

AN OVERVIEW

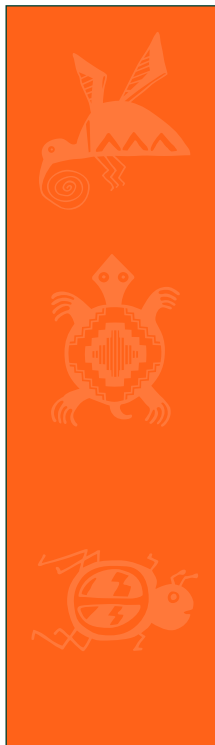
Over the last decade, the Government of Canada has undertaken a range of actions to make children and their well-being a high priority. These actions include policy strategies, new and enhanced programs, legislative change, and initiatives with the voluntary and private sectors. Some examples include the National Child Benefit (NCB) and the National Children's Agenda, the core of which is its vision and values for children, founded on the belief that children's well-being is a priority for all Canadians.



Reducing poverty, particularly among families with children, has been an ongoing priority of governments across Canada. In addition to economic insecurity and hardship, poverty often means lost opportunities to participate meaningfully in community and public life. Among the key actions taken to address child and family poverty has been the creation of the National Child Benefit system, a joint federal-provincial-territorial-First Nations initiative. It involves simultaneous actions from all levels of government. The federal, provincial and territorial governments work together to make investing in children a national priority. This co-operation between governments on behalf of children is a central element to the National Child Benefit system.

Prior to its implementation in July 1998, parents working at low wages received lower child-related benefits than parents relying on social assistance. As a result, parents often had to choose between staying on social assistance to retain important benefits for their children or taking a job and risk losing these benefits.

The National Child Benefit has three objectives: prevent and reduce child poverty, help parents of low-income families participate in the work force and reduce program overlap and duplication through closer harmonization of programs and simplified administration.



HOW IT WORKS

The Government of Canada delivers its contribution to the National Child Benefit through the tax system. In the 1997 and 1998 budgets, it invested \$1.7 billion annually in this national undertaking. This investment continued in the 1999 and 2000 budgets with an additional investment of \$850 million each year. As a result, federal government income support for families with children increased by approximately 40 percent. Most of this additional investment is targeted to low-income families with children.

The National Child Benefit combines a financial benefit to parents, in the form of the Canada Child Tax Benefit (CCTB), with increased availability and access to programs and supports within their community. The CCTB combines the Canada Tax Benefit (CTB) and the National Child Benefit Supplement (NCBS) to provide a monthly payment to families with children under the age of 18.

The National Child Benefit combines new federal investments with provincial, territorial and First Nations "re-allocations" of resources. The federal government increased its income support for low-income families through the Canada Child Tax Benefit and the National Child Benefit Supplement, ensuring that no one received less money than in previous years. Provinces, territories and First Nations adjust social assistance for recipients with children by an amount equal to the federal increase. These adjustments are then "reinvested" into community-based programs for low-income families.

Children who are well cared for today are more likely to be healthy, responsible and caring adults.

The National Child Benefit represents a significant new investment in Canada's children.

- National Child Benefit Progress Report; 1999



PROVINCIAL/TERRITORIAL INVESTMENTS IN CHILDREN

When a province or territory invests more than the value of its adjustments to social assistance, Indian and Northern Affairs Canada (INAC) may increase the financial resources allocated to these provinces and territories to ensure that First Nations children and families have access to an equivalent level of programming and services available more broadly in the jurisdiction. This was the case for Saskatchewan and the Yukon.

Saskatchewan

In the first phase of the National Child Benefit (1998-1999), Saskatchewan invested a total of \$13.01 million on National Child Benefit initiatives during the nine months from July 1, 1998 to March 31, 1999. The province devoted reinvestment funds to three new children's programs: the *Saskatchewan Child Benefit* (SCB), the *Saskatchewan Employment Supplement* (SES), and the *Family Health Benefits*. Additional federal funds were required to ensure that comparable income support programs were available on reserve for First Nations residing in Saskatchewan.

Yukon

In 1999-2000 Yukon committed approximately \$600,000 in additional funds to implement the *Yukon Child Benefit* (YCB), a benefit that provides additional income support to low-income families, whether they are low-wage earners or social assistance recipients. This commitment of funds is over and above the reinvestment funds freed up through the implementation of the second phase of the National Child Benefit in 1998-1999, and subsequent offsets to the Yukon government's social assistance expenditures. In the Yukon, INAC funds social assistance for all Registered Indians in the territory, both on and off reserve.

The *Yukon Child Benefit* is a universal program for all families with children under 18 years of age and is designed to ensure that Yukon families on social assistance and working families with low incomes receive financial support to help with the costs of raising children. The benefit is tax free and is not considered as income when calculating social assistance benefits. The full benefit of \$300 per year per child is available for families with net incomes below \$16,700.

SUMMARY

Consistent with the objectives of the National Child Benefit initiative, these programs aim to prevent and reduce the depth of child poverty, promote an attachment to the work force, and reduce overlap and duplication.

MUSKODAY FIRST NATION, SASKATCHEWAN

Using National Child Benefit funds, the community implemented a program that teaches basic life skills including maintaining commitments to new employment, adjusting to new working hours, time management, money management, responsibility and leadership. This program is offered to parents to assist them in acquiring the necessary skills for participation in the labour market.