

# **Managing in Uncertain Times**

**Presentation to FMI  
September 23, 2009**



# MHSD OVERVIEW

## Setting Policy

Welfare

Disability strategy

Liquor

Gaming

Housing/Building Code

Strata Properties

## Delivering Services

Income assistance

Residential Tenancy Branch

Employment programs – federal and provincial

Community gaming grants

## Regulating to Protect the Public

Liquor inspectors

Horse racing, casino equipment certification

## Working in Partnership with our Crown Corps



BC Housing

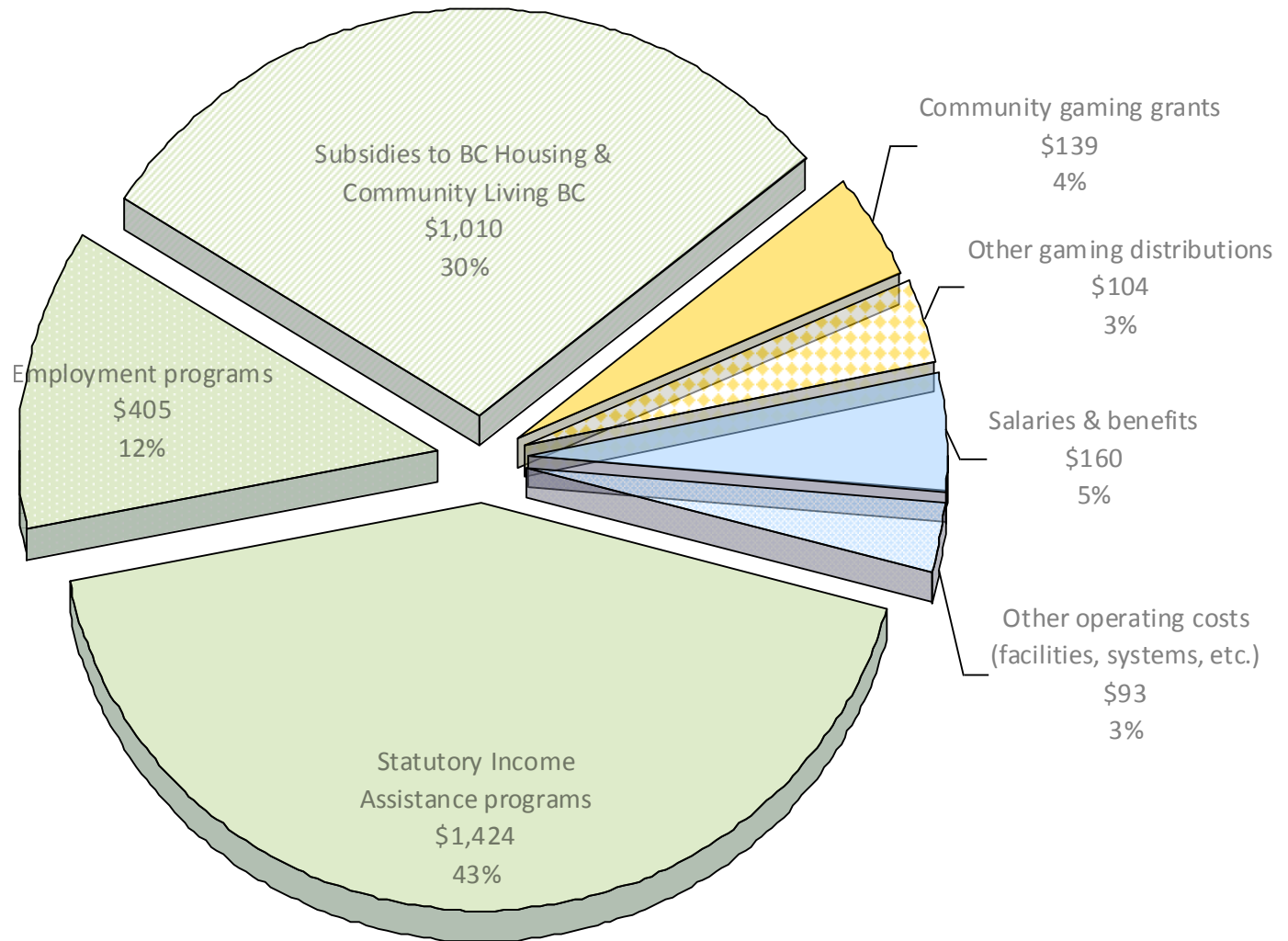


3<sup>rd</sup> LARGEST  
MINISTRY BY  
OPERATING BUDGET  
\$3.3 billion gross  
\$2.7 billion net

5<sup>TH</sup> LARGEST  
MINISTRY BY  
NUMBER OF STAFF  
2,500 FTEs  
Oldest average age  
Lowest average salary

MOST PROFITABLE  
COMMERCIAL  
CROWNS  
\$2.0 billion net income to  
government

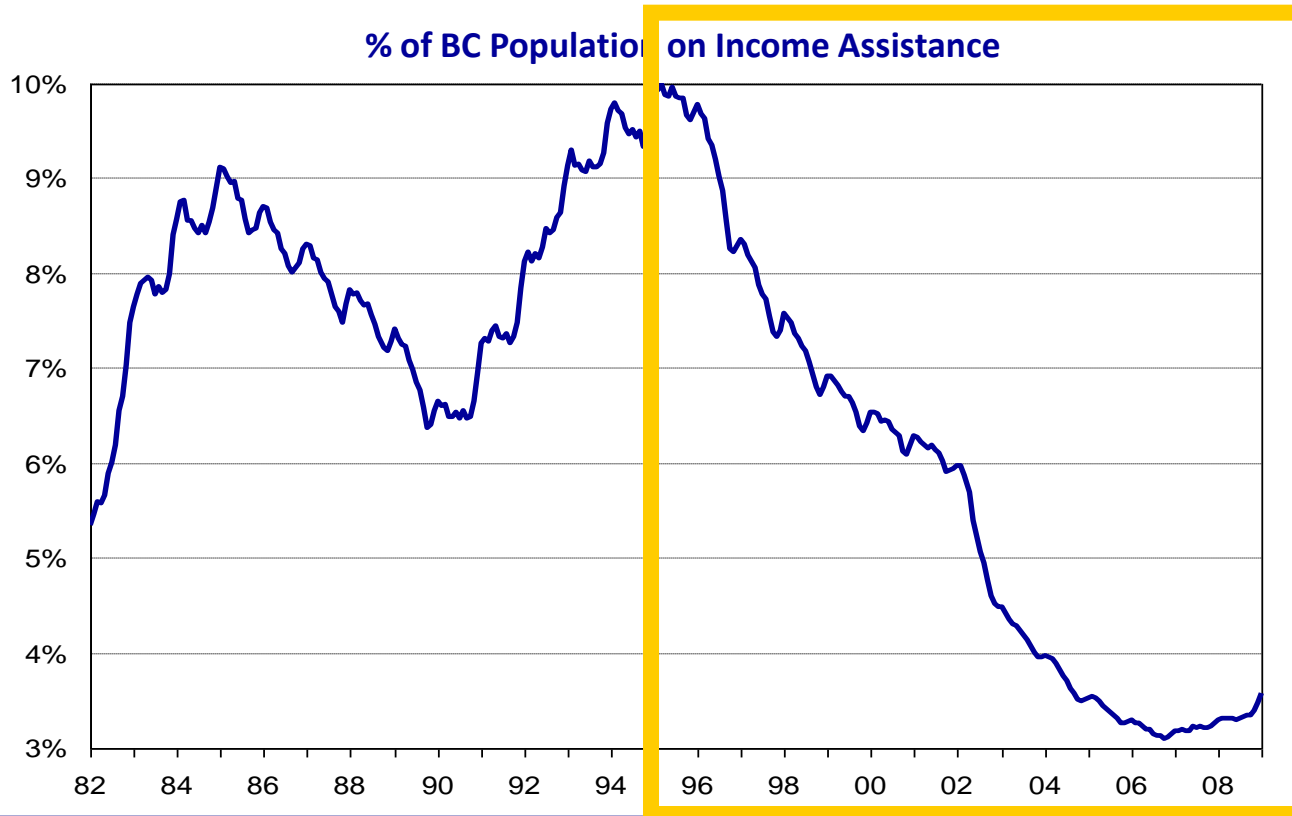
# 2009/10 BUDGET - \$3,335M



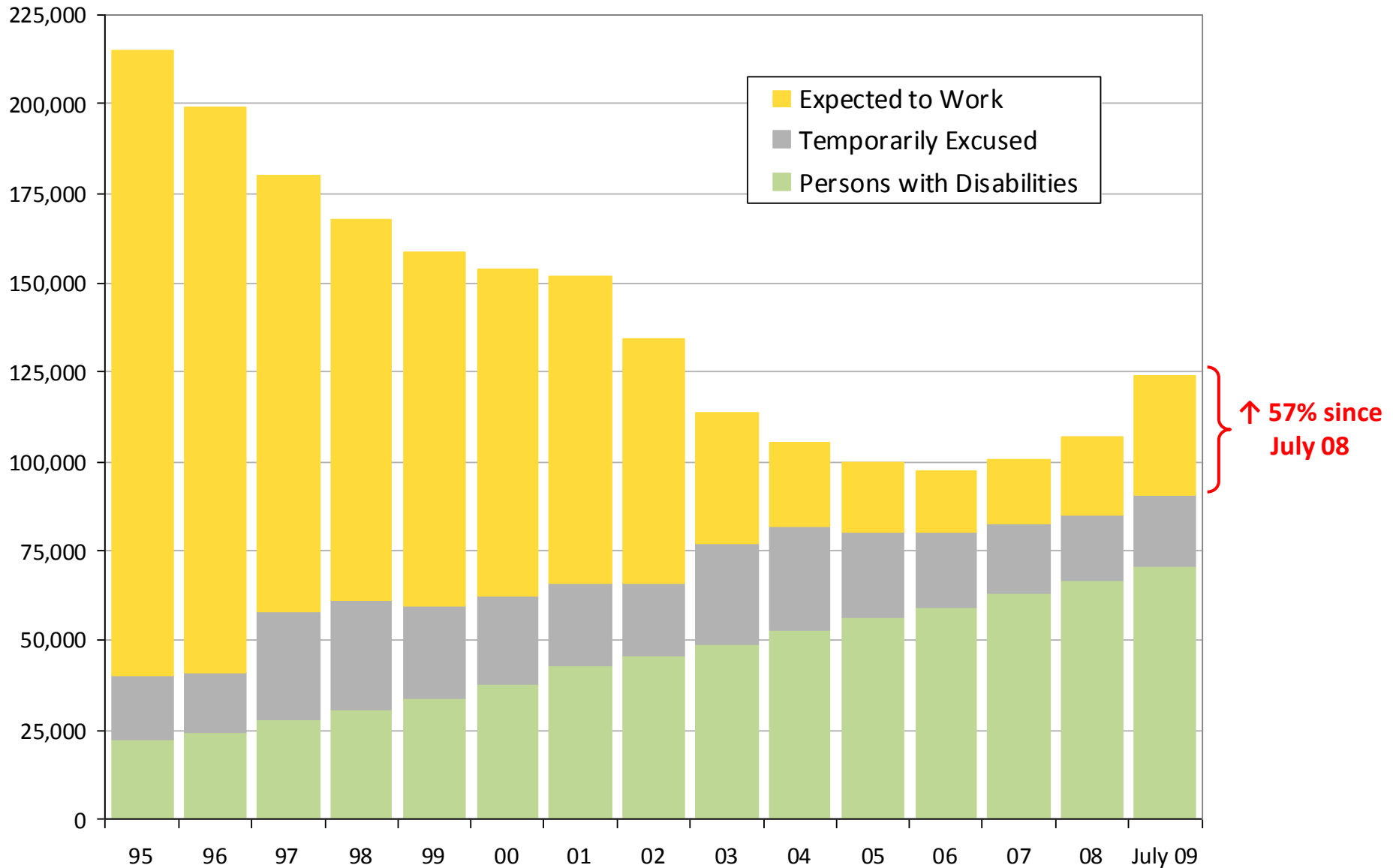
- 85% of our budget goes to clients, directly or through service providers
- Program delivery and administrative costs are 8% of our budget

# KEY COST DRIVER: WELFARE CASELOAD

- Part of the **social safety net** of provincial and federal programs
- Payer of **last resort**: covers **basic needs** for those who have exhausted all other potential sources of income (e.g. EI, CPP, CPPD)
- Access **based on eligibility**, but once eligible there is a **statutory and constitutional obligation** to pay
- Income Assistance caseloads have been at historical lows



# CASELOAD MIX HAS FUNDAMENTALLY CHANGED



# OUR APPROACH

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## Our Values

- What's love got to do with it?
- *“A crisis is a terrible thing to waste”*

## Our Goals

- Maintain **front-line staff/services** to clients
- Maintain presence in rural communities
- Align resources with **strategic priorities**
- Achieve **synergies** across MHSD and collaborate with other ministries

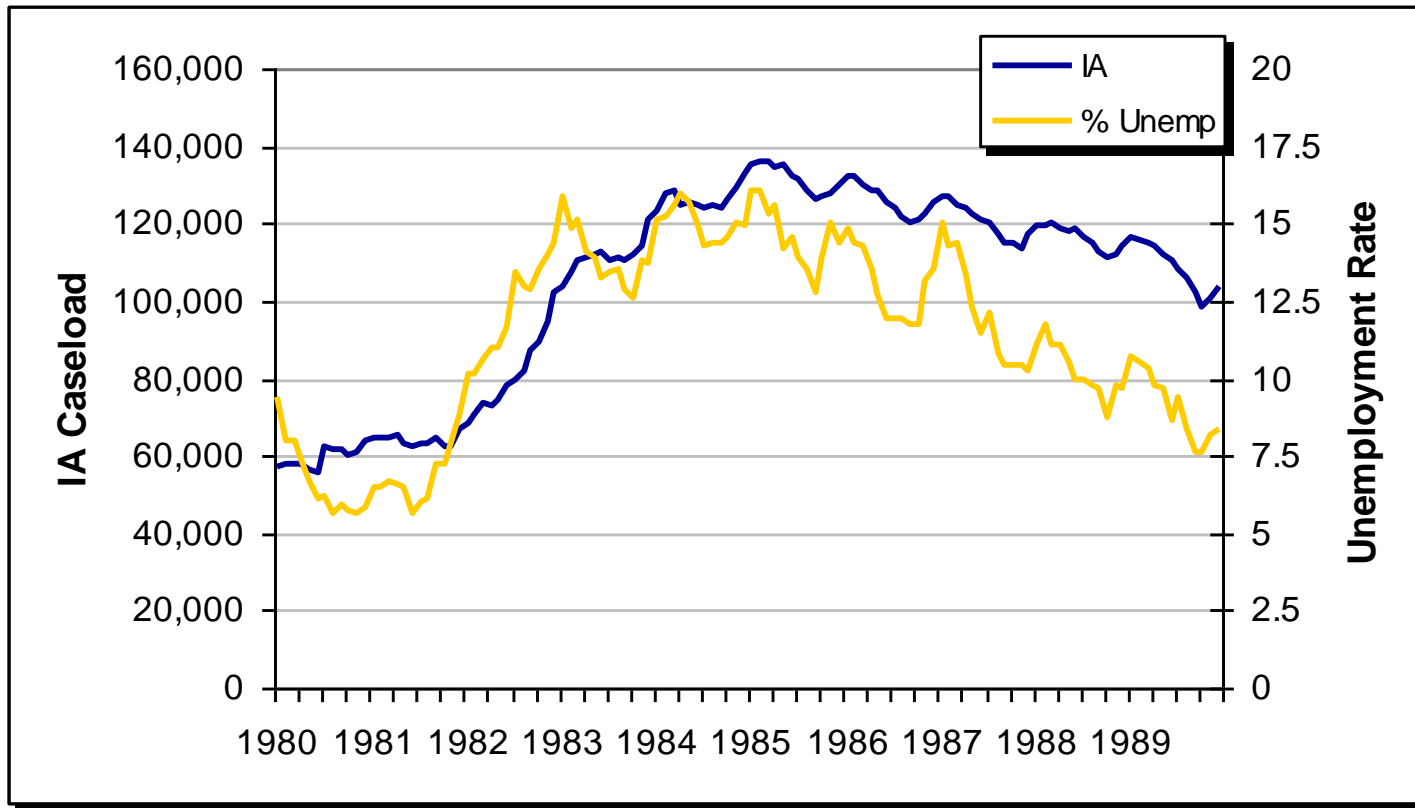
## Strategies

- Caseload management
- Managed staffing
- “Carpe diem”
- Compliance with corporate reviews, enhanced budget oversight



# ANALYSIS OF EARLIER RECESSIONS

Unemployment Rates and IA Caseload 1980 - 1989



## Key Findings

- Early 80's recession most relevant
- Labour market recovery lags economic recovery
- About 40% of the unemployed receive EI now, compared to over 60% in the early 80's
- Out of every 10 people who lose their job, potentially 4-5 will come on to IA

# WHERE ARE WE NOW?

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## Managing the caseload

- ✓ New approaches implemented in June 2009
- ✓ Continuing to monitor caseload and service levels

Unemployment rate forecasts:

2010	8.3%
2011	7.8%
2012	7.3%
2013	7.0%



*Caseload will continue to rise, peaking in 2010*

## A Leaner Organization

- ✓ 244 positions eliminated, 18 staff to be placed

## Building for the Future

- ✓ Funding secured for **2,000 new housing units** for seniors, persons with disabilities and people who are homeless or at risk of becoming homeless. Total cost \$446 million with contributions from feds, province and municipalities.

## A little wiser...

- Issues Management
- Ready to prepare for **Budget 2010!**