SOCIAL POLICY TRENDS

SOCIAL ASSISTANCE CASELOADS IN ALBERTA BY FAMILY COMPOSITION

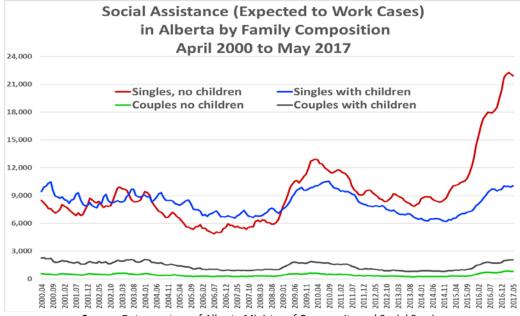
During Alberta's recent economic recession, most new social assistance cases were filed for single individuals.

Alberta Works is a social assistance program that allows certain individuals to receive income support from the provincial government. One of the eligibility criteria is that those persons must be free of physical or mental limitations that could affect their employment opportunities. Once they are accepted into the Alberta Works program, those persons are filed under the Expected To Work (ETW) classification. This classification, and the composition of the individual's family, determines the level of income support to which they are entitled. In 2017, a single adult was eligible to receive, from all sources, up to \$674 per month in income benefits. A single parent with one child was eligible to receive \$1,661 and a couple with two children was eligible for \$2,608 per month. The graph on the right shows, during the period from April 2004 until May 2017, the number of ETW cases identified by the family composition of those receiving the benefits.

Understanding which individuals are in a profound need of social assistance is important for recognizing and applying the relevant and appropriate public policy responses.

The data show that over this period the great majority of ETW cases were opened for individuals who are single. Couples tend to have greater income security, perhaps in the form of a second partner having an income or larger financial assets, which reduce their eligibility and relative need for social assistance.

Prior to 2015 most ETW cases for single persons were roughly evenly split between singles with and without children. Alberta economic expansions (2002-2008, 2010-2014) and economic slowdowns (2001-2002, 2008-2010)



Source: Data courtesy of Alberta Ministry of Community and Social Services.

prior to 2015 had similar impacts on these two types of families, although singles with no children were somewhat more sensitive to the business cycle. The economic downturn that began in 2015, however, has impacted singles with no children much more severely than has been the case in the earlier recessions and to a larger degree than individuals who were part of other family compositions.

This pattern suggests there is something quite different about the latest downturn in the Alberta economy. The impact of that downturn has fallen far more heavily on single adults without children when compared to the past recessions. One possibility is that due to the federal recent increases in child supports for families with children (see Social Policy Trends, October 2017) the extra benefits do not aid single Albertans without children, who are in a dire need of additional assistance. What's more, laudable plans for reducing child care costs may help fewer people to come off social assistance rolls than previously thought. Finally, these data suggest there may be cause for governments to pay more attention to the needs of single adults having to rely on income support.