



# SOCIAL POLICY

## COLLABORATIVE

### A PATH TO SELF-SUFFICIENCY: IMPROVING THE EFFECTIVENESS OF ALBERTA'S INCOME SUPPORT PROGRAM

*A policy brief from the Calgary Social Policy Collaborative – August 2020*

## EXECUTIVE SUMMARY

Albertans are facing elevated levels of unemployment, employment volatility, and income instability as we work to recover from the overlapping crises of the COVID-19 pandemic and the crash in oil prices that have shocked Alberta's economy. This brief highlights opportunities to improve the effectiveness of Alberta's Income and Employment Support programs. These programs will be essential to the province's economic recovery as Albertans seek support to meet their essential needs and find new opportunities to become self-sufficient through employment.

## CORE ISSUES

For Income Support recipients who find opportunities to pursue employment, further regulatory barriers create a penalty for working, as their benefits are reduced after earning just \$230/month, and disappear completely before they are able to earn enough to cover their essential expenses.

### POLICY RECOMMENDATIONS

1

Create greater incentives to work by exempting more of the income that benefit recipients can earn, enabling them to better cover their essential expenses and strengthening their attachment to the workforce.

2

Ensure that Income and Employment Support programs and other benefits and services are available to Albertans in crisis, and as they work to increase their self-sufficiency.

## ABOUT THE SOCIAL POLICY COLLABORATIVE

The Social Policy Collaborative (SPC) is a group of community organizations committed to working together to inform the development and implementation of public policy that improves the economic and social wellbeing of Albertans. This brief was supported by 14 member organizations: Calgary Counselling Centre, Calgary Food Bank, Carya Society of Calgary, Catholic Family Service, CUPS, Max Bell Foundation, Momentum, United Way of Calgary and Area, Vibrant Communities Calgary, Women's Centre of Calgary, YW Calgary, The Alex, Calgary Drop-In & Rehab Centre Society, Inn from the Cold and The Boys and Girls Club of Calgary. This group aims to bring a clear and collective voice to government to advance policy opportunities that address the most pressing challenges faced by vulnerable Albertans.



# Overview

The overlapping crises of the COVID-19 pandemic and the most recent crash in oil prices have disrupted Alberta's economy to a degree not seen since the Great Depression. As we look to the months and years ahead, Albertans expect to face elevated levels of unemployment, employment volatility and income instability. Supports that shore up lost employment income while encouraging attachment to the labour market will be essential to support Albertans' participation in our recovering economy. Given that two-thirds of unemployed Albertans do not qualify for federal Employment Insurance benefits,<sup>1</sup> combined with the end of the Canadian Emergency Response Benefit (CERB), we can expect more people to access provincial Income and Employment Support (IES) programs.

The economic downturn that preceded our current crises was marked by stubbornly high and prolonged unemployment. IES programs have been strained with an ever-growing caseload, and a steady increase in the median amount of time Albertans are accessing these supports.<sup>2</sup> That said, the inadequacies of these programs to provide for recipients' essential needs and well-being, along with the regulatory barriers obstructing their path towards self-sufficiency, are long-standing.<sup>3</sup>

The following recommendations have the potential to save the government nearly \$40 million, and are designed to create an "off-ramp" for Income Support (IS) recipients to leave the program and find opportunities to contribute to Alberta's future prosperity. Now is the time for the Alberta government to take decisive action to more equitably meet the needs of Albertans while maintaining focus on jobs and recovery.

**RECOMMENDATION 1:** Create greater incentives to work by exempting more of the income that IS recipients earn from their jobs, enabling them to better cover their essential expenses and strengthen their attachment to the workforce.

The steep reduction to the benefit payment, and the risk of losing access to other benefits and supports described under Recommendation 2, penalizes IS recipients for working more. Under the current IES regulations, individuals who are employed or self-employed while accessing IS see their benefit reduced as their income increases. Their full benefit is retained when their income is below the earned-income exemption amount of \$230 per month. Additional income is subject to an earned-income exemption rate of 25%, resulting in their benefit payment being reduced by 75% of any income they earn above \$230. Once a single adult earns over \$1,223 per month, their benefit is reduced to zero, leaving them with enough money to cover just 60% of their essential expenses.

The current policy approach leads to a relatively small number of IS recipients who are categorized as Expected to Work (ETW) reporting any income from employment. On average, only 8% of ETW recipients reported that they were working in 2019.<sup>4</sup> This low percentage reflects poorly on the ability of the IES programs to meet the additional legislated purpose of "facilitating movement towards independence and self-sufficiency" for persons in need.<sup>5</sup>

By contrast, a higher earned-income exemption amount and exemption rate are applied to income earned by recipients of the Assured Income for the Severely Handicapped (AISH) benefit. This policy difference likely contributes to the higher rate of labour market participation seen among AISH recipients, averaging 16% in 2019.<sup>6</sup> Individuals who can take care of their essential needs are better equipped to seek out and succeed in employment and are motivated to work more.

<sup>1</sup> In 2018, 67% of unemployed women and 62% of unemployed men were not able to access federal Employment Insurance benefits. Data from [MacDonald, D. \(2020\) COVID-19 and the Canadian workforce Reforming EI to protect more workers.](#)

<sup>2</sup> [Government of Alberta \(2019\). Community and Social Services Annual Report.](#)

<sup>3</sup> [Government of Alberta \(2001\), Low income programs review: what we heard.](#)

<sup>4</sup> According to open data retrieved May 28, 2020 from <https://open.alberta.ca/opendata/income-support-caseload-alberta>. Total average Income Support caseload for 2019 was 60,864, the total average number of ETW cases was 38,477 of which an average of 3,133 were reported as working.

<sup>5</sup> [Government of Alberta, Income and Employment Supports Act.](#)

<sup>6</sup> According to open data retrieved June 30, 2020 from <https://open.alberta.ca/opendata/assured-income-for-the-severely-handicapped-aish-caseload-alberta>. Total average AISH caseload for 2019 was 65,363, and total average number of people with employment participation was 10,479. It is important to note that many recipients of AISH have permanent and severe disabilities and are unable to work. If we were to exclude these people from our calculations, we would end up with a much higher rate of employment participation among those who are able to work in some capacity.



### Action 1.1: Increase the earned income exemption to \$345.

To restore the incentive to work at least 23 hours each month, the government should increase the earned income exemption to \$345 per month to reflect changes to Alberta’s minimum wage.<sup>7</sup> The earned income exemption has not changed to keep up with the increases to the minimum wage in Alberta, as is required in the AISH General Regulation.<sup>8</sup> Before the 2015 changes to minimum wage, IS recipients could work up to 23 hours each month before their benefits were reduced. Today, someone earning the current minimum wage of \$15 per hour would reach the benefit reduction threshold after working just 15 hours a month. Increasing the earned-income exemption presents an opportunity to enhance an individual’s incentive to work more hours and increase their attachment to the labour market.

Changing this policy lever alone is not expected to provide a sufficient incentive for IS recipients to increase their participation in the workforce. We assume that most IS recipients would continue to only work up to the exempt amount to maintain their full benefit and their access to other supports (e.g. Health Benefit). As such, the government could expect the benefit payment costs per recipient to remain constant.<sup>9</sup> The true value of this policy change to incentivize increased working hours comes when it is combined with the following proposed change to the earned-income exemption rate.

**“**  
*red tape hinders the efforts of individuals to become more self-sufficient and is costly to Alberta taxpayers and civil society.*  
**”**

### Action 1.2: Increase the earned-income exemption rate from 25% to 50%.

The current 25% earned-income exemption rate acts as a secondary deterrent for IS recipients to increase their working hours. For every hour worked above 15 hours per month at minimum wage, IS recipients see their benefit reduced by \$11.25. This leads to an individual having to make difficult choices like whether they should pick up an extra three-hour shift, effectively costing them \$33.75 of their monthly benefit, or spend those three hours traveling to pick up a food hamper for the week.

By increasing the exempt income amount to \$345 and the income exemption rate to 50%, a single individual could earn up to \$1835 (after deductions) before their IS benefit is reduced to zero. This amount brings them much closer to financial stability as they can afford more of the essential expenses outlined in the IS regulation. This income also reflects a substantial increase in working hours while respecting the rationale for setting the maximum benefit amount below what a minimum wage worker earns.<sup>10</sup>

Cost savings of up to \$40 million could be realized as the employment participation rate increases and/or the average income earned by recipients increases, as fewer ETW recipients would receive the full benefit payment.<sup>11</sup>

| ALBERTA WORKS CORE ESSENTIAL AND SHELTER BENEFIT | CURRENT NET EARNED INCOME BEFORE LOSS OF BENEFIT | PROPOSED NET EARNED INCOME BEFORE LOSS OF BENEFIT | ACTUAL COST OF CORE ESSENTIAL AND SHELTER EXPENSES | COMPARE WITH: AFTER TAX INCOME FROM FULL-TIME MINIMUM WAGE WORK (40 HRS/WK) |
|--|--|---|--|---|
| <b>\$745</b>                                     | <b>\$1220</b>                                    | <b>\$1835</b>                                     | <b>\$1995</b>                                      | <b>\$2270</b>   |

Two key factors will influence the potential cost savings of the earned-income exemption rate – first, the success of job creators in generating opportunities for employment across Alberta’s economy, and second, the individual behavioural responses to the incentive of keeping more of one’s income. Implementing this recommendation will be a strong incentive for IS recipients to increase their attachment to the labour force, while earning more to cover the costs of their basic needs.

7 Kneebone, R. (February 2020). The earned income claw back proposal. Unpublished.  
 8 Government of Alberta, Assured Income for the Severely Handicapped General Regulation.  
 9 See Appendix C for a cost estimate analysis for this recommendation.  
 10 See Appendix B for calculations.  
 11 See Appendix C for a cost estimate analysis for this recommendation.



**RECOMMENDATION 2:** Ensure that supplementary Income and Employment Support programs and services are available to Albertans in crisis, and as they work to increase self-sufficiency.

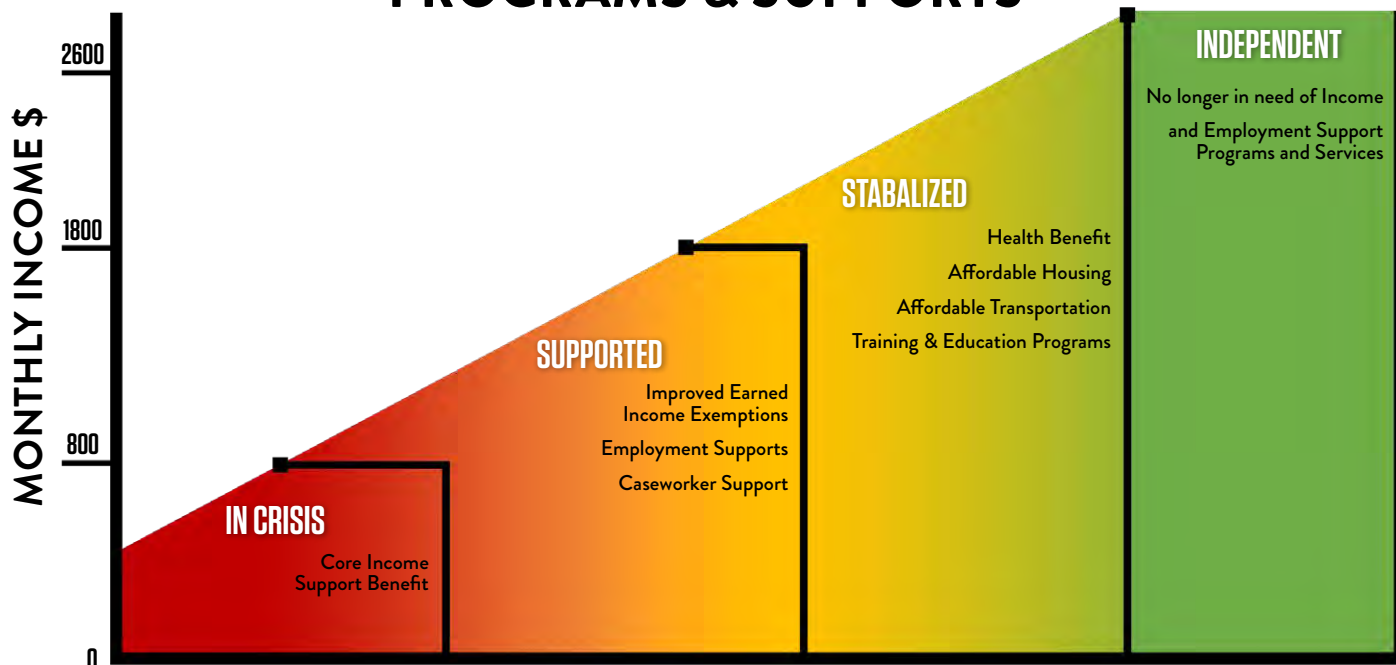
Having enough money to meet one's essential needs is the necessary foundation on which people made vulnerable by a crisis can stabilize their life. That said, it does not always enable full participation in our communities, which is why additional supports and programs are available to IS recipients and other Albertans living on low incomes. The Government of Alberta currently uses relatively rigid eligibility criteria for many social assistance programs including health benefits, supports to escape domestic violence, employment and training programs, and affordable housing. A more graduated eligibility framework can ensure Albertans are getting the right supports at the right time.

**Action 2.1:** Ensure a range of income eligibility thresholds for government programs that provide a smoother path for Albertans to self-sufficiency.

Currently, IS recipients lose their monthly benefit before they have earned enough income from working to cover their essential expenses. They also lose access to other supports and benefits as their income increases. For example, once an individual has earned over \$1382, they lose access to the Adult Health Benefit. The low thresholds at which IS recipients lose stabilizing benefits and supports are known as the "Welfare Wall."<sup>12</sup>

As the diagram below suggests, eligibility thresholds should be adjusted to encourage increased employment and ensure a smoother and more lasting transition away from government supports.

## PROPOSED CONTINUUM OF PROVINCIAL PROGRAMS & SUPPORTS



<sup>12</sup> Stapleton, J. (2007). Why is it so tough to get ahead? How our tangled social programs pathologize the transition to self-reliance.



## Action 2.2: Remove additional technological and policy barriers to accessing the Income Supports Emergency Damage Deposit and Housing Start-Up Fund, so that the recently homeless and domestic violence survivors can move quickly and safely from crisis to stable housing.

The overlapping COVID-19 health and economic crises have made many Albertans vulnerable as they struggle to obtain and maintain housing – especially those needing to leave a domestic violence situation or who have recently become homeless. The Income Supports Emergency Damage Deposit and Housing Start-Up Fund are essential benefits in these circumstances, however technological and policy barriers make it difficult for some to access these benefits and comply with public health orders in safe housing.

Ensuring there is adequate staffing for all Alberta Supports crisis lines and providing a direct and simple online and paper application form are two ways to help Albertans overcome the technological barriers and quickly access this benefit. During COVID-19, many applicants for IS emergency benefits have reported that they are unable to get through to Alberta Supports staff via phone, impeding their ability to access these essential supports.

Additionally, IES regulations include asset limits that deny emergency supports to applicants who have more than \$5,000 in RRSPs or a vehicle worth \$10,000 or more. This is especially salient for Albertans fleeing domestic violence as they may share assets with an intimate partner (e.g. a car purchased through a co-signed loan) but are not able to easily access them in an emergency or, on the other hand, liquidate them to meet the asset limits. Eliminating the asset limits for Albertans applying for the Emergency Damage Deposit and Housing Start-Up Fund will ensure these supports are there for Albertans when they need them most.

# Conclusion

The COVID-19 pandemic and the ongoing volatility of oil and gas prices have destabilized Alberta's economy. Individuals and families are facing high unemployment and income insecurity – factors that will have longer term impacts on our communities through expected increases of domestic violence and homelessness. While we recognize the role the federal government has played in stabilizing the household finances of many Albertans through their COVID emergency response measures, they will likely come to an end long before Alberta's economy has fully recovered. Addressing the human costs and maximizing Alberta's human capacity will depend on the provincial government taking decisive and strategic actions to implement adaptable supports and services through the "long tail" of the pandemic and its repercussions.

The legislation and regulation governing Alberta's Income and Employment Support program are clear: the monthly Income Support financial benefit is intended to cover the cost of specific essential expenses to ensure a basic level of health and well-being. The evidence of the costs of perpetuating the poverty trap and sustaining the welfare wall – to individuals, to government, and to society as a whole – is also clear. Albertans need a stable financial foundation as they rebuild their lives after a crisis, whether it is a global health pandemic, an economic downturn, an accident, or a need to leave an unsafe relationship. The common-sense regulatory changes outlined in this brief represent a worthwhile investment to ensure successful outcomes for the government and Albertans alike.

The Calgary Social Policy Collaborative is a resource and partner to the Government of Alberta. The collaborative welcomes the opportunity for collaboration and discussions to ensure that public spending is effectively allocated to improve the well-being of all Albertans.

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## APPENDIX A Alberta's Income and Employment Support Program

Alberta's Income Support, Training and Health Benefits Regulation specifies that the monthly benefit is intended to be used for household and personal needs, food, clothing, transportation, rent, insurance, and utilities. As shown in the table below, the cost of these items for a single individual in Calgary amounts to \$1995 per month, while the benefit they receive is enough to cover only 37% of this cost. This is for individuals expected to work (ETW) and those who face barriers to full employment (BFE).

| List of regulated Core Essential and Shelter Expenses <sup>13</sup> | Monthly cost of essentials for a single person in Alberta | Monthly benefit rate for expected to work (ETW), single individual <sup>14</sup> |
|---|---|--|
| Household needs and personal needs                                  | \$415.25 <sup>15</sup>                                    |  |
| Clothing  | \$76.50 <sup>15</sup>                                     |  |
| Food  | \$474.50 <sup>15</sup>                                    |  |
| Telephone   | \$31.50 <sup>16</sup>                                     |  |
| Basic Transportation  | \$54.50 <sup>17</sup>                                     |  |
| <b>Subtotal Core Essentials</b>                                     | <b>\$1052.25</b>  | <b>\$415</b>   |
| Rent (Private Dwelling)   | \$850 <sup>18</sup>                                       |  |
| Utilities   | \$92.75 <sup>19</sup>                                     |  |
| <b>Subtotal Core Shelter</b>  | <b>\$942.75</b>   | <b>\$330</b>   |
| <b>Total</b>  | <b>\$1995</b>   | <b>\$745</b>   |

The articulated purpose of the Income and Employment Supports Act is not achieved by the current Core Essential and Shelter benefits. Instead, red tape hinders the efforts of individuals to become more self-sufficient and is costly to Alberta taxpayers and civil society. Furthermore, IS recipients are compelled to navigate a complex system of government and community services (and at times access high-cost credit) to meet their essential needs. At best, this is a time-consuming and stressful process, but it can also be punitive and degrading as they must repeatedly prove they are in need.

A robust body of research has emerged from the fields of neuroscience and behavioral economics showing how toxic stress negatively impacts people's ability to think about, plan, and make decisions about their future. IS recipients experience toxic stress from both the crisis that brought them to apply for social assistance and from trying to survive in a situation of material deprivation. For many, meeting their needs for safety and survival takes priority over pursuing training and employment opportunities that would increase their self-sufficiency. This creates a "poverty trap" that can be hard to escape.<sup>20</sup>

<sup>13</sup> Government of Alberta, [Income Support, Training and Health Benefits Regulation](#).

<sup>14</sup> Government of Alberta, [Financial Benefits Summary](#).

<sup>15</sup> Calculated from the 2018 Market Basket Measure for Calgary using the square root family equivalency scale for a single individual. [Statistics Canada, Table 11-10-0066-01 Market Basket Measure \(MBM\) thresholds for the reference family by Market Basket Measure region, component and base year.](#)

<sup>16</sup> Basic land-line service from Telus

<sup>17</sup> Cost assumes a total benefit payment that would cover the CESE, thus placing the individual in Income Category C for Calgary's Low-Income Transit pass.

<sup>18</sup> Cost cited in Kneebone, R. & Wilkins, M. (2019). *Measuring and Responding to Income Poverty* based on 2017 data requested by authors from Canada Mortgage and Housing Corporation.

<sup>19</sup> Consumer Price Index for Energy-Water, Fuel and Electricity (2017), Statistics Canada Table 3236-0021, Modify Geography to Alberta.

<sup>20</sup> See Babcock, E.D. (2014). *Using Brain Science to Design New Pathways out of Poverty*; and Mullainathan, S., & Shafir, E. (2013). *Scarcity: Why having too little means so much.*

## APPENDIX B

### CURRENT POLICY

After accounting for taxes and other deductions, Income Support recipients who are single and expected to work are allowed an earned income of \$230 per month before the earned-income exemption rate of 25% is applied to the rest of their earnings. Their \$745 benefit is reduced to zero once they have earned \$1223, far short of the cost of the Core Essential and Shelter Expenses of \$1995 outlined in Appendix A.

| Net earned income | Base exempt income amount | Additional exempt income at 25% rate | Non-exempt income deducted from the IS monthly benefit |
|-------------------|---------------------------|--------------------------------------|--|
| \$1223            | \$230                     | $\$993 \times 25\% = \$248$          | $\$1223 - \$230 - \$248 = \$745$                       |

Using the EY Personal Tax Calculator<sup>21</sup>, the number of hours that an individual would work (at \$15/ hour, the current minimum wage for adults) that would result in both the full maintenance and full reduction of their IS benefit.

| Net earned Income / month | Gross earned Income / month | Hours worked at min. wage / month |
|---------------------------|-----------------------------|-----------------------------------|
| \$230                     | \$230                       | $\$230 / 15 = 15$                 |
| \$1223                    | \$1244                      | $\$1244 / 15 = 83$                |

### PROPOSED POLICY

This brief proposes increasing both the earned-income exemption amount to \$345 to reflect changes in recent years to Alberta's minimum wage and the earned-income exemption rate to 50% to mirror policies applied to earned income in the AISH program.

These changes will better enable the government to achieve the purpose of the Income and Employment Supports legislation and the corresponding regulatory intent of the monthly benefit:

Individuals will be better able to cover their Core Essential and Shelter Expenses of \$1995, and will see a smoother phase out of their benefit as they work more hours.

| Net earned income | Base exempt income amount | Additional exempt income at 50% rate | Non-exempt income deducted from the IS monthly benefit |
|-------------------|---------------------------|--------------------------------------|--|
| \$1835            | \$345                     | $\$1490 \times 25\% = \$745$         | $\$1835 - \$345 - \$745 = \$745$                       |

Using the same calculator, we arrive at the number of hours at \$15/ hour an individual would work that would result in a full reduction of their IS benefit under the proposed policy.

| Net earned Income / month | Gross earned Income / month | Hours worked at min. wage / month |
|---------------------------|-----------------------------|-----------------------------------|
| \$1835                    | \$2017                      | $\$2017 / 15 = 134$               |

<sup>21</sup> EY Personal Tax Calculator

## APPENDIX C

### COST ESTIMATES

Rigorous studies of the effects of reforming income support on people's choices and behaviours remain scarce in Canada.<sup>22</sup> While we do our best to outline the assumptions behind our calculations, they are presented for illustrative purposes only. Given the interconnected nature of the policy levers we address, there are limitations to estimating costs when treating the different proposals independently. Additionally, investments in one area could be offset by savings in other programs and services provided by the Government of Alberta.

#### 1.1 Increasing the base income exemption from \$230 to \$345: benefit cost per recipient remains constant

Changing this policy lever alone is not expected to provide a sufficient incentive for IS recipients to increase their participation in the workforce. We assume that most IS recipients would continue to only work up to the exempt amount to maintain their full benefit and their access to other supports such as the Alberta Health Benefit. As such, the government could expect the benefit payment costs per recipient to remain relatively constant.

#### 1.2 Increasing the earned income exemption rate from 25% to 50%: variable

The success of job creators in generating opportunities for employment, coupled with the degree to which individuals respond to the incentive of keeping more of the money they earn from employment will determine whether government costs increase or decrease. In the short to medium-term unemployment is expected to remain high as Alberta's economy recovers and federal COVID-19 response measures are phased out. Under these conditions, this policy change will have cost implications. Longer term, as government incentives for job creators take effect and IS recipients increase their participation in and attachment to the labour market, cost savings can be found through reduced benefit payments and overall caseloads.

In the absence of publicly available data on IS employment earnings, we have costed out three hypothetical scenarios to illustrate the relationship between increased employment participation and benefit payment expenditures: a) no change to current employment participation rate of 8%, b) moderate increase to 20% participation in employment, and c) significant increase to 50% participation in employment. Cost estimates have been calculated based on an average Expected to Work (ETW) caseload for single individuals of 26,600 (70% of total average ETW caseload of 38,000) and earned income of \$900.

<sup>22</sup> Breikreuz, R. S. and Williamson, Deanna L. "The Self-Sufficiency Trap: A Critical Examination of Welfare-to-Work." Source: Social Service Review, Vol. 86, No. 4 (December 2012), pp. 660-689



**ADJUSTED MONTHLY IS BENEFIT PAYMENTS FOR THE CURRENT AND PROPOSED EXEMPTION RATES**

| POLICY        | EXEMPT INCOME FROM \$900                 | NON-EXEMPT INCOME             | ADJUSTED IS BENEFIT PAYMENT PER MONTH |
|---------------|--|-------------------------------|---------------------------------------|
| Current 25%   | $\$230 + (\$670 \times 25\%) = \$397.50$ | $\$900 - \$397.50 = \$502.50$ | $\$745 - \$502.50 = \$242.50$         |
| Change to 50% | $\$230 + (\$670 \times 50\%) = \$565$    | $\$900 - \$565 = \$335$       | $\$745 - \$335 = \$410$               |

**BASELINE COST OF SINGLE ETW CASELOADS GIVEN CURRENT EMPLOYMENT PARTICIPATION OF 8%, AND CURRENT EXEMPTION RATE OF 25%**

|             | INDIVIDUALS | BENEFIT PAYMENT | MONTHLY COST | ANNUAL COST   |
|-------------|-------------|-----------------|--------------|---------------|
| Working     | 2,128       | \$242.50        | \$516,040    | \$6,192,480   |
| Not working | 24,472      | \$745           | \$18,231,640 | \$218,779,680 |
| Total       | 26,600      |                 | \$18,747,680 | \$224,972,160 |

**SCENARIO A: 8% EMPLOYMENT PARTICIPATION AT PROPOSED EXEMPTION RATE OF 50% LEADS TO COST INCREASE OF \$4,277,280 COMPARED TO BASELINE.**

|             | INDIVIDUALS | BENEFIT PAYMENT | MONTHLY COST | ANNUAL COST   |
|-------------|-------------|-----------------|--------------|---------------|
| Working     | 2,128       | \$410           | \$872,480    | \$10,469,760  |
| Not working | 24,472      | \$745           | \$18,231,640 | \$218,779,680 |
| Total       | 26,600      |                 | \$18,747,680 | \$229,249,440 |

**SCENARIO B: 20% EMPLOYMENT PARTICIPATION AT PROPOSED EXEMPTION RATE OF 50% LEADS TO COST SAVINGS OF \$8,554,560 COMPARED TO BASELINE (4% REDUCTION).**

|             | INDIVIDUALS | BENEFIT PAYMENT | MONTHLY COST | ANNUAL COST   |
|-------------|-------------|-----------------|--------------|---------------|
| Working     | 5,320       | \$410           | \$2,181,200  | \$26,174,400  |
| Not working | 21,280      | \$745           | \$15,853,600 | \$190,243,200 |
| Total       | 26,600      |                 | \$18,034,800 | \$216,417,600 |

**SCENARIO C: 50% EMPLOYMENT PARTICIPATION AT PROPOSED EXEMPTION RATE OF 50% LEADS TO COST SAVINGS OF \$40,634,160 COMPARED TO BASELINE (18% REDUCTION).**

|             | INDIVIDUALS | BENEFIT PAYMENT | MONTHLY COST | ANNUAL COST   |
|-------------|-------------|-----------------|--------------|---------------|
| Working     | 13,300      | \$410           | \$5,453,000  | \$65,436,000  |
| Not working | 13,300      | \$745           | \$9,908,500  | \$118,902,000 |
| Total       | 26,600      |                 | \$18,034,800 | \$184,338,000 |