

UNDER PRESSURE: THE ADEQUACY OF SOCIAL ASSISTANCE INCOME

Income assistance is meant to enable individuals and families in need to purchase “basic needs.” Basic needs are not defined in legislation but at least some are obvious.

What does the budget of a single person or a family look like when they rely on social assistance? This is a difficult question to answer because not all families are alike and even families similar in size and demographics (number of children versus adults, age, health status) have different preferences for consuming different goods and services. But all individuals and all families need housing and food and we have good information on the costs of those most basic of needs. So, let’s start there.

The table at right presents estimates of the cost of housing and food for a single adult and for a lone parent with one child living in each of seven communities in Alberta. The “residual” is the amount of income support remaining after those two expenditures. In Alberta, [66 per cent](#) of social assistance cases involve single adults. Cases involving a lone parent with one child define 26 per cent of cases. Our focus is on individuals and families receiving support through the Alberta Works program. The table reports weekly expenditures and all calculations are representative of food costs, rents and the income available to Alberta Works clients in 2018.

Most recipients of income assistance are single people. The amount of income assistance provided is insufficient for meeting the costs of housing and food, never mind other needs such as transportation and clothing.

In our calculations, we assume the lone parent with one child lives in a one-bedroom rental unit. We assume the unit is priced at the low end of the distribution of rents in each community. In 2018, a lone parent with one child received an annual amount of \$19,927 from Alberta Works (an average of \$383 per week). In 2018, a single person in receipt of Alberta Works benefits received an annual amount of \$8,106 (an average of \$156 per week). To stretch this income enough to remain housed, the single person must share accommodations.

Weekly Expenditures on Rent and Food and the Remaining Income Available to Alberta Works Clients						
	Single Adult			Lone Parent with 1 Child		
	Food	Rent	Residual	Food	Rent	Residual
Calgary	\$101	\$77	-\$22	\$147	\$205	\$31
Edmonton	98	92	-34	144	196	43
Grande Prairie	99	78	-21	146	185	52
Lethbridge	95	73	-12	142	185	56
Medicine Hat	99	67	-10	144	150	89
Red Deer	96	72	-12	141	162	80
Wood Buffalo	105	123	-72	154	254	-25

Sources: Rent paid on units priced at the top of the first quintile of rents in each city provided by special request from CMHC. Food budgets from [Alberta Health Services](#), updated to 2018 dollars using Alberta’s all-item CPI. Social assistance income is from [Maytree Foundation](#).

We assume the single person rents a three-bedroom apartment with two other single people also in receipt of Alberta Works benefits. [Alberta Health Services](#) provides what it describes as a conservative estimate of the cost of healthy eating for different family sizes and compositions in communities across Alberta. In each community, we assume the single person is a male aged 19-30 years of age while the lone parent is assumed to be a female aged 19-30 years with a male child aged nine to 13 years. Food costs are not terribly sensitive to these assumptions. Food costs differ slightly by community but differences in rent are much larger. Income support is the same regardless of where in Alberta one lives.

The data show that the income support provided to a single person is insufficient even to meet the most basic of needs; namely, housing and food. Single people must share more crowded accommodations or hope to find part-time employment to supplement income provided by Alberta Works. Their alternative is homelessness. In most communities a lone parent squeaks by but is left with a minimum amount for other of life’s necessities.