Welfare incomes 2003 [1]

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Source: National Council of Welfare
Format: government document
Publication Date: 7 Jul 2004

AVAILABILITY
Report in pdf [2]

Excerpts from the report:

Welfare Incomes is a regular report on the welfare rates in each province and territory in Canada. This report estimates welfare incomes for four types of households in 2003: a single employable person, a single person with a disability, a single-parent family with a two-year-old child and a two-parent family with two children aged 10 and 15. The National Council of Welfare has published similar estimates since 1986.

Welfare Incomes has never been a good-news report and Welfare Incomes 2003 is, unfortunately, no different. The gap between the poverty line and welfare incomes remained large and relatively unchanged in 2003 with people on welfare subsisting on as little as one-fifth of the poverty line. People on welfare continued to realize an even smaller fraction of the average income of other Canadians.

How is it that welfare incomes for families on welfare remained so low &em; and actually decreased in most cases &em; in the years following the federal government's introduction of the National Child Benefit, especially when the federal government increased its support regularly?

First, the federal government allowed the provinces to claw back the National Child Benefit Supplement from parents unlucky enough to be forced to depend on welfare. Only Newfoundland and New Brunswick resisted the temptation from the outset. More recently, Nova Scotia, Quebec, Manitoba and Alberta decided to limit their clawback. This is progress, but seven provinces and territories still plan to take the money from the already painfully low welfare payments these families rely on.

Second, with the regular increases from the federal government to the National Child Benefit and a deal that allowed the provinces and territories to claw back part of the money, provinces and territories had absolutely no incentive to put in any of their own money by way of increases in welfare rates. Some provinces and territories actually did make minor increases, but welfare incomes for families still came nowhere near the poverty line.

Some would argue that clawing back part of the National Child Benefit from parents on welfare creates an incentive to work. The National Council of Welfare has no patience for that argument. The Council believes that it makes sense to provide incentives to work, but we do not believe taking money away from people on welfare is an acceptable approach. No one should be forced to live on incomes as low as the incomes we identify in this report. The Council believes welfare incomes must be at levels high enough to maintain people's health and dignity. Without decent incomes, the Council finds it hard to understand how people can be expected to participate in re-training and job searches to change their situations.

Unfortunately, Welfare Incomes 2003 paints a disturbing picture of poverty in Canada. Welfare incomes which reach only one fifth or one third of the poverty line are unacceptably low and should be raised at the earliest possible date. Rates this low cannot be described as anything other than punitive and cruel.

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