat less involved in the goods sector than the BC labour force overall. (Resource industries include agriculture, fishing, forestry, mining, oil and gas, and utilities.)

### Goods Sector Employment



# Regional Variations

The reasons for leaving IA given by the former assistance recipients surveyed varied somewhat by MHR region. In Quarter 6 (as in Quarter 2), Victoria had the highest percentage of respondents leave for work (71 percent and 76 percent respectively).



For respondents who left income assistance for work and were not in school at the time of the survey, average monthly earned income ranged from \$1,808 in Prince George/Northern BC to \$1,355 in Central BC. The ratio of earned income to maximum income assistance available ranged from 2.6 in Vancouver to 1.7 in Central BC.