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National Council
of Welfare

Conseil national
du bien-être social

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Staggering losses in welfare incomes

In Alberta, the income in real dollars of a single person on welfare has decreased by almost 50 percent since 1986. Since 1992 in Ontario, the welfare income of a lone parent with one child has decreased by almost \$6,600 and a couple with two children has lost just over \$8,700.

The National Council of Welfare's report, *Welfare Incomes 2005*, paints a dismal picture, and one that is getting worse. When adjusted for inflation, many 2005 welfare incomes were lower than they were in 1986. Most welfare incomes peaked in 1994 or earlier. Some of the losses between the peak year and 2005 are staggering, with one-third of households losing \$3,000 or more. Five provinces—Ontario, Manitoba, Saskatchewan, Alberta and British Columbia—recorded the lowest levels of welfare incomes between 2000 and 2005.

In 2005, the income of a single employable person on welfare in New Brunswick amounted to \$3,427—just 19 percent of the poverty line. Lone parent families in Alberta, Canada's richest province, received just \$12,326—only 48 percent of the poverty line. All welfare incomes continued to remain far below the poverty line in 2005. With few exceptions, the day-to-day lives of over 1.7 million Canadians receiving welfare—5 percent of the population—only became more difficult. Half a million of those on social assistance are children.

In July 2006, the National Council of Welfare recommended that the federal government work to develop a national, comprehensive anti-poverty strategy. The findings in *Welfare Incomes 2005* argue compellingly that we need to embark on this process immediately.

Council Chairperson John Murphy calls the present situation “shameful and morally unsustainable in a rich country” but also notes, “The generally favourable economic climate at the federal level, and in most provinces, presents a real opportunity for governments to take concerted action to end this kind of deprivation”.

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In the fall of 2006, the National Council of Welfare intends to seek the views of Canadians on what a national, comprehensive anti-poverty strategy could look like. The Council believes the re-examination of the place and purpose of welfare in our current income security system would be an essential element.

The National Council of Welfare is a citizens' advisory group to the Minister of Human Resources and Social Development on matters of concern to low-income people in Canada.

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Copies of the report are available from www.ncwcnbes.net