

# Canada Working-Age Supplement

## Policy primer | Dec 2024



As the cost of living increases, wages continue to lag behind. Having a job is no longer enough for many people in Canada to meet their basic needs. And with inadequate income being the root cause of food insecurity, this is contributing to Canada's food insecurity crisis. **Countrywide, close to 60% of families who receive work income as their main source of income experience food insecurity.**<sup>1</sup>

"Working-age" people (aged 18 to 64) living on low incomes simply aren't getting the federal government support they need. The only federal support for this group is the *Canada Workers Benefit (CWB)*, a refundable tax credit. And many people in this age group don't qualify for this support because of the way it's designed.

Right now, **nearly 1 in 4 people aged 18 to 64 in Canada experience food insecurity.**<sup>2</sup>  
It's clear:

- The CWB isn't adequate to prevent food insecurity for those who are eligible for it.
- Much more needs to be done for low-wage workers.

## How the Canada Working-Age Supplement would help

That's why Community Food Centres Canada and [Maytree](#) are calling on the federal government to **replace the CWB with an enhanced tax credit: the Canada Working-Age Supplement (CWAS).**

Working with Maytree, we analyzed the limitations of the CWB and developed the CWAS as a solution to better help people aged 18 to 64 living on low incomes.<sup>3</sup>

Our analysis shows that the CWAS would reduce poverty and food insecurity among people aged 18 to 64 because it would address two key shortcomings of the CWB: restricted eligibility and modest benefit payments.

## Expanding eligibility would support the people who are most in need

- *The problem:* The CWB requires applicants to earn at least \$3000 in annual work income to be eligible for the benefit.
- *Our solution:* The CWAS wouldn't require recipients to have employment income. **This expanded eligibility would give income support to those who need it most: people experiencing deep poverty and severe food insecurity.** This population includes:
  - people without paid work who face barriers to getting or keeping a job
  - people with unstable work whose annual work incomes are less than \$3000
  - single people aged 18 to 64.

## Increasing the benefit amount would help keep pace with the growing cost of living

- *The problem:* CWB payments are inadequate and don't keep up with inflation and the growing cost of living. This perpetuates a cycle of deep poverty.
- *Our solution:* The CWAS would have an annual maximum benefit of \$3000—far higher than the annual maximum benefit of \$1428 currently available to CWB recipients.
- Among single people aged 18 to 64, the CWAS would give financial support to **3.1 million single people. This is a significant improvement over the one million people currently supported by the CWB.**

### An incremental approach to implementing a CWAS

If implementing a full CWAS isn't possible, the federal government could remove the requirement for a person to have employment income to qualify for the CWB.

This eligibility change would represent a critical first step on the way to implementing the CWAS. It would support an additional one million people experiencing deep poverty and severe food insecurity.

Learn about our [Poverty Action Unit](#) or contact us at [pau@cfccanada.ca](mailto:pau@cfccanada.ca).



## References

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2. Statistics Canada. (2024, April 26). Canadian Income Survey, 2022. <https://www150.statcan.gc.ca/n1/daily-quotidien/240426/dq240426a-eng.htm>
3. Kapoor, G. T., Tabbara, M., Hanley, S., & McNicoll, S. (2022). How to reduce the depth of single adult poverty in Canada: Proposal for a Canada Working-Age Supplement. Maytree and Community Food Centres Canada. <https://maytree.com/wp-content/uploads/canada-working-age-supplement-report.pdf>

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