

Overview of System of Income and Social Support Programs in British Columbia

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Abstract

We provide a systems-based overview of all income and social support programs provided by federal, provincial, and municipal governments that can be accessed by B.C. residents. We find that there are a number of areas for reform: the B.C. system of income and social supports is large and complex with different points of access for different programs and different programs having different eligibility rules. This makes accessing programs difficult. Furthermore, for programs that offer cash transfers, total benefit levels are low comparative to the MBM poverty Threshold, making it difficult for those experiencing poverty to exit poverty. Whether these issues of complexity, access, and benefit levels can be better addressed by a basic income is a question that should be considered. On the other hand, we also observe that, when comparing provincial programs to federal programs, the provincial and federal governments target different demographic groups and use different methods of delivery: the provincial government programs are largely in-kind programs targeted to low-income persons whereas the federal government programs are largely cash transfer programs targeted to families, veterans, and seniors. In-kind programs offered by the provincial government offer valuable supports for purposes and groups not otherwise targeted by federal government programs. Whether these in-kind programs should be replaced by a basic income is also an important question that will need to be considered.

Introduction

When the Government of British Columbia struck the Expert Panel on Basic Income, it asked the panel not only to assess the feasibility of a basic income in British Columbia, but also to look at how basic income principles might be used to transform and enhance the existing income and social support system. An important first step in being able to complete these tasks is to understand what the existing income and social support system offered to B.C. residents looks like, in terms of not only the type, number, and spending on existing programs, but also who delivers the programs, how residents access these programs, who is eligible for the programs, and what type of supports are delivered. In this paper, we provide a high-level system overview of the income and social support programs that are currently offered to B.C. residents. We examine the complexity of the system as whole, including the administration of income and social support programs, how applicants access the programs, what types of programs are offered (e.g., housing, child supports) and for whom (e.g., low-income people, people with disabilities), how they are delivered (i.e., cash versus in-kind), and what this means for overall cash benefit levels.¹

From this broad overview of income and social support programs, three main themes emerge.

First, we see that B.C. residents have access to a large, complex web of programs that are not only offered by but are accessed through a large number of provincial, federal, and municipal ministries, departments, and organizations; non-governmental organizations (NGOs); and the private sector. The breadth and complexity of the system creates a potential access issue: since most programs offered to B.C. residents require someone to self-initiate the application process or to file taxes, applicants must first know about the programs that can help them and then know to whom to apply. There are very few programs for which eligible recipients are automatically enrolled. Additionally, due to the variety of access points, there are duplications in the information collected, creating inefficient administrative burdens for both the agencies collecting the information and the applicants providing the information. These access issues and inefficiencies are further heightened by the fact that many programs use different definitions for various eligibility conditions, particularly those related to the definitions of “income” and “disability.” Due to these access issues and inefficiencies, vulnerable populations who would benefit most from these programs are the most likely to be left behind by them, without support to navigate these issues.² These access issues are important when considering either reforms along basic income lines or a provincial basic income. As noted by Tedds et al. (2020), one principle of a basic income is simplicity, including simplicity of access. Understanding the lack of simplicity at a system-wide level aids in designing improvements to

¹ Petit and Tedds (2020c) provides a program-level overview of the income and social support programs available in B.C., and Petit and Tedds (2020a) looks at how the programs interact within the larger system.

² Further supports are increasingly becoming available. For example, Income Assistance now includes a Community Integration unit with on-the-street staff who find people who are eligible for Income Assistance and help them to apply.

the system as a whole. For example, automatic or deemed enrolment through information sharing and information sharing generally would reduce both administrative and applicant inefficiencies.

Second, in looking at what type of programs are offered and the form of the benefit, we see that the federal and provincial government both offer programs for different purposes, to different demographic groups, and through different methods. The B.C. government offers many housing programs and medical/health programs delivered primarily as in-kind benefits (i.e., services), and a large income support program, Income Assistance, delivered as a cash transfer. Programs targeting low-income persons are the most prevalent of the programs offered by the B.C. government. In contrast, the federal government offers more cash-transfer programs than the provincial government, and these programs tend to be large, such as social insurance programs like employment insurance, Canada Pension Plan, and Old Age Security, and programs that support families, such as the Canada Child Benefit. The groups that are most prevalent among those targeted by the federal government programs are veterans, immigrants, seniors, and parents. The differing program target mix and method of delivery by level of government has implications when considering either provincial-level reforms or a provincial basic income. In-kind programs offered by the provincial government offer valuable supports for purposes and groups different from the federal government programs. Whether these programs should be replaced by a basic income or universal cash transfer is an important question that will need to be considered.

Finally, we look at the level of benefits a B.C. resident could hypothetically receive from the combination of core cash-transfer programs. We see that for persons and families with no other sources of income, the cash benefits available to B.C. residents is below the Market Basket Measure (MBM) poverty threshold. This is worrisome particularly for single adults: single adults in B.C. have the highest poverty rate and experience the deepest poverty, as well as receiving the lowest level of benefits when compared to the poverty threshold (Petit & Tedds, 2020b). Combined with the access issues described above, single low-income adults in B.C. do not appear to be sufficiently covered against income shocks.

This paper is organized as follows:

- Section 1 provides an overview of the programs and details their administration.
- Section 2 outlines how the programs are accessed.
- Section 3 considers the population targets of programs and their eligibility criteria.
- Section 4 provides information on method of delivery, notably whether the program benefits are provided in cash or in-kind benefits.
- Section 5 focuses on programs that deliver cash and looks at the benefit levels associated with these income support programs.
- The conclusion links to further papers commissioned by the panel, particularly papers on the overall current income and social support system, where we move beyond a system view to consider the individual programs themselves.
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1. Overview of Programs: Administration and Delivery

For the purposes of this work, we collected a list of all income and social support programs offered to B.C. residents by the provincial and federal governments. We did not canvass the breadth and depth of programs offered by each of the 162 municipalities in B.C. because of the complexity that would be associated with such a task. We also did not canvass all of the poverty and income support programs offered by the non-profit sector (NPS) unless they are funded by either the provincial or federal governments for the same reason.³ Although we did not canvass these programs, they are important to keep in mind when thinking about the income and social support system, as they provide many important regional services to some of the most vulnerable populations. In particular, it is worth considering the role the NPS may be able to play in helping vulnerable populations learn about, apply, and access government-provided programs and benefits. The NPS has direct contact with vulnerable populations who likely trust the NPS much more than they do government providers. Further, the NPS is more likely to be able to navigate the complex system better than individuals because of their repeated interaction with the system.

Our list of federal and provincial programs was obtained by consulting several sources. Our sources included the Government of British Columbia's Poverty Reduction Strategy (Government of British Columbia, 2019c), the Government of Canada's Poverty Reduction Strategy (Government of Canada, 2018), the 2019 BC Budget (Government of British Columbia, 2019a), the 2019 federal Budget (Government of Canada, 2019b), the Government of Canada's Benefit Finder (Government of Canada, 2019a), consultations with various ministries, departments, agencies, and Crown corporations, and basic web searches. This work identified a total of 194 programs that were offered or planned to be offered to B.C. residents as of April 1, 2019. These programs are shown in Figure 1.

The innermost ring in Figure 1 represents the level of government that offers the program. This is divided between the Government of British Columbia (B.C.) (shown in dark pink), the Government of Canada (shown in light pink), and municipal governments (shown in purple) in B.C. The second ring from the centre represents the ministry, department, or agency that is responsible for the programs: green represents a federal body and brown represents a provincial body. The third ring from the centre shows the ministry, department, agency, Crown corporation, non-governmental organization, or private sector entity that administers the program on behalf of the responsible ministry, department, or agency: it represents the entity that the applicant interacts with to access the program. In some cases, the administering agency may actually be multiple administrators. For example, the provincial homeowner grant (HOG) is administered by every single one of the 162 municipalities in B.C. (Government of British Columbia, 2019b). Another example is funding for post-secondary students. In many cases, the programs are administered by the 25 public post-secondary institutions in B.C.

³ For those interested in looking at community services offered by NGO's/NPS, a helpful website is <https://helpseeker.org/> which maps the location of these services.

(British Columbia Council on Admissions and Transfers, 2019). Finally, the outermost ring presents the programs. In some cases, the program shown actually represents multiple programs.⁴ For example, the employment insurance (EI) program administered by Service Canada actually comprises several EI subprograms, including maternity, parental, sickness, caregiving, and regular benefits.

From Figure 1, we observe that the income and social support system offered to B.C. residents is large. Not only is there a large number of programs, but there is also a large number of interconnected actors involved. The B.C. government offers 120 programs through 12 ministries and 24 different points of access, one of which is a federal agency (the Canada Revenue Agency). Additionally, the federal government provides 72 programs through eight different departments or agencies and 12 different points of access, two of which are actually B.C. government agencies. At the municipal level, there is one program offered by nearly all municipalities in B.C.; each municipality calls its recreational fee assistance program by a different name, offers it through a different department, and requires residents to access it in a different way. For example, in some municipalities, residents access the fee assistance program through the recreational facilities themselves. In other cases, the access point is through a department within the municipality.

Programs by Expenditure

In order to understand what the largest income and social support programs are, and who they are administered by, we next look at programs by expenditure. Figure 2 provides a visualization of the size of income and social support programs for which we have expenditure data for. Similar to Figure 1, in Figure 2 the second ring from the centre is the responsible agency/ministry/department and the third ring from the centre is the administering agency.

The B.C. government allocates just over \$11 billion⁵ to its 120 programs. The largest program offered by the B.C. government by expenditure is Income Assistance (including both Disability Assistance and Temporary Assistance), administered by the Ministry of Social Development and Poverty Reduction. Income Assistance cost the B.C. government about \$2.5 billion in 2019/20, including \$1.5 billion on entitlements for Disability Assistance, \$424.6 million on entitlements for Temporary Assistance, \$379.6 million on general and health supplements, and an additional \$170.7 million on administration, operating, and appeals for Income Assistance. Other large programs offered by the B.C. government include PharmaCare Drug Plans at a total cost of \$1.4 billion with Fair PharmaCare being the largest of the PharmaCare

⁴ This applies to the following programs at the federal level: employment insurance, Canadian Pension Plan, Apprenticeship Grants, Allowances, Canada Education Savings, and Disability Savings. At the provincial level, this applies to Medical Services Plan, general supplements, health supplements, Employment Programs (LMDA), Workforce Development Agreements, Student Aid, the home owner grant, and PharmaCare Drug Plans.

⁵ Uses expenditures from 2019/2020 where possible. Otherwise uses the most recent expenditure information available. Only includes those programs we have actual costs of. The only programs we are still missing cost information for are MSP, the Victim Travel Fund and the Basic Personal Tax Credit,

For those federal programs⁷ that we do have expenditure data for, the largest federal programs are all administered by either Service Canada or the Canada Revenue Agency (CRA). Of these, the Canada Pension Plan (CPP) is the largest program by expenditure, at a cost of about \$6.4 billion for B.C. residents. The second largest program is Old Age Security (OAS) at a cost of \$5.6 billion, followed by the Canada Child Benefit (CCB) at a cost of \$2.7 billion, and the Guaranteed Income Supplement (GIS) for seniors at a cost of \$1.7 billion (all costs are for B.C. residents only). In addition, the federal government spends about \$2 billion on employment insurance (both regular and special benefits combined).

The federal government's largest expenditure programs in B.C. are programs targeting seniors. In fact, the expenditure on federal seniors' programs is larger than the expenditures on all B.C. government-provided programs. This aligns with the poverty statistics for seniors detailed in the companion paper on poverty in B.C.: seniors have relatively low poverty rates and depths of poverty when compared to either children or working-age persons (Petit & Tedds, 2020b).

Institutional Framework

Following from Figures 1 and 2, we make a note about the institutional framework here, as it affects the design features of programs. The federal and provincial governments use differing institutional frameworks for the administration of programs. The largest federal programs noted above (i.e., OAS/GIS, the CCB, EI, and CPP) are delivered by either the CRA or Service Canada.

There are benefits to having the CRA deliver income support programs. First, CRA-delivered programs generally have low levels of stigma associated with them (when compared to provincially delivered income support programs; Tedds, 2017). For example, programs such as the Canada Child Benefit and the Canada Workers Benefit have low levels of stigma associated with them. Second, since CRA-delivered income support programs are only assessed once a year (i.e., at tax filing time), they deliver a predictable benefit throughout the year, enhancing income predictability and thus economic stability. For example, CCB payments are the same from July of one year to June of the next year.

However, there are drawbacks to using the CRA to deliver support programs, as noted by Tedds (2017). First, CRA-delivered programs may be difficult to access for vulnerable populations. To receive CRA-delivered programs, potential recipients must file their taxes. Since the CRA only requires those who owe taxes to file taxes, persons who are owed benefits are not sought out by the CRA. And even if taxes are filed, for some tax programs, if a potential recipient does not know about a tax benefit, or if a tax benefit is very complicated to access, and they do not provide the supporting documentation, they do not receive it. As noted in Tedds (2017), the CRA is focused on revenue-gathering, not on ensuring that eligible persons receive

⁷ Unfortunately, for most federal programs, we do not have spending by the federal programs on B.C. only. For this reason, we do not aggregate federal spending in B.C.

CRA-administered programs are unresponsive to in-year fluctuations in income, as the calculations of these cash transfers are made only once a year (i.e., when taxes are filed). This may be problematic during a crisis, like the COVID-19 pandemic that unfolded in 2020, when money is needed quickly to stabilize finances and prevent a situation from getting worse.

Service Canada is a one-stop shop for federal services, consisting of (for our purposes) mainly social insurance cash-transfer programs⁸ such as EI, CPP, and OAS/GIS. To access these programs, a potential recipient must fill out an online form for the specific program they are applying to.⁹ As such, Service Canada administered programs are more responsive to in-year fluctuations in income than CRA-administered programs. For example, EI may be claimed at any point during the year after a job loss without having to wait for tax filing time. Additionally, since Service Canada is an integrated service delivery for federal programs, it informs potential recipients of other federal programs they may be eligible for (or automatically enrol eligible recipients, in the case of OAS/GIS): Service Canada is more client-oriented than the CRA. Finally, Service Canada programs also have low levels of stigma attached. Programs such as EI are perceived as entitlements as opposed to welfare programs.

Provincial income and social support programs are, instead, delivered through a larger mix of institutions, including both provincial and federal institutions, with no common interface or point of contact. Program delivery is much more de-centralized than with the federal government programs: B.C. does not have a one-stop shop like Service Canada for income and social support programs.¹⁰ Other than labour market programs administered through WorkBC and some tax programs administered through the CRA, all other programs are administered by the ministry responsible for the program or a Crown corporation that answers to that ministry.

There are drawbacks to this lack of coordination across administrative agencies.

First, different programs apply different income tests using various definitions of income or different definitions of eligibility criteria, such as disability or dependent children. Regardless of these differences, often the same information gathered on disability or income, for instance, can be used to meet multiple definitions of disability or income, depending on the program objectives. However, because each program has a unique delivery point with no coordination among programs, administrative efforts may be unnecessarily replicated across programs, leading to inefficiencies, and potential recipients being forced to supply the same information multiple times, which creates undue hardship. For example, take a person on Disability

⁸ Public insurance programs that protect against economic risks, including unemployment, disability and other medical conditions, and old age. Many of these programs require mandatory contributions from potential recipients in order for recipients to benefit from them when needed—that is, workers are required to contribute to EI and CPP while working.

⁹ OAS/GIS now has automatic enrolment when a person turns 65, provided that the person has filed their taxes in the previous year. For a person who has not filed taxes, the online forms through Service Canada are still available.

¹⁰ Although Service B.C. does exist, it does not have the same mandate as Service Canada in terms of program delivery. Service BC provides services such as registrations (i.e., corporate, court, transplant, etc.), licensing (i.e., liquor, driving, etc.), property-related services including property taxes, and vital statistics services with services differing by location. In rural areas, Service B.C. may deliver IA. Services differ by community. See: <https://www2.gov.bc.ca/gov/content/governments/organizational-structure/ministries-organizations/ministries/citizens-services/servicebc> for more information.

Assistance (DA) who wishes to apply for Home Adaptations for Independence (HAFI). Both are means-tested programs offered by the province for persons with disabilities.¹¹ DA is provided through the Ministry of Social Development and Poverty Reduction and has its own forms to prove income, assets, and disabilities; HAFI is provided by BC Housing and has its own form to prove income, assets, and disabilities. Assessing nearly the same criteria for both programs creates administrative inefficiencies and increases access complexity for the applicant.

Second, the lack of coordination along with multiple access points force those in need to navigate through a complex array of access points for the supports they need, creating significant access issues. Not only do potential recipients have to collect their own information on programs they may be eligible for, but if they move or experience a life transition, they must inform the different administering bodies with which they have a relationship of the change. If they fail to do this, they could potentially lose benefits.

There is potential for reform here, including the development of a social program delivery agency similar to Service Canada, and/or the increased sharing of information among administering agencies.

2. Method of Access

We have demonstrated that there are a large number of income and social support programs, and the large number of points of access can make accessing these programs difficult: applicants have to know the program exists and who to apply to. Complicating this further is the various methods of application to access the benefits. As shown in Box 1, there are nine different methods of application for benefits, ranging from self-initiated to automatic. Figure 3 provides a visual representation of all income and social support programs offered in B.C., sorted by their method of access. It shows that a significant number of programs require an applicant to self-initiate an application. There are very few benefit programs that automatically enrol eligible recipients.

¹¹ HAFI repays amounts spent on home adaptations if the adaptations improves a person's independence within their own home.

Box 1: Methods of Access

Self-initiated—complete form:

applicant required to fill out an online or paper form and return it to the administrator

Self-initiated—contact third-party provider:

applicant required to phone, email, or attend the office of a third-party provider

Self-initiated—contact administrator:

applicant required to phone, email, or attend the office of the administrator identified in Figure 1

Contact caseworker: applicant required to contact the caseworker, who submits an application on their behalf

Tax filing: applicant required to file their taxes and either input a calculation or submit an additional form/information

Tax filing—automatic: applicant required to file their taxes and no additional information is needed; all taxpayers are automatically considered for these programs

Automatic with other self-initiated application: applicant required to be in receipt of the parent program but no separate application is needed

Automatic: applicant not required to do anything

Third-party: programs are applied for by a third party and the funding is used by the third-party for research or operations; there is no storefront or phone number a person can call to directly benefit from these programs

Figure 3

Income and Social Support Programs in B.C. by Method of Access



From Figure 3, we see that the majority of programs offered by either the federal or the provincial government are self-initiated by filling out a form or by contacting a third-party provider for an administrator. For these programs, applicants must find out about the programs on their own and take the appropriate actions on their own. For vulnerable populations, who may not have reliable internet access or a community network or outreach that can advise them of the programs and help with the application process, this may be difficult.

Programs that require an applicant to file taxes also pose an access problem. Some tax-administered programs require an applicant to provide additional information (e.g., the disability

tax credit requires an applicant to provide the appropriate forms to show that they have a disability), while other tax-administered programs automatically assess eligibility upon receiving a tax filing (e.g., all tax filers are automatically assessed for eligibility for the Canada Workers Benefit). Both access methods may be difficult for vulnerable populations, particularly those with low income who are not legally required to file taxes and for whom tax filing services are costly (discussed in the previous section). In addition, tax-administered programs that require additional information, like the disability tax credit (DTC), require an applicant to either possess the mental abilities needed to complete the application or hire/find someone who can help them, in addition to filing their taxes. Dunn and Zwicker (2018) find that only about 40% of persons who are eligible for the DTC receive it, likely due to lack of awareness of the program and the burdensome application process.

Another access route to programs is through social assistance caseworkers. Programs that require an applicant to contact their caseworker pose a unique access issue. These programs are all administered by the B.C. government and relate to supplementary programs for persons receiving Income Assistance. There is no place for an applicant to go to learn about these supplements or apply for them; access is fully dependent on caseworker discretion. If a caseworker does not think the applicant meets the criteria, no application for the supplement is submitted on their behalf. These supplements, however, are important during emergency/crisis situations, when there is an unexpectedly large cost, often related to a health crisis. People on Income Assistance generally do not have the savings to handle these unexpected costs. Access based on knowledge of the program plus caseworker discretion limits the ability of these programs to help those who need them most.

A final access method is through automatic access with other self-initiated applications. Few programs have this access method, yet more programs could benefit from it. For example, recipients of Disability Assistance are automatically eligible for the Transportation Supplement (either an additional \$54/month or a transit pass): there are no additional forms to fill out. There is potential for reform here. As with the delivery method, increased information sharing could increase the number of programs with automatic enrolment, which would reduce application burdens.

3. Programs by Program Target and Eligibility

To understand the income and social support system in B.C. in more detail, we next categorize programs in a number of ways. First, programs are grouped by the policy area the program is meant to target (i.e., the “Program Target”). Box 2 provides the definitions of the program targets. Programs are generally targeted as follows: work-related, non-work-related, children and families, housing, education and training, and medical or health-related. We further categorize programs by demographic groups, or broad eligibility categories. Box 3 defines six broad eligibility categories, including low income, seniors, persons with disabilities, current or former Canadian Armed Forces, and immigrants or refugees.

Box 2: Program Targets

Work-related programs: provide income and social supports during disruptions in employment. They require labour force attachment, with the benefit amount potentially tied to employment income or duration (e.g., EI, CPP, the Canada Workers Benefit, and Workers' compensation).

Non-work-related programs: provide income and social supports to those with inadequate income or those who have higher costs of living.

Child and family programs: help with the cost of raising children.

Housing programs: provide either demand-side or supply-side housing aids, such as homeless shelters, housing subsidies, or affordable housing.

Education, training, and employment programs: provide support to those in post-secondary education and employment-related training programs, and those searching for employment.

Medical/health programs: provide supports for meeting medical and health needs.

Box 3: Broad Eligibility Categories

Low income: programs where the benefit goes to zero if a person/household has a total income of \$50,000 or more. Low-income eligibility is not the same as an income-tested program: a person with high income may still receive a benefit under an income-tested program, but they would not if the program included a low-income eligibility requirement.

Senior: programs where eligibility recipients to be 65 or older.

Disability: programs where eligibility depends on the recipient having a disability. Different programs have different definitions of disability.

Veteran or Canadian Armed Forces: for persons who are a veteran or a current or former Canadian Armed Forces Member.

Immigrant/refugee: to be eligible, a person must be a refugee, a recent immigrant, or a person applying for permanent residency status.

Other: programs that do not have any of the above broad eligibility requirements, but still have other eligibility requirements that must be met.

Figure 4 provides a visual of all of the B.C. income and social support programs by program target and eligibility: program target is on the x-axis and eligibility is on the y-axis. Programs in black circles are programs offered by the B.C. government, while programs in white circles are programs offered by the B.C. government that are restricted solely to recipients (and former recipients, dependent on the program) of Income Assistance. Programs in orange circles are programs offered by the Government of Canada. The size of the circles is irrelevant. Some other notes on Figure 4:

- If a program is placed at the intersection of two eligibility criteria, the program requires an eligible recipient to meet both eligibility criteria. For example, the EI family supplement requires that an eligible recipient have low income and dependent children.
- Low income is included twice as an eligibility category due to artistic limitations: many programs require combined eligibility requirements, such as senior and low income, dependent children and low income, or disability and low income. Including low income twice allows us to show this overlap without overly complicating the visual.

Figure 5 provides a visual of the programs (that we have expenditure data for) by program target and expenditures: the size of the program slice indicates the relative size of expenditures. We discuss Figures 4 and 5 concurrently below.

Beginning by examining programs by program target, in Figure 4, we see that the federal government offers a large number of work-related and non-work-related programs. There are very few housing programs or child and family programs or medical/health programs provided by the federal government. In Figure 5, we see that the largest programs by expenditure offered by the federal government are work-related, non-work-related, and child and family programs (notably the CCB).

Comparatively, provincial government programs are more evenly allocated in terms of number of programs across the program targets, except for work-related targets. Of the provincially provided programs, the majority of programs are medical/health, housing, and education, training, and employment programs. The provincial government provides very few work-related programs and those it does provide are workers' compensation programs.

Similarly, in Figure 5, we see that large provincial programs by expenditure are much more diversified across program targets when compared to federal government programs. Non-work programs are the largest by expenditure, followed by housing programs and then non-work-related programs. Although the B.C. government does not provide many work-related programs, those it does provide are relatively large. Notably, WorkSafeBC programs (i.e., workers' compensation)—a work-related program—is quite large.

Turning next to eligibility, in Figure 4 we observe that the federal government offers many programs for veterans and immigrants, and non-work-related supports for seniors. In contrast, the provincial government has more programs for low-income persons and families with dependent children (although, as we see in Figure 5, provincial programs for children are not as large in terms of expenditure as federal programs for children).

Also observed in Figure 4 is that there are very few child and family programs solely targeting low-income persons: they tend to be more universal, seeming to target horizontal equity (the idea that families with children have larger costs, so all families with children but not families without children should receive benefits) as opposed to vertical equity (the idea that families with children who have the ability—that is, income—to cover more of their costs should cover more than families with children who have a lower ability to do so). If these child and family programs were to target vertical equity instead, they might look different.

Programs for persons with disabilities are more evenly split among the different levels of government. In terms of the number of programs for persons with disabilities, the federal government offers mostly work-related and tax-administered programs and savings-matching programs. The provincial government offers more housing, and education/employment programs. However, this does not mean that every person with disabilities can access all these programs. There are nearly as many definitions of disability as there are programs for persons with disabilities. Table 1 provides a summary of the definitions of disability for several of the larger programs targeting persons with disabilities.

There are a number of observations we can make based on Table 1. First, very few programs offer support for persons with episodic disabilities, with the focus being on providing support for those with long-term, continuous disabilities. Second, at the provincial level, both Community Living BC (CLBC) and Home Adaptations for Independence (HAFI) have more restrictive definitions of disability when compared to Disability Assistance, but they serve different purposes. CLBC and HAFI target persons with very specific disabilities (i.e., developmental disabilities or an ability-related disability, respectively) to serve a very particular need (i.e., social inclusion and access within own home, respectively).¹² Disability Assistance, on the other hand, targets (presumably) *all* persons with disabilities to serve a broader need (i.e., income support).

Third, at the federal level, the two largest programs for persons with disabilities, Canada Pension Plan disability benefits (CPP-D) and the DTC, both have very restrictive definitions of disability compared to the provincial Disability Assistance program. They are only available to persons with a continuous, longer-term disabilities. Given the restrictiveness of these definitions, this suggests that many persons with disabilities who would otherwise benefit from these programs either receive nothing or are pushed onto Disability Assistance, a program with a much higher level of stigma than either the CPP-D or the DTC (which are delivered through Service Canada and the CRA, respectively, incurring lower levels of stigma, as discussed previously). All of this contributes to confusion and undue hardship for persons with disabilities applying for these programs.

¹² Whether the type of disability targeted or the need identified is defined too narrowly will not be addressed here.

Figure 4
Programs by Program Target and Eligibility

Legend:
 Black circles: Government of B.C. programs
 White circles: General and health supplements to Income Assistance
 Orange circles: Government of Canada programs

E l i g i b i l i t y

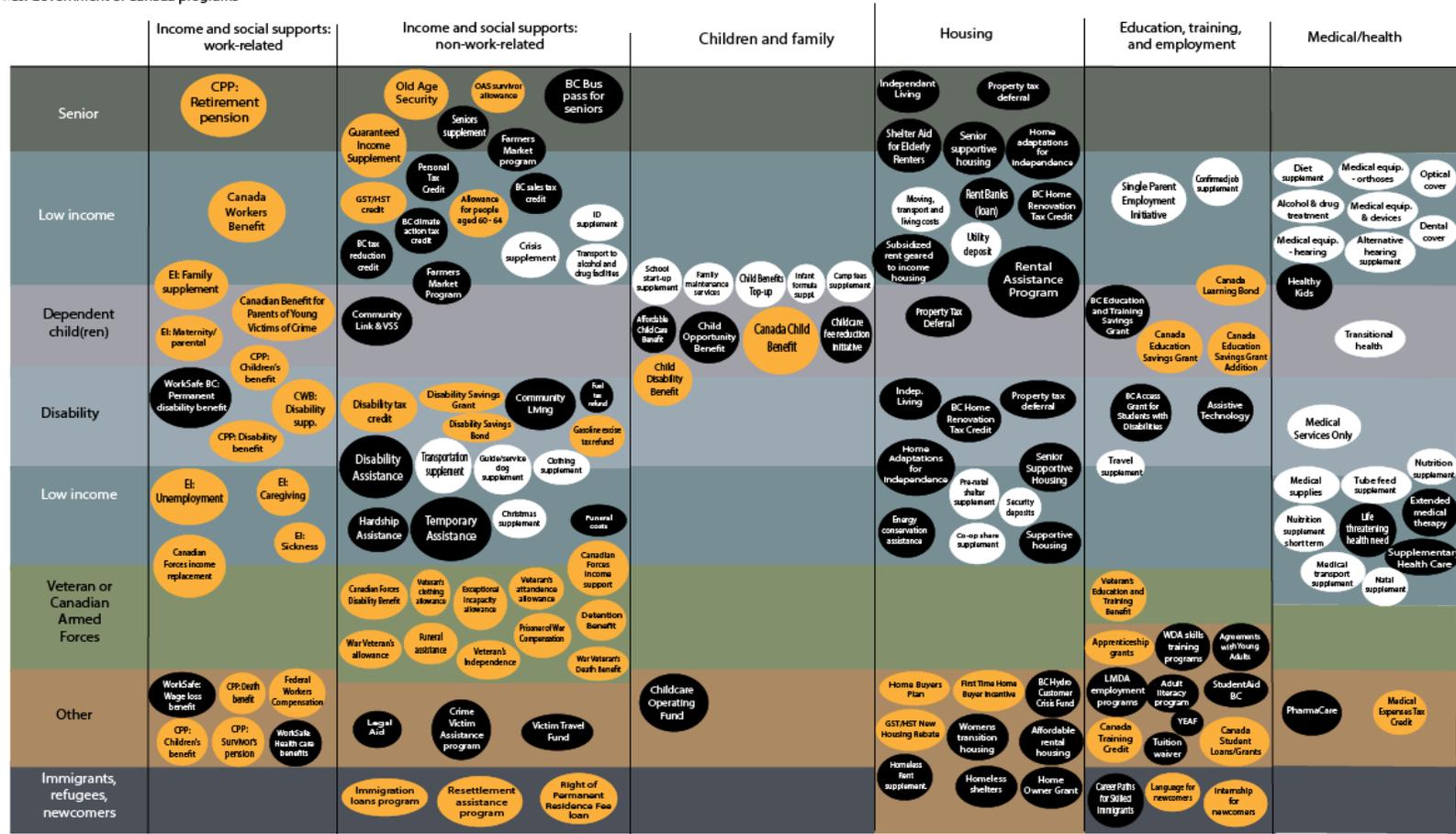


Figure 5
Programs by Program Target and Expenditure

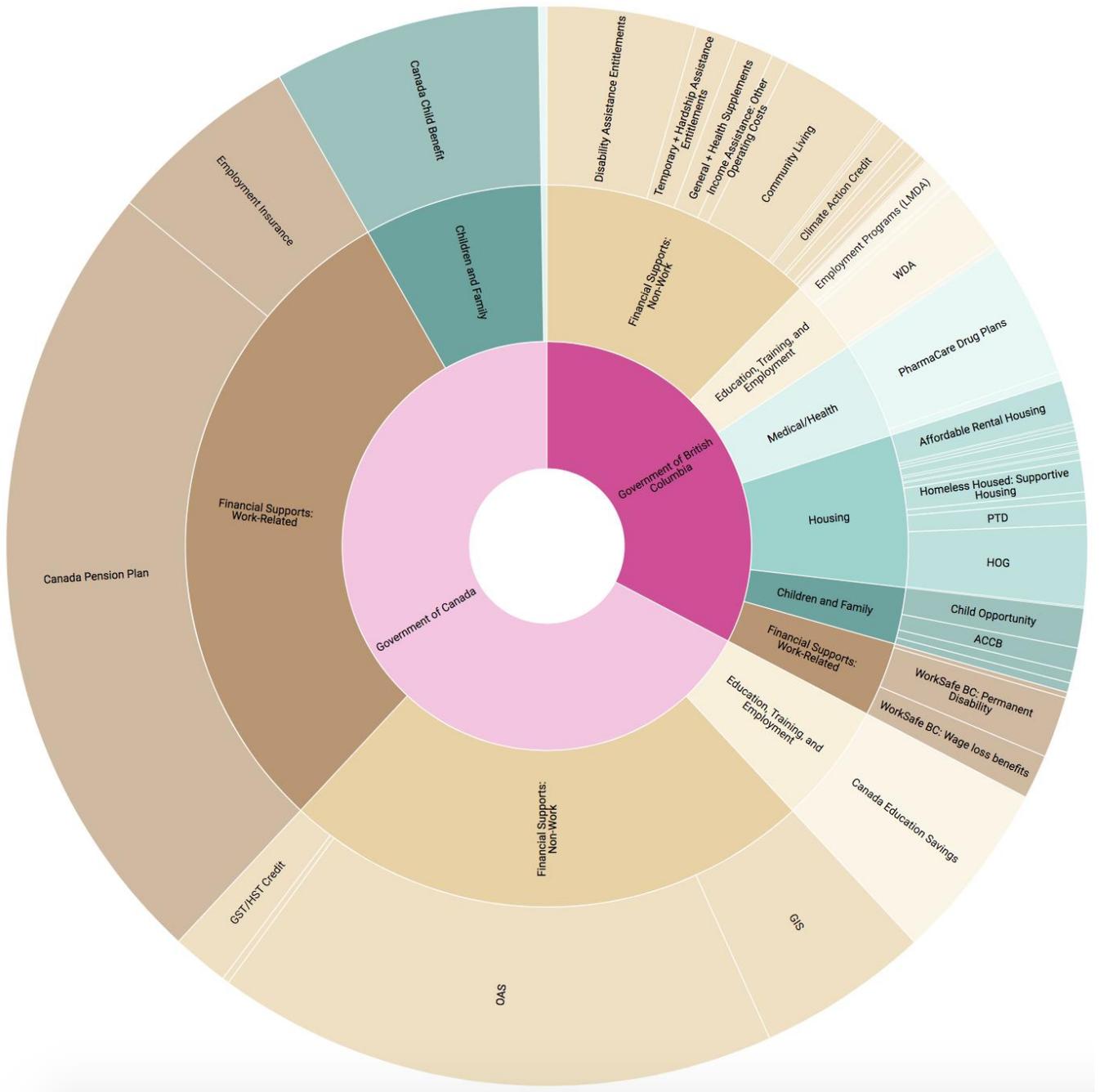


Table 1

Overview of Definitions of Disability for Select Programs

	Federal programs		Provincial programs		
	CPP-D	Disability Tax Credit	Disability Assistance	Community Living BC	Home Adaptations for Independence
Include physical disability?	Yes	Yes	Yes	No	Yes
Include mental disability?	Yes	Yes	Yes	Yes—developmental disability only	Unclear
Include episodic disability?	No	No—must have disability at least 90% of time	Yes—“Impairment... restricts ability continuously or periodically”	No	No
If designated a PWD for one program, then also PWD for this program?	No	No	No	No	Yes—if designated PWD for the DTC, then considered PWD for HAFI (no other proof necessary)
Length of time Disability Expected to Last	“long duration and of indefinite duration or is likely to result in death”	At least 12 months	At least 2 years	Permanent, started before the age of 18	Permanent
Impact on employment?	“is incapable regularly of pursuing any substantially gainful occupation”				
Impact on daily living?		Person is significantly restricted in 2 or more basic activities of daily living (i.e., speaking, eating, walking, eliminating, feeding, dressing, and mental functions for everyday life) or in vision and 1 or more basic activities of daily living. The cumulative effect of these significant restrictions is equal to being markedly restricted in one basic activity of daily living.	“directly and significantly”		Permanent disability or loss of ability that affects safe and independent living in own home

Definitions of Income for Income-Tested Programs

Most income and social support programs are income-tested in some way, whether that means that in order to qualify for the support income must fall below a threshold, or that benefits are reduced or eliminated if income rises above a specific threshold. What precisely “income” means under these various programs varies widely, adding to confusion as well as administrative complexity. Table 2 provides the definition of income used for selected programs that are income-tested. Table 2 shows that while most programs use some definition of income based on inputs into the T1 personal income tax form and reported on an individual’s Notice of Assessment, they use different combinations of these inputs to arrive at a definition of income.

Income Assistance (IA), however, is a clear outlier in this regard. IA directly collects its own information on income sources—including sources of income that are not reported on the T1 personal income tax form, such as gifts, prescribed prizes, and lottery winnings—which are not considered taxable income by the CRA. This not only makes IA applications more intrusive, but also more complex to navigate. Furthermore, the legislation related to IA itemizes the forms of financial compensation that must be reported. This means that the legislation needs to change as forms of income and assets change in order to maintain neutrality among these forms of income and assets.

For the three child and family programs included (highlighted in grey), there are two different definitions of income used. Both the Canada Child Benefit and the B.C. Child Opportunity Benefit (COB) use the same definition of income (and they are both administered by the CRA). However, the Affordable Child Care Benefit (ACCB) uses a different definition of income than the CCB or COB. Notably, the CCB and COB include social assistance income as income in determining benefit eligibility whereas the ACCB does *not* include social assistance income as income. None of these three child and family programs solely target low-income households.

Turning to programs for seniors (highlighted in blue), there are five programs included here and three definitions of income. The four seniors’ programs targeting low-income seniors (GIS, the Senior’s Supplement, Allowance for the Survivor, and Shelter Aid for Elderly Renters) all deduct provincial social assistance from their definitions of income for income testing. OAS, which does not target low-income seniors, does not deduct social assistance. This suggests that it is possible to change the definition of income for some programs depending on the target: programs targeting low-income families do not have to include social assistance as income. However, this is generally not what we see. The Canada Workers Benefit, the B.C. sales tax credit, and the B.C. climate action tax credit all target low-income persons and they all include social assistance as income.

This raises an important consideration related to potential reforms of the system: What is the underlying rationale for treating social assistance income differentially across these various income benefits? What drives its inclusion and exclusion from seemingly similar benefits? What does this mean not only for program interactions but also for an individual’s ability to appropriately plan and adjust to the incentive mechanisms related to the various programs?

Table 2*Definitions of Income for Select Income-Tested Programs*

Program	Government	Program target	Income definition
Canada Child Benefit	Canada	Children and Family	Net income (line 23600) of applicant and spouse – UCCB income – RDSP income + UCCB amount repaid + RDSP amount repaid <hr/> = Household Adjusted Family Net Income
B.C. Child Opportunity Benefit	B.C.	Children and Family	
Canada Workers Benefit	Canada	Work-related	
B.C. climate action tax credit	B.C.	Non-work-related	
B.C. sales tax credit	B.C.	Non-work-related	
Income Assistance (including Temporary and Disability Assistance)	B.C.	Non-work-related	[Earned Income – Deductions from Earned Income (e.g., EI + CPP contributions, income tax) – Exempt Earnings] + [Unearned Income (e.g., EI, CPP) – Deductions from Unearned Income – Exempt Unearned Income] ¹³
Affordable Child Care Benefit	B.C.	Children and Family	Total Income (line 15000) of applicant and spouse – provincial social assistance (line 14500) – (2000*(# family members – 2)) – (3000*(# of children with special needs))
Old Age Security	Canada	Non-work-related	Net income before adjustments (line 23400)
Guaranteed Income Supplement	Canada	Non-work-related	Net income (line 23600) – OAS income (line 11300) – provincial social assistance (line 14500) – GIS income (line 14600)
B.C. Senior's Supplement	B.C.		
Allowance for the Survivor/persons aged 60–64	Canada		

¹³ Note that this is the income definition used for the calculation of benefits. Each part of this income definition is defined at length in the BC Employment and Assistance Regulation (B.C. Reg. 259/2020) and may or may not line up with a specific line on tax forms. For example, “earned income” is defined in s. (1) of the Regulation and includes “any money or value received in exchange for work or the provision of a service, pension plan contributions that are refunded..., money or value received from providing room and board at a person’s place of residence, money or value received from renting rooms that are common to and part of a person’s place of residence.” Although this definition of earned income includes earned income reported in line 10100 (employment income) and 12600 (rental income), among other lines, it also includes earned income not reported, such as income earned “under the table”.

Rental Assistance Program	B.C.	Housing	Total Income (line 15000) of applicant and spouse + ongoing funds from non-taxable sources (i.e., spousal support payments, alimony, on-reserve income)
Shelter Aid for Elderly Renters	B.C.	Housing	Total Income (line 15000) of applicant and spouse – BC Bus pass for seniors T5007 social assistance

In summary, there is no consistent definition of income for the purposes of income testing. Some programs appear to use a definition of income that is consistent with the eligibility group they target (i.e., low-income), but not all do. Most programs use a definition of income that can be obtained from a person's T1 form or Notice of Assessment, but not all do. This contributes to the confusion among applicants when applying (or considering applying) for these programs.

The major takeaways from Figures 4 and 5 and Tables 1 and 2 are:

- Within the larger system of income and social support programs, there are niches for each level of government, with the federal government offering primarily work-related and non-work-related supports, and the provincial government offering non-work-related, housing, and medical/health supports.
- In terms of eligibility criteria, the federal government offers more programs for seniors, immigrants, and veterans, whereas the province has more programs for low-income persons and families.
- Eligibility for programs targeting persons with disabilities is confusing due to the different definitions of disability for different programs.
- Eligibility for programs that include income-testing is confusing due to the different definitions of income used for different programs.

4. Programs by Method of Delivery

To understand these programs in even more detail, we additionally categorize programs by method of delivery. With respect to method of delivery, typically economists think about the method of delivery as being either in-kind (e.g., a coupon for a specific product, like food stamps or health coverage) or a cash transfer (e.g., any transfer given as cash, with no strings attached).¹⁴ For the purposes of this overview (and companion pieces), we apply a finer breakdown of the method of delivery, as government programs use a variety of techniques for providing support and compensation and for various reasons. As one aspect that we are interested in considering is whether and how the method of delivery affects behaviour, such as take-up rates of programs and how the benefit is spent or saved, this finer categorization may prove informative. Box 4 details the definitions for the various methods of delivery we consider: pure cash transfers, refundable tax credits, non-refundable tax credits, cash geared to costs, reimbursement, pure in-kind, and services. Figure 6 provides a visual of programs by method of delivery and Figure 7 provides a visual of only the provincial programs by program target and method of delivery.

In Figure 6, we can see that the most common method of delivery for provincial programs is pure in-kind. Likewise, for the federal government, the most common method of delivery is pure cash transfer.

¹⁴ For more details on these definitions of in-kind and cash transfer, see Kesselman and Mendelson (2020).

Pure cash transfers preserve the autonomy of the recipient and are more economically efficient than an in-kind benefit: recipients may spend the cash as they choose on the goods that maximizes their household's well-being. However, there are drawbacks to cash transfers in terms of access. Cash transfers (pure cash transfers, tax credits, or cash geared to cost) offered by either government require that a recipient have access to a bank account or a cheque-cashing service. For those without access to a bank account, cheque-cashing services can be predatory, demanding high rates of interest. This decreases the amount of benefit actually pocketed by these vulnerable populations, which, as we show in the following section, is low to begin with.

Figure 6 shows that a relatively small number of programs offered by either the federal or provincial government are delivered through the tax system as either a refundable or non-refundable tax credit; however, the programs that are delivered through the tax system at the federal level can be quite large in terms of the proportion of total spending (e.g., the CCB). Delivering programs through the tax system has implications—notably the shortcomings of the CRA, as discussed earlier, and including non-responsiveness and a requirement to file taxes.

Looking more closely at only provincial programs, Figure 7 shows that the B.C. government delivers its most common program targets—health/medical and housing programs—as in-kind benefits (either pure in-kind, cash geared to cost, or bill refunds). There are good reasons to have such a preference. Kesselman and Mendelson (2020) suggest that there are positive social benefits from this method of delivery: housing and health care are “merit” goods of which taxpayers support the consumption. Thus, delivery of these program targets as in-kind benefits may have more political support from taxpayers than delivery as a cash benefit. In addition, Kesselman and Mendelson (2020) suggest that providing benefits as in-kind allows for better targeting to meet special needs, and it obviates the need to provide all eligible beneficiaries with cash at such a high level that they could afford to purchase these in-kind benefits regardless of their actual personal need. For medical/health programs, this is

Box 4: Method of Delivery

Pure cash transfer: programs pay out cash benefits with the benefit amounts not linked to any actual expenses incurred or to be incurred

Refundable tax credit: programs are offered through the tax system; they are first applied to taxes owing, and any leftover amount is paid to the eligible recipient as a cash payment

Non-refundable tax credit: programs are offered through the tax system; they are applied to taxes owing, and any remainder is immediately forfeited by the taxpayer

Cash geared to cost: programs are paid out as cash benefits, with the benefit amount tied to an actual expense to be incurred (i.e., rent)

Bill repayment: programs are paid out as cash benefits, with the benefit amount tied to an expense paid in the past (e.g., home renovations)

Pure in-kind: programs directly cover the cost of a service or directly provide the good/service (e.g., health, education)

Services: programs where the funding goes to a third party, such as an employer or partnership, which then undertakes a research program or community training/partnership to help the general population more broadly

particularly true. Third, there may be savings for the government. In-kind program benefits are procured by the government from government-chosen large suppliers (e.g., of medical equipment), resulting in economies of scale (e.g., medical equipment can be secured at a lower price by the government than what may be available on the market to individual recipients). Finally, for low-income persons, housing costs and medical/health costs can be a large proportion of their household budget. With respect to housing costs, in 2017, the lowest income quintile households in B.C. spent on average 34% of their total consumption on housing costs—the largest category of all household spending (Statistics Canada, 2019b). And, with respect to medical/health costs, if and when they do occur, they can be unexpected and quite extraordinary. Often, low-income households do not have sufficient assets to cover these unexpected costs. Simply providing cash with no strings attached, such as a basic income, may result in low-income households having insufficient funds when the funds are most needed, requiring people to resort to solutions like predatory lenders. Ensuring that supports are available to cover both the high cost of housing and any unexpected extraordinary medical/health costs can help break the cycle of poverty.

Recipients also benefit from having programs delivered as in-kind programs. First, for those pure in-kind programs with no spending cap on items such as medical equipment—the programs provide the necessary equipment—there is no decline in the real benefit amount. The individual is provided with the needed in-kind benefit regardless of the price of the in-kind good. For programs offered as cash transfers or for those programs with spending caps, the dollar amount provided may be legislated, may not keep pace with inflation related for the given product, and may not be altered at all over long periods of time, resulting in a decline in real benefits. Pure in-kind benefits with no spending caps do not have this same drawback for recipients. Second, if recipients face barriers to financial planning (e.g., dementia or Alzheimer's) having a benefit delivered in-kind as opposed to having to budget a stream of cash benefits ensures that recipients have support when it is needed (e.g., for unexpected medical/health costs).

The key takeaways from this section are:

- Many provincial income and support programs are offered as in-kind benefits, either as pure in-kind or as cash-geared-to-cost programs.
- Many of these provincially provided in-kind benefits are provided for housing and medical/health, as well as services such as child care and transportation. All are important services that may not be easily replaced by a provincial basic income.

Figure 7

B.C. Government Programs by Method of Delivery and Program Target



5. Benefit Levels

So far, we have seen that the B.C. government provides many small to medium housing and medical/health programs, and some large non-work-related programs (mainly social assistance), with many targeting low-income persons, and with a preference for in-kind benefits.

On the other hand, the federal government provides large work-related and non-work-related programs; targets primarily veterans, immigrants, and seniors, although they do have one large child and family program (the Canada Child Benefit); and has a preference for cash transfers. In this section, we observe how these trends translate into benefit levels.

Specifically, we examine the dollar amount of cash benefits (including refundable tax credits) that B.C. residents are offered by programs that provide income support. We focus primarily on the core set of cash-transfer income programs and exclude in-kind benefits, as these are difficult to quantify and the amount received varies widely among recipients. We also exclude non-refundable tax credits and the general supplements offered to Income Assistance and Disability Assistance recipients (with the exception of the Transportation Supplement provided to all DA recipients) for the same reason. Finally, we exclude social insurance programs, such as EI, Workers' Compensation, and CPP, which are difficult to quantify as they depend on individual-specific circumstances, such as number of hours worked or amount of health care required.

Specifically, we look at the 2019 tax year and include the Canada Workers Benefit, the Canada Child Benefit, the GST/HST credit, the B.C. climate action tax credit, the B.C. sales tax credit, and the B.C. Child Opportunity Benefit.¹⁵ Also included is the Transportation Supplement, which is provided to all DA recipients and can be converted into a cash transfer of \$624/year.¹⁶

For the sake of analysis, we assume recipients of these benefit programs receive the full benefit amounts. This assumption overstates the actual benefit amounts because there are a number of barriers to accessing the full suite of available supports. First, there are administrative burdens associated with applying to the benefit programs, with some programs estimated to have ~30% take-up rates (Dunn & Zwicker, 2018). Second, failure to comply with an administrative requirement, such as monthly reporting, decreases the benefit amount. Third, benefit-level calculations consider expenditures, and some people do not incur the maximum expenses required to achieve the full benefit amount. For instance, in our analysis, we assume that an Income Assistance recipient receives the full IA shelter support component. However, if an IA recipient has no housing or does not spend enough on housing, they do not receive the full shelter support. Finally, we also assume that IA recipients are not disqualified from IA if they find employment and their earned income is less than the point at which IA benefits are phased out to zero.

We also make a number of other simplifying assumptions for modelling purposes. First, no recipients are students, veterans, or a member of the Canadian Armed Forces. Second, single parents and couples with children have one child under the age of six.¹⁷ Third, recipients do not receive other boutique tax credits, such as the medical tax credit.

¹⁵ These cash-transfer programs are included because they are “universal” in the sense that they depend on income and family size and are distributed through the tax system.

¹⁶ All other supplements are excluded because they are not frequent, are situation-specific, are generally not reported on tax forms, and are often provided as in-kind benefits, which are difficult to convert into cash values.

¹⁷ For families with children over the age of six or for families with more than one child, the same patterns hold as the pattern for one child under six.

The program details used are from tax year 2019, except for the B.C. Child Opportunity Benefit, which was implemented in October 2020: we use the proposed numbers available on the B.C. government website as opposed to those for the B.C. Early Childhood Benefit that it replaces. Furthermore, we use tax payments for July 2019–June 2020 for both the Canada Child Benefit and the GST/HST Benefit.

Figure 8 shows the annual amount of benefits offered to a B.C. resident if that person (family) does not have disabilities. Figure 9 shows the annual benefit amounts offered to a B.C. resident with disabilities. In both Figures 8 and 9, the benefits are compared to the poverty line. The poverty line used here is the Market Basket Measure (MBM) of poverty for Vancouver in 2017. The number in orange is the benefit amount as a percentage of the MBM available to a B.C. resident who has no other income. The number in purple is the benefit amount available to a B.C. resident as a percentage of the MBM at the point where benefits are at their maximum.

Working-Age Single Adults

Figure 8 shows that single adults have the lowest levels of benefits. They receive \$9,640/year in benefits if they have no other income, approximately 48% of what it would cost to secure a basic standard of living in Vancouver as measured by the MBM. If they were to accept a part-time job (20 hours/week) at minimum wage (\$13.85/hour), their benefits would drop to \$1,785/year, and they would secure about 81% of the cost of a basic standard of living Vancouver in 2017.¹⁸ They would have to work at least 26 hours a week at minimum wage to secure the MBM standard of living.¹⁹

For single adults, these benefit levels are worrisome. As outlined in Petit and Tedds (2020b), single adults in B.C. have the highest poverty rates and are the deepest in poverty. The benefits currently available to single adults are very low compared to the poverty threshold. Even after securing a part-time job, single adults are still unable to move above the poverty line.

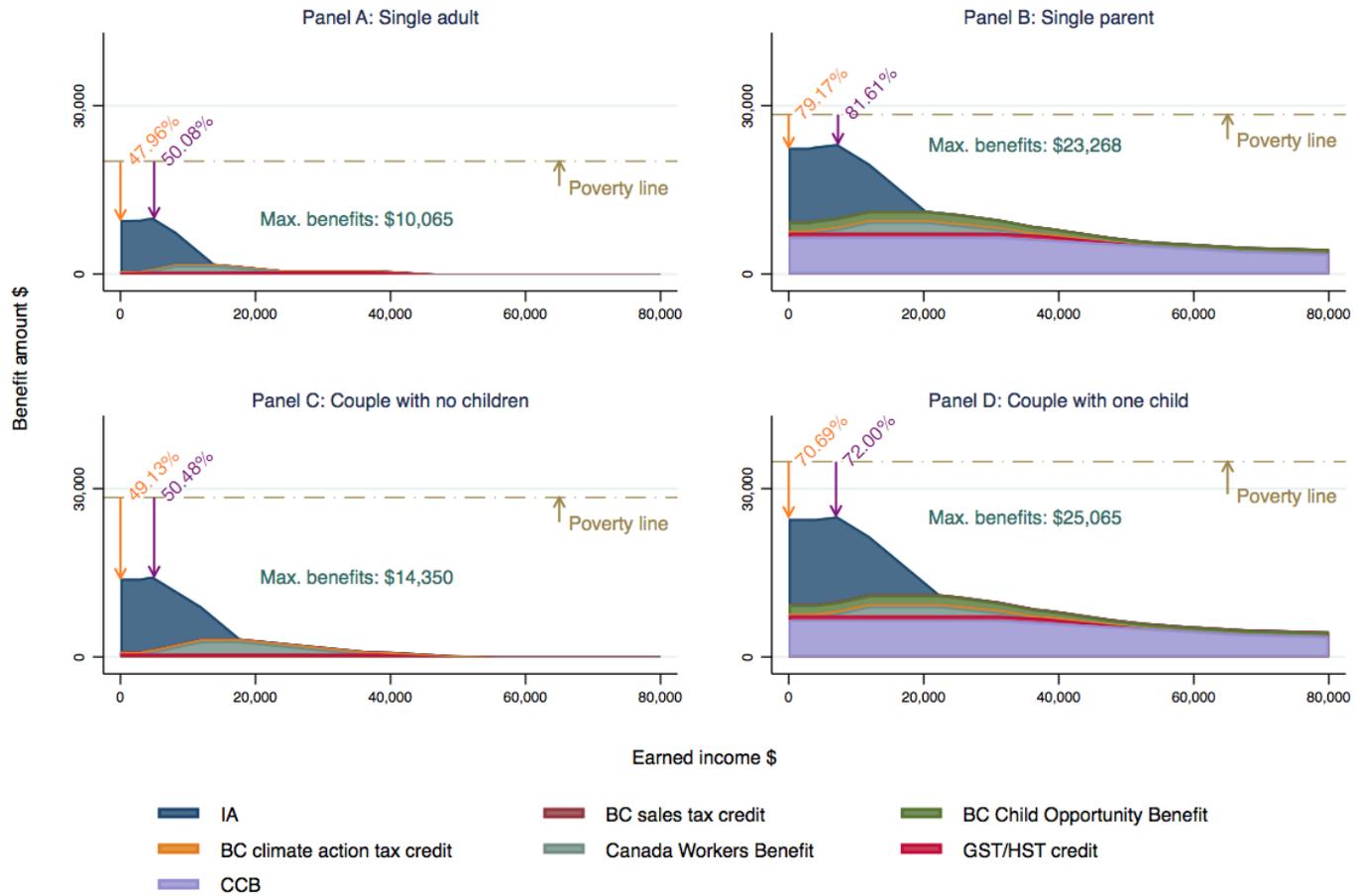
Childless couples have benefits that are not much higher than for single adults. If a couple has no other sources of income, they receive benefits of \$13,966/year, about 49% of the MBM. Likewise, if one of the partners has a part-time job at minimum wage, they receive about 74% of the MBM. These numbers for childless couples are less worrisome than for single adults, though, as we saw in Petit and Tedds (2020b), as couples have the lowest incidence and depths of poverty. However, for those who are living in poverty, these numbers are not promising for achieving poverty reduction targets with the existing system and benefit levels.

¹⁸ When benefits and earnings are added together.

¹⁹ This does not take into account potential taxes on these earnings, so more than 26 hours of work would be needed when taxes are included.

Figure 8

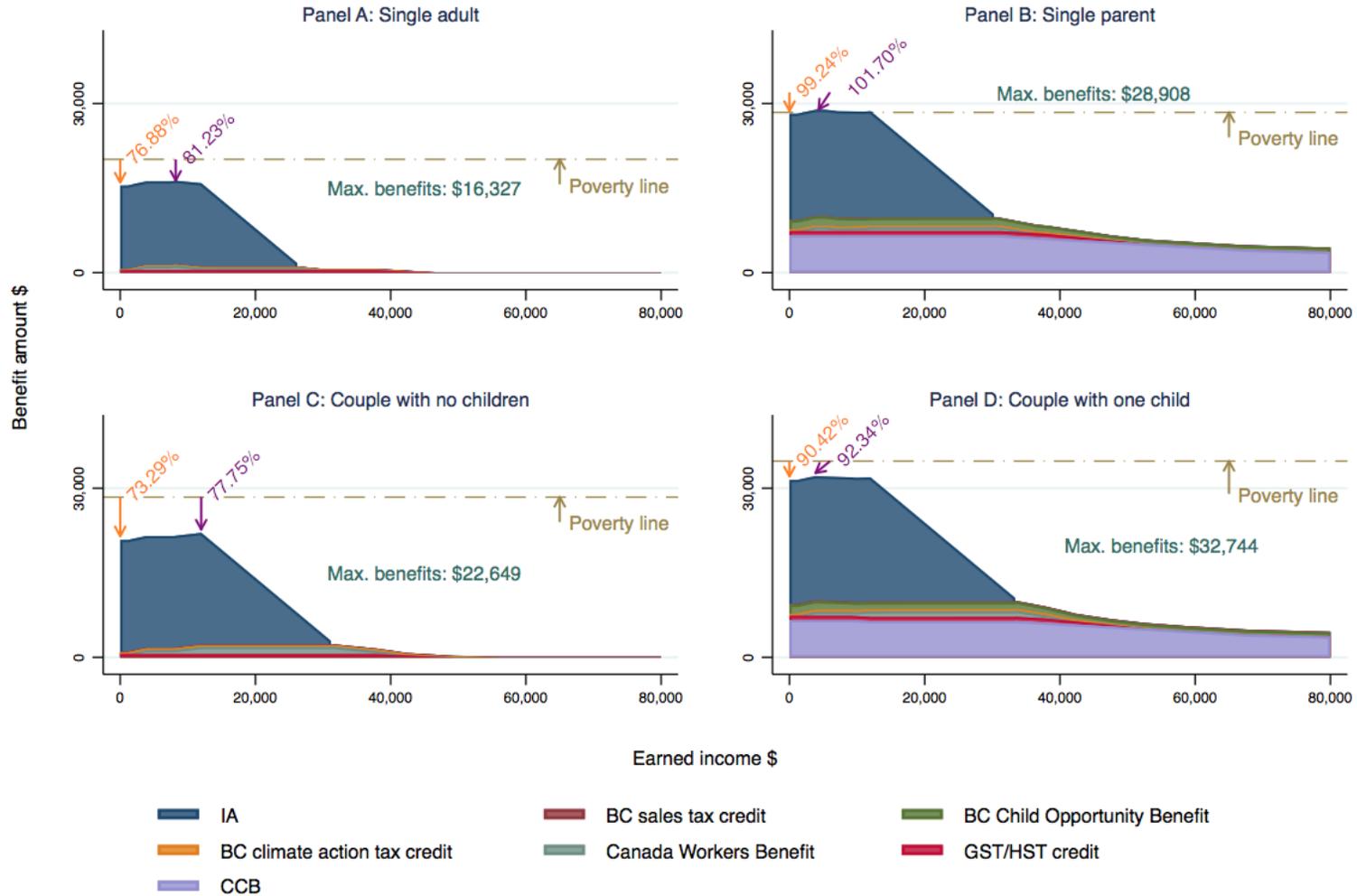
Benefits Offered to B.C. Residents, 2019



Includes program interactions. Author calculated using Kevin Milligan (2019), Canadian Tax and Credit Simulator (2019 working version).

Figure 9

Benefits Offered to B.C. Residents with Disabilities, 2019



Includes program interactions. Author calculated using Kevin Milligan (2019), Canadian Tax and Credit Simulator (2019 working version).

Single Parents

Single parents receive a higher level of benefits than single adults. Recent policy initiatives have focused on investing in children and have resulted in programs such as the Canada Child Benefit and the B.C. Child Opportunity Benefit, which transfer relatively larger benefits to families with children. Canada's system of child benefits has been credited with contributing more to the decline of single-parent poverty than labour market income (Hoynes & Stabile, 2019).

Benefit levels for single parents and couples with children are higher and closer to the MBM than for single adults and couples without children. Single parents with one child and no other income are offered up to \$22,503/year in benefits, about 79% of the MBM. Couples with children are offered up to \$24,609/year, about 71% of the MBM.

People With Disabilities

People with disabilities receive higher benefits, which are closer to the MBM than for people without disabilities. For families with no children and no other sources of income, single adults with a disability receive \$15,453/year, about 76% of the MBM, and couples in which both partners have a disability receive \$20,834/year, about 95% of the MBM. For families with children and no other sources of income, single parents receive \$28,208/year, about 99% of the MBM, and couples with children receive \$31,479/year, about 92% of the MBM.

Summary

The key takeaway from looking at the current benefit levels provided by the main income support programs is that, in total, they are insufficient to raise most beneficiaries out of poverty. Because these benefits levels are below the poverty line, they provide little ability for beneficiaries to accrue a financial safety net to allow them to withstand any further income shocks, creating a barrier to breaking the cycle of poverty. When combined with system complexity, the application and delivery process, and the differing eligibility criteria and requirements that must be met while receiving benefits, the degree to which all individuals are able to access these benefits is highly questionable. Thus, what is presented here is the theoretical maximum benefit that someone could receive if they were able to fully navigate all these aspects of the system, and likely does not reflect the reality of the actual benefit levels received.

Conclusion

In order to understand how best to reform the current system of income and social supports in B.C., or how best to implement a basic income, we have provided here a system-wide overview of the income and social supports available to B.C. residents, focusing on the issues of system-wide access, the program mix offered, and the level of benefits available. From this overview, we see that the system of income and social supports in B.C. is large and complex. Not only are there a lot of programs, but there are many different points of access and

methods of access. Due to the sheer number of programs and the number of programs that require an applicant to self-initiate (i.e., find out about the program on their own and apply), many programs are likely under-utilized by those who need them most.

However, this is not the only impediment to program access. Technical aspects of eligibility, such as the definition of disability and the definition of income, are confusing and may discourage potential recipients from applying.

There are possibilities for reform that could ease these access issues. Reforms could address the delivery system. For example, when there are different definitions of income and/or disability, if one definition could encompass another, deemed eligibility would reduce the administrative burden and the number of forms applicants have to fill out. This would require increased information sharing among programs. In turn, using shared information, potential beneficiaries could be informed if they were eligible for another program, reducing the overall complexity of the large system.

In addition to access issues, we looked at how programs differ between the different levels of government in terms of program target, eligibility, and method of delivery. The provincial government and federal government differ on all of these scores. The B.C. government offers many housing, medical/health, and non-work-related programs. The largest provincial program is Income Assistance, which targets low-income individuals and is delivered as a pure cash transfer. This is also the largest benefit received by low-income persons (when social insurance programs are excluded). Regardless of IA being the largest program, the provincial government delivers many of its programs as in-kind benefits, such as various housing programs and health supports.

In contrast, the Government of Canada offers many work-related and non-work-related programs primarily as pure cash transfers. From an institutional perspective, this makes sense, given its access to the CRA and Service Canada. The largest program offered by the federal government is CPP, followed by other social insurance programs (EI, OAS/GIS) and the Canada Child Benefit. Along with its focus on social insurance programs, the federal government offers many programs to veterans, immigrants, and seniors.

In considering province-level reforms to the income and social support system, through either incremental changes or a basic income, these differences in program niches should be kept in mind. The B.C. government provides many valuable in-kind programs, particularly housing and medical/health, which would be difficult to replace with a basic income.

Finally, we saw that the benefit levels (from cash-transfer programs) are low when compared to the MBM poverty threshold, particularly for single adults. This is troubling, given that single adults have the highest incidence and depths of poverty in B.C. However, B.C. residents also have access to a large number of in-kind programs that are difficult to quantify in the same manner as cash-transfer programs. What the appropriate mix of in-kind and cash-transfer programs is, and what is “adequate” in terms of benefit levels, are questions that would need to be addressed. Further, our analysis assumes that individuals access all the income benefits for which they are eligible. From this perspective, we are presenting theoretical benefit levels rather than actual benefit levels.

This paper focused on the overall system and not on individual programs. The next step is to consider the key programs and their details.

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