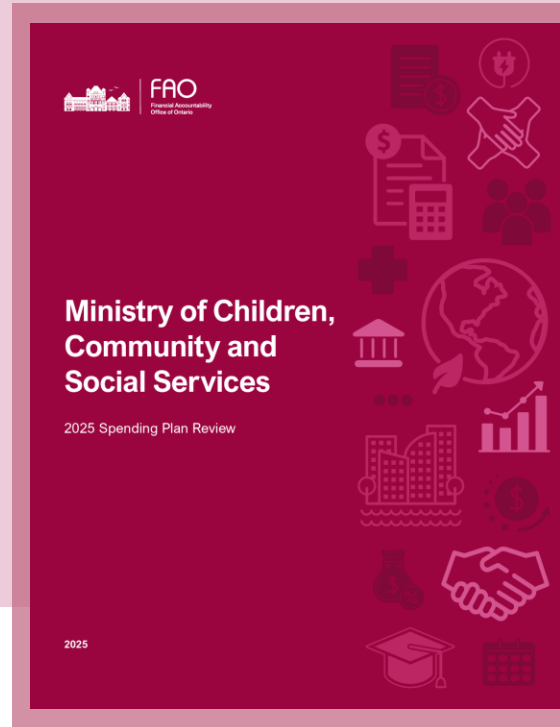




Ministry of Children, Community and Social Services

2025 Spending Plan Review

Briefing Deck



FAO

Financial Accountability
Office of Ontario

Overview

- This report reviews the Government of Ontario's (the Province's) Ministry of Children, Community and Social Services spending plan as outlined in the 2025 Ontario Budget.
- This analysis was undertaken in response to a request from a Member of Provincial Parliament and is part of a planned series that reviews the spending plans for five ministries:
 - Health and Long-Term Care, which form the health sector;
 - Education;
 - Colleges, Universities, Research Excellence and Security (MCURES); and
 - Children, Community and Social Services (MCCSS).
- For additional information on the five ministries' 2025-26 spending plans, see the FAO's *Examining Ontario's 2025-26 Expenditure Estimates*, which compares planned spending against actual spending over the previous four years to the standard account level of detail.



Spending Plan Overview

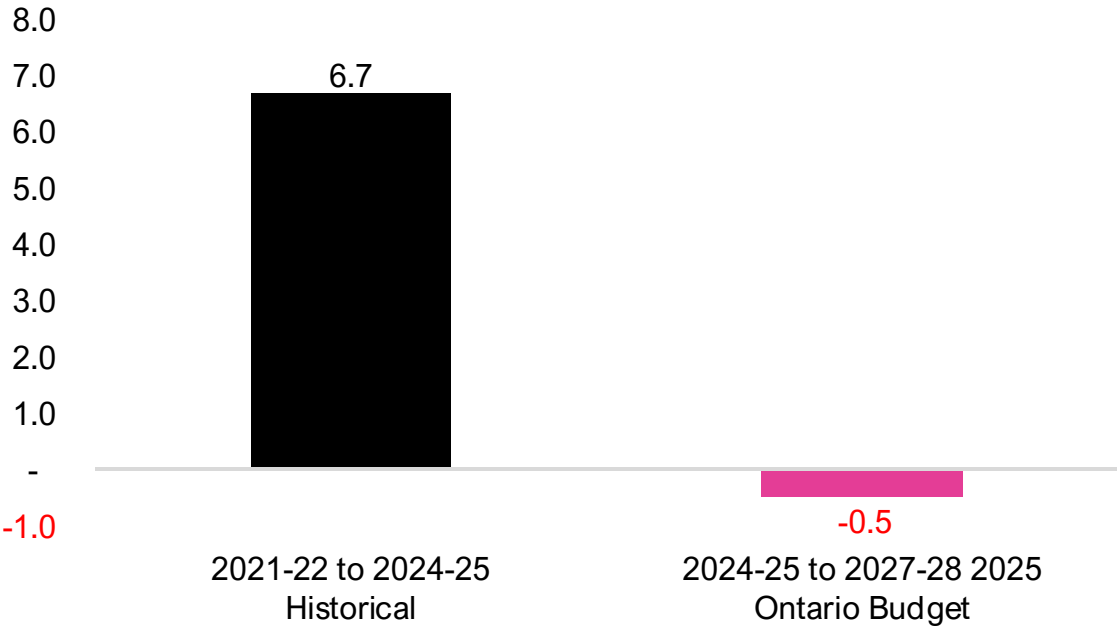


MCCSS Spending Plan

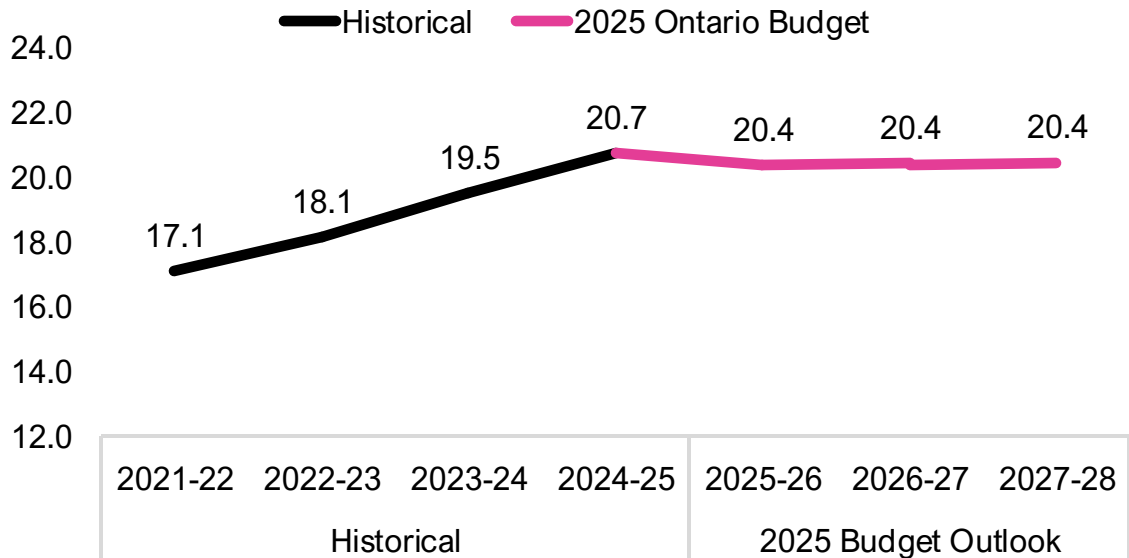
- In the 2025 Ontario Budget, the Province projects that MCCSS spending will decline at an average annual rate of -0.5%, from \$20.7 billion in 2024-25 to \$20.4 billion in 2027-28.
- This is a significantly slower pace than the 6.7% average annual growth over the previous three years.

Ministry of Children, Community and Social Services spending plan in the 2025 Ontario Budget

Average Annual Spending Growth (Per Cent)



Annual Spending (\$ Billions)



Note: Historical values are not restated for program transfers or reclassifications, if any.
Source: Ontario Public Accounts and the 2025 Ontario Budget.

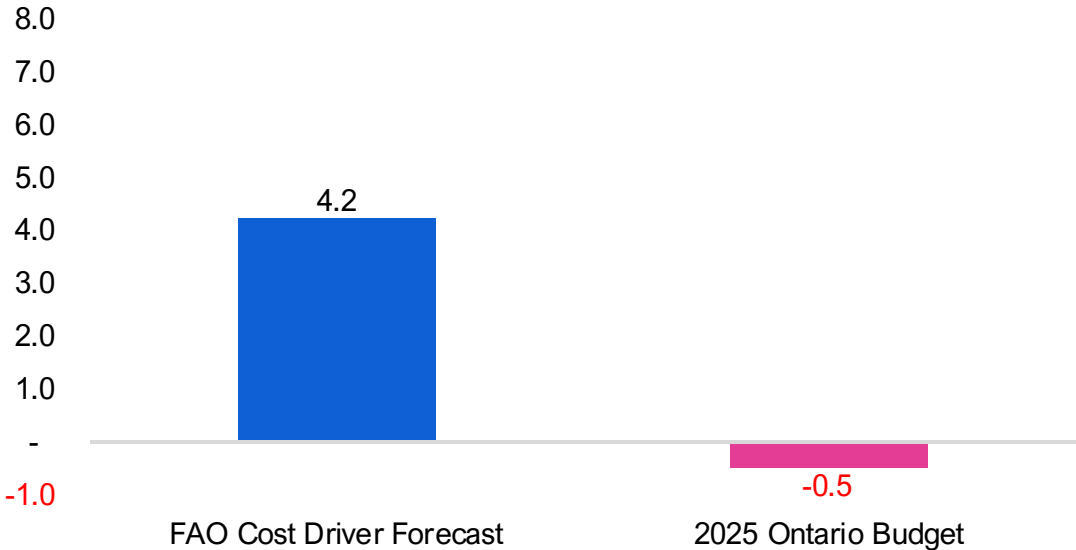


MCCSS Spending Plan

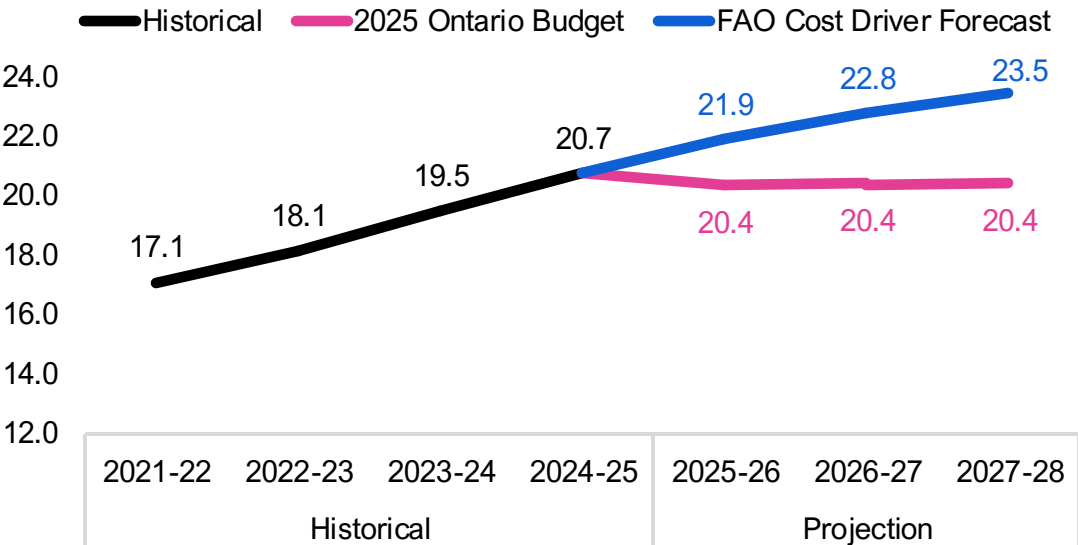
- The FAO estimates that MCCSS spending would need to grow by an average annual rate of 4.2% over the next three years to maintain 2024-25 ministry service levels.
- Compared to the FAO's cost driver projection, the 2025 budget spending plan has a funding shortfall of \$1.5 billion in 2025-26, \$2.4 billion in 2026-27 and \$3.1 billion in 2027-28.

Comparing MCCSS spending growth, FAO cost driver forecast vs. 2025 Ontario Budget, 2024-25 to 2027-28

Average Annual Spending Growth (Per Cent)



Annual Spending (\$ Billions)



Note: Historical values are not restated for program transfers or reclassifications, if any.
Source: Ontario Public Accounts and the 2025 Ontario Budget.



Spending Plan Analysis

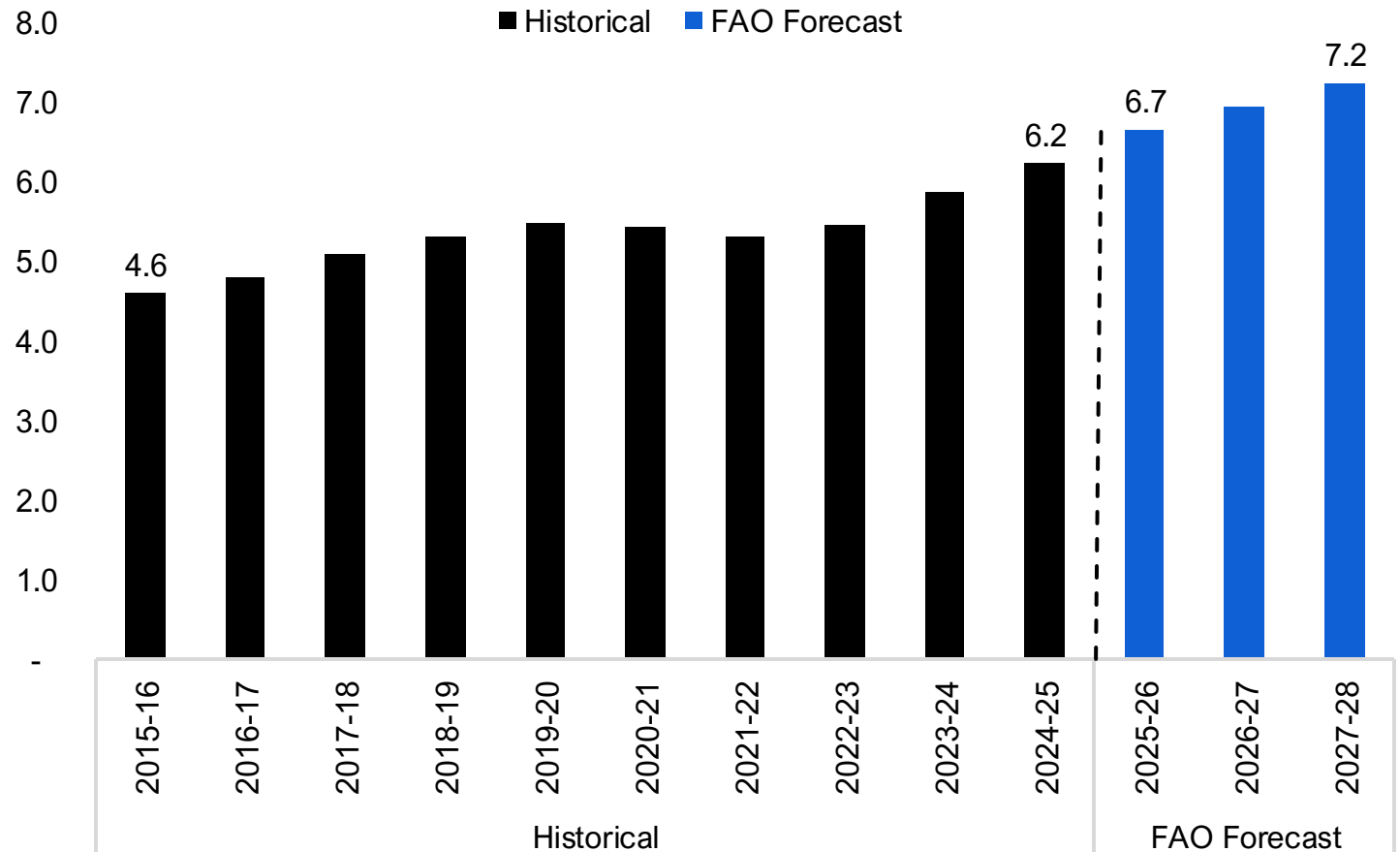
The FAO projected Ontario Disability Support Program (ODSP) and Ontario Works (OW) cases, benefit rates and total spending, given current program rules.



ODSP Spending

- The FAO estimates that the average monthly number of ODSP cases will increase from 372,681 in 2024-25 to 402,639 in 2027-28.
- Based on prescribed increases in ODSP allowances, the FAO estimates that the average inflation-adjusted (i.e., real) allowance will grow from \$15,981 in 2024-25 to \$16,073 in 2027-28.
- Based on the projected increase in cases and prescribed increases in allowances, the FAO estimates that ODSP spending will increase from \$6.2 billion in 2024-25 to \$7.2 billion in 2027-28.
- This increase in spending is higher than the funding allocated to the ODSP in the 2025 budget.

Annual Ontario Disability Support Program spending, 2015-16 to 2027-28
Annual Spending (\$ Billions)



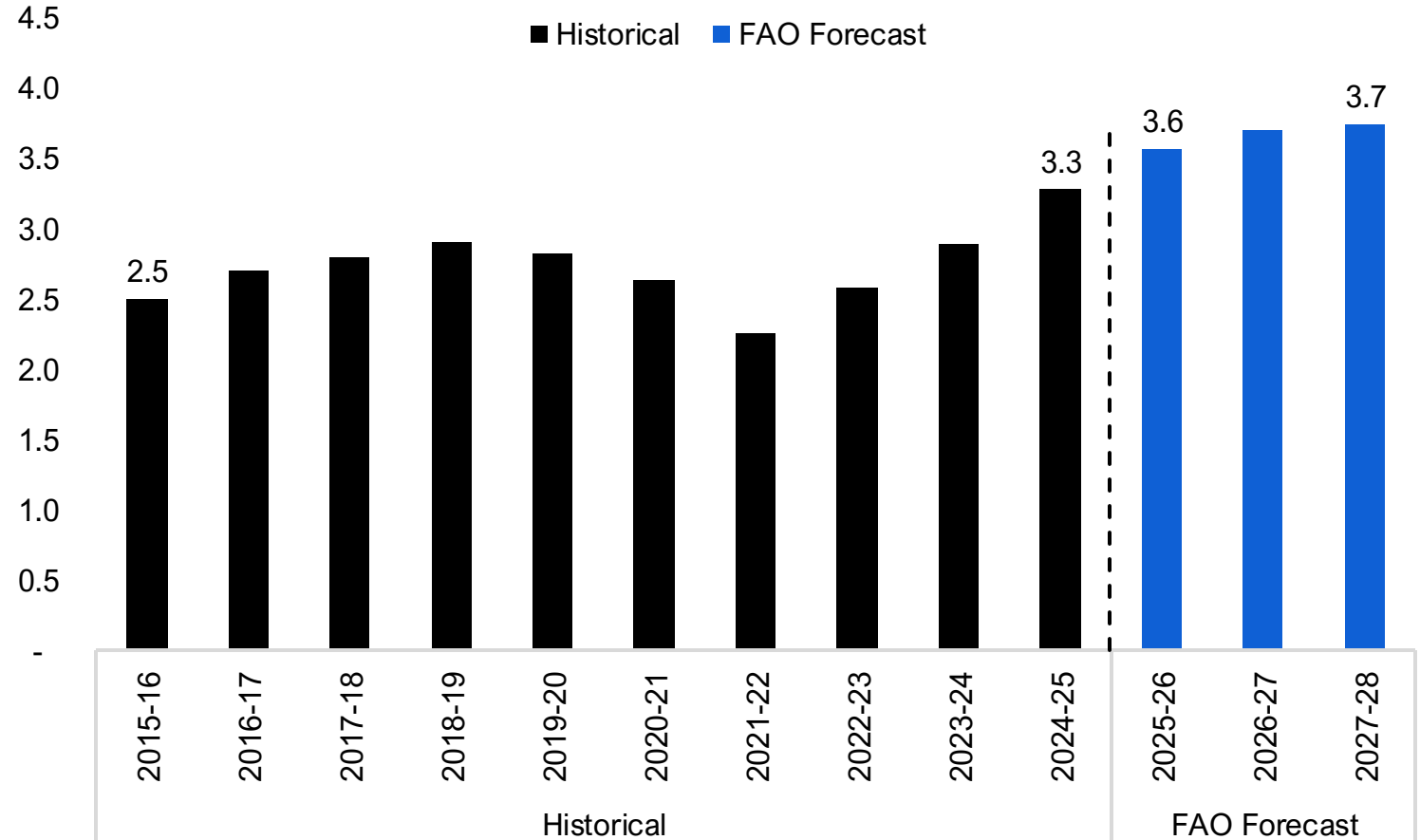
Source: Ontario Public Accounts, Government of Ontario Open Data, 2025 Ontario Budget and FAO analysis.



OW Program Spending

- The FAO estimates that the average monthly number of OW cases will increase from 282,011 in 2024-25 to 330,684 in 2027-28.
- As OW allowance rates are currently frozen, the FAO estimates that the average inflation-adjusted (i.e., real) allowance will decline from \$9,455 in 2024-25 to \$8,891 in 2027-28.
- Based on projected increase in cases and assuming no change in allowance rates, the FAO estimates that OW spending will increase from \$3.3 billion in 2024-25 to \$3.7 billion in 2027-28.
- This increase in spending is higher than the funding allocated to the OW program in the 2025 budget.

Annual Ontario Works program spending, 2015-16 to 2027-28
Annual Spending (\$ Billions)



Source: Ontario Public Accounts, 2025 Ontario Budget and FAO analysis.



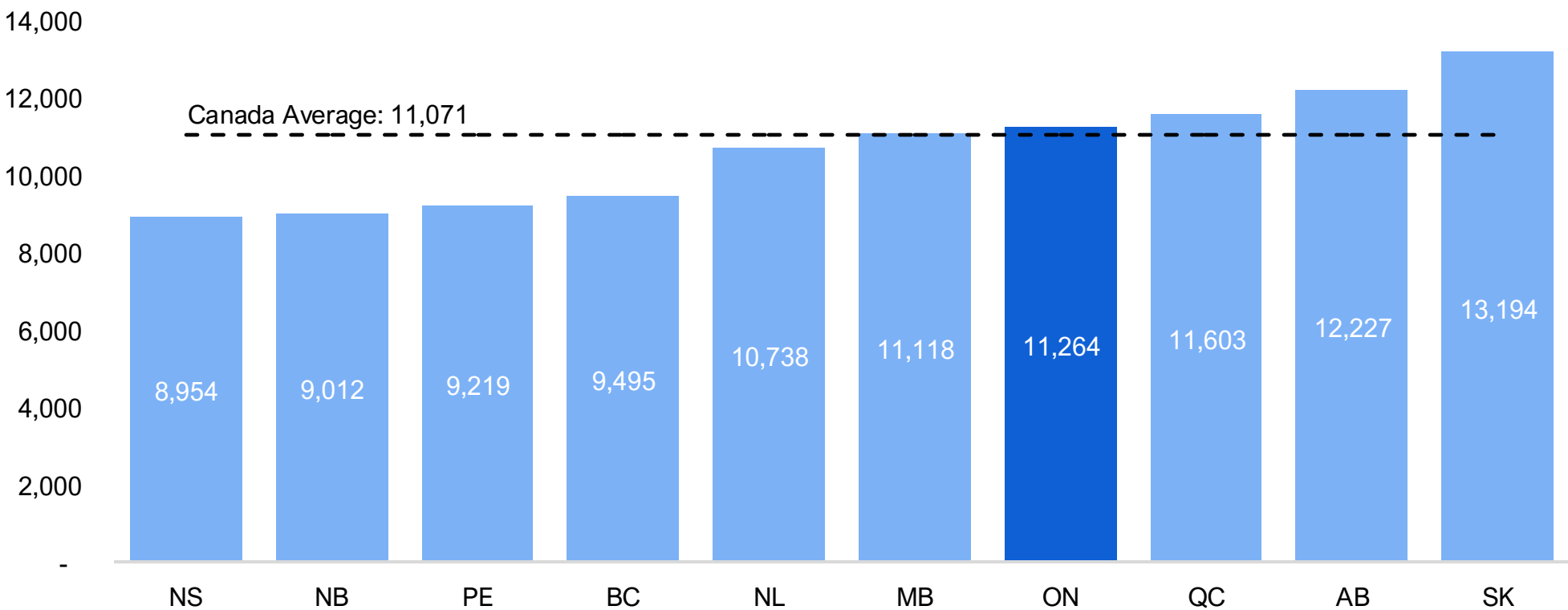
Interprovincial Comparison

The FAO compared Ontario's social assistance payments to the other provinces.



Social Assistance Payments

Average annual social assistance payments per recipient by province, adjusted for provincial price differences, 2023
Dollars per Person, Adjusted for Provincial Price Differences

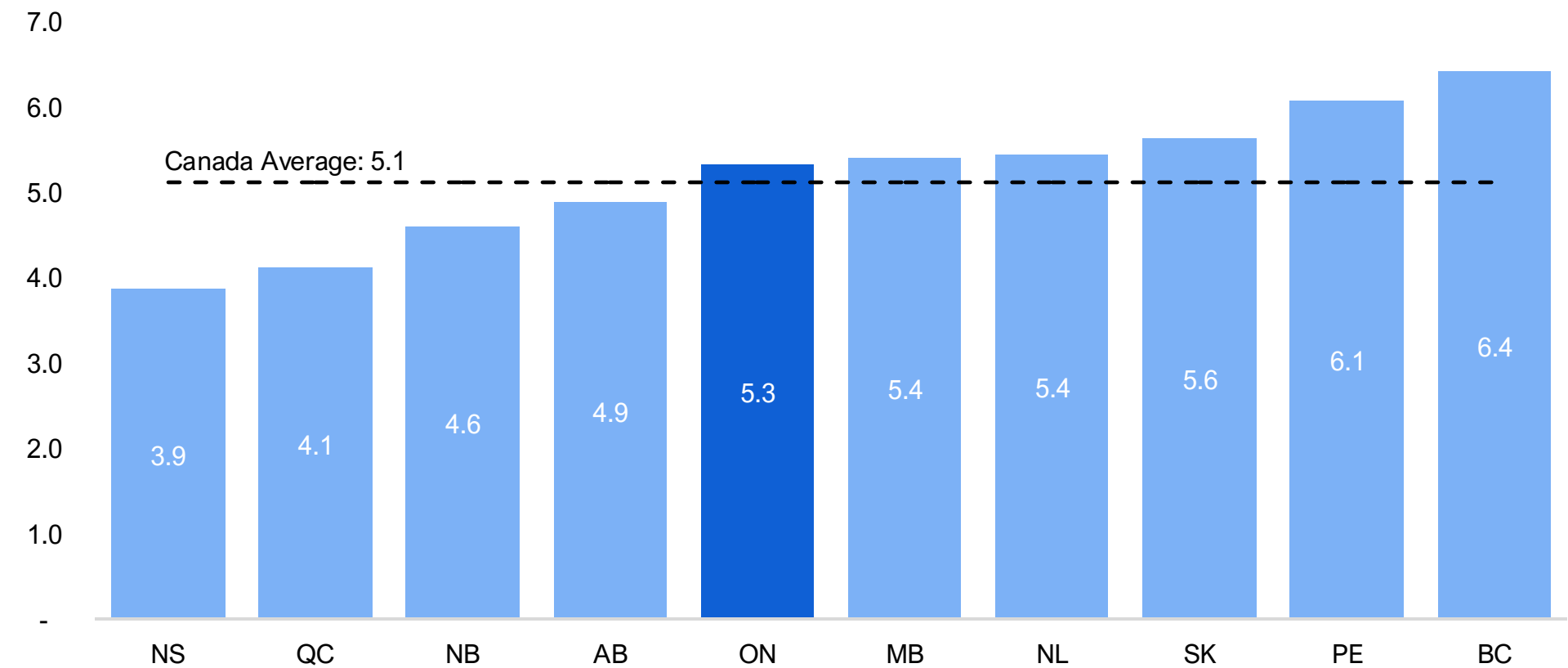


Note: Social assistance payments are adjusted for provincial differences in prices, using purchase power parity indices, to provide a comparison of the purchasing power of social assistance payments (i.e., the amount of shelter, food, clothing and other goods/services that each province's social assistance benefits could purchase). Canada average excludes territories. A recipient is an individual aged 15 and over who reported receiving social assistance income in Statistics Canada's Canadian Income Survey.
Source: Statistics Canada Canadian Income Survey (2023); Purchasing Power Parities for Consumption and Household Income Across the Canadian Provinces and Territories; and FAO.



Social Assistance Recipient Share

Social assistance recipients as a share of population aged 15 and over by province, 2023
Per Cent



Note: Canada average excludes territories.
Source: Statistics Canada Canadian Income Survey (2023) and FAO.



Thank you!



FAO

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