

## Still Left Behind

A new SPARC BC report on BC Income Assistance rates shows that people are still not able to cover basic monthly costs of living.

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**B**ritish Columbians on Income Assistance are *still left behind*. At the end of 2007, BC Employment and Assistance rates remained woefully inadequate to cover basic living costs for households in BC. The 2007 rate increases did little to improve an already dire situation, meaning that households on income assistance are still being left behind. Those are the primary findings of *Still Left Behind*, the latest report in SPARC BC's series that assesses the adequacy of British Columbia's income assistance rates.

In order to determine the adequacy of the BC Employment and Assistance support and shelter allowances, SPARC BC estimates the minimum costs of living in key categories. Using five sample households, we look at minimum expenditures associated with shelter, food, household supplies, clothing, personal care, transportation, child care, and other costs such as non-prescription medication, recreation, and reading materials. We then compare these total costs to the maximum support and shelter allowances under BC Employment and Assistance for the five household types.

The figure below illustrates just how insufficient income assistance rates are when

it comes to meeting minimum monthly costs. Total incomes (which include federal benefits for children) for households on income assistance meet only 45% of the minimum monthly expenses for a single adult; 72% of the expenses of a single parent with a three-year-old; 46% of a childless couple's expenses; 62% of the expenses of a single parent with a teenager; and 70% of the expenses of a couple with two children under six. Regardless of which type of household we examine, the story is the same—British Columbians on income assistance fall far short of meeting their basic costs.

With a robust economy and the world about to arrive at British Columbia's doorstep for the 2010 Olympics, it is time for the provincial government to act on income security policies to improve the situation of those who are still left behind. For the provincial government to become a leader in developing equitable poverty reduction policies, SPARC BC recommends the following:

- The provincial government immediately raises benefit rates to a level that will allow all recipients to meet the minimum living costs presented in this report. The Ministry of

Employment and Income Assistance should set benefit rates that are transparent with respect to some measure of the actual cost of daily living and that are indexed to inflation.

- The BC Employment and Assistance rates for children need to be restored to their pre-1998 structure to enable families with children receiving income assistance to realize the full benefit of the federal income supports for families with children. Although the clawback of the National Child Benefit Supplement has been effectively eliminated, families with children continue to be impacted by the reduction of income assistance rates for families with children in 1998.
- The earnings exemption be restored to persons receiving temporary welfare benefits in order to facilitate connections to paid work. BC is the only province in Canada that does not allow income assistance recipients to earn some income.
- In the absence of a publicly-funded child care system, that child care subsidy rates should be set at levels that cover the actual cost of quality child care provided by professionally paid staff. Forcing parents to pay out of pocket expenses for child care while they seek employment is an unnecessary barrier to labour force attachment.
- The three-week waiting period before persons are eligible to apply for welfare be eliminated. People who turn to welfare do so when other resources have already been exhausted, and immediate income support is required.
- The two-year independence test and two-year time limit eligibility restrictions be eliminated. Denying access to welfare creates unnecessary hardship and significant risks to the health, safety, and livelihood of persons in need of income assistance.
- The provincial government develop and commit to a comprehensive poverty reduction strategy, and assign a cabinet minister with the authority and responsibility to ensure that the poverty reduction plan is being implemented. Income assistance is only one component of poverty reduction. Also critical are adequate wages and supports to help people maintain employment.

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**A copy of the complete report including the full set of recommendations is available at**  
**<[www.sparc.bc.ca](http://www.sparc.bc.ca)>**

