SUBJECT: Expansion of the Affordable Transit Pass Pilot Program to those in Receipt of Ontario Works/Ontario Disability Support Program with Earnings (ECS08051(b)/PW09038) (City Wide)

RECOMMENDATION:

(a) That the eligibility criteria for the Affordable Transit Pass Program Pilot be expanded to include those adults in receipt of Ontario Works and Ontario Disability Support Program, with earnings, as of June 1, 2009, and that those eligible as part of the program expansion be required to pay 50% of the current cost of an adult monthly transit pass.

(b) That the General Manager of the Community Services Department be authorized to increase the staff complement by one full-time Case Aid within the Special Supports Section, on a temporary basis, from June 1 to December 31, 2009 for a total of $35,000 funded from the Social Services Initiatives Fund #112214.

(c) That the Acting General Manager of the Public Works Department be authorized to increase staff complement by one full-time Ticket Agent within the Transit Division, on a temporary basis, from June 1 to December 31, 2009 for a total of $32,083 funded from the Social Services Initiatives Fund #112214.
(d) That the quarterly statistics for the Affordable Transit Pass Program for October 1, 2008 to December 31, 2008, as detailed in Appendix E to Report ECS08051(b)/PW09038, be received for information.

(e) That staff be authorized to establish a wait list for Ontario Works/Ontario Disability Support Program applicants, with earnings, if required for the balance of the Affordable Transit Pass Pilot, ending December 31, 2009.

Joe-Anne Priel,  
General Manager  
Community Services Department

Gerry Davis, CMA  
Acting General Manager  
Public Works Department

EXECUTIVE SUMMARY:

The Affordable Transit Pass Program for low-income citizens was approved by Council in November 2007. Since that time, community advocates have requested that Council revisit the target group for the program and expand the eligibility criteria to include applicants in receipt of Ontario Works (OW) and Ontario Disability Support Program (ODSP). At the November 14, 2008, Committee of the Whole meeting, staff were directed to identify the impacts of expanding the eligibility of the Affordable Transit Pass Program to include applicants in receipt of OW/ODSP with earnings. With the current funds available in the Affordable Transit Pass Pilot Program budget and the ability to cost share with the Province for OW/ODSP with earnings, Report ECS08051(b)/PW09038 recommends that the eligibility be expanded as of June 1, 2009, to applicants in receipt of OW/ODSP with earnings. Further, staff recommend that OW/ODSP applicants with earnings be expected to contribute 50% of the cost of the adult monthly transit pass to be consistent with the current Affordable Transit Pass Program. In order to expand the program however, additional temporary staffing will be required in both the Community Services and Public Works Departments. In addition, staff suggest that if the program expansion is approved, the monthly statistics for the program be monitored to ensure that the program expansion allows for equal access to subsidized transit passes for both low-income and OW/ODSP applicants with earnings for the remainder of the pilot and within the budget of the Affordable Transit Pass Program.

BACKGROUND:

On November 28, 2007, Hamilton City Council approved the Affordable Transit Pass Pilot Program (Report ECS07038). The Program was approved to operate from April 1, 2008 until March 31, 2009, with a total allocation of $500,000 from the Social Services Initiatives Reserve.
The target group for the Program was those living below the poverty line and not in receipt of other social assistance, primarily OW or ODSP. The target group also excluded seniors and students. To be eligible for the program, applicants had to meet the following criteria:

- Must live in the City of Hamilton;
- Currently employed in a full-time, part-time or casual position; (does not include those who are self-employed);
- Between the ages of 18 to 64 years; (does not include those who qualify for HSR’s student or senior fares);
- Not currently receiving assistance from OW, ODSP, or a residential care facility;
- Provide last year’s Notice of Assessment from the Canada Revenue Agency;
- Provide pay stubs that show four consecutive weeks (weekly, bi-weekly, monthly) of employment income; and,
- Family income falls below the 2006 Low Income Cut-off (LICO), determined annually by Statistics Canada (after taxes).

All eligible applicants are able to purchase one adult monthly transit pass at 50% of the current cost. The current rate for the adult monthly transit pass is $79.00. Eligible applicants are able to purchase an adult monthly pass for only $39.50.

On November 14, 2008, the six-month evaluation results of the pilot program were provided to the Committee of the Whole (Report ECS08051). Based on that evaluation, two key findings were identified:

1. The program is extremely important to those who have accessed it both from a financial and quality of life perspective; and,
2. Those that are currently eligible for the program supported expanding the eligibility criteria to include those in receipt of OW and ODSP.

Based on the results of the evaluation and the low uptake of the Program, despite an aggressive communications strategy, Council agreed to extend the deadline of the program from March 31, 2009 to December 31, 2009. A number of delegations appearing before the Committee of the Whole on November 14, 2008, encouraged Council to expand the target group for the Affordable Transit Pass Program. In particular, delegations were requesting that all those in receipt of social assistance be eligible for the program as well as students who could not afford the current student rates. Staff was directed to report back on expanding the target group to include those in receipt of OW /ODSP with earnings.
ANALYSIS/RATIONALE:

1. **Trends in the ATP Program from March 1 2008 to March 2009:**

Based on initial calculations in Report ECS07038, staff anticipated that an average of between 800 to 1,000 passes could be available monthly for the duration of the 12-month pilot program. Further, based on the experience of other municipalities with similar programs, particularly the Region of Waterloo and the City of Edmonton, staff anticipated that the purchases of passes would fluctuate dependent upon the time of year (i.e. more passes purchased in the fall/winter as opposed to the summer months). To account for that fluctuation, staff intended to register 1,200 new applicants monthly and then monitor the purchase of passes on a monthly basis. Graph 1 below, identifies both the number of new approved low-income applicants monthly for the Affordable Transit Pass Program from March 1, 2008, until March 31, 2009, as well as the cumulative total number of eligible applicants.

**Graph 1: No. of ATP Approved Applicants per Month & Cumulative Total No. of Eligible ATP Applicants (March 2008 – March 2009)**

What is notable from Graph 1 is that the actual number of new low-income applicants to the Affordable Transit Pass Program does vary from the lowest number in January 2009 of 23 to the highest number of 100 in April 2008. Although there is fluctuation in the monthly statistics for new applicants, it is important to remember that eligible applicants are approved to receive the pass for six months.

The cumulative total number of eligible applicants is 501. In other words, although there were only 76 new applicants to the program in March 2009, the total pool of eligible applicants that could purchase a pass in that month are 501. Based on the data in Graph 1, the Affordable Transit Pass Program had an average of 53 new applicants per month since March 2008. The average percentage increase in the cumulative total group eligible to purchase passes is 19%. 
It is also useful to examine the trend in terms of the actual number of passes purchased by those eligible. Although once approved, an eligible applicant could purchase one adult monthly bus pass per month for six months, our data indicates that there is a variance between the total number eligible in a month and the total number of passes that are actually purchased. Graph 2 below illustrates the trend.

Graph 2: Total No. of ATP Approved Applicants per Month and Actual Transit Passes Purchased by Month (March 2008 – March 2009)

Graph 2 illustrates that although the cumulative total number of eligible low-income applicants to the Affordable Transit Pass Program is rising, there is a variance between the total number in the group and the actual number of passes purchased on a monthly basis. Staff are not able to determine why the variance is growing (i.e. why are those eligible not purchasing a pass each month?). Further, although staff anticipated that there would be seasonal variations in terms of the number of new applicants to the program (as confirmed in Graph 1), the trend for the cumulative total group eligible to purchase passes on a monthly basis is a slow but steady increase overall since the program began in March 2008. On average, roughly only 67% of all those eligible to purchase passes in the program actually did buy one.

2. Program Expansion to Ontario Works/Ontario Disability Support Program Participants with Earnings:

Since the Program’s inception, community advocates have requested that Council expand the target group of the Program, in particular for those in receipt of OW/ODSP. Given the limited funds available and the time remaining in this Pilot, it was suggested by Council that the Program be expanded only to those in receipt of OW/ODSP with
earnings. The latest information available to staff\(^1\) indicates that on average there could be an estimated 1,242 OW recipients and another 1,950 ODSP recipients with earnings for a combined total of 3,192 recipients with earnings.

If the recommendation to expand the ATP is approved, the eligibility criteria for applicants will change to the following:

- Must live in the City of Hamilton;
- Currently employed in a full-time, part-time or casual position; (does not include those who are self-employed);
- Between the ages of 18 to 64 years; (does not include those who qualify for HSR’s student or senior fares);
- Not currently receiving transportation costs\(^2\) from OW/ODSP;
- Provide last year’s Notice of Assessment from the Canada Revenue Agency;
- Provide pay stubs that show four consecutive weeks (weekly, bi-weekly, monthly) of employment income; and,
- Family income falls below the 2006 LICO determined annually by Statistics Canada (after taxes) or is currently receiving OW/ODSP.

The service delivery model for this proposed target group makes the following assumptions:

- Those OW/ODSP applicants with earnings would be expected to contribute 50% of the cost of the adult monthly pass similar to the current program for low-income applicants.
- Those OW/ODSP applicants with earnings, if approved, would be expected to pick up their transit pass at the downtown GO station similar to the current program for low-income applicants.
- Those OW/ODSP applicants with earnings would not need to provide evidence of their earnings as part of their application to the Affordable Transit Pass Program since this information would already be collected as part of their ongoing OW or ODSP eligibility.
- That in cases where any OW/ODSP applicants with earnings exit social assistance due to employment and are eligible for the Road to Independence Program\(^3\), these applicants would no longer remain eligible for the Affordable Transit Pass Program until they have exhausted this benefit. The Road to Independence Program provides those OW/ODSP clients, who leave social assistance due to employment, with an adult monthly transit pass for three-

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\(^1\) Figures provided for January 2009 for both OW/ODSP with earnings.

\(^2\) OW/ODSP applicants may already be receiving transportation costs to attend medical appointments/treatment, employment assistance activities or a Residential Care Facility tenant receiving transportation costs to attend appointments not covered by medical transportation or employment assistance activities.

\(^3\) The Road to Independence Program provides OW clients exiting social assistance due to employment with a bus pass for three months at no cost.
months. Once this benefit is exhausted, the Affordable Transit Pass Program for low-income applicants could be accessed.

For OW recipients with earnings there will be two possible options for applying to the Program:

- In cases where clients would already be seeing their case manager, the application form can be accessed by the case manager and completed with the client present, eligibility approved, and the approval letter completed in one visit. On average, OW clients see their case managers every three months.
- In other circumstances where a client might be interested in applying to the Program, but is not scheduled to see their case manager, a referral will be made to the Special Supports Section.

For those in receipt of ODSP with earnings, they will be referred to the Special Supports Section.

3. Implications of the Proposed Expansion:

a) Program Uptake:
Similar to when the Affordable Transit Pass Program began with low-income citizens, it is difficult to predict the level of uptake from the proposed new target group. Unlike low-income citizens, however, the Community Services Department has more direct contact with OW/ODSP recipients with earnings and it is likely that uptake from this target group will be higher than our experience with the low-income group to date. In Table 2 to follow in section e) below, staff prepared budget calculations using a projected 10%, 25% and 50% uptake as estimates.

b) Staffing:
The issue of staffing for the Affordable Transit Pass Pilot Program has been flagged as a potential expenditure since the beginning of the program. Staff from both the Community Services and Public Works Departments agreed to hire additional staff only when the number of new program applicants and those eligible to purchase passes reached a critical mass. Since the Program uptake to date has been steady, both departments have not hired any additional staffing to date. If, however, the recommendation to expand the target group is approved by Council, both departments will not be able to support the expansion without hiring additional staff.

Within the Community Services Department’s Special Supports Section, the unit that receives the inquiries, processes applications and approvals, the assistance of a temporary full-time Case Aid as of June 1, 2009 until December 31, 2009, at a cost of $35,000, would be required. The Special Supports Section has seen a 74% increase in applications since 2006, in part due to the
implementation of the Affordable Transit Pass Program. This impact combined with additional items approved for OW/ODSP clients has significantly increased both the call volume and paperwork for the existing Case Aides. The temporary full-time Case Aide can be accommodated within the existing office space.

For the Transit Division, whose staff facilitate the actual purchase of the pass, an additional full-time Ticket Agent would be required, on a temporary basis, from June 1, 2009, until December 31, 2009, at a cost of $32,083.

c) **Communications:**
A Communications strategy was developed for the original launch of the Affordable Transit Pass Program. If the target group is expanded, there would be some additional costs in revising current materials and developing new strategies directed towards the target group. The estimated cost for 2009 is up to $20,000 to be accommodated from the $500,000 one-time funding for the Affordable Transit Pass Program. A draft Communications Plan can be found in Appendix A to Report ECS08051(b)/PW09038.

d) **Evaluation:**
The 2009 budget has earmarked a potential $10,000 that might be required to provide evaluation support for the Pilot and would be accommodated from the $500,000 one-time funding for the Affordable Transit Pass Program. If it is not deemed necessary to do a more in-depth analysis of the Pilot after December 31, 2009, the funds will be redirected back to the purchase of passes.

e) **Program Budget:**
When the Affordable Transit Pass Program’s evaluation results were presented to Committee of the Whole in November 2008, Council approved extending the duration of the Pilot Project until December 31, 2008. Based on the available financial information at that time, it was projected that the impact of extending the duration without any additional funds would decrease the number of passes available on average per month to an estimated 489. Table 1 below recalculates this estimate based on more up-to-date information.

<table>
<thead>
<tr>
<th>ITEM</th>
<th>2009 POTENTIAL BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance of ATP Pilot Program on Feb 28/09</td>
<td>$386,533</td>
</tr>
<tr>
<td>Potential Staffing in 2009 (assumes 7 months)</td>
<td>$319,450</td>
</tr>
<tr>
<td>Communications</td>
<td>$299,450</td>
</tr>
<tr>
<td>Evaluation</td>
<td>$280,450</td>
</tr>
<tr>
<td># of Passes @ $39.50 available until Dec 31/09</td>
<td>7,100 projected</td>
</tr>
<tr>
<td>Average Passes available/month until Dec 31/09</td>
<td>710 estimated</td>
</tr>
</tbody>
</table>
Based on the most up-to-date information, the Affordable Transit Pass Program would have, on average, 710 passes available for purchase by low-income applicants from March 1 until December 31, 2009.

Staff have been able to confirm that the municipality can obtain cost sharing with the Province for the cost of a subsidized monthly adult pass at 80% Province and 20% Municipality as a non-discretionary health benefit for OW/ODSP with earnings. The ability to cost share with the Province could allow for a program expansion to OW/ODSP with earnings and mitigate the potential impact on the total number of passes for low-income applicants.

Table 2, in Appendix C attached to Report ECS08051(b)/PW09038, projects using three possible levels of program uptake as estimates (10%, 25% and 50%), and two possible cost sharing options (either 50% or 100% of the cost of an adult monthly pass) the potential cost of expanding the target group for the Affordable Transit Pass Program to OW/ODSP with earnings. The recommendation in the staff report suggests that OW/ODSP applicants with earnings be expected to contribute 50% of the cost of an adult monthly pass; similar to the contribution expected by low-income applicants to the current Affordable Transit Pass Program. Some arguments could be made; however, that this target group experiences a greater economic disadvantage than low-income earners overall; consequently, a monthly transit pass should be provided to this target group at no cost. This is why the two possible cost sharing options were included in the calculations in Table 2.

Information based on projections in Table 2 illustrates that the financial impact to the Affordable Transit Pass Pilot Program budget varies on whether 50% (Option 1) or 100% (Option 2) of the adult monthly transit pass is cost shared with the Province and on the level of uptake by OW/ODSP applicants with earnings. The financial impact varies from $17,640 (10% uptake and 50% cost of an adult monthly pass subsidized) to $176,517 (50% uptake and 100% cost of an adult monthly pass subsidized).

f) Implications for Low-Income Applicants:
One concern regarding the expansion of the program is whether or not the number of transit passes available for low-income applicants will be significantly reduced. Table 3, found in Appendix D attached to Report ECS08051(b)/PW09038, uses the projections from Table 2, found in Appendix C attached to Report ECS08051(b)/PW09038, to address this issue.

Table 3 provides a rough estimate for the number of passes that would still be available for purchase by low-income applicants. Although this estimate only provides an approximation, it would appear that the expansion to OW/ODSP applicants with earnings would have a minimal impact on the number of passes available for low-income applicants even using 50% program uptake as the

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4 For a detailed calculation and reference to relevant legislative authority please refer to Appendix B.
uppermost limit if OW/ODSP applicants with earnings contributed 50% of the cost of the monthly transit pass. In this case, it is projected that there would still be on average roughly 523 passes available per month for low-income applicants.

The issue of availability of passes for low-income applicants becomes more of a concern if Council chooses to seek cost sharing for 100% of the cost of an adult monthly pass and OW/ODSP applicants with earnings receive passes at no cost. If the level of uptake for OW/ODSP applicants with earnings in this scenario is greater than 25%, this could begin to have a negative impact on the number of passes available for low-income applicants. If 50% of OW/ODSP applicants with earnings apply for the program with 100% of the cost of an adult monthly pass subsidized, this significantly reduces the average number of passes available for low-income applicants to 204 passes.

The unknown factor, however, is the level of uptake of this Program by OW/ODSP applicants with earnings and whether or not the low-income applications will continue to be made to the Program at the existing rate. If the Program expansion is approved, staff will need to closely monitor the monthly statistics.

**ALTERNATIVES FOR CONSIDERATION:**

Report ECS08051(b)/PW09038 recommends that the OW/ODSP applicants with earnings be expected to pay 50% of the current transit fare pass to be consistent with the current Affordable Transit Pass Program guidelines for low-income. Although this is the staff recommendation, an argument could be made for providing the pass to OW/ODSP applicants with earnings at no cost and the implications of doing so are presented in Report ECS08051(b)/PW09038. To mitigate the potential impact on the number of monthly transit passes available for low-income applicants, Council could further direct staff to examine other alternatives that could include a client contribution of greater than 0%, but less than 50% for OW/ODSP applicants with earnings.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

Financial:

As of February 28, 2009, there is a balance of $386,533 remaining of the original $500,000 approved for the Affordable Transit Pass Program from the Social Services Initiatives Reserve #112214 (Report ECS07038).

Staffing:

In order to administer the increased applications to the Affordable Transit Pass Program, the Community Services Department and the Public Works Department will
SUBJECT: Expansion of the Affordable Transit Pass Pilot Program to those in Receipt of Ontario Works/Ontario Disability Support Program with Earnings (ECS08051(b))/PW09038) (City Wide) - Page 11 of 12

each require an increase of one FTE for the period of June 1 to December 31, 2009. The two FTEs will be funded from the Social Services Initiatives Reserves #112214 (Report ECS07038).

Legal:

There no legal implications associated with the recommendations of Report ECS08051(b)/PW09038.

POLICIES AFFECTING PROPOSAL:

Relevant sections in the Ontario Works Act and the Ontario Disability Support Program Act were reviewed and the recommendations in Report ECS08051(b)/PW09038 are compliant with the current legislation. There may be a possibility that some ODSP recipients with earnings do not use public transit as their mode of transportation to employment. Although the intent of the Affordable Transit Pass Program is on public transit, the City may be challenged under the Accessibility for Ontarians with Disabilities Act to assist eligible ODSP applicants with earnings who do not use public transit.

In the report “Breaking the Cycle, Ontario’s Poverty Reduction Strategy”, it is identified that municipal governments have an opportunity to make important contributions to poverty reduction in the areas of transportation and recreation.

RELEVANT CONSULTATION:

- Community Services Department, Employment and Income Support Division, Social Development and Early Childhood Services Division, Benefit Eligibility Division, and Strategic Services Division;
- Corporate Services Department, Budgets and Finance Division, Finance and Administration Section;
- Public Works Department, Transit Division, Transit Fare Administration & ATS Section; and,
- Sub-committee of the Hamilton Roundtable for Poverty Reduction.

CITY STRATEGIC COMMITMENT:

By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

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5 [www.growingstronger.ca](http://www.growingstronger.ca)
Community Well-Being is enhanced. ☑ Yes ☐ No
Allowing those in receipt of OW/ODSP with earnings to access the Affordable Transit Pass Program will assist these applicants in maintaining employment.

Environmental Well-Being is enhanced. ☑ Yes ☐ No
Expanding the target group for the Affordable Transit Pass Program will either increase ridership for public transit overall or influence the frequency of trips using public transit.

Economic Well-Being is enhanced. ☑ Yes ☐ No
Offering the Affordable Transit Pass Program to those in receipt of OW/ODSP with earnings will reduce their monthly transit costs allowing these funds to be put towards other items in the family budget.

Does the option you are recommending create value across all three bottom lines? ☑ Yes ☐ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants? ☐ Yes ☑ No
<table>
<thead>
<tr>
<th>Audience</th>
<th>Activity/Tactic</th>
<th>Outcome</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>BE/E&amp;IS staff</td>
<td>Staff meeting(s), Q&amp;A, PDF of poster and link to City's Special Supports Program web page</td>
<td>Staff are able to assist applicants with questions and application completion</td>
<td>May09</td>
</tr>
<tr>
<td>ODSP Staff</td>
<td>Staff meeting(s), Q&amp;A, PDF of poster and link to City's Special Supports Program web page</td>
<td>Staff are able to assist applicants with questions and application completion</td>
<td>May09</td>
</tr>
<tr>
<td>Mayor/Council</td>
<td>Information Update to Council with program information/Q&amp;A</td>
<td>Councillors are able to inform and direct constituents appropriately</td>
<td>May09</td>
</tr>
<tr>
<td>Customer Contact Centre &amp; HSR CSRs</td>
<td>Email and Q&amp;A</td>
<td>CSRs are able to inform and direct callers appropriately</td>
<td>May09</td>
</tr>
<tr>
<td>Community Services DMT</td>
<td>Email w/ Information Update to Council and Q&amp;A</td>
<td>CSD management is equipped to answer staff questions about ATPP</td>
<td>May09</td>
</tr>
<tr>
<td>Public Works DMT</td>
<td>Email and Q&amp;A</td>
<td>PWD management is equipped to answer staff questions about ATPP</td>
<td>May09</td>
</tr>
<tr>
<td>City of Hamilton staff</td>
<td>Email posting w/ link to Special Supports web page</td>
<td>City employees who may qualify (or who work or volunteer with eligible Hamilton residents) are informed</td>
<td>June09</td>
</tr>
<tr>
<td>Community partners (agencies)</td>
<td>E-blast w/ links to Special Supports web page and PDF poster</td>
<td>Community partners are able to inform and direct clients appropriately</td>
<td>June09</td>
</tr>
<tr>
<td>City's Employment Placement Program (EPP) employers</td>
<td>E-blast w/ links to Special Supports web page and PDF poster</td>
<td>EPP employers are able to inform and direct employees appropriately</td>
<td>June09</td>
</tr>
<tr>
<td>All eligible ATPP applicants</td>
<td>City website (Special Supports Program and HSR pages)</td>
<td>All eligible applicants are made aware of program and process</td>
<td>June09</td>
</tr>
<tr>
<td></td>
<td>Councillors' and agencies' websites (program info and web link) and/or e-newsletters</td>
<td></td>
<td>June09</td>
</tr>
<tr>
<td></td>
<td>Press release distributed to area media outlets</td>
<td></td>
<td>June09</td>
</tr>
<tr>
<td></td>
<td>Program information provided at OW/ODSP/BE offices and/or by Case Managers (posters, pamphlets, etc)</td>
<td></td>
<td>June09/ongoing</td>
</tr>
<tr>
<td></td>
<td>Program information provided by community agencies (posters, pamphlets, etc)</td>
<td></td>
<td>June09/ongoing</td>
</tr>
<tr>
<td></td>
<td>Program information provided by employers (posters, pamphlets, etc)</td>
<td></td>
<td>June09/ongoing</td>
</tr>
<tr>
<td></td>
<td>HSR bus ads (100) Bus shelter ads TBD</td>
<td></td>
<td>June09/ongoing</td>
</tr>
<tr>
<td>All eligible ATPP applicants</td>
<td>Processing of application forms, mailing of approval/denial letters</td>
<td>All approved applicants able to purchase adult monthly ATPP</td>
<td>June09/ongoing</td>
</tr>
</tbody>
</table>


The amount provided for discretionary benefits is determined by the Administrator. Each client’s need must be individually justified and documented. Approved discretionary benefits issued are eligible for 80% cost-sharing from the province, however, there is a capped cost-sharing amount for “non-health” related discretionary benefits. The cap on provincial cost-sharing that has been established for non-health related discretionary benefits is based on $8.75 multiplied by the number of Ontario Works recipients receiving financial assistance from the delivery agent and the number of ODSP cases in the geographic area of the delivery agent.

In January 2009 there are 10,437 OW cases and 15,196 ODSP cases which means that our capped cost-sharing is $224,289. In January 2009 ($179,431 provincial cost share and $44,458 city share). Currently, there is approximately $40,000 of this capped funding being utilized monthly leaving $184,289 potential funding available. The limit on the provincial share of non-health discretionary benefits is based on an overall average of the 12 months in a calendar year which allows Ontario Works the flexibility to manage spending to meet local needs.

Legislative Authority

Subsection 7 (1) of Ontario Regulation 135/98 is amended by striking out the portion before clause (a) and substituting the following:

(1) Subject to subsections (2), (2.1) and (3), 7.1 (1) and 8.1 (1), the subsidy payable by Ontario to a delivery agent shall be equal to the sum of, ……

2. Subsection 7.1 (1) of the Regulation is revoked and the following substituted:

(1) For the purpose of calculating the subsidy payable by Ontario to a delivery agent under subsections 7 (1), (1.1), (2) and (2.1), the amount that may be included in the calculation of assistance costs incurred by the delivery agent in a month in providing the benefits set out in subsection (2) shall not exceed the sum of,

(a) the product obtained by multiplying $8.75 by the number of recipients to whom the delivery agent provided basic financial assistance; and

(b) the product obtained by multiplying $8.75 by the number of recipients of income support under the Ontario Disability Support Program Act, 1997 in the geographic area of the delivery agent
Table 2: 2009 Potential Costs of Passes for OW/ODSP with Earnings

<table>
<thead>
<tr>
<th>ESTIMATED TOTAL TARGET GROUP = 3,143 APPLICANTS</th>
<th>Calculations</th>
<th>10% Uptake</th>
<th>25% Uptake</th>
<th>50% Uptake</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Uptake</td>
<td></td>
<td>314 applicants</td>
<td>785 applicants</td>
<td>1,571 applicants</td>
</tr>
<tr>
<td>X 7 months</td>
<td></td>
<td>2,198 passes</td>
<td>5,495 passes</td>
<td>10,997 passes</td>
</tr>
</tbody>
</table>

**OPTION 1**

<table>
<thead>
<tr>
<th>X $39.50 (50% of the cost of an adult monthly pass)</th>
<th>$86,821 (Total Cost Shared)</th>
<th>$217,052 (Total Cost Shared)</th>
<th>$434,381 (Total Cost Shared)</th>
</tr>
</thead>
<tbody>
<tr>
<td>P = Provincial Share 80%</td>
<td>M = Municipal Share 20%</td>
<td>P = $69,456</td>
<td>M = $17,364</td>
</tr>
<tr>
<td>$17,364 Potential budget impact @ 10% estimated uptake</td>
<td>$43,410 Potential budget impact @ 25% estimated uptake</td>
<td>$86,876 Potential budget impact @ 50% estimated uptake</td>
<td></td>
</tr>
</tbody>
</table>

**OPTION 2**

<table>
<thead>
<tr>
<th>X $79.00 (100% of the cost of transit pass)</th>
<th>$173,642 (Total Cost Shared)</th>
<th>$434,104 (Total Cost Shared)</th>
<th>$868,762 (Total Cost Shared)</th>
</tr>
</thead>
<tbody>
<tr>
<td>P = Provincial Share 80%</td>
<td>M = Municipal Share 20%</td>
<td>P = $138,913</td>
<td>M = $34,728</td>
</tr>
<tr>
<td>$34,728 Potential budget impact @ 10% estimated uptake</td>
<td>$86,820 Potential budget impact @ 25% estimated uptake</td>
<td>$173,752 Potential budget impact @ 50% estimated uptake</td>
<td></td>
</tr>
</tbody>
</table>
### Table 3: 2009 Potential Budget for Low-Income Transit Passes if the Program Eligibility is Expanded to Include OW/ODSP with Earnings

<table>
<thead>
<tr>
<th>ITEM</th>
<th>2009 POTENTIAL BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance of ATP Pilot Program on February 28, 2009</td>
<td>$386,533</td>
</tr>
<tr>
<td>Potential Staffing in 2009 (assumes 7 months)</td>
<td>$319,450</td>
</tr>
<tr>
<td>Communications</td>
<td>$299,450</td>
</tr>
<tr>
<td>Evaluation</td>
<td>$280,450</td>
</tr>
<tr>
<td>Estimated # of passes purchased by low income applicants March 1- May 31, 2009 – 400 passes/month</td>
<td>Estimated Starting Balance ….. $233,050</td>
</tr>
<tr>
<td>Estimated Level of Uptake by OW/ODSP applicants with earnings</td>
<td>10% estimated uptake</td>
</tr>
<tr>
<td>Financial Impact of Municipal Share (Option 1 – Table 2) by level of uptake</td>
<td>$17,364</td>
</tr>
<tr>
<td>Estimated Balance Remaining in the Affordable Transit Pass Program Budget by level of uptake</td>
<td>$215,686</td>
</tr>
<tr>
<td>Estimated # of Passes @ $39.50 available for low income applicants June 1 -December 31, 2009 by level of uptake</td>
<td>5,460 projected passes for low income</td>
</tr>
<tr>
<td>Estimated Average Passes available/month for low income applicants June 1 - December 31, 2009 by level of uptake</td>
<td>780 projected monthly average # of passes for low income</td>
</tr>
</tbody>
</table>

**OPTION 1 - 50% OF TRANSIT PASS IS COST SHARED**

<table>
<thead>
<tr>
<th>Estimated Level of Uptake by OW/ODSP applicants with earnings</th>
<th>10% estimated uptake</th>
<th>25% estimated uptake</th>
<th>50% estimated uptake</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Impact of Municipal Share (Option 1 – Table 2) by level of uptake</td>
<td>$17,364</td>
<td>$43,410</td>
<td>$86,876</td>
</tr>
<tr>
<td>Estimated Balance Remaining in the Affordable Transit Pass Program Budget by level of uptake</td>
<td>$215,686</td>
<td>$189,640</td>
<td>$146,174</td>
</tr>
<tr>
<td>Estimated # of Passes @ $39.50 available for low income applicants June 1 -December 31, 2009 by level of uptake</td>
<td>5,460 projected passes for low income</td>
<td>4,801 projected passes for low income</td>
<td>3,700 projected passes for low income</td>
</tr>
<tr>
<td>Estimated Average Passes available/month for low income applicants June 1 - December 31, 2009 by level of uptake</td>
<td>780 projected monthly average # of passes for low income</td>
<td>685 projected monthly average # of passes for low income</td>
<td>528 projected monthly average # of passes for low income</td>
</tr>
</tbody>
</table>
### OPTION 2 – 100% OF TRANSIT PASS IS COST SHARED

<table>
<thead>
<tr>
<th>Estimated Level of Uptake by OW/ODSP applicants with earnings</th>
<th>10% estimated uptake</th>
<th>25% estimated uptake</th>
<th>50% estimated uptake</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Impact of Municipal Share (Option 2 – Table 2) by level of uptake</td>
<td>$34,728</td>
<td>$86,820</td>
<td>$173,752</td>
</tr>
<tr>
<td>Estimated Balance Remaining in the Affordable Transit Pass Program Budget by level of uptake</td>
<td>$198,322</td>
<td>$146,230</td>
<td>$59,298</td>
</tr>
<tr>
<td>Estimated # of Passes @ $39.50 available for low income applicants June 1 -December 31, 2009 by level of uptake</td>
<td>5,020 projected passes for low income</td>
<td>3,702 projected passes for low income</td>
<td>1,501 projected passes for low income</td>
</tr>
<tr>
<td>Estimated Average Passes available/month for low income applicants June 1 - December 31, 2009 by level of uptake</td>
<td>717 projected monthly average # of passes for low income</td>
<td>528 projected monthly average # of passes for low income</td>
<td>214 projected monthly average # of passes for low income</td>
</tr>
</tbody>
</table>
APPLICATION PROCESS & # OF PASSES PURCHASED:

♦ A total of 139 applications were received for the Affordable Transit Pass Program this quarter. Of that number a total of 108 were approved for the program roughly 78% of all those who applied.
♦ A total of 31 applications were denied: 32% due to incomes higher than LICO, and 58% evenly distributed between being in receipt of OW/ODSP or currently not employed. The remaining 10% of reasons were classified under “other”.¹
♦ A total of 752 passes were purchased during this quarter by all eligible applicants. The program has the capacity to provide 1,200 passes per month.

Graph 1: # of Applicants Denied- October 1 to December 31, 2008 (N=31)

WHO APPLIED?
♦ 56% of applicants were female and 44% of applicants were male (N=109)
♦ 40% were between the ages of 18-23, another 39% of those who applied were 40 or older, with the remaining 21% were between the ages of 30 and 39 (N=109)

¹ Other primarily captured reasons related to incomplete applications or missing information.
73% were single with no children, 28% were married (with/without children), while 8% were sole support parents (N=109)
83% of those who applied did not have any children, while 17% did (N=109)
56% of those with children had two children or less (N=16)

Graph 2: #Age of Applicants - October 1 to December 31 2008 (N=109)

Graph 3: Family Status - October 1 to December 31 2008 (N=109)

Graph 4: % of Applicants With/Without Children - October 1 to December 31, 2008 (N=109)
Graph 5: # of Children of Applicants With Children - October 1 to December 31, 2008 (N=16)

**APPLICANT ANNUAL INCOME/EMPLOYMENT**

- With respect to previous year’s annual income 43% had an annual income less than $10,000 a year, 24% had an annual income between $10,000 and $14,999, and 33% had annual incomes greater than $15,000. In this quarter, the average previous year’s annual income was $11,600.

- 30% had four week average earnings\(^2\) of $1,000 to $1,499, 29% had average incomes of less than $499, and 24% had average incomes of $500 to $999. The remaining 17% had average incomes in excess of $1,500. For this quarter, the average four week earnings for all was $949.60

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\(^2\) Earnings included both part and full time earnings
Based strictly on the employer listed on pay stubs, categories were developed to attempt to capture the varying employment sectors within which applicants were employed. Using information from the pay stubs, 34% of those who applied were employed in the service sector, while another 15% were employed in retail sales, 12% in the restaurant/fast food sector, 11% in the non-profit (health) sector, 9% in manufacturing with the remaining 19% distributed amongst the remaining categories.

**Graph 6: Previous Year’s Annual Income - July 1 to September 30, 2008 (N=201)**

**Graph 7: Four Week Average Current Earnings - July 1 to September 30 2008 (N=200)**

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3 Due to data limitations, staff do not know what actual occupation of each applicant at their place of employment.
WHERE DO THEY LIVE?

- The postal code areas with the three highest percentages were from the L8L, L8S and L8N areas (the inner city of the former City of Hamilton)

Graph 8: Employment Sectors by Applicant -- July 1 to September 30, 2008 (N=151)

Graph 9: First 3 Letters of Applicant Postal Code -- October 1 to December 31, 2008 (N=109)