

# Welfare in Canada, 2019

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*Welfare in Canada* was established by the Caledon Institute of Social Policy to maintain data previously published by the National Council of Welfare.

Maytree thanks all jurisdictions for their cooperation in the production of the welfare incomes data presented in this report.

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# INTRODUCTION

## About *Welfare in Canada*

*Welfare in Canada* is a series that presents the welfare incomes of four example households living on social assistance in a given year.

Welfare income refers to a household's total income from all government transfers, and not just social assistance payments. Individuals and families who are in receipt of basic rates of social assistance will also be eligible for financial support through tax credits, child benefits for households with children, and, where applicable, additional social assistance payments that are automatic and recurring (for example, an annual back-to-school allowance). Together these form the total welfare income of a household. The value varies in every province and territory because each jurisdiction has distinct social assistance programs.

*Welfare in Canada, 2019* looks at the maximum total amount that a household would have received over the course of the 2019 calendar year, assuming they had no other source of income and no assets. Some households may have received less if they had income from other sources, while some households may have received more if they had special health- or disability-related needs.

The report looks at:

- The eligibility criteria for social assistance;
- How welfare incomes vary across Canada;
- The components of welfare incomes in each province and territory;
- Long-term changes in welfare incomes in each province and territory; and
- The adequacy of welfare incomes in each province compared to low-income thresholds.

In each jurisdiction, the total welfare income for which a household is eligible depends on its specific composition. For illustrative purposes, this resource focuses on the welfare incomes of four example household types:

1. Single person considered employable;
2. Single person with a disability;
3. Single parent with one child aged two; and
4. Couple with two children ages 10 and 15.

*Welfare in Canada* was established by the Caledon Institute of Social Policy to maintain data previously published by the National Council of Welfare. In 2018, Maytree assumed responsibility for updating the series.

## Methodology

The methodology replicates the approach used by the National Council of Welfare. To calculate the welfare income for each household type, we made the following assumptions:

- The households started to receive assistance on January 1 and remained on assistance for the entire year.
- The households had no earnings so were eligible to receive the maximum rate of assistance.
- The heads of all households were deemed fully employable, with the exception of the single person with a disability.
- The households lived in the largest city in their province or territory.
- The households lived in private market housing and utility costs were included in the rent.
- The households filed an income tax return at the end of the previous tax year.
- Changes to welfare rates or other program rates over the course of the year were accounted for.
- Basic rates and additional items (for example, a Christmas allowance or a back-to-school allowance) were included where applicable. Special needs amounts were not included.

To compare how total welfare incomes have changed over time within each jurisdiction, we convert the total welfare incomes from earlier years to their equivalent value in 2019 using the consumer price index. As prices increase, the same amount of money is able to buy less. Adjusting for inflation means that the

trends over time in this report represent how the value of welfare incomes has increased after accounting for changes to the costs of living.

To demonstrate the adequacy of welfare incomes, we compare total welfare incomes in 2019 to the three measures of low income commonly used in Canada. These are:

1. The official poverty measure, the Market Basket Measure (MBM), which identifies households whose disposable income is less than the cost of a basket of goods and services that represent a basic standard of living;
2. The Low Income Measure (LIM), which identifies households whose income is substantially below what is typical in society (less than half of the median income); and
3. The Low Income Cut-Off (LICO), which identifies households that are likely to spend a disproportionately large share of their income on the necessities of food, clothing, and shelter.

In 2020, Statistics Canada published updated thresholds for the MBM (referred to as the 2018 base MBM). This was the result of a comprehensive review and revision of the measure to more accurately reflect costs of living in Canada. This is the first edition of Welfare in Canada to use the 2018 base; previous editions used the 2008 base.

Deep poverty is defined as having a disposable income of less than 75 per cent of the MBM. Throughout this report, we highlight which example households had a total welfare income below the deep poverty threshold.

The exact levels of the low-income thresholds change every year (in response to changes in costs, in the case of MBM and LICO, and in response to changing average income in the case of LIM) and are produced by Statistics Canada. At the time of publication, the MBM and LIM levels for 2019 were not available. As a result, we have estimated the LIM and MBM thresholds for 2019. To estimate the MBM threshold, which varies by community, we increased the 2018 levels in line with the consumer price index for each applicable city. To estimate the LIM threshold, which is the same across the provinces, we increased the 2018 levels in line with the national consumer price index.

All the low-income thresholds used are for after-tax income because welfare incomes are not subject to income taxation.

Persons with disabilities face a higher cost of living that is not accounted for in our analysis of the adequacy of welfare incomes. Social assistance rates and some other payments are typically higher for persons with a disability than for those without, but the poverty threshold for a person considered employable is the same as that for a person with a disability. As a result, the total welfare incomes of persons with a disability appear to be “more adequate,” but this does not account for the higher costs of living faced by persons with a disability. These costs can include additional health care or food needs, or the additional expense of assistive devices, rehabilitation, personal assistance, or house adaptation.

The territories are not included in the adequacy analysis because Statistics Canada does not produce poverty thresholds for the territories. Statistics Canada is working with the Northwest Territories, Nunavut, and Yukon to develop territory-specific MBM thresholds for these regions. These thresholds will be incorporated into *Welfare in Canada* when they become available.

**Maytree thanks all jurisdictions for their cooperation in the production of the welfare incomes data presented in this report.**

# ELIGIBILITY CRITERIA FOR SOCIAL ASSISTANCE

This section outlines how provincial and territorial jurisdictions in Canada determine if an individual or family is eligible for social assistance. Households in receipt of social assistance are also eligible for other payments (such as tax credits and child benefits), which together form the household's total welfare income.

## What is social assistance?

Social assistance is the income program of last resort. It is intended for those who have exhausted all other means of financial support.

## Who is eligible for social assistance?

Each province and territory has its own social assistance program(s), so no two are the same. Each program has different administrative rules, eligibility criteria, benefit levels, and provisions concerning special types of assistance. However, even though the specifics vary, the basic structure of social assistance is much the same across the country.

In every jurisdiction, eligibility for social assistance is determined on the basis of a needs test, which takes into account a household's financial assets and income.

## Asset limits

In order to qualify and continue to be eligible for social assistance, a household's assets must fall below certain limits set by each province and territory. These limits can vary by household size, and some jurisdictions set different limits for those applying for social assistance compared to those already receiving it.

Asset tests tend to only consider a household's *liquid* assets such as cash on hand and in a bank account, as well as stocks, bonds, and securities that can be readily converted to cash. *Fixed* assets such as primary residence, primary vehicle, personal effects, and items needed for employment are typically exempt (within reason) from the asset test.

Appendix 1 shows the liquid asset exemption levels in effect in each jurisdiction as of January 2019 and details of the changes that occurred during the year.

## Income limits

Once a household has met the asset test, an income test is applied to determine eligibility for social assistance. Certain aspects of a household's income are not taken into account when determining the amount of social assistance. For example, the Canada Child Benefit, child welfare payments, and federal and provincial/territorial tax credits are all considered exempt income, but Employment Insurance benefits and Workers' Compensation payments typically are not. For every dollar of non-exempt income a household has, social assistance payments are typically reduced by a dollar.

Some earnings from employment are also exempt from the income test. This allows people receiving social assistance to earn a certain amount of money without impacting their benefits. Each social assistance program has its own way of calculating earnings exemptions, but there are generally three approaches:

1. A *flat-rate amount* permits a recipient to earn a certain amount after which social assistance benefits are reduced dollar for dollar;
2. A *percentage of earnings* approach means that social assistance benefits are reduced by a certain percentage. For example, a 25 per cent exemption means that social assistance benefits are reduced by 75 cents for every dollar earned; or
3. A *combination of flat-rate and percentage* means that once the flat-rate amount is exceeded, benefits are reduced by a percentage amount.

Appendix 2 shows the earnings exemption approach in effect in each jurisdiction as of January 2019, and details of the changes that occurred during the year.

*Last updated in August 2021 with revised data*

## 2019 WELFARE INCOMES

### Welfare incomes across Canada

#### TOTAL WELFARE INCOMES IN 2019

Households that qualify for basic social assistance payments will also be eligible for financial support through tax credits, child benefits for households with children, and, where applicable, additional social assistance payments that are automatic and recurring (for example, an annual back-to-school allowance). Together these form the total welfare income of a household.

The value of total welfare income varies by jurisdiction because each province and territory has its own income security programs. The table below shows the maximum total welfare incomes that four example households would have received in 2019 in each province. The amounts are based on a series of assumptions outlined in the “About Welfare in Canada” section.

#### Total welfare incomes in each province in 2019

	Single person considered employable	Single person with a disability*	Single parent, one child	Couple, two children
Alberta	\$9,377	\$10,837	\$22,735	\$33,159
British Columbia	\$9,512	\$15,293	\$21,394	\$28,162
Manitoba	\$9,639	\$12,650	\$22,347	\$30,586
New Brunswick	\$7,131	\$9,843	\$20,111	\$26,723
Newfoundland and Labrador	\$11,386	\$11,586	\$23,578	\$29,533
Nova Scotia	\$7,442	\$10,270	\$18,372	\$27,974
Ontario	\$9,773	\$15,118	\$21,788	\$31,485
Prince Edward Island	\$11,245	\$13,058	\$22,158	\$34,938
Quebec	\$12,425	\$14,060	\$22,361	\$37,636
Saskatchewan	\$8,829	\$11,465	\$21,240	\$30,193

\* Alberta and Saskatchewan have specific programs for persons with a severe disability that is likely to be permanent. In 2019, the maximum income of a single person with a disability in Alberta’s Assured Income for the Severely Handicapped program was \$20,808; for someone in the Saskatchewan Assured Income for Disability program it was \$15,826.

- In 2019, the highest total welfare income of a single person considered employable was in Quebec at \$12,425, followed by Newfoundland and Labrador at \$11,386, and PEI at \$11,245. In all other provinces, incomes clustered at a lower level of around \$7,100 to \$9,800.
- British Columbia had the highest welfare income for single people with a disability on a standard disability assistance program at \$15,293, Ontario was slightly lower at \$15,118, and Quebec was third highest at \$14,060. All other provinces had much lower levels of between \$9,800 and \$13,100.
- Alberta and Saskatchewan have specific programs for persons with a severe disability that is likely to be permanent. These provided higher welfare incomes than those on standard social assistance programs. The welfare incomes for a single person with a disability on these programs was \$20,808 in Alberta and \$15,826 in Saskatchewan.
- The maximum welfare income for a single parent with one child ranged from \$18,372 in Nova Scotia to \$23,578 in Newfoundland and Labrador; for a couple with two children, it ranged from \$26,723 in New Brunswick to \$37,636 in Quebec.

The next table shows the same information for the territories. It is based on the same methodology as the provincial figures, but they are not directly comparable due to significant differences in the cost of living and the nature of income security programs there.

#### **Total welfare incomes in each territory in 2019**

Jurisdiction	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Northwest Territories	\$25,910	\$31,237	\$36,269	\$46,652
Nunavut	\$9,515	\$12,515	\$19,059	\$30,139
Yukon	\$18,507	\$22,161	\$34,756	\$50,813

The welfare incomes in Yukon and the Northwest Territories were generally higher than in the provinces, reflecting the higher cost of living in the territories. Conversely, welfare incomes in Nunavut were considerably lower than in the other two territories, reflecting the high proportion of households on social assistance living in subsidized housing whose living costs were reduced through housing subsidies.

## CHANGES TO WELFARE INCOMES IN 2019

The table below compares the welfare incomes paid in 2019 with those paid in 2018 without adjusting for inflation. Please note that this is the only table that uses real dollars for prior years as opposed to 2019-adjusted dollars as in the rest of the report.

For context, the cost of living increased by 1.9 per cent in 2019 (based on the national rate of inflation). Households whose welfare incomes increased by less than 1.9 per cent were worse off in 2019 than in the previous year. For example, singles in Newfoundland and Labrador saw a real change of 0% between 2018 and 2019, but when adjusted for inflation, the value of their welfare income decreased by 1.9% in that time period.

The values with shading highlight where welfare income changed as a direct result of a policy change in that jurisdiction.

### Change in total welfare income between 2018 and 2019 in each province

	Single person considered employable	Single person with a disability*	Single parent, one child	Couple, two children
Alberta	+15.7%	+5.2%	+14.1%	+13.4%
British Columbia	+5.2%	+3.3%	+2.9%	+4.3%
Manitoba	-1.2%	+2.0%	+2.7%	+2.2%
New Brunswick	+0.1%	0.0%	+0.7%	+0.8%
Newfoundland and Labrador	0.0%	0.0%	+0.6%	+0.8%
Nova Scotia	+0.1%	0.0%	+0.7%	+0.8%
Ontario	+1.3%	+1.1%	+1.5%	+1.6%
Prince Edward Island	+7.7%	+16.5%	+5.6%	+6.7%
Quebec	+33.3%	+2.9%	+2.3%	+23.6%
Saskatchewan	-0.6%	+0.4%	+0.7%	+0.8%

\* Alberta and Saskatchewan have specific programs for persons with a severe disability that is likely to be permanent. In 2019, the maximum income of a single person with a disability in Alberta's Assured Income for the Severely Handicapped increased by 5.2 per cent; for someone in the Saskatchewan Assured Income for Disability program it increased by 0.2 per cent.

Note: Shading indicates where welfare incomes changed as a direct result of a policy change in that province.

Of the 40 different household and jurisdiction combinations in the table, the largest percentage increase in 2019 welfare incomes was for single persons considered employable living in Quebec, at 33.3 per cent. Conversely the welfare income of single persons considered employable in Manitoba decreased by 1.2 per cent. Overall, welfare incomes rose by more than the cost of living in 19 of the 40 scenarios, which means that welfare incomes did not keep up with inflation for just over half of the example households.

In Alberta, welfare incomes rose above inflation for all household types. This was driven by an above-inflation increase to the basic needs and shelter allowances at the start of the year.

All household types in Prince Edward Island experienced significant increases in welfare incomes in 2019. This was because social assistance benefits increased considerably towards the end of 2018 and again at the start of 2019. Single persons with a disability saw the biggest increase in welfare incomes, due to the introduction of AccessAbility Supports in mid-2018, making 2019 the first full year of the new higher payments.

Welfare incomes in Quebec also rose above inflation in 2019 for all household types. There were two main reasons for these increases. One was the introduction of the mandatory Aim for Employment program for new social assistance recipients, which included a significant monthly Participation Allowance for recipients who carry out planned employment-related activities. The other was an increase in the Family Allowance, which benefitted the couple with two children in particular.

British Columbia is the only other province where the welfare incomes of all household types rose by more than the cost of living in 2019. This was the result of an increase in Income Assistance and Disability Assistance benefits of \$50 per adult per month in April 2019.

In Manitoba, the welfare income of single persons considered employable fell in 2019 while the incomes of the three other household types increased by slightly more than the cost of living. The decrease for single persons considered employable was due to the discontinuation of the Job Seekers' Allowance payment of \$25 per month in April 2019. The welfare incomes of the three remaining households increased due to a rise in Manitoba's Rent Assist benefits in July 2019, which did

not extend to single persons considered employable aged under 55. Basic social assistance benefit amounts in Manitoba remained unchanged in 2019.

In New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, and Saskatchewan, there were no changes to social assistance payments between 2018 and 2019. Households in these provinces only saw small shifts in their welfare income through child benefits and tax credit programs, which automatically increased in line with inflation. In Saskatchewan, a portion of households' total welfare incomes is linked to utility costs which fluctuate from year to year; this accounts for the slight reduction in the welfare income of single persons considered employable.

The next table shows the same information but for the territories.

**Change in total welfare income between 2018 and 2019 in each territory**

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Northwest Territories	+16.9%	+13.4%	+5.3%	+2.4%
Nunavut	+22.3%	+16.1%	+5.3%	+2.0%
Yukon	+2.3%	+1.9%	+2.2%	+0.6%

Note: shading indicates where welfare incomes changed as a direct result of a policy change in that territory.

In Nunavut, 2019 welfare incomes rose more than the cost of living for all household types, particularly among households without children. This was mostly the result of a restructuring of and increase to basic social assistance payments beginning in July 2018, making 2019 the first full year of the new higher payments.

In the Northwest Territories (NWT), a portion of households' total welfare income is directly linked to their utility and rental costs, and changes in these costs influence total welfare incomes. This accounts for most of the change shown in the table. However, a specific policy change also triggered a rise in the welfare income of single persons with a disability: in April 2019 the Disability Allowance increased from \$300 to \$405 per month. The NWT Cost of Living Offset was also introduced in 2019 and paid to all households in October, but its overall impact on annual welfare incomes was negligible.

Like NWT, Yukon also introduced a tax credit in 2019, the Yukon Government Carbon Price Rebate, which was paid to all households in October. But, as in NWT, its overall impact on annual welfare incomes was negligible. The main driver of the rise in welfare incomes in Yukon was the automatic increase to social assistance rates and federal tax credits in line with inflation.

### ADEQUACY OF WELFARE INCOMES ACROSS CANADA

The table below looks at how welfare incomes in 2019 compared to Canada's official poverty measure, the Market Basket Measure (MBM), for each of the example household types. To demonstrate the range across Canada, the table shows the provinces with the highest and lowest welfare incomes relative to the poverty threshold. Both the total welfare income and the poverty threshold in the table are for the biggest city in each province.

		Jurisdiction	Welfare income	Poverty threshold	Poverty gap (\$)	% of MBM
<b>Single person considered employable</b>	Lowest	Nova Scotia (Halifax)	\$7,442	\$22,936	-\$15,494	32%
	Highest	Quebec (Montreal)	\$12,425	\$20,530	-\$8,106	61%
<b>Single person with a disability*</b>	Lowest	Alberta (Calgary)	\$10,837	\$24,517	-\$13,680	44%
	Highest	Quebec (Montreal)	\$14,060	\$20,530	-\$6,470	68%
<b>Single parent, one child</b>	Lowest	Nova Scotia (Halifax)	\$18,372	\$32,436	-\$14,064	57%
	Highest	Quebec (Montreal)	\$22,361	\$29,033	-\$6,672	77%
<b>Couple, two children</b>	Lowest	BC (Vancouver)	\$28,162	\$49,829	-\$21,667	57%
	Highest	Quebec (Montreal)	\$37,636	\$41,059	-\$3,423	92%

\* This does not include the welfare incomes for individuals on distinct disability programs in Alberta or Saskatchewan. The total welfare income of a single person on Alberta's Assured Income for the Severely Handicapped program reached 85 per cent of the poverty threshold; for someone on the Saskatchewan Assured Income for Disability program, it reached 68 per cent of the poverty threshold. As noted in the introduction, the poverty threshold does not take into consideration all the additional costs of living that are associated with having a disability.

Even where welfare incomes were highest, they fell short of the poverty threshold. The closest was in Quebec where the welfare income of a couple with two children living in Montreal reached 92 per cent of the poverty threshold. In fact, 37 of the 40 scenario households in the provinces were living in deep poverty (defined as having a disposable income less than 75 per cent of the MBM). In Alberta and Saskatchewan, there were two additional disability-specific programs; both provided incomes below the poverty threshold for a single person household but above the deep poverty threshold.

Welfare incomes for single persons considered employable were particularly low. Even the highest level, in Quebec for those living in Montreal, amounted to just 61 per cent of the poverty threshold. Total welfare incomes in all other jurisdictions were much lower. The lowest was 32 per cent in Nova Scotia, for single persons living in Halifax.

The lowest adequacy score for a single person with a disability was in Alberta where it amounted to just 44 per cent of the poverty threshold for those living in Calgary. However, individuals eligible for Alberta's Assured Income for the Severely Handicapped program received a much higher welfare income, which amounted to 85 per cent of the poverty threshold. The highest adequacy score for a single person with a disability on a "regular" social assistance program was in Quebec, at 68 per cent for those living in Montreal.

## Alberta

### COMPONENTS OF WELFARE INCOMES

In Alberta, households that qualify for basic social assistance payments also qualify for other financial support, including:

- Recurring additional social assistance payments (for example, an annual back-to-school allowance);
- Federal and provincial child benefits (for households with children);
- The GST/HST credit and credit supplements; and
- Provincial tax credits or benefits.

Together, these combine with basic social assistance payments to form a household's total welfare income. Households may receive less if they have income from other sources, or more if they have special health- or disability-related needs.

The table below shows the value and components of welfare incomes for five example household types in 2019. All five households are assumed to be living in Calgary. The child in the single parent family is aged two, and the children in the couple household are aged 10 and 15.

	Single person considered employable	Single person with a disability	Single person in AISH program*	Single parent, one child	Couple, two children
Basic social assistance	\$8,940	\$10,392	\$20,220	\$14,076	\$18,936
Additional SA benefits					\$282
Federal child benefits				\$6,568	\$11,083
Provincial child benefits				\$1,142	\$1,712
GST/HST credit	\$287	\$295	\$438	\$725	\$876
Provincial tax credits / benefits	\$150	\$150	\$150	\$225	\$270
<b>Total 2019 income</b>	<b>\$9,377</b>	<b>\$10,837</b>	<b>\$20,808</b>	<b>\$22,735</b>	<b>\$33,159</b>

Note: Totals may not add up due to rounding.

\* The Assured Income for the Severely Handicapped (AISH) program differs from the other social assistance programs referenced in this report in that clients are provided with a flat-rate living allowance that is not linked to household size. In addition to the living allowance, AISH may provide a \$100 Child Benefit for each dependent child and Personal Benefits for the client and his or her dependent children to meet one-time or ongoing needs, such as a special diet and childcare. Personal Benefits are provided only to clients who have \$5,000 or less in non-exempt assets.

Total annual welfare incomes in 2019 ranged from \$9,377 for a single employable adult to \$33,159 for a couple with two children. A single person with a disability on Income Support received \$10,837 in 2019 but a single person with a disability who qualified for Assured Income for the Severely Handicapped (AISH) benefits received \$20,808, nearly double that amount.

Monthly basic social assistance benefit amounts for all households increased on January 1, 2019 in line with inflation, plus an additional rate increase. Private housing shelter rates increased in line with inflation on January 1. The monthly Assured Income for the Severely Handicapped (AISH) living allowance increased by \$97 on January 1.

Only the couple with children received additional social assistance benefits. The annual School Expense Allowance provided \$103 for the 10-year-old and \$179 for the 15-year-old.

Unlike in previous years, in 2019 the single person with a disability was not eligible for the \$80 per month Personal Needs Allowance. Starting January 1, this allowance was only provided to recipients in the “Expected to Work” stream of social assistance and not the “Barriers to Full Employment” stream. This change applied to new and existing recipients.

Both households with children received the Canada Child Benefit, which increased with inflation in July 2019 from \$541 to \$553.25 per month for a child under 6 years of age and from \$457 to \$466.83 per month for a child aged 6 to 17. They also received the Alberta Child Benefit, which increased with inflation in July 2019 from \$94.00 to \$96.25 per month for a one-child household and from \$47.00 to \$48.08 per month for each subsequent child.

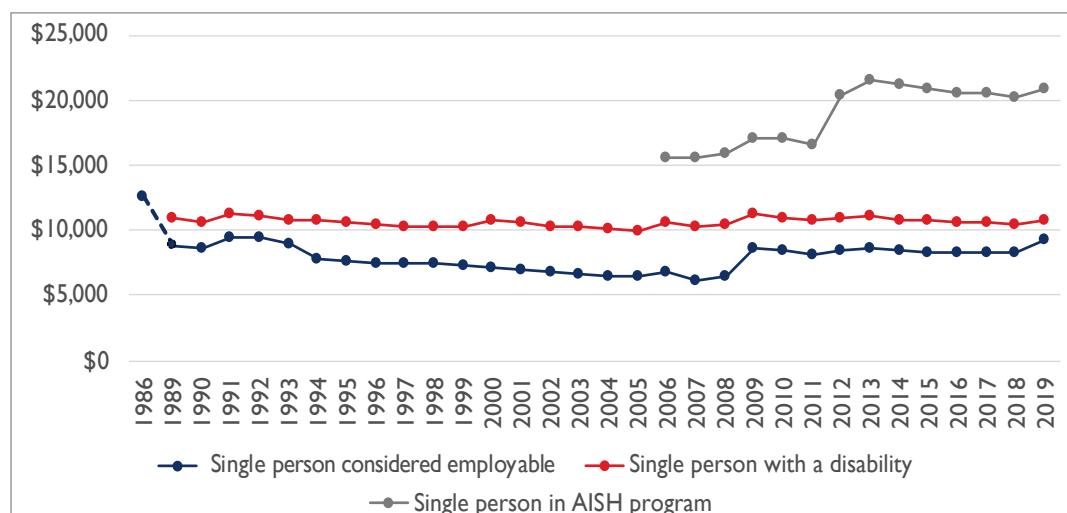
All four households received the GST/HST credit, which increased in July 2019 with inflation. The single person considered employable, the single person with a disability on social assistance, and the single person with a disability on AISH benefits all received \$287, while the single parent with one child received \$574 and the couple with two children received \$876. The single person with a disability also received \$7.95 through the GST/HST credit supplement, while the person on the AISH program and the single parent received the full amount of \$151.

All four households also received part of the Alberta Climate Leadership Adjustment Rebate (also known as the carbon tax rebate). In July 2019, rebate payments were discontinued due to the repeal of the Climate Leadership Act. Two payments were made in 2019 (in January and April) before the program concluded, which totalled \$150 for a single person, \$225 for a single parent with one child, and \$270 for a couple with two children.

## CHANGES TO WELFARE INCOMES

The graphs below show how the total welfare incomes for each of the five example household types have changed over time. The values are in constant 2019 dollars, taking into account the effect of inflation as measured by the national consumer price index.

### Welfare incomes for single adults, 2019 constant dollars

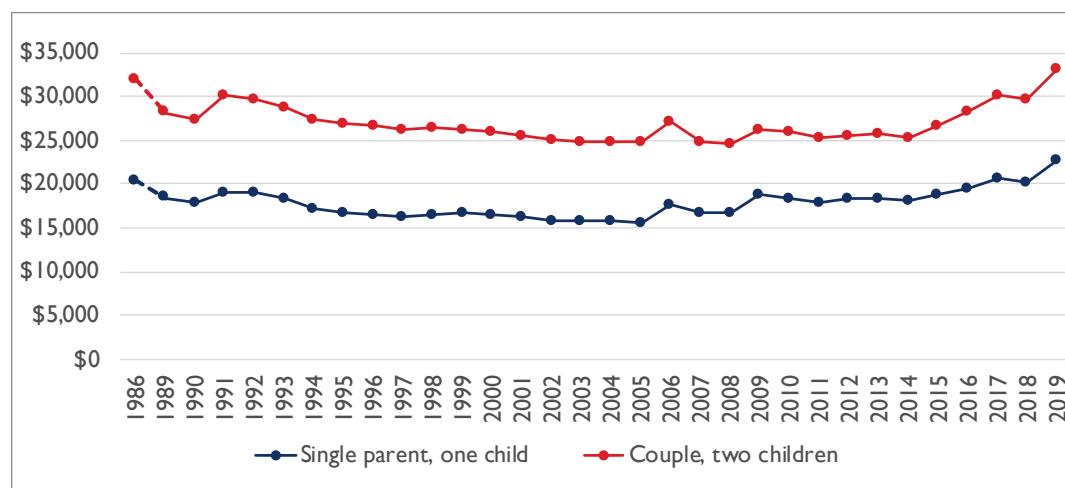


- After a significant reduction in the late 1980s followed by a small increase in 1991, the welfare income of a single person considered employable gradually declined between 1991 and 2005, followed by notable increases in 2006 and

2009. Between 2009 and 2018, their total welfare income hovered at just over \$8,000, with an increase in 2019 to \$9,377. This is significantly less than the amount received in 1986, but similar to amounts in the early 1990s.

- Since 1989, the welfare income of a single person with a disability on social assistance has been fairly constant, fluctuating at around \$10,500. In 2019, their total welfare income stood at \$10,837, which is \$379 lower than the 2009 peak.
- Since Alberta's Assured Income for the Severely Handicapped (AISH) program's inception in 2006, the welfare income for a single person with a disability who qualifies for that program has increased in value by more than \$5,000. A substantial increase in 2012 and a smaller increase in 2013 were followed by several years of declines in value. An increase of \$646 to \$20,808 in 2019 makes a single disabled person's AISH income almost double that of their counterparts with a disability who receive regular social assistance benefits.

#### **Welfare incomes for households with children, 2019 constant dollars**



- The welfare incomes of households with children gradually declined between 1990 and 2005, with increases and subsequent declines between 2006 and 2014. Since 2015, incomes increased primarily due to changes to federal child benefits and the 2016 introduction of the Alberta Child Benefit. The substantial increase in 2019 is due primarily to a considerable increase in basic social assistance benefits.
- In 2019, a single parent with one child received a welfare income of \$22,735 while a couple with two children received \$33,159. These levels are the highest in the time series.

## ADEQUACY OF WELFARE INCOMES

The adequacy of a household's total welfare income can be assessed by comparing it to a set threshold of low income. In Canada, there are three commonly used measures:

1. The official poverty measure, the Market Basket Measure (MBM), identifies households whose disposable income is less than the cost of a basket of goods and services that represent a basic standard of living.
2. The Low Income Measure (LIM) identifies households whose income is substantially below what is typical in society (less than half of the median income).
3. The Low Income Cut-Off (LICO) identifies households that are likely to spend a disproportionately large share of their income on the necessities of food, clothing, and shelter.

The table below shows how welfare incomes for the five example household types compared to the three low-income thresholds (after tax). Because LICO and MBM thresholds vary by community size, the threshold used for each is for Calgary.

	Single person considered employable	Single person with a disability	Single person in AISH program	Single parent, one child	Couple, two children
Total welfare income	\$9,377	\$10,837	\$20,808	\$22,735	\$33,159
MBM					
MBM threshold (Calgary)	\$24,517	\$24,517	\$24,517	\$34,672	\$49,034
Welfare income minus MBM threshold	-\$15,140	-\$13,680	-\$3,709	-\$11,937	-\$15,875
Welfare income as % of MBM	38%	44%	85%	66%	68%
LIM					
LIM threshold (Canada-wide)	\$24,642	\$24,642	\$24,642	\$34,850	\$49,285
Welfare income minus LIM threshold	-\$15,265	-\$13,806	-\$3,834	-\$12,115	-\$16,126
Welfare income as % of LIM	38%	44%	84%	65%	67%

	Single person considered employable	Single person with a disability	Single person in AISH program	Single parent, one child	Couple, two children
LICO					
LICO threshold (Calgary)	\$21,899	\$21,899	\$21,899	\$26,653	\$41,406
Welfare income minus LICO threshold	-\$12,522	-\$11,062	-\$1,091	-\$3,918	-\$8,247
Welfare income as % of LICO	43%	50%	95%	85%	80%

The maximum 2019 welfare incomes of all five example household types were below, and sometimes far below, the thresholds of all three low-income measures. Households with children had incomes closer to the thresholds than single persons.

The lowest income relative to the thresholds was that of a single person considered employable, whose total welfare income was less than 40 per cent of all the low-income measures. The highest was that of a single person with a disability who qualified for Assured Income for the Severely Handicapped (AISH) benefits. Their income was 84 per cent of the LIM, 85 per cent of the MBM, and 95 per cent of the LICO thresholds. Households with children had similar income-to-threshold levels: 65 to 85 per cent for a single parent with one child and 67 to 80 per cent for a couple with two children.

Given that the MBM is Canada's official poverty measure, and that having an income less than 75 per cent of the MBM is classified as "deep poverty," the four example households on social assistance would have been living in deep poverty in 2019. The single person with a disability on the AISH program had an income above the deep poverty threshold but remained below the poverty line.

## British Columbia

### COMPONENTS OF WELFARE INCOMES

In British Columbia, households that qualify for basic social assistance payments also qualify for other financial support, including:

- Recurring additional social assistance payments (for example, an annual back-to-school allowance);
- Federal and provincial child benefits (for households with children);
- The GST/HST credit and credit supplements; and
- Provincial tax credits or benefits.

Together, these combine with basic social assistance payments to form a household's total welfare income. Households may receive less if they have income from other sources, or more if they have special health- or disability-related needs.

The table below shows the value and components of welfare incomes for four example household types in 2019. All four households are assumed to be living in Vancouver. The child in the single parent family is aged two, and the children in the couple household are aged 10 and 15.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Basic social assistance	\$8,970	\$14,051	\$12,997	\$15,313
Additional SA benefits	\$35	\$659	\$80	\$365
Federal child benefits			\$6,568	\$11,083
Provincial child benefits			\$660	
GST/HST credit	\$287	\$363	\$725	\$876
Provincial tax credits / benefits	\$220	\$220	\$365	\$525
<b>Total 2019 income</b>	<b>\$9,512</b>	<b>\$15,293</b>	<b>\$21,394</b>	<b>\$28,162</b>

Note: Totals may not add up due to rounding.

Total annual welfare incomes in 2019 ranged from \$9,512 for a single person considered employable to \$28,162 for a couple with two children.

Three of the example household types received Income Assistance benefits; the single person with a disability received Disability Assistance benefits. In April 2019, Income Assistance and Disability Assistance benefits increased by \$50 per month.

On top of basic social assistance, all four households received additional social assistance benefits as shown in the table. All households received an annual Christmas Supplement. The couple with two children received an annual School Start-Up Supplement of \$100 for the 10-year-old and \$175 for the 15-year-old. The person with a disability received the \$624 Transportation Supplement (which recipients could choose to receive as a bus pass issued through the BC Bus Pass Program or as a \$52 per month payment intended to assist with transportation costs).

Both households with children received the Canada Child Benefit, which increased with inflation in July 2019 from \$541 to \$553.25 per month for a child under 6 years of age and from \$457 to \$466.83 per month for a child aged 6 to 17. The single parent household received the BC Early Childhood Tax Benefit, which provided a monthly, tax-free benefit of up to \$55 per child under age 6.

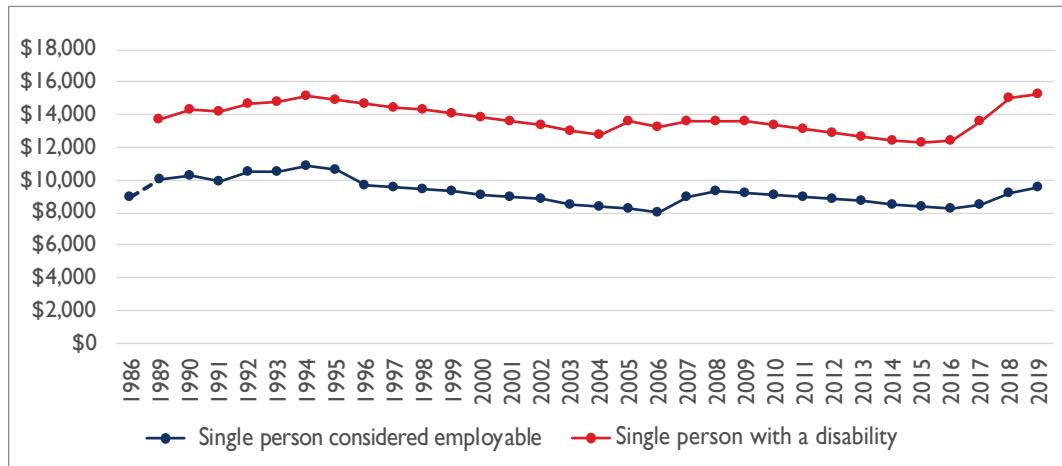
All four households received the GST/HST credit, which increased in July 2019 with inflation. The single person considered employable and the single person with a disability both received \$287, while the single parent with one child received \$574 and the couple with two children received \$876. The single person with a disability also received \$76.01 through the GST/HST credit supplement, while the single parent received the full amount of \$151.

All four households also received the BC Sales Tax Credit and the BC Low Income Climate Action Tax Credit. The maximum BC Low Income Climate Action Tax Credit increased in July 2019, from \$135 annually to \$154.50 for each adult and the first child in a single parent family, and from \$40 to \$45.50 for any additional children.

## CHANGES TO WELFARE INCOMES

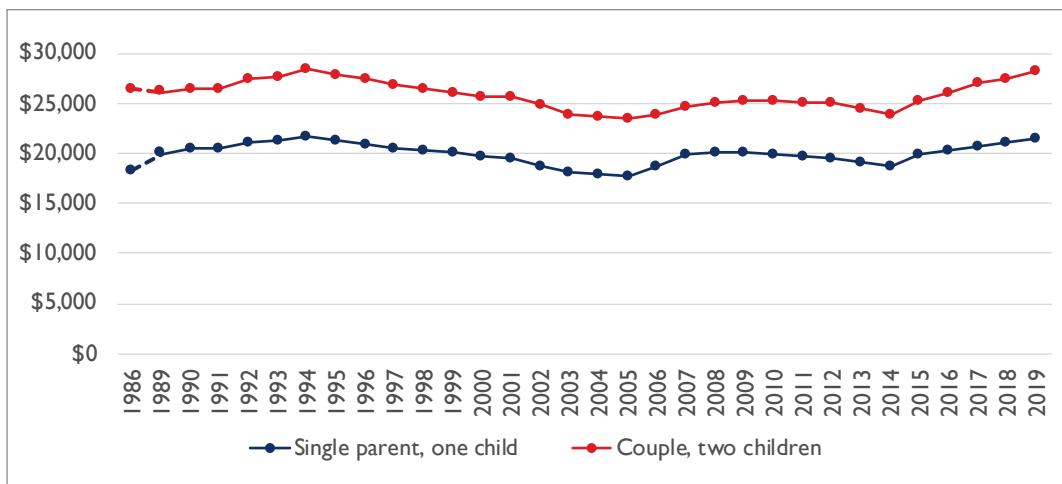
The graphs below show how the total welfare incomes for each of the four example household types have changed over time. The values are in constant 2019 dollars, taking into account the effect of inflation as measured by the national consumer price index.

### Welfare incomes for single adults, 2019 constant dollars



- Welfare incomes for a single person considered employable and a single person with a disability have followed a similar pattern. After an overall increase between the mid-1980s and 1994, welfare incomes declined in value between 1994 and 2016, with a brief increase in the mid-2000s. Since 2016, welfare incomes have increased notably.
- The total welfare incomes of both a single person considered employable and a single person with a disability rose in 2019 as a result of an increase to basic social assistance benefits in April 2019.
- In 2019, a single person considered employable received \$9,512 which, despite recent increases, remains below the 1994 peak. In 2019, a single person with a disability received \$15,293, the highest level in the time series.

### Welfare incomes for households with children, 2019 constant dollars



- Welfare incomes for households with children increased in value through the 1980s and early 1990s but declined between the mid-1990s and the mid-2000s. Despite small increases in the mid-2000s, welfare incomes gradually declined again until 2014. Changes to child benefits caused welfare incomes to increase between 2015 and 2018. In 2019, welfare incomes continued to rise; this was primarily due to an increase to basic social assistance rates.
- In 2019, a single parent with one child received \$21,394, and a couple with two children received \$28,162, slightly below the 1994 peak.

### ADEQUACY OF WELFARE INCOMES

The adequacy of a household's total welfare income can be assessed by comparing it to a set threshold of low income. In Canada, there are three commonly used measures:

1. The official poverty measure, the Market Basket Measure (MBM), identifies households whose disposable income is less than the cost of a basket of goods and services that represent a basic standard of living.
2. The Low Income Measure (LIM) identifies households whose income is substantially below what is typical in society (less than half of the median income).
3. The Low Income Cut-Off (LICO) identifies households that are likely to spend a disproportionately large share of their income on the necessities of food, clothing, and shelter.

The table below shows how welfare incomes for the four example household types compared to the three low-income thresholds (after tax). Because LICO and MBM thresholds vary by community size, the threshold used for each is for Vancouver.

	<b>Single person considered employable</b>	<b>Single person with a disability</b>	<b>Single parent, one child</b>	<b>Couple, two children</b>
Total welfare income	\$9,512	\$15,293	\$21,394	\$28,162
MBM				
MBM threshold (Vancouver)	\$24,914	\$24,914	\$35,234	\$49,829
Welfare income minus MBM threshold	-\$15,402	-\$9,621	-\$13,840	-\$21,667
Welfare income as % of MBM	38%	61%	61%	57%

	<b>Single person considered employable</b>	<b>Single person with a disability</b>	<b>Single parent, one child</b>	<b>Couple, two children</b>
LIM				
LIM threshold (Canada-wide)	\$24,642	\$24,642	\$34,850	\$49,285
Welfare income minus LIM threshold	-\$15,131	-\$9,350	-\$13,456	-\$21,123
Welfare income as % of LIM	39%	62%	61%	57%
LICO				
LICO threshold (Vancouver)	\$21,899	\$21,899	\$26,653	\$41,406
Welfare income minus LICO threshold	-\$12,387	-\$6,606	-\$5,259	-\$13,244
Welfare income as % of LICO	43%	70%	80%	68%

The maximum 2019 welfare income of all four example household types was below, and sometimes far below, the thresholds of all three low-income measures. Households with children had incomes closer to the thresholds than single persons.

The lowest income relative to the thresholds was that of a single person considered employable, whose total income was between 38 per cent and 43 per cent of the low-income thresholds. The highest was that of a single parent with one child, whose welfare income was between 61 and 80 per cent of the low-income thresholds. A single person with a disability had an income of between 61 and 70 per cent of the thresholds. The income of a couple with two children was lower, at between 57 and 68 per cent of the thresholds.

Given that the MBM is Canada's official poverty measure, and that having an income less than 75 per cent of the MBM is classified as "deep poverty," all four of the example households would have been living in deep poverty in 2019.

## Manitoba

### COMPONENTS OF WELFARE INCOMES

In Manitoba, households that qualify for basic social assistance payments also qualify for other financial support, including:

- Recurring additional social assistance payments (for example, an annual back-to-school allowance);
- Federal child benefits (for households with children);
- The GST/HST credit and credit supplements; and
- Provincial tax credits or benefits.

Together, these combine with basic social assistance payments to form a household's total welfare income. Households may receive less if they have income from other sources, or more if they have special health- or disability-related needs.

The table below shows the value and components of welfare incomes for four example household types in 2019. All four households are assumed to be living in Winnipeg. The child in the single parent family is aged two, and the children in the couple household are aged 10 and 15.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Basic social assistance	\$2,440	\$3,977	\$4,992	\$8,405
Additional SA benefits	\$6,912	\$8,334	\$10,062	\$10,222
Federal child benefits			\$6,568	\$11,083
Provincial child benefits				
GST/HST credit	\$287	\$340	\$725	\$876
Provincial tax credits / benefits				
<b>Total 2019 income</b>	<b>\$9,639</b>	<b>\$12,650</b>	<b>\$22,347</b>	<b>\$30,586</b>

Note: Totals may not add up due to rounding.

Total annual welfare incomes in 2019 ranged from \$9,639 for a single person considered employable to \$30,586 for a couple with two children.

Basic social assistance benefit amounts in 2019 remained unchanged from 2018. At the end of April 2019, the \$25 per month Job Seekers' Allowance, which was paid to the single person considered employable, was discontinued; only four months of the allowance are included in the 2019 income calculations.

All four households received more in additional social assistance benefits than through the basic benefit amounts, unlike in other jurisdictions in Canada. This is primarily because support for housing costs was delivered through Manitoba's Rent Assist program. In July 2019, Rent Assist benefits were increased for all households receiving social assistance, except single persons considered employable aged under 55.

The single person with a disability received the Income Assistance for Persons with Disabilities benefit of \$1,260 (\$105 per month) and the couple with two children received the annual School Supplies Allowance of \$60 for the 10-year-old and \$100 for the 15-year-old.

Both households with children received the Canada Child Benefit, which increased with inflation in July 2019 from \$541 to \$553.25 per month for a child under 6 years of age and from \$457 to \$466.83 per month for a child aged 6 to 17. Neither household received the Manitoba Child Benefit because parents receiving social assistance in Manitoba are not eligible.

All four households received the GST/HST credit, which increased in July 2019 with inflation. The single person considered employable and the single person with a disability both received \$287, while the single parent with one child received \$574 and the couple with two children received \$876. The single person with a disability also received \$52.63 through the GST/HST credit supplement while the single parent received the full amount of \$151.

No provincial tax credits or benefits were available to households on social assistance in Manitoba in 2019.

## CHANGES TO WELFARE INCOMES

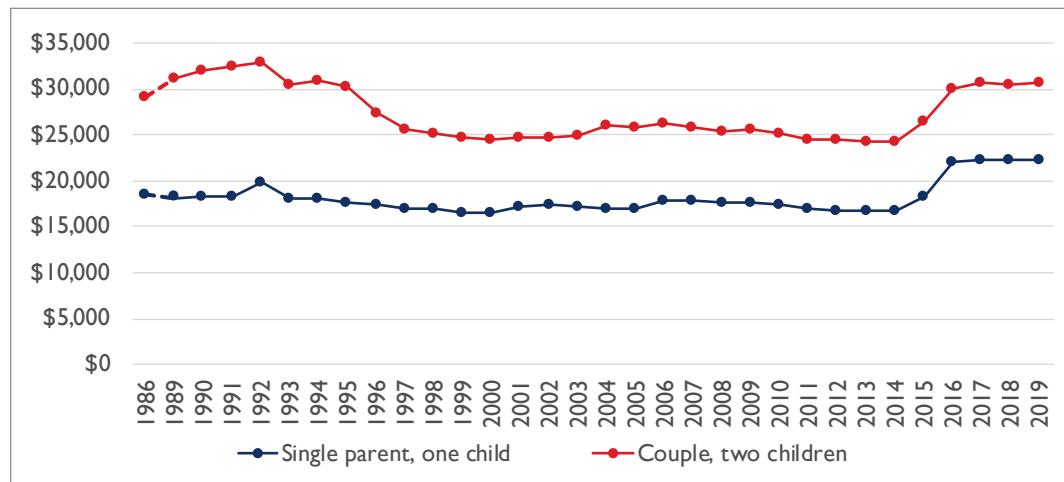
The graphs below show how the total welfare incomes for each of the four example household types have changed over time. The values are in constant 2019 dollars, taking into account the effect of inflation as measured by the national consumer price index.

### Welfare incomes for single adults, 2019 constant dollars



- After peaking in 1992, the welfare incomes of a single person considered employable and a single person with a disability steadily declined between the early 1990s and the mid-2000s.
- Incomes increased between 2013 and 2016, primarily due to enhancements in Manitoba's Rent Assist program. Since 2016, income has remained flat for a single person with a disability and decreased for a single person considered employable.
- In 2019, a single person considered employable received \$9,639 and a single person with a disability received \$12,650, both of which are significantly below the 1992 peak.

## Welfare incomes for households with children, 2019 constant dollars



- Welfare incomes for households with children peaked in the early 1990s, declined into the 2000s, fluctuated through the mid-2010s, and then increased starting in 2015. Since 2017, incomes have remained flat.
- The 2019 welfare income of a single parent with one child was \$22,347, the highest in the series. For a couple with two children it was \$30,586.

## ADEQUACY OF WELFARE INCOMES

The adequacy of a household's total welfare income can be assessed by comparing it to a set threshold of low income. In Canada, there are three commonly used measures:

1. The official poverty measure, the Market Basket Measure (MBM), identifies households whose disposable income is less than the cost of a basket of goods and services that represent a basic standard of living.
2. The Low Income Measure (LIM) identifies households whose income is substantially below what is typical in society (less than half of the median income).
3. The Low Income Cut-Off (LICO) identifies households that are likely to spend a disproportionately large share of their income on the necessities of food, clothing, and shelter.

The table below shows how welfare incomes for the four example household types compared to the three low-income thresholds (after tax). Because LICO and MBM thresholds vary by community size, the threshold used for each is for Winnipeg.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Total welfare income	\$9,639	\$12,650	\$22,347	\$30,586
MBM				
MBM threshold (Winnipeg)	\$22,527	\$22,527	\$31,858	\$45,054
Welfare income minus MBM threshold	-\$12,888	-\$9,877	-\$9,512	-\$14,468
Welfare income as % of MBM	43%	56%	70%	68%
LIM				
LIM threshold (Canada-wide)	\$24,642	\$24,642	\$34,850	\$49,285
Welfare income minus LIM threshold	-\$15,003	-\$11,992	-\$12,503	-\$18,699
Welfare income as % of LIM	39%	51%	64%	62%
LICO				
LICO threshold (Winnipeg)	\$21,899	\$21,899	\$26,653	\$41,406
Welfare income minus LICO threshold	-\$12,260	-\$9,246	-\$4,307	-\$10,820
Welfare income as % of LICO	44%	58%	84%	74%

The maximum 2019 welfare incomes of all four example household types were below, and sometimes far below, the thresholds of every low-income measure. Households with children had incomes closer to the thresholds than single persons.

The lowest income relative to the thresholds was that of a single person considered employable, whose income was between 39 and 44 per cent of the low-income thresholds. The highest was that of a single parent with one child, whose income was between 64 and 84 per cent of the thresholds. A single person with a disability had an income of about half of the thresholds, and a couple with two children had an income of between 62 and 74 per cent of the thresholds.

Given that the MBM is Canada's official poverty measure, and that having an income less than 75 per cent of the MBM is classified as "deep poverty," all four of the example households would have been living in deep poverty in 2019.

## New Brunswick

### COMPONENTS OF WELFARE INCOMES

In New Brunswick, households that qualify for basic social assistance payments also qualify for other financial support, including:

- Recurring additional social assistance payments (for example, an annual back-to-school allowance);
- Federal and provincial child benefits (for households with children);
- The GST/HST credit and credit supplements; and
- Provincial tax credits or benefits.

Together, these combine with basic social assistance payments to form a household's total welfare income. Households may receive less if they have income from other sources, or more if they have special health- or disability-related needs.

The table below shows the value and components of welfare incomes for four example household types in 2019. All four households are assumed to be living in Moncton. The child in the single parent family is aged two, and the children in the couple household are aged 10 and 15.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Basic social assistance	\$6,444	\$7,956	\$10,644	\$11,940
Additional SA benefits		\$1,200	\$1,224	\$1,224
Federal child benefits			\$6,568	\$11,083
Provincial child benefits			\$250	\$500
GST/HST credit	\$287	\$287	\$725	\$876
Provincial tax credits / benefits	\$400	\$400	\$700	\$1,100
<b>Total 2019 income</b>	<b>\$7,131</b>	<b>\$9,843</b>	<b>\$20,111</b>	<b>\$26,723</b>

Total annual welfare incomes in 2019 ranged from \$7,131 for a single person considered employable to \$26,723 for a couple with two children.

Three of the example households received Transitional Assistance (TA) benefits; the single person with a disability received Extended Benefits (EB). Basic TA and EB benefit amounts were unchanged from 2018.

On top of basic social assistance, three households received additional social assistance benefits. The single person with a disability received \$1,200 (\$100 per month) through the Disability Supplement while the households with children received the Income Supplement Benefit of \$1,224 (\$102 per month).

Both households with children received the Canada Child Benefit, which increased with inflation in July 2019 from \$541 to \$553.25 per month for a child under 6 years of age, and from \$457 to \$466.83 per month for a child aged 6 to 17. They also received the New Brunswick Child Benefit of \$250 per child (\$20.83 per month).

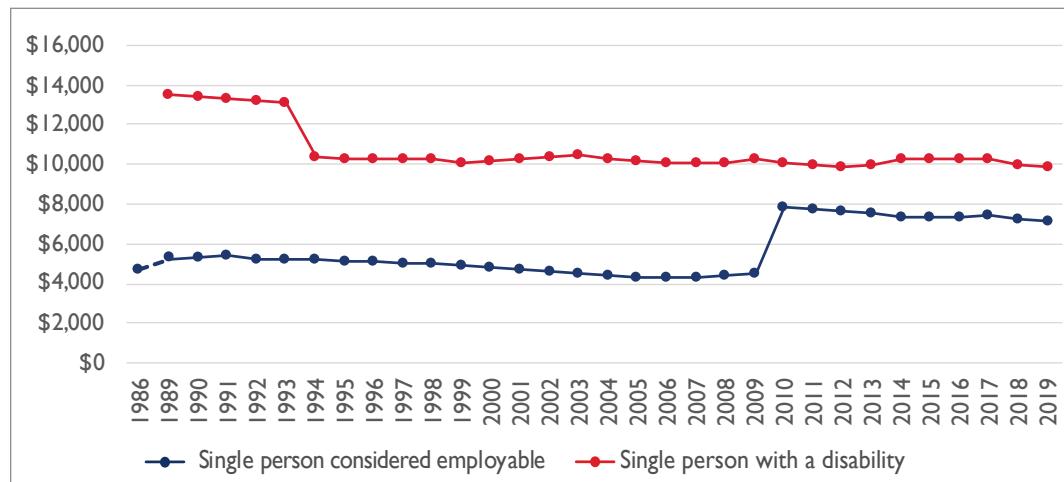
All four households received the GST/HST credit, which increased in July 2019 with inflation. The single person considered employable and the single person with a disability both received \$287, while the single parent with one child received \$574 and the couple with two children received \$876. The single parent also received \$151 from the GST/HST credit supplement.

All four households also received provincial tax credits through the Home Energy Assistance Program (\$100 per household per year) and the New Brunswick Harmonized Sales Tax Credit. In addition, the household with two children received the School Supplement tax credit of \$100 per child per year.

## CHANGES TO WELFARE INCOMES

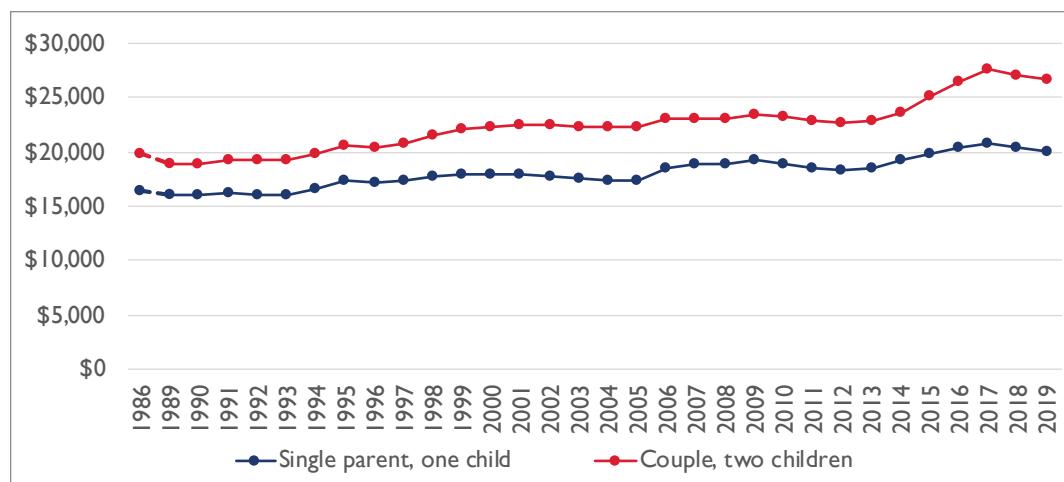
The graphs below show how the total welfare incomes for each of the four example household types have changed over time. The values are in constant 2019 dollars, taking into account the effect of inflation as measured by the national consumer price index.

### Welfare incomes for single adults, 2019 constant dollars



- After many years of hovering at between \$4,400 and \$5,400, New Brunswick's historically very low welfare income for a single person considered employable jumped significantly in 2010 due to the elimination of the Interim Assistance program, which made all single persons considered employable eligible for higher Transitional Assistance benefits. From 2010 to 2019, however, the welfare income of a single person considered employable generally declined and stood at \$7,131 in 2019.
- The income of a single person with a disability was in the \$13,000 range until 1993. After 1994's significant reduction, it has hovered for 25 years at around \$10,000. In 2019, it fell below \$10,000 for the first time since 2013 and stood at \$9,843.

### Welfare incomes for households with children, 2019 constant dollars



- Between 1989 and 2017, welfare incomes of households with children generally increased, to a peak in 2017. Since then, the value of these incomes has declined.
- In 2019, the welfare income of a single parent with one child and a couple with two children was \$20,111 and \$26,723, respectively.

### ADEQUACY OF WELFARE INCOMES

The adequacy of a household's total welfare income can be assessed by comparing it to a set threshold of low income. In Canada, there are three commonly used measures:

1. The official poverty measure, the Market Basket Measure (MBM), identifies households whose disposable income is less than the cost of a basket of goods and services that represent a basic standard of living.
2. The Low Income Measure (LIM) identifies households whose income is substantially below what is typical in society (less than half of the median income).
3. The Low Income Cut-Off (LICO) identifies households that are likely to spend a disproportionately large share of their income on the necessities of food, clothing, and shelter.

The table below shows how welfare incomes for the four example household types compared to the three low-income thresholds (after tax). Because LICO and MBM thresholds vary by community size, the threshold used for each is for Moncton.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Total welfare income	\$7,131	\$9,843	\$20,111	\$26,723
MBM				
MBM threshold (Moncton)	\$21,374	\$21,374	\$30,227	\$42,748
Welfare income minus MBM threshold	-\$14,243	-\$11,531	-\$10,117	-\$16,025
Welfare income as % of MBM	33%	46%	67%	63%

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
LIM				
LIM threshold (Canada-wide)	\$24,642	\$24,642	\$34,850	\$49,285
Welfare income minus LIM threshold	-\$17,511	-\$14,799	-\$14,739	-\$22,562
Welfare income as % of LIM	29%	40%	58%	54%
LICO				
LICO threshold (Moncton)	\$18,520	\$18,520	\$22,540	\$35,017
Welfare income minus LICO threshold	-\$11,389	-\$8,677	-\$2,430	-\$8,294
Welfare income as % of LICO	39%	53%	89%	76%

The maximum 2019 welfare incomes of all four example household types were below, and sometimes far below, the thresholds of every low-income measure. Households with children had incomes closer to the thresholds than single persons.

The lowest income relative to the thresholds was that of a single person considered employable, who had a welfare income of between only 29 and 39 per cent of the low-income thresholds. The highest was that of a single parent with one child, whose income was between 58 and 89 per cent of the thresholds. A single person with a disability had an income of between 40 and 53 per cent of the thresholds, and a couple with two children had an income of between 54 and 76 per cent of the thresholds.

Given that the MBM is Canada's official poverty measure, and that having an income less than 75 per cent of the MBM is classified as "deep poverty," all four of the example households would have been living in deep poverty in 2019.

## Newfoundland and Labrador

### COMPONENTS OF WELFARE INCOMES

In Newfoundland and Labrador, households that qualify for basic social assistance payments also qualify for other financial support, including:

- Recurring additional social assistance payments (for example, an annual back-to-school allowance);
- Federal and provincial child benefits (for households with children);
- The GST/HST credit and credit supplements; and
- Provincial tax credits or benefits.

Together, these combine with basic social assistance payments to form a household's total welfare income. Households may receive less if they have income from other sources, or more if they have special health- or disability-related needs.

The table below shows the value and components of welfare incomes for four example household types in 2019. All four households are assumed to be living in St. John's. The child in the single parent family is aged two, and the children in the couple household are aged 10 and 15.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Basic social assistance	\$9,048	\$9,048	\$13,644	\$14,220
Additional SA benefits	\$1,800	\$1,800	\$1,800	\$1,800
Federal child benefits			\$6,568	\$11,083
Provincial child benefits			\$402	\$827
GST/HST credit	\$318	\$318	\$725	\$876
Provincial tax credits / benefits	\$220	\$420	\$440	\$727
<b>Total 2019 income</b>	<b>\$11,386</b>	<b>\$11,586</b>	<b>\$23,578</b>	<b>\$29,533</b>

Note: Totals may not add up due to rounding.

Total annual welfare incomes in 2019 ranged from \$11,386 for a single person considered employable to \$29,533 for a couple with two children.

Basic social assistance benefit amounts were unchanged from 2018.

All four households received additional social assistance benefits. The single person with a disability received \$1,800 (\$150 per month) through the Personal Care Allowance paid by the Department of Health and Community Services to social assistance clients receiving supportive services. The other household types received \$1,800 (\$150 per month) through the Supplemental Shelter Benefit. As the vast majority of social assistance recipients living in St. John's had rental costs that exceeded the basic benefit, it was assumed they automatically received the shelter supplement.

Persons with disabilities on assistance were ineligible for both the fuel supplement and supplemental shelter benefits and instead received actual fuel costs and rent top-ups from the Department of Health and Community Services. Average values of these payments were not readily available and so could not be included in total welfare income calculations; while persons with disabilities are ineligible for the Fuel Supplement through Income Support, that benefit is included in basic assistance calculations as a proxy. We hope to be able to obtain average fuel and rental top-up amounts in future years.

Both households with children received the Canada Child Benefit, which increased with inflation in July 2019 from \$541 to \$553.25 per month for a child under 6 years of age, and from \$457 to \$466.83 per month for a child aged 6 to 17. They also received the Newfoundland and Labrador Child Benefit. This monthly payment increased in July 2019 from \$33.17 to \$33.75 for the first child, and from \$35.16 to \$35.83 for the second child.

All four households received the GST/HST credit, which increased in July 2019 with inflation. The single person considered employable and the single person with a disability both received \$287, while the single parent with one child received \$574 and the couple with two children received \$876. Both single adult households received \$30.75 through the GST/HST credit supplement, while the single parent received the full amount of \$151.

All four households also received the Newfoundland and Labrador Income Supplement, which includes an additional disability amount for the single person with a disability.

## CHANGES TO WELFARE INCOMES

The graphs below show how the total welfare incomes for each of the four example household types have changed over time. The values are in constant 2019 dollars, taking into account the effect of inflation as measured by the national consumer price index.

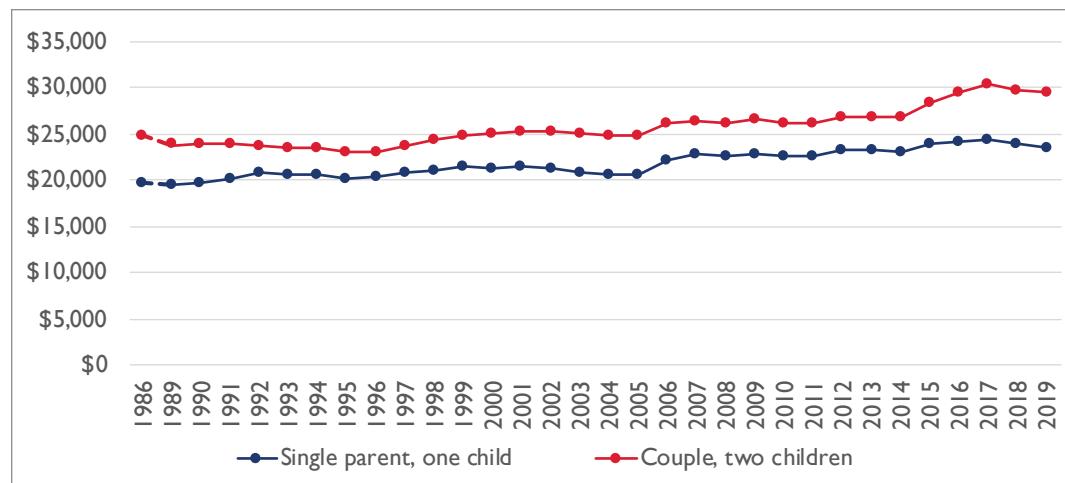
### Welfare incomes for single adults, 2019 constant dollars



- Historically, the trends in welfare income of a single person considered employable and a single person with a disability were very different. The income of a single person considered employable was much lower and had more fluctuations compared to the general reduction over time that characterized the welfare income of a single person with a disability. Starting in 2012, however, the value of total welfare incomes for these two households converged and have since remained nearly identical.
- The massive decline between 1995 and 1997 in the total welfare income for a single person considered employable was the result of a policy change that gave recipients very low room and board allowances instead of market rent shelter benefits.
- Starting in 2011, calculations of welfare incomes for a single person with a disability for the purposes of this report no longer include supplemental shelter benefits. Persons with disabilities on assistance receive shelter benefit top-ups from the Department of Health and Community Services. The average values of this support are not readily available and therefore are not included in these calculations.

- In 2019, the total welfare income of a single person considered employable was \$11,386, while that of a single person with a disability was \$11,586.

### **Welfare incomes for households with children, 2019 constant dollars**



- Welfare incomes for households with children have gradually increased over time, with increases in 2006 and again from 2015 to 2017, although values have decreased since then. The 2006 rise resulted from an increase to the Family Benefit rate. The rise in 2015 to 2017 was largely the result of changes to federal child benefits.
- In 2019, the welfare income of a single parent with one child was \$23,578, and that of a couple with two children was \$29,533, both of which were slightly below the high point reached in 2017.

### **ADEQUACY OF WELFARE INCOMES**

The adequacy of a household's total welfare income can be assessed by comparing it to a set threshold of low income. In Canada, there are three commonly used measures:

1. The official poverty measure, the Market Basket Measure (MBM), identifies households whose disposable income is less than the cost of a basket of goods and services that represent a basic standard of living.
2. The Low Income Measure (LIM) identifies households whose income is substantially below what is typical in society (less than half of the median income).
3. The Low Income Cut-Off (LICO) identifies households that are likely to spend a disproportionately large share of their income on the necessities of food, clothing, and shelter.

The table below shows how welfare incomes for the four example household types compared to the three low-income thresholds (after tax). Because LICO and MBM thresholds vary by community size, the threshold used for each is for St. John's.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Total welfare income	\$11,386	\$11,586	\$23,578	\$29,533
MBM				
MBM threshold (St. John's)	\$22,600	\$22,600	\$31,961	\$45,199
Welfare income minus MBM threshold	-\$11,214	-\$11,014	-\$8,383	-\$15,666
Welfare income as % of MBM	50%	51%	74%	65%
LIM				
LIM threshold (Canada-wide)	\$24,642	\$24,642	\$34,850	\$49,285
Welfare income minus LIM threshold	-\$13,257	-\$13,057	-\$11,271	-\$19,752
Welfare income as % of LIM	46%	47%	68%	60%
LICO				
LICO threshold (St. John's)	\$18,520	\$18,520	\$22,540	\$35,017
Welfare income minus LICO threshold	-\$7,134	-\$6,934	\$1,038	-\$5,484
Welfare income as % of LICO	62%	63%	105%	84%

The maximum 2019 welfare incomes of all four households were below the thresholds of nearly every low-income measure. One household exceeded the income threshold of one low-income measure (the welfare income of a single parent with one child in 2019 was 105% of the LICO threshold). Households with children had incomes closer to the thresholds than single persons.

The lowest income relative to the thresholds was that of a single person considered employable at between 46 and 62 per cent of the thresholds, although the income of a single person with a disability was comparable at between 47 and 53 per cent of the thresholds. Single parents with one child had the highest incomes relative to the thresholds – 68 per cent of the LIM, 74 per cent of the MBM, and 105 per cent

of the LICO. Couple households with two children had an income of between 60 and 84 per cent of the thresholds.

Given that the MBM is Canada's official poverty measure, and that having an income less than 75 per cent of the MBM is classified as “deep poverty,” all four of the example households would have been living in deep poverty in 2019.

## Northwest Territories

### COMPONENTS OF WELFARE INCOMES

In the Northwest Territories, households that qualify for basic social assistance payments also qualify for other financial support, including:

- Recurring additional social assistance payments (for example, an annual back-to-school allowance);
- Federal and territorial child benefits (for households with children);
- The GST/HST credit and credit supplements; and
- Territorial tax credits or benefits.

Together, these combine with basic social assistance payments to form a household's total welfare income. Households may receive less if they have income from other sources, or more if they have special health- or disability-related needs.

The table below shows the value and components of welfare incomes for four example household types in 2019. All four households are assumed to be living in Yellowknife. The child in the single parent family is aged two, and the children in the couple household are aged 10 and 15.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Basic social assistance	\$25,420	\$25,734	\$28,050	\$33,543
Additional SA benefits		\$5,013		
Federal child benefits			\$6,568	\$10,887
Territorial child benefits			\$815	\$1,121
GST/HST credit	\$438	\$438	\$725	\$876
Territorial tax credits / benefits	\$52	\$52	\$112	\$224
<b>Total 2019 income</b>	<b>\$25,910</b>	<b>\$31,237</b>	<b>\$36,269</b>	<b>\$46,652</b>

Note: Totals may not add up due to rounding.

Total annual welfare incomes in 2019 ranged from \$25,910 for a single person considered employable to \$46,652 for a couple with two children.

The basic social assistance food allowance was unchanged from 2018. In the Northwest Territories, the amount of social assistance paid for the costs of shelter, fuel, and utilities are based on the actual costs of each recipient household; therefore, the amounts in the table are an estimate of the average costs. The fuel and utilities components are an average of the amount paid to recipients in each of the household types in 2019. The shelter amount is based on average market rents as calculated annually by the Canada Mortgage and Housing Corporation.

Only the single person with a disability received additional social assistance benefits, as shown in the table. The Disability Allowance of \$300 per month was increased as of April 1 to \$405 per month. The Incidental Allowance for Persons with Disabilities provided \$39 per month.

Both households with children received the Canada Child Benefit, which increased with inflation in July 2019 from \$541 to \$553.25 per month for a child under 6 years of age, and from \$457 to \$466.83 per month for a child aged 6 to 17.

Both households with children also received the NWT Child Benefit. The single parent received \$67.91 per month (the amount provided for one child under the age of six). The couple with two children received less than the maximum as their welfare income in the 2017 and 2018 tax years would have been too high to receive the full NWT Child Benefit amount in 2019. Instead, they received \$94.27 per month from January to June, and \$92.64 per month from July to December.

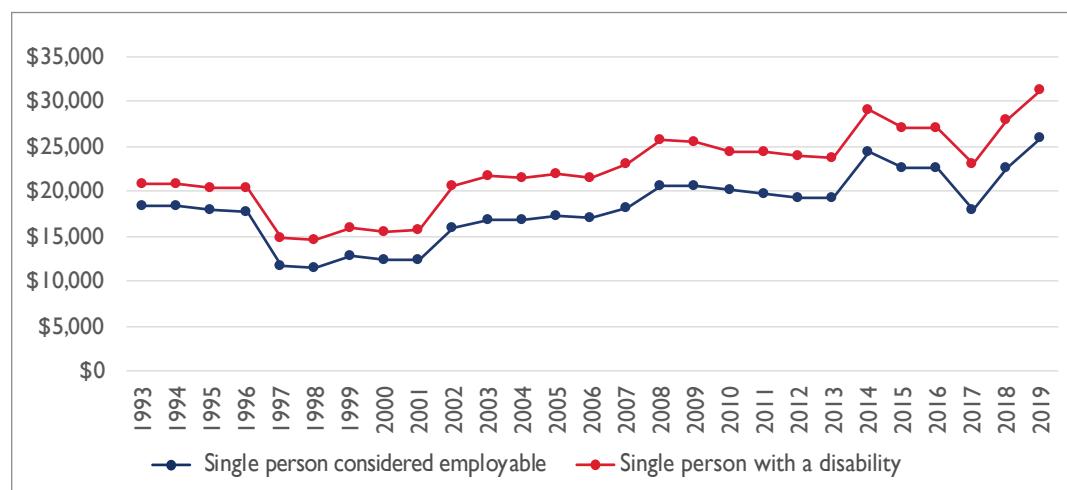
All four households received the GST/HST credit, which increased in July 2019 with inflation. The single person considered employable and the single person with a disability both received \$287, while the single parent with one child received \$574 and the couple with two children received \$876. The single person considered employable, the single person with a disability, and the single parent also received \$151 through the GST/HST credit supplement.

All four households received the Northwest Territories Cost of Living Offset, which was introduced in 2019 to help offset the cost of the NWT carbon tax. In 2019, one payment of \$52 per adult and \$60 per child under 18 was made in October.

## CHANGES TO WELFARE INCOMES

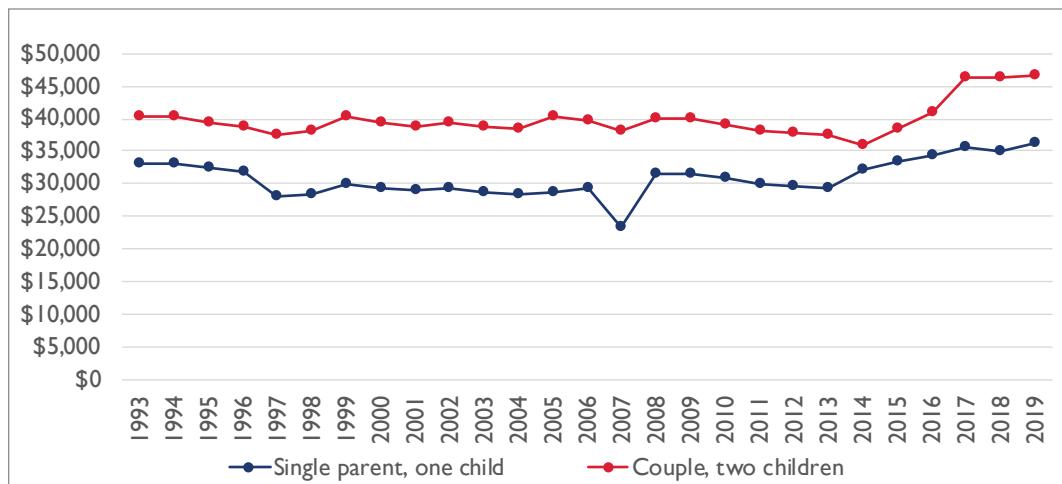
The graphs below show how the total welfare incomes for each of the four example household types have changed over time. The values are in constant 2019 dollars, taking into account the effect of inflation as measured by the national consumer price index.

**Welfare incomes for single adults, 2019 constant dollars**



- The welfare incomes of a single person considered employable and a single person with a disability have followed similar historical patterns. Both declined substantially in 1997, increased gradually until 2008, decreased until 2013, and thereafter saw significant fluctuations.
- The fluctuations between 2013 and 2019 were the result of changes in the way utility and shelter costs were calculated for the purposes of this report rather than changes to benefit program policy. The increase between 2018 and 2019 was due to both a significant increase in utilities costs and therefore to average amounts paid for those costs, an increase in the maximum shelter amount paid effective October 2019, and the implementation of the NWT Cost of Living Offset, paid in October 2019.
- In 2019, the welfare income of a single person considered employable was \$25,910 and that of a single person with a disability was \$31,237, both of which were the highest levels in the time series.

### Welfare incomes for households with children, 2019 constant dollars



- Households with children saw a decline in welfare incomes in the 1990s, relative stability through the 2000s, a decline in the first several years of the 2010s, and increases between 2014 and 2017 due primarily to changes to federal child benefits. Since 2017, welfare incomes have remained relatively steady.
- In 2019, a single parent with one child had a welfare income of \$36,269, and a couple with two children had a welfare income of \$46,652. These incomes were the highest across the time series for both households.

## Nova Scotia

### COMPONENTS OF WELFARE INCOMES

In Nova Scotia, households that qualify for basic social assistance payments also qualify for other financial support, including:

- Recurring additional social assistance payments (for example, an annual back-to-school allowance);
- Federal and provincial child benefits (for households with children);
- The GST/HST credit and credit supplements; and
- Provincial tax credits or benefits.

Together, these combine with basic social assistance payments to form a household's total welfare income. Households may receive less if they have income from other sources, or more if they have special health- or disability-related needs.

The table below shows the value and components of welfare incomes for four example household types in 2019. All four households are assumed to be living in Halifax. The child in the single parent family is aged two, and the children in the couple household are aged 10 and 15.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Basic social assistance	\$6,900	\$9,720	\$10,140	\$14,040
Additional SA benefits				\$150
Federal child benefits			\$6,568	\$11,083
Provincial child benefits			\$625	\$1,450
GST/HST credit	\$287	\$295	\$725	\$876
Provincial tax credits / benefits	\$255	\$255	\$315	\$375
<b>Total 2019 income</b>	<b>\$7,442</b>	<b>\$10,270</b>	<b>\$18,372</b>	<b>\$27,974</b>

Note: Totals may not add up due to rounding.

Total annual welfare incomes in 2019 ranged from \$7,442 for a single person considered employable to \$27,974 for a couple with two children.

Basic social assistance benefit amounts were unchanged from 2018.

On top of basic social assistance, the couple with children received additional social assistance benefits, as shown in the table. The annual School Supplies Supplement provided \$50 for the 10-year-old and \$100 for the 15-year-old.

Both households with children received the Canada Child Benefit, which increased in line with inflation in July 2019 from \$541 to \$553.25 per month for a child under 6 years of age, and from \$457 to \$466.83 per month for a child aged 6 to 17. They also received the Nova Scotia Child Benefit of \$52.08 per month for the first child, and \$68.75 per month for the second child.

All four households received the GST/HST credit, which increased in July 2019 in line with inflation. The single person considered employable and the single person with a disability both received \$287, while the single parent with one child received \$574 and the couple with two children received \$876. The single parent also received the full GST/HST credit supplement of \$151 and the person with a disability received a partial supplement of \$8.19.

All four households also received the Nova Scotia Affordable Living Tax Credit which provided \$255 per single adult or couple and \$60 per child.

#### **CHANGES TO WELFARE INCOMES**

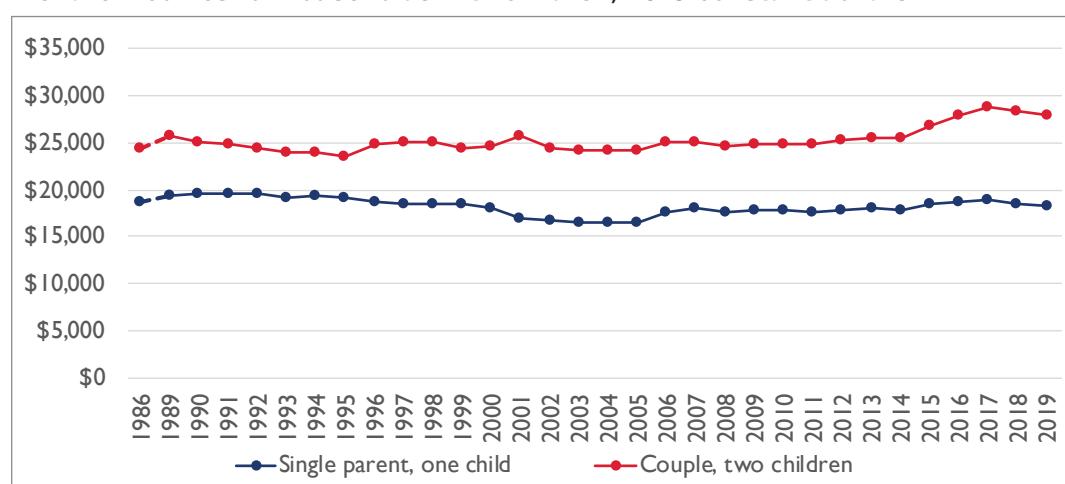
The graphs below show how the total welfare incomes for each of the four example household types have changed over time. The values are in constant 2019 dollars, taking into account the effect of inflation as measured by the national consumer price index.

### Welfare incomes for single adults, 2019 constant dollars



- The total welfare income for a single person considered employable dropped noticeably in 1997 due to the amalgamation of the municipal and provincial social assistance systems. This removed geographical variations in social assistance rates across the province. As a result, recipients in the City of Halifax (where the example households reside) received considerably less than before the amalgamation.
- Since 1997, the welfare income of a single person considered employable has hovered around the \$7,000 mark. In 2019 it stood at \$7,442.
- Single persons with disabilities have seen a steady decline in total welfare income over time. In 2019, it stood at \$10,270, only \$3,000 more than that of their single employable counterparts and considerably lower than the 1991 high of \$14,291.

### Welfare incomes for households with children, 2019 constant dollars



- The welfare income of a single parent with one child has stayed fairly steady over the past three decades while that of a couple with children has seen more fluctuations.
- From 2015 to 2017, the maximum welfare incomes of households with children rose, largely as a result of changes to federal child benefits. Since then, the value of incomes has declined.
- In 2019, the welfare income of a single parent household was \$18,372, lower than its 1991 peak of \$19,652 but higher than its 2005 low of \$16,418. For a couple with two children, the 2019 welfare income was \$27,974, almost \$900 below the 2017 peak of \$28,852.

## ADEQUACY OF WELFARE INCOMES

The adequacy of a household's total welfare income can be assessed by comparing it to a set threshold of low income. In Canada, there are three commonly used measures:

1. The official poverty measure, the Market Basket Measure (MBM), identifies households whose disposable income is less than the cost of a basket of goods and services that represent a basic standard of living.
2. The Low Income Measure (LIM) identifies households whose income is substantially below what is typical in society (less than half of the median income).
3. The Low Income Cut-Off (LICO) identifies households that are likely to spend a disproportionately large share of their income on the necessities of food, clothing, and shelter.

The table below shows how welfare incomes for the four example household types compared to the three low-income thresholds (after tax). Because LICO and MBM thresholds vary by community size, the threshold used for each is for Halifax.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Total welfare income	\$7,442	\$10,270	\$18,372	\$27,974
MBM				
MBM threshold (Halifax)	\$22,936	\$22,936	\$32,436	\$45,872

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Welfare income minus MBM threshold	-\$15,494	-\$12,666	-\$14,064	-\$17,898
Welfare income as % of MBM	32%	45%	57%	61%
LIM				
LIM threshold (Canada-wide)	\$24,642	\$24,642	\$34,850	\$49,285
Welfare income minus LIM threshold	-\$17,200	-\$14,372	-\$16,477	-\$21,311
Welfare income as % of LIM	30%	42%	53%	57%
LICO				
LICO threshold (Halifax)	\$18,520	\$18,520	\$22,540	\$35,017
Welfare income minus LICO threshold	-\$11,078	-\$8,250	-\$4,168	-\$7,043
Welfare income as % of LICO	40%	56%	82%	80%

The maximum 2019 welfare incomes of all four example household types were below, and sometimes far below, the thresholds of every low-income measure. Households with children had incomes closer to the thresholds than single persons.

The lowest income relative to the thresholds was that of a single person considered employable, who had a total income of between 30 and 40 per cent of the low-income thresholds. Overall, a couple family with two children had the highest income relative to the thresholds, between 57 and 80 per cent, although that of a single parent with one child was comparable at between 53 and 82 per cent. The single person with a disability fared slightly better than the single person considered employable, with an income of between 42 and 56 per cent of the thresholds.

Given that the MBM is Canada's official poverty measure, and that having an income less than 75 per cent of the MBM is classified as "deep poverty," all four of the example households would have been living in deep poverty in 2019.

## Nunavut

### COMPONENTS OF WELFARE INCOMES

In Nunavut, households that qualify for basic social assistance payments also qualify for other financial support including:

- Recurring additional social assistance payments (for example, an annual back-to-school allowance);
- Federal and territorial child benefits (for households with children); and
- The GST/HST credit and credit supplements.

Together, these combine with basic social assistance payments to form a household's total welfare income. Households may receive less if they have income from other sources, or more if they have special health- or disability-related needs.

The table below shows the value and components of welfare incomes for four example household types in 2019. All four households are assumed to be living in Iqaluit. The child in the single parent family is aged two, and the children in the couple household are aged 10 and 15.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Basic social assistance	\$9,228	\$9,228	\$11,436	\$17,520
Additional SA benefits		\$3,000		
Federal child benefits			\$6,568	\$11,083
Territorial child benefits			\$330	\$660
GST/HST credit	\$287	\$287	\$725	\$876
Territorial tax credits / benefits				
<b>Total 2019 income</b>	<b>\$9,515</b>	<b>\$12,515</b>	<b>\$19,059</b>	<b>\$30,139</b>

Total annual welfare incomes in 2019 ranged from \$9,515 for the single person considered employable to \$30,139 for the couple with two children.

2019 was the first full year that the Basic Allowance was paid to social assistance recipients. The Basic Allowance combined and increased the previous Food and

Clothing Allowances in July 2018. Basic social assistance also included a utilities benefit (based on the electrical costs in Nunavut Public Housing) and a shelter benefit (based on public housing rental amounts).

As 95 per cent of households receiving social assistance in Iqaluit live in public housing, the example households are assumed to be living in public housing rather than private market housing. This means that the basic social assistance amounts in the table reflect what households had after most of their housing costs had been paid. (In Nunavut, social assistance recipients in public housing do not pay fuel, water, sewage, garbage, and/or municipal needs, and their electricity costs are heavily subsidized.)

In addition to basic assistance, the single person with a disability also received \$3,000 (\$250 per month) through the Incidental Allowance.

Both households with children received the Canada Child Benefit, which increased with inflation in July 2019 from \$541 to \$553.25 per month for a child under 6 years of age, and from \$457 to \$466.83 per month for a child aged 6 to 17.

Both households with children also received the Nunavut Child Benefit. The single parent of one child and the couple with two children received the maximum amount of \$27.50 per month per child.

All four households received the GST/HST credit, which increased in July 2019 with inflation. The single person considered employable and the single person with a disability both received \$287, while the single parent with one child received \$574 and the couple with two children received \$876. The single parent also received \$151 in the GST/HST credit supplement.

No territorial tax credits or benefits were available to households on social assistance in Nunavut in 2019.

## **CHANGES TO WELFARE INCOMES**

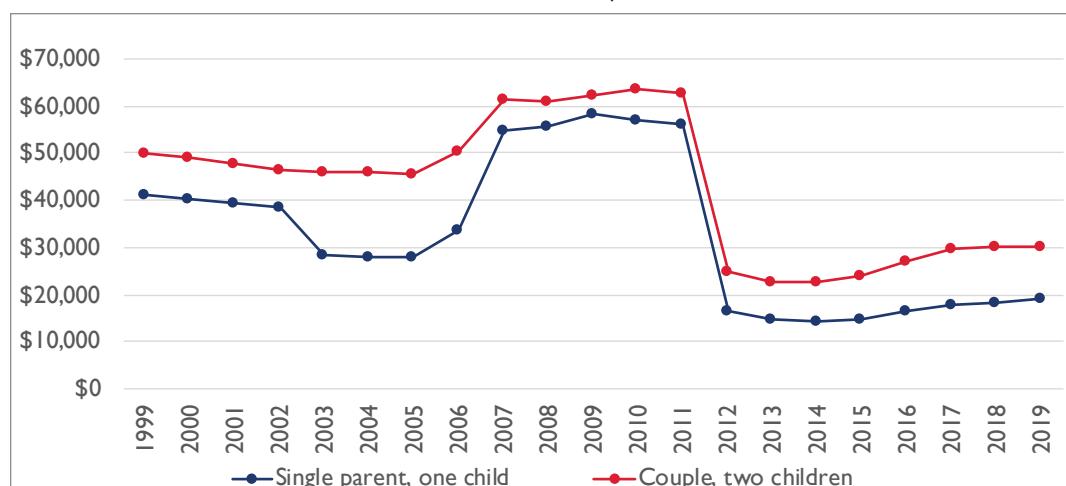
The graphs below show how the total welfare incomes for each of the four example household types have changed over time. The values are in constant 2019 dollars, taking into account the effect of inflation as measured by the national consumer price index.

### Welfare incomes for single adults, 2019 constant dollars



- Total welfare incomes of a single person considered employable and a single person with a disability have remained relatively flat since 2012, when total welfare incomes dropped due to a change in the methodology used in this report. That change saw shelter amounts calculated based on public housing rents rather than private market rents (see “Components of welfare incomes” section).
- Welfare incomes for these family types increased in 2018 and 2019 due to the introduction of the Basic Allowance, which combined and increased the previous Food and Clothing Allowances.
- In 2019, a single person considered employable had a welfare income of \$9,515, and a single person with a disability received \$12,515.

### Welfare incomes for households with children, 2019 constant dollars



- Welfare incomes for households with children followed a similar pattern to that of single person households, with a sharp decrease in 2012 due to a change in methodology which based shelter amounts on public housing rents instead of private market rents (see “Components of welfare incomes” section).
- Changes to federal child benefits between 2015 and 2017 resulted in increases to the welfare incomes of households with children. The introduction of the Basic Allowance in July 2018, which combined and increased the Food and Clothing Allowances, caused welfare incomes to increase again.
- In 2019, the welfare income of a single parent with one child was \$19,059, and that of a couple with two children was \$30,139.

*Last updated in June 2021 with revised data*

## Ontario

### COMPONENTS OF WELFARE INCOMES

In Ontario, households that qualify for basic social assistance payments also qualify for other financial support, including:

- Federal and provincial child benefits (for households with children);
- The GST/HST credit and supplements; and
- Provincial tax credits or benefits.

Together, these combine with basic social assistance payments to form a household's total welfare income. Households may receive less if they have income from other sources, or more if they have special health- or disability-related needs.

The table below shows the value and components of welfare incomes for four example household types in 2019. All four households are assumed to be living in Toronto. The child in the single parent family is aged two, and the children in the couple household are aged 10 and 15.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Basic social assistance	\$8,796	\$14,028	\$12,024	\$15,000
Additional SA benefits				
Federal child benefits			\$6,568	\$11,083
Provincial child benefits			\$1,419	\$2,837
GST/HST credit	\$287	\$376	\$725	\$876
Provincial tax credits / benefits	\$690	\$715	\$1,053	\$1,689
<b>Total 2019 income</b>	<b>\$9,773</b>	<b>\$15,118</b>	<b>\$21,788</b>	<b>\$31,485</b>

Note: Totals may not add up due to rounding.

Total annual welfare incomes in 2019 ranged from \$9,773 for the single person considered employable to \$31,485 for the couple with two children.

All households received benefits from Ontario Works (OW) except for the single person with a disability who received benefits from the Ontario Disability Support Program (ODSP). Basic social assistance benefit amounts were unchanged from 2018.

No recurring additional social assistance benefits were available to the example households.

Both households with children received the Canada Child Benefit, which increased with inflation in July 2019 from \$541 to \$553.25 per month for a child under 6 years of age, and from \$457 to \$466.83 per month for a child aged 6 to 17. They also received the Ontario Child Benefit, which increased with inflation from \$116.92 to \$119.50 per month per child in July 2019.

All four households received the GST/HST credit, which increased with inflation in July 2019. The single person considered employable and the single person with a disability both received \$287, while the single parent with one child received \$574 and the couple with two children received \$876. The single person with a disability also received \$88.91 through the GST/HST credit supplement while the single parent received the full amount of \$151.

All four households also received the Ontario Trillium Benefit, the provincial tax credit, which increased with inflation in July 2019.

### **CHANGES TO WELFARE INCOMES**

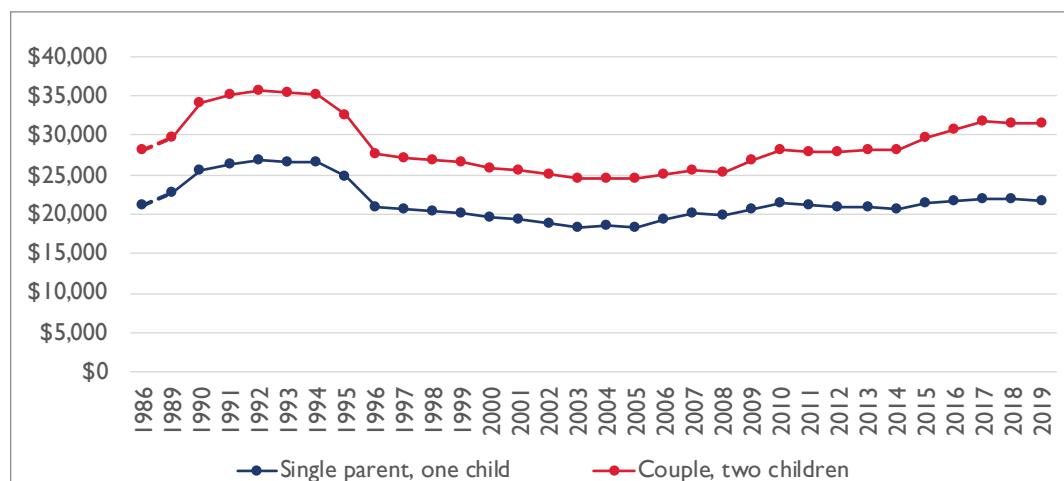
The graphs below show how the total welfare incomes for each of the four example household types have changed over time. The values are in constant 2019 dollars, taking into account the effect of inflation as measured by the national consumer price index.

### Welfare incomes for single adults, 2019 constant dollars



- Regular increases to the welfare incomes of single persons through the late 1980s and early 1990s ended in 1995, when basic social assistance benefits for single persons considered employable were cut and those for persons with disabilities were frozen. In the following decade, welfare incomes fell in value. Since 2005, welfare incomes remained relatively flat except for a gradual increase for single persons considered employable between 2012 and 2017.
- The welfare incomes of single persons have fallen in value in the two years to 2019 when they stood at \$9,773 for a single person considered employable and \$15,118 for a single person with a disability. Both figures were considerably below the peaks in the 1990s.

### Welfare incomes for households with children, 2019 constant dollars



- Welfare incomes for households with children increased in the late 1980s and early 1990s until a sharp decrease in 1995. Welfare incomes receded further until the mid-2000s when they began to gradually increase. The larger increase from 2015 to 2017 were the result of changes to federal child benefits.
- In 2019, a single parent with one child received \$21,788 in welfare income. A couple with two children aged 10 and 15 received \$31,485.

### ADEQUACY OF WELFARE INCOMES

The adequacy of a household's total welfare income can be assessed by comparing it to a set threshold of low income. In Canada, there are three commonly used measures:

1. The official poverty measure, the Market Basket Measure (MBM), identifies households whose disposable income is less than the cost of a basket of goods and services that represent a basic standard of living.
2. The Low Income Measure (LIM) identifies households whose income is substantially below what is typical in society (less than half of the median income).
3. The Low Income Cut-Off (LICO) identifies households that are likely to spend a disproportionately large share of their income on the necessities of food, clothing, and shelter.

The table below shows how welfare incomes for the four example household types compared to the three low-income thresholds (after tax). Because LICO and MBM thresholds vary by community size, the threshold used for each is for Toronto.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Total welfare income	\$9,773	\$15,118	\$21,788	\$31,485
MBM				
MBM threshold (Toronto)	\$24,563	\$24,563	\$34,737	\$49,125
Welfare income minus MBM threshold	-\$14,791	-\$9,445	-\$12,950	-\$17,641
Welfare income as % of MBM	40%	62%	63%	64%

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
LIM				
LIM threshold (Canada-wide)	\$24,642	\$24,642	\$34,850	\$49,285
Welfare income minus LIM threshold	-\$14,870	-\$9,524	-\$13,062	-\$17,800
Welfare income as % of LIM	40%	61%	63%	64%
LICO				
LICO threshold (Toronto)	\$21,899	\$21,899	\$26,653	\$41,406
Welfare income minus LICO threshold	-\$12,126	-\$6,781	-\$4,865	-\$9,921
Welfare income as % of LICO	45%	69%	82%	76%

The maximum 2019 welfare incomes of all four example household types were below the thresholds of every low-income measure. The single person with a disability and both households with children had incomes closer to the thresholds than those of single person considered employable.

The lowest income relative to the thresholds was that of a single person considered employable, who had a total income of between 40 and 45 per cent of the thresholds. A single person with a disability fared slightly better, with an income of between 61 and 69 per cent of the thresholds. The highest income relative to the thresholds was that of a single parent with one child, whose total income was between 63 and 82 per cent of the thresholds. The income of the couple with two children was similar, at between 64 and 76 per cent of the thresholds.

Given that the MBM is Canada's official poverty measure, and that having an income less than 75 per cent of the MBM is classified as "deep poverty," all four of the example households would have been living in deep poverty in 2019.

## Prince Edward Island

### COMPONENTS OF WELFARE INCOMES

In Prince Edward Island, households that qualify for basic social assistance payments also qualify for other financial support, including:

- Recurring additional social assistance payments (for example, an annual back-to-school allowance);
- Federal child benefits (for households with children);
- The GST/HST credit and credit supplements; and
- Provincial tax credits or benefits.

Together, these combine with basic social assistance payments to form a household's total welfare income. Households may receive less if they have income from other sources, or more if they have special health- or disability-related needs.

The table below shows the value and components of welfare incomes for four example household types in 2019. All four households are assumed to be living in Charlottetown. The child in the single parent family is aged two, and the children in the couple household are aged 10 and 15.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Basic social assistance	\$10,848	\$12,648	\$14,700	\$22,464
Additional SA benefits				\$350
Federal child benefits			\$6,568	\$11,083
Provincial child benefits				
GST/HST credit	\$287	\$300	\$725	\$876
Provincial tax credits / benefits	\$110	\$110	\$165	\$165
<b>Total 2019 income</b>	<b>\$11,245</b>	<b>\$13,058</b>	<b>\$22,158</b>	<b>\$34,938</b>

Total annual welfare incomes in 2019 ranged from \$11,245 for the single person considered employable to \$34,938 for the couple with two children.

Three of the example households received benefits through the Social Assistance program; the single person with a disability received benefits through AccessAbility Supports which replaced the Disability Supports Program in 2018.

Social assistance benefits increased considerably during 2018 making 2019 the first full year of the new higher payments (the Basic Food Allowance increased by 10 per cent in January 2019, and the Shelter Benefit increased by 6 per cent in December 2018). Households also received a Local Transportation allowance of \$25 per month as part of their basic social assistance benefits.

Through AccessAbility Supports, persons with a disability were provided with an assured income benefit made up of allowances for food, essentials, and community living, as well as a shelter benefit. AccessAbility Supports recipients could also access other income supports depending on their particular circumstances.

On top of basic social assistance benefits, the couple with two children received an additional \$350 through the School Allowance (\$75 for the 10-year-old, and \$100 for the 15-year-old, issued in both August and December).

Both households with children received the Canada Child Benefit, which increased with inflation in July 2019 from \$541 to \$553.25 per month for a child under 6 years of age, and from \$457 to \$466.83 per month for a child aged 6 to 17. Unlike many provinces, Prince Edward Island does not have its own child benefit program.

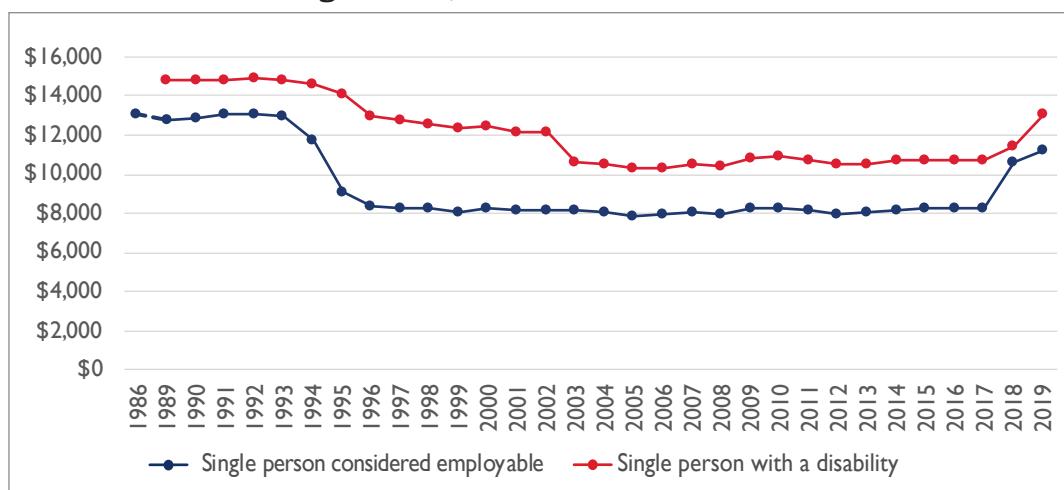
All four households received the GST/HST credit, which increased in July 2019 with inflation. The single person considered employable and the single person with a disability both received \$287, while the single parent with one child received \$574 and the couple with two children received \$876. The single person with a disability also received \$12.60 through the GST/HST credit supplement while the single parent received the full amount of \$151.

All four households also received the PEI Sales Tax Credit of \$110 per year for an individual plus \$55 for a spouse, common-law partner, or eligible dependant.

## CHANGES TO WELFARE INCOMES

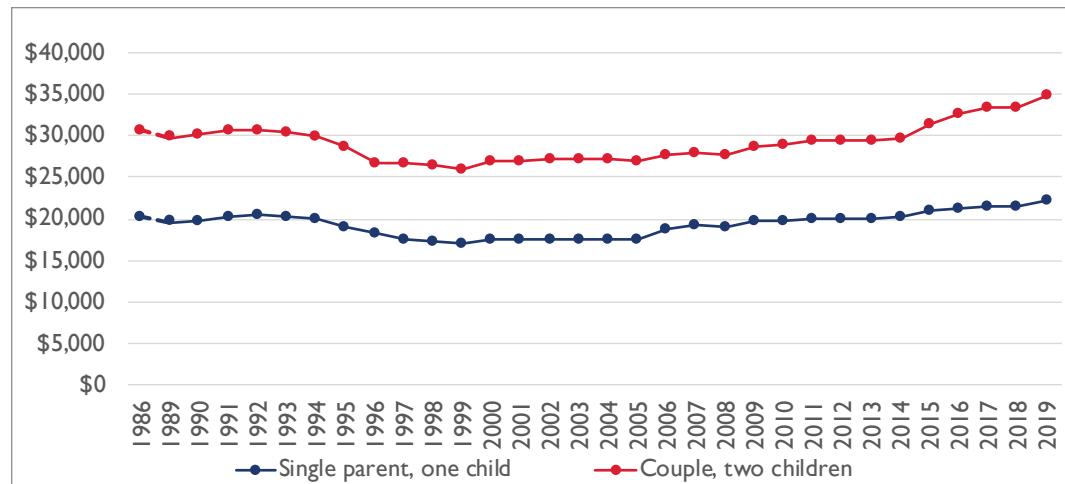
The graphs below show how the total welfare incomes for each of the four example household types have changed over time. The values are in constant 2019 dollars, taking into account the effect of inflation as measured by the national consumer price index.

### Welfare incomes for single adults, 2019 constant dollars



- Both single persons considered employable and single persons with a disability saw their welfare incomes drop significantly starting in 1994. For a single person considered employable, the drop was much sharper and occurred over three years. For a single person with a disability, welfare incomes fell more gradually until 2003. Following that, these welfare incomes remained fairly constant until 2017, when both increased sharply.
- Between 2017 and 2019 the welfare income of a single person considered employable increased by \$3,005 per year while the welfare income of a single person with a disability increased by \$2,389. The increase for single persons considered employable in 2018 was due to a change in the shelter allowance policy in recognition of PEIs changing rental market. The 2018 increase for single persons with a disability was due to the introduction of an Assured Income through AccessAbility Supports. Incomes rose further for both household types in 2019 as a result of increases to basic social assistance benefits.
- In 2019, the welfare income of a single person considered employable was \$11,245, and that of a person with a disability was \$13,058.

### Welfare incomes for households with children, 2019 constant dollars



- After a period of decline in the 1990s and stagnation thereafter, welfare incomes for households with children began to rise in 2005. Changes to federal child benefits between 2015 and 2017 resulted in further increases to the welfare incomes of households with children.
- In 2019, the welfare income of a single parent with one child was \$22,158, and that of a couple with two children was \$34,938. These are the highest amounts over the time series.

### ADEQUACY OF WELFARE INCOMES

The adequacy of a household's total welfare income can be assessed by comparing it to a set threshold of low income. In Canada, there are three commonly used measures:

- The official poverty measure, the Market Basket Measure (MBM), identifies households whose disposable income is less than the cost of a basket of goods and services that represent a basic standard of living.
- The Low Income Measure (LIM) identifies households whose income is substantially below what is typical in society (less than half of the median income).
- The Low Income Cut-Off (LICO) identifies households that are likely to spend a disproportionately large share of their income on the necessities of food, clothing, and shelter.

The table below shows how welfare incomes for the four example household types compared to the three low-income thresholds (after tax). Because LICO and MBM thresholds vary by community size, the threshold used for each is for Charlottetown.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Total welfare income	\$11,245	\$13,058	\$22,158	\$34,938
MBM				
MBM threshold (Charlottetown)	\$21,841	\$21,841	\$30,888	\$43,683
Welfare income minus MBM threshold	-\$10,596	-\$8,783	-\$8,731	-\$8,745
Welfare income as % of MBM	51%	60%	72%	80%
LIM				
LIM threshold (Canada-wide)	\$24,642	\$24,642	\$34,850	\$49,285
Welfare income minus LIM threshold	-\$13,397	-\$11,585	-\$12,692	-\$14,347
Welfare income as % of LIM	46%	53%	64%	71%
LICO				
LICO threshold (Charlottetown)	\$18,289	\$18,289	\$22,260	\$34,581
Welfare income minus LICO threshold	-\$7,044	-\$5,231	-\$103	\$357
Welfare income as % of LICO	62%	71%	100%	101%

The maximum 2019 welfare incomes of all four example household types were below the thresholds of almost every low-income measure. The two households with children had incomes closer to the thresholds than those of single persons and met or exceeded the income threshold of one low-income measure.

The lowest income relative to the thresholds was that of a single person considered employable, with a total income of between 46 and 62 per cent of the thresholds. The single person with a disability fared somewhat better, with a total income of between 53 and 71 per cent of the thresholds. The couple with two children household had the highest income relative to the thresholds – total income was 71

per cent of the LIM and 80 per cent of the MBM, and 101 per cent of the LICO. The single parent with one child had an income that was 64 per cent of LIM and 72 per cent of the MBM, and 100 per cent of the LICO.

Given that the MBM is Canada's official poverty measure, and that having an income less than 75 per cent of the MBM is classified as "deep poverty," three of the example households would have been living in deep poverty in 2019. Only the couple with two children had an income above the deep poverty threshold, but remained below the poverty threshold.

*Last updated in August 2021 with revised data*

## Quebec

### COMPONENTS OF WELFARE INCOMES

In Quebec, households that qualify for basic social assistance payments also qualify for other financial support, including:

- Recurring additional social assistance payments (for example, an annual back-to-school allowance);
- Federal and provincial child benefits (for households with children);
- The GST/HST credit and credit supplements; and
- Provincial tax credits or benefits.

Together, these combine with basic social assistance payments to form a household's total welfare income. Households may receive less if they have income from other sources, or more if they have special health- or disability-related needs.

The table below shows the value and components of welfare incomes for four example household types in 2019. All four households are assumed to be living in Montreal. The child in the single parent family is aged two, and the children in the couple household are aged 10 and 15.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Basic social assistance	\$11,148	\$12,732	\$9,660	\$18,607
Additional SA benefits			\$960	\$1,159
Federal child benefits			\$6,568	\$11,083
Provincial child benefits			\$3,339	\$4,411
GST/HST credit	\$287	\$339	\$725	\$876
Provincial tax credits / benefits	\$990	\$990	\$1,110	\$1,500
<b>Total 2019 income</b>	<b>\$12,425</b>	<b>\$14,060</b>	<b>\$22,361</b>	<b>\$37,636</b>

Note: Totals may not add up due to rounding.

Total annual welfare incomes in 2019 ranged from \$9,605 for a single person considered employable to \$37,636 for a couple with two children.

All households received Social Assistance program benefits, except for the single person with a disability who received Social Solidarity program benefits. Social Assistance and Social Solidarity benefits increase with inflation every January.

As part of basic benefits, each household received the Monthly Supplement as part of their basic benefits. This was increased in January 2019 to \$25 per month for households receiving Social Assistance and to \$83 per month for the single person with a disability receiving Social Solidarity benefits.

The Aim for Employment program was introduced in April 2018 and is mandatory for new Social Assistance program applicants. It includes a Participation Allowance for recipients who complete planned employment-related activities. The Participation Allowance is \$260 per month for activities related to training or the acquisition of skills or \$165 per month for other types of activities. For single parents the amount is \$390 per month. The table reflects the maximum Participation Allowance amounts. Single parents with children under five years old can opt out of participation allowance activities and instead receive the Social Assistance Temporarily Limited Capacity Allowance (TLCA) of \$136 per month (due to the age of the child, the table shows the TLCA rather than the Participation Allowance).

In addition to basic assistance, both households with children received \$960 (\$80 per month) through the Shelter Allowance benefit. The household with two children also received the annual School Allowance of \$76 for the 10-year-old and \$123 for the 15-year-old.

Both households with children received the Canada Child Benefit, which increased with inflation in July 2019 from \$541 to \$553.25 per month for a child under 6 years of age, and from \$457 to \$466.83 per month for a child aged 6 to 17.

Both households with children also received the Family Allowance (formerly Child Assistance), which increased from \$2,430 to \$2,472 for one child, and from \$3,644 to \$4,207 for two children. The Family Allowance single parent supplement increased from \$852 to \$867. The additional School Supply Supplement of \$106 was received by the couple household for each child.

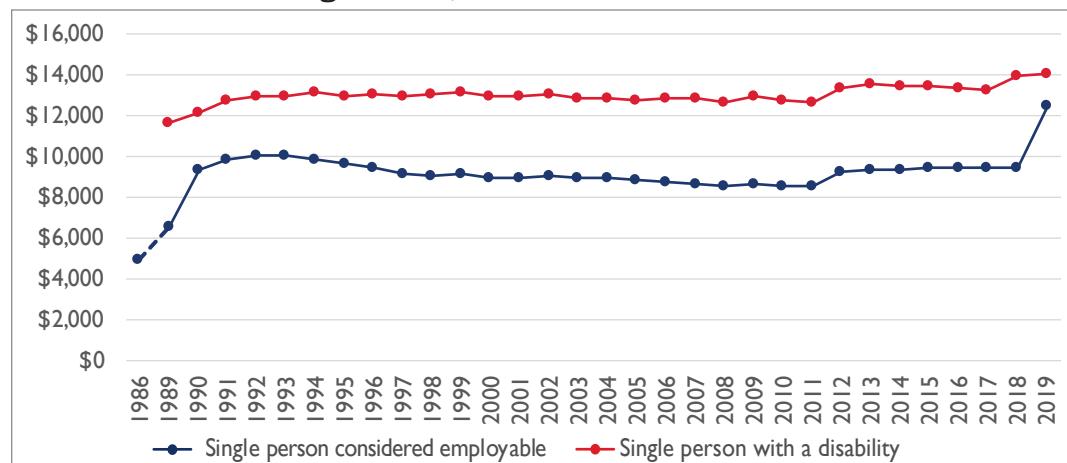
All four households received the GST/HST credit, which increased in July 2019 with inflation. The single person considered employable and the single person with a disability both received \$287, while the single parent with one child received \$574 and the couple with two children received \$876. The single person with a disability also received \$51.74 through the GST/HST credit supplement while the single parent received the full amount of \$151.

All four households also received the Quebec Solidarity Tax Credit, which increased with inflation in July 2019.

### CHANGES TO WELFARE INCOMES

The graphs below show how the total welfare incomes for each of the four example household types have changed over time. The values are in constant 2019 dollars, taking into account the effect of inflation as measured by the national consumer price index.

**Welfare incomes for single adults, 2019 constant dollars**

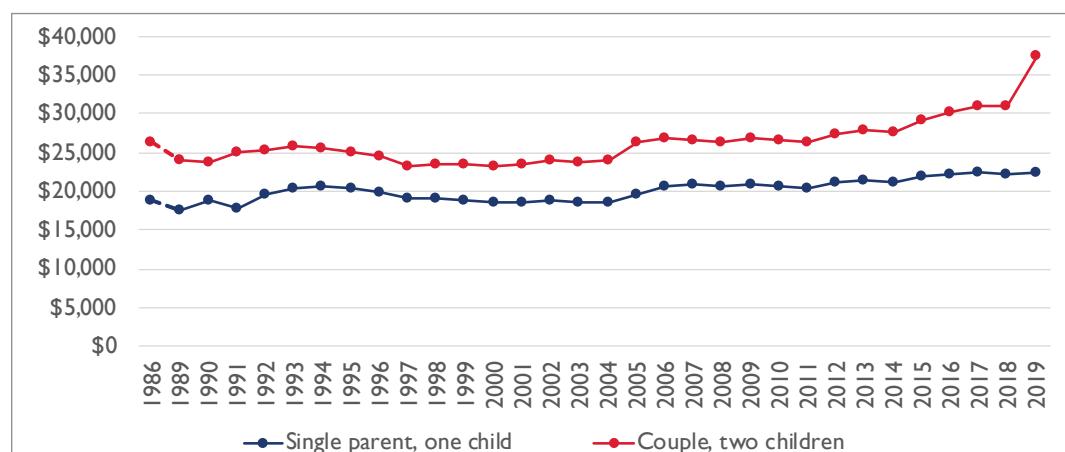


- After significant increases in the late 1980s, the welfare income of a single person considered employable declined gradually between 1993 and 2011 but rose thereafter to levels only slightly below their 1993 peak, until the large increase in 2018. The welfare income of a single person with a disability remained relatively flat through the 1990s and 2000s, rising in 2012, and again in 2018 and 2019.
- The introduction of the Quebec Solidarity Tax Credit, which enhanced and replaced earlier tax credit programs, caused the 2012 income increase

for both household types. The large increase to the income of the single person with a disability in 2018 was due to enhancements in basic social assistance benefits.

- In 2019, the total welfare income of a single person considered employable was \$12,425, an increase of \$2,928 over the previous year and the largest increase in six years, due to the inclusion of the maximum Participation Allowance under the Aim for Employment program.
- The total 2019 welfare income of a single person with a disability was \$14,060, an increase of just over \$400 over 2018 due to increases in the regular allowance and the Monthly Supplement for those receiving Social Solidarity benefits.

#### **Welfare incomes for households with children, 2019 constant dollars**



- Total welfare incomes of both households with children saw significant fluctuations throughout the 1990s and early 2000s, and a gradual increase between 2006 and 2018, with the couple with two children household seeing a significant increase in 2019.
- The introduction of the Quebec Solidarity Tax Credit, which enhanced and replaced earlier tax credit programs, caused the 2012 income increase for both household types. Increases between 2015 and 2017 were primarily the result of changes to federal child benefits.
- The increase for the couple household in 2019 can be attributed to the Participation Allowance, introduced as of January 2019 for all new recipients of Social Assistance benefits through the mandatory Aim for Employment program. The single parent household example did not benefit from this allowance given the inclusion in our calculations of the

Temporarily Limited Capacity allowance due to the age of the child. Both households with children benefited from increases to the Family Allowance (formerly Child Assistance).

- In 2019, welfare incomes were \$22,361 for a single parent with one child and \$37,636 for a couple with two children. This is by far the highest amount across the entire time series for the couple household, and slightly below the 2017 highest amount for the single parent household.

### ADEQUACY OF WELFARE INCOMES

The adequacy of a household's total welfare income can be assessed by comparing it to a set threshold of low income. In Canada, there are three commonly used measures:

1. The official poverty measure, the Market Basket Measure (MBM), identifies households whose disposable income is less than the cost of a basket of goods and services that represent a basic standard of living.
2. The Low Income Measure (LIM) identifies households whose income is substantially below what is typical in society (less than half of the median income).
3. The Low Income Cut-Off (LICO) identifies households that are likely to spend a disproportionately large share of their income on the necessities of food, clothing, and shelter.

The table below shows how welfare incomes for the four example household types compared to the three low-income thresholds (after tax). Because LICO and MBM thresholds vary by community size, the threshold used for each is for Montreal.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Total welfare income	\$12,425	\$14,060	\$22,361	\$37,636
MBM				
MBM threshold (Montreal)	\$20,530	\$20,530	\$29,033	\$41,059
Welfare income minus MBM threshold	-\$8,106	-\$6,470	-\$6,672	-\$3,423

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Welfare income as % of MBM	61%	68%	77%	92%
LIM				
LIM threshold (Canada-wide)	\$24,642	\$24,642	\$34,850	\$49,285
Welfare income minus LIM threshold	-\$12,218	-\$10,582	-\$12,489	-\$11,649
Welfare income as % of LIM	50%	57%	64%	76%
LICO				
LICO threshold (Montreal)	\$21,899	\$21,899	\$26,653	\$41,406
Welfare income minus LICO threshold	-\$9,475	-\$7,839	-\$4,292	-\$3,770
Welfare income as % of LICO	57%	64%	84%	91%

The maximum 2019 welfare incomes of all four example household types were below the thresholds of every low-income measure, although the households with children had incomes only slightly below some of the thresholds.

The lowest income relative to the thresholds was that of a single person considered employable, who had a total income of between 50 and 61 per cent of the low-income thresholds. A single person with a disability fared somewhat better, with a total income of between 57 and 68 per cent of the thresholds. The highest income relative to the thresholds were those of households with children. The single parent with one child had an income of between 64 and 84 per cent of the thresholds, while the couple with two children household had an income of between 76 and 92 per cent of the thresholds.

Given that the MBM is Canada's official poverty measure, and that having an income less than 75 per cent of the MBM is classified as "deep poverty," the example single person households would have been living in deep poverty in 2019. The two households with children had incomes above the deep poverty threshold, but remained below the poverty threshold.

## Saskatchewan

### COMPONENTS OF WELFARE INCOMES

In Saskatchewan, households that qualify for basic social assistance payments also qualify for other financial support, including:

- Recurring additional social assistance payments (for example, an annual back-to-school allowance);
- Federal and provincial child benefits (for households with children);
- The GST/HST credit and credit supplements; and
- Provincial tax credits or benefits.

Together, these combine with basic social assistance payments to form a household's total welfare income. Households may receive less if they have income from other sources, or more if they have special health- or disability-related needs.

The table below shows the value and components of welfare incomes for five example household types in 2019. All five households are assumed to be living in Saskatoon. The child in the single parent family is aged two, and the children in the couple household are aged 10 and 15.

	Single person considered employable	Single person with a disability – SAP	Single person with a disability – SAID*	Single parent, one child	Couple, two children
Basic social assistance	\$8,196	\$9,964	\$14,239	\$13,256	\$17,055
Additional SA benefits		\$840	\$840		\$215
Federal child benefits				\$6,568	\$11,083
Provincial child benefits					
GST/HST credit	\$287	\$315	\$401	\$725	\$876
Provincial tax credits / benefits	\$346	\$346	\$346	\$692	\$964
<b>Total 2019 income</b>	<b>\$8,829</b>	<b>\$11,465</b>	<b>\$15,826</b>	<b>\$21,240</b>	<b>\$30,193</b>

Note: Totals may not add up due to rounding.

\*The Saskatchewan Assured Income for Disability (SAID) program is a needs-tested income support program. It was introduced in 2009 to support individuals in residential care, and was expanded in 2012 for people with significant and enduring disabilities living independently.

Total annual welfare incomes in 2019 ranged from \$8,829 for the single person considered employable to \$30,193 for the couple with two children.

A person with a disability received \$11,465 in 2019 from the Saskatchewan Assistance Program (SAP). Those who qualified for Saskatchewan Assured Income for Disability (SAID) benefits received the much higher amount of \$15,826. The other household types received benefits from the Transitional Employment Assistance (TEA) program.

In July 2019, the Saskatchewan Income Support program was introduced; at the same time, intake of new SAP and TEA applications was suspended and both programs will phase out by summer 2021. As the methodology in this report assumes that households started to receive assistance on January 1 and remained on assistance for the entire year, the new Income Support program is not reflected here.

Basic benefit amounts remained unchanged from 2018, except for utilities costs. In Saskatchewan, social assistance programs either cover actual utility costs, provide a flat-rate amount, or some combination of the two. The utility component of social assistance used in the table is the average amount provided for each household type in 2019.

Single persons with a disability received \$840 in additional social assistance benefits. SAP provides a Disability Allowance of \$600 (\$50 per month) and a Special Transportation Allowance of \$240 (\$20 per month), while SAID provides \$840 (\$70 per month) through the Disability Income Benefit.

The annual School Expenses Allowance was available to households receiving TEA with school-aged children. It provided the couple with two children with \$85 for the 10-year-old and \$130 for the 15-year-old.

Both households with children received the Canada Child Benefit, which increased with inflation in July 2019 from \$541 to \$553.25 per month for a child under 6 years of age, and from \$457 to \$466.83 per month for a child aged 6 to 17.

No provincial child benefits were available to families on social assistance in Saskatchewan.

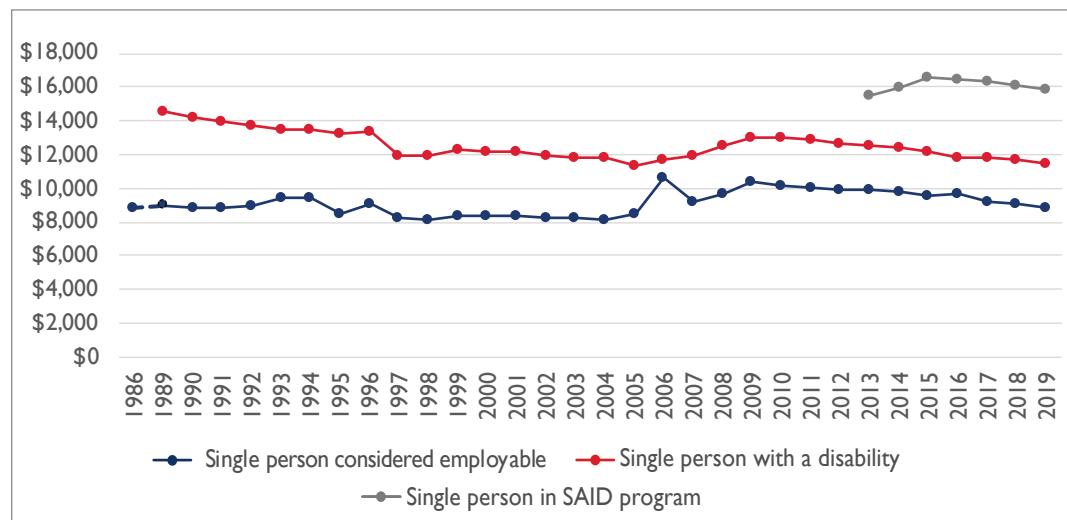
All five households received the GST/HST credit, which increased in July 2019 with inflation. The single person considered employable and the single person with a disability both received \$287, while the single parent with one child received \$574 and the couple with two children received \$876. The single person considered employable also received \$28.11 through the GST/HST credit supplement while the person with a disability received \$113.79 and the single parent received the full amount of \$151.

All five households also received the Saskatchewan Low-Income Tax Credit (SLITC), which provides annual amounts of \$346 for an individual, an additional \$346 for a partner or eligible dependant, and \$136 per child (for up to two children).

## CHANGES TO WELFARE INCOMES

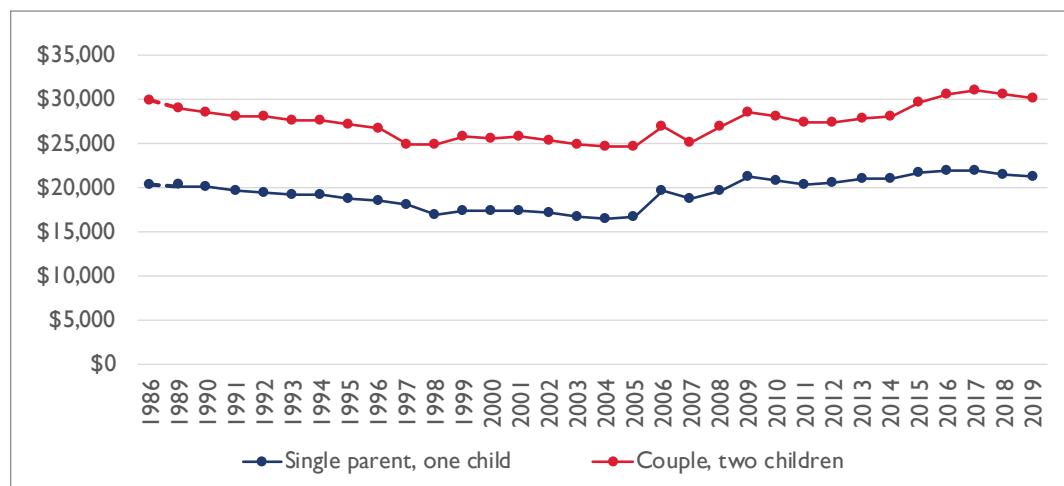
The graphs below show how the total welfare incomes for each of the five example household types have changed over time. The values are in constant 2019 dollars, taking into account the effect of inflation as measured by the national consumer price index.

### Welfare incomes for single adults, 2019 constant dollars



- The welfare income of a single person considered employable has been relatively stable over time, with some variability in the mid-1990s and mid-2000s, and a gradual decline since 2009. In 2019, the welfare income was \$8,829.
- The welfare income of a single person with a disability receiving Saskatchewan Assistance Plan (SAP) benefits declined until 2006, increased gradually until 2010, then declined again. In 2019, the total welfare income for this household was \$11,465.
- A single person with a disability who qualified for the Saskatchewan Assured Income for Disability (SAID) Program received a much more generous total welfare income than those under SAP. Trends in SAID incomes have only been tracked since 2013, after the program became available to those living independently. After peaking at \$15,986 in 2014, incomes have been declining, with a 2019 total welfare income of \$15,826.

#### **Welfare incomes for households with children, 2019 constant dollars**



- The welfare income of both households with children initially followed a similar trajectory. It declined throughout the 1990s and early 2000s and saw sharp fluctuations through the mid- to late 2000s. Thereafter, the income of a single parent with one child was relatively stagnant while that of a couple with two children saw a more pronounced increase and subsequent decline. Federal child benefit changes account for the majority of the increases through the 2000s and 2010s.
- In 2019, the welfare income of a single parent with one child was \$21,240, and that of a couple with two children was \$30,193.

## ADEQUACY OF WELFARE INCOMES

The adequacy of a household's total welfare income can be assessed by comparing it to a set threshold of low income. In Canada, there are three commonly used measures:

The official poverty measure, the Market Basket Measure (MBM), identifies households whose disposable income is less than the cost of a basket of goods and services that represent a basic standard of living.

1. The Low Income Measure (LIM) identifies households whose income is substantially below what is typical in society (less than half of the median income).
2. The Low Income Cut-Off (LICO) identifies households that are likely to spend a disproportionately large share of their income on the necessities of food, clothing, and shelter.

The table below shows how welfare incomes for the five example household types compared to the three low-income thresholds (after tax). Because LICO and MBM thresholds vary by community size, the threshold used for each is for Saskatoon.

	Single person considered employable	Single person with a disability (SAP)	Single person with a disability (SAID)	Single parent, one child	Couple, two children
Total welfare income	\$8,829	\$11,465	\$15,826	\$21,240	\$30,193
MBM					
MBM threshold (Saskatoon)	\$23,190	\$23,190	\$23,190	\$32,795	\$46,379
Welfare income minus MBM threshold	-\$14,361	-\$11,725	-\$7,364	-\$11,555	-\$16,186
Welfare income as % of MBM	38%	49%	68%	65%	65%
LIM					
LIM threshold (Canada-wide)	\$24,642	\$24,642	\$24,642	\$34,850	\$49,285
Welfare income minus LIM threshold	-\$15,813	-\$13,177	-\$8,816	-\$13,610	-\$19,092
Welfare income as % of LIM	36%	47%	64%	61%	61%

LICO					
LICO threshold (Saskatoon)	\$18,520	\$18,520	\$18,520	\$22,540	\$35,017
Welfare income minus LICO threshold	-\$9,691	-\$7,055	-\$2,694	-\$1,300	-\$4,824
Welfare income as % of LICO	48%	62%	86%	94%	86%

The maximum 2019 welfare incomes of all five example household types were below, and sometimes far below, the thresholds of every low-income measure. The single person with a disability and both households with children had higher incomes relative to the thresholds than single persons considered employable.

The lowest income relative to the thresholds was that of a single person considered employable, whose total income was between only 36 and 48 per cent of the low-income thresholds. The single person with a disability receiving SAP benefits fared slightly better, with an income of between 47 and 62 per cent of the thresholds, while a single person with a disability receiving SAID benefits had the highest relative income, between 64 and 86 per cent of the thresholds.

The two households with children had similar relative incomes, with a single parent with one child having an income of between 61 and 94 per cent of the thresholds, while the couple with two children had an income of between 61 and 85 per cent of the thresholds.

Given that the MBM is Canada's official poverty measure, and that having an income less than 75 per cent of the MBM is classified as "deep poverty," all five of the example households would have been living in deep poverty in 2019.

# Yukon

## COMPONENTS OF WELFARE INCOMES

In Yukon, households that qualify for basic social assistance payments also qualify for other financial support, including:

- Recurring additional social assistance payments (for example, an annual back-to-school allowance);
- Federal and territorial child benefits (for households with children);
- The GST/HST credit and credit supplements; and
- Territorial tax credits or benefits.

Together, these combine with basic social assistance payments to form a household's total welfare income. Households may receive less if they have income from other sources, or more if they have special health- or disability-related needs.

The table below shows the value and components of welfare incomes for four example household types in 2019. All four households are assumed to be living in Whitehorse. The child in the single parent family is aged two, and the children in the couple household are aged 10 and 15.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
Basic social assistance	\$17,217	\$17,217	\$24,821	\$34,672
Additional SA benefits	\$809	\$4,463	\$1,736	\$3,193
Federal child benefits			\$6,568	\$10,328
Territorial child benefits			\$820	\$1,571
GST/HST credit	\$438	\$438	\$725	\$876
Territorial tax credits / benefits	\$43	\$43	\$86	\$172
<b>Total 2019 income</b>	<b>\$18,507</b>	<b>\$22,161</b>	<b>\$34,756</b>	<b>\$50,813</b>

Note: Totals may not add up due to rounding.

Total annual welfare incomes in 2019 ranged from \$18,507 for the single person considered employable to \$50,813 for the couple with two children.

Yukon's basic social assistance rates are indexed to inflation and automatic increases take effect each year on November 1.

On top of basic social assistance, all households received additional social assistance benefits:

- the Yukon Supplementary Allowance of \$250 per month for the person with a disability;
- the Christmas Allowance of \$30 annually per person;
- the Winter Clothing Allowance of \$75 annually for persons under 14 years and \$125 for persons 14 years or older;
- the Telephone Allowance of \$37 per month per household, paid to those who have been receiving assistance for at least six consecutive months, or paid immediately (without a six-month wait) to those who are excluded from the labour force;
- the Transportation Expense Allowance of \$62 per month per adult once they have been receiving assistance for at least six consecutive months, or paid immediately (without a six-month wait) to persons who are excluded from the labour force, and \$40 per month for each dependent child between the ages of two and 18 (paid immediately); and
- the Laundry Service Allowance of \$10 per month per person, paid to those who have been receiving assistance for at least six consecutive months, or paid immediately (without a six-month wait) to those who are excluded from the labour force or for dependent children.

Both households with children received the Canada Child Benefit, which increased with inflation in July 2019 from \$541 to \$553.25 per month for a child under 6 years of age, and from \$457 to \$466.83 per month for a child aged 6 to 17. They also received the Yukon Child Benefit, which provides a maximum of \$68.33 per child per month, reduced by 5 per cent for those with incomes in excess of \$35,000.

All four households received the GST/HST credit, which increased in July 2019 with inflation. The single person considered employable and the single person with a disability both received \$287, while the single parent with one child received \$574 and the couple with two children received \$876. The single person considered employable, the person with a disability, and the single parent also received the full GST/HST credit supplement amount of \$151.

All four households received the Yukon Government Carbon Price Rebate, which was introduced in 2019 to help offset the cost of the federal carbon pollution pricing levy. In 2019, one payment of \$43 per person, including children, was made in October.

### CHANGES TO WELFARE INCOMES

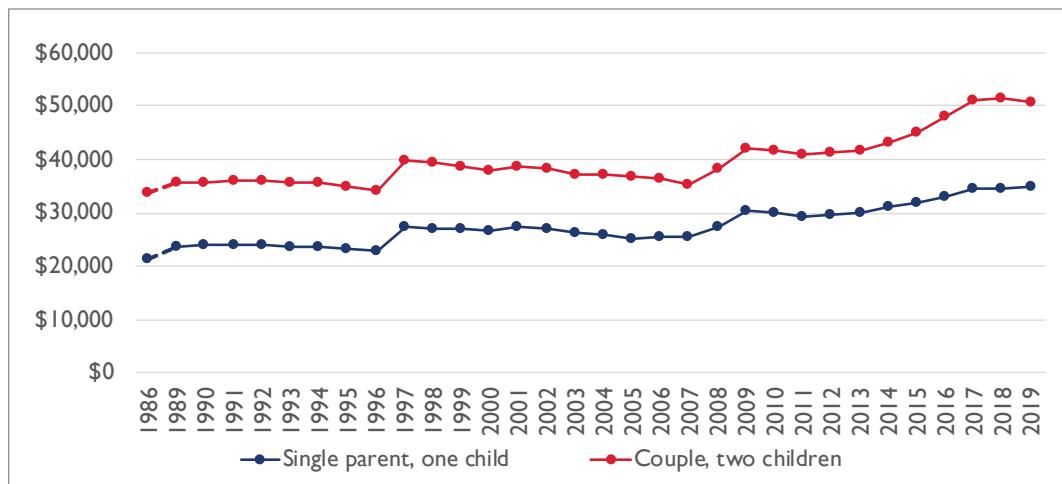
The graphs below show how the total welfare incomes for each of the four example household types have changed over time. The values are in constant 2019 dollars, taking into account the effect of inflation as measured by the national consumer price index.

#### **Welfare incomes for single adults, 2019 constant dollars**



- Trends in the welfare income of a single person considered employable and a single person with a disability follow a similar pattern. Over the last three decades, welfare incomes have generally increased, with marked increases in 1997, 2008, 2009, and 2014. The 2014 increase was largely the result of the inclusion of several additional social assistance benefits. Since 2014 welfare incomes have declined.
- In 2019, the welfare incomes of a single person considered employable was \$18,507, and that of a single person with a disability was \$22,161.

### Welfare incomes for households with children, 2019 constant dollars



- Welfare incomes of both households with children followed a similar pattern. There was a significant increase in 1997 followed by a gradual decline, and another increase in 2008. Welfare incomes for these households increased more steadily between 2013 and 2017 due to additional social assistance benefits and federal child benefit changes.
- In 2019, the welfare income of a single parent with one child was \$34,756, the highest level in the time series, and that of a couple with two children was \$50,813.

## APPENDICES

### Appendix 1: Asset Test

In order to qualify and continue to be eligible for welfare, a household's assets must fall below certain limits set by each province or territory. These limits can vary by household size, and some jurisdictions set different limits for those applying for welfare compared to those already receiving it.

Asset tests tend to only consider a household's *liquid* assets, such as cash on hand and in a bank account, as well as stocks, bonds, and securities that can be readily converted to cash. *Fixed* assets, such as primary residence, primary vehicle, personal effects, and items needed for employment, are typically exempt (within reason) from the asset test. All jurisdictions also exempt the value of Registered Education Savings Plans (RESPs) and Registered Disability Savings Plans (RDSPs), and several have some exemptions for Registered Retirement Savings Plans (RRSPs).

The table below shows the liquid asset exemption levels in effect as of January 2019. Any changes that occurred during the year are described in the footnotes. Asset limits are for households that are both applying for and receiving social assistance unless otherwise stated.

### Liquid asset exemption levels as of January 2019

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
AB <sup>1</sup>	\$2,235	\$2,598	\$4,095	\$5,820
AB, AISH <sup>2</sup>	Not applicable	\$100,000	\$100,000	\$100,000
BC <sup>3</sup>	\$2,000	\$100,000	\$4,000	\$4,000
MB	\$4,000	\$4,000	\$8,000	\$16,000
NB <sup>4</sup>	\$1,000	\$10,000	\$2,000	\$2,000
NL	\$3,000	\$3,000	\$5,500	\$5,500
NS	\$2,000	\$2,000	\$4,000	\$4,000
NT	\$300	\$50,000	\$380	\$560
NU	\$500	\$5,000	\$1,000	\$1,000

- 1 Effective January 1, 2019, the liquid asset limit for those in both the “Expected to Work” and “Barriers to Full Employment” categories of Income Support was equivalent to three months’ core benefits based on household composition. Core benefits include Core Essential benefits, Core Shelter, the “Federal Child Benefit” amount as determined by the Minister of Alberta Community and Social Services, the High School Incentive Benefit, the Handicap Benefit, the Personal Needs Allowance, and the Earnings Replacement Allowance.
- 2 Both single persons and families could apply for the Assured Income for the Severely Handicapped (AISH) program. Some assets were exempt from the limit, such as principal residence, a non-recreational vehicle, an adapted vehicle, clothing and household items, a locked-in retirement account (LIRA), and a Registered Disability Savings Plan (RDSP). Those with assets of \$5,000 or less may also have received Personal Benefits (e.g., for childcare, moving, and addiction treatment), and a monthly Child Benefit of \$200 for the first dependent child and \$100 for each subsequent child. If both parents were AISH clients, only one parent received the Child Benefit. These amounts were effective January 1, 2019.
- 3 Asset limits for Income Assistance applicants and recipients were increased in July 2019 to \$5,000 for a single person and \$10,000 for families. No changes were made to asset limits for Disability Assistance. The Income Assistance primary vehicle equity limit of \$10,000 was also removed in July 2019; this limit was never applied in Disability Assistance. Subsequent vehicles were not exempt and were counted towards asset limits for both Income Assistance and Disability Assistance applicants and recipients.
- 4 Asset limits refer to New Brunswick’s Transitional Assistance program except in the case of the single person with a disability; in that case, they refer to the Extended Benefits program.

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
ON <sup>5</sup>	\$10,000	\$40,000	\$10,500	\$16,000
PE <sup>6</sup>	\$2,500	\$5,000	\$4,000	\$6,000
QC <sup>7</sup>	Applicants: \$887  Recipients: \$1,500	\$2,500	Applicants: \$1,268  Recipients: \$2,931	Applicants: \$1,807  Recipients: \$3,054
SK <sup>8</sup>	\$1,500	\$1,500	\$3,000	\$4,000
SK, SAID <sup>9</sup>	Not applicable	\$1,500	\$3,000	\$4,000
YT	\$500	\$1,500	\$1,000	\$1,600

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5 Asset limits refer to the Ontario Works (OW) program except in the case of the single person with a disability; in that case, they refer to the Ontario Disability Support Program (ODSP).

6 These asset levels were effective as of July 2018.

7 Income received during the month of application for rent, heating, and public utility costs were not considered household assets. After the first month under the Social Assistance program, higher asset limits applied for recipients with no severe limitations to employment.

8 Asset limits refer to the Transitional Employment Allowance program except in the case of the single person with a disability; in that case, they refer to the Saskatchewan Assistance Program. In July 2019, the Government of Saskatchewan launched the Saskatchewan Income Support (SIS) program and suspended intake of new applications for the SAP and TEA programs. SAP and TEA are scheduled to wind down in summer 2021.

9 The asset limits for the Saskatchewan Assured Income for Disability (SAID) Program are the same as those under the Saskatchewan Assistance Program (SAP).

## Appendix 2: Earnings exemptions

Income tests in all jurisdictions allow for the exemption of some earnings from employment. This allows people receiving social assistance to earn a certain amount of money without impacting their benefits. Each social assistance program has its own way of calculating earnings exemptions but there are generally three approaches:

- A *flat-rate amount* permits a recipient to earn a certain amount after which social assistance benefits are reduced dollar for dollar;
- A *percentage of earnings* approach means that social assistance benefits are reduced by a certain percentage. For example, a 25 per cent exemption means that welfare benefits are reduced by 75 cents for every dollar earned;
- A *combination of flat-rate and percentage* means that once the flat-rate amount is exceeded, benefits are reduced by a percentage amount.

In most cases earnings exemptions are based on monthly earnings (for example, a household could earn \$200 each month before their benefits are reduced) and therefore benefit amounts and eligibility are calculated monthly. A minority of social assistance programs calculate exemptions based on annual earnings.

The table below shows the earnings exemption levels in effect in each jurisdiction as of January 1, 2019. The amounts given in the table below are monthly, unless otherwise indicated. Any changes that occurred during the year are described in the footnotes to the table. Earning exemptions are for both those applying for and receiving social assistance unless otherwise stated.

## Monthly earnings exemption levels as of January 2019

	Single person considered employable	Single person with a disability	Single parent, one child	Couple, two children
AB <sup>1</sup>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$230 of net earnings is exempt; a 25% exemption applies thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$230 of net earnings is exempt; a 25% exemption applies thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$230 of net earnings is exempt; a 25% exemption applies thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: For each earner, the first \$115 of net earnings is exempt; a 25% exemption applies thereafter</p>
AB, AISH <sup>2</sup>	Not applicable	The first \$1,072 of net earnings is exempt; a 50% exemption applies to amounts in excess of \$1,072 up to \$2,009	The first \$2,612 of net earnings is exempt; a 50% exemption applies to amounts in excess of \$2,612 up to \$3,349	The first \$2,612 of net earnings is exempt; a 50% exemption applies to amounts in excess of \$2,612 up to \$3,349
BC <sup>3</sup>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$400 of net earnings is exempt; support is reduced dollar for dollar thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$12,000 of net <i>annual</i> earnings is exempt; support is reduced dollar for dollar thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$600 of net earnings is exempt; support is reduced dollar for dollar thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$600 of net earnings is exempt; support is reduced dollar for dollar thereafter</p>

- 1 Exemptions are for those in “Expected to Work” and “Barriers to Full Employment” categories of social assistance. They apply to employment or self-employment income the household can access. If a dependent is attending school, their income is fully exempt. If a dependent is not in school the first \$350 of net earnings is exempt and a 25% exemption applies thereafter.
- 2 AISH refers to the Assured Income for the Severely Handicapped program in Alberta. Effective January 1, 2019, employment and self-employment income exemptions increased at the same rate as the provincial minimum wage.
- 3 In BC, recipients must be in receipt of assistance for at least one month before the earned income exemption amount applies.

	<b>Single person considered employable</b>	<b>Single person with a disability</b>	<b>Single parent, one child</b>	<b>Couple, two children</b>
MB <sup>4,5</sup>	<p>Applicants: The first \$200 of net earnings is exempt; support is reduced dollar for dollar thereafter</p> <p>Recipients: The first \$200 of net earnings is exempt; a 30% exemption applies thereafter</p>	<p>Applicants: The first \$200 of net earnings is exempt; support is reduced dollar for dollar thereafter</p> <p>Recipients: The first \$200 of net earnings is exempt; a 30% exemption applies thereafter</p>	<p>Applicants: The first \$200 of net earnings is exempt; support is reduced dollar for dollar thereafter</p> <p>Recipients: The first \$200 of net earnings is exempt; a 30% exemption applies thereafter</p>	<p>Applicants: The first \$200 of net earnings is exempt; support is reduced dollar for dollar thereafter</p> <p>Recipients: For each earner, the first \$200 of net earnings is exempt; a 30% exemption applies thereafter</p>
NB <sup>6</sup>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$150 of net earnings is exempt; a 30% exemption applies thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$500 of net earnings is exempt; a 30% exemption applies thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$200 of net earnings is exempt; a 30% exemption applies thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$200 of net earnings is exempt; a 30% exemption applies thereafter</p>
NL	<p>The first \$75 of net earnings is exempt; a 20% exemption applies thereafter<sup>7</sup></p>	<p>The first \$150 of net earnings is exempt; a 20% exemption applies thereafter<sup>7</sup></p>	<p>The first \$150 of net earnings is exempt; a 20% exemption applies thereafter</p>	<p>The first \$150 of net earnings is exempt; a 20% exemption applies thereafter</p>

4 Manitoba also provides the Rewarding Work Allowance (RWA) to all employed adults without disabilities on income assistance. The RWA is \$100 for people working more than 80 hours or 10 days in a month, or \$50 for those working less. Employed persons with disabilities receive similar benefits.

5 In Manitoba, recipients must be in receipt of assistance for at least one month before the earned income exemption amount applies.

6 All amounts refer to the Transitional Assistance program except in the case of the single person with a disability; in that case, they refer to the Extended Benefits program.

7 This applies to a single person with a disability requiring supportive services.

	<b>Single person considered employable</b>	<b>Single person with a disability</b>	<b>Single parent, one child</b>	<b>Couple, two children</b>
NS <sup>8</sup>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$250 of net earnings is exempt; a 75% exemption applies to amounts between \$250.01 and \$500; a 50% exemption applies to amounts between \$500.01 and \$750; a 25% exemption applies thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$350 of net earnings is exempt; a 75% exemption applies to amounts between \$350.01 and \$500; a 50% exemption applies to amounts between \$500.01 and \$750; a 25% exemption applies thereafter<sup>9</sup></p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$250 of net earnings is exempt; a 75% exemption applies to amounts between \$250.01 and \$500; a 50% exemption applies to amounts between \$500.01 and \$750; a 25% exemption applies thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$250 of net earnings is exempt; a 75% exemption applies to amounts between \$250.01 and \$500; a 50% exemption applies to amounts between \$500.01 and \$750; a 25% exemption applies thereafter</p>
NT	The first \$200 of net earnings is exempt; a 15% exemption applies thereafter	The first \$200 of net earnings is exempt; a 15% exemption applies thereafter	The first \$400 of net earnings is exempt; a 15% exemption applies thereafter	The first \$400 of net earnings is exempt; a 15% exemption applies thereafter
NU	The first \$200 of net earnings is exempt; a 50% exemption is applied to the next \$600	The first \$200 of net earnings is exempt; a 50% exemption is applied to the next \$600	The first \$400 of net earnings is exempt; a 50% exemption is applied to the next \$600	The first \$400 of net earnings is exempt; a 50% exemption is applied to the next \$600

8 In Nova Scotia, families already in receipt of assistance may also earn up to \$3,000 annually through the Harvest Connection program without affecting their basic Income Assistance payment.

9 This applies to persons with disabilities participating in supported employment.

	<b>Single person considered employable</b>	<b>Single person with a disability</b>	<b>Single parent, one child</b>	<b>Couple, two children</b>
ON <sup>10,11</sup>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$200 of net earnings is exempt; a 50% exemption applies thereafter<sup>12</sup></p>	<p>The first \$200 of net earnings is exempt; a 50% exemption applies thereafter<sup>12</sup></p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$200 of net earnings is exempt; a 50% exemption applies thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: For each adult, the first \$200 of net earnings is exempt; a 50% exemption applies thereafter</p>
PE <sup>13</sup>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$250 of net earnings is exempt; a 30% exemption applies thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$500 of net earnings is exempt; a 30% exemption applies thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$400 of net earnings is exempt; a 30% exemption applies thereafter</p>	<p>Applicants: support is reduced dollar for dollar on all earned income</p> <p>Recipients: The first \$400 of net earnings is exempt; a 30% exemption applies thereafter</p>

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10 All amounts refer to the Ontario Works (OW) program except in the case of the single person with a disability; in that case, the amount refers to the Ontario Disability Support Program (ODSP).

11 In Ontario, recipients must be in receipt of assistance continuously for at least three months before the earned income exemption amount applies.

12 In addition to earnings exemptions, ODSP provides a \$100 Work-Related Benefit to each eligible adult family member in any month he/she receives earnings.

13 These monthly earnings exemption levels changed effective July 2018.

	<b>Single person considered employable</b>	<b>Single person with a disability</b>	<b>Single parent, one child</b>	<b>Couple, two children</b>
QC	The first \$200 of net earnings is exempt; support is reduced dollar for dollar thereafter <sup>14</sup>	The first \$200 of net earnings is exempt; support is reduced dollar for dollar thereafter <sup>15</sup>	The first \$200 of net earnings is exempt; support is reduced dollar for dollar thereafter <sup>16</sup>	The first \$300 of net earnings is exempt; support is reduced dollar for dollar thereafter <sup>17</sup>
SK <sup>18</sup>	TEA clients: Support is reduced dollar for dollar on all earned income	SAP clients: The first \$200 of net earnings is exempt; a 25% exemption is applied to the next \$500; support is reduced dollar for dollar thereafter	TEA clients: Support is reduced dollar for dollar on all earned income	TEA clients: Support is reduced dollar for dollar on all earned income

14 This exemption amount applies to a person with no severe limitations to employment in the Social Assistance program and to participants in the Aim to Employment Program (AEP). AEP participants also receive a supplement of 20% of any portion of their work income in excess of the applicable exemption amount.

15 This applies to a person with severe limitations to employment in the Social Solidarity program; this amount was increased from \$100 to \$200 per month on January 1, 2019.

16 This applies to a person in the Social Assistance program with temporary limitations to employment and to participants in Aim to Employment Program (AEP). AEP participants also receive a supplement of 20% of any portion of their work income in excess of the applicable exemption amount.

17 This applies to couples in the Social Assistance program, regardless of the type of limitations to employment, and to participants in Aim to Employment Program.

18 TEA refers to the Transitional Employment Allowance program; SAP refers to the Saskatchewan Assistance Program.

19 Families with children under age 13 with monthly earnings over \$125 (and under set limits) on either SAP or TEA are eligible for the Saskatchewan Employment Supplement (SES). The amount of SES received depends on number of children and the amount of monthly earned income, with benefit amounts increasing for monthly earning amounts between \$125 and \$1,125.

	<b>Single person considered employable</b>	<b>Single person with a disability</b>	<b>Single parent, one child</b>	<b>Couple, two children</b>
SK, SAID 20,21	Not applicable	The first \$200 of net earnings is exempt; a 25% exemption is applied to the next \$500; support is reduced dollar for dollar thereafter	The first \$200 of net earnings is exempt; support is reduced dollar for dollar thereafter	The first \$200 of net earnings is exempt; support is reduced dollar for dollar thereafter
YT <sup>22</sup>	Applicants: The first \$100 of net earnings is exempt; support is reduced dollar for dollar thereafter  Recipients: The first \$100 of net earnings is exempt; a 50% exemption is applied is applied to any additional earnings for the first 36 months, after which then a 25% exemption is applied	Applicants: The first \$100 of net earnings is exempt; support is reduced dollar for dollar thereafter  Recipients: The first \$100 of net earnings is exempt; a 50% exemption is applied to any additional earnings for the first 36 months, after which a 25% exemption is applied <sup>23</sup>	Applicants: The first \$150 of net earnings is exempt; support is reduced dollar for dollar thereafter  Recipients: The first \$150 of net earnings is exempt; a 50% exemption is applied to any additional earnings for the first 36 months, after which a 25% exemption is applied	Applicants: The first \$150 of net earnings is exempt; support is reduced dollar for dollar thereafter  Recipients: The first \$150 of net earnings is exempt; a 50% exemption is applied to any additional earnings for the first 36 months, after which a 25% exemption is applied

20 SAID refers to the Saskatchewan Assured Income for Disability Program.

21 As of July 2019, the earned income exemption under SAID moved from a monthly to an annual amount, and was increased to \$6,000 for the single adult with a disability and \$8,500 for the single parent and couple with two children households.

22 In Yukon, recipients must be in receipt of assistance for at least one month before the earned income exemption amount applies.

23 Persons who qualify for the Yukon Supplementary Allowance (payable to persons with disabilities and the elderly) are eligible for an additional annual earned income exemption of up to \$3,900.