



Welfare recipients getting rich off government benefits

By Kristine Frazao – August 7th, 2013

How would you like to make \$49,000 a year, to not work?

It's happening because government entitlements are exploding, paying some people more than they can make by working,

A new report from the CATO Institute finds the average welfare recipient gets \$29,817 in total benefits from various program here in Pennsylvania.

If you went on a shopping spree of federal and state government handouts, the place to head to first is Hawaii.

According to a new report from the CATO Institute, if you're a single, out-of-work, mother of two it's possible to earn more than \$49,000 pre-tax dollars a year doing nothing. Making the Aloha State, the most generous welfare state.

"We know that less than half of all welfare recipients are in work participation and even work participation may be looking for work, job search, not actually working," commented CATO Institute Senior Fellow Mike Tanner.

Tanner just finished revising his groundbreaking study 'Work Versus Welfare,' a project he first visited in 1995.

"Welfare essentially pays people to not work, and to have children. Is it any surprise that's what they do," Tanner questioned.

That's the same observation Tanner would have made in the mid-1990's, during the height of welfare reform.

Here's the breakdown for that mother of two in Hawaii.

She'll get as much as \$7,600 dollars in temporary cash assistance. Nearly \$24,000 a year for housing, almost 9,000 dollars a year for food assistance and about \$6,700 dollars in Medicaid for health care premiums.

Throw in supplements for WIC, assistance for utilities, and emergency food assistance and that adds up to the pre-tax salary of an entry level computer programmer.

Welfare benefits have declined, after inflation, in 18 states such as Texas and Florida where recipients receive slightly more than \$18,000. But in the majority of states such as New York, Maryland and Ohio handouts have increased to \$38,000 in New York, \$35,000 in Maryland, and nearly \$29,000 in Ohio.

"I don't want to be on assistance. If I could I would go to work every day," Jessica told us. "I would rather work every day. You know I don't want to take from the government."

Tanner believes most people want to work but can't for physical reasons or won't because sitting at home pays more money.

"People on welfare are not lazy, they are also not stupid and if you pay them more not to work than they can earn by working, well, many of them are going to choose not to work," Tanner concluded.

After Hawaii, the other top states for government benefits include the District of Columbia, Massachusetts, Connecticut and New Jersey. The full report will be officially published August 19.