



Interpreting the data:

Key takeaways from *Welfare in Canada, 2022*

Jennefer Laidley and Mohy Tabbara

September 2023

All of the data contained in this policy brief and the full version of *Welfare in Canada, 2022* are available to download at maytree.com/changing-systems/data-measuring/welfare-in-canada/.

About the authors

Jennefer Laidley is an Independent Consultant.
Mohy Tabbara is Policy Advisor at Maytree.

About Maytree

Maytree is committed to advancing systemic solutions to poverty and strengthening civic communities. We believe the most enduring way to fix the systems that create poverty is to ensure that economic and social rights are respected, protected, and fulfilled for all people living in Canada. Through our work, we support non-profit organizations, their leaders, and people they work with.

Copyright © Maytree 2023

ISBN: 978-1-928003-58-8

Maytree
77 Bloor Street West, Suite 1600
Toronto, ON M5S 1M2
Tel.: 416-944-2627

Email: info@maytree.com
Website: www.maytree.com
X: [@maytree_canada](https://twitter.com/maytree_canada)

Overview

Of the 2.8 million people¹ who lived below the poverty line in Canada in 2021, a significant proportion were receiving social assistance. By our estimate, the proportion was as high as 60 per cent.² Addressing the poverty experienced by people receiving social assistance is therefore critical to reducing and eliminating poverty in Canada. It would also ensure the right of everyone in Canada to an adequate standard of living.

Maytree's *Welfare in Canada* report provides a clear picture of the nature and persistence of that poverty. In this policy brief, we look at the most recent report and provide an analysis of the data.

The four main findings are:

1. Total welfare incomes were deeply inadequate across Canada.
2. Increases in the amount of income from basic social assistance benefits were mostly modest or non-existent.
3. Despite very high inflation in 2022, cost-of-living supports to households receiving social assistance were limited in number and amount.
4. Federal income supports for unattached single households in all jurisdictions were very limited.

Welfare in Canada, 2022 looks at the total welfare incomes of four different households in each jurisdiction (see the Appendix for details). However, the analysis in this policy brief focuses on the total incomes of unattached single households – that is, single adults without a spouse or children, both those who are “considered employable” and those who qualify as a person with a disability. This is because unattached single households make up the majority of beneficiaries of most social assistance programs in Canada.³ The policy brief also includes some discussion of the incomes of households with children.

We identify four possible policy actions that the provincial, territorial, and federal governments could take to improve income support benefit programs and reduce

1 Statistics Canada. (2021). “The Daily: Canadian Income Survey, 2021.” Accessed at: <https://www150.statcan.gc.ca/n1/daily-quotidien/230502/dq230502a-eng.htm>.

2 Calculation by Maytree based on Canadian population and poverty rate data from Statistics Canada and social assistance data from Maytree. This number also assumes that all social assistance recipients live below the poverty line, which is consistent with the modelling in the *Welfare in Canada* report.

3 Tabbara, Mohy. (2023). *Social Assistance Summaries, 2022*. Maytree. Accessed at: <https://maytree.com/changing-systems/data-measuring/social-assistance-summaries/>

poverty. By taking these actions, governments would show that they prioritize the dignity of all members of our society.

The policy actions are:

1. Provinces and territories must invest in higher social assistance benefits and tax-delivered income supports.
2. Governments at all levels need to index all social assistance benefits and tax-delivered benefits or credits to inflation where they don't already do so.
3. The federal government needs to invest in targeted income supports for people living in poverty across Canada.
4. Governments at all levels need to invest in basic supports and services that would reduce the cost of living.

You can find more information about the *Welfare in Canada 2022* report and its methodology in the Appendix. The data that forms the basis of the analysis is available for download, as is the entire *Welfare in Canada, 2022* report, at <https://maytree.com/welfare-in-canada/>.

Analysis

Total welfare incomes were deeply inadequate across Canada in 2022

Figures 1 and 2 compare the incomes of unattached single households in all ten provinces, the Northwest Territories, and the Yukon with the Official Poverty Line and the deep income poverty threshold.⁴

The black line represents the Official Poverty Line for the largest city in each jurisdiction, while the grey line represents the deep income poverty threshold, which is 75 per cent of the poverty line. An Official Poverty Line for Nunavut has not yet been finalized.

In 2022, all 25 unattached single households in all jurisdictions had welfare incomes below, and in some cases far below, the Official Poverty Line.

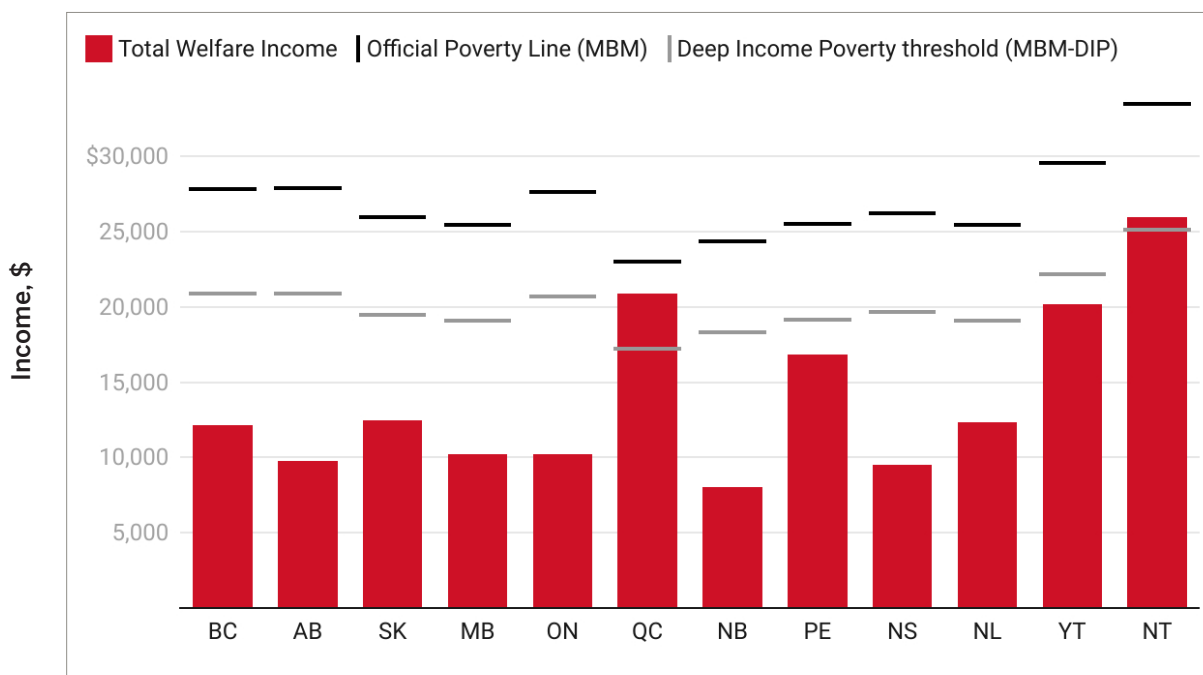
Note that neither the poverty line nor the deep income poverty threshold account for the higher cost of living faced by persons with disabilities; these additional

⁴ See the Appendix for more information on the Official Poverty Line and the deep income poverty threshold.

costs are not reflected in the analysis, and thus their depth of poverty may be underrepresented. You can find more information about Canada's Official Poverty Line and the deep income poverty threshold in the Appendix.

Unattached singles considered employable

Figure 1: Adequacy of total welfare incomes for unattached single considered employable households, 2022

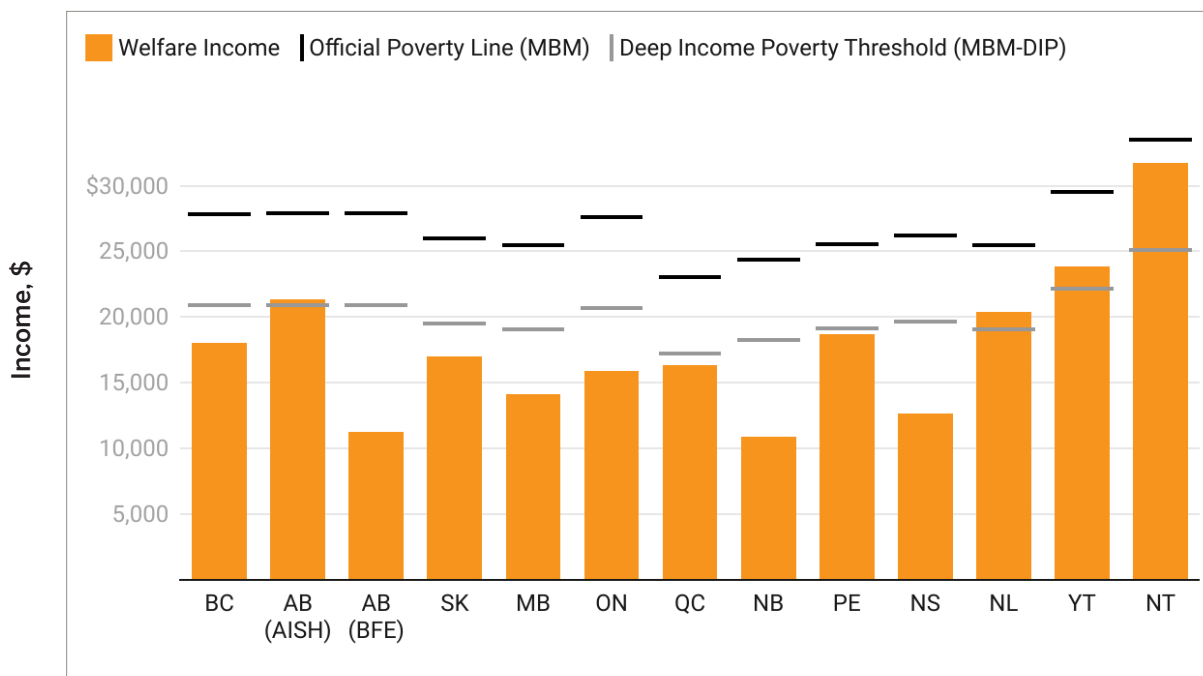


As Figure 1 shows, all twelve unattached single considered employable households were living in poverty in 2022. Moreover, ten of the 12 were living in deep poverty, with incomes that were far below the deep income poverty threshold. Overall, unattached single considered employable households received the least adequate incomes of the four household types analyzed in the *Welfare in Canada* report.

- Of the two households with incomes above the deep income poverty threshold, the unattached single with a disability household in Quebec had a welfare income that was 91 per cent of the poverty line, while the welfare income of the household in the Northwest Territories was 78 per cent.
- Of the ten households living in deep poverty, the least adequate were in New Brunswick and Alberta, where welfare incomes were 33 and 35 per cent of the poverty line, respectively.

Unattached singles with a disability

Figure 2: Adequacy of total welfare incomes for unattached single with a disability households, 2022



Unattached singles with a disability households lived in deep poverty in 2022 in eight jurisdictions. The remaining four households were living in poverty.

- Both households in the territories had total welfare incomes above the deep income poverty threshold. The welfare income for the household in the Northwest Territories was 95 per cent of the poverty line, while the welfare income of the household in the Yukon was 81 per cent.
- The other two unattached single with a disability households with welfare incomes above the deep income poverty threshold were in Newfoundland and Labrador, at 80 per cent of the poverty line, and in Alberta for the household receiving benefits through the Assured Income for the Severely Handicapped (AISH) program, at 76 per cent of the poverty line.⁵
- Of the nine households living in deep poverty, the least adequate was also in Alberta, for the household receiving benefits through the Barriers to Full

⁵ Alberta has two programs for people with disabilities: the Barriers to Full Employment (BFE) category of Alberta's Income Support program and the Assured Income for the Severely Handicapped (AISH) program. BFE provides slightly higher basic benefits than regular Income Assistance, whereas AISH provides a much higher flat-rate living allowance. Eligibility for AISH is more stringent than for BFE. Find more details in the Alberta section of the *Welfare in Canada* report.

Employment (BFE) program, at 40 per cent of the poverty line, followed by New Brunswick, at 45 per cent of the poverty line.

Households with children

Households with children in the provinces fared only slightly better.

- All 12 single parent with one child households had total welfare incomes below the Official Poverty Line in 2022. Eight of these had welfare incomes below the deep income poverty threshold. The two most adequate were in the Yukon, at 90 per cent of the poverty line, and Prince Edward Island, at 83 per cent. The two least adequate welfare incomes were for the households in Nova Scotia, at 58 per cent of the poverty line, and Ontario, at 59 per cent.
- Of the 12 couple with two children households, 11 had welfare incomes below the Official Poverty Line in 2022. Nine had welfare incomes below the deep income poverty threshold. The only household with a welfare income above the poverty line was in Quebec, where the couple with two children household had a welfare income that was 26 per cent above the Official Poverty Line. The least adequate welfare incomes were for the households in New Brunswick, at 59 per cent of the poverty line, and Ontario at 60 per cent of the poverty line.

Overall, in 2022, 98 per cent of households (or 48 of 49) in the provinces and two of the territories were living on incomes below the Official Poverty Line, with 73 per cent of households (or 36) below the deep poverty threshold. This rate and degree of poverty among the households examined in *Welfare in Canada, 2022* demonstrates the need for action by governments at all levels.

Increases to the amount of income from basic social assistance benefits varied considerably and were mostly modest or non-existent

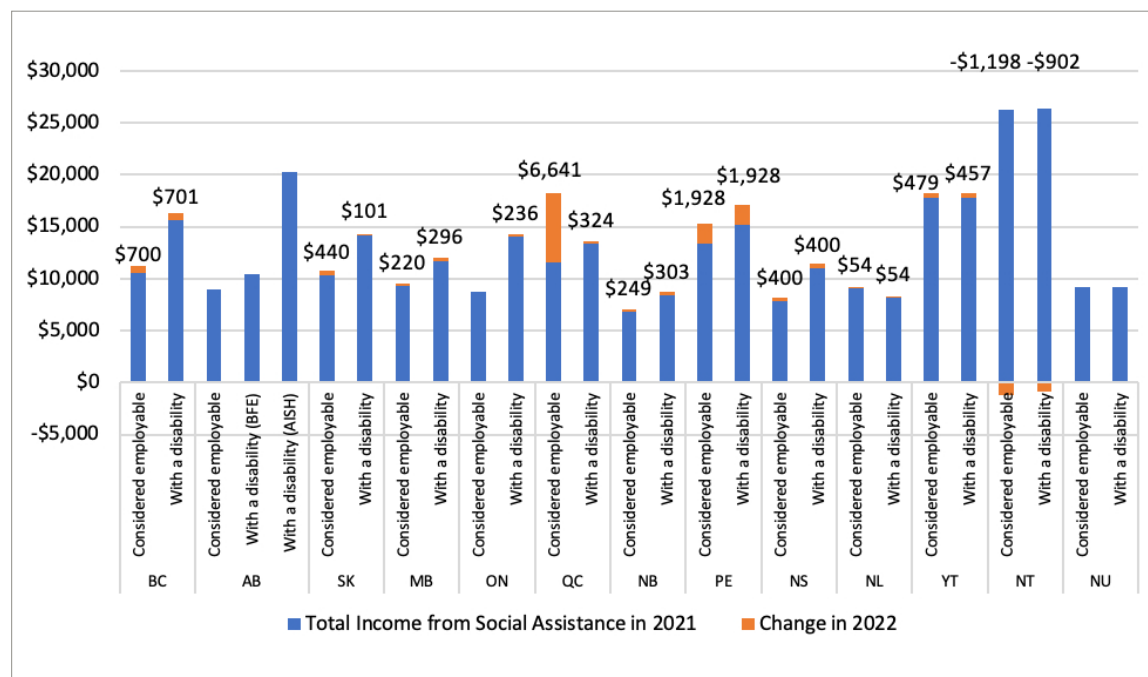
The severe inadequacy of the incomes provided to people receiving social assistance in Canada is reflected in typically very low basic benefit rates. Basic

social assistance benefits, which we distinguish from additional benefits,⁶ are those that are intended to pay for basic costs, like food and shelter, and are a primary component of total welfare incomes for all households in our analysis. In 2022, many households saw an increase in the amount of income they received from basic benefits, but, in most instances, these increases were very modest.

Unattached single households

Figure 3 shows the real dollar change (i.e., not accounting for inflation) in the amount of annual income from basic social assistance benefits between 2021 and 2022 for unattached single households in all thirteen jurisdictions.

Figure 3: Change in annual basic social assistance benefits for unattached single households, 2021 to 2022 (real dollars)



The amount of annual income from basic social assistance benefits increased for 19 of the 27 unattached single households.⁷ However, further examination of this data reveals more nuanced findings:

Three jurisdictions made policy decisions to increase basic benefit rates for all households in 2022:

⁶ See the methodology section of the *Welfare in Canada* report for more information about these terms and the assumptions behind our calculations. The report is available at <https://maytree.com/welfare-in-canada/>.

⁷ See the information below about the decrease for households in the Northwest Territories.

- Basic benefit rates in Prince Edward Island increased substantially in 2022. As a result, the unattached single considered employable household saw their annual income from basic benefits increase by 14.4 per cent. The unattached single with a disability household saw basic benefit income increase by 12.7 per cent. Both are well above the national rate of inflation, which was 6.8 per cent as measured by the Consumer Price Index.
- In Manitoba, increases to shelter benefits in July and to other basic benefits in November meant that annual income from basic benefits increased by 2.4 per cent for the unattached single considered employable household and by 2.5 per cent for the unattached single with a disability household.
- In Newfoundland and Labrador, increases to basic rates in November meant that annual income from basic benefits increased by 0.6 per cent for the unattached single considered employable and by 0.7 per cent for the unattached single with a disability.

Two jurisdictions made policy decisions to increase basic benefits for one unattached single household but not the other:

- In Ontario, basic benefit rates for the unattached single considered employable household remained the same, but those for the unattached single with a disability household increased. Starting in September 2022, Ontario Disability Support Program rates increased by 5 per cent, resulting in a 1.7 per cent increase in annual income from basic benefits for the unattached single with a disability household. Basic benefits for the unattached single considered employable household did not increase and have been the same since 2018.
- In Saskatchewan, the reverse occurred. A basic benefit increase for the unattached single considered employable household that started in May 2022 resulted in an overall increase of 4.3 per cent to the annual income this household received from basic benefits. Basic benefits for the unattached single with a disability household did not increase in 2022, making it the seventh year in which no increases were made.⁸

In one jurisdiction, a major policy change resulted in a very significant increase in the amount of income from basic benefits for the unattached single considered employable household:

- In Quebec, households receiving Social Assistance Aim for Employment benefits were made eligible for *Allocation d'aide à l'emploi*, or Manpower Training benefits, as of July 2022. This policy change is intended to

8 Note that our calculations show that the slight increase of 0.7 per cent for this household results from a higher average amount for utilities in 2022.

incentivize work-related activity by making these households eligible for the same, much higher, amount of benefits available to other Quebecers receiving training and employment supports.

- The unattached single considered employable household therefore received Aim for Employment benefits for the first six months of 2022, followed by Manpower Training benefits in the latter six months. This resulted in a 57.2 per cent increase to this household's annual basic benefit income. More details about this policy shift and the assumptions and methodology behind our calculations are available in the Quebec section of the *Welfare in Canada, 2022* report.

In four jurisdictions, some or all benefits increase automatically each year because they are indexed to inflation,⁹ resulting in modest increases to basic benefit incomes.

- In New Brunswick, annual incomes from basic benefits increased by 3.7 per cent for the unattached single considered employable household and 3.6 per cent for the unattached single with a disability household. Indexation-related increases start on April 1 each year.
- In the Yukon, basic benefits are indexed to inflation as of November 1. The annual income provided by basic benefits increased by 2.7 per cent for the unattached single considered employable household and by 2.6 per cent for the unattached single with a disability household.
- In Quebec, basic benefits are indexed starting January 1. Annual basic benefit income for the unattached single with a disability household increased by 2.4 per cent.
- In Manitoba, Rent Assist benefits to pay for shelter costs are indexed to inflation, contributing to the increase in income from basic benefits described above.
- Note that in 2022, both Alberta and Ontario announced that indexing of basic benefits would begin in 2023. In Ontario, this applies only to ODSP rates.

In two jurisdictions, increases in income from basic benefits were due to monthly benefit amounts that increased part-way through 2021 but were received every month in 2022:

- In BC, this meant an annual basic benefit income increase of 6.7 per cent for the unattached single considered employable household and 4.5 per cent for the unattached single with a disability household.

⁹ Each uses the rate of inflation in its own jurisdiction as its index rather than the national CPI.

- In Nova Scotia, this meant an annual basic benefit income increase of 5.1 per cent for the unattached single considered employable household and 3.6 per cent for the unattached single with a disability household.

In two jurisdictions, income from basic benefits did not increase:

- In Alberta, basic benefit rates for all unattached single households remained unchanged in 2022. Basic benefits have not increased in Alberta since January 2019.
- In Nunavut, basic rates also remained unchanged in 2022. Basic Allowance amounts have not increased since July 2018. However, it is important to note that most households receiving benefits in Nunavut live in public housing and pay heavily subsidized utilities, which we account for in our calculations.
- As noted above, in Ontario, basic benefit rates for the unattached single considered employable household were the same in 2022 as in 2018, and in Saskatchewan, basic benefit rates for the unattached single with a disability household were the same in 2022 as in 2015.

In one jurisdiction, decreases in incomes from basic benefits were likely the result of our data collection methodology:

- In the Northwest Territories, our calculations show decreases of 4.6 per cent for the unattached single considered employable household and 3.4 per cent for the unattached single with a disability household. These decreases are likely the result of how these benefits are calculated in the *Welfare in Canada, 2022* report rather than a policy decision made in that jurisdiction.¹⁰

Households with children

Annual income from basic benefits increased in 2022 for households with children in nine of thirteen jurisdictions.

- The highest increases were in Prince Edward Island, where the single parent with one child household saw an increase of 16.1 per cent, and the couple with two children household saw an increase of 21.9 per cent.

10 The Northwest Territories pays actual utilities amounts for individual households, and the decrease in basic benefits that is seen in our calculations does not therefore reflect the actual experience of these households in terms of the amount of benefits they would have received. More details are available in the Northwest Territories section of the report.

- The next highest increases were in British Columbia, where the single parent with one child household saw an increase of 5.4 per cent, while the couple with two children household saw an increase of 8 per cent.
- The significant increase for the couple with two children household in Quebec resulted from the same policy change that resulted in the significant increase for the unattached single considered employable household, as described above.
- In the other six jurisdictions, these households saw more modest increases of between 0.5 and 5 per cent.
- Households in three jurisdictions – New Brunswick, Quebec (for the single parent household) and the Yukon – saw increases due to indexation (as described above).
- Four jurisdictions – Alberta, the Northwest Territories, Nunavut, and Ontario – provided no increases to basic social assistance benefits for households with children.

The decreases in the Northwest Territories resulted from the same methodological issue described for unattached single households.

While governments made some progress on the amount of income they provide through basic benefits for 37 of 53 households, that progress was limited, and increases were modest in most instances. Provincial and territorial governments have considerable room to invest in basic benefit rate increases. The modest increases to basic benefit income were especially consequential given the high inflation in 2022.

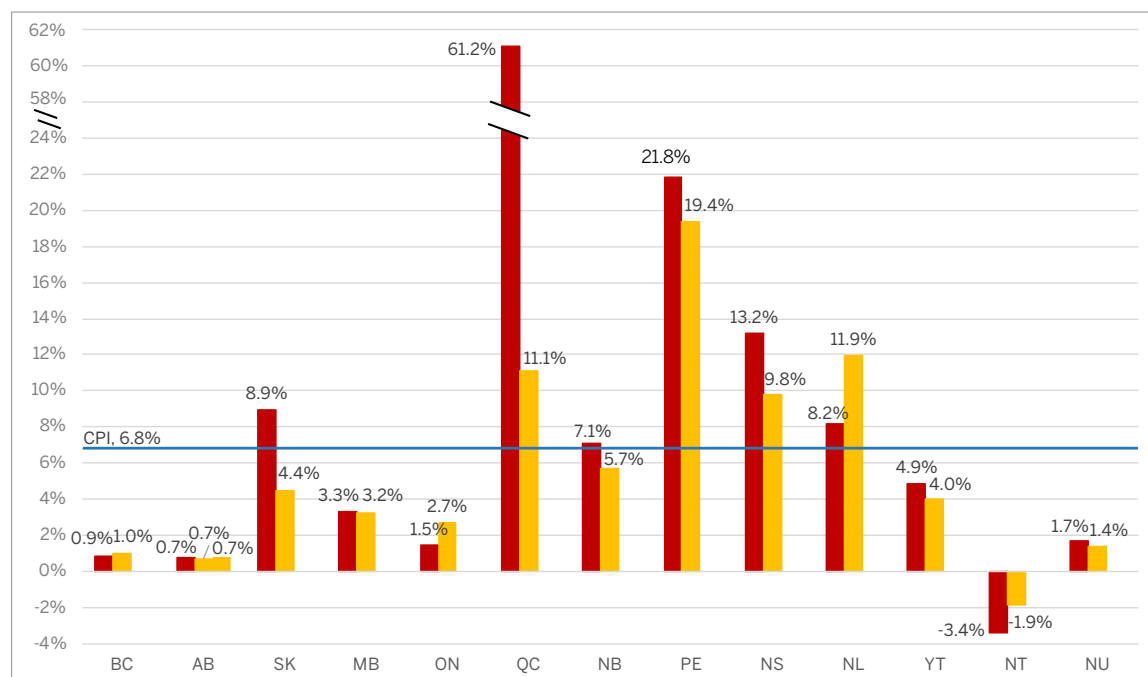
Only some jurisdictions provided cost-of-living supports to counter the effects of inflation

The high rate of inflation in 2022 had an impact on all households across Canada, but especially on those receiving social assistance. In provinces and territories where increases to welfare incomes did not match the national 6.8 per cent rate of inflation, as determined by the national Consumer Price Index (CPI), households found themselves worse off.

Unattached single households

Figure 4 below illustrates how total welfare incomes changed relative to the 6.8 per cent rate of inflation for unattached single households in all 13 provinces and territories between 2021 and 2022, without adjusting for inflation.

Figure 4: Change in nominal total welfare income for unattached single households in all jurisdictions, 2021 to 2022, with National CPI



- Ten unattached single households in six jurisdictions saw increases in total incomes that outpaced the national rate of inflation: Both the unattached single considered employable and the unattached single with a disability households in Quebec, Prince Edward Island, Nova Scotia, and Newfoundland and Labrador, as well as the households considered employable in Saskatchewan and New Brunswick. These ten households were better off in 2022 than they were in 2021.
- The seventeen other unattached single households saw their welfare incomes either increase below inflation or decrease in real value between 2021 and 2022. This means that, for these households, real purchasing power declined, and they were worse off.
- None of the households in the territories saw welfare income increases above inflation. Note that the decrease in the welfare incomes of the two unattached single households in the Northwest Territories was due to the methodology used in the *Welfare in Canada* report rather than a policy decision by the territorial government.

Households with children

The situation was similar for households with children.

- Only the single parent with one child household in Prince Edward Island saw increases to their total welfare incomes that were greater than the rate of inflation. In all other instances, the single parent with one child households saw the real value of their total welfare incomes either increase below the rate of inflation or decrease.
- Only four of the thirteen couple with two children households saw above-inflation increases to their total welfare incomes – those in Quebec, Prince Edward Island, Nova Scotia, and Newfoundland and Labrador. In all other instances, couple with two children households saw the real value of their welfare incomes either increase below the rate of inflation or decrease.

Policy response to inflation

Some provincial and territorial jurisdictions chose not to react to the effects of high inflation in 2022, which allowed the value of total welfare incomes to decrease, while others decided to address inflation, primarily through one-time cost-of-living supports. In total, eight provinces and one territory provided these payments:

- Quebec had the highest of the nine jurisdictions providing cost of living-related payments, with an additional \$1,100 to three of the households and \$2,200 to the couple with two children.
- Four other provinces provided a similar range of additional payments, which varied depending on the household type: Newfoundland and Labrador provided between \$700 and \$1,400; Saskatchewan between \$500 and \$1,000; Prince Edward Island between \$300 and \$900; and Nova Scotia between \$400 and \$850.
- British Columbia, Manitoba, New Brunswick, and the Yukon provided more modest additional payments ranging from \$150 for unattached single households in the Yukon to \$450 for couples with two children households in Manitoba and New Brunswick.
- Four jurisdictions did not provide any cost of living-related payments: Alberta, Ontario, the Northwest Territories, and Nunavut.

The federal government responded to high inflation through a one-time cost of living-related increase to the GST/HST tax credit. This additional amount was paid in November 2022 and was equivalent to the two regular GST/HST credit payments received in the latter half of 2022.

Furthermore, two jurisdictions – Alberta and Ontario (only for the Ontario Disability Support Program) – responded to high inflation by indexing their social assistance benefits to inflation starting in 2023. In Manitoba, Quebec, New Brunswick, and the Yukon, some or all social assistance benefits were already indexed to inflation, as noted above.

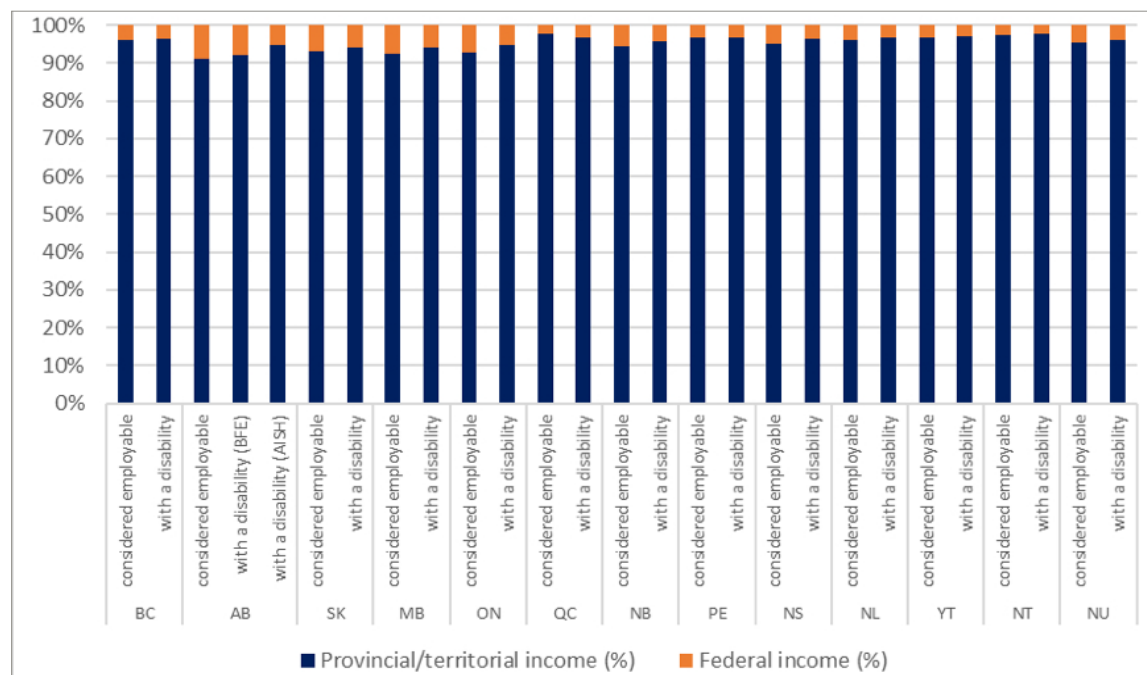
Overall, only 28 per cent (15 of 53) of households saw an increase to their total welfare incomes between 2021 and 2022 that was above the national rate of inflation. Governments at all levels did not respond sufficiently to the challenge of high inflation in 2022 and its impact on households receiving social assistance benefits in their jurisdictions.

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

Households receiving provincial or territorial social assistance benefits were also eligible for tax-delivered supports from those jurisdictions and the federal government.

Figure 5 shows how much of the total welfare incomes received by unattached single households in all thirteen provinces and territories came from provincial or territorial versus federal sources in 2022.

Figure 5: Proportion of total welfare income of unattached single households from provincial/territorial and federal sources, 2022



As shown above, provincial or territorial social assistance benefits and refundable tax credits made up the vast majority of incomes available to unattached single households in 2022.

- Benefits from provincial or territorial sources made up between 91 and 98 per cent of welfare incomes, with only 2 to 9 per cent coming from federal sources.

In contrast, households with children received a much larger proportion of support from the federal government in 2021.

- Households with children received between 54 and 79 per cent of their income from provincial or territorial sources, with 21 to 46 per cent from federal sources.

The difference stems from the larger number and higher actual amounts of federal income supports provided to households with children.

- Households with children received both the GST/HST Credit (including an additional one-time payment) and the Canada Child Benefit from the federal government. Unattached single households only had access to the GST/HST Credit. All households in Alberta, Manitoba, Ontario, and Saskatchewan also received the climate action incentive from the federal government.

- Households with children in our analysis received between \$8,066 and \$13,884 in federal payments. In contrast, unattached single households only received between \$456 and \$1,099.

The federal government could and should do much more to support unattached singles and realize their right to an adequate standard of living.

Key takeaways and recommendations

People receiving social assistance continued to have an inadequate standard of living in 2022. As demonstrated in *Welfare in Canada, 2022*, inadequacy has been a hallmark of welfare incomes for a long time.

However, inadequacy is not inevitable. It is a policy choice made by governments. The analysis provided in this policy brief and the larger *Welfare in Canada, 2022* report highlights the need for action on several fronts. Implementing our recommendations, which are both urgent and necessary, would mean progress on reducing poverty. It would also be an important step towards prioritizing the dignity of all members of our society and ensuring that everyone in Canada can realize their human right to an adequate standard of living.

As described in the analysis above, the four main findings of the analysis of *Welfare in Canada, 2022* data are:

1. Total welfare incomes were deeply inadequate across Canada.
2. Increases in the amount of income from basic social assistance benefits were mostly modest or non-existent.
3. Despite very high inflation in 2022, cost-of-living supports to households receiving social assistance were limited in number and amount.
4. Federal income supports for unattached single households in all jurisdictions were very limited.

Arising from these findings, the following four recommendations focus on what governments should do to help people receiving social assistance realize their right to an adequate standard of living.

1. Provinces and territories should invest in higher social assistance benefits and tax-delivered income supports.

The amount of income provided through basic social assistance benefits remained very modest in 2022. While this impacts all households receiving social assistance, it is especially consequential for unattached single adults who have very few other sources of welfare income. As such, social assistance benefits provided by provincial and territorial governments need to be significantly increased to realize every person's right to an adequate standard of living in Canada.

Additionally, provincial and territorial tax-delivered benefits and credits, including child benefits, should be increased in jurisdictions where they exist and created in those where they do not.

2. Governments at all levels need to index all social assistance benefits and tax-delivered benefits or credits to inflation where they don't already do so.

The impact of high inflation on total welfare incomes greatly reduced the purchasing power of social assistance recipients' incomes in 2022. Indexing social assistance benefits and tax-delivered credits and benefits to inflation would create a safeguard for some of the most vulnerable people in society and ensure that they are protected from the effects of inflation in the future.

3. The federal government needs to invest in targeted income supports for people living in poverty across Canada.

Supports from the federal government have long made up a very low proportion of total welfare incomes. Progress on the federal government's poverty reduction goals will not occur until significant investments are made to bolster the total incomes of households receiving social assistance, particularly those of unattached single adult households. There are several policy avenues that the federal government should pursue:

- **Implement a Canada Working-Age Supplement (CWAS)** by enhancing the existing Canada Workers Benefit.¹¹ The CWAS is a proposal from Maytree and Community Food Centres Canada that would help reduce the depth of poverty experienced by working-age unattached single adults receiving social assistance and those earning minimum wage.¹²
- **Rapidly develop the recently passed Canada Disability Benefit (CDB).** The new benefit should bring people above the Official Poverty Line, be accessible to a broad range of people with disabilities, and be delivered in a way that is transparent, timely, and people-centred.
- **Create a temporary Canada Disability Benefit** to support people with disabilities until the permanent CDB is developed. People with disabilities need support now and should not wait for the CDB's regulatory process should it extend beyond Budget 2024.¹³
- **Enhance child supports** through increasing both the maximum benefit amounts for the Canada Child Benefit (CCB) and the income thresholds after which benefits are reduced, as well as broadening access to the CCB to those who are currently not eligible, such as families with precarious immigration status.
- **Increase the Canada Social Transfer** to provide more funds for provincial and territorial social assistance benefit increases and create agreements with the provinces and territories to ensure that transferred funds are spent on those increases and do not replace existing provincial and territorial spending.

11 Talwar Kapoor, Garima et al. (2022). *How to reduce the depth of single adult poverty in Canada: Proposal for a Canada Working-Age Supplement*. Maytree and Community Food Centres of Canada. Accessed at: <https://maytree.com/wp-content/uploads/canada-working-age-supplement-report.pdf>

12 Tabbara, Mohy and Garima Talwar Kapoor. (2023). "Reducing poverty among minimum wage workers in Ontario: The potential impact of the Canada Working-Age Supplement." Maytree. Accessed at: <https://maytree.com/publications/reducing-poverty-among-minimum-wage-workers-in-ontario-potential-impact-of-cwas/>

13 Tabbara, Mohy and Garima Talwar Kapoor. (2022). *Advancing the Canada disability benefit quickly to meaningfully support working-age adults with disabilities*. Maytree. Accessed at: <https://maytree.com/publications/advancing-the-canada-disability-benefit-quickly-to-meaningfully-support-working-age-adults-with-disabilities/>

4. Governments at all levels need to invest in basic supports and services that would reduce the cost of living.

This includes increasing the stock of deeply affordable housing available across the country, improving access to affordable healthy food, and ensuring the wide range of needed healthcare expenses are covered, among others. Such investments would lower the cost of living and improve income adequacy.

Appendix

Context and Methodology

Maytree's *Welfare in Canada* report presents and analyzes the total incomes of four example households that qualify for social assistance benefits in each of Canada's provinces and territories in a given year.

Welfare income refers to the total income of households who qualify for provincial or territorial social assistance benefits and includes payments from social assistance as well as provincial, territorial, and federal benefits and refundable tax credits.

For each jurisdiction, the total welfare incomes of four household types are examined:

- An unattached single who is considered employable;
- An unattached single with a disability;
- A single parent with one child, age two; and
- A couple with two children, ages ten and 15.

In total, *Welfare in Canada* analyzes the incomes of 53 households, as we include two unattached single with a disability households in Alberta.

Established by the Caledon Institute of Social Policy in 2012, *Welfare in Canada* is a continuation of the *Welfare Incomes* series originally published by the National Council of Welfare starting in 1986. As such, the methodology of *Welfare in Canada* replicates the approach used by the National Council of Welfare. This approach includes a number of assumptions, which you can find in the methodology section of *Welfare in Canada*.

In *Welfare in Canada*, comparisons are made between total welfare incomes and two poverty thresholds for all example households in all ten provinces, the Northwest Territories, and the Yukon. The two poverty thresholds are:

- The Market Basket Measure (MBM) and the Northern Market Basket Measure (MBM-N) are Canada's Official Poverty Line. The MBM is used in the provinces, and the MBM-N is used in the Northwest Territories and the Yukon. These measures identify households whose disposable income is less than the cost of a basket of goods and services representing a basic standard of living. Statistics Canada is still developing an MBM for Nunavut.

- The deep income poverty threshold (MBM-DIP in the provinces or MBM-N-DIP in the two territories) represents 75 per cent of the Official Poverty Line. It identifies households whose disposable income is less than the cost of only the very basic necessities such as food, clothing and footwear, shelter, and transportation.

Note that the MBM and MBM-DIP do not account for the higher cost of living faced by persons with disabilities; these additional costs are not reflected in the analysis, and thus their depth of poverty may be underrepresented.

Welfare in Canada, 2022 also includes adequacy comparisons with the Low Income Measure (LIM) and the Low Income Cut-Off (LICO).

The full *Welfare in Canada* report and methodology are available for download at <https://maytree.com/changing-systems/data-measuring/welfare-in-canada/>.



77 Bloor Street West, Suite 1600, Toronto, Ontario M5S 1M2 | www.maytree.com