

# Left Behind:

## A Comparison of Living Costs and Employment and Assistance Rates in B.C.

SPARC BC's most recent examination of income assistance rates in B.C. shows that current levels do not permit individuals or families to meet the basic costs of daily living, writes **Michael Goldberg**.

*LEFT BEHIND* IS SPARC BC'S latest report to compare welfare benefit rates available to individuals and families eligible for 'temporary assistance' with the cost of the goods and services required for daily living. These goods and services include the costs for food, clothing, household supplies, personal care, transportation, child care, shelter, and other costs associated with participation in community life.

The report uses five hypothetical households as reference points for the calculation of BC Employment and Assistance income and minimum monthly living costs. These households include: a single adult; a single parent with a three-year-old child; a couple with no children; a single parent with a fifteen-year-old child; and a couple with a four-year-old and a one-year-old.

*Left Behind* clearly demonstrates that maximum BC Employment and Assistance benefit rates remain too low to sustain anyone requiring income support. Income assistance meets only 41% of the SPARC BC cost estimates for a single adult, 45% of a childless couple, 57% of the expenses for a single parent with a three-year-old or a teenager, and 58% of the living costs of a couple with two children.

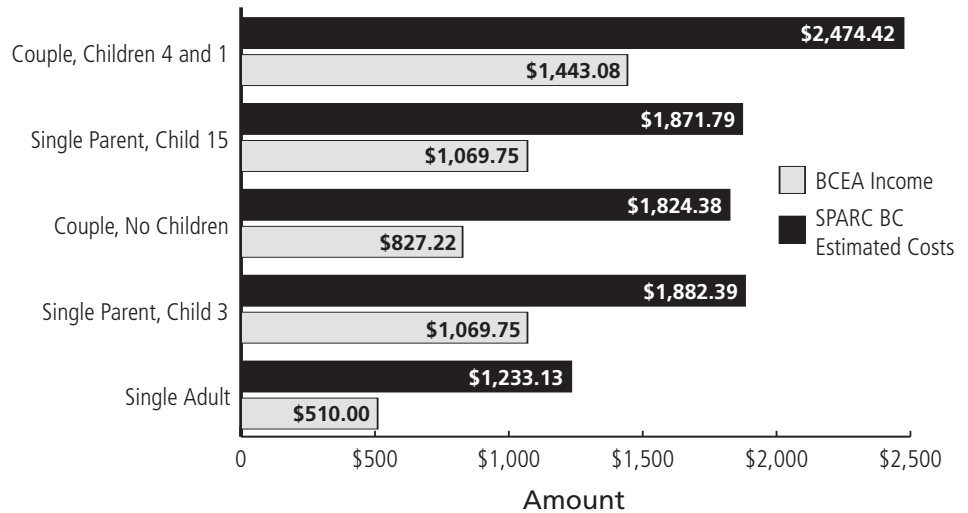
SPARC BC believes that reducing the poverty of persons receiving income assistance is a question of public and political will. British Columbia has the opportunity and capacity to be a leader in advocating for progressive income security policies. BC Employment and Assistance rates must be set at levels that permit the purchase of nutritious food, appropriate clothing and transportation, quality child care, adequate health care, and decent housing. In addition, income assistance should permit recipients to participate in a meaningful way as members of their communities. To this end, SPARC BC recommends that:

- The Ministry of Employment and Income Assistance revise its 2005/06–2006/07 Service Plan and subsequent service plans to include performance measures that reflect a commitment to poverty reduction rather than simply caseload reduction.
- 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 should set benefit rate levels that are transparent with respect to some measure of the actual cost of daily living. Benefits must be increased annu-

ally to keep pace with inflation.

- The separation between the support and shelter components of income assistance be eliminated, creating a single overall benefit that allows recipients to make their own spending allocation decisions.
- Enhanced medical benefits be extended to all income assistance recipients in order to ensure that they have access to appropriate health, dental, and optical care.
- Earnings exemption be restored for persons receiving temporary welfare benefits in order to facilitate connections to paid work.
- The three-week waiting period before persons are eligible to apply for welfare be eliminated in recognition that persons 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 as denying access to welfare creates unnecessary hardship and significant risks to the health, safety, and livelihood of persons in need of income assistance.
- In the absence of a publicly funded child care system (including full-day care) the child care subsidy rates should be set at levels that cover the actual cost of quality child care provided

**Comparison of B.C. Employment and Income Assistance Rates and SPARC BC'S Estimated Monthly Costs**



by professionally trained staff.

- The allowable asset limits be set at \$2,500 for a single person and \$5,000 for single parents and couples without children. The assets limits should allow for one vehicle per household.
- The policy concerning liens on a recipient's home be abolished.
- A public review committee be established if the BC government rejects the above recommendations to: (i) develop an adequate income assistance rate structure and (ii) assess the social impacts of the 2002 welfare reforms. ■

**A copy of the complete report and all the recommendations is available at**

[www.sparc.bc.ca/resources\\_publications/left\\_behind](http://www.sparc.bc.ca/resources_publications/left_behind)