



WELFARE INCOMES 2008

SINGLE PERSON CONSIDERED EMPLOYABLE

This is one of four bulletins providing welfare income information on four household types. There is also a methodology bulletin you may wish to consult for further explanation.

WIDE VARIATION ACROSS THE COUNTRY

	Basic Social Assistance	Other P/T* Benefits	GST Credit	Other P/T* Tax Credits	Total Income
Newfoundland and Labrador (NL)	\$7,947	\$1,200	\$261	\$40	\$9,448
Prince Edward Island (PE)	\$6,432		\$240		\$6,672
Nova Scotia (NS)	\$6,060		\$240		\$6,300
New Brunswick (NB)	\$3,447		\$240		\$3,687
Quebec (QC)	\$6,904		\$240		\$7,143
Ontario (ON)	\$6,732		\$240	\$380	\$7,352
Manitoba (MB)	\$6,186		\$240		\$6,426
Saskatchewan (SK)	\$7,768		\$245	\$107	\$8,120
Alberta (AB)	\$5,186		\$240		\$5,426
British Columbia (BC)	\$7,320	\$35	\$240	\$175	\$7,770
Yukon (YT)	\$13,460	\$155	\$327		\$13,942
Northwest Territories (NT)	\$16,942		\$359		\$17,301
Nunavut (NU)	\$40,716		\$311		\$41,049

*Provincial/Territorial

WELFARE INCOMES STILL DRAMATICALLY LOW

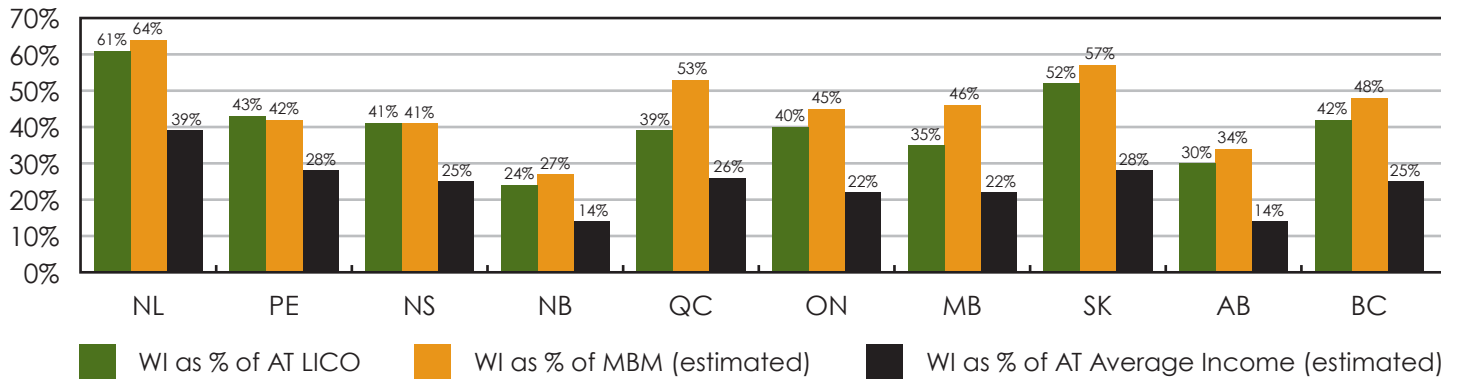
Welfare Incomes comparison in \$

	Welfare Income	AT LICO	MBM*	Average AT Income*		Welfare Income	AT LICO	MBM*	Average AT Income*
NL	\$9,448	\$15,538	\$14,778	\$23,946	ON	\$7,352	\$18,373	\$16,238	\$33,360
PE	\$6,672	\$15,344	\$15,762	\$23,536	MB	\$6,426	\$18,373	\$13,935	\$29,165
NS	\$6,300	\$15,538	\$15,306	\$25,481	SK	\$8,120	\$15,538	\$14,179	\$28,858
NB	\$3,687	\$15,538	\$13,846	\$25,583	AB	\$5,426	\$18,373	\$15,974	\$40,012
QC	\$7,143	\$18,373	\$13,557	\$27,323	BC	\$7,770	\$18,373	\$16,259	\$30,802

* Estimated



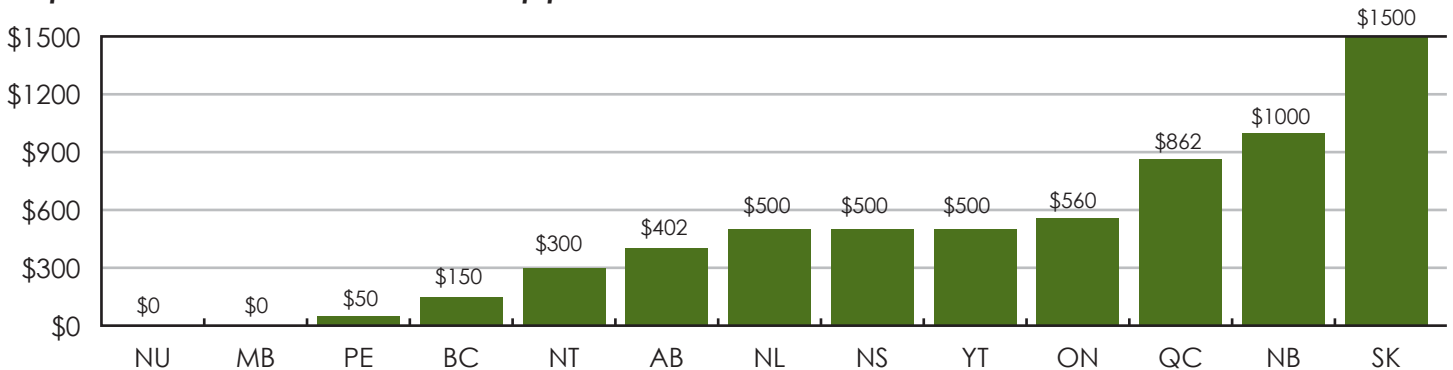
Welfare incomes compared to after-tax LICO, MBM and after-tax average income (2008)



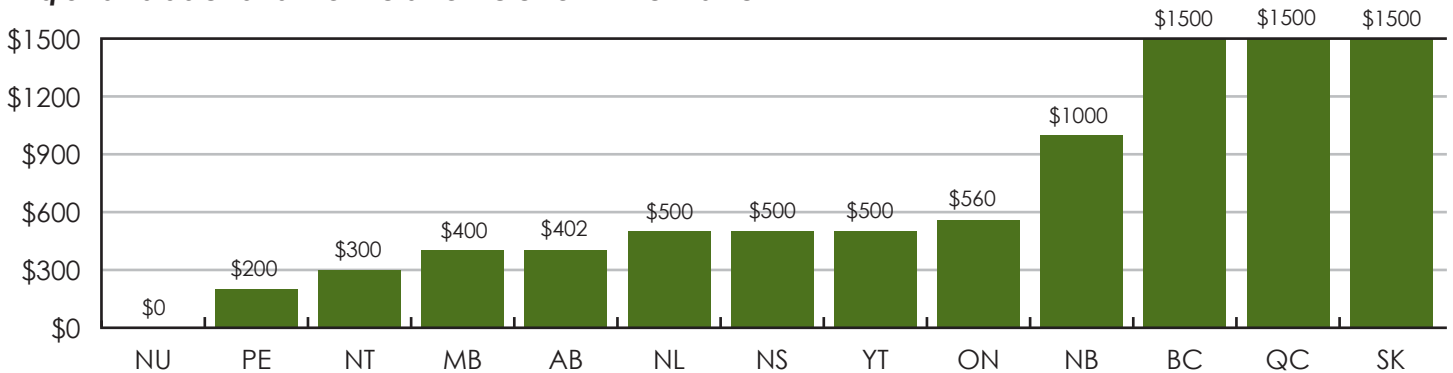
- The lowest welfare income was in New Brunswick at 24% of the AT LICO, 27% of the MBM, and only 14% of AT average income.
- In Newfoundland and Labrador it reached 61% of the AT LICO, 64% of the MBM and 39% of AT average income.

LIQUID ASSET RULES NOT HELPING

Liquid assets allowed at application



Liquid assets allowed once on welfare



- None of the asset exemption levels is generous, but some are non-existent. Having low or no exemptions for some applicants means that they have to spend their last dollar before they can qualify for assistance.

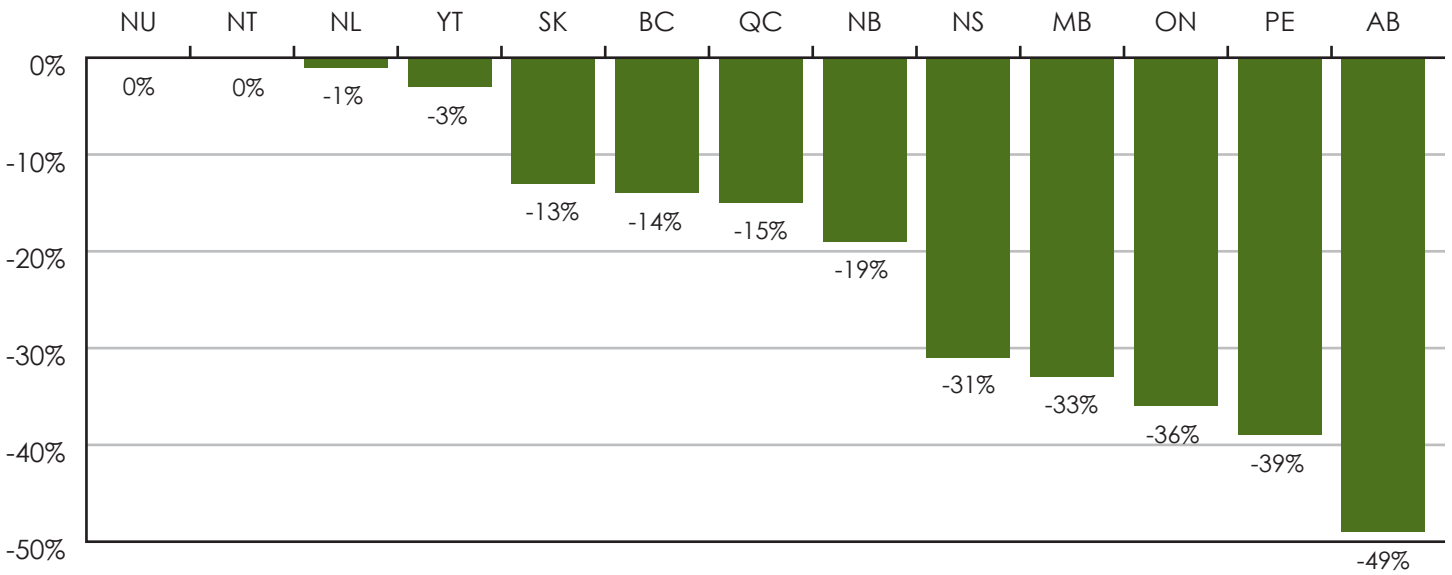
EXTENT OF WELFARE INCOMES DECLINE IN RECENT YEARS

	2008 Amount	Peak Year	Peak Amount*	\$ Change from Peak to 2008	Low Year	Low Amount*	\$ Change from Low Amount to 2008
NL	\$9,448	2007	\$9,563	-\$115	1989	\$5,789	\$3,659
PE	\$6,672	1992	\$10,984	-\$4,312	2005	\$6,624	\$47
NS	\$6,300	1989	\$9,074	-\$2,774	2000	\$5,473	\$827
NB	\$3,687	1991	\$4,524	-\$837	2006	\$3,648	\$39
QC	\$7,143	1993	\$8,419	-\$1,276	2008	\$7,143	\$0
ON	\$7,352	1992	\$11,400	-\$4,048	2008	\$7,352	\$0
MB	\$6,426	1992	\$9,639	-\$3,214	2007	\$5,961	\$465
SK	\$8,120	2007	\$9,315	-\$1,195	2004	\$6,811	\$1,309
AB	\$5,426	1986	\$10,542	-\$5,116	2007	\$5,175	\$251
BC	\$7,770	1994	\$9,069	-\$1,300	2006	\$6,757	\$1,013
YT	\$13,942	2001	\$14,398	-\$456	1986	\$8,947	\$4,995
NT	\$17,301	2008	\$17,301	\$0	1998	\$9,646	\$7,655
NU	\$41,049	2008	\$41,049	\$0	2007	\$39,500	\$1,549

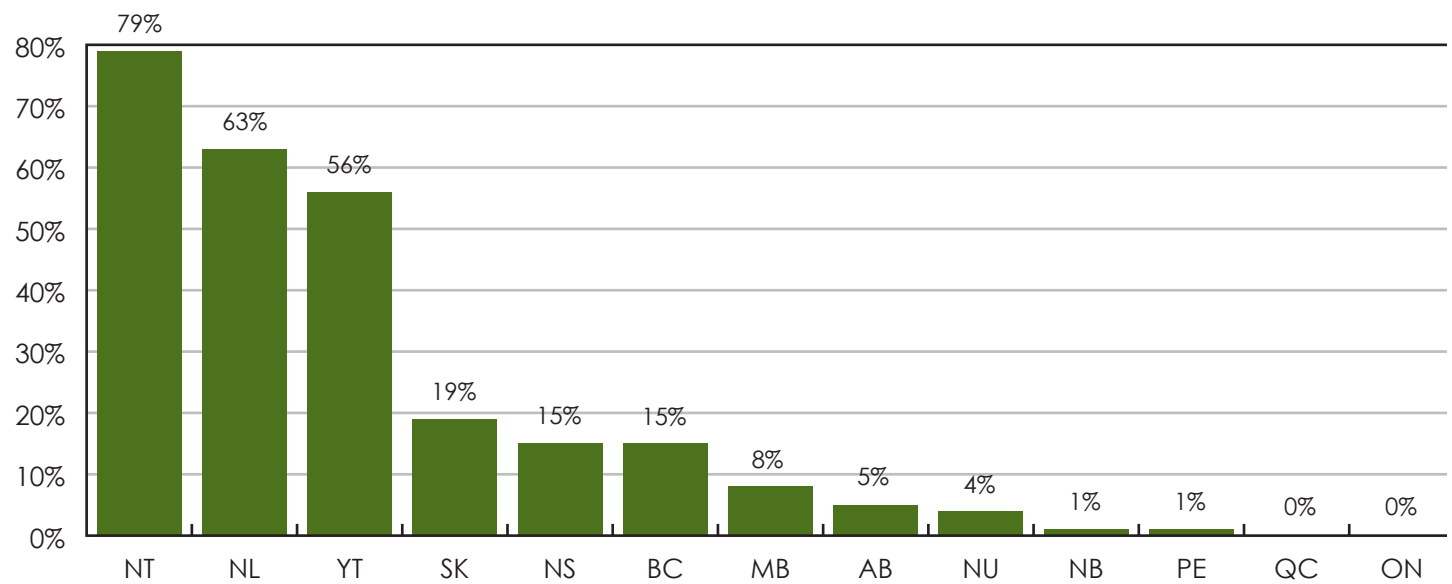
*Peak amounts and low amounts are in 2008 constant dollars.

- 2008 was the peak year in 2 cases and a low year in 2 others.
- The vast majority of welfare incomes peaked many years ago.
- The amount of the decrease in total welfare incomes is severe in some cases.

Percentage change from peak to 2008 amount by province and territory



Percentage Change from Low Amount to 2008 amount by province and territory



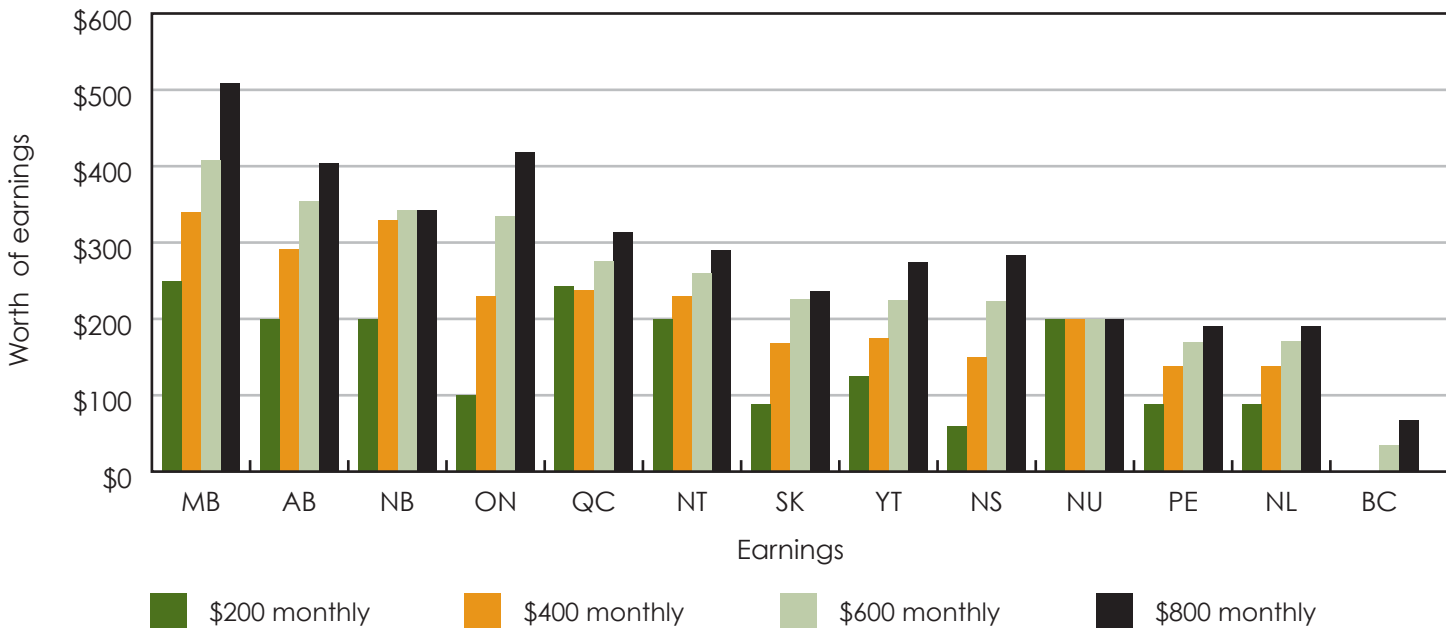
- For Ontario and Quebec, the 2008 amount was the lowest one since we have calculated comparable data. For the Northwest Territories, Yukon and Newfoundland and Labrador, the 2008 amount represented more than a 50% increase compared to the lowest year.

BRIDGING FROM WELFARE TO PAID EMPLOYMENT

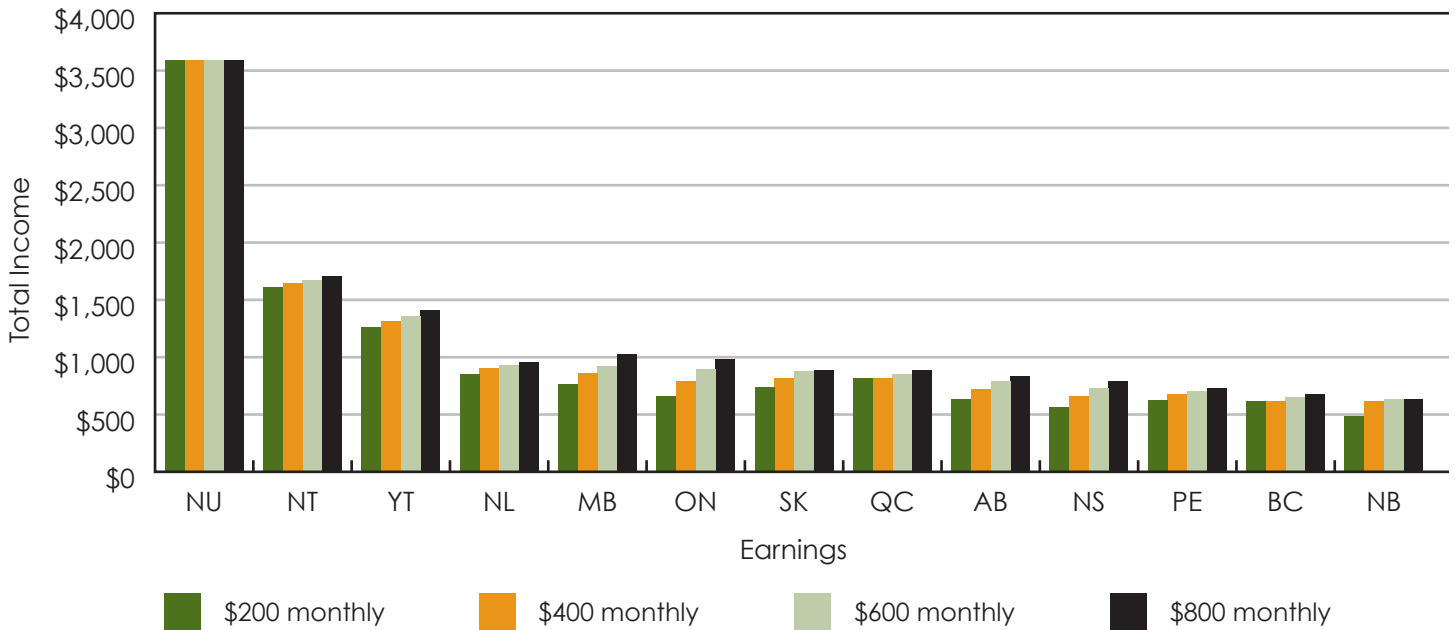
Earnings exemptions—that portion of earned income not clawed back by welfare—as well as the federal Working Income Tax Benefit (WITB) and provincial or territorial work-related benefits or supplements, not only allow recipients to increase their overall income, but are intended to encourage work experience and the transition to the labour market. But you don't necessarily keep the worth of your earnings. It all depends on the welfare rules and rates where you live.



The worth of earnings varies



The total income from welfare and earnings also varies



To help understand the charts, meet 'Dave'

Dave is a single person living on welfare in Winnipeg and considered employable by his provincial welfare ministry. In 2008 he received an estimated \$535 each month (\$515 welfare and \$20 GST credit). If Dave worked while on welfare and earned \$600 monthly, how much was that extra income worth? First, his provincial welfare would be clawed back by \$280. Then, Dave would gain an estimated \$38 from the federal WITB and \$50 as a provincial work benefit. In the end, his \$600 was worth \$408. This does not include work-related expenses like clothing or transport. If Dave lived in any other province, he would keep less than \$408. With \$600 earnings, Dave would get the highest total income in Newfoundland and Labrador (\$932) or Manitoba (\$924); he would get far less in British Columbia (\$648) or New Brunswick (\$630), as the second chart shows.

