

## MHR Exit Survey—Fall 2003

### Summary

This is the seventh report on the results of the Ministry of Human Resources quarterly survey of former BC income assistance (IA) clients. The surveys, which began in the spring of 2002, provide information on the employment, earnings, and subsequent activities of people who leave IA and do not return within a six-month period. This report presents the results for Fall 2003 (Quarter 7), as well as some comparisons with the findings from Fall 2002 (Quarter 3).

There were 991 former IA recipients surveyed between October and November 2003. This group left income assistance the previous March and had not been back on IA from that time to the end of September 2003.

Seventy percent of these former clients left IA for work and an additional 4 percent left for school or training. Another 12 percent left for reasons including a change in income, financial need, or family status. At the time of the survey, 65 percent of respondents were employed.

#### Reasons for Leaving IA

Work	70%
School	4%
Other Income	4%
Change in Family Status	3%
Change in Financial Need	5%
<b>Sub-Total</b>	<b>86%</b>
Closed by MHR	9%
Dissatisfaction with IA Requirements	5%

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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 surveyed former income assistance recipients on a quarterly basis between the spring of 2002 and the fall of 2003. The Fall 2003 (Quarter 7) survey will be the last in the series.

Surveys collected information on the employment and earnings of people who left income assistance and who did not return within a six-month period. The reports of survey findings presented an overview of what the former clients who were surveyed were doing when they were no longer receiving income assistance. Results from the surveys have been consistent from quarter-to-quarter.

The Centre for Education Information (CEISS) assisted in designing and managing the project. CEISS was a research organization that provided outcomes research, reporting, and data warehousing services. CEISS was responsible for project management and implementation, procurement of professional data collection services, and data management for the MHR Exit Survey. CEISS will be closed as of March 31, 2004.

## The Surveys

Surveys were administered four times a year; seven times in total. Each quarter, the Ministry's Economic Analysis Branch created a file of people to be contacted, which ranged from about 3,000 to 6,000 cases.

Each survey was 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 were close-ended and designed to gather information on respondents' activities since leaving income assistance. There were no opinion or attitude measurements.

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

The Ministry interviewed approximately one-third of the people who left income assistance in each quarter—over 9,100 former IA recipients over the seven surveys. Surveyors found they were 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.

The average earned income for respondents who left IA for work and who were not in school at the time of the survey was 2.4 times what they would have received on assistance. Single men earned, on average, 4.3 times the maximum assistance available to them, while single parent families earned 1.7 times their maximum assistance amount.

Income Ratios	
Single Men	4.3
Single Women	2.7
Couples	2.2
Two-Parent Families	2.0
Single-Parent Families	1.7
<b>Overall</b>	<b>2.4</b>

Of the survey respondents who were employed at any time since leaving IA, 80 percent were employed in the service sector, and 20 percent worked in the goods sector. The most commonly reported occupations included sales and service; trades, transport, and related occupations; and, business, finance and administration.

## Quarter 7 Respondents

This seventh group of former IA clients was surveyed between October 20 and November 30, 2003. They left income assistance in March 2003 and had not been back on IA from that time to the end of September 2003.

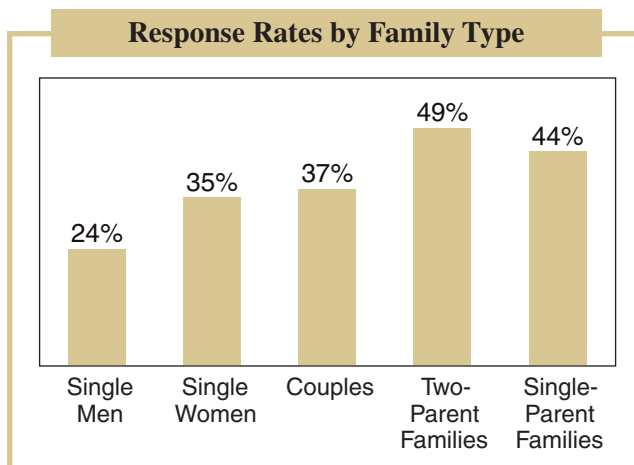
On October 7, 2003, the Ministry prepared a file of the 2,827 former income assistance recipients to be surveyed. Telephone surveyors were able to contact 45 percent of the original file. The other former recipients either were unavailable or could not be contact-

ed at the same phone number they had when they were on IA. Seven percent of former IA recipients on the original file declined the interview, a few were found to be ineligible for surveying, and 2 percent were back on IA. In total, 991 completed responses were obtained from eligible respondents – a response rate of 35 percent.

Survey Response		
Survey Cohort	2,827	100%
Phone Number Not Current	1,241	44%
Unavailable for Interview	314	11%
<b>Total Contacts</b>	<b>1,272</b>	<b>45%</b>
Declined Interview	212	7%
Ineligible	9	0.3%
<b>Overall Responses</b>	<b>1,051</b>	<b>37%</b>
Back on IA	60	2%
<b>Completed Interviews</b>	<b>991</b>	<b>35%</b>

Of the survey respondents, single-parent families made up the largest proportion at 40 percent. Single men were the next largest group (27 percent), followed by single women (18 percent), two parent families (12 percent), and couples (3 percent).

Response rates by family type have followed a consistent pattern throughout the survey project – single men have tended to have the lowest response rates, while two-parent and single-parent families have had



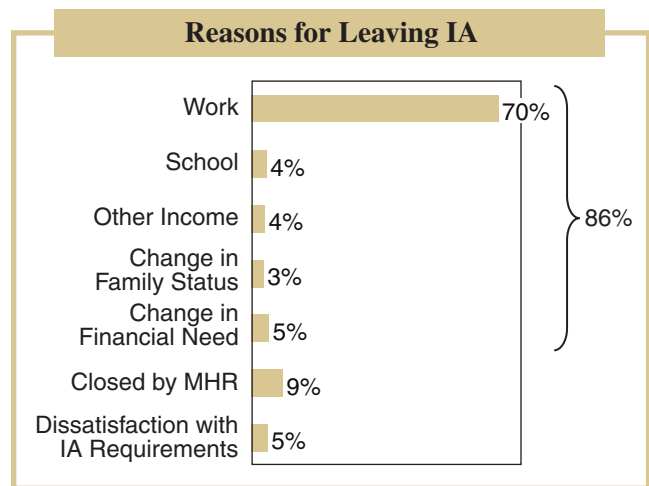
the highest response rates each quarter. Quarter 7 was not an exception to this pattern, with 24 percent of single men responding, compared to 44 percent of single-parent families and 49 percent of two-parent families.

Like Quarter 7 respondents, Quarter 3 respondents, who were surveyed in the fall of 2002, left IA in the month of March. In Quarter 3, two-parent and single-parent families had the highest response rates at 51 percent and 42 percent, respectively, followed by couples (36 percent), single women (35 percent), and single men (27 percent).

## Reasons for Leaving IA

Former clients were asked if they had left income assistance for work, and if not, what other reasons they had for leaving. Seventy percent of former income assistance recipients surveyed in Quarter 7 left IA for work. This is consistent with the figure for Quarter 3, when 67 percent of respondents left for employment.

Throughout the survey project, single men have consistently been the most likely to leave IA for work. In Quarter 7, over three-quarters of single men left IA for work. Single-parent families surveyed in Quarter



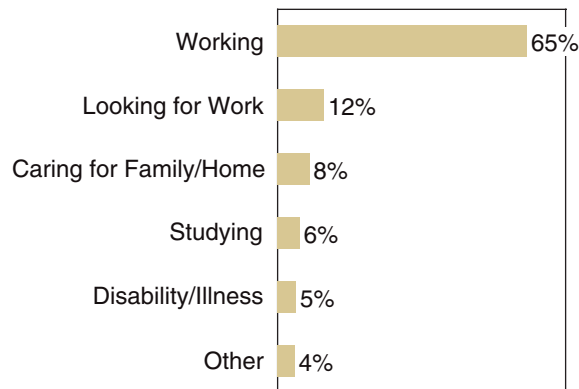
7 (67 percent) were more likely to have left for work than their counterparts in Quarter 3 (51 percent). In Quarter 3, 15 percent of single-parent families left IA for school and a further 11 percent left because of a change in family status.

## Activity and Household Income

At the time of the survey, 65 percent of respondents were working as their main activity—a further 12 percent were looking for work. This is almost identical to Quarter 3, when 66

	Single Men	Single Women	Couples	2-Parent Families	1-Parent Families
Work	78%	67%	56%	67%	67%
School	1%	4%	3%	2%	8%
Other Income	3%	5%	16%	3%	3%
Change in Family Status	2%	2%	3%	5%	5%
Change in Financial Need	3%	8%	3%	8%	4%
<b>Subtotal</b>	<b>86%</b>	<b>85%</b>	<b>81%</b>	<b>84%</b>	<b>88%</b>
Closed by MHR	10%	8%	19%	11%	7%
Dissatisfaction with IA Requirements	5%	7%	0%	5%	4%

### Main Activity at the Time of the Survey



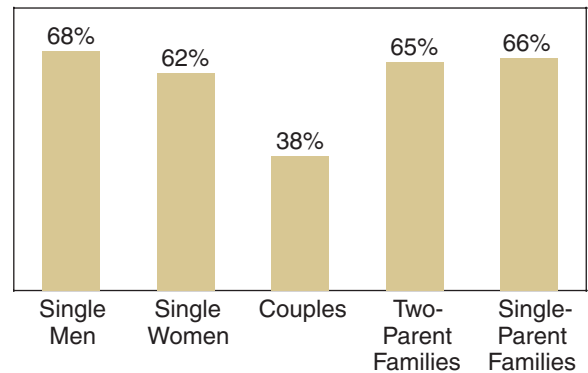
percent of respondents were working as their main activity, and 13 percent were looking for work. Eighty-five percent of those Quarter 7 respondents who were working were employed as paid workers, the remaining 15 percent were self-employed.

Other main activities for those Quarter 7 respondents who were not employed at the time of the survey included caring for a home and family (8 percent) and studying (6 percent).

Although 6 percent of Quarter 7 respondents reported studying as their main activity, 14 percent were in school or taking training at the time of the survey. Of these respondents, 40 percent were studying at a college or institute, 17 percent were at secondary school, and 9 percent were at a business or commercial school.

Employment rates by family type were fairly consistent between Quarters 3 and 7. In Quarter 3, 69 percent of single men were employed, 63 percent of single women, 54 percent of couples, 67 percent of two-parent families, and 65 percent of single-parent families.

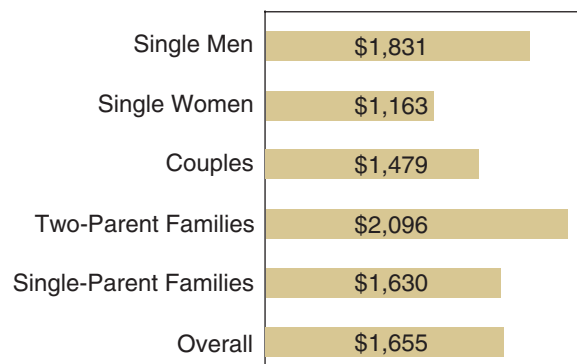
### Employed at the Time of the Survey



Of the Quarter 7 respondents who did not have a job at the time of the survey, 46 percent had been employed at some point since leaving IA. The comparable figure for Quarter 3 respondents was 50 percent.

The former income assistance recipients surveyed in Quarter 7 were asked to estimate their total monthly income from all sources, including income from spouses. The following household income amounts are for all Quarter 7 respondents, regardless of employment status or reason for leaving IA.

### Average Monthly Household Income



# Employment Income

The average monthly income for Quarter 7 respondents who left IA for work and who were not in school at the time of the survey was \$1,778; this was 2.4 times the assistance they would have received. Single men earned 4.3 times more than their maximum IA amount, while single

women made 2.7 times as much. Single-parent families earned 1.7 times the amount they would have received on income assistance.

For Quarter 3 respondents, the average monthly earned income was \$1,914, and the overall ratio of IA to benefits was 2.9.

## Average Monthly Earned Income and Maximum Income Assistance

Family Type	Average Earned Income	Maximum IA Amount	Ratio
Single Men	\$2,200	\$510	4.3
Single Women	\$1,377	\$510	2.7
Couples	\$1,868	\$840	2.2
Two-Parent Families	\$2,050	\$1,028	2.0
Single-Parent Families	\$1,528	\$909	1.7
<b>Overall</b>	<b>\$1,778</b>	<b>\$732</b>	<b>2.4</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.

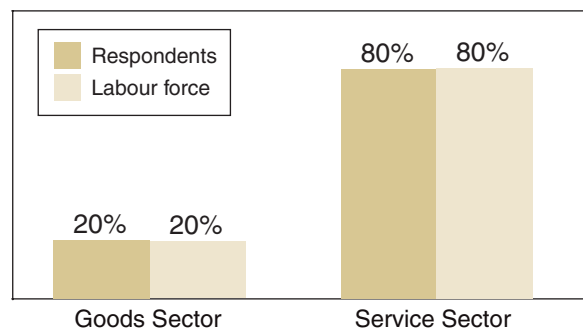
# Occupations

Of the Quarter 7 respondents who had worked at any time since leaving IA, 80 percent were employed in the service sector and 20 percent in the goods sector. This is identical to the distribution of the BC labour force across the two sectors, according to the November 2003 Labour Force Survey from Statistics Canada.

Quarter 7 survey respondents were more concentrated in the service sector than were their Quarter 3 counterparts. In Quarter 3, 73 percent of employed respondents were in the service sector and 27 percent were in the goods sector.

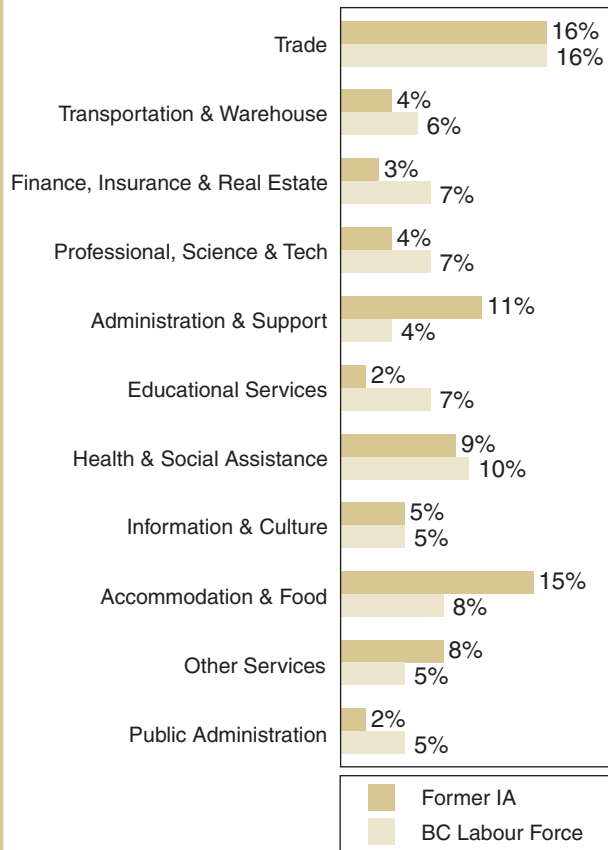
The types of employment found by former IA recipients surveyed in Quarter 7 followed the same pattern

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



observed in Quarter 3. In both of these quarters, the highest percentages of respondents worked in wholesale and retail trade, the accommodation and food industry, and in administration and support positions.

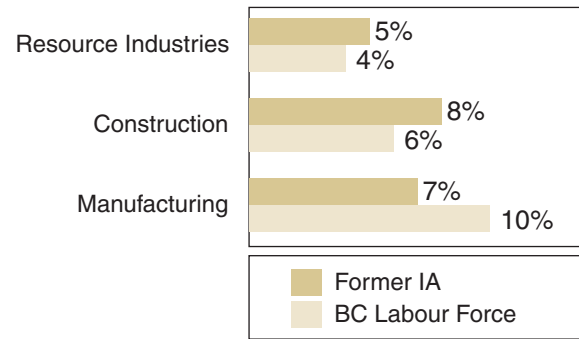
### Service Sector Employment



A lower proportion of employed respondents were working in the construction sector in Quarter 7 (8 percent) than in Quarter 3 (12 percent). Employment in resource industries was consistent between Quarter 7 (5 percent) and Quarter 3 (4 percent). Resource industries include agriculture, fishing, forestry, mining, oil and gas, and utilities.

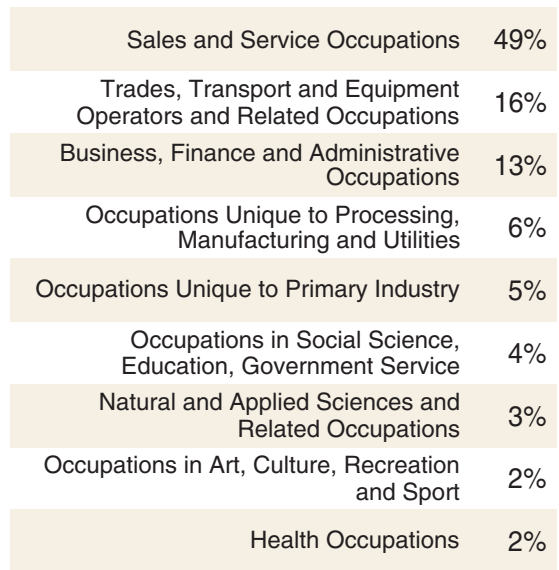
About half of Quarter 7 respondents who worked at any time since leaving IA were employed in sales and service related occupations. A wide variety of other occupations were also reported by those respondents who had worked since leaving IA. The next most popular areas were trades, transport, and equipment

### Goods Sector Employment



operators' positions (16 percent), and business, finance and administrative occupations (13 percent). Again, this is a pattern that has been consistent across survey quarters.

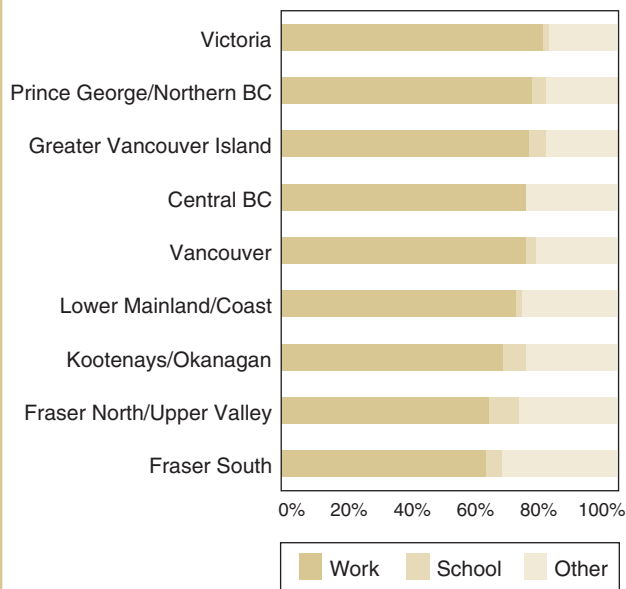
### Occupation Type of Main or Most Recent Job



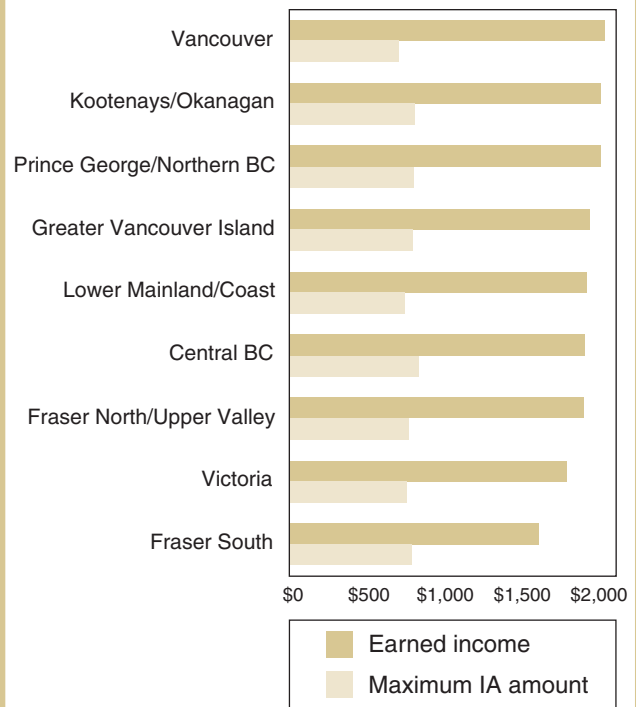
# Regional Variations

Respondents' reasons for leaving income assistance varied somewhat by MHR region. In Quarter 7, Victoria had the highest percentage of respondents leave for work (78 percent), while Fraser North/Upper Valley had the highest rate of former IA recipients leaving for school (9 percent).

**Reasons for Leaving by MHR Region**



**Earned Incomes and IA Amounts by MHR Region**



There was some variation in average earned income across regions for respondents who left income assistance for work and who were not in school at the time of the survey. The average earned income ranged from \$1,914 in Vancouver to \$1,513 in Fraser South. The ratio of earned income to maximum income assistance available ranged from 2.9 in Vancouver to 2.0 in Fraser South.