

Webinar

Welfare in Canada, 2022

Today's presentation



- Context – what happened in 2022?
- Methodology
- Adequacy of welfare incomes in 2022
- Adequacy over time
- Changes in basic social assistance
- Changes in total welfare incomes relative to inflation
- Response to inflation
- Limited federal supports
- Key takeaways and recommendations

What happened in 2022?

No COVID-19 pandemic-related benefits



40-year high rate of inflation (6.8% CPI)



What happened in 2022?



Some jurisdictions rethinking approach to social assistance



Methodology



Unattached single
considered
employable



Unattached single
with a disability



Single parent with
one child aged 2



Couple with two
children aged
10 and 15

Components

Provincial and Territorial sources

- Basic social assistance
- Additional social assistance
- Tax credits and benefits
- Child benefits

Federal sources

- Tax credits and benefits
- Canada Child Benefit

Measures of adequacy

Measures of poverty

- Canada's Official Poverty Line, the Market Basket Measure (MBM) and Northern Market Basket Measure (MBM-N)
- Deep income poverty threshold, 75% of the MBM (MBM-DIP) or MBM-N (MBM-N-DIP)

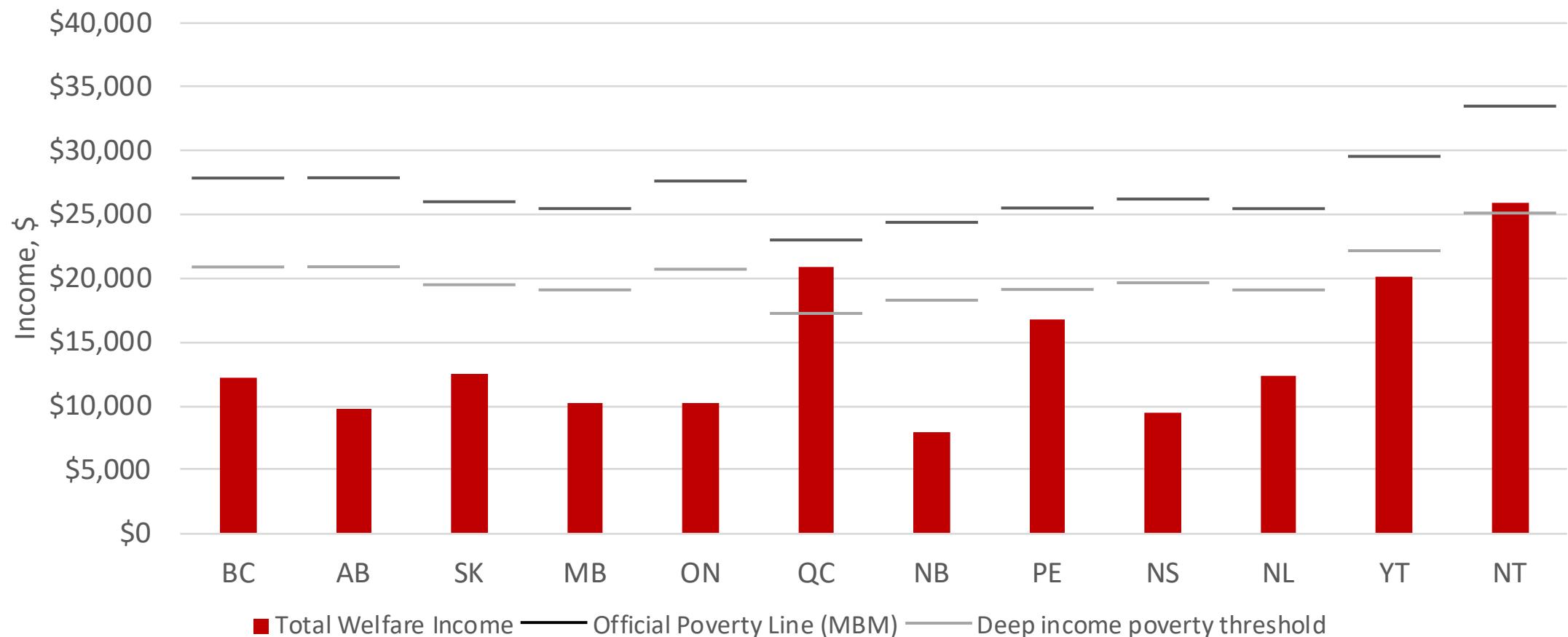
Measures of low income

- Low income measure (LIM)
- Low income cut-offs (LICO)



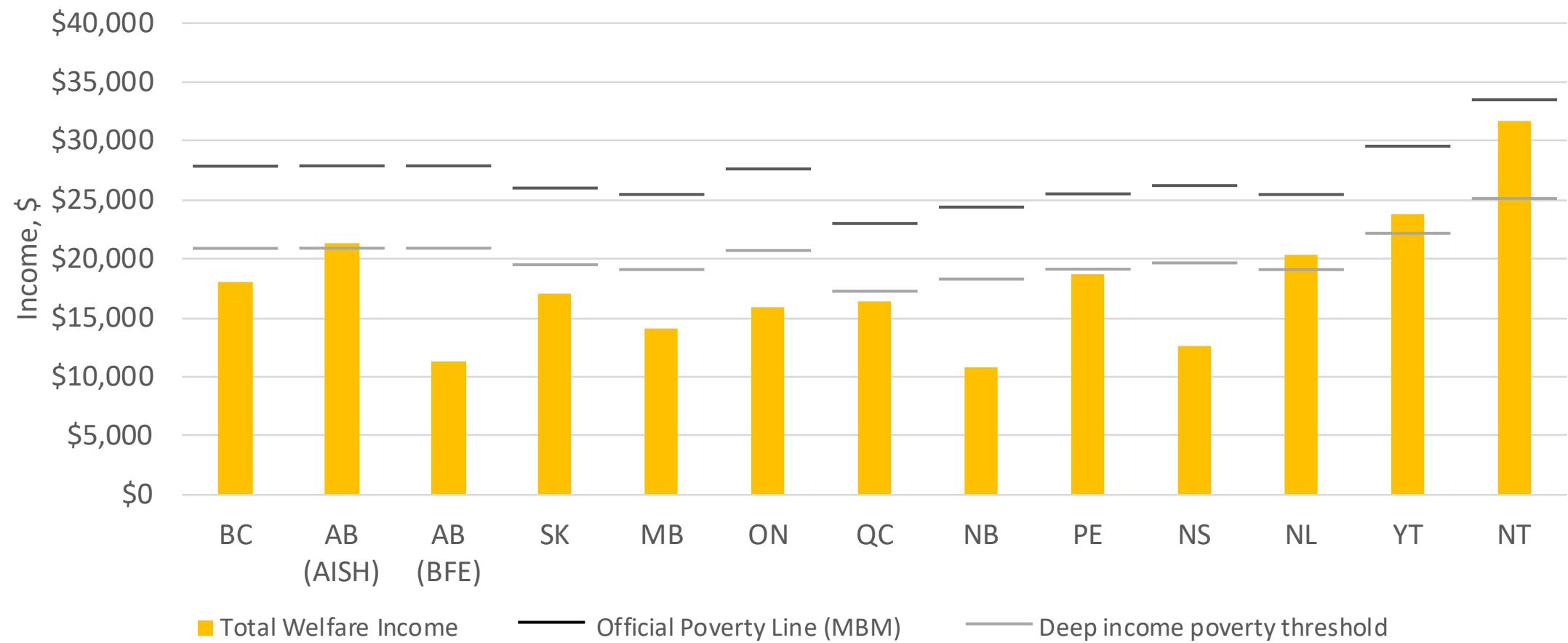


Adequacy for unattached singles considered employable



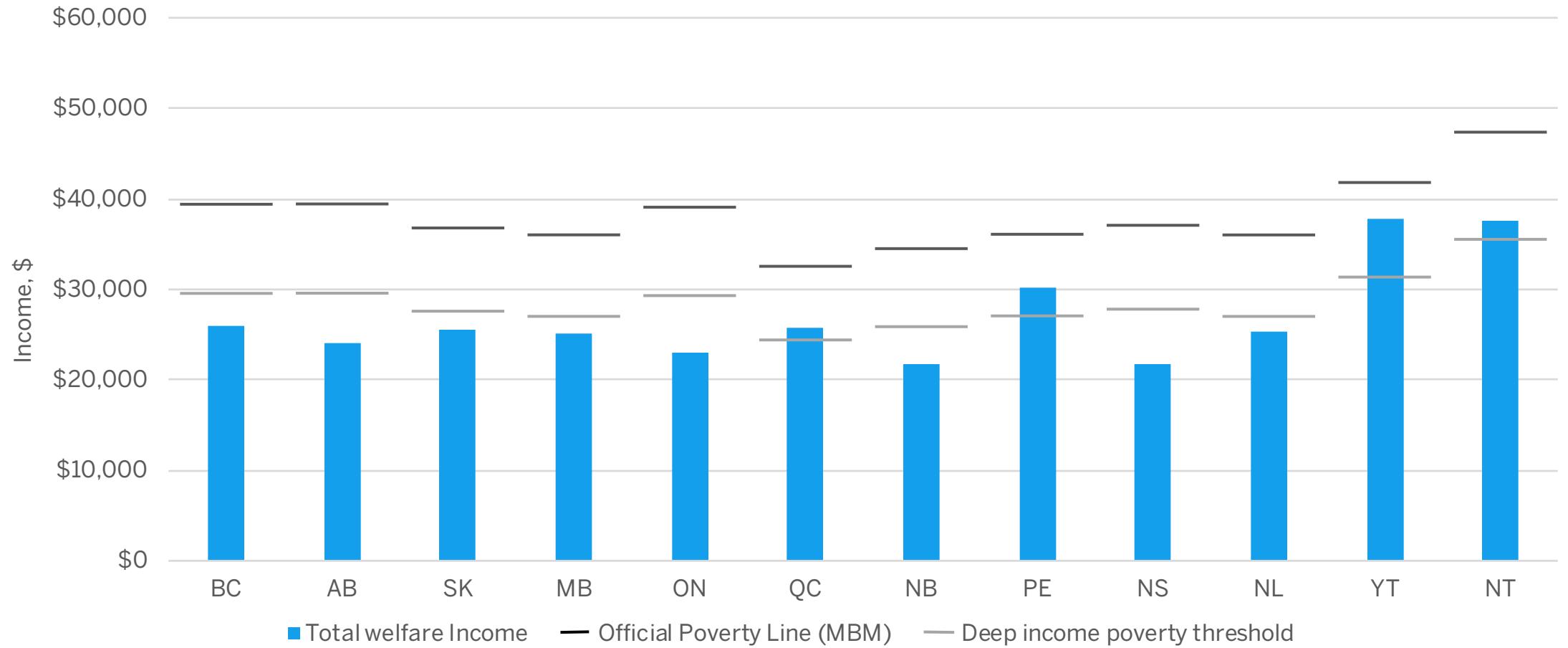


Adequacy for unattached singles with disabilities



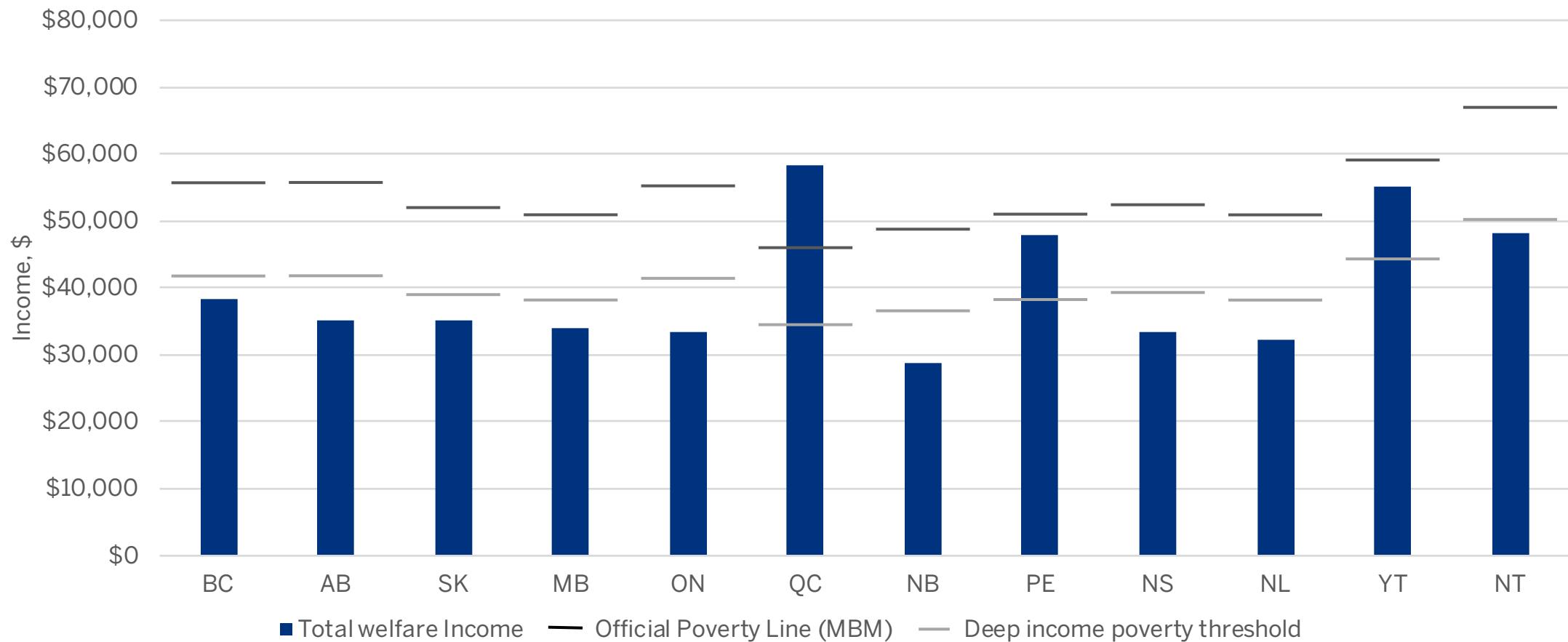


Adequacy for single parent with one child





Adequacy for couple with two children





Adequacy in 2022 - Overview



98% of households
in poverty (48/49)

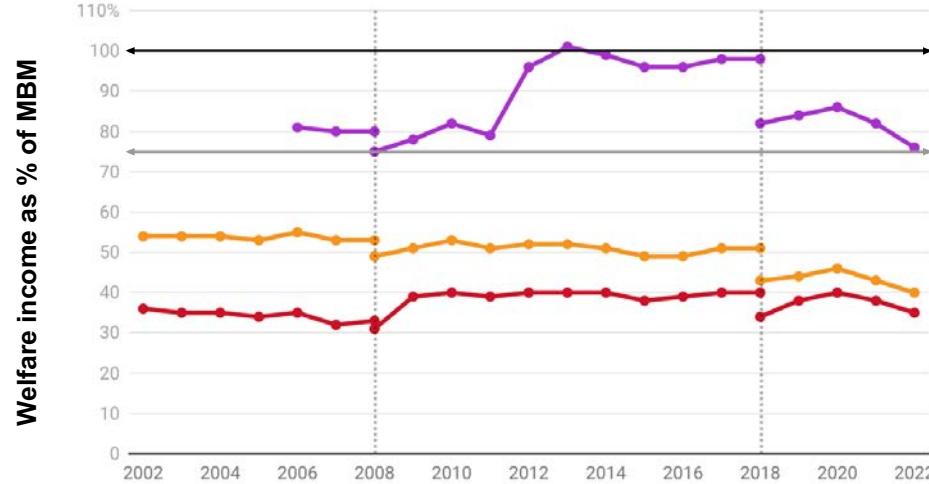


73% of households
in deep poverty (36/49)

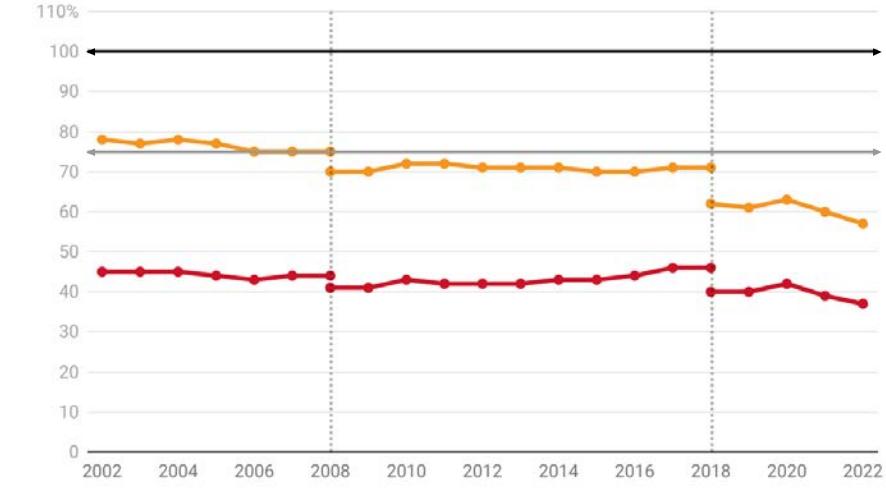


Adequacy over time

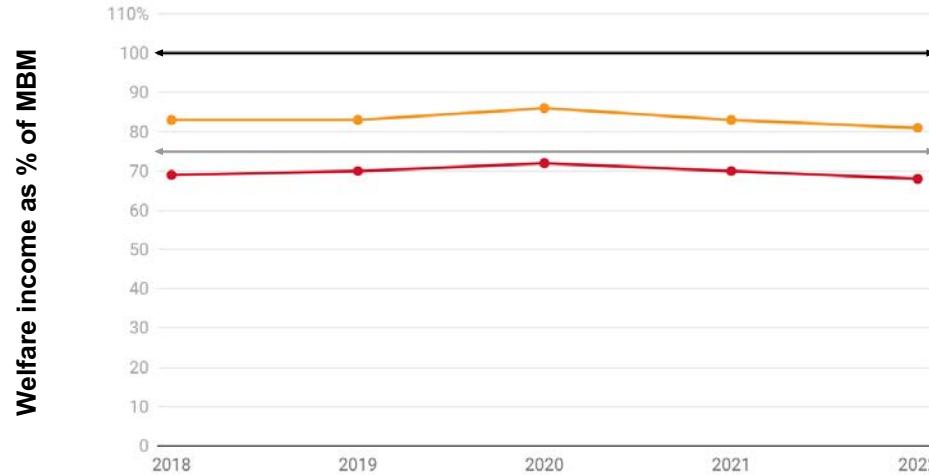
Alberta



Ontario



Yukon

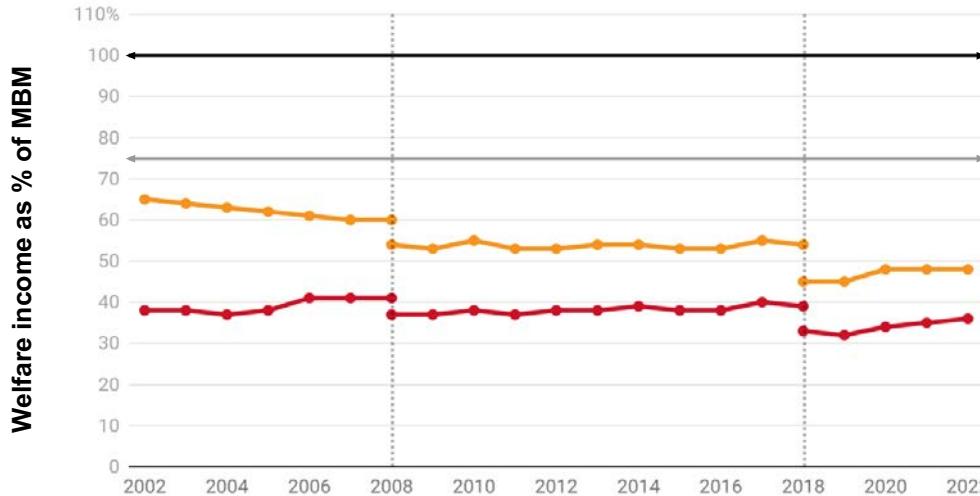


■ Unattached single considered employable ■ Unattached single with a disability
■ Unattached single with a disability (AISH)
■ Official Poverty Line (MBM/MBM-N) ■ Deep income poverty threshold (75% of MBM/MBM-N)

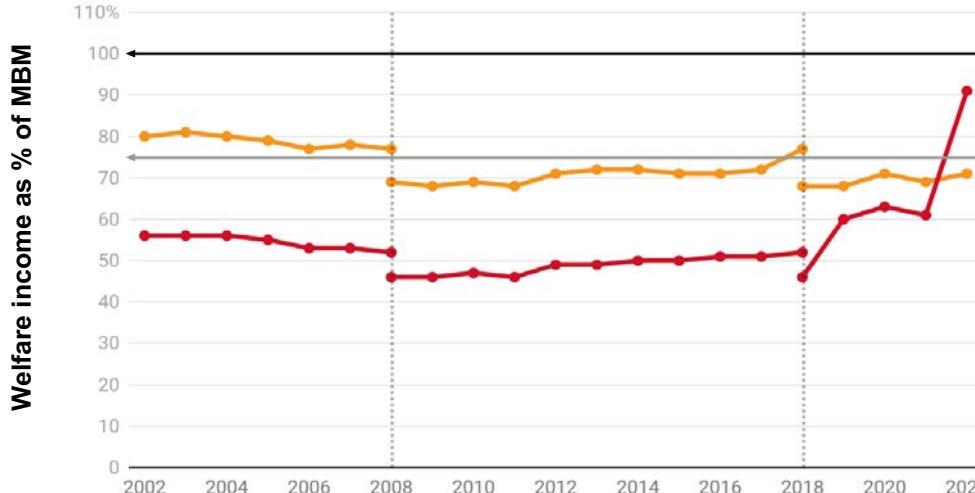


Adequacy over time

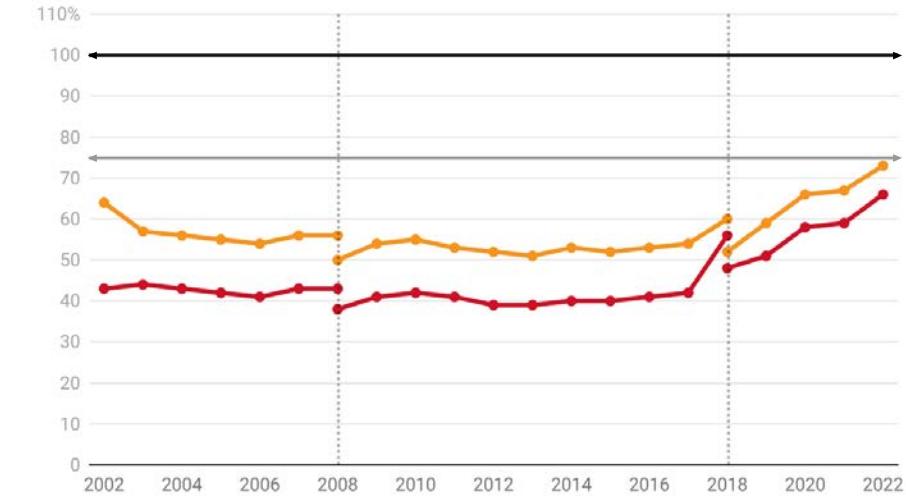
Nova Scotia



Quebec



Prince Edward Island



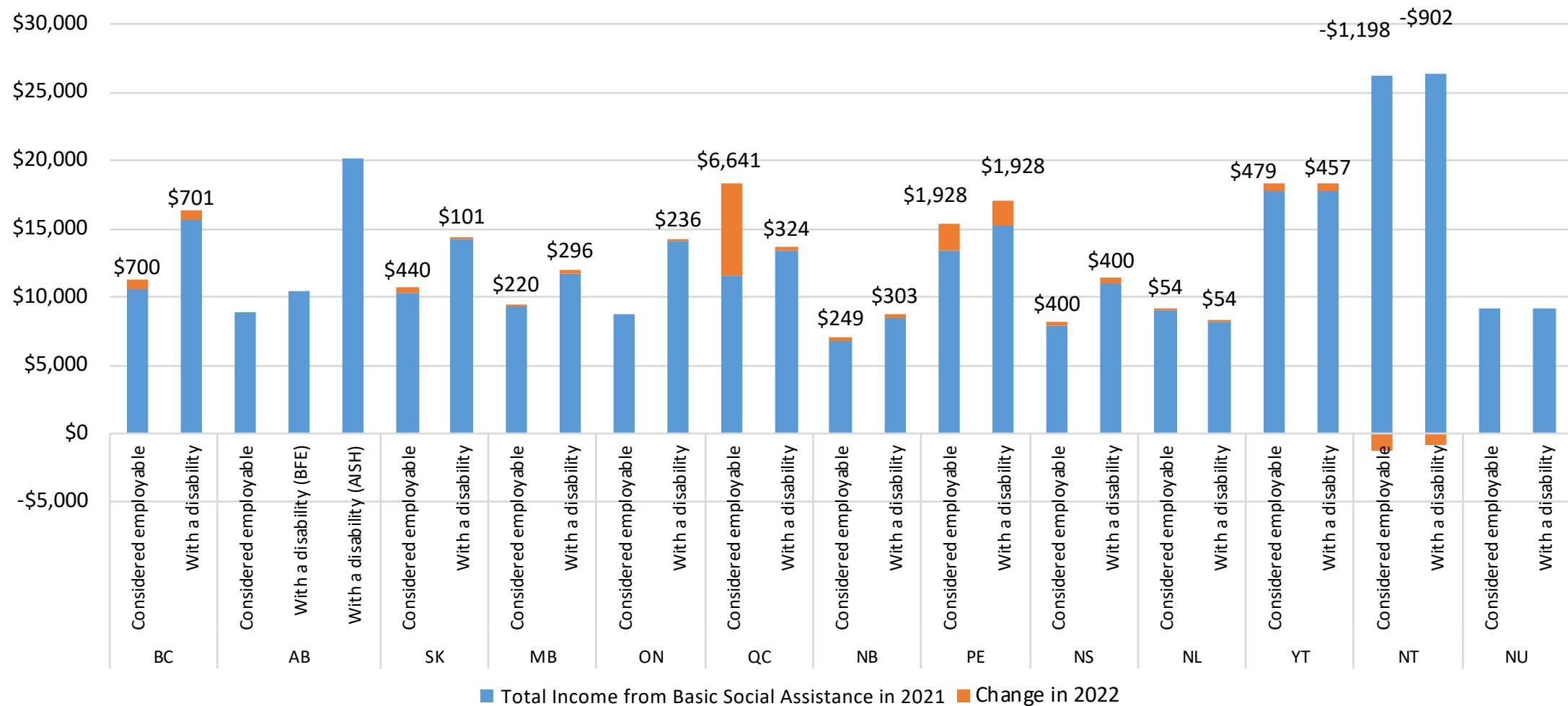
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■ Official Poverty Line (MBM/MBM-N)

■ Deep income poverty threshold (75% of MBM/MBM-N)

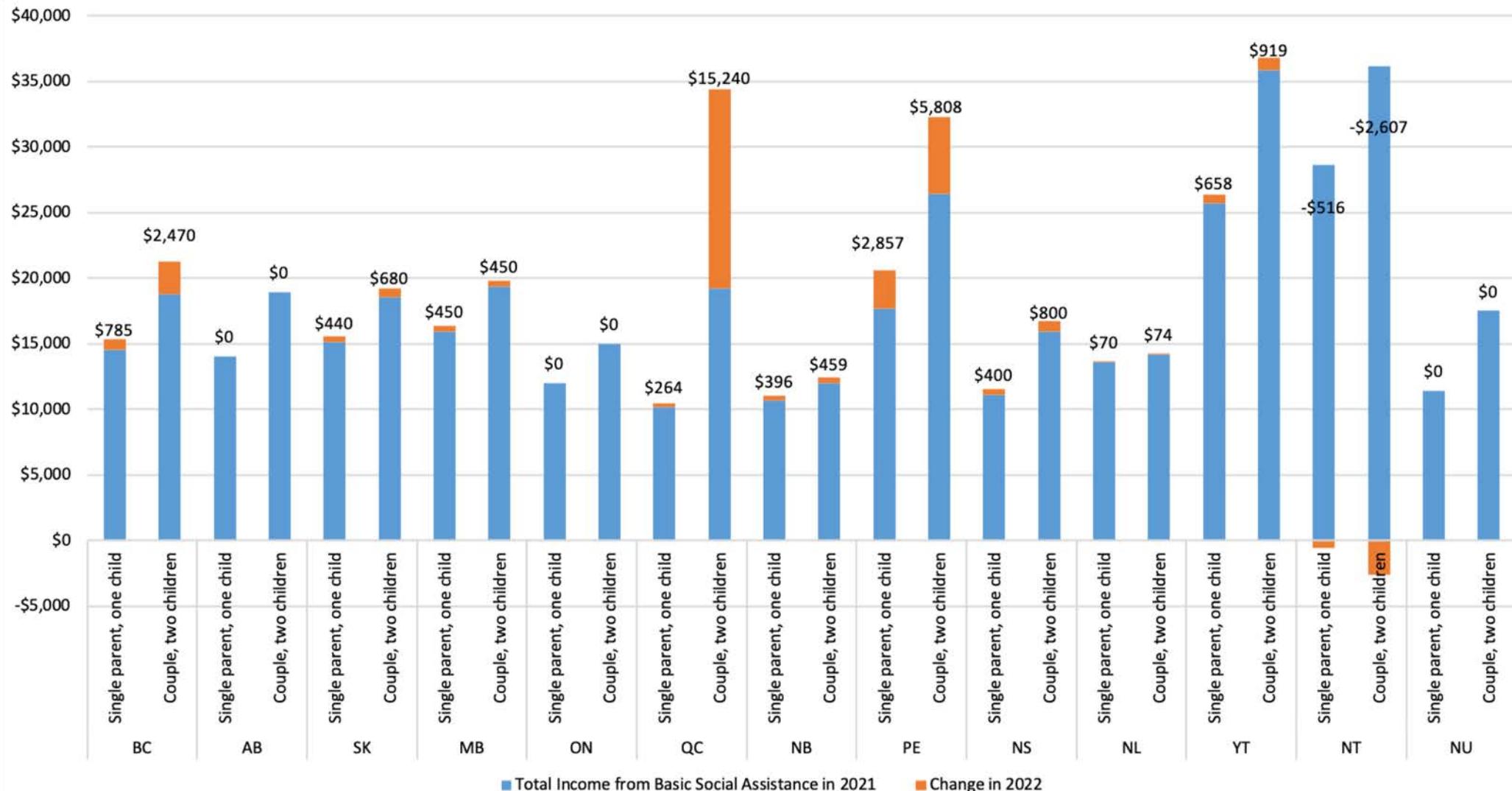


Change in basic social assistance income – unattached singles (2021-2022)





Change in basic social assistance income – households with children (2021-2022)





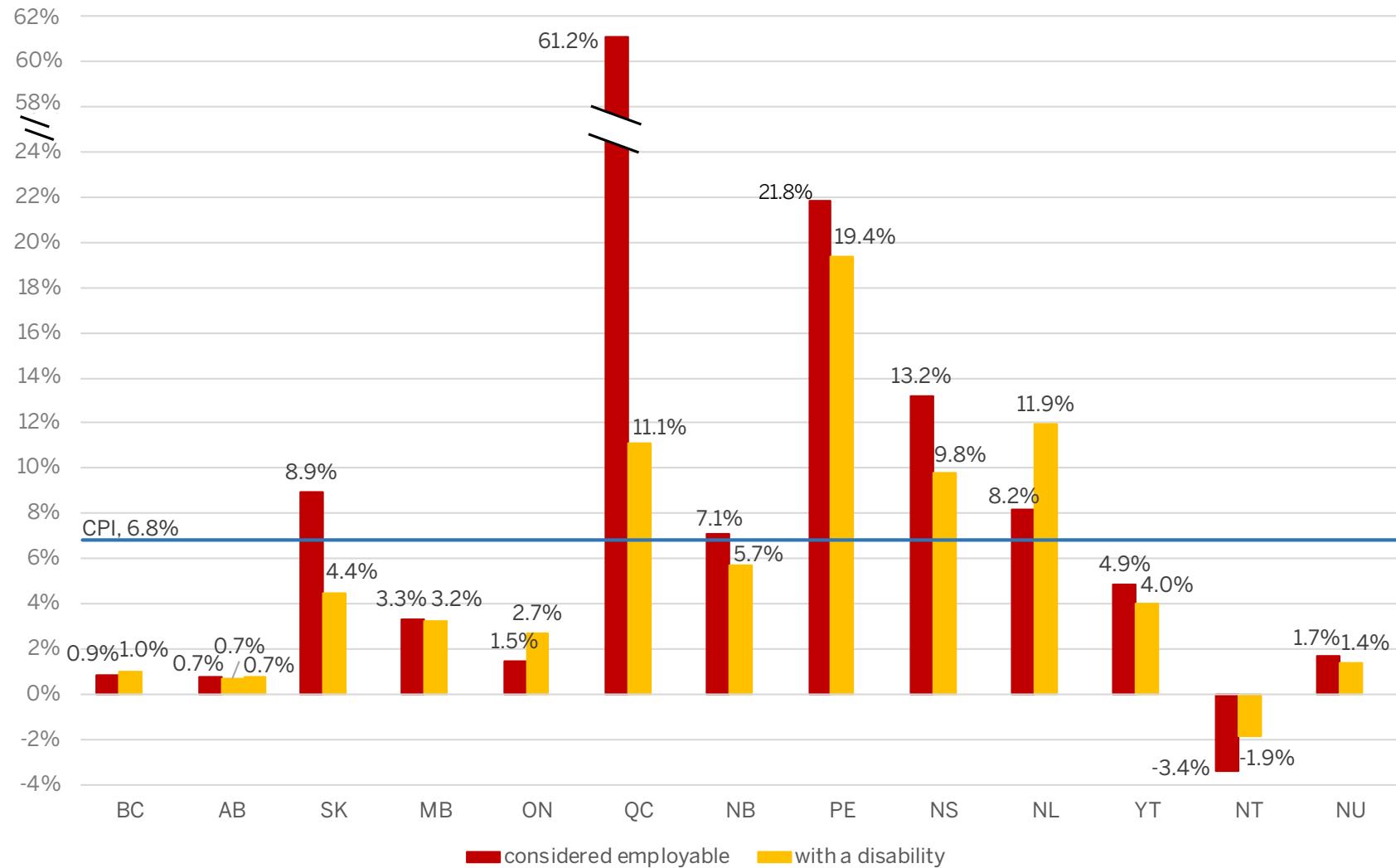
Change in basic social assistance income - Overview



- Most increases were modest, but a few jurisdictions stand out:
 - Significant increases / policy changes
 - No increases

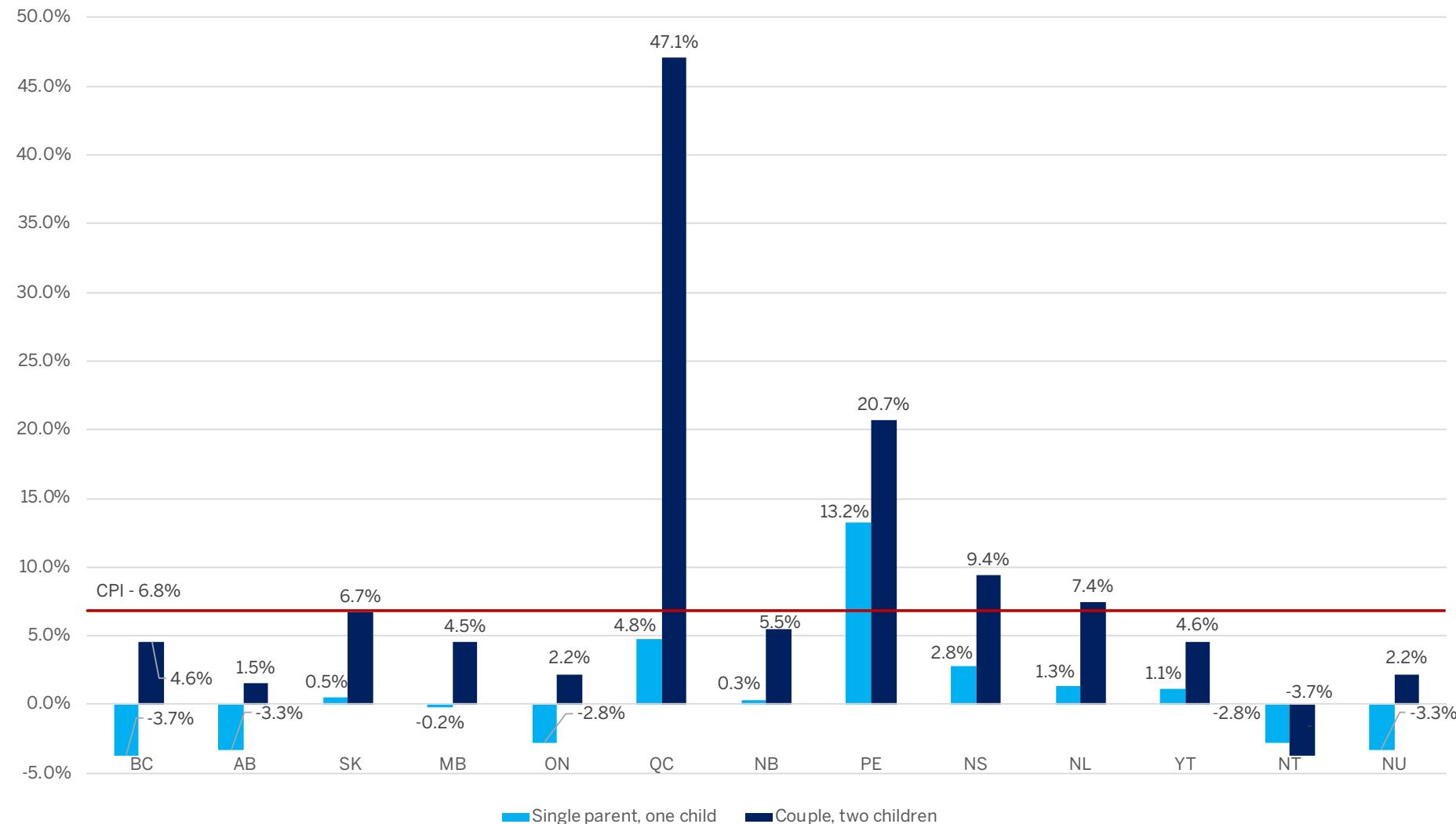


Welfare income change relative to inflation – unattached singles





Welfare income change relative to inflation – households with children

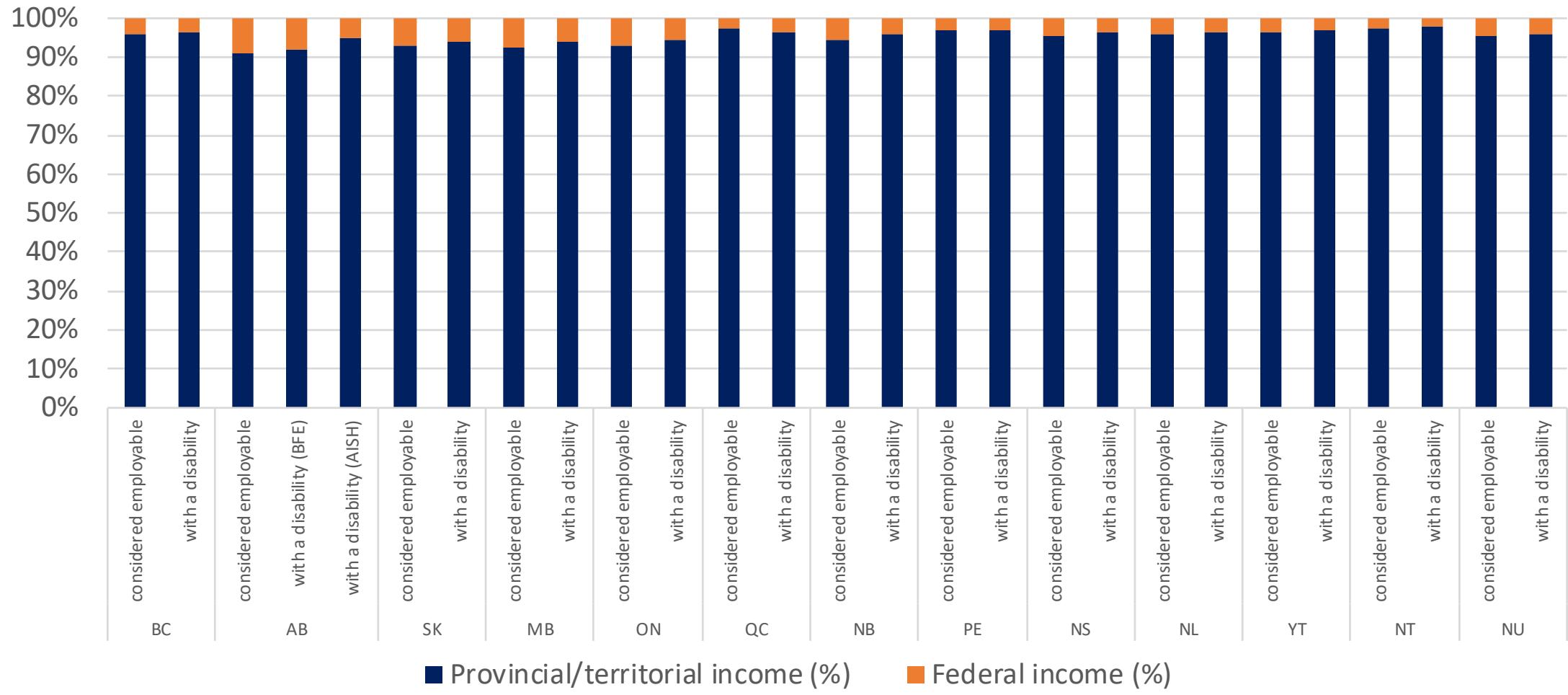


Policy response to inflation

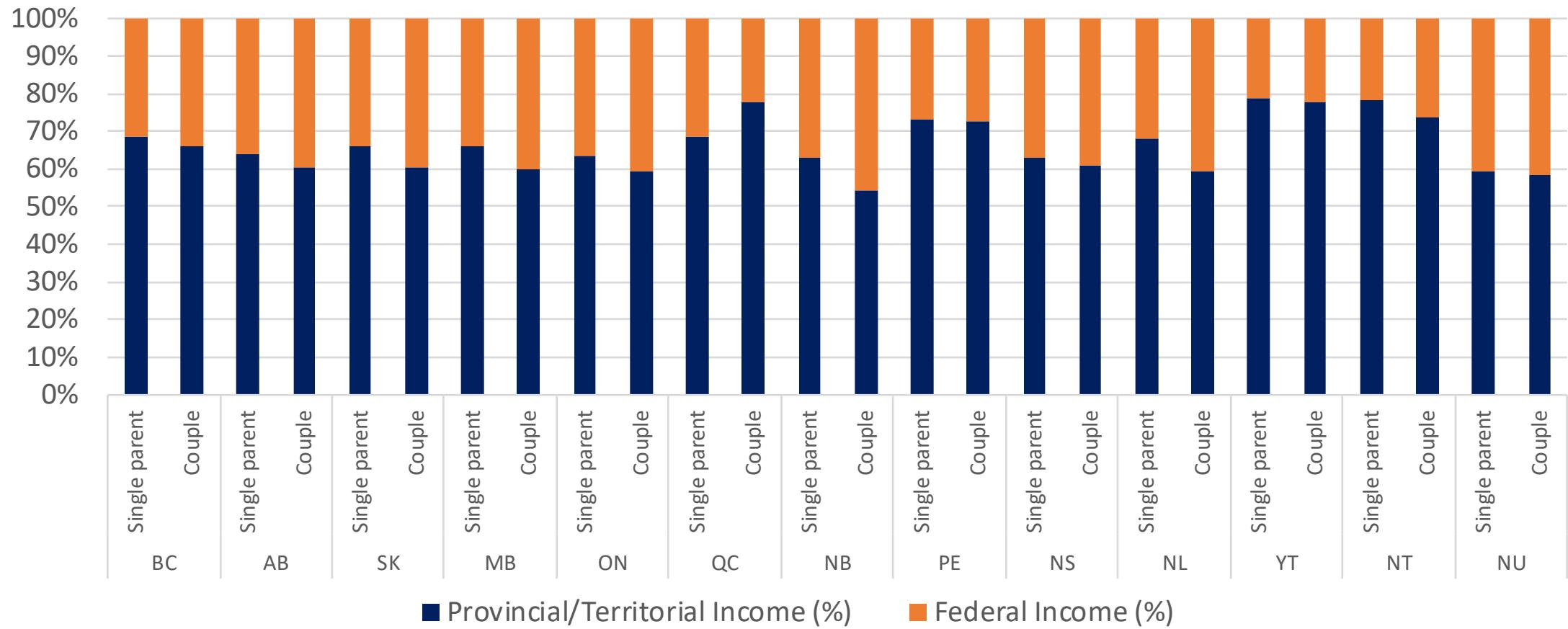


- One-time cost-of-living supports
- Indexing to inflation
- Increases to existing supports
- No response

% federal vs provincial / territorial income - unattached singles



% of federal vs provincial / territorial income - households with children



Key takeaways

1.

Total welfare incomes in 2022 were deeply inadequate across Canada, in the vast majority of cases.

2.

Increases in the amount of income from basic social assistance benefits were mostly modest or non-existent.

3.

Despite very high inflation in 2022, cost-of-living supports to households receiving social assistance were limited in both number and amount.

4.

Federal income supports for unattached single households in all jurisdictions were very limited.



Recommendations

- What can governments do?
 - Increase social assistance benefits and tax-delivered benefits and credits
 - Index all supports to inflation
 - Rapidly develop the Canada Disability Benefit
 - Implement a Canada Working-Age Supplement (CWAS)
 - Enhance child benefits
 - Increase the Canada Social Transfer
 - Invest in basic supports and services
- These steps are necessary to reduce poverty, prioritize dignity, and ensure everyone can realize their human right to an adequate standard of living

Thank you for attending!

- Download and share the *Welfare in Canada, 2022* report on the Maytree website
- Sign up for the Maytree newsletter for related content

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