INCOME MAINTENANCE

Income maintenance is not a precise term but in principle it means broadly those state provisions which enhance the capacity to earn an income, or narrowly those which sustain a level of income or reduce living expenses when normal sources fail. It is sometimes used to cover the variable meanings of narrower synonyms such as social protection, social insurance or social security.

On the broadest scale, many government policies deliberately or tacitly enhance some people’s earning capacities, for example through education and health services. Policies affecting labour markets, prices and income levels generally may be included, as may environmental, transport and housing policies. Government controls over occupational welfare provisions help to maintain the real incomes of those who benefit from them.

More narrowly, the term income maintenance is used for policies affecting earnings levels or state support if earnings are inadequate or absent, and for contributory and categorical cash benefits, as well as social assistance and other means-tested benefits. It also includes minimum wage policies and fiscal welfare (income tax-deductible thresholds, allowances and tax credits). It could, in principle, also be applied to the judicial system’s provisions for compensation for loss of, or need for, income, and to benefits in kind which reduce the need for individuals to purchase goods or services instead.

Further reading