

**Welfare to what?**

**After Workfare in Toronto**

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### **Abstract**

An employment survey among people in Toronto who left *Ontario Works* - a classic 'Work First' regime - shows clear secondary labour market status. Most interventions typical of 'Work First' programs did not have a positive effect on job quality: contrary to the 'stepping stones' theory that poor initial jobs lead to better jobs, those who changed jobs after leaving assistance experienced poorer job quality. A shift in orientation to 'sustainable employment' is required to address the employment needs of those on social assistance. Policy must also address the fact that the social assistance caseload includes a sizeable group that face significant barriers to employment other than education or skills.

# **Welfare to what?**

## **After Workfare in Toronto**

### ***Introduction***

*Ontario Works*, the name given to the work-based public assistance program in Ontario, was introduced by a newly elected neoliberal provincial government, beginning in 1997. As a central pillar in the party's election manifesto, the concept of workfare was imported from earlier welfare reform initiatives in the United States, which had been designed to divert claimants away from systems of 'passive' income support in the direction of 'active' labour market engagement.

This paper builds on the results of a follow-up survey of former welfare recipients in the City of Toronto to assess the quality of employment they experienced in the period immediately following their leaving welfare, and to explore the factors that impact on the quality of that employment. This is an issue of critical importance given the increasingly unequal labour market outcomes in Canada, as reflected in a growing income and employment gap between those at the bottom, and everyone else (Heisz, Jackson and Picot: 2002).

Historically, many social assistance recipients in Canada have typically exited welfare primarily for the lower reaches of the labour market. However, they did so in earlier times in the context of a more forgiving welfare system and a less unequal labour market,

where low end jobs were not at such distance from the mainstream. Canada's increasingly unequal labour market, and the ever-growing income and employment gap may signal greater difficulty for former social assistance recipients to sustain themselves and their families in the labour market and to move up out of lower quality employment. The consequences are severe for goals of social inclusion and cohesion.

### ***The International Context***

Among western industrialised countries there has been a widespread move in recent years from so-called 'passive' to 'active' social assistance programs (OECD, 2002). Associated with this has been a restructuring of social assistance away from programs of entitlement based on need, towards ones with an explicit welfare-to-work orientation, designed directly to increase the short-term employability of the unemployed. The United States pioneered this new form of welfare, but in recent years countries as diverse as Sweden, Finland, Denmark, Austria, France, Germany, The Netherlands, Switzerland, Great Britain, Israel, Australia, New Zealand, and Canada have adopted similar reforms (Gorlick and Brethour, 2002; HRDC, 2000, Lightman, 2003, Gal, 2004).

While there is no single model of 'active' labour market policy, there is an emerging orthodoxy around certain common elements, including making benefits conditional upon job search and/or a demonstrated willingness to improve employability (OECD, 2002). However, countries and programs exhibit a certain 'path dependency', in that "established institutional arrangements significantly constrain the scope and trajectory of reform" (Brenner and Theodore, 2002: 361). Thus some - typically the social democratic welfare states - tend to favour models emphasising voluntarism and longer-term human

capital development, while among neo-liberal states, including Canada (Esping-Andersen, 1990), there is a convention solidifying around 'work-first' approaches with a consequently greater priority placed upon rapid labour force attachment through mandatory participation in job search and related activities (Peck, 1999; Gorlick and Brethour, 2002; Daguerre, 2004).

'Work first' programs are distinguished by a set of beliefs about labour markets and welfare recipients: they tend to favour explanations of poverty and unemployment that stress individual failings such as deficient education or work experience, and/or moral failings such as dependency or poor work habits, while they downplay structural variables such as labour demand or the structure of employment opportunities (Peck and Theodore, 2000). The priority is on the first entry into the labour market - 'any job is a good job' crudely speaking, as welfare recipients are believed to stand a better chance of obtaining 'good' jobs if they are already working. As a result, programs stress the 'shortest route to paid employment' and rely on low-cost and short-term interventions to *compel* participants to enter the labour market as rapidly as possible. Typically, programs include activities such as job-search, job-clubs, resume and interview skills workshops, work-for-welfare programs, job placement and basic education. Less emphasis is placed on longer term and higher cost interventions such as education and skills training (Gray, 2003; Gorlick and Brethour, 2002, HRDC, 2000).

In the U.S., welfare reform has for some time been accompanied by a substantial research and evaluation effort, a process which only escalated when AFDC was replaced with

Temporary Assistance to Needy Families (TANF). At first glance, this large research literature suggests the success of ‘work first’ approaches (Friedlander, Riccio and Freedman, 1993; Friedlander and Burtless, 1995; Hamilton, 2002). Yet, beneath the headline figures, the concrete outcomes of ‘work first’ programs are frequently revealed as modest, as the literature tends to confirm the marginal employment conditions of most of those in welfare-to-work programs (Brauner and Loprest, 1999; Moffitt, 2002, Lichter and Jayakody, 2002, Scott et al 2004).

In Canada, a major federal initiative, the Canada Health and Social Transfer (CHST) of 1995, allowed provinces to experiment with welfare reform free of federal restrictions (apart from a prohibition on residency requirements). This led provinces to opt for models promising quick results in terms of reduced welfare rolls and spending (Gray, 2003; Gorlick and Brethour, 2002). Proximity to the U.S., the example set by their experience with welfare-to-work programs and the extensive evaluation literature which spoke to the supposed successes of those programs, led provinces to emulate U.S.-style ‘work first’ models (Gorlick and Brethour, 2002).

Evaluation of the Canadian experiments with welfare reform is severely limited (Frenette and Picot, 2003; HRDC, 2000, Ford et al, 2003). That said, similar findings to the U.S. evaluations have emerged. For example, one national review of employment strategies for social assistance recipients concluded that “for clients who have weak educational backgrounds and who encounter family/personal barriers, these (labour force attachment programs) alone may not result in wage increases that raise them out of poverty and into

self-sufficiency... Moreover, many without such barriers also find difficulty moving towards self-employment” (HRDC, 2000: 13).

In Ontario welfare ‘reform’ found expression in the ‘Common Sense Revolution’, the 1995 election blueprint of the Progressive Conservative Party, which pledged to break the “cycle of dependency” by “requiring all able bodied recipients... either to work or be retrained in return for their benefits” (Ontario PC 1994). The operational outcome was *Ontario Works (OW)*, a classic ‘work-first’ program. Though the employment assistance component of Ontario Works includes a variety of options such as community participation (unpaid work-for-welfare), job search or literacy training, the clear priority, emphasized repeatedly, is on rapid labour market entry: the first and governing principle is “determining and taking steps that represent the shortest route to paid employment...” (Ontario 1999a). To the limited extent that programs of education and training are available, referral depends on such programs representing the ‘shortest route to paid employment’ (Ontario 1999b).

Though Ontario was arguably the most radical of the provinces in its welfare reforms, outcome research is essentially non-existent, except for two (1996 and 1998) province-wide telephone surveys of welfare leavers (Ontario 1998). These studies were limited to descriptive reviews of the current employment circumstances of welfare leavers and did not attempt to examine the correlates of labour market outcomes, a limitation the present paper seeks to address.

## ***The Toronto Social Services Welfare Leavers Survey***

In 2001, the City of Toronto commissioned its own telephone survey of welfare leavers. A random sample of 3,335 potential respondents was drawn from those who had left the caseload between January and March 2001, and 804 interviews were successfully completed in November and December of that year. The survey explored a range of subjects including the reasons for leaving assistance, initial and current job characteristics and material hardships experienced both on and off social assistance. (When exploring jobs after welfare, respondents were asked to answer about the *main job* held by either the respondent or the spouse. The main job was the one that had either the most hours or paid the most money.) Surveys could be conducted in either English or French, although only one interview was conducted in French. Household interpreters completed a further twenty-seven interviews (City of Toronto, 2002).

## ***Life After Welfare***

Perhaps the most important single question is whether ‘Work First’ reforms lead to employment outcomes. Approximately 56 per cent of the respondents to the Toronto survey reported that they left assistance for either their own, or a spouse’s, “employment-related reasons” (which included beginning a new job or returning to a previous job, obtaining a better job, or getting a raise, promotion or more hours of work). A further 11 percent left for what may be loosely termed “system reasons”: ineligibility, didn’t want to stay on assistance, or had difficulties with the bureaucracy. The remainder reported leaving for other reasons including receiving another government benefit (8 percent), family or household reasons (6 percent) or starting school (6 per cent).

A similar study undertaken in 1997 by Toronto Social Services had found that 43 percent of people left for employment, compared to 57 percent for non-employment-related reasons. The apparent improvement in results in 2001 was probably the result of a much stronger economy. The incomes of former recipients also increased in 2001 over the 1997 results, although increases in the costs of living, particularly housing, likely erased much of these gains (City of Toronto, 2002).

### **Quality of employment**

Over a decade ago the Economic Council of Canada identified the growth in “non-standard” employment - temporary jobs, part-time employment, own-account self-employment and multiple job-holding - and the quality of employment in the growing service sector of the economy as significant concerns (Economic Council 1990). Since then, the concept of non-standard employment has been given greater nuance and extended into concepts such as ‘precarious employment’ and ‘vulnerable workers’ which incorporate issues of low pay, access to non-wage benefits and degree of regulatory protection (Cranford et al, 2003, Jackson, 2003, Saunders, 2003).

Many of the dimensions of vulnerable employment were characteristics of the jobs that typically faced the welfare leavers in our survey. Post-welfare employment stability was modest. By the date of the survey (8 to 10 months after leaving Ontario Works), seventeen percent of the original sample had returned to the caseload. Of these, 31 percent returned due to illness or disability, 20 percent following job loss, twelve percent

were unable to find a job, ten percent as a result of financial difficulties and eight percent due to changes in family circumstances.

Of those who initially left assistance for employment (n=435), 84 percent were currently employed at the time of the interview, seventy percent in the same job as they left assistance for and 14 percent in a different job. The remaining sixteen percent were not working, but had worked since leaving assistance. That is, nearly one-third (30%) of those who had left social assistance for employment-related reasons had either changed jobs, or lost that job and were not working at the time of the survey. Just under half (48%) of those who left their first job after welfare gave a reason for leaving, and these were primarily involuntary: a contract ended, they were laid off or fired (40 percent) or the business relocated (2 percent). A further 16 percent said they quit their job, and illness was reported by 4 percent.

Of those who left assistance for non-employment reasons (n=339), 40 percent were currently employed, 9 percent were not employed but had worked at some point since leaving assistance, and 51 percent had not worked since leaving assistance.

In sum, just over half of all respondents had left welfare for employment reasons, and at the time of the interview nearly two-thirds of the respondents were employed. Another 13 percent were not currently employed, but had worked at some point since leaving assistance, and 22 percent had not worked at all.

## TABLE 1 GOES ABOUT HERE

Respondents generally fared worse than the overall Ontario adult labour force (age 25+) when compared on a number of indicators of job quality (Table 1) Thirty percent of respondents were in jobs that they understood as temporary – seasonal, contract or casual – a rate over four times that for the total Ontario labour force in 2001. As well, just over a quarter of respondents employed at the time of the survey (28%) were working only part-time, more than double the rate (13%) for the entire province.

Limited hours were common: although, on average, welfare leavers had only slightly fewer hours of work (36) than across Ontario generally (38), nearly a quarter (23 %) of them had less than 30 hours of work per week, compared to 13 percent of employed adults in the total province.

Median hourly earnings among those currently employed were substantially below those of adult employees in the province as a whole (\$10 versus \$18). Over a third (37%) of those currently employed earned less than \$10 per hour, an informal but widely-accepted threshold for the ‘working poor’: this rate is roughly three times that for the entire province (13%). Twenty-eight percent earned over \$14 per hour, far below the 67 percent of Ontario earners at this level.

Median weekly earnings for the respondents were 55 percent of those for the province (\$385 compared to \$692). Over half had weekly earnings of less than \$400 compared to

under one-quarter of adult employees in Ontario. Only about 12 percent of those who left welfare had weekly earnings at or above the provincial median.

### **Job changes and mobility**

Job mobility, if voluntary, is generally assumed to be desirable, as those moving are presumably doing so for reasons of self-improvement: initial jobs upon leaving welfare may be bad jobs, representing a foothold from which people might move up to better jobs. However, when mobility is forced, such as follows from dismissal or layoff, the implications are less clear.

In an attempt to determine whether mobility of welfare leavers was a positive or negative process, we explored the employment trajectories of the respondents. We compared a number of indicators of job quality between the first jobs and the current jobs (where these differed) among those who had left assistance for employment. Though the detailed results are not reported here, in no case were the differences statistically significant. It appears that those who changed jobs didn't improve their job situation significantly over those who remained in their initial job. (It should be noted that the time frame was too short to fully assess the possibilities for upward mobility, and the number of respondents was small.)

An examination of the distributional statistics (mean, median, standard deviation) suggests that job changers' current jobs are more heterogeneous than their first jobs. The spread, between the initial and current job, increases for average and median weekly

hours, hourly wages and weekly earnings, as well as for the standard deviations. Access to specific non-wage benefits also shows a definite tendency towards greater dichotomization, with a decline in the percentage reporting one or two of four named benefits (drugs; dental/medical; pension; paid vacation), and an increase in those reporting all four non-monetary benefits.

The increasing average earnings, with a falling median, and the more polarized benefits suggests that job changers are dichotomized between those who successfully make transitions to better jobs, and those for whom such transitions result in downward movements to worse jobs.

### **Do education and training pay off?**

The respondents in the sample - as well as the social assistance caseload generally - tend to have lower levels of education than the adult population of Ontario as a whole. Nearly 30 percent of the welfare leavers had less than a high school education, compared to 22 percent of the overall population of Toronto. Fifty-seven percent of the adult population of Ontario have post-secondary education or greater, compared with 43 percent of the leavers. Nevertheless, fully 30 percent of our sample had completed a post-secondary education.

The alternative to a 'work first' welfare-to-work program is one that emphasises education and skill development in preference to rapid labour force attachment. The reasoning is based on the straightforward human capital argument that with a stronger

skill set former recipients are in a better position to maintain employment and graduate to better jobs, thereby making recidivism less likely.

The data provide some support for this hypothesis, as shown in Table 2.

#### TABLE 2 GOES ABOUT HERE

As the level of education rose, respondents were more likely to have had stronger attachment to the labour market, a correlation that was highly significant. Hourly and weekly earnings were positively associated with education and were statistically significant. Weekly hours were not associated with education, suggesting that education had an impact on hourly earnings rather than weekly hours of work.

The improved job quality that comes with higher education and improved skills should be associated with lower levels of recidivism. There is some support for this hypothesis as well, as shown in Table 3: There was a significant negative association between the level of education and the likelihood of being back on assistance at the time of the interview.

#### TABLE 3 GOES ABOUT HERE

Not surprisingly, the reason for leaving assistance was also associated with recidivism, with those leaving for employment reasons less likely to have returned at the time of the interview than those who left for non-employment reasons (particularly social assistance

system reasons, family or household reasons, or receipt of another government benefit). This is a significant finding when placed in the context of welfare reforms that seek to reduce caseloads through stricter eligibility and enforcement practices (Herd et al, 2005). The data indicate that for many this simply results in a later return to assistance.

Larger families were less likely to return to assistance, and singles and single parents more likely to return, compared to couple families. The presence and number of young children did not affect recidivism.

### **Factors Affecting Employment Quality**

While many respondents experience lower quality employment in general, this is not true of all respondents. A minority managed to enter better paid and stable jobs. It is of considerable interest which, if any, factors are associated with improved job quality. To explore this, a multivariate model was used which enabled us to explore the independent impact of a number of distinct variables on job quality (measured with an index that included hourly wages, weekly hours and access to non-wage benefits).

The reason for leaving assistance, and demographic variables such as age and gender, were not associated with later job quality, but those leavers with higher levels of education had significantly higher quality. Those born outside Canada, however, experienced lower job quality when other factors such as age, sex, and especially education were controlled for.

Emphasising the initial transition into employment is an approach based on a ‘stepping stone’ theory, predicting that once in the labour market people will acquire additional skills and experience that will enable them to move up. Earlier in this paper, we found that among those changing jobs there appeared to be some degree of polarisation: some people managed to move to better jobs while others moved to worse jobs. Overall, the multivariate analysis indicates that, at least within the time frame captured by this research, changing jobs did not lead to improved job quality: in fact, the reverse was true.

We also examined the impact on job quality of participation in various Ontario Works employment services. There was no discernible effect in most cases, such as use of an employment resource centre, or participation in a training course, program of education or English-as-a-second language course. However, performing volunteer work (‘Community Participation’ in the language of Ontario Works) was associated with lower job quality. Within welfare-to-work programs, work experience initiatives such as Community Participation are often targeted to those considered to have barriers to employment, such as limited work experience and/or few job specific skills (which were not picked up directly in the survey). The ‘participation’ variable may therefore be acting as a proxy for these unmeasured variables.

Receipt of funds for transportation had a positive association with job quality, presumably because the money facilitates job search and allows a wider area of search. This may permit access to better jobs and better job matching.

Lastly, use of the drug card, which is available to Ontario Works recipients, was associated with poorer job quality. In this case, use of the card may be a proxy for poor health, which in turn likely affects one's ability to access and keep better jobs.

Perhaps the limited impact of many of the typical 'work first' interventions can be explained by the nature of labour demand, which limits the kinds of jobs that are available, irrespective of people's skills. Alternatively, the short duration and focus on immediate employability of the skill training and educational upgrading under Ontario Works may simply be insufficient. Or perhaps the 'work first' orientation of Ontario Works, which pushes people to accept the first available job, may mean that these interventions are effectively neutralised.

### ***Comments and Implications***

Despite a period of sustained prosperity in the late 1990s the labour market in Ontario remains a deeply polarized one, with a large segment working in what is termed 'non-standard employment' - jobs that are part-time, temporary or contract employment or own-account self-employment (Economic Council of Canada: 1990, Human Resources Development Canada: 1997). In addition there has been a marked increase in family income inequality and earnings inequality (Zyblock, 1996).

Better and more rigorous knowledge about the outcomes of programs is a prerequisite to better policy making. The lack of careful research into the outcomes of Ontario Works, or indeed most welfare-to-work programs in Canada, limits any comparison to other forms of welfare-to-work program, or to the outcomes of welfare programs in previous

eras. Nevertheless, the outcomes of this survey were revealing. Overall there was a much higher incidence of part-time and temporary employment among those leaving assistance than among the overall labour force. Wages and weekly earnings were far lower. In today's segmented labour market, lower quality, secondary labour market jobs are the destination of many people who leave social assistance. Whether the leavers are able to use the lower quality jobs first obtained as 'stepping stones' to better jobs, or whether they become trapped in the secondary labour market, is not a question that can be fully answered here. However, within the constraints of this study, the results are not encouraging: they suggest that in the short term, changing jobs was associated with lower job quality.

The Ontario Works program has the typical 'Work First' emphasis on rapid employment over longer-term skill development. While skill investments are not absent entirely from Ontario Works, the program makes only a limited investment in education and skills training, available to only a small minority of participants. Those investments are constrained by the program objectives established by the province (the intervention must constitute the shortest route to paid employment; any training is geared only to immediate labour market needs), the provincial funding model and the participation targets set by the province for the municipalities. These skew the approach into a work-first regime whereby social assistance policy functions to ensure a ready and willing supply of labour for the lowest tiers of the labour market, an approach which clearly fits the "McWelfare for the McJobs" economy characterization of welfare-to-work programs (Peck, 2001).

Our analysis suggests that many typical ‘work first’ interventions have little impact on eventual job quality. Only providing additional money for transportation had a positive impact on job quality possibly because it facilitated a broader job search. Since the goal of ‘work first’ is employment, with the quality of the employment a secondary consideration at best, this is perhaps not surprising. Performing volunteer work and use of the drug card provided to social assistance recipients both were negatively associated with job quality, although as noted, both variables might have acted as proxies for other unmeasured barriers. In contrast to traditional ‘work first’ precepts, traditional human capital, in the form of formal education, was positively associated with improved job quality.

These kinds of outcomes, in the context of an increasingly unequal labour market are worrisome in that they signal greater difficulty for former social assistance recipients to sustain themselves and their families in paid work, with consequences for material hardship and social inclusion and cohesion. Indeed, within our sample there was a strong and statistically significant negative association between the quality of employment and the experience of specific material hardships such as need to use a food bank, paying the rent late, or having telephone or electricity disconnected. Although those currently employed were less likely to experience material hardships, some degree of material hardship was common to most of the sample, regardless of current employment status.

If the goal of welfare reform is more ambitious than simply reducing ‘dependence’, then a shift in policy orientation from ‘work first’ to ‘sustainable employment’ is required.

Such a shift would reject the limited goals of ‘work first’ and recognise the heterogeneous nature of the population, the wide variety of needs they face, and design policy to address those needs. At the very least a shift to ‘sustainable employment’ implies a serious investment in skills.

At the same time there is a sizable group who face significant barriers other than education or skills. Nearly one-third of those forced to return to social assistance did so due to illness or disability. This and the documented problems of access to benefits for disabled people indicate a serious need to revisit the criteria and process of access to disability benefits (Fraser et al, 2003). As well, a sizeable proportion (37 percent) of the immigrants in the sample arrived in Canada after 1995. Those born outside the country had lower job quality than those born within, when other variables – particularly education - were controlled for. In part this may reflect the difficulty immigrants face in receiving recognition for foreign training.

Stability and continuity of employment is another important area for policy to address: over half (56 %) of those who lost their first job were still unemployed at the time of the interview, and 27 percent of those who returned to welfare did so because of job loss. Assisting people to remain employed through supports and services once they have left welfare might be a constructive avenue for reform. Job retention and advancement programs, tested in some communities, have shown some promising results (Campbell et al, 2002; City of Ottawa, 2002,).

However, the supply side of the labour market on its own will not resolve these problems. As long as the labour market produces large numbers of low quality jobs, this will be the destination of many former social assistance recipients. Simply maintaining low unemployment will not suffice to ensure that those leaving assistance gain a firm foothold in the labour market.

The Toronto survey was conducted in 2001 when the economy was performing at its peak. Unemployment was extremely low by recent historical standards. The distinction between *good jobs* and *bad jobs*, first highlighted by the Economic Council of Canada, appears to mirror the experiences of many people as they leave welfare for work in Ontario. While some are undoubtedly winners in this process, many more fall behind, trapped in jobs that are temporary, transient and unstable. Given that the education levels of welfare leavers are below those of the community as a whole, it appears likely that if this group of people is to have any real chance of avoiding long term marginalization then a serious strategy of human capital investment is called for. “The shortest route to a job” may well reduce the numbers on short-term assistance, and in so doing, may well meet the political needs of the government of the day, but as a means to improve the lives of welfare claimants on a continuing basis, the approach is sorely deficient.

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**Table 1: Job quality for welfare leavers versus Ontario labour market**

		<b>Toronto</b>	<b>Ontario</b>
		<b>OW</b>	<b>(2001</b>
<b>Job characteristic</b>		<b>leavers</b>	<b>25+)</b>
Job permanence:	Permanent	66%	93%
	Temporary	30%	7%
	Don't know/refused	5%	
Full-time/part-time:	Full-time	72%	87%
	Part-time	28%	13%
Average weekly hours:	1-29	23%	13%
	30-39	26%	27%
	40+	52%	61%
Average usual hours		36	38.3
Hourly wages:	Under \$10	37%	13%
	\$10-\$13.99	35%	20%
	\$14+	28%	67%
Average hourly wages		\$12.69	\$19.81
Median hourly wages		\$10.17	\$18.00
Weekly earnings:	Under \$400	51%	24%
	\$400-\$599	29%	30%
	\$600+	20%	45%
<i>Average weekly earnings</i>		\$ 442	\$ 758
Median weekly earnings		\$ 385	\$ 692

Sources: TSS survey and Statistics Canada, Labour Force Historical Review, Cat. No. 71F0004XCB, Ottawa: Statistics Canada.

**Table 2: Correlation between education level and selected indicators of employment quality**

	<b>Spearman correlation coefficient (N)</b>
Current employment status	-0.17**** (790)
Weekly earnings	0.219**** (441)
Hourly wages	.196**** (436)
Weekly hours	0.012 (511)
Full-time/part-time	-0.012 (511)
Benefits	0.09 (511)

\*\*\*\* p<.0001

\*\*\* p<0.001

\*\* p<0.01

\* p<0.1

**Notes on variables:**

Education was treated as a continuous variable: 1 = Grade school or less, 2 = Some high school, 3 = Graduated high school, 4 = Some post-secondary, 5 = Completed post-secondary or greater. Current employment status. Respondents were grouped into the following categories: 1 = Currently employed, 2 = Not currently employed but have worked since leaving assistance and 3 = Have not worked since leaving assistance. The negative sign therefore implies a positive association with education.

Weekly and hourly earnings and weekly hours were continuous variables.

Full-time/part-time. Respondents were grouped as 1 = full-time, 2 = part-time.

Benefits. The variable is continuous from 0 to 4, reflecting the number of the four non-monetary benefits received: dental plan, drug or medical benefits, paid vacation, or a pension.

**Table 3: Factors associated with recidivism**

	<b>Spearman Correlation Coefficient</b>
Level of education	-0.13***
Reason for leaving assistance	0.19****
Respondent age	0.05
Family size	-0.07**
Number of children under age 5	-0.02
	Chi-square
Family type	13.9**
Presence of young children	0.53
**** p<.0001	
*** p<0.001	
** p<0.05	

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Notes on variables:

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Recidivism: Respondents were grouped into two categories, 0 = not on social assistance at the time of the interview and 1 = on social assistance.

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Education was treated as a continuous variable: 1 = Grade school or less, 2 = Some high school, 3 = Graduated high school, 4 = Some post-secondary, 5 = Completed post-secondary or greater.

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Reason for leaving assistance: 0 = employment 1 = non-employment.

Family type. Respondents were grouped into the following family types: single person, single parent, couple with children, couple with no children.

Presence of young children: 0 = no children under 5 years of age 1 = one or more children under 5.