

## National Child Benefit (NCB)

General Information	
Lead Department	Human Resources Development Canada
Partners	<p>The National Child Benefit is an initiative involving the Government of Canada, provincial and territorial governments, and First Nations.*</p> <p>*The Government of Quebec has stated that it agrees with the basic principles of the National Child Benefit. Quebec, however, has not taken part in the initiative because it wishes to assume control of income support for the children of Quebec. Throughout this document, references to joint federal/provincial/territorial positions do not include Quebec.</p>
Effective Date	The National Child Benefit was launched in July 1998, when the Government of Canada increased the monthly federal benefit of the Canada Child Tax Benefit (CCTB) for low-income families with children.
Expiry Date	<b>Not Applicable</b> <sup>1</sup> - this is a permanent undertaking.
Web Site	<a href="http://socialunion.gc.ca/ncb_e.html">http://socialunion.gc.ca/ncb_e.html</a>
Purpose	<p>Federal, provincial and territorial governments designed the NCB to meet three goals:</p> <ol style="list-style-type: none"> <li>1. Help prevent and reduce the depth of child poverty;</li> <li>2. Promote attachment to the labour market by ensuring that families will always be better off as a result of working; and</li> <li>3. Reduce overlap and duplication by harmonizing program objectives and benefits and simplifying administration.</li> </ol>
Roles and Contributions	<p>The NCB is restructuring the system of income support for low-income families with children. It is replacing child benefits delivered through provincial/territorial welfare systems with a national platform of income-tested child benefits delivered as a part of the Canada Child Tax Benefit (CCTB).</p> <p>As a co-operative effort between governments, the NCB combines the strengths of a national program with the flexibility of provincial and territorial initiatives designed to meet the specific needs and conditions within each jurisdiction.</p> <p><b>The Federal Role:</b> Under the National Child Benefit, the Government of Canada is increasing the income support it provides to low-income families with children via the CCTB.</p>

The CCTB has two main elements: the base benefit, which is paid out monthly to more than 80 percent of all Canadian families with children, (reaching 90 percent by 2004), and the National Child Benefit Supplement, which goes to low-income families with net incomes below \$32,000 (as of July 2001).

The Government of Canada is committed to providing a significant, incremental and permanent federal investment in the program. The 2000 federal budget and the October 2000 Economic Statement announced that the Government of Canada will invest an additional \$740 million in the CCTB as part of its commitment to the NCB in July 2001, which will increase to at least \$850 million by 2004 as a result of indexation. In total, by 2004, the NCB Supplement for low-income families with children will reach approximately \$2.5 billion per year.

Canada Customs and Revenue Agency (CCRA) delivers the benefit to families.

**The Provincial and Territorial Role:**

Under the National Child Benefit, provinces and territories are investing in new and expanded programs and services to help all low-income families find and keep jobs and to help support their children.

In response to the federal increase in benefits, most jurisdictions have adjusted the support they provide through social assistance or other income support programs. The funds made available through these adjustments are being reinvested in benefits and services for low-income families, known as NCB reinvestments. Some provinces and territories are enhancing their NCB reinvestment initiatives with additional investments using their own funds. The flexibility of the NCB initiative allows provinces and territories to create or enhance programs that most appropriately meet the needs and priorities of their local communities.

**First Nations Role:**

First Nations have also made adjustments to social assistance programs administered on reserves. First Nations communities determine how to reinvest these funds to meet the needs of their families and children within the reinvestment framework set out by Ministers Responsible for Social Services.

**Reinvestments:**

Under the National Reinvestment Framework, provincial and territorial governments, along with First Nations, have committed to re-allocating available social assistance funds into benefits and services for children in low-income families. Examples of NCB reinvestment initiatives include:

- Child Benefits and Earned Income Supplements
- Child/Day Care
- Early Childhood Services and Children-at-Risk Services
- Supplementary Health Benefits

**How are the roles and contributions explained to the public?**

The roles and contributions of the respective governments are recognized in the National Child Benefit's annual Progress Report. Moreover, periodic releases by federal, provincial and territorial Ministers Responsible for Social Services provide updates on the NCB. These documents are available to the public at

[http://socialunion.gc.ca/ncb\\_e.html](http://socialunion.gc.ca/ncb_e.html)

**Tracking Public Understanding and Recognition of Respective Roles:**

HRDC and CCRA undertake opinion research on a periodic basis regarding the NCB and the CCTB. HRDC intends to track awareness and support on an ongoing basis and will make this information publicly available.

Moreover, there are renewed efforts with provinces and territories to enhance communications on the NCB to the general public and to clients of NCB initiatives.

The Federal/Provincial/Territorial Working Group on the NCB completed an Experts' Review to determine whether the annual NCB Progress Report is meeting the requirements set out in the NCB Governance and Accountability Framework; meeting the needs of its audiences; and is it presented in a clear and concise format. In addition to this Experts' Review, the Working Group is looking into ways to develop government and stakeholder relations around the NCB initiative.

<b>Resources</b>	
Funding	<p>As of July 2000, the Government of Canada has invested \$1.7 billion per year in the NCB.</p> <p>The 2000 federal budget and the October 2000 Economic Statement announced that the Government of Canada will invest an additional \$740 million in the CCTB as part of its commitment to the NCB in July 2001, which will increase to at least \$850 million by 2004 as a result of indexation. In total, by 2004, the NCB Supplement for low-income families with children will reach approximately \$2.5 billion per year.</p> <p>Provinces, territories and First Nations are estimating that approximately \$608 million will be spent on NCB initiatives in 2000-2001. This figure includes funding made available as a result of adjustments to provincial social assistance child benefits as well as additional investments of provincial and territorial funds in National Child Benefit initiatives.</p>

Canada Child Tax Benefit							
Basic Benefit and National Child Benefit Supplement Payments							
by Province/Territory for the period July 1999 - June 2000							
Province	Basic Benefit			NCBS			1-parent families
	1-parent families	2-parent families	All families	1-parent families	2-parent families	All families	
	\$	\$	\$	\$	\$	\$	\$
Newfoundland and Labrador	27,568,099	61,298,921	88,867,020	15,794,520	15,601,640	31,396,160	43,362,619
Prince Edward Island	7,852,160	17,070,257	24,922,417	4,265,562	2,600,286	6,865,848	12,117,722
Nova Scotia	60,041,179	87,149,839	147,191,018	33,226,639	17,035,463	50,262,102	93,267,818
New Brunswick	45,265,917	75,194,938	120,460,855	25,661,880	15,247,134	40,909,014	70,927,797
Quebec	374,018,426	704,847,394	1,078,865,821	191,638,314	149,649,350	341,287,663	565,656,740
Ontario	605,417,807	1,012,528,406	1,617,946,212	291,578,658	212,839,800	504,418,458	896,996,465
Manitoba	70,653,452	138,315,305	208,968,757	36,777,114	32,343,182	69,120,296	107,430,566
Saskatchewan	73,738,869	124,525,873	198,264,742	39,040,661	30,434,947	69,475,608	112,779,530
Alberta	161,939,322	306,442,698	468,382,020	78,223,599	60,204,821	138,428,420	240,162,921
British Columbia	219,484,341	360,515,697	580,000,038	109,824,418	88,867,363	198,691,781	329,308,759
Nunuvut	2,203,358	5,843,965	8,047,322	1,089,590	1,398,663	2,488,254	3,292,948
Northwest Territories	3,838,951	4,509,519	8,348,470	1,702,807	973,805	2,676,611	5,541,758
Yukon	2,305,478	2,541,271	4,846,749	1,003,852	570,859	1,574,711	3,309,330
External*	508,137	1,915,612	2,423,751	221,752	385,351	607,102	729,889
Canada	1,654,835,499	2,902,699,692	4,557,535,191	830,049,364	628,152,665	1,458,202,029	2,484,884,863

Source: *The National Child Benefit Progress Report: 2000*, March 2001

\* Beneficiaries living outside Canada

<b>Estimated Provincial/Territorial and First Nations Initiatives: Reinvestment Funds and Total NCB Initiatives by Jurisdiction</b>		
<b>Jurisdiction</b>	<b>FY2000-2001 (\$million)</b>	
	<b>Reinvestment Funds**</b>	<b>Total Initiatives (Reinvestment + Investment) ***</b>
British Columbia	176.25	176.25
Alberta	31.50	31.50
Saskatchewan	26.60	44.10
Manitoba	16.06	32.06
Ontario	183.00	208.60
New Brunswick	0.0	7.02
Nova Scotia	23.34	24.21
Prince Edward Island	1.70	1.70
Newfoundland and Labrador	6.85	19.54
Yukon	0.29	1.08
Northwest Territories	1.17	2.59
Nunavut	unavailable	unavailable
First Nations	46.85	55.19
Citizenship and Immigration Canada	2.70	3.61
<b>Total</b>	<b>516.31</b>	<b>607.45</b>

**Source:** *The National Child Benefit Progress Report: 2000*, March 2001

\*\* Re-investment funds represent the adjustments made to provincial/territorial social assistance or child benefit payments for each participating jurisdiction. These funds are then reinvested in programs/services/benefits for low-income families with children. Investment funds represent addition provincial/territorial funds directed towards NCB initiatives.

\*\*\* Total initiatives represent the total funding allocated to NCB initiatives for each jurisdiction; i.e., reinvestment funds + investment funds = total initiatives. Re-investment figures for 2000-2001 are estimated amounts. Figures reflect potential savings in social assistance that correspond with increased benefits received by families through the Canada Child Tax Benefit (CCTB). Actual provincial/territorial and First Nations NCB initiatives reinvestments and total initiatives expenditure figures for 1998-1999 and estimates for 1999-2000 were included in the NCB 2000 Progress Report.

Tracking and Reporting	<p>Actual federal spending on the CCTB is tracked by Canada Customs and Revenue Agency, the agency responsible for the delivery of the National Child Benefit.</p> <p>The annual NCB Progress Report includes information on the level of spending by all jurisdictions. There is a data collection process to which all participating jurisdictions contribute in order to present comparable information by jurisdiction on NCB initiatives. The data submitted by each jurisdiction is reviewed jointly to ensure consistency in reporting.</p> <p>The NCB Progress Report 2000 is available at <a href="http://www.socialunion.gc.ca/NCB-progress2000/toceng.html">http://www.socialunion.gc.ca/NCB-progress2000/toceng.html</a></p>
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**Measurement and Reporting**

Outcomes	<p><b>What are the key outputs and outcomes?</b>  The delivery of the NCB Supplement is the most important output associated with the NCB.</p> <p>The NCB is designed to bring about outcomes related to three objectives:</p> <ol style="list-style-type: none"> <li>1. Help prevent and reduce the depth of child poverty;</li> <li>2. Promote attachment to the labour market by ensuring that families will always be better off as a result of working; and</li> <li>3. Reduce overlap and duplication by harmonizing program objectives and benefits and simplifying administration.</li> </ol> <p><b>How are key outputs/outcomes monitored, measured and assessed?</b>  CCRA is responsible for the delivery of the NCB Supplement and the agency tracks federal spending on this initiative. The NCB Progress Report includes information on the level of federal spending.</p> <p>Program monitoring, evaluation and reporting are essential to ensuring government accountability for the funds invested in the NCB and to determining whether the initiative's goals are being achieved.</p> <p>The Ministers Responsible for Social Services are committed to focusing on program outcomes as the primary goal of reporting, recognizing, however, that outcomes will become more apparent as program investments increase beyond initial levels.</p> <p>See the discussion of indicators below for a more detailed description of how outcomes are measured.</p>
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Indicators	<p><b>In progress<sup>2</sup></b></p> <p>There are two types of indicators used to track the goals of the NCB. <b>General Outcome Indicators</b> show the level of certain conditions that the NCB is trying to affect, such as the rate of child poverty and labour market attachment. They refer to the final impact or broad consequences for the targeted group. <b>Direct Outcome Indicators</b> show the degree to which NCB initiatives are responsible for the changes measured using general outcome indicators.</p> <p>The set of general and direct outcome indicators developed to annually track the degree to which each of the NCB's three goals is being achieved are as follows:</p> <p><b>1. Prevention and reduction of poverty</b></p> <p><i>General Outcome Indicators</i></p> <p>a) Reduction in the depth of low income:</p> <ul style="list-style-type: none"> <li>• dollar and percentage gap between the average income of poor families and the low-income line.</li> </ul> <p>b) Incidence of low income:</p> <ul style="list-style-type: none"> <li>• depth of low income among families with children (percentage that family income is below low-income thresholds);</li> <li>• number and percentage of families / children on social assistance.</li> </ul> <p>c) Duration of low income:</p> <ul style="list-style-type: none"> <li>• number and percentage of families and children who have been on low income during all four previous years.</li> </ul> <p><i>Direct Outcome Indicators</i></p> <p>a) Depth of child poverty:</p> <ul style="list-style-type: none"> <li>• the change within each year in the gap between average income of low-income families and the low-income line, due to NCB benefits.</li> </ul> <p>b) Incidence of child poverty:</p> <ul style="list-style-type: none"> <li>• the change within each year in the number and percentage of families and children that fall below the low-income line, with and without NCB benefits.</li> </ul> <p>c) Not applicable</p>
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	<p><b>2. Promotion of labour market attachment/workforce participation</b></p> <p><i>General Outcome Indicators</i></p> <p>a) Labour market participation:</p> <ul style="list-style-type: none"> <li>• Number and percentage of earners in families below the low-income line and the NCB Supplement disappearing point (ie. The income at which a family no longer receives any supplement);</li> <li>• Average earned income as a percentage of the low-income line and the NCB Supplement disappearing point;</li> <li>• Number of earners below the low-income line times the average income.</li> </ul> <p><i>Direct Outcome Indicators</i></p> <p>a) Not applicable.</p> <p><b>3. Reduce overlap and duplication by harmonizing program objectives and benefits and simplifying administration</b></p> <p><i>General Outcome Indicators</i></p> <p><b>Level 1:</b> Use of federal income tax platform.  <b>Level 2:</b> Participation rates in NCB programs, examples of expanded information-sharing agreements.  <b>Level 3:</b> Case studies, surveys of managers.</p> <p><i>Direct Outcome Indicators</i></p> <p>Not applicable.</p>
Comparable Indicators	<p><b>Have comparable or common indicators been developed and used to measure outcomes?</b></p> <p>Yes. The development of the above listed indicators has been done collectively by federal, provincial and territorial governments via the NCB Working Group.</p> <p><b>What indicators of societal performance are being monitored to provide a context for interpreting performance?</b></p> <p><b>To be determined<sup>3</sup></b></p> <p>Beyond the goals for the NCB, governments also have an interest in monitoring the well-being of children and families. This is an exercise beyond the scope of the NCB and will be pursued in the context of federal/provincial/territorial work on the National Children's Agenda.</p>

Evaluation/Third Party Assessments

**In progress<sup>2</sup>**

Federal, provincial and territorial governments are committed to the joint evaluation of the National Child Benefit to help determine program effectiveness and have agreed to an initial two-year plan for 2000-2002. A co-ordinated approach to evaluation is essential to provide a rich information base for learning about what works and for sharing effective practices.

The three objectives of the NCB evaluation are to review how the NCB was implemented, assess how well the stated NCB objectives have been met, and assess, where possible, which of the NCB program components has been responsible for making progress on each of the three objectives.

Evaluation of the National Child Benefit will consider the combined impact of its two major components: enriched federal child benefits, and the broad range of provincial, territorial and First Nations reinvestment programs. Evaluation and research will examine the combined effect of preventing and reducing child poverty and promoting labour market attachment and will assess progress toward harmonization.

Contracts have been awarded to third parties to conduct the evaluation; work on these has commenced.

Preliminary results from the evaluation should be available by Spring 2002. Additionally, monthly progress reports from the consultants will allow governments to track the progress of the evaluation.

An Evaluation Framework for on-going and periodic evaluation of the NCB for First Nations has also been developed and will be overseen by Indian and Northern Affairs. The scope of reinvestment programs and the unique circumstances of First Nations communities within Canada requires a separate reporting and evaluation framework for the NCB.

The purpose of the interim evaluation for First Nations is to assess how well the reinvestment programs have been implemented, level of satisfaction with the program among participants and to assess, to the greatest extent possible, the short-term impacts. Results from the First Nations interim evaluation are expected in the Fall of 2001.

	<p>With respect to third party assessments, feedback from stakeholders and the public and flexibility to adjust the NCB over time are important characteristics of the initiative that will ensure it remains relevant to changing economic and social circumstances.</p> <p>The Federal/Provincial/Territorial Working Group on the NCB completed an Experts' Review to determine whether the annual NCB Progress Report is meeting the requirements set out in the NCB Governance and Accountability Framework; meeting the needs of its audiences; and is presented in a clear and concise format. Stakeholders, subject matter experts, communications experts, performance measurement experts, First Nations issues experts and others participated in this Review.</p> <p>In addition to this Experts' Review, the Working Group is looking into ways to develop government and stakeholder relations around the NCB initiative.</p>
<p>Shared Information and Best Practices</p>	<p><b>In progress<sup>2</sup></b></p> <p>Under the <i>NCB Governance and Accountability Framework</i>, federal, provincial and territorial Ministers Responsible for Social Services have committed to sharing data on re-investment initiatives and beneficiaries and reviewing results and outcomes achieved in order to identify best practices.</p> <p>The <i>NCB Governance and Accountability Framework</i> is available at <a href="http://socialunion.gc.ca/ncb/geston3_e.html">http://socialunion.gc.ca/ncb/geston3_e.html</a></p>
<p>Public Reporting</p>	<p>Through the <i>NCB Governance and Accountability Framework</i>, Ministers Responsible for Social Services have made a commitment to annual public reporting on the performance of the NCB initiative.</p> <p>Important steps have been taken to fulfil the Ministers' commitment to public reporting, such as the release of the first NCB Progress Report in May 1999 and the second NCB Progress Report in April 2001.</p> <p>The 1999 Progress Report is found at <a href="http://socialunion.gc.ca/NCB-99/toceng.html">http://socialunion.gc.ca/NCB-99/toceng.html</a></p> <p>The 2000 NCB Progress Report can be found at <a href="http://www.socialunion.gc.ca/NCB-progress2000/toceng.html">http://www.socialunion.gc.ca/NCB-progress2000/toceng.html</a></p>

<b>Involving Canadians</b>	
<p>Provisions for Citizens to Participate in Developing Social Priorities and Reviewing Outcomes</p>	<p>Limited consultation was conducted with key stakeholders in the design and development stages of the NCB. Through the <i>NCB Governance and Accountability Framework</i>, Ministers responsible for Social Services have expressed their commitment to continual improvement and a learning focus.</p> <p>A web-site has been established to inform Canadians and to receive feedback. It is located at <a href="http://socialunion.gc.ca">http://socialunion.gc.ca</a> and provides information on the NCB, as well as an opportunity for visitors to submit questions and comments.</p> <p>Comments can also be directed to:  National Child Benefit  Box 307  Ottawa, ON  K1A 0J9</p> <p>In addition, a NCB-specific website is currently being developed as a vehicle to disseminate information about the program and as an opportunity to share program successes. The website is expected to be launched sometime in the Fall of 2001.</p> <p>While no formal mechanism currently exists for citizen participation, stakeholders are consulted on a needs basis to assist in developing priorities and reviewing outcomes related to the NCB. For example, stakeholders participated in an evaluability assessment of the NCB, and will be consulted on the NCB Evaluation preliminary results that are expected in the Spring of 2002. In addition, as mentioned earlier, an Experts Review was conducted to allow stakeholders an opportunity to provide feedback on the annual NCB Progress Report.</p> <p>The NCB is still a very young initiative, it is only in its third year of existence. Continued feedback from stakeholders and the public and flexibility to adjust the NCB over time are important characteristics of the initiative that will ensure it remains relevant to changing economic and social circumstances.</p> <p>The NCB is one component of a larger strategy called the National Children's Agenda to help Canadian children.</p>

	<p>Another component is the early childhood development initiative that was agreed to by federal, provincial and territorial governments (except Québec) in September 2000. As part of this initiative, governments will improve and expand early childhood development programs and services over time. Governments will work with families and communities to help meet the needs of young children and their families. Governments will report regularly on their progress and will continue to build knowledge and disseminate information to parents, communities and service providers to help them to give children the best possible start in life. Governments will also ensure effective mechanisms for Canadians to participate in developing early childhood development priorities and reviewing outcomes.</p>
Feedback Mechanisms to the Public	<p>Through the <i>NCB Governance and Accountability Framework</i>, Ministers Responsible for Social Services have agreed to produce annual reports on the performance of the National Child Benefit initiative.</p>
<b>Service Commitments</b>	
Public Availability of Eligibility Criteria	<p><a href="http://socialunion.gc.ca/ncb_e.html">http://socialunion.gc.ca/ncb_e.html</a></p> <p>Benefits are calculated automatically by Canada Customs and Revenue Agency, based on a family's tax returns. Payments for the year begin in July, based on information from the previous taxation year.</p>
Existence and Availability of Service Commitments	<p><b>Not applicable<sup>1</sup></b></p> <p>CCRA is responsible for the delivery of the CCTB. There is no mechanism in place to verify whether CCRA is meeting its service commitments. CCRA's service commitments do not relate to the NCB, but rather to the CCTB as a whole, a program reaching 80% of Canadian families.</p>
Measurement and Public Reporting	<p><b>Not applicable<sup>1</sup></b></p> <p>The public reporting of performance against service commitments is done by CCRA.</p>

<b>Appeals and Complaints</b>	
Existence, Availability and Communication of Mechanisms	<b>Not applicable</b> <sup>1</sup> CCRA is responsible for determining the eligibility for the benefit, and appeals are handled by the agency.  See above discussion of CCRA service commitments.
Tracking and Public Reporting	<b>Not applicable</b> <sup>1</sup> Appeals and complaints are handled by CCRA.
<b>Mobility</b>	
Existence of Measures	There are no residence-based barriers to mobility under the Canada Child Tax Benefit, the federal component of the initiative.

<sup>1</sup>**Not applicable:** when the section does not apply.

<sup>2</sup>**In progress:** when an approach or mechanism is being developed or is in the process of being implemented.

<sup>3</sup>**To be determined:** when an approach or process is still being considered or is in the initial planning stages.