



2026 Budget

Ontario Works Operating Budget

Putting the “Works” back into Ontario Works

Reducing Headcount (FTE) and Restoring Trust and Accountability in accordance with the Ontario Works Act and Policy Directives

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Ontario Works - Operating Budget 2022-2026

Note - Budget does not reflect Provincial Transfer Agreement Cost Share Model. The City Tax Roll is responsible for 50/50 split with MCCSS, as the Province covers the additional 50% Operating Cost of Ontario Works - Source Regulation - <https://www.ontario.ca/laws/regulation/r24341>

Year	Total City Operating Cost (50% Portion)	% Increase	FTE
2022	\$12,839,920	4.2%	210
2023	\$13,419,202	4.5%	210
2024	\$14,180,689	7.02%	209.50
2025	\$13,904,520	(1.9%)	222
2026*	\$14,384,223	4.2%	222

Source - City of Hamilton Budget Website

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Ontario Works - 2024 Performance Metrics

CITY FAILED TO MEET 3 out of 4 Metrics in 2024

Outcome	Target	2024 Achievement	Provincial Average
OW adults have an active Action Plan	100%	81.3%	77.8%
Referrals to Employment Ontario	27%	13.1%	27.3%
Percentage of caseload exiting to employment	10%	5.1%	8.6%
Percentage of clients that exit and return within 1 year	35%	35%	32.7%

Source - July 31, 2025 EMC Meeting

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Ontario Works - 2024 Performance Metrics Issues

- **The City failed to meet three out of four performance targets it had set for 2024**
- **The City failed to set a target of having 27 percent of recipients referred to that program but achieved only half that figure.** That was well below the provincial average.
- The City had targeted getting 10 percent of its caseload back to work but ended up with just over 5 percent getting employment.
- The City reports that of those who exit the OW program, 35 percent are back within one year.
- 84% of total caseloads are paying rent in private market rentals, which most recipients finding the difference between the shelter allowance paid by Ontario and market rent paid by Friends and Family.

Source - July 31, 2025 EMC Committee Meeting

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Ontario Works - Operating Budget

Current Key Issues/Challenges

- The City of Hamilton continues to have Enterprise Risk Management framework governance gaps to monitor departments to ensure that they follow provincial policy and transfer arrangement programs (i.e. Ontario Works) as Service Delivery Agent. (Reference - 2025 AG Report - Transfer Payments and Grants Audit , 2026 Barton/Tiffany Tiny Shelter Audit)
- The framework for department collaboration is broken with this city, the city operates in silos without any department collaboration (i.e. OW working with City Clerk) not responding to FOI request in time.
- Eligibility Review Office is collecting less overpayments during this term of council vs. case levels rising
- The City does not have any SLA when complaints are responded to in a timely matter when it comes to Fraud and Waste complaints, which should be investigated and handled within 30 days.

Ontario Works - Operating Budget

Current Key Issues/Challenges

- Functions of the City, being the Service Delivery Agent has been removed from the City such as Program Eligibility (Applying for Ontario Works) and Employment (Employment Ontario)
- The City missed a majority of its Service Delivery Metrics assigned by MCCSS in 2024
- **Increase Staff FTE in 2025 from 209.50 to 222 when responsibility for service delivery agent were reduced in 2024.**
- Current Value for Money Audit on OW Eligibility and Fraud Investigations which is currently in progress with the AG 2026 Audit Work Plan.

Ontario Works - Service Delivery Manager Roles and Responsibility Changes in 2024

- **Employment Services** - The City role in managing employment transition to province, Employment Ontario model. The transformation will integrate employment programs for Ontario Works and the Ontario Disability Support Program into a transformed Employment Ontario service to create one system, thus reducing the city role in administration of the program.
- **Initial Eligibility Intake and Appeals** - the Ministry is the new “delivery agent” for the City allowing it to take full responsibility for making **initial** eligibility decisions and notifying the applicants of those decisions.

Ontario Works - City New **REDUCED** Service Delivery Agent Role effective October 1, 2024

- selected intakes: emergency assistance, temporary care, youth under 18
- active cases, including **ongoing eligibility reviews and overpayments**

LESS RESPONSIBILITY FOR THE CITY !!!!

Ontario Works - Overpayments Collections (2022-2024)

With the reduce scope of service delivery agent responsibility in 2024, and modest cases increases, the City increased its FTE in 2025 by 13 and did recovered less in overpayments.

Year	Total Overpayments Recovered	FTE
2022	\$545,169	210
2023	\$418,932	210
2024	\$270,562	209.50
2025	TBD	222

Source - FOI

Ontario Works - Operating Budget 2026 Recommendations

2026 Value-for-Money Audit – Auditor General (Ontario Works Eligibility and Fraud Reporting)

- Implement findings and recommendations arising from the 2026 Value-for-Money Audit.

Budget and Staffing Realignment

- Reduce the Department's budget to reflect a reduced scope and responsibility as a City service delivery agent.
- Decrease staffing levels from **222 to 200 FTEs in 2026**.
- Achieve approximately **\$1 million in annual savings**.

Putting the “Works” back into Ontario Works

Ontario Works - Operating Budget 2026 Recommendations

Operational Modernization

- Introduce **AI and automation** to support the City's revised Ontario Works role.
- Utilize technology for:
 - Active case management
 - Ongoing eligibility reviews including Fraud mitigation
 - Overpayment identification and collection
- Enable sustained service delivery while supporting further **FTE reductions** through efficiency gains.



Let's Put the "Works" back into Ontario Works in 2026

THANK YOU

