

February 17, 2004

\$80 MILLION BUDGET LIFT

Background

- The 2004-2005 budget for the Ministry of Human Resources will be \$1.3 billion.
- These funds will support this government's commitment to assist those most in need while helping those who are able to work to move into employment and a brighter future.
- The 2004/05 budget is \$80 million more than was forecast in last year's service plan.
- In the 2003/04 service plan the caseload was estimated to decline to 98,000 cases. However the 2004/05 budget forecast indicates the caseload will drop to 108,700 – 10,700 cases higher than the service plan estimate.

Change in Forecast for 2004/05 (caseload)	2003/04 Service Plan Forecast for 2004/05	2004/05 Forecast	Increase
Temporary Assistance	54,000	56,500	2,500
Disability Assistance	44,000	52,200	8,200
Total Caseload Increase	98,000	108,700	10,700

- This revision is based on two factors:
 - a slower rate of decline in the temporary assistance caseload than previously estimated. This reflects the changing nature of the caseload that includes more multi-barriered clients who require more supports to find employment.
 - a higher rate of growth for the disability assistance caseload than previously estimated that takes into account the demographics of an aging population.
- The resulting \$80 million budget lift accounts for the extra costs required to support persons with disabilities as well as the additional spending required to support those employable clients who have barriers to find employment.

FACTSHEET

(caseload)	2001/02	2002/03	2003/04	2004/05
	Actual	Actual	Forecast	Budget
Expected to Work	84,114	60,115	33,140	23,000
Temporarily Excused	27,181	24,234	23,661	23,500
Persons with Persistent Multiple Barriers			9,799	10,000
Persons with Disabilities	44,060	46,175	50,100	52,200
Total Caseload	155,355	130,524	116,700	108,700

- Since 2001/02, the expected-to-work caseload has fallen from 84,114 to a projected 23,000 2004/05, a decline of 61,114 or 73 per cent.
- Since 2001/02 the persons with disabilities caseload has increased from 44,060 to 52,200 in 2004/05, an increase of 8,140 or 18.5 per cent.
- British Columbians with disabilities receive the highest rate of income assistance and have access to a number of specialized employment programs.
- This supports the government's commitment to provide for those most in need while supporting persons with disabilities to actively participate in their communities.

Future Caseload Estimate

- Despite the slowing decline of the temporary assistance caseload and the increasing disability assistance caseload, the ministry expects the overall caseload to decline by 8,000 in 2004/05.

(caseload)	2003/04 Forecast	2004/05 Budget	Increase/ (Decrease)
Temporary Assistance	66,600	56,500	(10,100)
Disability Assistance	50,100	52,200	2,100

Time Limits

- The ministry believes that the most recent exemption to time limits policy will increase the annual average caseload by about 1,200 cases.
- This translates into about \$9-12 million over the course of the year.

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Contact: Richard Chambers (250) 387-6489
Director of Communications