

Welfare in Canada: The situation in 2024

Welfare in Canada, 2024 webinar

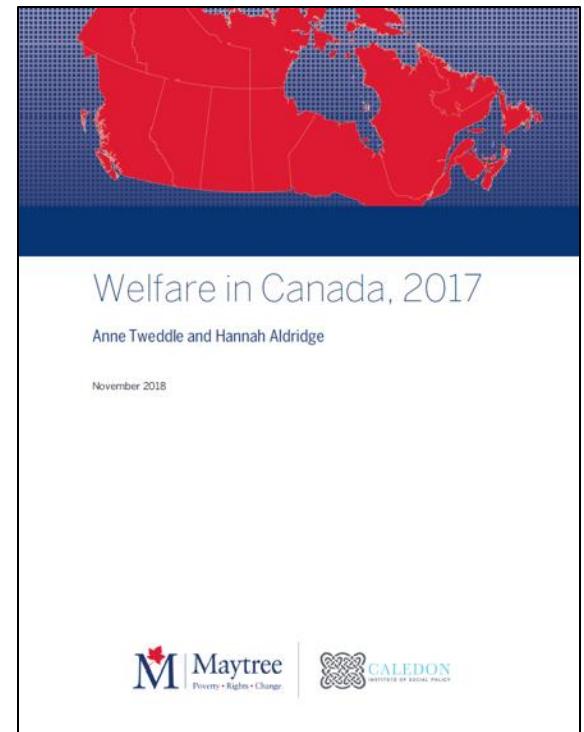
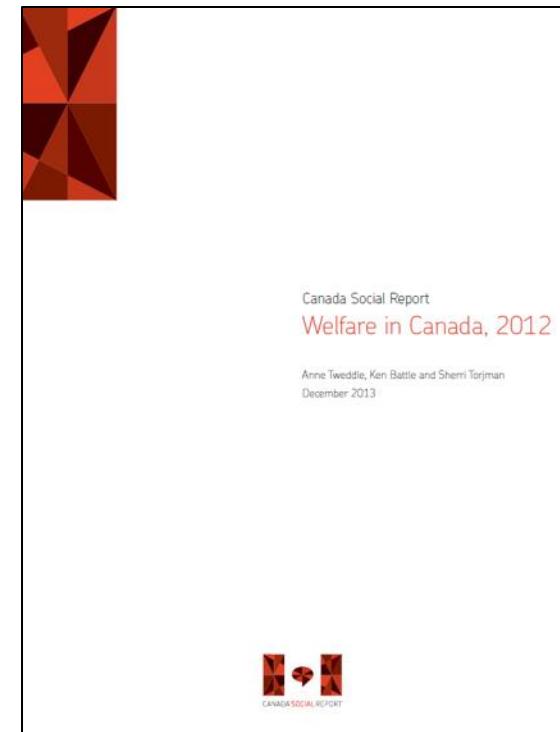
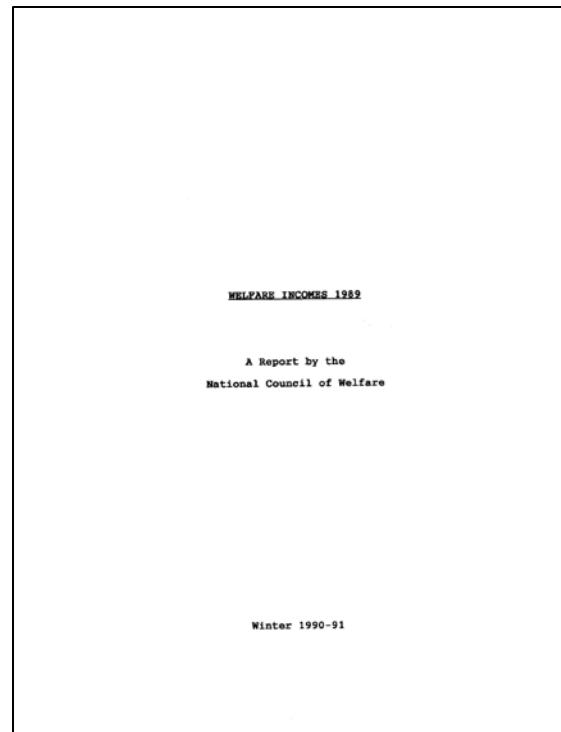
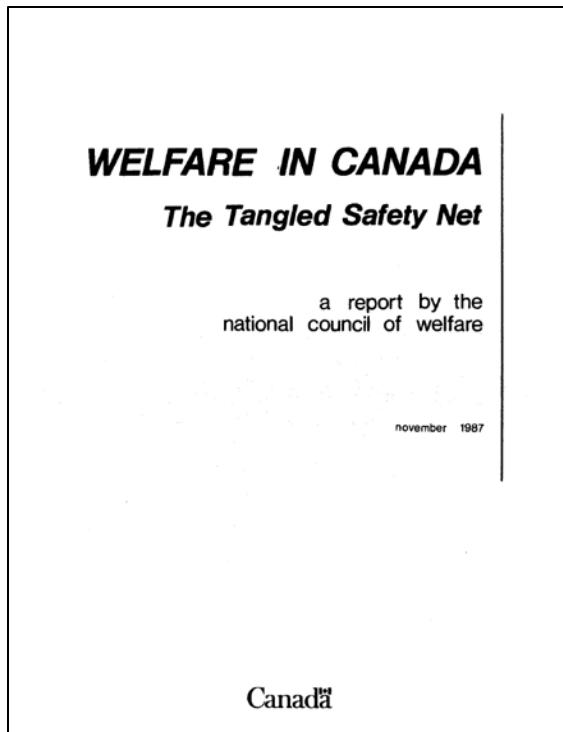
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September 11, 2025

Today's presentation

1. History of *Welfare in Canada*
2. Methodology & components of total welfare incomes
3. Total welfare income adequacy in 2024 and over time
4. Change in income from provincial/territorial sources, 2023-2024
5. Key feature: Shelter-related benefits and unhoused households in 2024
6. Federal vs provincial/territorial supports in 2024
7. Canada Disability Benefit
8. Policy recommendations

The *Welfare in Canada* series: A history



National Council of Welfare
1986, 1989-2009

Caledon Institute
2012-2016

Maytree
2017-now

Methodology



Unattached single
considered
employable



Unattached single
with a disability



Single parent with
one child aged 2



Couple with two
children aged
10 and 15

Components of welfare income

Provincial and Territorial sources

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

Federal sources

- Tax credits and benefits
- Canada Child Benefit

Measures of adequacy

Measures of poverty

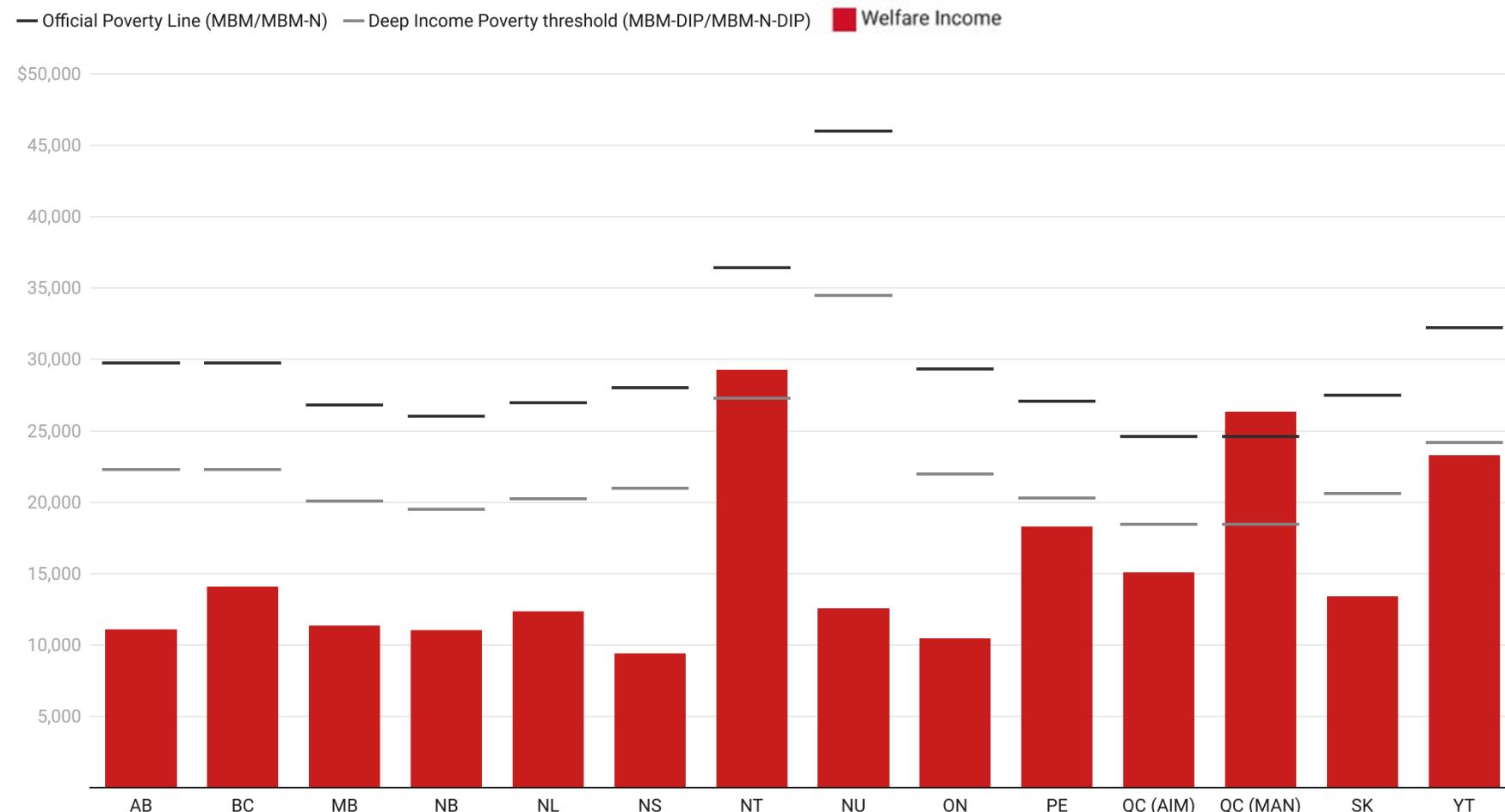
- Canada's Official Poverty Line, the Market Basket Measure (MBM) and Northern Market Basket Measure (MBM-N)
- Deep income poverty threshold, 75% of the MBM (MBM-DIP) or MBM-N (MBM-N-DIP)

Measures of low income

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



Adequacy: Unattached single considered employable



Note: AIM refers to Quebec's Aim for Employment program. MAN refers to Quebec's Manpower Training measure.

Source: Maytree. • Created with Datawrapper

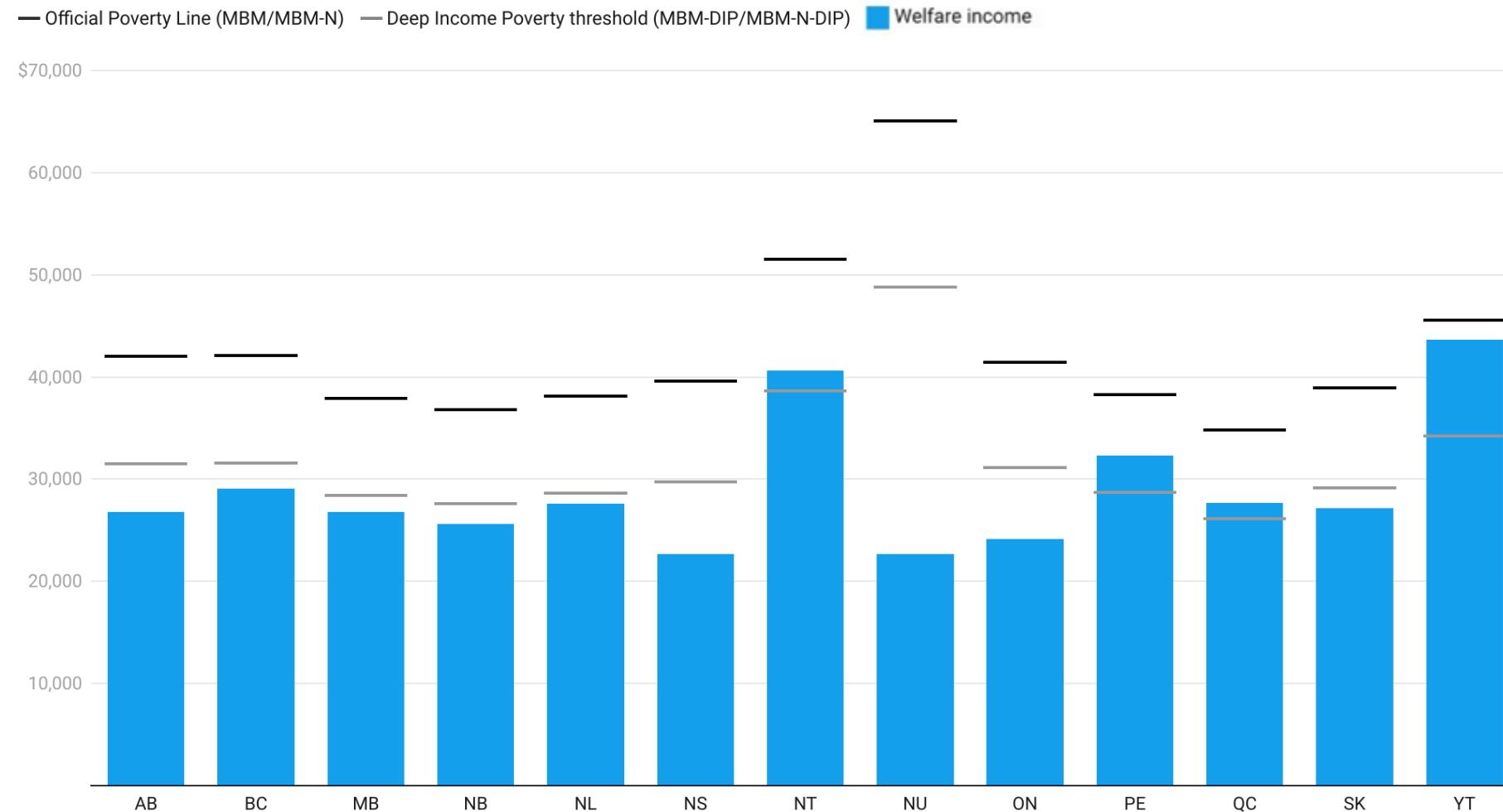
Adequacy: Unattached single with a disability



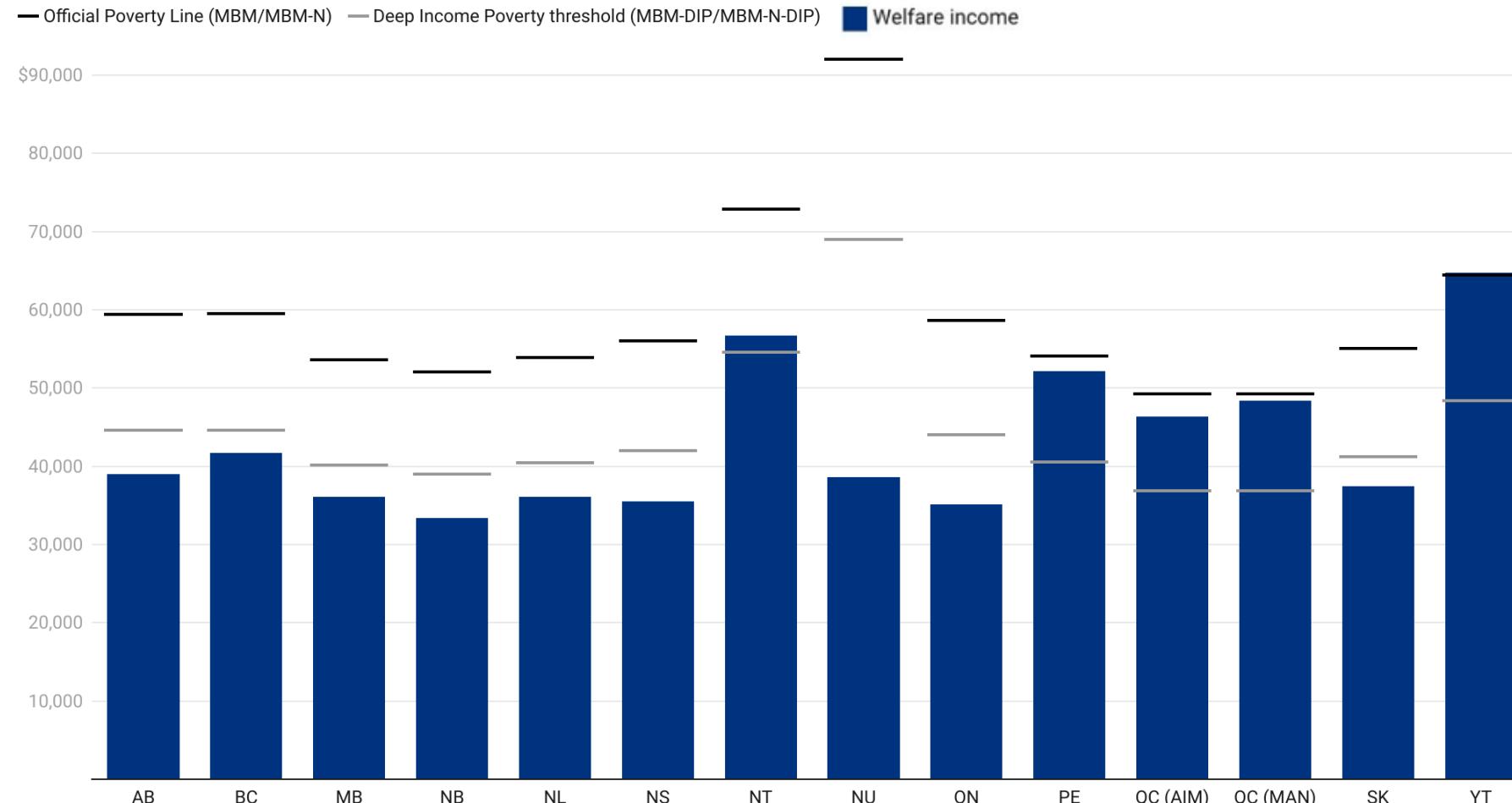
Note: BFE refers to the Barriers to Full Employment category of Alberta's Income Support program. AISH refers to Alberta's Assured Income for the Severely Handicapped program. MBFE refers to the Medical Barriers to Full Employment category of Manitoba's Employment and Income Assistance program. MSPD refers to the Manitoba Supports for Persons with Disabilities program.

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Adequacy: Single parent with one child



Adequacy: Couple with two children

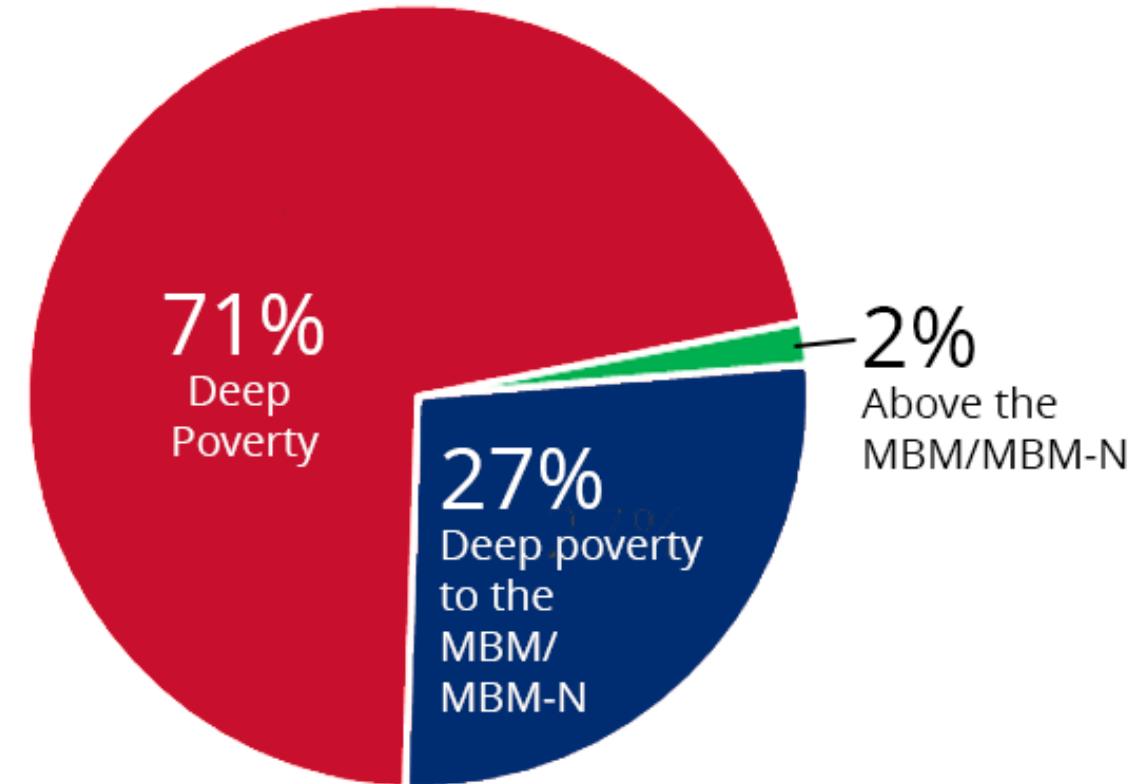


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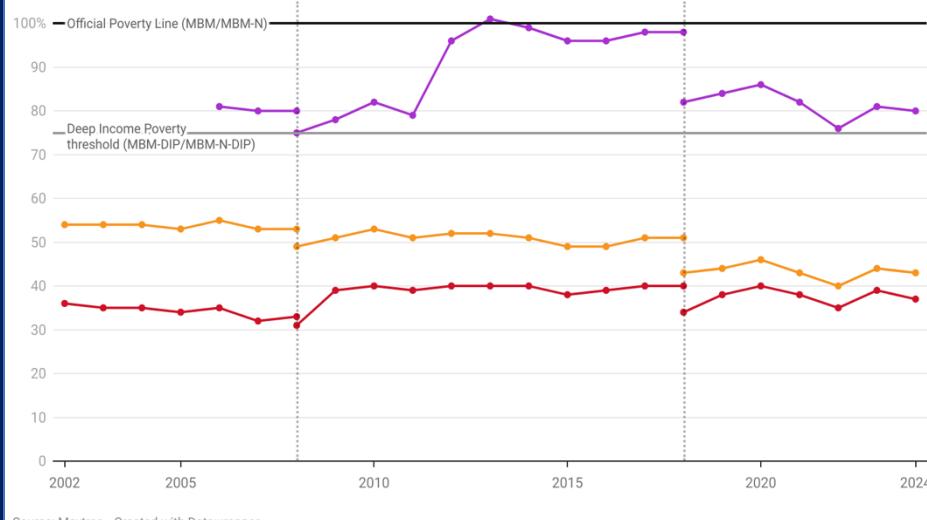
Adequacy in 2024: Overview

- 98% of all households (55 of 56) were living below the Official Poverty Line
 - 43 of 44 provincial households
 - 12 of 12 territorial households
- 71% of all households (40 of 56) were living at or below the Deep Income Poverty threshold (75% of the Official Poverty Line)
 - 35 of 44 provincial households
 - 5 of 12 territorial households



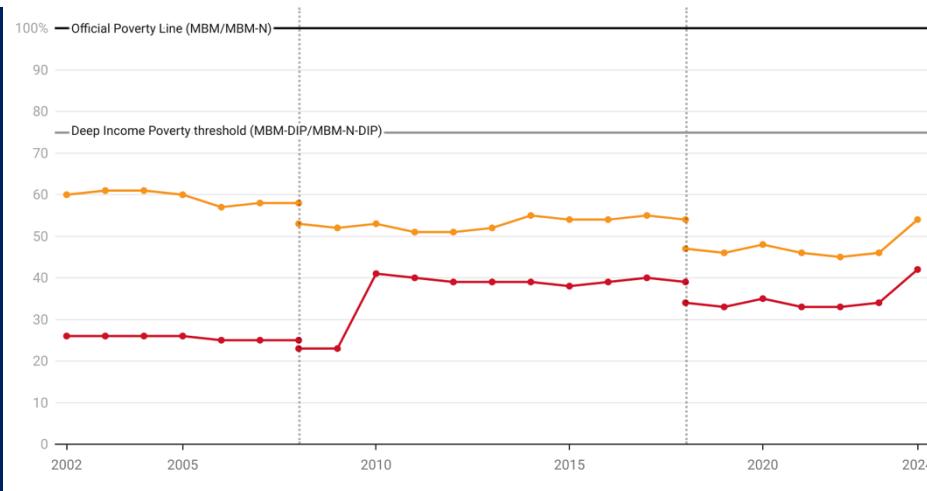
Adequacy over time

Alberta



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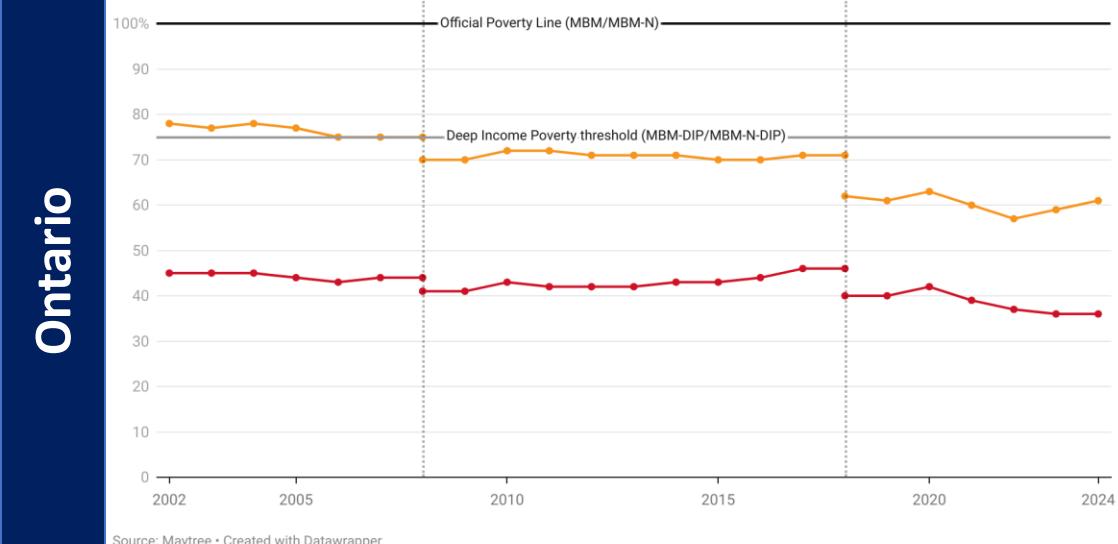
New Brunswick



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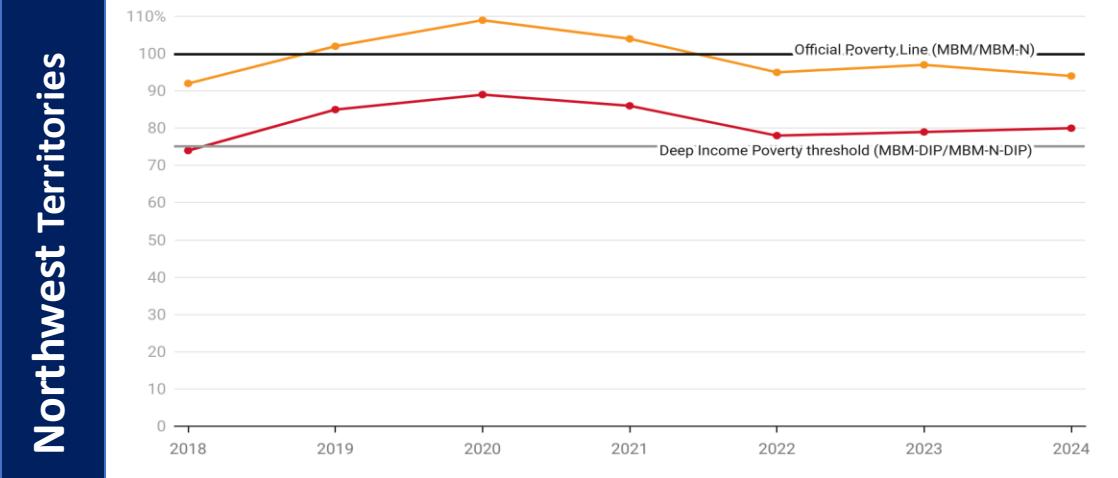
— Unattached single considered employable — Unattached single with a disability
 — Unattached single with a disability (AISH) | rebasing

Ontario



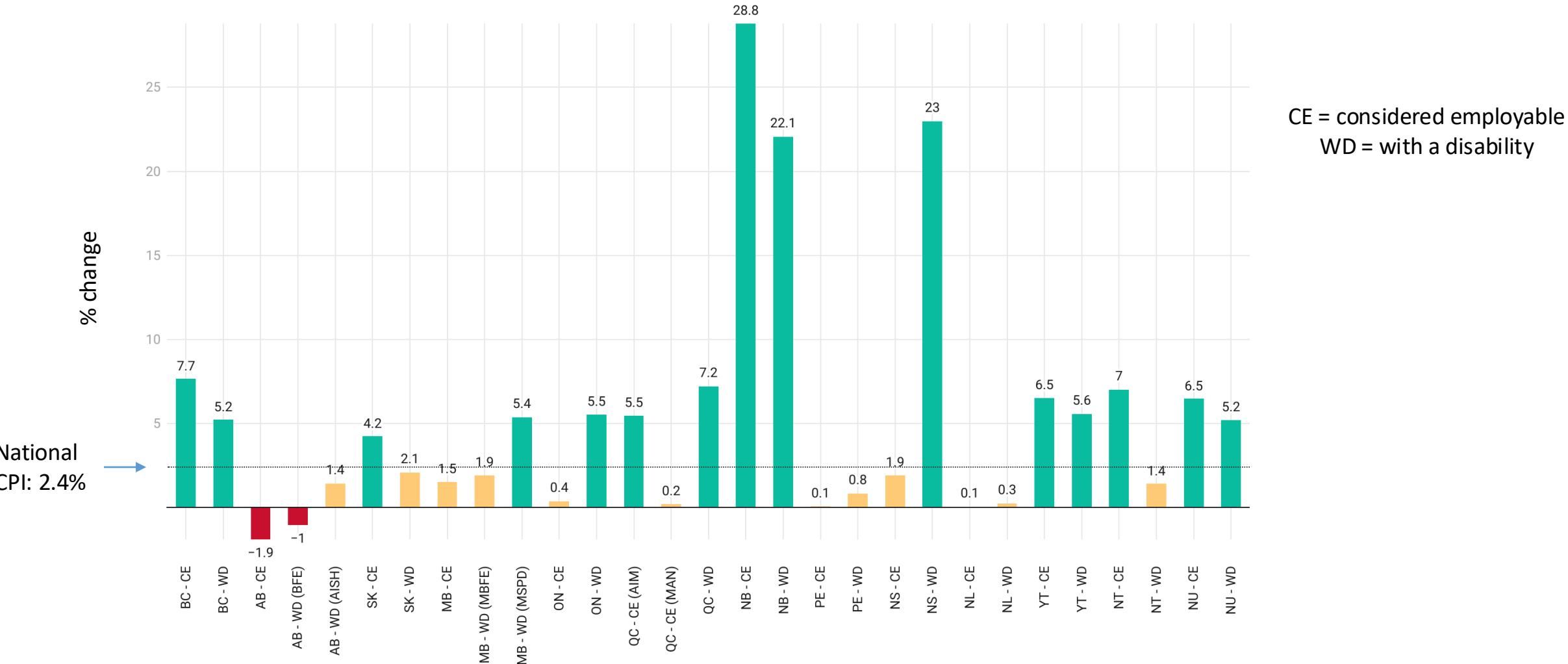
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Northwest Territories

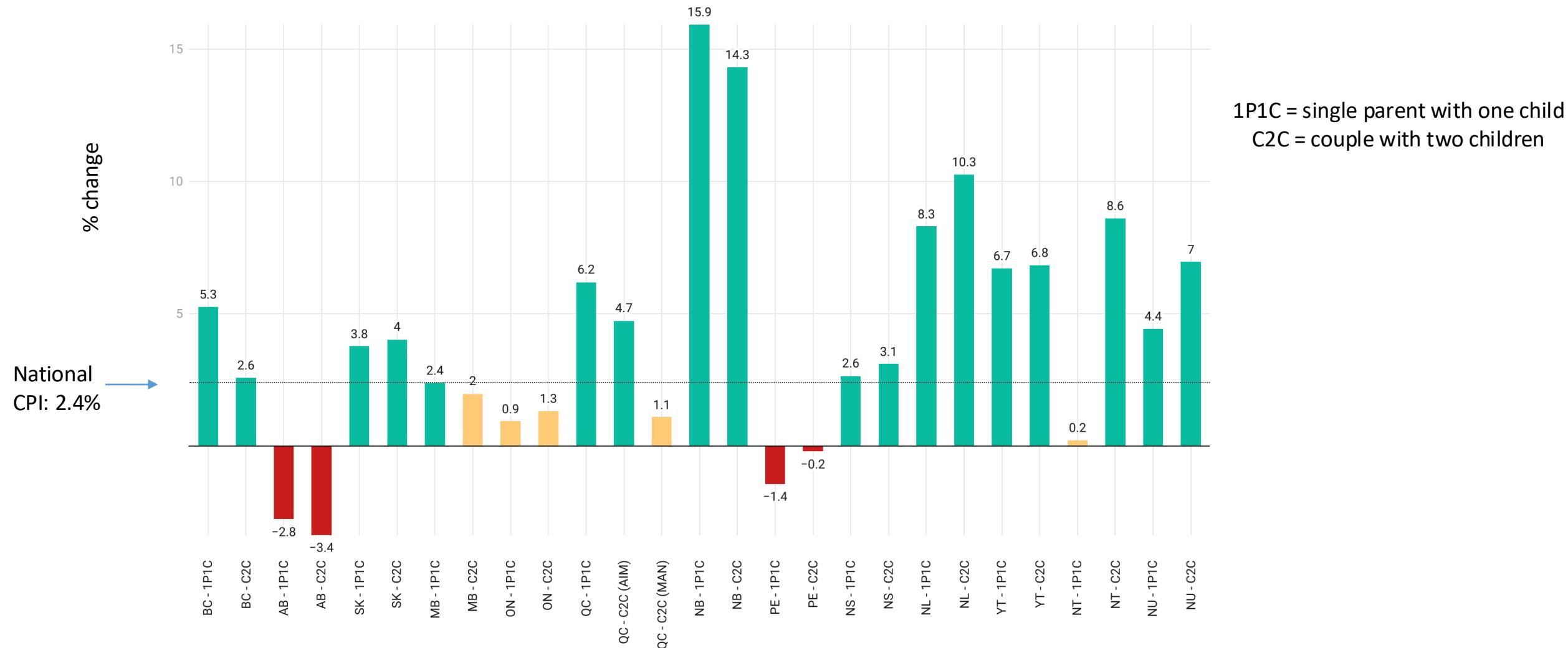


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Change in provincial/territorial income, 2023-2024: Unattached singles



Change in provincial/territorial income, 2023-2024: Households with children



Key Features of Social Assistance

- Eligibility: Assets and income
- Indexation of benefits and credits
- Cost-of-living and shelter benefits breakdown
- Shelter benefits for unhoused households

Key features of social assistance

As social assistance is a provincial/territorial responsibility, each of Canada's 13 sub-national jurisdictions has its own program or programs with unique regulatory frameworks, administrative rules, eligibility criteria, benefit levels, and provisions for special benefits or other types of assistance. Although the specifics may vary, the basic structure of these programs is very similar across the country. Note that while the federal government typically has no responsibility for program design or administration, it does provide some funding for social assistance through the Canada Social Transfer.¹

The next four sections examine several key features of social assistance programs and how they vary across the country.

The first section looks at the "needs test," which is the primary determinant of eligibility for benefits. Each jurisdiction imposes asset and income limits beyond which a household is not eligible for benefits, as well as exemptions to these limits. This section provides a brief overview of how the needs test works for assets and two types of income, and enumerates the allowed limits or exemptions for each.

The second section provides information about whether social assistance benefits in each jurisdiction are indexed to inflation. Information is also included about the indexation of other provincial or territorial benefits and tax credits received by our example households, as well as which jurisdictions have newly indexed benefits or credits in this calendar year.

The third section outlines the structure of social assistance benefits in each jurisdiction, indicating whether basic cost-of-living benefit and shelter benefits are accounted for and delivered separately or together in one benefit amount. Basic cost-of-living benefits are those that are intended to pay for items like food and clothing, and shelter benefits are those intended to pay for items like rent and utilities. Details about the other benefits received by our example households are included in the footnotes.

The final section, which is new for 2024, provides information about the shelter-related benefits that are available from social assistance programs in each jurisdiction to people who are unhoused and not paying for shelter. It also shows a comparison of the basic social assistance benefits available to an unattached single considered employable household in each jurisdiction depending on whether they

¹ Note that, in some jurisdictions, the federal government has responsibility for the administration of and/or cost-sharing for social assistance programs delivered in Indigenous communities.

Key Feature: Shelter benefits and housing costs

Asking prices for a room versus monthly shelter or combined benefits for an unattached single considered employable, by CMA, 2024

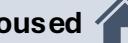
Census Metropolitan Area (CMA)	Average of quarterly asking prices for a room	Social Assistance		Difference
		Maximum monthly shelter benefit	Maximum monthly combined benefit	
Calgary	\$780	\$365	-	-\$415
Vancouver	\$1,158	\$500	-	-\$658
Winnipeg	\$575	\$638	-	\$63
Moncton	\$668	-	\$800	\$133
St. John's	\$650	\$299	-	-\$351
Halifax	\$860	-	\$704	-\$156
Toronto	\$860	\$390	-	-\$470
Montreal	\$713	-	\$829	\$116
Saskatoon	\$663	\$640	-	-\$23

- Separate shelter benefit:
 - 5 out of 6 are not enough to pay for a room
- Combined benefit:
 - 1 out of 3 is not enough to pay for a room
 - 2 out of 3 leave only a very small amount for all other needs

Key Feature: Benefits for housed vs unhoused

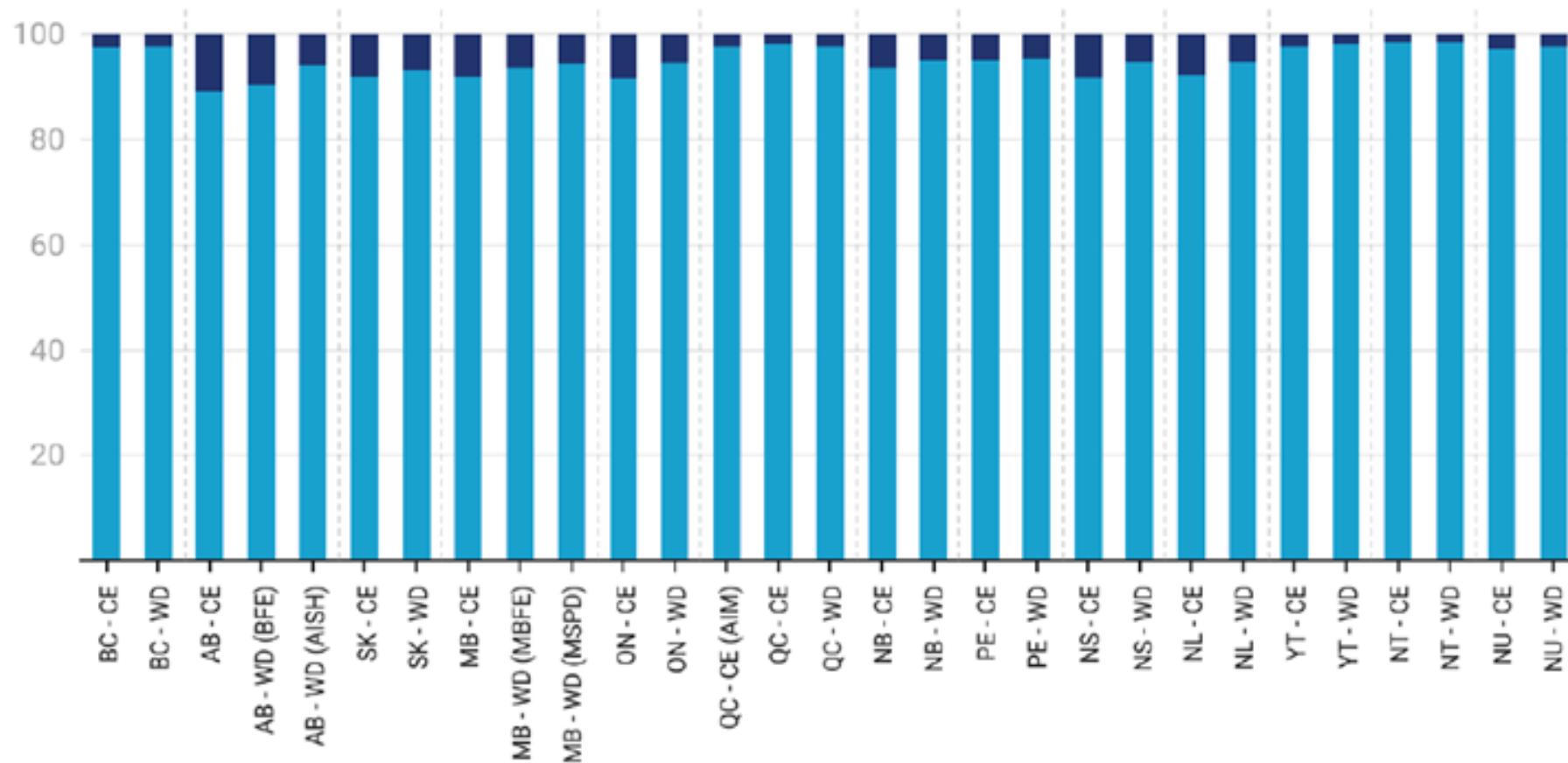
- Most unhoused single adults receive 23-77% less than if they were housed
- The "needs based" approach doubly disadvantages those who are unhoused

Difference in total base monthly social assistance benefits for an unattached single considered employable who is housed (rent or mortgage) vs unhoused, 2024

	Housed 	Unhoused 	\$ difference	% difference
AB	\$824	\$459	-\$365	-44%
BC	\$1,060	\$635	-\$425	-40%
MB	\$883	\$245	-\$638	-72%
NB	\$860	\$660	-\$200	-23%
NL	\$931	\$561	-\$370	-40%
NT	\$2,453	\$573	-\$1,880	-77%
NS	\$704	\$403	-\$301	-43%
NU	\$1,003	\$914	-\$89	-9%
ON	\$733	\$343	-\$390	-53%
PE	\$1,452	\$577	-\$875	-60%
QC	\$829	\$829	\$0	0%
SK	\$1,005	\$355	-\$650	-65%
YT	\$1,725	\$495	-\$1,229	-71%

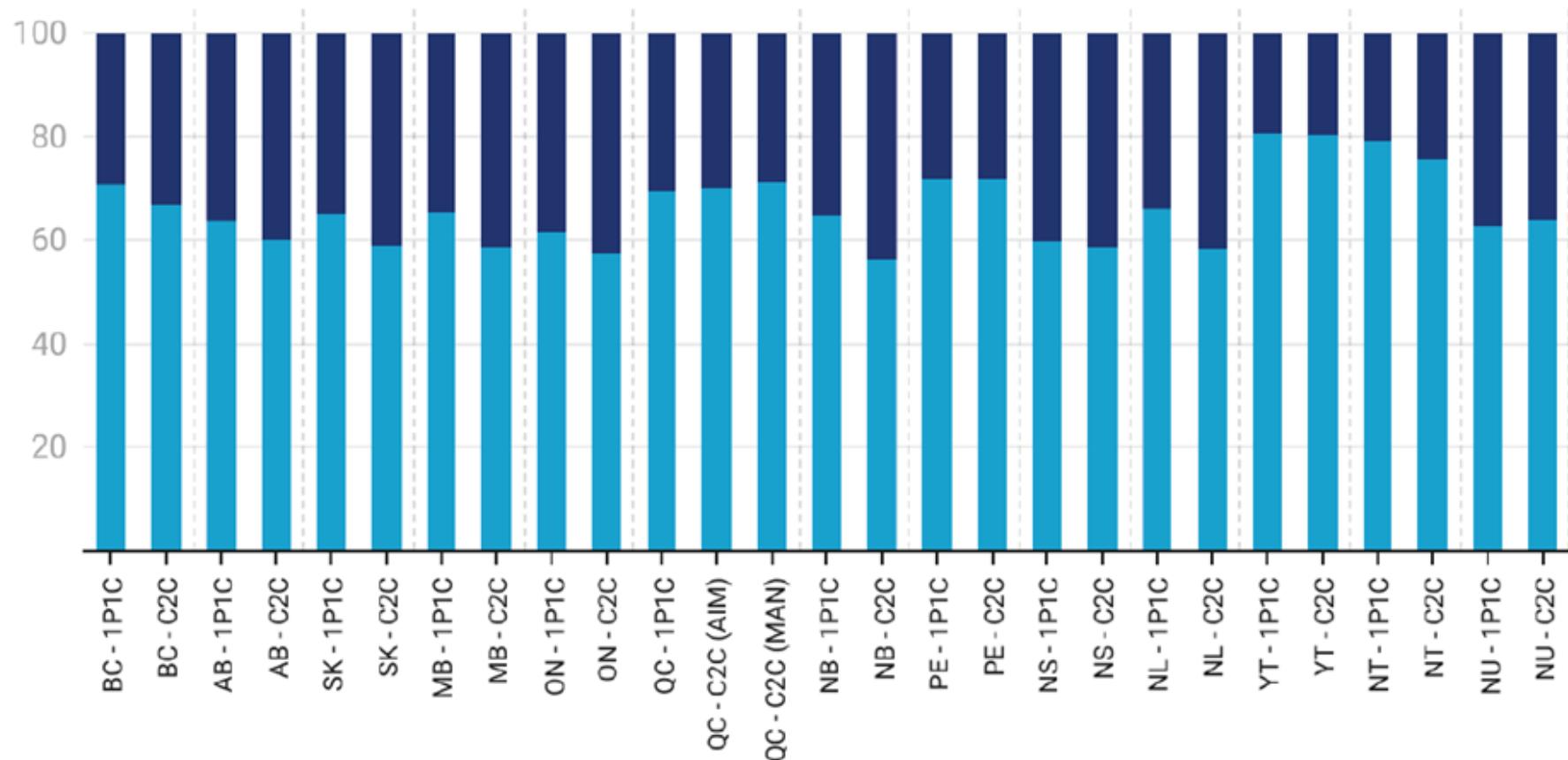
Federal vs provincial/territorial support: Unattached singles

■ Provincial/territorial sources (%) ■ Federal sources (%) CE = considered employable WD = with a disability



Federal vs provincial/territorial support: Households with children

■ Provincial/territorial sources (%) ■ Federal sources (%) 1P1C = single parent with one child C2C = couple with two children

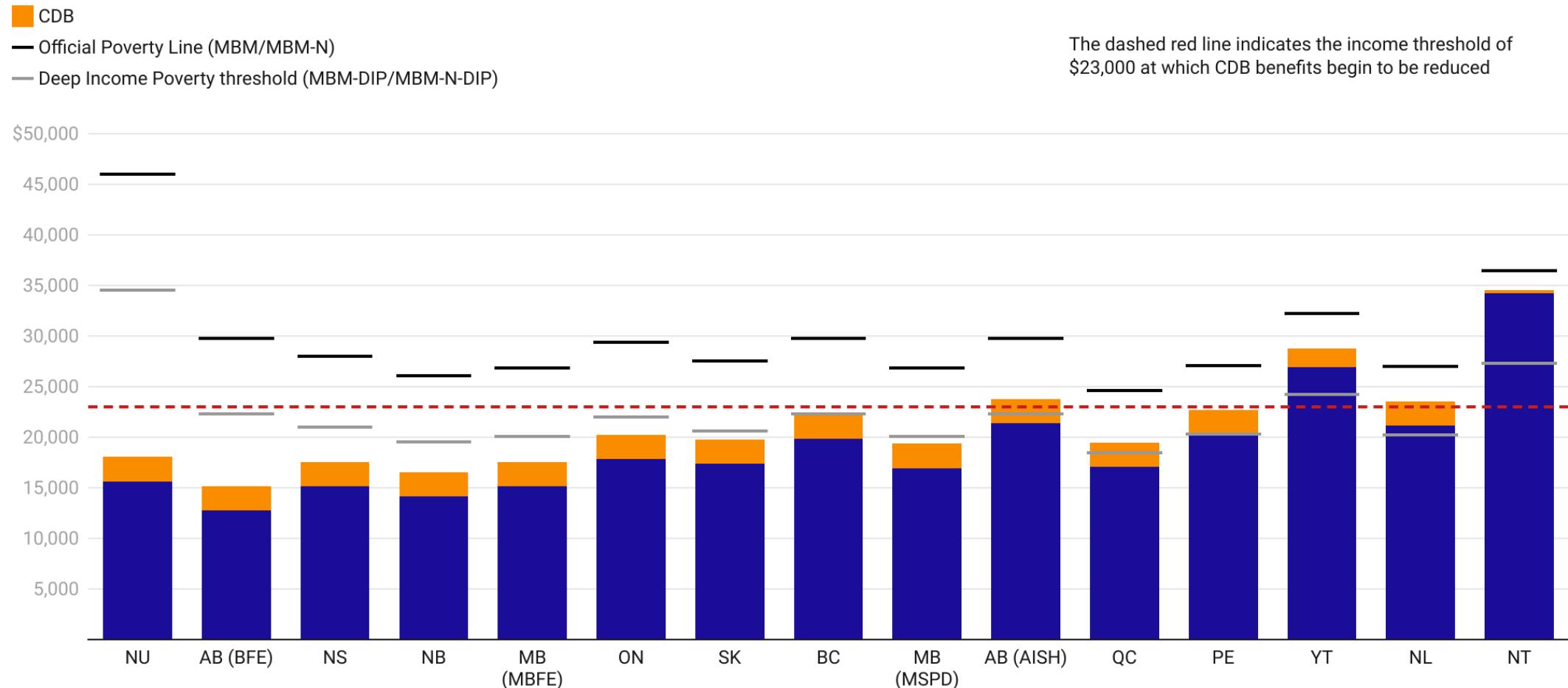


Impact of the Canada Disability Benefit

The CDB brought hope of lifting people with disabilities out of poverty. For several reasons, this is now unlikely:

- Eligibility rules are too restrictive
 - Government projections suggest fewer than two-thirds of working-age people with disabilities who live in poverty will qualify.
- The benefit amount is too low and is being clawed back in Alberta
 - At its current maximum, the CDB would not lift any of our example households out of poverty.
- The income threshold is too low
 - Households in the Northwest Territories and the Yukon will not receive the maximum benefit

Impact of the Canada Disability Benefit



Note: The total welfare income of the household receiving benefits through Alberta's Assured Income for the Severely Handicapped (AISH) program has been decreased by \$2,400 to reflect the program's policy of reducing benefits by a dollar for each dollar of CDB received.

Summary of major themes

- Total welfare incomes fail to provide income security
- Inadequacy has persisted over time
- The housing crisis is about insufficient income, not just not enough units
- People who are unhoused are doubly penalized
- The federal government should do more
- The Canada Disability Benefit falls short

Policy recommendations: Federal

1. The federal government must improve the design of the Canada Disability Benefit to address issues of adequacy and access.
2. The federal government should invest in other targeted income supports for people living in poverty across Canada. For example:
 - Increase the amount of the Canada Social Transfer
 - Expand existing benefits, including the Canada Workers Benefit and Canada Child Benefit
 - Introduce new tools such as the proposed Groceries and Essentials Benefit
3. The federal government should convene a national conversation about how to guarantee adequate welfare incomes across the country.

Policy recommendations: Provinces & territories

1. Provinces and territories should invest in higher social assistance benefits and tax-delivered income supports.
2. Alberta should end its clawback of the Canada Disability Benefit.
3. Governments at all levels should index all social assistance benefits and tax-delivered benefits or credits to inflation where they don't already do so.
4. Provinces and territories should fix shelter benefits so they keep families housed. This includes:
 - Increasing shelter benefits for all households so they reflect the actual cost of housing
 - Providing shelter benefits to people who are unhoused.

Thank You!

Happy to answer any questions