

The National Child Benefit

Progress Report 2006



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Table of Contents



Message from Federal/Provincial/Territorial Ministers Responsible for Social Services	i
Executive Summary	iii
Chapter 1 The National Child Benefit Supplement	1
Chapter 2 National Child Benefit Programs and Services for Low-income Families with Children	9
Chapter 3 The First Nations National Child Benefit Reinvestment Initiative	17
Chapter 4 Monitoring Progress – Societal Level Indicators	21
Chapter 5 Assessing the Direct Impact of the National Child Benefit Initiative	33
Chapter 6 The Way Ahead	39
Appendix 1 Glossary	41
Appendix 2 Provincial, Territorial and First Nations National Child Benefit Reinvestments and Investments	43
Appendix 3 Results of the SLID Analysis	91
Appendix 4 Additional Statistical Information	95

Message from Federal/Provincial/ Territorial Ministers Responsible for Social Services

Canada's Federal, Provincial and Territorial Ministers Responsible for Social Services¹ are committed to reporting to Canadians on the progress of the National Child Benefit (NCB) initiative. This report, *The National Child Benefit Progress Report: 2006*, is the eighth in a series of progress reports provided by Ministers since the joint NCB initiative was launched in 1998.

Ensuring that children have a good start in life is crucial, and governments recognize that child poverty has long-term consequences for children and society. The NCB is based on the principle that families are better off when parents are supported in their efforts to participate in the labour market. This is the most effective long-term approach to reducing low income among families. The NCB is supporting parents and children by providing a secure national platform of child benefits and improving the services and supports provided to low-income families with children.

The 2006 report provides updated information on the activities of Canada's federal, provincial and territorial governments and First Nations to improve the well-being of children in low-income families.

Specifically, it provides detailed information on the contributions of the Government of Canada through the Canada Child Tax Benefit and the NCB Supplement, along with information on the contributions of provincial and territorial governments and First Nations through the programs and services they provide under the NCB initiative. The report also provides an update on the progress the NCB is making in improving the economic well-being of low-income families with children. The report was prepared by a joint working group of officials representing federal, provincial and territorial governments.

Ministers Responsible for Social Services in Canada remain committed to improving the economic well-being of low-income families with children. We will continue to work together to meet the needs of Canadian children and families and report regularly on progress.

**Federal, Provincial and Territorial Ministers
Responsible for Social Services**

¹ The Government of Quebec has stated that it agrees with the basic principles of the NCB. Quebec chose not to participate in the NCB because it wanted to assume control over income support for children in Quebec; however, it has adopted a similar approach to the NCB. Throughout this report, references to joint federal/provincial/territorial positions do not include Quebec.

Executive Summary

The National Child Benefit (NCB) is a joint initiative of Canada's federal, provincial and territorial governments,² which includes a First Nations component. The NCB initiative combines two key elements: federal monthly payments to low-income families with children; and benefits and services designed and delivered by the provinces, territories and First Nations to meet the needs of low-income families with children in each jurisdiction.

The NCB initiative has three goals:

- to help prevent and reduce the depth of child poverty;
- to promote attachment to the labour market by ensuring that families will always be better off as a result of working; and,
- to reduce overlap and duplication by harmonizing program objectives and benefits, and through simplified administration.

This eighth report to Canadians on the NCB is a key element of the *National Child Benefit Governance and Accountability Framework*, as it fulfils the commitment of Federal, Provincial and Territorial Ministers Responsible for Social Services to report annually to Canadians on progress made under this initiative.

Chapter 1 provides information about federal support for low-income families with children. The Government of Canada provides benefits directly to low-income families with children through the NCB Supplement. For the program year that ended June 2006, the Government of Canada provided \$3.2 billion through the NCB Supplement to 1.6 million families with 2.8 million children.

Chapter 2 provides information about programs and services for low-income families with children provided by provinces, territories and First Nations as a result of the NCB initiative. Provinces and territories have the flexibility to adjust social assistance or child benefit payments by an amount equivalent to the NCB Supplement and to reinvest savings in benefits and services for low-income families with children.

Total reinvestments and investments in programs and services for children and their families through the NCB initiative are estimated to be \$873.9 million for 2005–2006, and \$847.8 million for 2006–2007. Provinces and territories reinvested and invested an estimated \$813.4 million in 2005–2006, and \$797.4 million in 2006–2007. Citizenship and Immigration Canada reinvested an estimated \$2.5 million in 2005–2006, and \$2.1 million in 2006–2007.

² The Government of Quebec has stated that it agrees with the basic principles of the NCB. Quebec chose not to participate in the NCB because it wanted to assume control over income support for children in Quebec; however, it has adopted a similar approach to the NCB. Throughout this report, references to joint federal/provincial/territorial positions do not include Quebec.

Chapter 3 describes the First Nations National Child Benefit Reinvestment initiative, through which the Government of Canada and First Nation governments are cooperatively addressing the needs of low-income families with children on reserve. First Nations investments and reinvestments in programs and services are estimated to be \$58.0 million in 2005–2006, and \$48.3 million in 2006–2007.

Chapter 4 contains information about societal level indicators related to the NCB, such as the incidence, depth and duration of low income among families with children. Using Statistics Canada’s post-tax Low-Income Cut-Offs (LICOs,) the report shows that the percentage of families with children living in low income has declined significantly from a peak of 17.6 percent in 1996. In 2004, the incidence of low income among families with children fell slightly to 11.6 percent from 11.7 percent in 2003.

Finally, Chapter 5 contains an analysis of the direct impact of the NCB in preventing and reducing low income among families with children. Using post-tax LICOs, the analysis estimates that, in 2004, as a direct result of the NCB, 125,000 children in 59,000 families were prevented from living in low income, a 12.1 percent reduction. These families saw their average disposable income increase by an estimated \$2,400, or 9.3 percent. The analysis also estimates that the low-income gap (the depth of low income for all families with children) was reduced by \$740 million, a decline of 18.5 percent.

All NCB partners remain committed to working toward improving the situation of families with children in Canada, and informing Canadians about progress made.

The National Child Benefit Supplement



The National Child Benefit (NCB) is a joint initiative of federal, provincial and territorial governments to support Canadian children living in low-income families. The NCB initiative has three goals:

- to help prevent and reduce the depth of child poverty;
- to promote attachment to the labour market by ensuring that families will always be better off as a result of working; and,
- to reduce overlap and duplication by harmonizing program objectives and benefits, and through simplified administration.

The initiative recognizes that both income support and a range of benefits and services are critical to sustained success in reducing low income.

How the NCB Works

Before the NCB was introduced in 1998, there was minimal coordination between the federal system, which delivered child benefits through the income tax system, and provincial/territorial systems, which delivered child benefits through social assistance programs. The NCB initiative integrates federal, provincial and territorial systems of income support for children into a national platform of child benefits available to families on social assistance and low-income working families.

Before the NCB initiative, child benefits embedded in social assistance payments to parents were “needs-tested,” and their value increased with family size. By contrast, the income of a low-wage working family did not increase with family size. Families on social assistance who found paid work often saw their overall disposable income increase only slightly, and in some cases even saw a decline. Further, some families lost access to benefits and services available to people receiving social assistance such as extended drug, dental and optical benefits. Working families leaving social assistance also needed to pay taxes and employment-related costs out of their typically low wages.

This interaction between the labour market and government programs is commonly known as the “welfare wall” — a set of disincentives to labour force participation. The NCB is intended to help lower this welfare wall to ensure that families leaving social assistance are better off as a result of working. It is designed to support parents leaving social assistance for work, and to help low-income parents already in the labour market to stay there by reducing the role of social assistance in providing children’s basic income support.

Through the NCB initiative, federal, provincial and territorial systems of income support for children have been integrated to build a national platform of income-tested

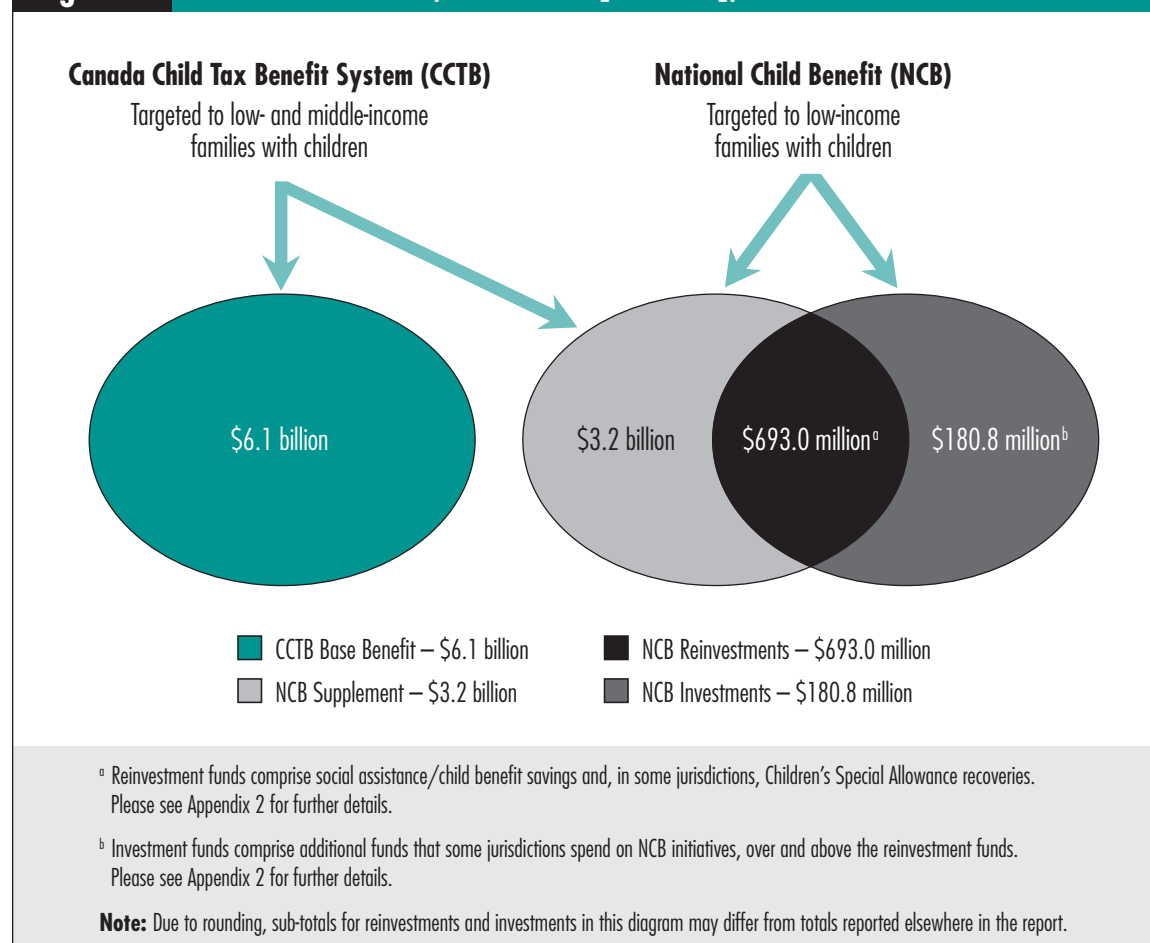
child benefits available to both social assistance families and low-income working families. The NCB initiative combines two key elements: federal monthly payments to low-income families with children, and benefits and services designed and delivered by the provinces, territories and First Nations to meet the needs of low-income families with children in each jurisdiction.

The Government of Canada provides monthly payments to low-income families with children through the NCB Supplement to the Canada Child Tax Benefit (CCTB) paid on a monthly basis. The NCB Supplement has increased incrementally since the inception of the initiative. Most provincial and territorial governments concurrently

reduced the child portion of social assistance benefits by the full or partial amount of the NCB Supplement without impacting families' overall income. Over time, the effect has been to displace an increasing proportion of child-related basic income support provided through social assistance.

Provinces and territories have the flexibility to adjust social assistance or child benefit payments by an amount equivalent to the NCB Supplement. Provinces, territories and First Nations reinvest these social assistance savings and invest additional funds in benefits and services for low-income families with children. These reinvestments

Figure 1 How the NCB Works (2005–2006 [Estimates])



The History of Federal Child Benefits in Canada

1918 – Child Tax Exemption: This exemption provided income tax savings that increased as taxable income increased. It did not provide benefits to families that did not have a tax liability.

1945 – Family Allowance: This benefit was provided to all Canadian families with dependent children.

1973 – The **Family Allowance** benefits were tripled, indexed to the cost of living, and made taxable.

1978 – Refundable Child Tax Credit: This targeted and income-tested child benefit, which was delivered through the tax system, provided a maximum benefit to low-income families, a declining amount to middle-income families, and no benefit to upper-income families.

1993 – Child Tax Benefit (CTB): This benefit consolidated refundable and non-refundable child tax credits and the Family Allowance into a monthly payment based on the number of children and level of family income. It also included the Working Income Supplement (WIS), which provided an additional benefit to low-income working families with children. In 1993, federal expenditures on child benefits, including WIS, totalled \$5.1 billion.

1998 – The CTB was replaced by the **Canada Child Tax Benefit (CCTB)**. The **National Child Benefit (NCB) Supplement** replaced the WIS, and is provided to all low-income families as part of the new CCTB.

2006 – The Government of Canada introduced the **Universal Child Care Benefit (UCCB)**. All families, including low-income families, receive \$100 a month for each child under the age of six, taxable in the hands of the lower-income spouse.

2007 – Budget 2007 announced a new **Child Tax Credit** which provides additional tax relief for families with children. For 2007, this tax credit provides up to \$306 in tax savings for each child under the age of 18.

and investments are discussed in detail in Chapter 2. Since the inception of the NCB initiative, three distinct approaches have evolved by which provinces and territories replace social assistance benefits for children with the NCB Supplement. These approaches are also described in Chapter 2.

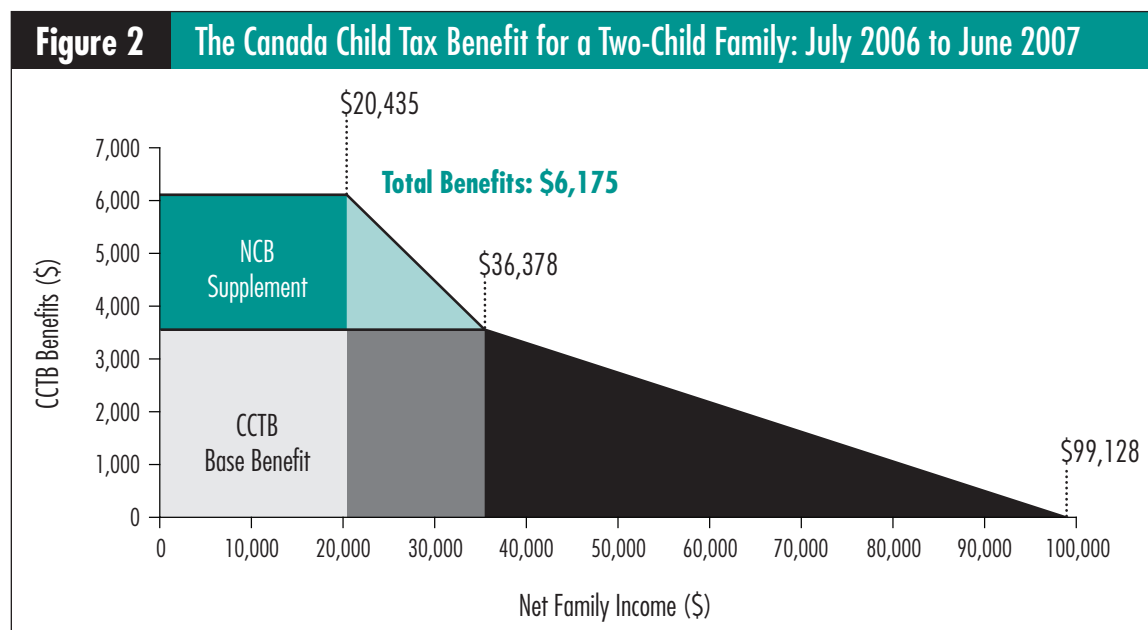
The Government of Canada's Contribution to the NCB Initiative

Since July 1998, the Government of Canada has provided direct financial assistance to families with children through the CCTB. The CCTB is designed to help families with the costs of raising children and takes the form of a non-taxable

monthly payment for families with children, based on a family's net income and the number of children within the family.

The CCTB system is made up of two components: the **CCTB base benefit**, which is paid to low- and middle-income families with children; and the **NCB Supplement**, which is an additional benefit paid to low-income families with children. The NCB Supplement to the CCTB base benefit represents the Government of Canada's contribution to the NCB initiative. Eligible Canadian families with children receive the CCTB base benefit and the NCB Supplement through a single monthly payment. Between July 2005 and June 2006, approximately 3.4 million families with 6.0 million children received the base benefit of the CCTB. Between July 2005 and June 2006, 1.6 million families with 2.8 million children received the NCB Supplement.

Families' eligibility for CCTB and NCB child benefits is determined by household income. Figure 2 illustrates the CCTB structure for families with two children as of July 2006. During the 2006–2007 benefit year (from July 2006 to June 2007), two-child families with net incomes less than \$20,435 received the maximum benefit level of \$6,175. All families in receipt of the NCB Supplement receive the maximum level of the base benefit of the CCTB. Families with net incomes above \$20,435 but below \$36,378 continue to receive the maximum level of the base benefit of the CCTB, but the level of NCB Supplement to which they are entitled decreases as family income increases. Finally, those families with net incomes above \$36,378 receive only the base benefit of the CCTB. The level of this benefit also decreases as family income increases, and is fully phased out at \$99,128.



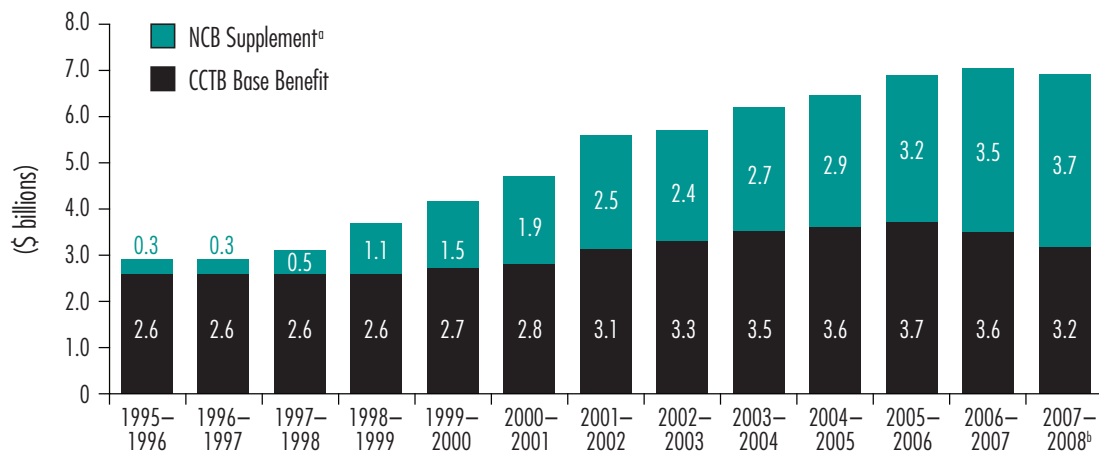
Increased Federal Financial Assistance for Families with Children

The Government of Canada has significantly increased its investments in supporting low-income families with children since the implementation of the NCB initiative. Figure 3 shows the increase in the value of annual federal expenditures on low-income families with children through the CCTB system from 1995–1996 to 2007–2008.

Prior to the NCB, federal spending through the former Working Income Supplement (WIS) was \$300 million in 1995–1996. As its initial contribution to the NCB

initiative, which replaced the WIS, the Government of Canada committed \$850 million to the NCB Supplement, in addition to the \$5.1 billion per year that had been provided under the former Child Tax Benefit. Additional investments in the program were announced in subsequent years, including the restoration of full indexation of benefit levels in 2000 to ensure that benefit increases are not eroded by inflation. Federal investment in the NCB Supplement has increased steadily and is projected to reach \$3.7 billion in 2007–2008. In addition, federal investment provided to low-income families with children through the base benefit of the CCTB has increased over this period, with \$3.2 billion projected to be provided to NCB Supplement

Figure 3 Federal Investments for Low-income Families in Receipt of Both the CCTB Base Benefit and the NCB Supplement for Program Years (July to June)



^a Includes the former Working Income Supplement for the years 1995–1996 to 1997–1998.

^b Figures for 2007–2008 are projections.

Source: CCTB administrative data from the *Canada Revenue Agency* (August 2007).

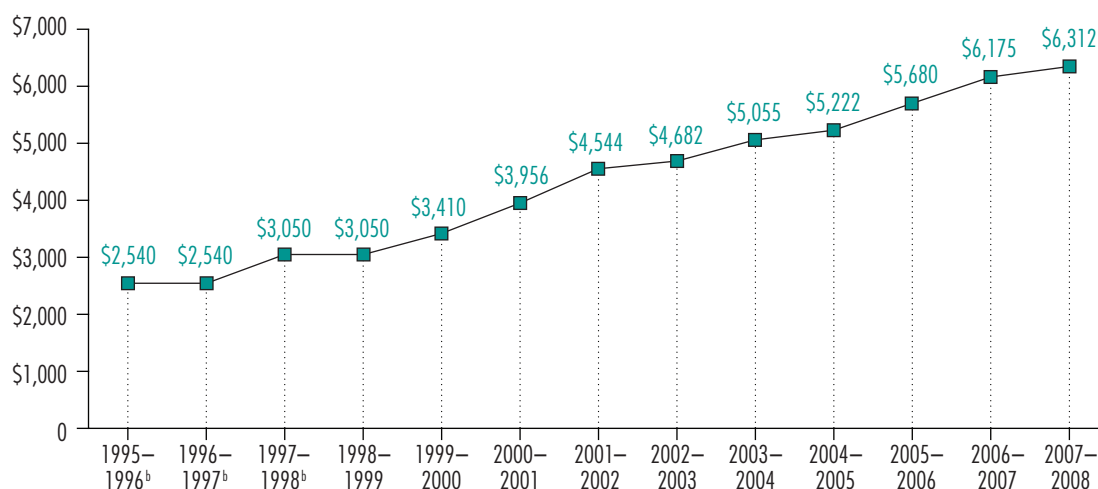
recipients in 2007–2008, compared to \$2.6 billion in 1995–1996.³

Canadian families with children have benefited significantly from increases to the base benefit of the CCTB and the NCB Supplement. As Figure 4 shows, prior to July 1997, the maximum benefit for a family with two children was \$2,540. In July 1997, when the WIS was enhanced and restructured, prior to the launch of the NCB, the maximum benefit for a two-child family was \$3,050. In 2003, the Government of Canada announced a five year investment plan. Most recently, the NCB Supplement increased by \$185 per child annually in July 2005 and again in July 2006.

As of July 2007, low-income families with children (whose family net income is equal to or below \$20,883) receive maximum annual CCTB benefits (base benefit of the CCTB and NCB Supplement) of \$3,271 for the first child and \$3,041 for the second child, bringing the amount of total federal child benefits for a family with two children to \$6,312, or more than double that of the pre-NCB 1996–1997 levels (see Table 1). For third and subsequent children, the amount of the benefit is \$3,046, which includes an additional amount of \$90 per year for third and subsequent children.

Figure 4

Maximum Levels of Federal Child Benefits for Two-Child Families for 1995–1996 to 2007–2008 Program Years (July to June) in Current Dollars^a



^a Current dollars are in the actual dollars in a given year, and are not adjusted for inflation.

^b Includes the former Working Income Supplement for the years 1995–1996 to 1997–1998.

³ Figure 3 does not show federal expenditures on the base benefit of the CCTB for middle-income families who do not receive the NCB Supplement. In 2005–2006, the Government of Canada invested \$2.4 billion in the base benefit of the CCTB paid to 1.8 million families with 3.3 million children that had an income above the threshold at which the NCB Supplement is reduced to zero. Taking total expenditures on the base benefit of the CCTB and the NCB Supplement together, the Government of Canada's support to Canadian families with children reached a total of \$9.3 billion in 2005–2006, and is projected to reach \$9.5 billion by July 2007.

Table 1

**Maximum Levels of Federal Child Benefits for 1996–1997
and 2007–2008 Program Years (July to June) in Current Dollars^a**

Number of Children	1996–1997 Maximum CTB + WIS	2007–2008 Maximum Base Benefit + NCB Supplement	Percentage Increase from 1996–1997 to 2007–2008
1	\$1,520	\$3,271	115%
2	\$2,540	\$6,312	149%
3	\$3,635	\$9,358	157%
4	\$4,730	\$12,404	162%

^aCurrent dollars are in the actual dollars in a given year, and are not adjusted for inflation.

Federal Investment in the NCB Supplement by Province and Territory

Table 2 shows the breakdown of federal expenditures on the NCB Supplement and the number of children who benefited by

province and territory for 2004–2005 and 2005–2006. As shown in Table 2, federal expenditures on the NCB Supplement have increased from \$2.9 billion in 2004–2005 to \$3.2 billion in 2005–2006. Federal expenditure increases reflect the five-year investment plan put in place by the 2003 Budget.

An on-line CCTB calculator to determine the amount of benefits families are entitled to is provided by the Canada Revenue Agency at:

www.cra-arc.gc.ca/benefits/calculator/menu-e.html

Table 2

Number of Children in Receipt of the NCB Supplement and Federal NCB Supplement Expenditures by Jurisdiction for 2004 – 2005 and 2005 – 2006 Program Years (July to June) in Current Dollars ^a

Jurisdiction	July 2004 – June 2005		July 2005 – June 2006	
	Children Receiving NCB Supplement (thousands)	Benefits paid (\$ millions)	Children Receiving NCB Supplement (thousands)	Benefits paid (\$ millions)
Newfoundland and Labrador	49.7	52.8	47.8	57.1
Prince Edward Island	13.0	12.9	12.9	14.3
Nova Scotia	88.5	94.7	86.7	104.0
New Brunswick	70.8	75.2	69.3	82.2
Quebec	642.8	656.8	635.8	730.0
Ontario	1,006.0	1,023.3	1,004.1	1,145.6
Manitoba	140.7	148.7	139.8	165.8
Saskatchewan	127.6	135.3	124.5	150.1
Alberta	280.8	281.5	284.5	317.8
British Columbia	365.8	377.1	356.9	409.5
Yukon	2.6	2.5	2.5	2.7
Northwest Territories	4.5	4.4	4.3	4.8
Nunavut	6.5	6.7	6.4	7.4
Total	2,801.2^b	2,873.2^c	2,777.5^b	3,192.9^c

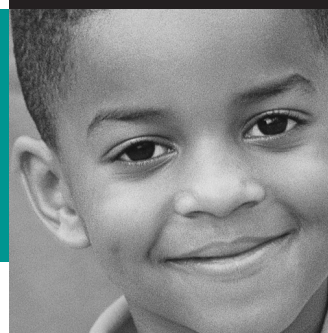
^aCurrent dollars are in the actual dollars in a given year and are not adjusted for inflation.

^bIncludes Canadians living outside of Canada.

^cTotals may not add due to rounding.

Source: CCTB administrative data from the Canada Revenue Agency.

National Child Benefit Programs and Services for Low-income Families with Children



The National Child Benefit (NCB) initiative includes federal as well as provincial, territorial and First Nations components.⁴ The federal component, described in Chapter 1, provides benefits to low-income families with children through the NCB Supplement.

Increasing federal investment in the NCB Supplement has made it possible for provincial and territorial governments to adjust the income support to families with children on social assistance without impacting the overall disposable income of these families. Recovering social assistance/child benefit payments produces savings that provinces, territories and First Nations then reinvest to enhance existing programs or implement new programs or services aimed at reducing child poverty and supporting low-income families with children.

Reinvestment funds come from social assistance/child benefit savings and, in some jurisdictions, Children's Special Allowance (CSA) recoveries (see Appendix 2 for further details). In addition to reinvestments, many jurisdictions make additional **investments** in benefits and services that are consistent with the goals of the NCB initiative (see Appendix 2 for further details).

Reinvestments and investments in programs and services benefit children in low-income families whether their parents are employed or receiving social assistance. These supports, combined with the NCB Supplement, help reduce the "welfare wall" and aim to make it easier for families with children to become self-sufficient.

This chapter describes the differing approaches to reinvestment used by provinces and territories. It also describes the program areas in which provinces and territories reinvest funds made available through the NCB to provide supports for low-income families. First Nations follow the approach to replacing social assistance benefits for children used in the relevant province or territory. Key areas for First Nations reinvestments and investments⁵ are briefly outlined, with further detail provided in Chapter 3.

The Children's Special Allowance (CSA)

The CSA is paid by the Canada Revenue Agency for children who are in the care of provincial/territorial child

⁴ This report does not include data for Quebec. Quebec residents benefit in the same way as other Canadians from the Canada Child Tax Benefit. Moreover, they benefit from substantial investments made by the Quebec government, in the context of its family policy, in services for families with children.

⁵ Indian and Northern Affairs Canada reimburses Saskatchewan and the Yukon for the portion of provincial/territorial children's benefits paid to all low-income families living on reserve.

welfare authorities. It mirrors the maximum Canada Child Tax Benefit (CCTB) payments, including the base benefit and the NCB Supplement. Jurisdictions have the option to either recover, or pass on the increased NCB Supplement amount to child welfare authorities for child maintenance costs. In jurisdictions that recover the increase to the NCB Supplement, the amount is included in their reinvestment funds available for NCB-related programs and services.

In 2005–2006, it is estimated that \$17.2 million or 2.5 percent of the total reinvestment funds came from CSA recoveries.

Approaches to Replacing Social Assistance Benefits for Children

Since the inception of the NCB initiative in 1998, three distinct approaches have evolved by which provinces and territories replace social assistance benefits for children with the NCB Supplement. These are:

- the social assistance offset approach;
- the integrated child benefit approach with adjustment; and,
- the integrated child benefit approach without adjustment.

Two provinces, New Brunswick and Manitoba,⁶ do not adjust social assistance benefits for children.

As the NCB has matured, child benefits embedded within social assistance have largely been displaced by the NCB Supplement. Therefore, the majority of provinces and territories no longer recover increases to the NCB Supplement, so that the vast majority of children living in low-income families are benefiting from current increases.

The three approaches are briefly explained below. For more details regarding the approaches used in specific jurisdictions, see Appendix 2.

1. The Social Assistance Offset Approach

Under this approach, child benefits remain within the social assistance system, but have been gradually displaced by federal increases to the NCB Supplement. Provinces and territories either deduct the NCB Supplement as an unearned income charge against social assistance or reduce their social assistance rates for children. In the case of income offset, social assistance recipients have the amount of the NCB Supplement they receive deducted from their social assistance entitlement. This approach is used in Prince Edward Island,⁷ Ontario,⁸

⁶ Effective July 2000, Manitoba discontinued recovering increases in the NCB Supplement for families receiving income assistance. Effective July 2001, Manitoba stopped recovering the NCB Supplement for children age six or under. Effective January 2003, Manitoba stopped recovering the NCB Supplement for children age seven to eleven; and effective January 2004, it stopped recovering the NCB Supplement for children age 12 to 17 years.

⁷ Since 2001, any increases in the NCB Supplement have been used to fund an increase in the Healthy Child Allowance, which is a social assistance benefit.

⁸ Currently, the 2004, 2005, 2006 and 2007 increases to the NCBS are flowed through to social assistance recipients. The 2007 Ontario Budget announced the introduction of a new provincially-funded, non-taxable Ontario Child Benefit (OCB) for eligible families with children under 18 years of age. As a first step, in July 2007, the OCB provided eligible families with a one-time down payment of up to \$250 per child under 18. When monthly OCB payments begin in July 2008, social assistance benefits and the Ontario Child Care Supplement for Works Families (OCCS) will be restructured and families will not lose any portion of their NCBS.

Yukon, Northwest Territories and Nunavut. In the case of rate reduction, the social assistance rate is reduced by the maximum NCB Supplement. Alberta⁹ uses this approach. Reinvestment funds under the Social Assistance Offset approach are the savings in social assistance.

2. The Integrated Child Benefit Approach with Adjustment

In the mid- to late-1990s, several jurisdictions restructured their social assistance systems. In two provinces, children's benefits are now delivered through a separate income-tested child benefit program that is integrated with the CCTB. Under this approach, increases in the NCB Supplement are offset in full or in part against the provincial child benefit. In British Columbia, the savings from this offset become the province's reinvestment funds. In Saskatchewan, the amount of reinvestment funds is set at the amount that was being used for basic child benefits under the social assistance system at the time the system was restructured.

3. The Integrated Child Benefit Approach without Adjustment

Other jurisdictions chose similarly to restructure their social assistance systems. Basic benefits for children were removed from the social assistance program and are now provided through a separate income-tested program integrated with the CCTB. In these cases, however, there is no offset of the NCB Supplement against provincial child benefits. In these jurisdictions, the amount of reinvestment funds is set at the funds that were being used for basic child benefits under the social assistance system at the time the system was restructured and has remained the same for subsequent years. Newfoundland and Labrador¹⁰ and Nova Scotia¹¹ have adopted this approach.

NCB Reinvestments and Investments 2005–2006 to 2006–2007

In 2005–2006, the seventh full year of the NCB initiative, provincial, territorial and First Nations reinvestments and investments are estimated at \$873.9 million.¹² It is estimated that reinvestments

⁹ In 2003, Alberta enhanced the mix of income and in-kind benefits and services to families receiving assistance through the Supports for Independence program by flowing through the full increase of the NCB Supplement. Alberta extended the flow-through of NCB Supplement increases again in 2004, 2005, 2006 and in 2007 under the Alberta Works – Income Support program.

¹⁰ Newfoundland and Labrador redesigned its income support program in 1999–2000. All basic benefits for children have been removed from the newly created Income Support Program as these benefits are now provided through the combined CCTB and Newfoundland and Labrador Child Benefit. As a result, Newfoundland and Labrador does not adjust its Income Support benefits for increases in the NCB Supplement, nor does it adjust the Newfoundland and Labrador Child Benefit.

¹¹ With the advent of the NCB Supplement in 1998, Nova Scotia enhanced the supports available for children of low-income families by introducing the Nova Scotia Child Benefit as a provincial reinvestment initiative. In 2001, children's benefits were removed from the province's income assistance program, substantially increased and fully integrated with the CCTB to establish a single, non-taxable monthly payment for all low-income families with children. At the same time, Nova Scotia ensured that any future increases to the NCB Supplement flowed directly through to families receiving income assistance.

¹² This amount includes \$2.5 million in NCB reinvestments by Citizenship and Immigration Canada.

and investments will total \$847.8 million in 2006–2007. Table 3 provides a breakdown of each jurisdiction's expenditures over two full fiscal years of the initiative: 2003–2004

and 2004–2005. Estimates are given for 2005–2006 and 2006–2007, as final data are not available for many provinces and territories.

Table 3 NCB Reinvestments and Investments by Jurisdiction and Fiscal Year (\$ millions)

Jurisdiction	Expenditures				Estimates			
	2003–2004		2004–2005		2005–2006		2006–2007	
	Reinvestment	Reinvestment & Investment (Total)	Reinvestment	Reinvestment & Investment (Total)	Reinvestment	Reinvestment & Investment (Total)	Reinvestment	Reinvestment & Investment (Total)
Newfoundland and Labrador	9.2	18.9	9.7	18.8	10.1	19.7	10.7	20.3
Prince Edward Island	2.5	3.6	2.9	3.6	3.1	3.6	3.0	3.7
Nova Scotia	20.2	29.8	20.3	28.6	20.4	27.8	20.6	26.5
New Brunswick	—	8.2	—	9.3	—	12.1	—	12.1
Ontario ^a	214.5	236.8	218.5	245.6	221.5	246.2	218.1	245.5
Manitoba ^{b,c}	6.3	45.6	4.0	51.5	4.3	56.3	4.5	54.7
Saskatchewan ^d	55.1	56.4	57.3	59.2	57.4	61.9	57.5	59.6
Alberta	35.3	45.6	37.7	47.2	36.6	48.8	36.0	47.3
British Columbia	314.0	379.8	318.8	371.9	278.8	330.4	242.8	320.5
Yukon	0.3	1.5	0.3	2.0	0.3	1.9	0.3	1.9
Northwest Territories	0.8	1.9	0.8	1.9	0.8	2.1	0.8	3.3
Nunavut	2.8	2.8	2.8	2.8	2.7	2.7	2.1	2.1
P/T Sub-total	660.9	830.9	673.1	842.4	636.0	813.4	596.5	797.4
First Nations	51.8	53.2	52.7	55.1	54.6	58.0	47.3	48.3
Citizenship and Immigration Canada ^e	1.9	1.9	2.6	2.6	2.5	2.5	2.1	2.1
“Other” Sub-total	53.6	55.0	55.3	57.7	57.1	60.5	49.4	50.4
Total	714.6	886.0	728.4	900.1	693.0	873.9	645.9	847.8

^a Figures exclude an additional \$40 million previously committed to the Ontario Child Care Tax Credit.

^b Figures include funding which is provided through remaining NCB Supplement recoveries, Children's Special Allowance recoveries, federal transfers under the 2000 Early Childhood Development Agreement (\$18.3 million in 2003–2004, 2004–2005 and 2005–2006 and \$18.1 million in 2006–2007), federal transfers under the Multilateral Framework on Early Learning and Child Care (\$0.9 million in 2003–2004, \$5.5 million in 2004–2005, \$8.2 million in 2005–2006 and \$11.0 million in 2006–2007), as well as provincial revenue.

^c Figures for Manitoba's reinvestments and investments include expenditures on the restoration of the NCB Supplement for families in receipt of Employment Income and Income Assistance Benefits. In 2003–2004, \$11.0 million was spent on the Restoration of the NCB Supplement and in 2004–2005, \$13.7 million was spent. It is estimated that in both 2005–2006 and 2006–2007, \$13.7 million was spent on the Restoration of the NCB Supplement.

^d In 2005–2006, due to improved reporting methods, Saskatchewan revised the way in which it reports reinvestments/investments. Expenditures for 2003–2004 and 2004–2005 have been restated and will not match figures from reports prior to 2005.

^e Citizenship and Immigration Canada administers the Resettlement Assistance Program (RAP) for refugees.

Notes: 1) The expenditures for 2003–2004 may differ from those reported in *The National Child Benefit Progress Report: 2005* due to data revisions.

2) Totals may not add due to rounding.

In deciding which benefits and services to support through NCB reinvestments and investments, provinces and territories are guided by a national reinvestment framework that was agreed to by the Ministers Responsible for Social Services. Under this framework, jurisdictions have the flexibility to direct reinvestments and investments to meet their own priorities and needs, provided they support the objectives of the NCB initiative.

Many provinces, territories and First Nations base their reinvestment decisions on consultation with their residents, or have included such consultation as part of an overall redesign of their income-support programs.

Under the reinvestment framework, reinvestments and investments are providing new or enhanced supports for low-income families with children. These supports are categorized in six key areas:

- child/day care initiatives;
- child benefits and earned income supplements;

- early childhood services and children-at-risk services;
- supplementary health benefits;
- youth initiatives; and,
- other NCB programs, benefits and services.

NCB Reinvestments and Investments by Program Area

Child/Day Care Initiatives

Accessible and affordable child care allows low-income parents to enter and stay in the labour market. Provincial/territorial NCB reinvestments and investments in child care have taken a variety of forms. In 2005–2006, child/day care programs accounted for the largest share of NCB initiative funding. About 60 percent of the total NCB-related child care expenditures are for a single program: the Ontario Child Care Supplement for Working Families.

Some jurisdictions provide funding through subsidies to child care facilities. These subsidies allow facilities to offer low-income working families access to child care at a more affordable price. Other jurisdictions provide assistance directly to families. This reduces families' share of child care costs while allowing them to choose the form of child care that best meets their needs. Some jurisdictions combine both approaches. Each of these forms of support is designed to help low-income families cover the costs of child care associated with being employed. Table 4 provides data on child/day care reinvestments and investments.

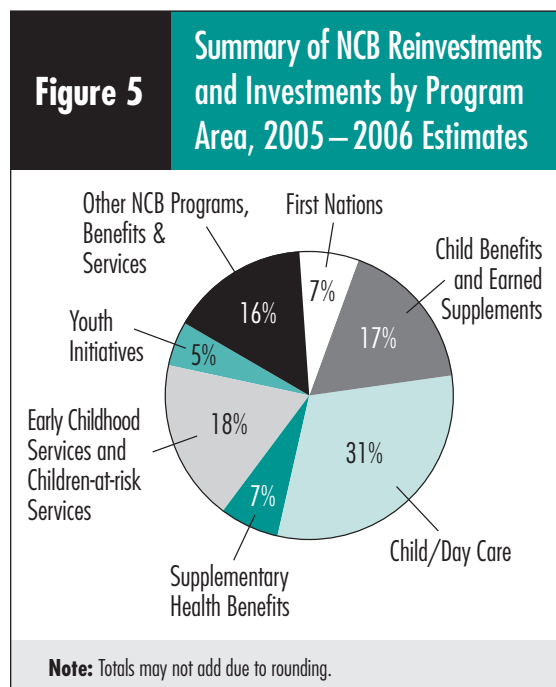


Table 4 NCB Reinvestments and Investments by Program Area (\$ millions)

	2003–2004	2004–2005	2005–2006	2006–2007
	Expenditures	Expenditures	Estimates	Estimates
Child/Day Care Initiatives: NCB Reinvestments and Investments				
Provincial/territorial expenditures	\$242.0	\$251.7	\$267.4	\$282.6
Percentage of total NCB reinvestments and investments	27.3%	28.0%	30.6%	33.3%
Child Benefits and Earned Income Supplements: NCB Reinvestments and Investments				
Provincial/territorial and Citizenship and Immigration Canada expenditures	\$236.8	\$217.5	\$151.3	\$105.6
Percentage of total NCB reinvestments and investments	26.7%	24.2%	17.3%	12.5%
Early Childhood Services and Children-at-Risk Services: NCB Reinvestments and Investments				
Provincial/territorial expenditures	\$139.9	\$150.8	\$157.0	\$162.8
Percentage of total NCB reinvestments and investments	15.8%	16.8%	18.0%	19.2%
Supplementary Health Benefits: NCB Reinvestments and Investments				
Provincial/territorial expenditures	\$49.7	\$53.8	\$59.8	\$63.4
Percentage of total NCB reinvestments and investments	5.6%	6.0%	6.8%	7.5%
Youth Initiatives: NCB Reinvestments and Investments				
Provincial/territorial expenditures	\$39.4	\$41.2	\$44.1	\$46.9
Percentage of total NCB reinvestments and investments	4.5%	4.6%	5.1%	5.5%
Other NCB Programs, Benefits and Services: NCB Reinvestments and Investments				
Provincial/territorial and Citizenship and Immigration Canada expenditures	\$125.0	\$129.8	\$136.2	\$138.4
Percentage of total NCB reinvestments and investments	14.1%	14.4%	15.6%	16.3%
Note: First Nations reinvestments and investments are reported separately in Chapter 4.				

Child Benefits and Earned Income Supplements

Child benefits and earned income supplements provide important financial support to low-income families through monthly cash payments to the parent or guardian of the child. These benefits

improve the financial stability of low-income families by helping to make up for the relatively low wages that often come with entry level jobs, and by supporting parents to stay in the labour market and work toward higher wages in the future.

A number of provinces and territories are now providing child benefits outside of the social assistance system, so that families receive these benefits regardless of the parents' employment situation. Several provinces have completely restructured their social assistance systems so that they now provide child benefits to all low-income families with children, while benefits for adults continue to be provided through social assistance. As a result, families in these provinces keep their provincial child benefits — in addition to the NCB Supplement — when parents make the transition from social assistance to work. Several other jurisdictions provide child benefits that top up the amount that families receive through social assistance in support of their children. In most of these cases, the provincial or territorial child benefit is combined with the federal CCTB in a single monthly payment, which is administered by the Canada Revenue Agency.

Some jurisdictions also provide low-income working families with children with an earned income supplement in order to provide incentives to work. Eligibility is tied to earning a certain minimum amount from employment. Earned income supplements top up family-earned income for low-wage earners, helping families to cover the added costs of employment.

In 2005–2006, child benefits and earned income supplements accounted for the third-largest portion of NCB reinvestments and investments. Table 4 provides expenditures for 2003–2004 and 2004–2005 and estimates for 2005–2006 and 2006–2007.

Early Childhood Services and Children-at-Risk Services

Experts on child development agree that the first six years of life are critical to a child's development and future well-being. Several jurisdictions are focusing NCB reinvestments and investments on services that provide early support to children in low-income families in order to optimize child development and give young children a healthy start in life. These programs range from prenatal screening to information on mother and child nutrition and parenting skills. Children-at-risk services, ranging from early literacy classes to recreation programs, can make a positive difference in the lives of these children.

Programs in this key area accounted for the second-largest share of NCB initiative funding in 2005–2006. Table 4 provides reinvestment and investment data on early childhood services and children-at-risk services.

Supplementary Health Benefits

Supplementary health benefits include a range of benefits that go beyond basic medicare coverage, such as optical care, prescription drugs, dental care or other benefits. The nature of these benefits varies among jurisdictions, many of which have long provided similar benefits to families with children receiving social assistance. Now, NCB reinvestments and investments in some provinces and territories are providing these benefits to all children in low-income families. These programs ensure that families do not lose important health benefits for their children when they move from social assistance to the labour market.

The health benefits that are provided as NCB reinvestments and investments vary among jurisdictions. Approximately 44 percent of the NCB-related Supplementary Health Benefits can be attributed to Alberta's Child Health Benefit, which was the largest program of this type in the country in 2005–2006. Table 4 provides data on these supplementary health benefits.

Youth Initiatives

Youth initiatives include a range of benefits and services that are designed to assist and support youth, with particular attention to youth-at-risk. These programs are valuable in providing youth-at-risk with support to help them develop in positive directions. Youth initiatives, ranging from alcohol and drug strategies to transitional support for youth leaving child welfare, can make a positive difference in the lives of these young people. Table 4 provides reinvestment and investment data on youth initiatives.

Other NCB Programs, Benefits and Services

The flexibility of the NCB enables provinces and territories to address particular challenges facing their jurisdictions, and investments are made in other areas.

Ontario municipalities, which share responsibility for social assistance with the province, provide a wide array of reinvestment and investment programs and services, which are included in this category. These range from early intervention and child care to employment supports and prevention programs. Other reinvestments and investments account for the fourth-largest share of NCB initiative funding.

Table 4 shows the level of expenditures in this category for 2003–2004 and 2004–2005, with estimates for 2005–2006 and 2006–2007.

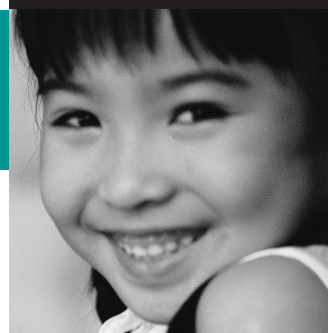
Citizenship and Immigration Canada

Citizenship and Immigration Canada (CIC) administers the Resettlement Assistance Program (RAP), which provided refugees with \$30 million in income support in 2005–2006, reflecting the amounts that jurisdictions provide through social assistance. This includes \$2.5 million, which is the NCB reinvestment portion of the RAP program. CIC reinvestments fall into two of the six key areas of investments and reinvestments: child benefits and earned income supplements, and other NCB programs, benefits and services.

First Nations

First Nations follow a reinvestment framework administered by Indian and Northern Affairs Canada (INAC). First Nations reinvestments and investments are estimated to be \$58.0 million in 2005–2006, and constituted approximately 6.6 percent of total reinvestments and investments. First Nations reinvestments and investments are included in the summary provided in Figure 5. However, First Nations' NCB reinvestments cover a wider range of program areas than those of the provinces and territories according to local needs, and are therefore discussed separately in Chapter 3 as well as Appendix 2.

The First Nations National Child Benefit Reinvestment Initiative



Canada's First Nations have markedly diverse traditions, expectations, needs, opportunities, and community settings, and they constitute the youngest, fastest-growing segment of Canada's population. In comparison to other Canadian communities, however, there are significant social, health and economic problems in many of the 600-plus First Nation communities. The First Nations National Child Benefit Reinvestment (NCBR) initiative targets these problems by supporting the operation of locally created and managed projects that provide opportunities for children from low-income families to fully develop their potential as healthy, active, and contributing members of their communities.

The First Nations NCBR initiative has the same objectives as those of the provinces and territories, and similarly works to reduce the effects of child poverty by: 1) providing income benefits to eligible low-income families with children, and, 2) reinvesting program funds in services that are specifically designed to promote the independence and self-sufficiency of these families and children.

Like other Canadian families, families with children in First Nations communities who meet eligibility requirements receive the Canada Child Tax Benefit (CCTB) and the National Child Benefit (NCB) Supplement.

First Nation governments that deliver income assistance, like provincial and

territorial governments, reinvest savings from adjustments to income assistance into programs and services that are designed to meet the needs of people in their communities and support the objectives of the national initiative. First Nations base their reinvestment decisions on consultations with their people, or include such consultations as part of the overall redesign of their income support programs. The approach generally taken is to prioritize the service needs, identify services that are under-supplied relative to those needs, assess developmental possibilities in terms of available funding and staffing resources, and create the service structures that will deliver the needed benefits to the targeted population.

The projects funded under the NCBR initiative vary from First Nation to First Nation, and they cover a wide range of services, according to the needs and preferences determined by the communities themselves. This flexibility is an important feature of the initiative, as it permits First Nations to implement projects that not only are targeted at alleviating the effects of child poverty but are also culturally relevant and responsive to the unique characteristics of each community.

First Nations NCBR initiatives are categorized in five broad activity areas: child care; child nutrition; support to parents; home-to-work transition; and cultural enrichment. Descriptions of each

activity and related quantitative data are available in Appendix 2.

Table 5 shows the total First Nations NCB reinvestment and investment envelope

Table 5 First Nations: NCB Reinvestments and Investments (\$ millions)	
Year	Total (\$ millions)
1998–1999	30.1
1999–2000	50.2
2000–2001	54.3
2001–2002	57.0
2002–2003	56.0
2003–2004	53.2
2004–2005	55.1
2005–2006 (estimate)	58.0
2006–2007 (estimate)	48.3

since the program was implemented in 1998.

Table 6 outlines the First Nations reinvestments and investments by region from 2003–2004 through to 2006–2007.

Monitoring and Reporting – First Nation Component

All NCB Partners share the commitment to accountability expressed in the *NCB Governance and Accountability Framework*. The Treasury Board Secretariat requires that Indian and Northern Affairs Canada (INAC) prepare and distribute annual reports on the progress being made by First Nations in implementing the NCB in their communities. These annual reports

Table 6 First Nations: NCB Reinvestments and Investments by Region				
Region	2003–2004	2004–2005	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Atlantic ^a	757	3,908	2,574	n/a
Quebec	6,202	3,315	3,134	2,257
Ontario	7,344	8,856	9,168	9,431
Manitoba ^b	1,764	0	0	0
Saskatchewan	18,816	19,763	22,710	22,161
Alberta	10,174	9,423	10,080	6,452
British Columbia	6,269	6,919	6,604	6,577
Yukon	439	565	345	467
Sub-total	51,763	52,748	54,614	47,344
Additional Investment Envelope ^c	1,414	2,379	3,434	960
Total	53,177	55,127	58,048	48,304

^aFigures for the Atlantic region only includes First Nations in Nova Scotia and Prince Edward Island.

^bEffective January 2004, Manitoba fully discontinued the practice of recovering the NCB Supplement from families receiving income assistance, including First Nations families. As a result of flowing through the NCB Supplement to families, funds are no longer being recovered for reinvestment.

^cThe additional investment envelope includes funding to reimburse Saskatchewan and the Yukon for the portion of provincial/territorial children's benefits paid on reserve.

Note: n/a indicates that data is not available.
Totals may not add due to rounding.

provide background information on the purposes and structure of the First Nations NCB. They also give examples of the kinds of projects that are enabled by NCB reinvestment funding. The reports present expenditure and impact data and review the achievements of First Nations. The information for these reports comes from First Nations project administrators and INAC records. First Nations NCB annual reports are available at the *NCB Reinvestment Initiative in First Nations Communities* website at www.ainc-inac.gc.ca/pe-cp/prg_e.html.

Proposal Development and Reporting Guide

First Nations report annually to INAC on activities and results related to NCB reinvestment funding. In 2004, First Nation NCB administrators in collaboration with INAC developed a resource guide to assist First Nation communities with the proposal process for approval of reinvestment projects as well as to outline annual reporting requirements.

National Child Benefit Reinvestment Initiative – National Manual

This program manual was developed to provide further direction to INAC regional officials and First Nation NCB administrators on the interpretation and implementation of program terms and conditions. The manual is an ongoing document which is updated as necessary; the latest version is available at the INAC NCB website www.ainc-inac.gc.ca/pe-cp/ncb_e.html.

Review of Activities in First Nation Communities

A review of NCB reinvestment activities by an independent consulting firm was released in March 2005. The report was based on interviews with administrators from thirty-seven communities. It examined community consultation processes, project administration and evaluation strategies, levels of community awareness and satisfaction with the NCB reinvestment initiative, resource distribution between target groups, the flexibility of NCB design parameters, and suggestions for improvement to the NCB reinvestment initiative.

First Nations NCB Reinvestment Conference

In November 2006, First Nations NCB reinvestment administrators from all regions of Canada attended a national gathering in Toronto. The goals were to share information on reinvestment success stories, provide opportunities to network with colleagues from across the country, discuss the potential to enhance/revise the NCB reinvestment activity area definitions, and obtain feedback on a draft resource/tool for a longer-term approval of NCB reinvestment projects.

Conclusions

First Nations have achieved many successes by capitalizing on NCB resources to establish programs that would otherwise not be available in their communities. The goals of reducing the extent of child poverty and giving low-income parents

opportunities to participate more fully in the work force and in the life of the community are being met as a result of the efforts and leadership of First Nation governments, organizations, and individuals.

The adaptability of the NCBR initiative offers First Nations wide-ranging opportunities to prioritize, develop, and deliver services specifically designed to help families with limited incomes. As long as funded projects and services are consistent with NCB objectives, First Nations are able to direct their efforts to particular activities based on their own needs. It is largely due to the scope and flexibility of the NCBR that First Nations have successfully used reinvestment funds for a variety of projects and services.

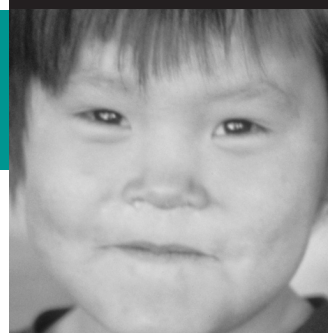
Reinvestments of funds made possible by the First Nations NCBR initiative have produced significant benefits for communities:

1. Funding provides services that have been shown to improve the conditions of life for low-income families and their children. The services enable them to contribute more fully to community economic, social, and cultural activities.
2. The flexible nature of the NCBR initiative allows First Nations to respond to self-identified priorities and needs in addressing unemployment, child poverty, and other social ills.

3. The initiative reinforces the thrust of the Government of Canada and First Nations governments, organizations, and individuals to develop self-governing, self-determining, and self-reliant communities.
4. By establishing and operating NCBR-funded projects, local officials and administrators develop managerial knowledge and abilities that are transferable to other undertakings for the betterment of their communities.
5. Cultural enrichment activities raise awareness of community social, economic and environmental traditions and values, fostering a sense of pride and individual self-esteem.

The success of the NCB initiative stands as an example of the progress that is being made by the Government of Canada and First Nations in their shared effort to improve the quality of life for Aboriginal peoples.

Monitoring Progress – Societal Level Indicators



Federal, provincial and territorial governments are committed to monitoring and reporting on the National Child Benefit (NCB) initiative in accordance with the *NCB Governance and Accountability Framework*.¹³ This commitment is essential so that Canadians can be informed on the NCB's progress toward meeting its goals.

This chapter focuses on **societal level indicators**. These indicators of socio-economic trends are affected by the NCB as well as by many factors unrelated to the NCB, such as the general level of economic activity, government investments in income transfers, changes in tax policy, and changes in demographics. While the NCB initiative has some influence on the trend of these societal level indicators, no attempt is made to isolate the impact of the NCB alone on these trends. Instead, the indicators reported in this chapter paint a broad picture of the condition of low-income families with children in Canada, and provide a basis for comparison on the progress made over time. Chapter 5 reports on **direct outcome indicators**, which identify the direct impact of the NCB on families with children.

Table 7 describes the set of societal level and direct outcome indicators developed at the inception of the NCB initiative to track the degree to which of each its

three goals is being achieved. This report provides information on many of these societal level indicators, including analysis of the incidence, depth, and persistence of low income among families with children in Canada over time. Information on other societal level indicators is included in the *Evaluation of the National Child Benefit Initiative: Synthesis Report*.¹⁴

It should be noted that the measures used in this chapter only indicate trends among Canadian families with children in terms of income. Many other investments in benefits and services introduced under the NCB initiative contribute to improving the well-being of children and their families. Many provincial and territorial NCB programs, benefits and services, such as supplementary health benefits, child/day care, early childhood and children-at-risk services, do not directly affect income trends but are still an important part of governments' strategies to support Canadian families.

The analysis in Chapters 4 and 5 is based on data from Statistics Canada's *Survey of Labour and Income Dynamics* (SLID). For a discussion of the SLID, its strengths, and its limitations, please see Chapter 5 of *The National Child Benefit Progress Report: 2005*, which is available on the NCB website.

¹³ The *NCB Governance and Accountability Framework* is available on the NCB website, at: www.nationalchildbenefit.ca.

¹⁴ The *Evaluation of the National Child Benefit Initiative: Synthesis Report* is available on the NCB website, at: www.nationalchildbenefit.ca.

Table 7 Outcome Indicators for the NCB

Goals	Societal Level Indicators	Direct Outcome Indicators
Help prevent and reduce the depth of child poverty.	Incidence of low income	Incidence of low income
	Number and percentage of families and children living in low income (as defined by the LICOs, LIM and MBM).	The change in the number of families and children that fall below the low-income line, because of the NCB, within a year.
	Duration of low income Number and percentage of families and children who have been in low income during all four previous years.	Not applicable
	Depth of low income (dollar and percentage)	Depth of low income
	Additional amount of income a low-income family would need to reach a pre-determined line (as measured by the LICOs, LIM and MBM).	The change in the aggregate amount of income that low-income families would need to reach a pre-determined line, due to NCB benefits, within a year.
Promote attachment to the labour market by ensuring that families will always be better off as a result of working.	Labour market participation	Labour market participation
	Number and percentage of earners in families below the low-income line.	The change in the difference in disposable income between social assistance and employment due to the NCB, within a year.
	Average earned income of low-income families as a percentage of the low-income line.	The change in social assistance caseloads, exit rates and duration of spells on assistance due to the NCB.
	Average earned income of low-income families, over time, expressed in constant dollars.	
	Number of families/children on social assistance.	
Reduce overlap and duplication by harmonizing program objectives and benefits, and simplifying administration.	Level 1 — use of federal income tax system to deliver benefits.	Not applicable
	Level 2 — participation rates in NCB programs, examples of expanded information-sharing agreements.	
	Level 3 — surveys of managers and other key informants (monitored as part of the NCB evaluation)	

Measuring Low Income

Canada does not have an official poverty line. Several different measures of low income are used in Canada. This report uses primarily post-tax Low-Income Cut-Offs (LICOs). LICOs are set according to the proportion of annual income spent on basic needs, including food, shelter and clothing. The LICO line is the

income level at which a family spends 20 percentage points more of its income on these items relative to the average family. The size of the family and community is taken into account, but geographic differences in the cost of living are not.

The LICOs can be calculated either before- or after-tax. Post-tax income is generally considered to be a better measure

of low-income in Canada¹⁵ for two reasons. First, post-tax income more fully accounts for the re-distributive impact of Canada's tax system. Pre-tax income includes government transfers but not taxes. Post-tax income refers to the income available to a family after both government transfers and taxes. Secondly, since the purchase of necessities is made with after-tax dollars, this approach more fairly and consistently measures the economic well-being of individuals and families. The numbers of families living in low income differ from measure to measure, but the trends illustrated are generally similar.¹⁶

Other widely-used measures of low income are the Low Income Measure (LIM) and the Market Basket Measure (MBM). The LIM was developed as an alternative to the LICOs. It considers a family to be living in low income if its income, adjusted for family size, is less than half the median income (the income level at which the incomes of half of all families are higher and half are lower). The post-tax-and-transfer LIM is similar to measures used in international comparisons, but it does not reflect geographic differences in living costs across Canada.

The MBM is an additional tool that provides a different way of understanding low income. The MBM is based on the actual cost of food, clothing, shelter, transportation and other necessary goods and services, such as household supplies and telephone services. Households are considered to be living in low income if they are unable to purchase this basket of goods and services

after accounting for income and payroll taxes and other non-discretionary out-of-pocket spending such as child care necessary to earn income, medically prescribed health expenses and aids for persons with disabilities. Compared with the LICOs and the LIM, the MBM more precisely reflects differing living costs by geographic location because the thresholds are estimated by region, as well as urban size. Further information about low income measurement is available on the National Child Benefit website, at: www.nationalchildbenefit.ca.

For 2004, using the MBM, the incidence of low income among Canadian families with children was 14.6 percent. This translates into 529,747 families with 1,093,294 children. Using the MBM, the incidence of low income among families with children has declined. In 2000, the first year MBM data was available, the incidence of low income among families with children was 16.5 percent. In 2001 and 2002, the incidence was 15.2 percent and 15.1 percent respectively. The depth of low income measures how far family income falls below a given low-income threshold. With the MBM, the depth of low income for families with children was 27.2 percent in 2004, up very slightly from 27.1 percent in 2003.

Key Trends

The societal level indicators discussed in this chapter measure the **incidence**, **duration**, and **depth** of low income among families with children in Canada over time. They also illustrate trends in **labour force**

¹⁵ Statistics Canada, *Income in Canada 2000* (Ottawa: 2002) Catalogue 75-202-XIE, p. 89.

¹⁶ Statistical trends, based on pre- and post-tax LICOs and post-tax LIMs, can also be found in Appendix 4, which is available on the NCB website at www.nationalchildbenefit.ca.

attachment and **social assistance caseloads**. Using the societal level indicators (according to post-tax LICOs) for low-income families with children, this report identifies the following key trends:

- In 2004, the incidence of low income among families with children fell slightly to 11.6 percent from 11.7 percent in 2003. This is well below the peak of 17.6 percent in 1996. The number of families with children living below the post-tax LICO has fallen from 687,100 in 1996 to 434,800 in 2004, or a decline of 252,300 families.
- The number of children living in low-income families has declined from a peak of 1,304,000 in 1996 to 877,400 in 2004, or a decrease of 426,600 children.
- The number of children living in low income four years in a row declined from 6.3 percent between 1996 and 1999 to 4.5 percent between 2001 and 2004.
- The depth of low income (which is the additional amount of income needed by low-income families to reach the low-income line) declined slightly between 1996 and 2004. Expressed in 2004 dollars, the average depth of low income was \$7,554 in 2004 compared to \$7,654 in 1996.
- The proportion of low-income families in which at least one parent was employed for pay during the year increased from 55.7 percent in 1996 to 72.7 percent in 2004.
- There was a reduction in social assistance use by families with children, and corresponding evidence of increasing attachment to the labour force. Between

1996 and 2005, the total social assistance caseload for families with children declined by 56.2 percent, from 631,900 to 480,700 families.

Incidence of Low Income among Families with Children

A significant decline over time

The incidence of low income refers to the number of families with children who fall below a pre-determined low-income line expressed as a percentage of all families with children. The trend in the incidence of low income among Canadian families with children since 1984 is shown in Figure 6, using post and pre-tax LICOs, and post-tax LIMs.

The proportion of families with children living in low income has closely followed the business and employment cycles over these years. Using the post-tax LICOs measure, Figure 6 shows that the incidence of low income among families with children dropped from 17.6 percent in 1996 to 11.0 percent in 2001. The incidence rose to 11.7 percent in 2003 and then declined slightly to 11.6 percent in 2004.

In 2004, there were 434,800 families with 877,300 children living below the post-tax LICOs compared to 442,600 families with 850,500 children in 2003. While the number of families in low income declined, the number of children increased due to a change in the composition of families remaining below the LICO.¹⁷

¹⁷ Between 2003 and 2004, the average number of children for families below the after-tax LICO increased from 1.92 to 2.02, while the average number of children for families above the LICO decreased from 1.78 to 1.77.

Compared to the peak in 1996, the incidence of low income among families with children in 2004 has decreased by about 37 percent. This reduction translates into a net movement of more than 252,300 families with about 480,300 children above the post-tax LICOs between 1996 and 2004.

The reduction in the proportion of single-parent families living in low income since 1996 has been particularly significant. As Figure 8 shows, the proportion of one-parent families living below the post-tax LICOs declined from 46.0 percent in 1996 to 30.5 percent in 2004. The proportion of two-parent families living below the

Figure 6 Percentage of Families with Children Below LICOs and LIM Thresholds, 1984–2004

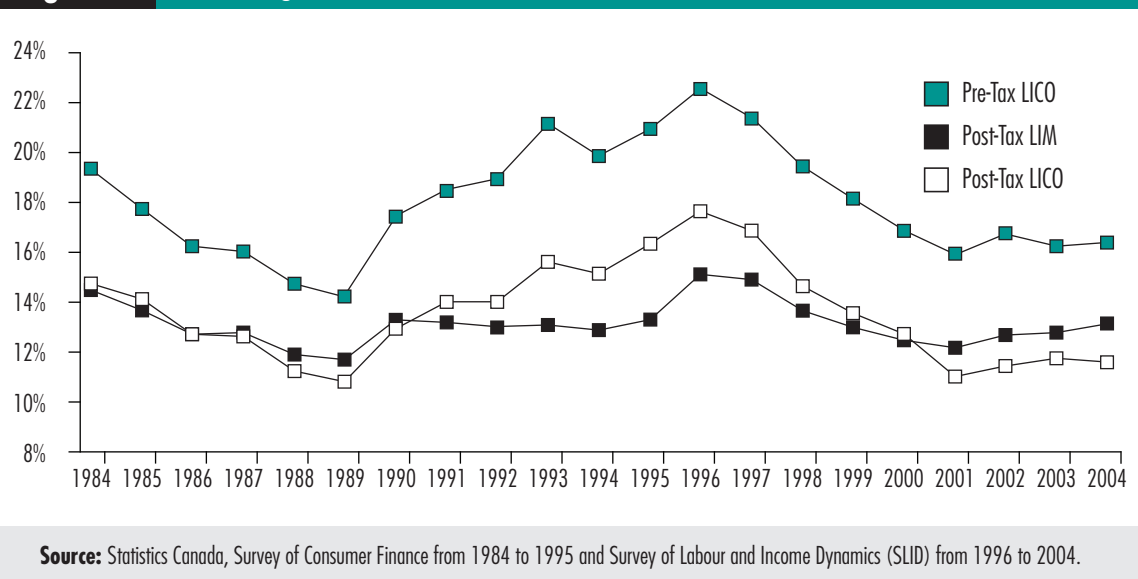


Figure 7 Unemployment Rate and Percentage of Families with Children Below Post-Tax LICOs, Canada, 1984–2004

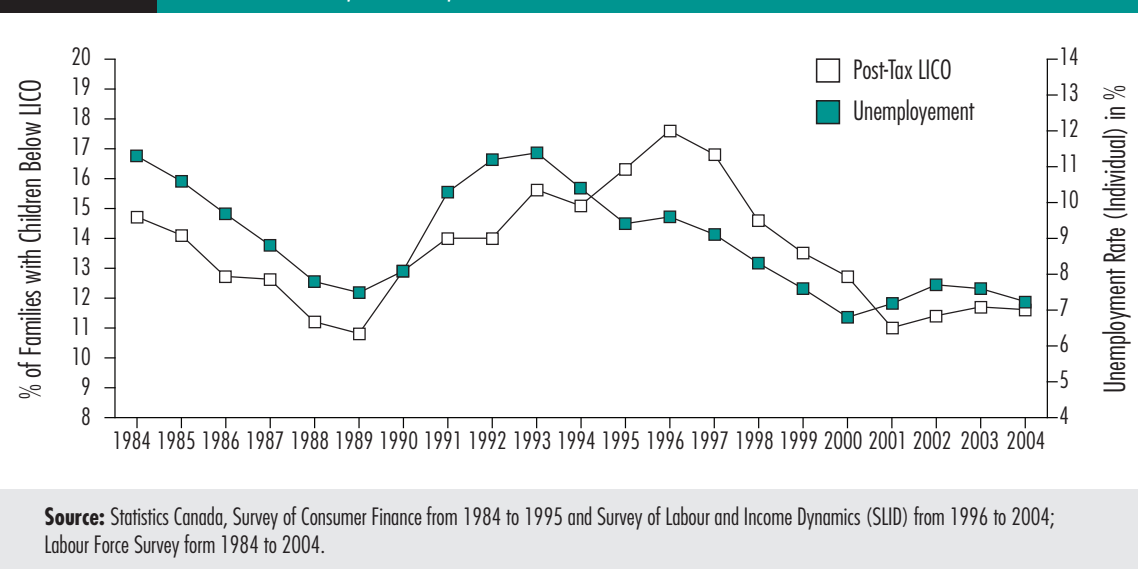
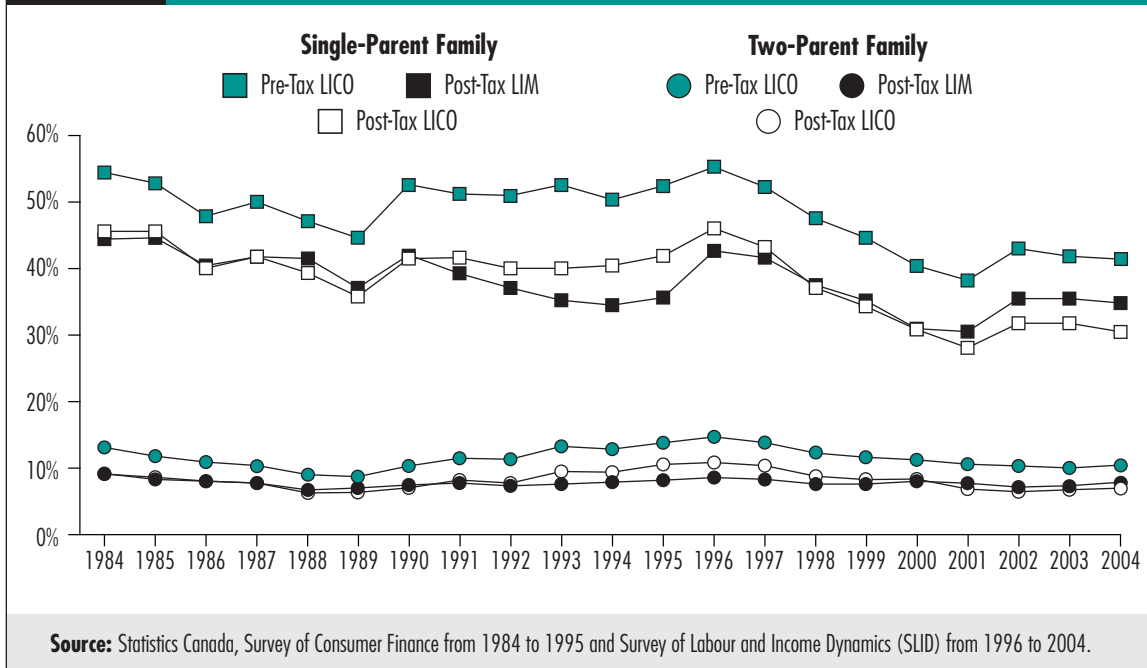


Figure 8

Percentage of Families with Children with Low Income, Single-Parent and Two-Parent Families, LICOs and LIM, 1984 – 2004



post-tax LICO also showed a decline, from 10.9 percent to 7.0 percent over the same period.

Duration of Low Income

Low Income is Temporary for Most

Low income is usually not a permanent situation for most families with children. Most families who experience low income move in and out of it over time.

From 1984 to 2004, on average, 13.6 percent of families with children lived in low income (post-tax LICO) in any given year. As shown in Figure 9, between 1996 and 1999, about a quarter of all children aged 13 and under lived in a family which experienced low income for at least one of those four years (1,403,600 children in total). However, of those 1,403,600 children, less than one-half lived in low income for more than two of these four years

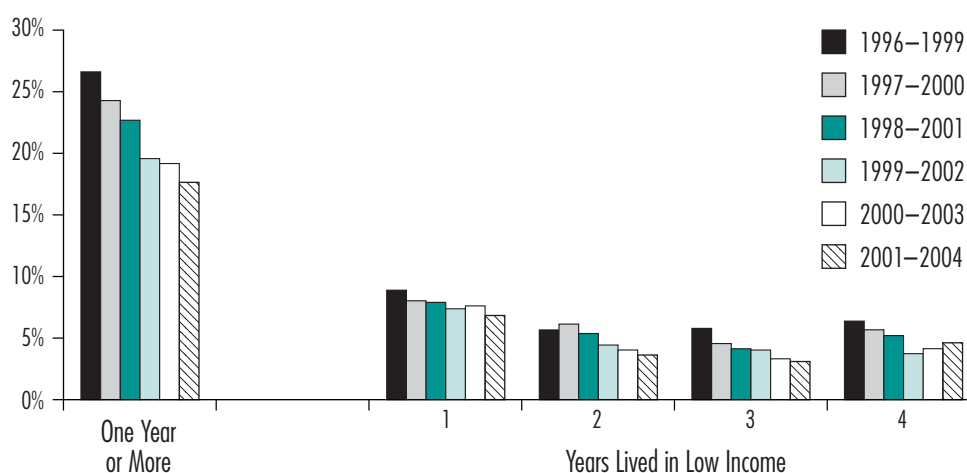
(638,700 children in total, or 12.1 percent of all children age 13 and under). Only about a quarter of these children lived in a low-income situation for all four years (332,700 children in total, or 6.3 percent of all children age 13 and under).

Comparing the 1996–1999 period to the next four-year period, 1997–2000, the proportion of children experiencing low income in at least one of the four years declined from 26.5 percent to 24.3 percent. This proportion declined further in the 1998–2001 period to 22.6 percent, to 19.6 percent in the 1999–2002 period, to 19.1 percent in the 2000–2003 period and then to 17.6 percent in the 2001–2004 period.

Of the 765,600 children aged 13 and under who lived in a family which experienced low income for at least one year between 2001 and 2004, less than one-half lived in low income for more than two of

Figure 9

Children 13 and under Living in Low Income, 1996–1999, 1997–2000, 1998–2001, 1999–2002, 2000–2003, 2001–2004



Source: Statistics Canada, Survey of Labour and Income Dynamics (SLID).

these four years (321,500 children in total, or 7.4 percent of all children age 13 and under). Only about a quarter of these children lived in a low-income situation for all four years (196,400 children in total, or 4.5 percent of all children age 13 and under).

With respect to those children 13 and under experiencing low income for four consecutive years, there was an overall decline from 6.3 percent in the 1996–1999 period to 4.5 percent in the 2001–2004 period. However, there has been a slight increase in this proportion from 4.1 percent in the 2000–2003 period.

Depth of Low Income

The Depth of Low Income is Lessening Gradually

The depth of low income measures how far family income falls below a given low-income line. It measures the additional amount of income a low-income family would

need to reach a pre-determined low-income line, such as Statistics Canada's LICOs or the LIM.

An example is given below in Table 8. It shows that the 2004 low-income line (post-tax LICO) of a two-parent, two-child family living in a city of more than 500,000 people is \$31,865. If such a family had post-tax income of \$23,899 in that year, its depth of low income would be \$7,966 (i.e., \$31,865 – \$23,899). Expressed as a percentage, the depth of low income of this family is equal to 25 percent of the low-income line (i.e., [$\$7,966 / \$31,865$] $\times 100$).

As illustrated in Figure 10, the depth of low income for families with children has generally improved since 1984. Between 1996 and 2004, the depth of low income for families with children improved slightly from 29.8 percent to 29.0 percent. This is a slight increase from 28.0 percent in 2003. However, over that period, the depth fluctuated somewhat from a high of 32.2 percent immediately before the launch

Table 8

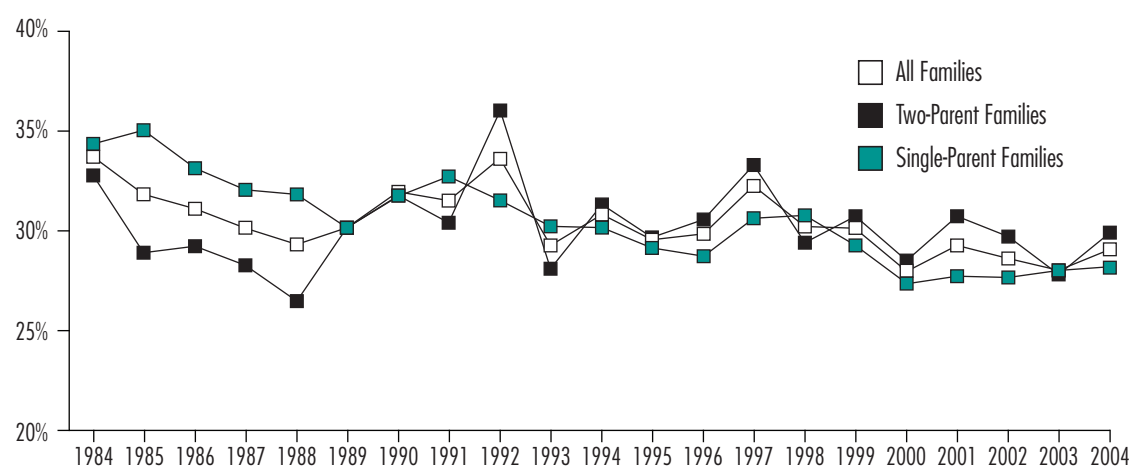
Depth of Low Income for a Two-Parent, Two-Child Family Living in a City of more than 500,000 People in 2004

	Post-Tax LICOs
2004 Low-Income Cut Off (Post-Tax)	\$31,865
Example Family's Income (Post-Tax)	\$23,899
Difference Between Low-Income Cut Off and Example Family's Income (Depth of Low Income of that Family)	\$7,966
Percentage Points Below Low-Income Cut Off	25%

Source: Statistics Canada, Survey of Labour and Income Dynamics (SLID) 2004.

Figure 10

Post-Tax LICOs: Depth of Low Income – Shortfall of Low-Income Families with Children as a Proportion of the LICO, 1984–2004



Source: Statistics Canada, Survey of Consumer Finance from 1984 to 1995 and Survey of Labour and Income Dynamics (SLID) from 1996 to 2004.

of the NCB in 1997 to a low of 28.0 percent in 2000 and 2003.

In dollar terms, the average depth of low income has similarly shown a slight improvement between 1996 and 2004. In 1996, low-income families with children had an average after-tax income of \$18,030. These low-income families would have needed, on average, \$7,654 to reach the low-income line (post-tax LICOs). Comparatively, low-income families had an average after-tax

income of \$18,494 in 2004 and needed, on average, \$7,554 to reach the low-income line (post-tax LICOs).¹⁸

Complex factors make it difficult to interpret changes in the depth of low income. As described above, movements in and out of low income are significant and have an impact on the depth of low-income indicator. For example, if families that are closer to the low-income line increase their incomes enough to no longer be considered

¹⁸ For comparison purposes, the figures in this paragraph are expressed in 2004 dollars.

living in low-income, the average depth of low income for those who remain below the low-income line may actually increase. This result would give the impression that the situation has worsened for all, when it has really improved for many. Despite these limitations, the depth of low income is an important indicator of how low-income families are faring.

Labour Market Attachment Among Low-Income Families

More Low-Income Parents are Employed

Promoting attachment to the labour force among low-income families with children is the second goal of the NCB initiative. Figure 11 indicates that from 1984 to the economic downturn in the early 1990s, the percentage of low-income families in which the parents had paid employment was quite stable. The percentage declined during the early 1990s, but continued to increase during the economic recovery of the late 1990s.

As illustrated in Figure 11, the proportion of low-income families with children in which at least one parent was employed for pay during the year increased from 55.7 percent in 1996 to 72.7 percent in 2004. The proportion of one-parent families employed for pay rose from 37.5 percent in 1996 to 63.2 percent in 2004.

Additional information on labour force attachment can be gained by examining the sources of income of low-income families with children. For example, Figure 12 shows the average level of government transfers received and average earnings of low-income families with children between 1984 and 2004 (expressed in 2004 dollars).

While there has been variation from year to year, since the early 1990s, there has been a moderate upward trend in the level of earnings of low-income families with children and in the proportion of after-tax income that comes from employment earnings. In 1992, low-income families earned, on average, \$4,789. This amount

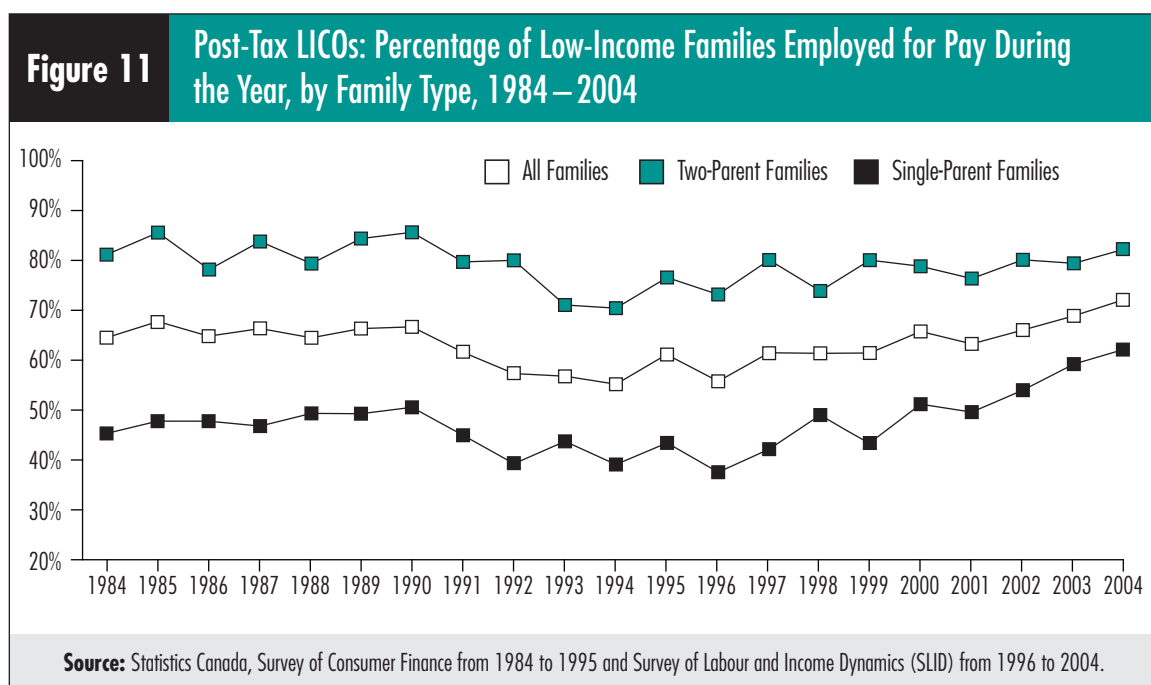
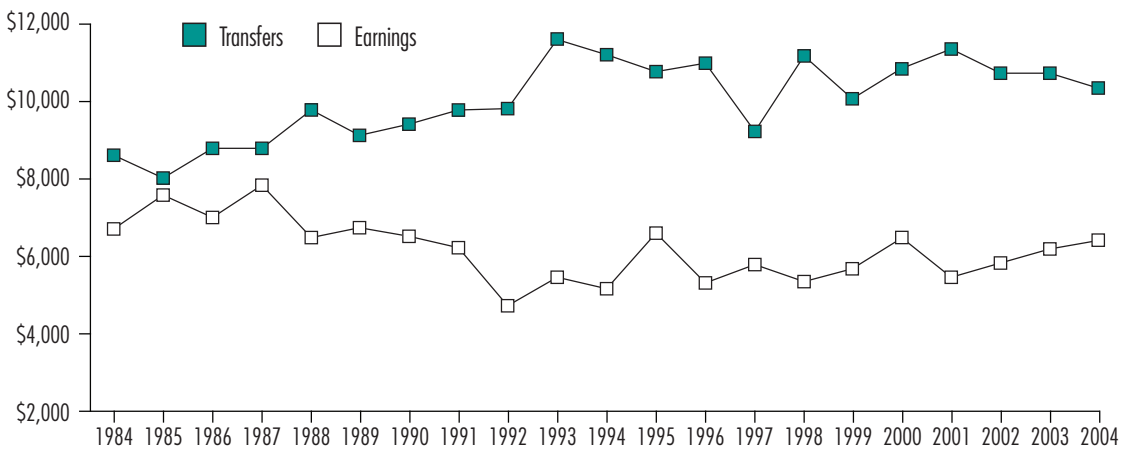


Figure 12**Source of Family Income, Low-Income Families with Children, Post-Tax LICOs
(expressed in 2004 dollars)**

Source: Statistics Canada, Survey of Consumer Finance from 1984 to 1995 and Survey of Labour and Income Dynamics (SLID) from 1996 to 2004.

represented approximately 30.7 percent of the after-tax income of low-income families. In 2004, low-income families earned, on average, \$6,538, which was 35.4 percent of their total after-tax income. During this same period, the trend in government transfers was slightly upward, and transfers continued to play an important role as a source of family income for low-income families.

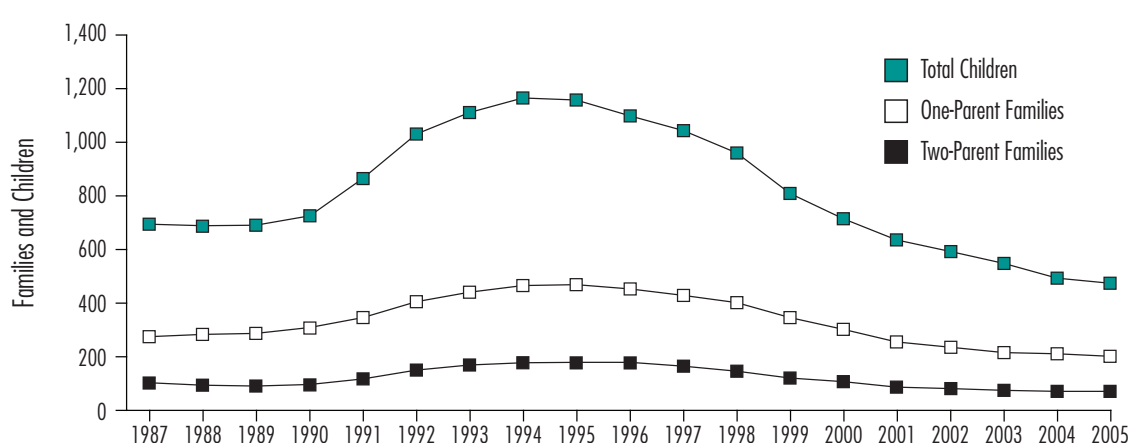
Fewer Canadian Children are Living on Social Assistance

While it is not a direct indication of increased labour force attachment, there was a significant decline in the number of families receiving social assistance during the late 1990s.

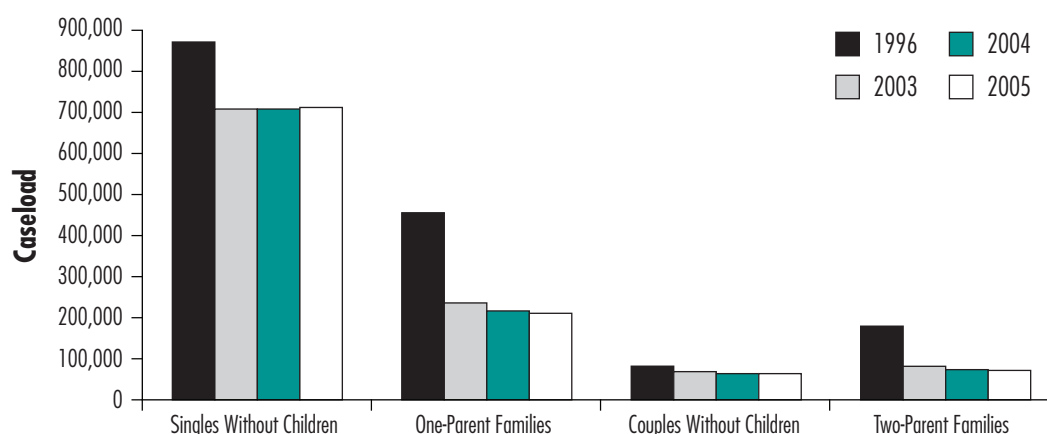
Figure 13 shows that between 1996 and 2004, the number of one-parent families relying on social assistance decreased by 52.8 percent (from 454,500 to 214,700 households). By 2005, the decline reached 54.6 percent (down to 206,200 households). Between 1996 and 2004, the number of two-parent families with children relying

on social assistance decreased by 60.3 percent (from 177,400 to 70,450 households). By 2005, the decline reached 61.9 percent (down to 67,600 households). As a result, between 1996 and 2004, the overall number of children living in families relying on social assistance decreased by 54.5 percent (from 1,096,900 to 498,800 children). By 2005, the decline reached 56.2 percent (down to 480,700 children).

It is interesting to compare the reduction in social assistance caseloads for families with children with the situation of childless families. Figure 14 shows that between 1996 and 2005, the two-parent family social assistance caseload numbers decreased by 61.9 percent. By comparison, between 1996 and 2005, the caseload numbers for couples without children decreased by only 25.2 percent. Similarly, between 1996 and 2005, the caseload for one-parent families declined by 54.6 percent while the caseload numbers for singles without children declined by only 18.5 percent.

Figure 13**Social Assistance Families and Children in March of Each Year, 1987 – 2005
(in thousands)**

Source: Strategic Policy and Research, Human Resources and Social Development Canada.

Figure 14**Social Assistance Data as of March of Each Period, 1996, 2003, 2004 and 2005**

Source: Strategic Policy and Research, Human Resources and Social Development Canada.

Economic growth in the late 1990s was one of the main reasons for the overall reduction in social assistance caseloads. In addition, welfare reform measures, including the restructuring of social assistance systems in several provinces as part of the NCB initiative, were a contributing

factor in the decline in the caseload of families with children. Finally, evidence from the federal/provincial/territorial evaluation of the NCB initiative suggests that the NCB was associated with social assistance caseload reductions.¹⁹

¹⁹ See *Evaluation of the National Child Benefit Initiative: Synthesis Report* (2005), page 20, available on the NCB Web site at: www.nationalchildbenefit.ca.

Summary

This chapter has shown that the incidence of low income among families with children has declined significantly since the mid-1990s. From a peak of 17.6 percent in 1996, the incidence of low income among families with children fell to 11.6 percent in 2004. This represents a decrease of 37.0 percent from 1996 levels. The depth of low income for families with children improved from \$7,654 in 1996 (expressed in 2004 dollars) to \$7,554 in 2004. There was also a decline in the proportion of children experiencing low income for four consecutive years, which fell from 6.3 percent in the 1996–1999 period to 4.5 percent in the 2001–2004 period.

In terms of attachment to the labour market, the proportion of earnings from employment and the percentage of low-income families employed for pay are higher in 2004 than in 1996. Finally, the social assistance caseload for families with children continues to decline.

These indicators are important in monitoring the overall economic well-being of low-income families with children. However, the extent to which the NCB has contributed to these changes cannot be directly determined from the societal level indicators reported on in this chapter. They do not tell us the extent to which the NCB is responsible for changes in these trends. Chapter 5 will describe the direct contribution of the NCB in preventing and reducing the incidence and depth of low income among families with children.

Assessing the Direct Impact of the National Child Benefit Initiative



The previous chapter examined societal level indicators such as the incidence and depth of low income. This chapter reports on the direct impact of the income component of the National Child Benefit (NCB) initiative in making progress on its first goal, to help prevent and reduce the depth of child poverty.

The chapter presents evidence based on a simulation using the 2004 *Survey of Income and Labour Dynamics* (SLID). The simulation compares the actual NCB income benefits structure to a hypothetical scenario based on the benefits structure that existed prior to the NCB. This is the sixth in a series of simulations providing information to Canadians on the progress of the NCB. Four previous simulations were included in *The National Child Benefit Progress Report: 2001, 2002, 2004 and 2005*. A fifth simulation, *Impact of the National Child Benefit on the Incomes of Families with Children: A Simulation Analysis*, was released by Federal, Provincial, and Territorial Ministers Responsible for Social Services in August 2005.²⁰

The Simulation Approach

The simulation presented in this chapter focuses on the income benefits component of the NCB initiative: both the

federal NCB Supplement and provincial/territorial reinvestments and investments in income benefits. Although provincial, territorial and First Nations reinvestments and investments in non-income programs and services also contribute to the NCB goal of preventing and reducing the depth of child poverty, isolating the impact of these non-income programs and services is beyond the scope of this analysis.

The report presents a simulation of the direct impact of the NCB income benefits on the following three outcome indicators for the period from January to December 2004:

- the change in **number** and **incidence** of children as well as families with children living in low income;
- the average **change in disposable income** that families with children saw in 2004 as a direct result of the NCB; and,
- the change in the **depth of low income**, or the low-income gap (the aggregate amount of income that low-income families would need to reach a pre-determined low-income line).

The impact of the income benefits of the NCB is determined by comparing the difference in each of these outcome

²⁰ This simulation was based on the 2001 data.

Table 9 Comparison of Two Federal/Provincial/Territorial Child Benefit Structures in 2004

Structure 1 Without NCB Initiative	Structure 2 With NCB Initiative
Maintain the Working Income Supplement (WIS) structure ^a	Introduce the NCB Supplement
No adjustments to provincial/territorial income support programs for increases in the NCB Supplement	Introduce adjustments to provincial/territorial income support programs for increases in the NCB Supplement
No provincial/territorial reinvestment programs and additional investments in income benefits directly related to the NCB initiative	Introduce provincial/territorial reinvestment programs and additional investments in child benefits and earned income supplements

^aThe Working Income Supplement (WIS) was a federal program that preceded the NCB, providing income support to supplement the earning of low-income working families. The WIS was replaced in July 1998 by the NCB Supplement.

indicators under two different federal/provincial/territorial child benefit structures in 2004: the actual structure with the NCB initiative, and a simulated structure without the NCB initiative. The impact of NCB income benefits is measured as the difference between these two child benefit structures. This methodology captures an estimated \$2.15 billion of NCB income benefits. Key characteristics of these two child benefit structures are presented in Table 9.

This methodology has the advantage of isolating the impact of the income benefits of the NCB initiative on the three outcome indicators described above, while keeping other socio-economic variables such as the level of employment or earnings unchanged. However, the methodology used in this report cannot capture changes in the economic behaviour of low-income families with children which may have been caused by the NCB. For example, on the one hand, the NCB may have encouraged low-income families to enter the workforce from social assistance. On the other hand, the NCB Supplement reduction rates may have had a negative impact on the number of hours worked by some workers. These dynamic effects are not captured by this methodology.

The application of the above methodology to the data from Statistics Canada's 2004 *Survey of Labour and Income Dynamics* (SLID) made it possible to assess the impact of the NCB income benefits on families with children who were in receipt of the NCB Supplement. All impacts are reported using Statistics Canada's post-tax Low-Income Cut-Offs (post-tax LICOs). Appendix 3 provides impacts using the post-tax Low-Income Measure (LIM) and the Market Basket Measure (MBM), respectively. The advantages and limitations of the SLID database were described in Chapter 4.

The NCB Reduced the Number of Families with Children Living in Low Income in 2004

The NCB initiative was responsible for preventing an estimated 59,000 families with 125,000 children from living in low income in 2004 (see Table 10). This is a 12.1 percent reduction in the number of families with children living in low income in 2004. Analysis of the 2004 SLID data indicates there were an estimated

429,500 families with 869,300 children living in low income in 2004, representing 11.4 percent²¹ of all Canadian families with children. If the NCB had not been introduced, an estimated 488,500 families with 994,700 children would have lived in low income in 2004, translating into 13.0 percent of all families with children. Therefore, in 2004, the NCB reduced the number of families with children living in low income by 59,000 families, from 488,500 to 429,500 (a 12.1 percent reduction).

As indicated in Table 9, the overall reduction of 12.1 percent can be further broken down into a 9.5 percent reduction in the number of lone-parent families living in low income, and a 14.7 percent reduction in the number of two-parent families living in low income.

In 2004, the incidence of low income was higher among lone-parents than two-parents. There were an estimated 221,900 lone-parent families with 406,000 children living in low income, representing 30.4 percent of all

lone-parent families. By comparison, only 6.8 percent (or an estimated 207,300) of two-parent families with 462,900 children were living in low income in 2004. The final row of Table 10 indicates the percentage point decline in the incidence of low income brought about by the NCB in 2004. As indicated above, with the NCB in place, the incidence of low income for families with children in 2004 was 11.4 percent. Without the NCB, this incidence would have been 13.0 percent. Therefore, the NCB was responsible for a 1.6 percentage point decrease in the incidence of low income among families with children.

The NCB has made a more significant contribution to the decline in the incidence of low income for lone-parent families than for two-parent families. Without the NCB, an estimated 245,000 lone-parent families with 451,400 children would have lived in low income, translating into 33.6 percent of all lone-parent families with children. With the NCB, the incidence of low income for lone-parents was 30.4 percent, indicating

Table 10 Change in the Incidence of Low Income Among Families by Family Type due to the NCB: January 2004 to December 2004

SLID 2004 Post-Tax LICOs	One-Parent Families	Two-Parent Families	All Families ^a
Decline in Number of Children Living in Low Income	45,300	80,100	125,400
Decline in Number of Families Living in Low Income	23,200	35,800	59,000
Percentage Change in Number of Families Living in Low Income	-9.5%	-14.7%	-12.1%
Decline in Incidence of Low Income Among Families with Children ^b	-3.2%	-1.2%	-1.6%

^aThe "All Families" group includes one-parent, two-parent and other family types (e.g. children in foster homes). Children in other family types do not fall in the category of one- or two-parent families.

^bDecline in incidence of low income is expressed in percentage points.

Source: Based on Statistics Canada Special Tabulations from the Survey of Labour and Income Dynamics (SLID) 2004.

²¹ The 11.4 percent refers to the percentage of families with children living in low income and receiving the NCB Supplement. By contrast, in Chapter 4, when considering all families with children, regardless of whether they receive the NCB Supplement, 11.6 percent were living in low income in 2004.

that the NCB reduced the incidence of low-income by 3.2 percentage points.

Among two-parent families, the incidence of low income declined by 1.2 percentage points in 2004 due to the NCB. If the NCB had not been introduced, an estimated 243,000 two-parent families with 543,000 children would have lived in low income in 2004, translating into 8.0 percent of two-parent families with children.

The NCB Improves Disposable Incomes of Low-Income Families with Children

NCB income benefits have reduced the number of families with children living in low income by improving their disposable income. Statistics Canada's 2004 *Survey of Labour and Income Dynamics* (SLID) was used to simulate the average increase in the level of disposable income that families with children saw as a direct result of NCB income benefits. As shown in Table 11, these increases in disposable income were estimated for three groups of families in 2004:

- families with children who were prevented from living in low income as a direct result of the NCB Supplement;

- families with children who remained in low income despite receiving the NCB Supplement; and
- all other families with children who received the NCB Supplement in 2004 (i.e., families who were above the low-income threshold with or without the NCB Supplement).

As indicated in Table 11, for those families with children who were prevented from living in low income in 2004 due to the NCB, disposable incomes were, on average, \$2,400 higher than they would have been in the absence of the NCB initiative. This represents an increase of 9.3 percent in their disposable incomes.²²

For those families with children who remained in low income, despite receiving the NCB Supplement during 2004, the NCB resulted in disposable incomes being, on average, \$1,600 higher than what they would have been in the absence of the NCB initiative. This represents an increase of nearly 9.1 percent in their disposable incomes.²³

Finally, those other families with children who received the NCB Supplement (i.e., families with children above the low-income threshold with or without the NCB Supplement), disposable incomes rose, on average, \$1,000 due to the NCB. This represents an increase of about 2.7 percent in their disposable incomes.²⁴

²² For those families with children who were prevented from living in low income due to the NCB in 2004, average, annual after-tax income was \$28,000. Without the NCB in place, average, annual after-tax income would have been \$25,600.

²³ For those families with children who remained in low income during 2004, average, annual after-tax income was \$19,300. Without the NCB in place, average, annual after-tax income would have been \$17,700.

²⁴ For families who were above the low-income threshold, with or without the NCB, average, annual after-tax income was \$39,500. Without the NCB in place, average, annual after-tax income would have been \$38,500.

Table 11**Change in Disposable Incomes due to the NCB Among Families with Children by Family Type: January 2004 to December 2004**

SLID 2004 Post-Tax LICOs	One-Parent Families	Two-Parent Families	All Families
Were Prevented from Living in Low Income in 2004			
Increase in Disposable Income	\$2,200	\$2,500	\$2,400
Percentage Increase in Income	10.5%	8.7%	9.3%
Remained in Low Income in 2004			
Increase in Disposable Income	\$1,300	\$2,000	\$1,600
Percentage Increase in Income	8.4%	9.7%	9.1%
Other Families Who Received NCB Supplement in 2004			
Increase in Disposable Income	\$1,100	\$1,000	\$1,000
Percentage Increase in Income	3.0%	2.5%	2.7%

Source: Based on Statistics Canada Special Tabulations from the Survey of Labour and Income Dynamics (SLID) 2004.

Table 12**Change in Depth of Low Income due to the NCB Among Families Remaining in Low Income: January 2004 to December 2004**

SLID 2004 Post-Tax LICOs	One-Parent Families	Two-Parent Families	All Families
Decline in Low Income Gap (In Millions of Dollars)	\$310	\$430	\$740
Percentage Change in Low Income Gap	-17.7%	-19.0%	-18.5%

Source: Based on Statistics Canada Special Tabulations from the Survey of Labour and Income Dynamics (SLID) 2004.

The NCB Reduced the Low-Income Gap for All Families

The NCB reduced the depth of low income, or low-income gap, for families with children who received the NCB Supplement in 2004. As indicated in Table 12, NCB income benefits closed the low-income gap by a total of \$740 million, or 18.5 percent in 2004.

- The simulation found that NCB income benefits decreased the low-income gap by \$310 million for lone-parents living in low income, a reduction of 17.7 percent.

- For two-parent families, the low-income gap was closed by \$430 million, a reduction of 19.0 percent.

The NCB Helps Low-Income Working Families

In addition to preventing and reducing the depth of child poverty, the NCB was designed to encourage families to leave social assistance for work by improving their incomes and maintaining child benefits when they join the labour force. The previous analysis identified the impact of the NCB on all families that received NCB income benefits. This section

examines the impact of the NCB on families who were working during 2004.

Results of the direct impact analysis of the NCB indicate that of the 51,300 working families with children who were prevented from living in a low-income situation in 2004 due to the NCB, disposable incomes were, on average, \$2,400 higher than they would have been in the absence of the NCB initiative. This represents an increase of 9.3 percent in their disposable incomes.²⁵

The NCB has also made a significant contribution to improving the level of disposable income for the estimated 261,400 working families who remained living in low income during 2004. As a direct result of the NCB, disposable incomes of these families were on average \$2,100 higher than they would have been in the absence of the NCB initiative. This represents an increase of more than 12.0 percent in disposable incomes in 2004.²⁶ As such, families who remained below the low-income threshold in 2004 were, on average, \$2,100 closer to the income level above which they would no longer be considered low-income families. The “low-income gap” was reduced for these families by \$597 million in 2004, representing a decline of 21.3 percent.

Finally, there were 526,800 additional working families who received the NCB Supplement but were not living in low income in 2004 (with or without the NCB). As a

result of the NCB, these families saw their incomes increase on average by \$1,150 or 3.0 percent.²⁷

Summary

This chapter assesses the direct impact of the NCB initiative’s income benefits component. A simulation approach is used to compare the actual NCB income benefits structure to a hypothetical scenario based on the benefits structure that existed prior to the NCB.

According to this simulation, the NCB initiative was responsible for preventing an estimated 59,000 families with 125,000 children from living in low income in 2004, a 12.1 percent reduction in the incidence of low income among families with children. The NCB increased the disposable incomes of these families by an average of 9.3 percent, or \$2,400. Further, the NCB narrowed the low-income gap for all families with children. The combined amount of income that would be required for all low-income families to reach the LICOs was reduced by 18.5 percent or \$740 million in 2004 as a result of the NCB.

²⁵ For those working families who were prevented from living in low income in 2004 due to the NCB, average, annual after-tax income was 28,300. Without the NCB in place, average, annual after-tax income would have been \$25,900.

²⁶ For those working families who remained in low income in 2004, average, annual after-tax income was \$19,900. Without the NCB in place, average, annual after-tax income would have been \$17,700.

²⁷ For those working families who were above the low-income threshold with or without the NCB in 2004, average annual after-tax income was \$39,700. Without the NCB in place, average, annual after-tax income would have been \$38,500.

The Way Ahead



Through the collaboration of federal, provincial and territorial governments and First Nations, the National Child Benefit (NCB) initiative has established the key components of an integrated child benefit system. This system has resulted in a stronger national platform of child benefits, along with additional benefits and services provided at the provincial and territorial levels and by First Nations.

Since 1997, the Government of Canada has increased the level of benefits paid to low-income families with children in July of each year. As of July 2007, annual federal support to Canadian families with children delivered through the Canada Child Tax Benefit (CCTB) system is projected to reach \$9.5 billion. The objective of replacing the child portion of social assistance benefits with an income-tested benefit for all low-income families has largely been achieved. As illustrated in Table 13 by 2007–2008, the amount of total federal child benefits for which low-income

families are eligible will have increased by well over 100 percent from the 1996–1997 level, before the NCB was launched. Cost of living increases to the NCB Supplement will continue.

The benefits and services that provinces, territories and First Nations provide under the NCB initiative are important components of the system. These investments have been expanded since the NCB was established and have benefited from jurisdictions' shared knowledge and experiences. Several jurisdictions have restructured their child benefit systems, most recently Ontario and Manitoba in 2007. The Ontario Child Benefit (OCB) will provide an additional \$2.1 billion over the first five years, and benefit almost 1.3 million children a year when fully implemented. Manitoba's 2007 Budget introduced a new \$11-million Manitoba child benefit. Up to 33,000 children and their families will benefit.

Table 13 Maximum Levels of Federal Child Benefits for 1996–1997 and 2007–2008 Program Years (July to June) in Current Dollars^a

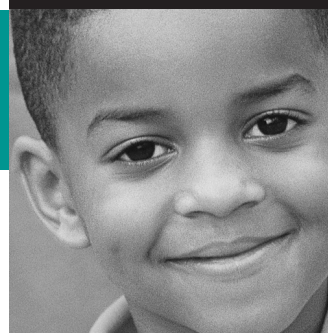
Number of Children	1996–1997 Maximum CTB + WIS	2007–2008 Maximum Base Benefit + NCB Supplement	Percentage Increase from 1996–1997 to 2007–2008
1	\$1,520	\$3,271	115%
2	\$2,540	\$6,312	149%
3	\$3,635	\$9,358	157%
4	\$4,730	\$12,404	162%

^aCurrent dollars are in the actual dollars in a given year, and are not adjusted for inflation.

Federal, provincial and territorial cooperation has been key to the success of the NCB initiative. All jurisdictions remain committed to working toward improving the situation of families in Canada, and informing Canadians about progress made.

A process to launch further evaluation has begun. In addition, INAC is undertaking an evaluation of the First Nations NCBR initiative, scheduled for completion by March 2008.

Glossary



Canada Child Tax Benefit (CCTB):

A federal income support program for Canadian families with children that is delivered through the income tax system. The CCTB includes two components: a base benefit for low- and middle-income families with children, and the National Child Benefit (NCB) Supplement, which provides additional support to low-income families with children.

Depth of Low Income: The additional amount of income a low-income family would need to reach a pre-determined line, such as Statistics Canada's Low-Income Cut-Offs (LICOs), the Low-Income Measure (LIM), or the Market Basket Measure (MBM).

Disposable Income: The income that a family has left after paying personal income taxes and other payroll deductions, such as Canada Pension Plan contributions and Employment Insurance premiums.

Earnings Supplements: Payments by governments to families that top up work-related earnings. Earnings supplement programs are often targeted to low-income working families, and they provide benefits based on the number of children in a family.

Incidence of Low Income: The proportion of families with children with annual income falling below a pre-determined line, such as Statistics Canada's LICOs, the LIM, or the MBM.

Indicators: In the context of this report, indicators are statistics that assess how well Canadian families are faring.

Societal Level Indicators measure areas such as low income and labour force attachment and do not assume that any changes are necessarily caused by the NCB.

Direct Outcome Indicators, on the other hand, measure only those changes that are directly caused by the NCB.

Market Basket Measure (MBM):

An additional research tool for governments and other interested Canadians to use in analyzing low income. The MBM provides a new perspective on low income, as it is based on a specific transparent basket of goods and services. The MBM identifies disposable income levels that are required to purchase this basket of goods and services in various communities across Canada. Compared with Statistics Canada's Low-Income Cut-Offs (LICOs) and Low Income Measure (LIM), the MBM is a more precise reflection of differing living costs by geographic location.

National Child Benefit (NCB): A joint federal, provincial and territorial government initiative designed to support low-income families with children. It includes increased federal income support plus provincial, territorial and First Nations reinvestments and additional investments in programs and services. The NCB began in July 1998.

NCB Reinvestment Funds: Comprise social assistance/child benefit savings and, in some jurisdictions, Children’s Special Allowance (CSA) recoveries. Provinces, and territories have the flexibility to adjust social assistance or child benefit payments by an amount equivalent to the NCB Supplement. These savings can then be reinvested to provide funding for new or enhanced programs, benefits and/or services to meet local needs and priorities (see Appendix 2 for further details).

NCB Investment Funds: Comprise additional funds that some jurisdictions devote to the NCB, over and above the reinvestment funds.

NCB Supplement: The federal contribution to the NCB Initiative—a monthly payment targeted to low-income families to help with the costs of raising children. It is a component of the CCTB.

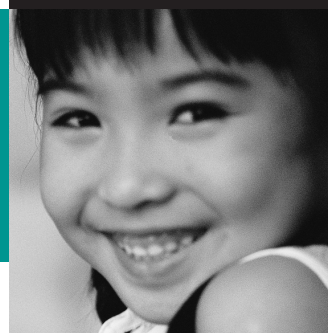
SLID, or the *Survey of Labour and Income Dynamics*: A longitudinal labour market and income survey to study changes over time in Canadians’ labour force status and economic well-being.

Social Assistance (SA): A needs-tested, last-resort system of income support administered by provincial and territorial governments. It is commonly known as welfare.

The Welfare Wall: Describes an array of barriers that can make it less financially attractive for people to move from social assistance to the labour market due to the loss of income or services.

Working Income Supplement (WIS): A federal program that preceded the NCB. It provided income support to supplement the earnings of low-income working families with children. The WIS was replaced in July 1998 by the NCB Supplement. Some provinces and territories have reinvested NCB funds in their own versions of an earned income supplement.

Provincial, Territorial and First Nations National Child Benefit Reinvestments and Investments



This appendix provides information on the National Child Benefit (NCB) reinvestments and investments that jurisdictions²⁸ have undertaken. Some of these reinvestments and investments are new programs or services, while others are enhancements to existing programs. This appendix includes descriptions, actual expenditure data for 2003–2004 and 2004–2005, and estimated expenditure data for 2005–2006 and 2006–2007.

There are two sources of funds for NCB initiatives: reinvestment funds and investment funds. The data presented in this appendix represents the total of reinvestment and, where applicable, investment funds.

Reinvestment funds result from savings related to the federal NCB Supplement that free up provincial and territorial funds previously used for social assistance. Some jurisdictions make adjustments to their social assistance payments based on the NCB Supplement. The amount of the adjustment then becomes available for reinvestment. Other jurisdictions have restructured social assistance to implement income-tested child benefits delivered outside of social assistance. Among

these jurisdictions, some adjust their child benefits to match, in whole or in part, the NCB Supplement, while some do not make any adjustment. For those that make an adjustment related to the NCB Supplement, funds available for reinvestments increase along with the NCB Supplement. For those that do not make such adjustments, funds available for reinvestments are deemed to be “fixed” to the amount of savings at the time their system was restructured. That amount is available for reinvestment each year.

Investment funds are additional funds that some jurisdictions have chosen to devote to the NCB initiative, over and above the reinvestment amounts.

Sources of Reinvestment Funds

There are two sources of reinvestment funds:²⁹

1. Social Assistance/Child Benefit Adjustments

Chapter 3 provides a summary of the various approaches that have evolved with respect to the adjustment of social

²⁸ This report does not include data for Quebec. Quebec residents benefit in the same way as other Canadians from the Canada Child Tax Benefit. Moreover, they benefit from substantial investments made by the Quebec government, in the context of its family policy, in services for families with children.

²⁹ Between July 1998 and June 1999, a third source of reinvestment funds was Transitional Assistance. It ensured that no families that previously received the Working Income Supplement experienced a reduction in the overall benefits they received as a result of the introduction of the NCB Supplement.

assistance benefits and child benefits through the NCB.

2. Children's Special Allowance Adjustments

The Children's Special Allowance is paid on behalf of children who are in the care of provincial/territorial child welfare authorities. It mirrors the maximum Canada Child Tax Benefit payments, including

the NCB Supplement. Jurisdictions have the option to either recover, or pass on the increased NCB Supplement amount to child welfare authorities for child maintenance costs. Newfoundland and Labrador, Prince Edward Island, Nova Scotia, Manitoba, Saskatchewan and Alberta have chosen to recover the increased amount, and it is considered to be part of NCB reinvestment funds.

Newfoundland and Labrador

In Newfoundland and Labrador, the NCB initiatives have improved the well-being of low-income families in the province. These initiatives promote labour market attachment for low-income families and support early childhood and youth initiatives to improve the well-being of young people living in low-income families.

There was no adjustment to Income Support benefits in 1998–1999. The NCB Supplement was not deducted from benefits provided to families in receipt of Income Support. As a result, all programs funded under the NCB Initiatives in 1998–1999 were investments by the province.

As a result of the second increase in the NCB Supplement in 1999, the Income Support Program was redesigned, resulting in the introduction of the Newfoundland and Labrador Child Benefit (NLCB). Income Support benefits were reduced for families with dependent children as basic benefits for children were removed from the allowance. However, the reduction was offset by the 1999 increase in the NCB Supplement and the new NLCB, which all low-income families receive, including families in receipt of Income Support. All families in receipt of Income Support realized an increase in their monthly income.

Newfoundland and Labrador's NCB reinvestments and investments include:

Newfoundland and Labrador Child Benefit (NLCB) (Reinvestment) –

This is a provincial child benefit paid to all low-income families in Newfoundland and Labrador. The NLCB is administered by the Canada Revenue Agency on behalf of the province, and payments are included

in the Canada Child Tax Benefit cheque. In 2001–2002 and 2002–2003, as a result of slippage in program expenditures because of an improved economy, making fewer families eligible for this benefit, the income threshold of the NLCB was increased to follow increases in the NCB Supplement. In 2003–2004, the slippage in the program expenditure was used to increase the first child rate by \$12 per year. Since July 2004 the NLCB rates continue to be adjusted annually based on the Provincial Consumer Price Index. For both 2004–2005 and 2005–2006, as a result of slippage in program expenditure and indexing, the first child rate was increased by \$12 per year. In 2006–2007, as a result of indexing, the first child rate was increased by \$7 annually.

In December 2001, the **Mother Baby Nutrition Supplement (MBNS)** was added as an additional benefit to the NLCB in the form of a nutritional supplement of \$45 per child per month, for children under one year of age living in families eligible for at least \$1 of NLCB. This benefit is funded through redirecting funds from the Income Support Program into the NLCB.

Note: The pre-natal portion of the MBNS, of \$45 per month per family, was also part of the Income Support Program. This was also removed from the Income Support Program and is delivered as an income-tested benefit outside the Income Support Program. Funding for this initiative is provided through funds redirected from the Income Support Program and through funding from the Early Childhood Development Initiative.

Unlicensed Child Care (Investment) –

This initiative increases financial support to families with dependent children who

require child care in order to seek and retain employment or are involved in post-secondary pursuits, but for various reasons, cannot access licensed child care. This service increases benefits to families receiving Income Support and ensures families are not worse off as a result of going to work. This initiative came into effect October 1, 1998.

Family Home Child Care Agencies

(Investment) – Refers to community-based, non-profit organizations that recruit, support, approve and monitor regulated child care services in private family homes. The agency is licensed to approve individual homes according to standards provided by the Regional Health Authorities. In Newfoundland and Labrador, two family home child-care agencies receive NCB funding.

Child Care Subsidy Program

(Investment) – NCB funding builds on the base provincial allocation for the Child Care Subsidy Program. The program is income-tested and available to families in receipt of benefits from the Income Support Program and to low-income families (net income up to \$25,000). NCB funding has made it possible to increase the subsidy rate and to provide greater access for families to subsidized regulated child care spaces. The funding also supports transportation costs on behalf of the families where a child care subsidy applies.

Funding to Centres (Investment) –

NCB funding supports the provision of annual equipment grants to licensed child-care centres. This component assists in supporting quality care in licensed group care.

School-Based Infant Care (Investment) –

This initiative offers group infant child care in high schools at no cost for students who require on-site care and increased support to continue their high school education. This initiative combines access to quality child care services and direct supportive assistance to parents attending high school. During the school day, the teen parents are encouraged to spend breaks and free time in the centre for purposes of interacting with their baby and to gain insights and support on parenting skills. Transportation to and from the school for babies and parents is also provided.

Early Childhood Education Certification

(Investment) – This component supports two ongoing initiatives: (1) the provision of courses for people employed in licensed child-care facilities that require either Level I or Level II Early Childhood Education to meet legislation standards; and (2) the Registrar of Certification Office for Early Childhood Educators, which maintains a system of registration and provides orientation courses for early childhood educators. Both of these initiatives are intended to support educational requirements of early childhood educators who are or who wish to become employed in licensed care services.

Child Care Service Consultants

(Investment) – On an annual basis, NCB funding supports six Child Care Consultant positions in the province. These positions are located across the province within Regional Integrated Health Authorities. These positions add to the licensing, support and child-care expertise available in the province.

Extended Drug Card Program

(Investment) – This initiative extends the health-care benefits to six months for individuals/families leaving the Income Support Program for employment. This initiative helps recipients make the transition from dependence on Income Support to employment.

Family Resource Programs (Investment) –

Family resource programs are community-based services that are designed to provide a range of drop-in support services and learning activities for young children and their families. Objectives of the services are to improve child development outcomes, to support adults in their respective caregiving roles, and to increase community involvement in the support available for young children and families. The target group is primarily children up to six years of age (and up to 12 where needed), pregnant women, parents, family members and other caregivers. Healthy baby clubs are a specific service that is provided through family resource programs or other similar community-based services. Healthy baby clubs are prenatal programs that provide a range of one-on-one and group services to pregnant women to help support the best possible birth outcome. Particular emphasis is placed on nutrition, healthy lifestyle and personal support. NCB funding supports nine family resource programs, including healthy baby clubs (seven of the family resource programs operate with a main hub site and several satellite service sites).

Intervention Program Supports

(Investment) – Intervention program supports encompass two initiatives: (1) support for implementation of home-based early intervention services

for families with children under age 6 years and with significant delay or disabilities, including intensive intervention services for children diagnosed with autism spectrum disorder; and (2) enhancement to the Special Child Welfare Allowance for eligible families with children with disabilities who require additional support in the home environment. These combined activities are designed to support families who have children with special needs and require additional supports to improve both child and family outcomes.

Child, Youth and Family Services

(Reinvestment) – These programs and services are designed to support the safety, health and well-being of children, youth and families. They include support services for families, protection intervention (including children in care), youth services and adoptions.

Community Youth Network

(Investment) – The Community Youth Network provides community-based facilities for youth aged 12 to 18 years, in addition to offering programs and services to other ages from 5 to 29 years. There are nine hub sites with an additional 10 satellites throughout the province, all with the capacity to serve several other communities within their respective catchment areas. This initiative aims to provide services and support along four business lines: learning, employment, community building and services. Services and support are provided in youth-friendly settings that combine many positive strategies to encourage youth participation and learning. Programs that involve intensive one-on-one support and skill development, group social, academic, recreational, and leadership approaches are used to enhance the lines of business.

The projects are run by community coalitions (including youth participation); they are designed to build partnerships and support young people, especially youth who require increased assistance to achieve success in life. The Community Youth Network is very highly regarded at the community level, and an independent formative evaluation of the initiative has been completed. A final evaluation report is in preparation.

Residential/Mental Health Services

(Investment) – This refers to annual funding provided to Regional Integrated Health Authorities to support youth aged

12 to 18 years. At the regional level, the funding is allocated to residential and mental health services as needed to increase support to youth-at-risk and to provide preventive, community-based solutions for young people.

Project Administration (Investment) –

This is funding reserved to support overall administration of the NCB programs, services and initiatives that fall under the responsibility of the Department of Health and Community Services.

Table 14 Newfoundland and Labrador: NCB Reinvestments and Investments

	2003–2004	2004–2005	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplements				
Newfoundland and Labrador Child Benefit (NLCB) ^a	8,169	8,155	8,328	8,075
Child/ Day Care				
Unlicensed Child Care	600	600	600	600
Family Home Child Care Agencies	244	252	250	251
Child Care Subsidy Program	1,736	1,736	1,736	1,736
Funding to Centres	251	197	251	253
School-Based Infant Care	62	49	66	84
Early Childhood Education Certification	74	84	78	106
Child Care Service Consultants	320	320	320	320
Supplementary Health Benefits				
Extended Drug Card Program	733	793	975	953
Early Childhood/Children-at-Risk Services				
Family Resource Programs	1,348	1,593	1,690	1,690
Intervention Program Supports	1,048	1,206	1,101	1,000
Child, Youth and Family Services	1,022	1,217	1,700	2,627
Youth Initiatives				
Community Youth Network	1,817	1,412	1,417	1,417
Residential/Mental Health Services	964	964	964	964
Other NCB Programs, Benefits & Services				
Project Administration	521	174	226	176
Total	18,909	18,752	19,701	20,253

^aMother Baby Nutrition Supplement was added to the NLCB in December 2001. Funding for this initiative is provided through redirecting funds from the Income Support Program into the Newfoundland and Labrador Child Benefit.

Note: Totals may not add due to rounding.

Table 15**Newfoundland and Labrador: Estimated Number of Families and Children Benefiting Under NCB Reinvestments and Investments**

NCB Initiatives by Program Name^a	2003–2004		2004–2005		2005–2006		2006–2007	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Newfoundland and Labrador Child Benefit	19,800	30,000	18,834	29,306	18,246	28,393	17,329	27,072
Unlicensed Child Care ^b	425	650	366	525	291	411	260	341
School-Based Infant Care	n/a	5	n/a	10	n/a	8	n/a	8
Extended Drug Card Program ^b	400	600	600	883	780	1,257	780	1,257
Family Resource Programs ^b	3,000	4,000	2,601	2,748	2,500	3,200	2,500	3,200
Community Youth Network	3,120	5,159	3,567	8,469	3,480	7,974	3,501	8,140

^aPrograms with no available data are not listed.^bRepresents monthly average.**Note:** n/a indicates the data for this category is not available.

Prince Edward Island

In Prince Edward Island, the NCB has had a dual focus: to support parents to join and remain in the workforce and to enhance early childhood services. Prince Edward Island has put in place a number of reinvestment initiatives that serve both purposes.

Prince Edward Island adopted the social assistance offset approach when the program originated. This means the province treated the NCB Supplement as an unearned income charge against social assistance until 2001. Therefore, the province deducted the amount of the NCB Supplement from the social assistance entitlement to families with children. Since 2001, any increases in the NCB Supplement have been used to fund an equal increase in the Healthy Child Allowance, a social assistance benefit.

Prince Edward Island reinvestments and investments include:

PEI Child Care Benefit – An enhancement to the Child Care Subsidy Program. This benefit has provided increased access and financial support for licensed child care for Island children.

PEI Family Health Benefit – This program helps lower income families with the cost of prescription drugs. Eligibility is based on family size and net family income from the previous year.

Speech Therapy Innovation –

This program is part of the Healthy Child Development Strategy, which recognizes the importance of early intervention in the development of children. Through this program, speech therapy initiatives are provided to preschool children, parents and

community groups. Effective 2004–2005, this program was funded under the Multilateral Framework on Early Learning and Child Care.

Autism Integration Project –

This program is also part of the Healthy Child Development Strategy. Therapeutic interventions are provided directly to preschool children with autism. Effective 2004–2005, this program was funded under the Multilateral Framework on Early Learning and Child Care.

Looking After Children – NCB funds have been key to implementing this project for the delivery of services to children in public care. The project has included the development of research-based policies, training for care providers, materials and review processes.

Children-in-Care Initiatives – NCB funds have also been used to support the delivery of children-in-care services to children in Prince Edward Island. Staff increases within the renewed child protection services have resulted in enhanced quality-of-service planning with children and their families.

Children's Mental Health – NCB has provided the funding necessary to establish a new multi disciplinary children's mental health clinical team. This team provides an improved response to Island families who have children with complex mental health problems.

Healthy Child Allowance – This is a social assistance benefit payable to families with children under the age of 18 to provide for participation in sport, recreation and/or cultural activities. Effective August 2006, the benefit amount was increased to \$95 per month (from \$76 per month).

Employment Enhancement and Job Creation Programs –

NCB funds have been used to help increase activity under these programs. The NCB contribution has enabled parents on social assistance to upgrade their job skills and obtain employment. Effective 2005–2006, this program was funded by the Department of Development.

Literacy/Adult Basic Education Program –

One of the stepping stones to independence is literacy. This program, delivered by the PEI Institute of Adult and Community Education, has helped make adult literacy

education available at the community level. NCB funds annually help low-income parents to take advantage of this program.

Family Legal Aid Program –

This program provides legal services to low-income custodial parents and their children to determine matters of custody and access/support in relation to matters of family law. Effective 2006–2007, due to restructuring of the Department of Social Services and Seniors, this program is funded from other sources.

Table 16 Prince Edward Island: NCB Reinvestments and Investments

	2003–2004	2004–2005	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child/ Day Care				
PEI Child-Care Benefit	700	700	700	700
Supplementary Health Benefits				
PEI Family Health Benefit	220	250	250	250
Early Childhood/Children-at-Risk Services				
Speech Therapy Innovation ^a	75	—	—	—
Autism Integration Project ^a	125	—	—	—
Looking After Children	50	50	50	50
Children-in-Care Initiatives	450	450	450	450
Children's Mental Health	250	250	250	250
Healthy Child Allowance	1,375	1,513	1,753	1,899
Other NCB Programs, Benefits & Services				
Employment Enhancement and Job Creation Programs ^b	200	200	—	—
Literacy/Adult Basic Education Program	100	100	100	100
Family Legal Aid Program ^c	80	80	80	—
Total	3,625	3,593	3,633	3,699

^aAs of 2004–2005, this program was funded under the Multilateral Framework on Early Learning and Child Care.

^bAs of 2005–2006, this program is funded through the department of Development and Technology.

^cAs of 2006–2007, the Department of Social Services and Seniors and the Department of Health were restructured and this program is now funded from other sources.

Note: Totals may not add due to rounding.

Table 17**Prince Edward Island: Estimated Number of Families and Children Benefiting under NCB Reinvestments and Investments**

NCB Initiatives by Program Name	2003–2004		2004–2005		2005–2006		2006–2007	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
PEI Child-Care Benefit ^a	1,000	1,200	1,300	2,000	1,450	2,200	1,350	2,050
PEI Family Health Benefit	400	720	550	750	560	890	550	900
Speech Therapy Innovation ^b	250	300	—	—	—	—	—	—
Autism Integration Project ^b	50	50	—	—	—	—	—	—
Looking After Children	300	600	156	170	160	180	150	170
Children-in-Care Initiatives	250	300	260	290	265	295	250	280
Children's Mental Health	1,100	1,200	1,200	1,300	1,200	1,300	n/a	1,100
Healthy Child Allowance	1,050	2,000	2,150	2,350	1,100	2,200	950	1,850
Employment Enhancement and Job Creation Programs ^c	125	250	100	200	—	—	—	—
Literacy/Adult Basic Education Program	100	n/a	100	n/a	100	n/a	100	n/a
Family Legal Aid Program ^d	24	29	25	30	25	30	—	—

^aNumbers include families and children assisted from all provincial sources of funds.

^bAs of 2004–2005, this program was funded under the Multilateral Framework on Early Learning and Child Care.

^cAs of 2005–2006, this program is funded through the Department of Development and Technology.

^dAs of 2006–2007, the Department of Social Services and the Department of Health were restructured and this program is now funded from other sources.

Note: n/a indicates the data for this category is not applicable.

Nova Scotia

Nova Scotia has made some important strides in addressing child poverty and supporting parents to join and remain in the workforce as part of the joint federal, provincial and territorial NCB initiative. The Nova Scotia government has expanded and strengthened programs and services to help low-income families with children.

Over the past several years, Nova Scotia has demonstrated its commitment to the health and well-being of its children in a number of ways. The province's commitment remains strong with total spending on NCB programs of \$27.8 million during 2005–2006.

In 2001, Nova Scotia enhanced the Nova Scotia Child Benefit and introduced a new *Employment Support and Income Assistance Act*. Together, these developments have contributed to a significant overall improvement in the health and well-being of low-income families with children in Nova Scotia.

Although Nova Scotia has made great strides in addressing the issue of child poverty, the government recognizes that more needs to be done. The province is committed to the reduction and prevention of child poverty and will continue to work toward that objective.

Nova Scotia's NCB initiatives include:

Nova Scotia Child Benefit – In 1998, the government established the Nova Scotia Child Benefit to provide low-income families with monthly payments to assist them with the cost of raising children under 18 years of age. This benefit is fully funded by the province and is provided in addition to the

NCB Supplement. The Nova Scotia Child Benefit is delivered as a combined payment with the CCTB and the NCB Supplement. In 1999, the Nova Scotia government promised that any future increases to the NCB Supplement would flow directly through to families.

In July 2001, as part of Nova Scotia's redesign of its social assistance system, children's benefits were removed from social assistance. This policy change meant that parents with low incomes would receive child benefits from both governments whether or not they were receiving income assistance. The Nova Scotia Child Benefit was enhanced and now provides a maximum annual benefit of \$445 for the first child, \$645 for the second child and \$720 for the third and each additional child in low-income families. The Nova Scotia Child benefit made a substantial increase to the household incomes of low-income families and helped with the costs of raising a child.

The Nova Scotia Child Benefit also made it easier for parents to enter or stay in the work force. Providing child benefits outside the income assistance system made it easier and more financially viable for parents receiving income assistance to return to work because they did not lose their child benefits when they left income assistance. Qualifying low income working parents also received the Nova Scotia Child Benefit.

The Canada Revenue Agency delivers the Nova Scotia Child Benefit, as well as the base benefit of the CCTB, and the NCB Supplement.

In 2005–2006, 28,215 families received the Nova Scotia Child Benefit. The number of Nova Scotian children

needing the NCB Supplement decreased from 2004–2005 as the economy improved and more low-income families earned higher incomes through secure employment.

Centre-Based Child Care – Two hundred and thirty new subsidized centre-based child care spaces have been funded under the auspices of the NCB since 1998, including 30 spaces for children with special needs.

Early Intervention Programs – These programs help pre-school aged children with developmental disabilities to reach their potential. Additional operating grants have been made to existing centres and new programs have been initiated to ensure all families throughout the province have access to this service.

Table 18 Nova Scotia: NCB Reinvestments and Investments

	2003–2004	2004–2005	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplements				
Nova Scotia Child Benefit	27,618	26,385	25,597	24,337
Child/Day Care				
Centre-Based Child Care	1,537	1,537	1,537	1,537
Early Childhood/Children-at-Risk Services				
Early Intervention Programs	675	675	675	675
Total	29,830	28,597	27,809	26,549
Note: Totals may not add due to rounding.				

Table 19 Nova Scotia: Estimated Number of Families and Children Benefiting under NCB Reinvestments and Investments

NCB Initiatives by Program Name	2003–2004		2004–2005		2005–2006		2006–2007	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Nova Scotia Child Benefit	30,743	52,054	29,247	49,690	28,215	48,033	27,935	47,087
Centre-Based Child Care	n/a	230	n/a	230	n/a	230	n/a	230
Early Intervention Programs	n/a	105	n/a	105	n/a	105	n/a	105
Note: n/a indicates the data for this category is not available.								

New Brunswick

The government continues to build upon programs and services that help reduce and prevent child and family poverty, promote labour market attachment and foster early childhood development.

In 1998–1999, New Brunswick passed on the full value of the federal NCB Supplement to families on social assistance, and has continued to pass on all subsequent increases. In August of 1998, the province made investments under the NCB initiative through increased funding for child care and the creation of the Alternative Child-Care Assistance Program. New Brunswick has consistently maintained or increased the level of funding for each of its initiatives since the creation of the NCB in 1998.

New Brunswick's investments include:

Day-Care Assistance Program –

The Day-Care Assistance Program is designed to help families get the best possible child care. This program offers parents or guardians financial assistance to help them access quality, affordable care at an approved day-care facility. In 1997–1998, prior to the NCB initiative, New Brunswick invested \$4.23 million in the Day-Care Assistance Program. New Brunswick has devoted additional incremental funds to the Day-Care Assistance Program to support the goals of the NCB each year since the initiative began in 1998.

Alternative Child-Care Assistance –

Financial assistance may also be available to low-income parents or guardians who are in school or are working and do not have access to licensed day care. This program is designed to assist those who require

child care during evenings, nights and weekends or who have no licensed child-care facilities in their community.

Provincial Breastfeeding Strategy –

This initiative assists in the promotion, protection and support of breastfeeding.

Healthy Minds Nutritional Partnership –

Initially called Healthy Minds Breakfast Pilot Program and begun as a pilot program, it addressed the nutritional needs of elementary school students by providing basic breakfast items, and benefited approximately 2,150 children. In 2000–2001, the program was significantly expanded and renamed the Healthy Minds Nutritional Partnership. By 2005–2006, the program benefited as many as 6,350 students across the province.

Positive Learning Environment –

This program addresses the unmet needs of children by identifying best practices for discipline in the school system when a positive environment alone is not enough. These include setting limits for behaviour and identifying the responsibilities of all partners in the school system.

Youth Addictions – The Regional Addiction Services Youth Treatment Program is a community-based program offered by the Department of Health through Regional Health Authorities. It provides treatment to young substance abusers within their own community. In 1997–1998, prior to the NCB, New Brunswick invested \$0.6 million in youth addiction treatment. Prior spending, combined with incremental investments, resulted in a significant increase to New Brunswick's expenditures in this program. Enhanced funding provided increased education, prevention and chemical dependency treatment for approximately

1,700 children and youth aged 12 to 19 years in 2005–2006.

In addition to its NCB initiatives, New Brunswick is also supporting the needs of families with children by funding the New

Brunswick Child Tax Benefit, which includes the Working Income Supplement, with over \$20 million every year.

Table 20 New Brunswick: NCB Investments

	2003–2004	2004–2005	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child/ Day Care				
Day-Care Assistance Program	1,360	2,532	4,768	4,768
Alternative Child-Care Assistance	746	700	717	717
Early Childhood/Children-at-Risk Services				
Provincial Breastfeeding Strategy	9	12	10	100
Healthy Minds Nutritional Partnership	708	689	912	899
Positive Learning Environment	3,960	3,704	4,000	4,000
Youth Initiatives				
Youth Addictions	1,436	1,662	1,663	1,663
Total	8,218	9,298	12,071	12,147
Note: Totals may not add due to rounding.				

Table 21 New Brunswick: Estimated Number of Families and Children Benefiting under NCB Investments

NCB Initiatives by Program Name ^a	2003–2004		2004–2005		2005–2006		2006–2007	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Day-Care Assistance Program	n/a	1,987	n/a	3,193	n/a	3,684	n/a	3,684
Alternative Child-Care Assistance	n/a	665	n/a	346	n/a	247	n/a	247
Healthy Minds Nutritional Partnership	n/a	6,671	n/a	6,516	n/a	6,344	n/a	6,219
Positive Learning Environment	n/a	118,869	n/a	117,145	n/a	114,820	n/a	112,013
Youth Addictions	n/a	1,779	n/a	1,662	n/a	1,663	n/a	1,568
^a Programs with no available data are not listed.								
Note: n/a indicates the data for this category is not available.								

Ontario

Ontario's NCB initiatives aim to prevent and reduce the depth of child poverty, encourage labour force attachment, and foster the learning and development of children in low-income families.

Ontario adjusts social assistance payments by the amount of a recipient's NCB Supplement through an income charge (i.e., the actual NCB Supplement amount the client receives is charged as income against the social assistance allowance).

Currently, the 2004, 2005, 2006 and 2007 increases to the NCB Supplement are flowed through to social assistance recipients.

In Ontario, the provincial government and municipalities have made significant investments in NCB initiatives. Since social assistance is cost-shared between the province and municipalities, each has a role to play in Ontario's reinvestment strategy.

Reinvestments and investments include:

Ontario Child-Care Supplement for Working Families (OCCS) –

Each year, about \$200 million is spent on the OCCS, funded from the NCB reinvestment funds and additional provincial investments, including \$40 million carried forward from the former Ontario Child Care Tax Credit. The OCCS, created in 1998, provides low- to moderate-income working families with a benefit for each child under age seven. Families are eligible for the OCCS if they have employment earnings exceeding \$5,000 for the year, regardless of whether they have child-care expenses. It is also available to families where parents are attending school or training programs

and have qualifying child-care expenses. The benefit starts decreasing when family net income reaches \$20,000.

In 2000–2001, Ontario introduced an additional \$210 per child supplement for single parent families, bringing the maximum annual benefits for single-parent families to \$1,310 per child (maximum benefits for two-parent families are \$1,100 per child) under the age of seven. Funding for the single parent supplement represents an additional provincial investment in children in low-income families.

4-Point Plan for Children's Mental

Health – The province spent \$20 million towards critical service areas in children's mental health. The Plan supports intensive child and family services, mobile crisis services, telepsychiatry and common intake and assessment tools.

Children's Treatment Centres –

The province spent \$22 million towards the development of innovative approaches to assisting children with special needs.

Municipal Reinvestment Strategies –

Ontario municipalities are implementing their own initiatives as part of Ontario's overall reinvestment strategy. These strategies, designed to meet local needs and priorities, include initiatives such as early intervention, child care, employment supports and prevention programs.

Future Changes

The 2007 Ontario Budget announced the introduction of a new provincially-funded, non-taxable Ontario Child Benefit (OCB) for eligible families with children under 18 years of age.

The OCB is intended to lower the welfare wall, strengthen families and provide the opportunity for children to achieve their full potential.

When monthly OCB payments begin in July 2008, social assistance benefits and the Ontario Child Care Supplement

for Working Families (OCCS) will be restructured and families will not lose any portion of their NCBS.

Additional information is available on the Ontario Child Benefit website at www.ontariochildbenefit.ca.

Table 22 Ontario: NCB Reinvestments and Investments

	2003–2004 ^a	2004–2005	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child/ Day Care				
Ontario Child-Care Supplement for Working Families (OCCS) ^b	151,969	160,000	160,000	160,000
Early Childhood/Children-at-Risk Services				
4-Point Plan for Children's Mental Health	20,000	20,000	20,000	20,000
Children's Treatment Centres	22,000	22,000	22,000	22,000
Other NCB Programs, Benefits & Services				
Municipal Reinvestments Strategies	42,822	43,591	44,195	43,481
Total	236,791	245,591	246,195	245,481

^b Some of the expenditures from for 2003–2004 differ from those reported in *The National Child Benefit Report: 2005* due to data revision.

^a Figures for 2006–2007 consist of NCB reinvestments of \$135 million and additional Ontario investments of \$25 million. Figures exclude an additional \$40 million previously committed to the former Ontario Child Care Tax Credit. The OCCS is an application-based program. Benefits are based on the previous year's tax return, and families have three years to file their tax return. After filing their tax return, families are given 18 months to return their OCCS application. Historically, it has taken about three years after the close of a given OCCS benefit year to achieve full take-up for that benefit year.

Note: Totals may not add due to rounding.

Table 23 Ontario: Estimated Number of Families and Children Benefiting under NCB Reinvestments and Investments

NCB Initiatives by Program Name ^a	2003–2004 ^b		2004–2005		2005–2006		2006–2007	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Ontario Child-Care Supplement for Working Families (OCCS) ^c	190,111	299,838	222,000	350,000	222,000	350,000	222,000	350,000

^a Programs with no available data are not listed.

^b Figures for 2003–2004 differ from those reported in *The National Child Benefit Report: 2005* due to data revisions.

^c The OCCS is an application-based program. Benefits are based on the previous year's tax return, and families have three years to file their tax return. After filing their tax return, families are given 18 months to return their OCCS application. Historically, it has taken about three years after the close of a given OCCS benefit year to achieve full take-up for that benefit year.

Manitoba

Manitoba³⁰ has continued to invest in programs and services that help reduce and prevent child and family poverty, promote labour market attachment and foster early childhood development.

In 1998, when the NCB Supplement was introduced, Manitoba, like most provinces, reduced benefit levels for families receiving income assistance by the amount of the supplement and redirected those funds into programs and services for low-income families with children living in Manitoba.

In mid-2000 however, as a means of providing additional assistance to families receiving income assistance, Manitoba began a phased in restoration of the NCB Supplement. In January 2004 the final phase of the restoration was implemented and the NCB Supplement was fully restored for all families receiving income assistance.

In addition to the restoration of the NCB Supplement, Manitoba's investments and reinvestments include:

Manitoba Child Care Program –

Between April 1999, and March 2007, child-care funding in Manitoba has increased by over 61 percent to \$81.1 million,³¹ improving salaries, as well as training opportunities and supports for early childhood educators and providing additional subsidies for children. Increased funding has also been

provided to integrate more children with disabilities into the child-care system and to expand the number of funded child-care spaces.

Children's Special Services (CSS) –

Family-centred services are provided to birth, extended or adoptive families to assist them with caring for their children with developmental and/or physical disabilities in their own homes to the greatest extent possible and to promote the development of normalized community arrangements. Between April 1999 and March 2007 funding for the CSS program has increased by 105 percent to \$20.1 million, enabling more children with disabilities and their families to access the supports and services they need. As of March 31, 2007, a total of 4,186 children received services through CSS, an increase of nearly 4 percent over the previous fiscal year.

Healthy Baby – This is a program of support for pregnant women and new families that consists of two components: the Manitoba Prenatal Benefit and Healthy Baby Community Support Programs. The Manitoba Prenatal Benefit is a monthly financial benefit to help low- to moderate-income women with their extra nutritional needs during pregnancy. The Prenatal Benefit is intended to also provide a bridge to other services, such as the Healthy Baby Community Programs. Healthy Baby Community Support Programs, via group sessions and outreach, are designed to assist

³⁰ Effective July 2000, Manitoba discontinued recovering increases to the NCB Supplement for all families receiving income assistance. Effective July 2001, Manitoba stopped recovering the NCB Supplement for children age six and under. Effective January 2003, it stopped recovering the NCB Supplement for children age 7 to 11 years; and, effective January 2004, it stopped recovering the NCB Supplement for children age 12 to 17 years.

³¹ Includes funding provided through federal 2000 Early Childhood Development Agreement and 2003 Multilateral Framework on Early Learning and Child Care transfers as well as provincial revenue funds. Does not include 2005 and 2006 federal Early Learning and Child Care funds (\$25.6 million in 2005–2006 and \$23.7 million in 2006–2007).

pregnant women and new parents in connecting with other parents, families and health professionals to ensure healthy outcomes for their babies. Delivered through community-based partners, the programs provide pregnant women and new parents with practical information and resources on maternal/child health issues, benefits of breastfeeding, healthy lifestyle choices, parenting ideas, infant development and strategies to support the healthy physical, cognitive and emotional development of children.

Families First (formerly BabyFirst and Early Start) – This is a community-based home visiting program for families with children from conception to Kindergarten. Delivered by Regional Health Authorities across Manitoba, Families First begins with universal screening of all families with a newborn. Based on the family's identified strengths and needs, the program offers a continuum of support to families including referral to other community services. Regular visits by public health nurses are augmented by weekly home visits from specially trained home visitors. These visitors establish trusting nurturing relationships with families, support parenting and secure attachment, promote problem solving skills and assist in strengthening the family support system.

Parent-Child Centred Approach –

This brings together community strengths and resources within a geographic boundary through parent child coalitions. There are 26 funded coalitions province-wide (11 regions outside Winnipeg, 12 community areas within Winnipeg and 3 cultural organizations). Parent child coalitions promote and support existing community-based programs and activities for children and

families, and initiate new activities that reflect community diversity. Core priorities include positive parenting, nutrition and physical health, learning and literacy and community capacity building.

STOP FAS – This is an intensive three-year home visitation program for women who have used alcohol and/or drugs heavily during pregnancy. Paraprofessional mentors offer flexible support services to women as they address a myriad of challenges and move toward a healthier, more secure and stable life. Following on the success of two Winnipeg sites, STOP FAS was expanded to Thompson and The Pas in northern Manitoba.

Special Needs Programs for Children in Schools – This initiative provides funding and consultative support for the development and operation of specific projects that provide school-based programming for students with special needs. Examples include FASD (Fetal Alcohol Syndrome Disorder) in the Classroom which provides a specialized classroom setting to enhance the school experience and outcomes for children and youth with FASD, and COACH, which is a 24-hour wraparound program for children ages 5 to 11 years with extreme behavioural, emotional, social and academic issues in their home, school and community settings.

Healthy Schools – This is Manitoba's comprehensive school health initiative intended to promote the health of school communities. The initiative recognizes that good health is important for learning, and that schools are in a unique position to positively influence the health of children, youth and their families. Healthy Schools focuses on priority health issues such as physical activity, healthy eating, safety and injury prevention, substance use and addictions,

sexual and reproductive health, and mental health promotion. This initiative links the health and education communities to promote healthy children and healthy schools.

Other Programs – These community-based initiatives provide access to education and support services for children, youth and families in high needs communities and promote community awareness, ownership and capacity building of the participants. Two examples through Healthy Child Manitoba are the William Whyte School Worker Project, a collaborative initiative which aims to provide greater access to more appropriate support services for Aboriginal children and families through community ownership and involvement; and Neah Kee Papa, a positive parenting program for young Aboriginal fathers, which is delivered by the Manitoba Metis Federation.

Early Childhood Development

Initiative (ECDI) – ECDI provides funding support to school divisions in the provision of intersectoral services for preschoolers (birth to school age). ECDI, in partnership with parents, the community and Healthy Child Manitoba, is designed to facilitate preschoolers' readiness to learn prior to school entry.

Early Literacy – This grant program supports school divisions in their efforts to implement early literacy intervention programs that will accelerate the literacy development of the lowest-achieving grade one students.

Healthy Adolescent Development

Healthy Child Manitoba provides funding to community groups to support healthy adolescent development, including sexual and reproduction health. This is achieved through supporting programs which promote protective factors, such as mentoring programs that build positive attachment between youth and adults. Support is also provided to programs which take a harm-reduction approach to reducing negative outcomes such as unwanted pregnancies, gang involvement, etc.

Workforce Attachment – These initiatives provide low-income parents who are either working or on social assistance with a range of supports that help them obtain and maintain employment. Employment supports include needs/skills assessments, labour market information, job-focused education/skills development and job search/job placement assistance.

Building Independence/New Income

Assistance Initiatives – Manitoba has increased supports for parents to enter or re-enter the labour market, and has improved benefits for families receiving income assistance. Job-centre supports and work incentives have been enhanced, and supports to help citizens become independent have been improved.

Table 24 Manitoba: NCB Reinvestments and Investments

	2003–2004	2004–2005	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child/ Day Care				
Manitoba Child Care Program ^{a b c}	2,534	3,082	5,324	5,100
Early Childhood/Children-at-Risk Services				
Children's Special Services ^{a b}	2,500	2,328	1,833	1,561
Healthy Child Manitoba:				
Healthy Baby ^b	4,388	4,597	4,845	4,824
BabyFirst ^{b c d}	6,023	6,577	—	—
Early Start ^{b c d}	1,417	1,934	—	—
Families First ^{b c d}	—	—	9,418	9,268
Parent-Child Centred Approach ^b	2,659	3,000	3,085	3,005
STOP FAS ^b	704	714	748	779
Special Needs Programs for Children in Schools	2,519	3,602	3,843	4,346
Healthy Schools	370	40	750	284
Other Programs	1,001	1,004	1,021	1,033
Early Childhood Development Initiative (ECDI) ^b	681	668	1,363	1,400
Early Literacy	5,700	6,016	6,058	6,181
Youth Initiatives				
Healthy Adolescent Development	295	286	298	233
Other NCB Programs, Benefits & Services				
Workforce Attachment ^e	2,098	2,252	2,252	1,266
Building Independence/New Income Assistance Initiatives ^{a f}	12,724	15,424	15,424	15,424
Total ^b	45,612	51,524	56,262	54,705

^a The amounts indicated for the Manitoba Child Care Program, Children's Special Services and New Income Assistance Initiatives represent new incremental funding amounts only and do not include base funding in place prior to the introduction of the NCB.

^b Figures include funding which is provided through remaining NCB Supplement recoveries, Children's Special Allowance recoveries and the federal transfers under the Early Childhood Development Agreement (\$18.3 million in 2003–2004, 2004–2005 and 2005–2006 and \$18.1 million in 2006–2007) as well as provincial revenue.

^c Figure includes funding received through the federal transfers under the 2003 Multilateral Framework on Early Learning and Child Care (\$0.9 million in 2003–2004, \$5.5 million in 2004–2005, \$8.2 million in 2005–2006 and \$11.0 million in 2006–2007). Figure does not include federal 2005 Early Learning and Child Care funds (\$23.7 million in 2006–2007).

^d In 2005–2006, Families First Program replaced BabyFirst and Early Start.

^e In 2006–2007, Workforce Attachment no longer included funding for New Training Strategies.

^f Reinvestments and Investments include expenditures on the Employment and Income Assistance Rate Increase and the Restoration of the NCB Supplement for families in receipt of Employment and Income Assistance benefits. In 2003–2004, \$11.0 million was spent on the Restoration of the NCB Supplement and in 2003–2004 and in 2004–2005, \$13.7 million was spent. It is estimated that in both 2005–2006 and 2006–2007, \$13.7 million will be spent on the Restoration of the NCB Supplement.

Note: Totals may not add due to rounding.

Table 25**Manitoba: Estimated Number of Families and Children Benefiting Under NCB Reinvestments and Investments**

NCB Initiatives by Program Name ^a	2003–2004		2004–2005		2005–2006		2006–2007	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Manitoba Child Care Program	n/a	11,568	n/a	12,517	n/a	13,000	n/a	12,115
Children's Special Services ^b	n/a	3,712	n/a	3,876	n/a	4,049	n/a	4,186
Healthy Baby ^c	8,379	n/a	8,505	n/a	8,542	n/a	2,827	n/a
BabyFirst ^d	1,150	1,150	1,342	1,342	—	—	—	—
Early Start ^d	318	509	148	213	—	—	—	—
Families First ^d	—	—	—	—	1,469	1,469	1,549	1,549
STOP FAS	130	n/a	130	500	110	400	110	400
Special Needs Programs for Children in Schools	69	69	78	78	78	78	78	78
Other Programs	579	789	645	820	734	837	n/a	n/a
Early Childhood Development Initiative (ECDI)	n/a	12,338	n/a	12,310	n/a	12,192	n/a	12,075
Early Literacy	n/a	3,178	n/a	2,611	n/a	2,602	n/a	2,560
Healthy Adolescent Development	n/a	1,085	n/a	2,281	n/a	2,045	n/a	2,514
Workforce Attachment ^e	647	n/a	611	n/a	612	n/a	151	n/a
Building Independence/New Income Assistance Initiatives								
Work Incentives	2,900	n/a	2,900	n/a	2,900	n/a	2,900	n/a
Job Centre Supports	2,214	n/a	2,214	n/a	2,214	n/a	2,214	n/a
Individual Development Accounts	15	n/a	15	n/a	15	n/a	15	n/a
School Supplies	6,940	n/a	6,940	n/a	6,940	n/a	6,940	n/a

^aPrograms with no available data are not listed.^bNumbers include only those children in the Family Support Program.^cIn 2006–2007, numbers of families are incomplete due to some data being unavailable.^dIn 2005–2006, Families First Program replaced BabyFirst and Early Start.^eIn 2006–2007, Workforce Attachment no longer included families under New Training Strategies.**Note:** n/a indicates the data for this category is not available.

Saskatchewan

Saskatchewan's NCB reinvestment programs aim to reduce and prevent child poverty through programs that assist low-income families with the costs of raising children, promote labour market attachment for low-income families, and support early learning and child care.

NCB initiatives in Saskatchewan provide mainstream supports outside of social assistance, designed to help citizens enjoy a better quality of life through greater economic independence and social inclusion.

When the NCB was introduced in 1998, Saskatchewan restructured social assistance by removing children's basic benefits from social assistance and establishing a separate child benefit available to all low-income families. The restructured benefit, known as the Saskatchewan Child Benefit, was delivered as an integrated payment with the Canada Child Tax Benefit to reduce duplication and simplify administration. The new structure was designed to support the NCB strategy of lowering the "welfare wall" and providing income-tested child benefits that remain portable as families move from welfare into work.

From 1998 to 2006, the province adjusted the Saskatchewan Child Benefit rates by the amount of federal increases to the NCB Supplement. Families on social assistance received at least the same in combined federal/provincial child benefits as they would have received under the previous welfare model of child benefits. Under the adjustment approach, the Saskatchewan Child Benefit was designed to reduce over time, and eventually phase out as it was replaced by increases to the NCB

Supplement. The Saskatchewan Child Benefit was fully phased out in July 2006. All subsequent federal increases to the NCB Supplement flow directly through to families. All savings from the offset of the Saskatchewan Child Benefit expenditures have been reinvested in other NCB initiatives.

In 2006, Saskatchewan provided continued or enhanced support for its remaining NCB initiatives, designed to improve well-being and economic independence for low-income families with children

Saskatchewan's other NCB initiatives include:

Saskatchewan Child Benefit – Together with the NCB Supplement, the program replaced social assistance for children and provided child benefits to low-income families, whether parents were on social assistance or employed. Paying child benefits outside of social assistance makes it easier for parents to move to or remain in the labour market. In July 2006, the Saskatchewan Child Benefit was phased out as benefits were fully displaced by federal increases to the NCB Supplement.

Saskatchewan Employment

Supplement – This benefit is paid to low-income parents who are employed or who receive maintenance payments. The supplement supports employment by offsetting child-related costs that a parent may incur through working. It also improves incentives to collect maintenance payments by increasing the net value of the payment to the family.

Child Care Enhancements – Access to suitable child care arrangements is a critical support that helps parents enter and remain in the labour force, especially those whose children have special needs. Incremental funding has been provided to enhance child care subsidy rates, and to develop additional child care spaces and supports for the inclusion needs of low-income and high-needs families. These targeted supports provide low-income families with affordable, reliable child care so they can go to work or school and feel secure about the care of their children.

Family Health Benefits – This program extends supplementary health coverage to low-income families to assist with the cost of raising children. The program provides additional children's coverage for dental, optometry, chiropractic services, prescription drugs, ambulance transportation, and medical supplies. More limited coverage for eye care, drugs, and chiropractic services is also provided to parents. With this program, low-income families are assured of retaining health benefits as they leave social assistance for work opportunities and are not forced onto assistance due to children's health costs.

Community Schools Program – In 2002–2003, incremental funding was provided to expand the Community Schools Program. Located in low-income areas, community schools attempt to address the barriers to success in school and in life, by drawing parents and community resources into the schools. Parenting, pre-kindergarten, teen parent programs, and child nutrition programs are among the programs offered in community schools.

Employment Support Programs – These programs provide on-the-job training, job coaching, and productivity supports to assist individuals to attach to and remain in the labour force. Incremental funding was provided in 2002–2003 to enable families on social assistance and high-risk youth under 18 years who are at risk of becoming reliant on social assistance, to access employment opportunities and make the transition to independence.

Maintenance Enhancement Project – This initiative, introduced in 2002–2003, assists low-income single parents to receive or increase maintenance income for their children. Three additional legal staff were added to assist single parents to obtain child support orders, or to obtain variations in existing orders where non-custodial parents have experienced increased incomes. The income from child maintenance payments helps parents achieve greater financial independence, and is eligible for additional supplementation under the Saskatchewan Employment Supplement.

Saskatchewan Rental Housing Supplement – This program, developed in 2004 and implemented in 2005, is intended to help low-income families gain access to quality and affordable rental housing. Rent supplements are available to low-income households in the labour market as well as to those on welfare. Additional support is available for those with a disabled family member. The supplements are unique in that to qualify, rental properties must meet basic health and safety standards. Providing the supplements outside of welfare helps to reduce barriers to work.

Family Shelter Enhancements –

In 2005, additional support was provided to enhance shelter benefits for families living in locations facing higher rental costs. The adjustments better reflect local market rents in different parts of the province. The Saskatchewan Rental Housing Supplement provides further assistance for rental costs exceeding base shelter benefits.

nutrition education programs, food security initiatives, and self-sufficiency projects such as collective kitchens, which address the long-term causes of hunger and help low-income families acquire skills and abilities necessary for independence. In 2005, incremental funding was provided to expand services and enhance support for existing initiatives.

Child Nutrition and Development

Program – This program provides funding for a range of projects, including school and community nutrition and

Table 26 Saskatchewan: NCB Reinvestments and Investments

	2003–2004 ^a	2004–2005 ^a	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplement				
Saskatchewan Child Benefit ^b	11,803	13,366	7,840	1,790
Saskatchewan Employment Supplement	18,660	20,354	22,246	21,483
Child/ Day Care				
Child Care Enhancements	3,059	1,775	1,093	2,964
Supplementary Health Benefits				
Family Health Benefits	9,784	10,558	11,505	11,505
Youth Initiatives				
Community Schools Program	12,282	12,419	13,029	13,600
Other NCB Programs, Benefits & Services				
Employment Support Programs	645	98	1,093	780
Maintenance Enhancement Project	210	243	275	311
Saskatchewan Rental Housing Supplement	–	432	2,870	4,558
Family Shelter Enhancements	–	–	1,409	1,397
Child Nutrition Enhancements	–	–	506	1,191
Total	56,443	59,245	61,866	59,579

^aIn 2005–2006, due to improved reporting methods, Saskatchewan revised the way in which it reports reinvestments/investments. Expenditures for 2003–2004 and 2004–2005 have been restated and will not match figures from reports prior to 2005.

^bNot including funds recovered from Indian and Northern Affairs Canada.

Note: Totals may not add due to rounding.

Table 27**Saskatchewan: Estimated Number of Families and Children Benefiting under NCB Reinvestments and Investments**

NCB Initiatives by Program Name ^a	2003–2004		2004–2005		2005–2006		2006–2007	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Saskatchewan Child Benefit	15,260	40,070	18,770	45,520	17,910	36,900	16,960	34,030
Saskatchewan Employment Supplement	7,650	15,190	7,710	15,280	7,710	15,270	6,850	13,620
Child Care Enhancements ^b	200	260	760	1,000	1,530	2,000	1,720	2,250
Family Health Benefits	20,190	34,220	18,870	35,360	19,250	35,530	18,210	33,830
Community Schools Program	n/a	28,000	n/a	27,000	n/a	26,240	n/a	24,105
Employment Support Programs	430	1,020	260	810	970	2,170	970	2,170
Maintenance Enhancement Project	13	21	n/a	n/a	n/a	n/a	n/a	n/a
Saskatchewan Rental Housing Supplement	—	—	n/a	n/a	2,290	4,560	3,380	6,790
Family Shelter Enhancements	—	—	—	—	5,700	10,960	5,670	11,230

^aPrograms with no available data are not listed.^bData based on the number of families and children at March 31.**Note:** n/a indicates the data for this category is not available.

Alberta

Alberta's NCB initiatives support the shared goals of helping reduce the depth of child poverty and encouraging parents to participate in the workforce by ensuring they are better off working while reducing overlap and duplication between government programs. Alberta's initiatives also support low-income families with the costs associated with raising their children. Since 2003, Alberta has enhanced the mix of income and in-kind benefits and services to families receiving assistance through the Alberta Works-Income Support Program³² by flowing through the full increase of the NCB Supplement directly to them.

Alberta's reinvestments and investments include:

Child-Care Subsidy – The Child-Care Subsidy program supports eligible low-income families with child care costs for their pre-school children enrolled in licensed day-care centres, out of school care or approved family day homes. Parents may apply for a subsidy if they have a valid reason, such as they are currently working or looking for work, attending school, or if they or their children have special needs. Funds also support the Kin Child Care Funding Program which assists eligible low-income families to pay non resident relatives of the child to care for their children. This program provides families with flexible alternatives for child care where there are limited options; for example, in rural locations, or during non-traditional work hours.

Quality Child Care – The NCB funds for this initiative support respite options for families in need, as well as a child-care nutritional program. The respite care program ensures that a number of child care spaces are available for short-term placements. These placements assist families of children with disabilities in need of relief care, and also enable families who need support to participate in counselling or treatment programs to benefit their children. Funds directed to the child care nutritional program enhance the nutritional quality of meals and snacks served to children in child care settings, and provide information about preschool nutritional needs to parents of children in child care programs.

Alberta Child Health Benefit (ACHB) –

This program was initially created by using NCB reinvestment funds. Children in families with limited incomes are provided with health services such as prescription drugs, dental care, optical, emergency ambulance, and essential diabetic supplies that are not available through standard Alberta Health Care Insurance. The ACHB helps children get health services they would not otherwise obtain and contributes to their health and well-being, including school performance. Parents can have peace of mind their children's health will be cared for without worrying about costs that may be a barrier to accepting or maintaining employment.

Alberta Adult Health Benefit (AAHB) –

When clients leave income support for employment, the AAHB provides individuals/families with the same health benefits they had when receiving income support. Ensuring that health benefits

³² Effective April 1, 2004, the Alberta Works-Income Support Program replaced the Supports for Independence (SFI) program.

are provided outside of income support programs removes a potential barrier to employment, while assisting individuals/families to stay healthy.

Protection of Children Involved in

Prostitution (PCHIP) – This initiative encompasses the introduction of legislation designed to protect children from sexual exploitation. Under this initiative, children and youth are provided a safe environment, substance abuse counselling, medical supports, psychological services and educational and life skills support.

Transitional Support for Youth Leaving

Child Welfare – This fund supports the Advancing Futures Bursary Program. Through this program, tuition costs, school-related expenses and living expenses for the academic term are provided to youth if they have had a Permanent Guardianship Order between the ages of 13 and 18 years or have been in care for at least 564 days between the ages of 13 and 22 years. Individuals are invited to apply if they are interested in: obtaining their high school equivalency through adult education; earning a degree/diploma from a post-secondary institution; learning a trade; or earning a license or certification.

Shelter Benefits – This reinvestment increased shelter benefits for Alberta Works-Income Support Program recipient families with children.

School Allowance Benefit –

This reinvestment increased the school expense benefit and is paid annually to Alberta Works-Income Support Program recipients, when school starts, for children attending kindergarten to grade 12. It helps cover the costs of school and gym supplies, registration fees, and other education-related costs.

Earnings Exemption Increase –

NCB reinvestment dollars were used to increase the earnings exemption for Alberta Works-Income Support Program single-parent recipients who are working; thereby allowing them to earn additional income per month before their benefits are reduced.

Employment Maintenance Benefit –

A benefit of \$120 per year is made available to working parents to provide additional support for work-related expenses such as transportation and clothing.

Table 28 **Alberta: NCB Reinvestments and Investments**

	2003–2004	2004–2005	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child/ Day Care				
Child-Care Subsidy	7,300	7,300	7,300	7,300
Quality Child Care	1,000	1,000	1,000	1,000
Supplementary Health Benefits				
Alberta Child Health Benefit	20,953	22,228	23,900	22,528
Alberta Adult Health Benefit	987	1,834	2,452	3,843
Early Childhood/Children-at-Risk Services				
Protection of Children Involved in Prostitution	600	600	600	600
Youth Initiatives				
Transitional Support for Youth Leaving Child Welfare	2,250	2,250	2,250	2,250
Other NCB Programs, Benefits & Services				
Shelter Benefits	6,848	5,643	5,582	4,861
School Allowance Benefit	2,401	2,545	2,501	2,242
Earnings Exemption Increase	2,914	3,452	2,882	2,200
Employment Maintenance Benefit	313	363	315	429
Total	45,566	47,215	48,782	47,253
Note: Totals may not add due to rounding.				

Table 29**Alberta: Estimated Number of Families and Children Benefiting under NCB Reinvestments and Investments**

NCB Initiatives by Program Name	2003–2004		2004–2005		2005–2006		2006–2007	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Child-Care Subsidy ^a	n/a	9,818	n/a	10,013	n/a	10,389	n/a	11,849
Quality Child Care ^a	n/a	21,600	n/a	7,747	n/a	9,123	n/a	11,823
Alberta Child Health Benefit	n/a	66,901	n/a	69,774	n/a	72,832	n/a	71,165
Alberta Adult Health Benefit	1,493	n/a	2,053	n/a	1,918	n/a	2,370	n/a
Protection of Children Involved in Prostitution ^a	n/a	78	n/a	100	n/a	112	n/a	92
Transitional Support for Youth Leaving Child Welfare ^a	n/a	1,673	n/a	231	n/a	484	n/a	403
Shelter Benefits	13,399	27,797	11,437	22,710	11,200	22,392	9,795	20,056
School Allowance Benefit	n/a	20,431	n/a	21,366	n/a	19,989	n/a	17,901
Earnings Exemption Increase ^b	2,824	n/a	3,345	n/a	2,744	n/a	2,131	n/a
Employment Maintenance Benefit	2,588	n/a	2,996	n/a	2,613	n/a	3,532	n/a

^aNumbers include families and children assisted from all provincial sources of funds.^bMonthly average.**Note:** n/a indicates the data for this category is not available.

British Columbia

British Columbia's NCB initiatives aim to prevent and reduce the depth of child poverty, to assist low-income families with the costs associated with raising children, and to encourage parents to join the workforce and to remain employed. The province's commitment to this type of initiative began before the NCB was established with the BC Family Bonus. This program was implemented two years before the NCB and served as one of the models for the national program.

As in previous years, British Columbia continues to adjust BC Family Bonus benefits with respect to increases in the NCB Supplement, such that families receive the same or increased benefits when combined with the NCB Supplement. The NCB Supplement has now almost fully replaced the BC Family Bonus for families in receipt of the NCB, but partial BC Family Bonus benefits continue to be paid to families with incomes above the NCB reduction thresholds. As part of the BC Family Bonus, British Columbia also adjusted the BC Earned Income Benefit by any increase in the NCB Supplement in excess of the current BC Family Bonus payment.

In 2006–2007, a new initiative, the **Rental Assistance Program** was introduced. This program provides direct cash assistance to low-income, working families with at least one child aged 18 years and under, a gross household income less than \$28,000 per year, less than \$10,000 in assets and who pay more than 30% of their household income towards rent.

British Columbia's other reinvestments and investments include:

BC Earned Income Benefit (BCEIB) –

The BCEIB was introduced in July 1998 as an additional incentive for low-income families to seek work and remain employed. The BCEIB pays an additional monthly amount based upon the earned income that a family receives from working.

BC Family Bonus (BCFB) Increase –

The BCFB is a tax-free monthly benefit paid to low- and modest-income families with children. The program was implemented in 1996, two years prior to the implementation of the NCB. In 1998, the BCFB was combined with the Canada Child Tax Benefit into a single monthly payment for families with children. The BCEIB and the BCFB are tax-free monthly benefits that make it more attractive for those on income assistance to seek work and to remain employed.

The BCFB has been reduced by a portion of increases to the NCB Supplement since 1998. As of July 2006, only a small number of large families still receive basic BCFB in addition to the NCB Supplement. Only the portion of NCB Supplement payments that have been passed through to families still in receipt of BCFB is included as BCFB Increase. The combined BCFB and NCB Supplement have increased steadily. For example, the maximum monthly benefit for a first child was \$103 in July 1998. As of July 2006, it had increased to \$162.08.

Supported Child Development –

This program helps facilitate the inclusion of children with special needs into child-care settings. Funds are directed to community agencies to provide extra support staff and resources to child-care facilities or to the families directly. Only the portion of

funding used for children aged 6–13 years is accounted for as an NCB reinvestment.

Child-Care Subsidy (non-regulated) –

In June 2004, all child-care programs were centralized within the BC Ministry of Children and Family Development (MCFD). Since 2005, the subsidy for non-regulated childcare is reported as part of Child-Care Programs and Services.

Child-Care Programs and Services –

(formerly called Child-Care Programs) Child-Care and Early Childhood Development programs were unified within MCFD in June 2004 – improving service delivery and access for families. Given the mix of base-funding for NCB and other funding sources, only a portion of the funding for these programs is reported as an NCB reinvestment. These programs themselves offer services to a much broader range of needs and age groups, but generally the portion of funding reported as an NCB reinvestment reflects the population of children 6–13 years. Specific child-care programs and services for families, child-care providers and Early Childhood Educators across the Province, for which some NCB funding is used include:

- **Child-Care Operating Funding**

Program – provides fair and equitable operating funding to eligible licensed group and family providers to help meet the day to day costs of providing care, including staff recruitment and retention.

- **Minor Capital Funding Program –**

helps licensed group non-profit child-care providers meet licensing requirements related to upgrading or repairing existing facilities, replacing equipment and furnishings.

- **Major Capital Funding Program –**

provides eligible applicants with funding to purchase equipment, build, renovate or expand the capacity of existing child-care facilities to create new child-care spaces.

- **Child-Care Resource and Referral**

Program – offers information and referrals to assist parents to make quality child-care choices. It also supports child-care providers through toy and equipment lending libraries, professional development opportunities, information and resources in all communities across the province.

- **Child-Care Subsidy Program –**

assists about 25,000 low- and lower-middle-income families throughout British Columbia with the cost of child-care. The subsidy is a monthly payment provided to eligible families who are working, looking for work, attending school or a training program, or who have a medical condition which interferes with the ability to care for the child, or have a child attending a licensed preschool, or have child-care recommended by a MCFD social worker. MCFD became responsible for the administration of the Child-Care Subsidy Program in May 2005. The transfer of the subsidy program from the Ministry of Employment and Income Assistance was completed in the fall of 2006. Child-care subsidy can be provided for children who attend both regulated and non-regulated child-care settings however only the portion of funding used to support non-regulated child-care settings is accounted for as an NCB reinvestment.

Healthy Kids Dental and Optical –

This program assists low- and moderate-income families on premium assistance with the costs of their children's dental treatment and optical care. Healthy Kids

removes one of the barriers to moving from income assistance to work by ensuring children have continued access to basic dental services and eyewear.

Autism Intervention – This program, introduced in 2003–2004, provides families of children (aged 6 to 18 years) with autism spectrum disorder, with up to \$6000 per year in direct funding to purchase autism intervention services for out-of-school hours. This funding is in addition to the educational program and special education services provided through school boards.

Foster Care 2000 – Foster Care 2000 provides continuing improvements to training and support for foster parents.

Family Support Programs – These are community-based services intended to promote the well-being of families. The services are designed to increase the strength and stability of families, to increase parents' confidence and competence in their parenting abilities, to give children a stable and supportive family environment, and to enhance child development. Core elements of family support programs include: home visiting; child development; parent training and education; and social, emotional and educational support for families.

Aboriginal Regional Support Services – This funding is devoted to developing administrative and service structures for Aboriginal organizations and training of staff who will develop and deliver services for children and families.

CommunityLINK – Funding is provided to school boards to improve the educational performance, including academic

achievement and social functioning of vulnerable students. Supports funded by school districts include, for example, youth and family counsellors, inner-city school programs and school meal and snack programs, etc.

Youth Initiatives – A continuum of services is provided through this program that targets youth-at-risk of family breakdown, and those youth living apart from family in high-risk situations. Key service functions include youth-family mediation, outreach, youth support workers, safe housing, youth agreements and specialized youth services. Specialized youth services are developed to meet the specific needs of at-risk youth populations, such as young parents and aboriginal people, sexually exploited and LGBTQ³³ youth.

Youth Alcohol and Drug Strategy – This funding is devoted to youth detox beds, youth residential services beds, youth residential detox and treatment services beds, intensive day-treatment programming and family and youth counsellors, and strategies to address Fetal Alcohol Syndrome. Since 2004–2005, the Youth Alcohol and Drug Strategy is provided under alternate funding arrangements and is not reported as an ongoing NCB reinvestment.

Other Youth Programs – Other Youth Programs cover a range of community-based services for youth. These include the Safe Streets and Safe Schools Grant Program, which support schools and community strategies that enhance public safety and local crime prevention efforts;

³³ LGBTQ is the generally accepted term for lesbian, gay, bi-sexual, transgendered and *questioning* individuals. *Questioning* reflects that group of individuals who are not sure what their sexuality actually is.

and the Community Capacity Building Project Fund which helps communities develop programs that address the issues of prostitution, particularly when they involve the sexual exploitation of children and youth. It also includes the Youth Against Violence Line, which provides youth a safe, confidential way to prevent and report incidents of youth violence or crime and seek help from local police; and the Child and Youth Guardian of Estate, which protects the legal and property rights of children and youth.

Social Housing – Housing assistance is provided to low-income families across British Columbia and is targeted to households in the greatest need. As new housing units reach completion, additional subsidy dollars are required to support these families.

Table 30 British Columbia: NCB Reinvestments and Investments

	2003–2004	2004–2005	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplements				
BC Earned Income Benefit	65,000	61,500	48,600	31,200
BC Family Bonus Increase ^a	100,320	82,000	32,890	13,370
Child/ Day Care				
Supported Child Development	12,780	13,642	14,247	13,959
Child-Care Subsidy (non-regulated) ^b	47,437	46,198	—	—
Child-Care Programs and Services ^c	8,281	10,029	67,388	81,162
Supplementary Health Benefits				
Healthy Kids Dental and Optical	5,636	6,204	6,928	7,514
Autism Intervention	11,315	11,884	13,696	16,740
Early Childhood/Children-at-Risk Services				
Foster Care 2000	2,823	3,853	3,900	4,283
Family Support Programs	12,714	12,937	13,353	14,968
Aboriginal Regional Support Services ^d	5,133	6,282	5,201	6,348
CommunityLINK	36,037	41,650	44,838	45,300
Youth Initiatives				
Youth Initiatives	17,716	20,838	22,613	24,883
Youth Alcohol and Drug Strategy ^e	1,388	—	—	—
Other Youth Programs	1,300	1,400	1,900	1,900
Other NCB Programs, Benefits & Services				
Social Housing	51,900	53,454	54,851	56,500
Rental Assistance Program ^f	—	—	—	2,400
Total	379,780	371,871	330,405	320,527

^a Figures include the amount of NCB Supplements increases that have been passed through to BC Family Bonus recipients since 1998. As of 2004–2005, this amount starts to decline as a result of the full offset of the BC Family Bonus for most families with one child.

^b After 2004–2005, this funding is reported within Child-Care Programs and Services.

^c Formerly called Child-Care Programs. The subsidy for non-regulated child care is reported under this program area as of 2005–2006.

^d Formerly called Aboriginal Strategy.

^e This program was not discontinued after 2003–2004, but was provided in British Columbia under alternate funding arrangements.

^f This program was launched in October 2006, and enhancements were made in February 2007. The full take up is expected in 2007–2008.

Notes: 1) All expenditures and estimates exclude the amounts reported under other federal/provincial agreements.
2) Figures have been rounded.

Table 31**British Columbia: Estimated Number of Families and Children Benefiting under NCB Reinvestments and Investments**

NCB Initiatives by Program Name ^a	2003–2004		2004–2005		2005–2006		2006–2007	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
BC Earned Income Benefit	95,630	163,560	95,190	162,880	97,300	162,750	91,110	154,600
BC Family Bonus Increase ^b	203,700	348,390	151,560	259,320	46,730	104,060	14,070	42,300

^aPrograms with no available data are not listed.

^bAs of 2004–2005, the number of families and children benefiting from the BC Family Bonus Increase starts to decline as a result of the full offset of the BC Family Bonus for most families with one child.

Yukon

Yukon's savings associated with the NCB Supplement have been invested in programs supporting healthy children, healthy families and healthy communities. These initiatives support the national goals of helping to reduce the depth of child poverty and encouraging parents to participate in the work force while ensuring they are better off working. Yukon's initiatives also support low-income families with the costs of raising children and recognize the long-term benefits of early childhood interventions.

Adjustments to Social Assistance benefits are made monthly by treating the actual amount of the NCB Supplement received as a separate category under income. This results in a deduction from Social Assistance benefits that is not subject to either the flat rate income exemption (\$150 per month per family) or the earned income exemption (25 percent of earned income). For non-taxfilers, the amount of the NCB Supplement is covered by Social Assistance, but the client must sign an "agreement to repay" which is collected when their NCB Supplement is issued for the portion that Social Assistance covered. This situation happens rarely.

Yukon's reinvestments and investments include:

Yukon Child Benefit (YCB) (Investment) –

Yukon families in receipt of the Canada Child Tax Benefit (CCTB) and the NCB Supplement are automatically considered for the Yukon Child Benefit (YCB). The YCB is an investment that supplements the NCB Supplement and is based on the same objectives and principles. The benefit is tax-free

and is not considered as income (i.e., not counted) when calculating social assistance benefits. Effective July 2004, the YCB was increased to \$450 per year per child, and is available for families with net annual incomes below \$25,000 (turning point), at which point the tax-back rate applied is 2.5 percent for one-child families and 5 percent for families with two or more children. The Yukon Government negotiated a recovery from Indian and Northern Affairs Canada (INAC) for costs of the YCB associated with Status Indian children in the Yukon.

Yukon Children's Drug/Optical

Program (CDOP) (Reinvestment) – This program is designed to assist low-income families with the cost of prescription drugs and eye care for children up to 18 years of age. While families with incomes above \$23,500 per year pay a deductible, there is no deductible for families with incomes below \$23,500 per year. Families must reapply each fiscal year.

Kids Recreation Fund (KRF)

(Reinvestment) – The fund covers registration fees, equipment and supplies for sports, arts, cultural, recreational or social activities. It is available to families whose net income is under \$37,000 per year or who have other special family circumstances, including recent financial hardship, family illness, large family size or family crisis. Each application is assessed on the family's individual circumstances. Eligible families can apply for up to \$200 per child, per activity, to a maximum of \$300 per year. The KRF is a special fund administered by Sport Yukon and supported in part by the Government of Yukon through the NCB initiative.

Healthy Families Yukon (Reinvestment) –

The Government of Yukon in March 1999, implemented the early intervention program, Healthy Families Yukon, to improve the long-term outcomes of Yukon children. The Healthy Families Yukon program is a culturally appropriate, intensive home-based family support service offered to expectant parents and parents of children under three months of age. The service is voluntary and is offered on a long-term basis, up to when the child is five years old. Weekly home visits are offered to the family in the first nine to twelve months, with criteria to increase/decrease the level of service as the child becomes older. The goals of Healthy Families Yukon are:

- to systematically assess the strengths and needs of new parents and assist them in accessing community services as needed;
- to enhance family functioning by:
 - building trusting, nurturing relationships,
 - teaching problem-solving,
 - improving the family's support system;
- to promote positive parent-child relationships; and
- to promote healthy childhood growth and development.

Food for Learning (Investment) –

The Yukon Food for Learning Society provides funds to assist schools in providing nutrition programs such as breakfast, lunch or snacks for students who do not have enough to eat. The Yukon Government provided a one-time reinvestment of \$30,000 in 1998–1999 to enhance the Food for Learning Project. The project is a special fund administered by a non-government organization and supported in part by the Government of Yukon through the NCB initiative.

Table 32 Yukon: NCB Reinvestments and Investments

	2003–2004	2004–2005	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplements				
Yukon Child Benefit ^a	277	711	675	660
Supplementary Health Benefits				
Yukon Children's Drug/Optical Program ^b	46	48	46	44
Early Childhood/Children-at-Risk Services				
Kids Recreation Fund	69	200	200	200
Healthy Families Yukon	1,062	1,026	937	974
Food for Learning	30	30	30	30
Total	1,484	2,015	1,888	1,909

^aNot including funds recovered from Indian and Northern Affairs Canada.

^bThe figures were revised to include administrative fees associated with the Yukon Children's Drug/Optical Program.

Note: Totals may not add due to rounding.

Table 33 Yukon: Estimated Number of Families and Children Benefiting under NCB Reinvestments and Investments

NCB Initiatives by Program Name ^a	2003–2004 ^b		2004–2005		2005–2006		2006–2007	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Yukon Child Benefit	971	1,722	1,455	2,552	1,404	2,451	1,450	2,500
Yukon Children's Drug/Optical Program	156	200	158	224	152	211	160	220
Kids Recreation Fund ^c	224	464	221	290	307	481	367	509
Healthy Families Yukon	155	180	138	152	141	163	150	175

^aPrograms with no available data are not listed.

^bFigures for 2003–2004 may differ from those reported in *The National Child Benefit Progress Report: 2005* due to data revisions.

^cThe number of children benefiting from the Kid's Recreation Fund reflects the actual numbers rather than numbers based on funding formula.

Northwest Territories

The NCB initiative assumes a major role in the collective fight against child poverty in Canada. The flexibility of the NCB program has enabled the Government of the Northwest Territories (GNWT) to develop three specific programs that proactively challenge child poverty and encourage employment attachment for parents.

In the Northwest Territories (NWT), the NCB Supplement is deducted from income assistance entitlement, and reinvested in three programs for low income families. The Government of the Northwest Territories provides added value to these reinvestment programs through additional funding. To reduce duplication and streamline efficiency, the Canada Revenue Agency delivers the NWT programs as an integrated payment with federal child benefits.

Northwest Territories reinvestments and investments include:

Northwest Territories Child Benefit

(NWTCB) – This cash benefit provides a maximum of \$330 annually per child for families with income of \$20,921 or less in the previous year.

Territorial Workers' Supplement (TWS) –

This supplement is paid to families with working incomes over \$3,750. This supplement is phased in so that the maximum benefit becomes available when working incomes reach \$10,000 annually.

Note: The NWTCB and TWS are need-determined programs that are based on a family's net income, working income and the number of children under the age of 18 years.

Healthy Children Initiative (HCI) –

The GNWT initiated the HCI in 1998. Since 1998, NCB reinvestment funds and NWT investment funds have been directed to the continued development and expansion of this program. To date, NCB increases/reinvestment funding has been directed to the HCI programs. The HCI enables communities groups across the NWT, to develop and deliver programs that proactively focus on health, learning and cultural development for children six years of age and under. HCI programs to date have included the delivery of healthy snack programs in Early Learning and Child Care Programs, Aboriginal Culture and Language Programs, Family Literacy and the support of training opportunities for early Child Care staff.

Table 34 Northwest Territories: NCB Reinvestments and Investments

	2003–2004	2004–2005	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplements				
NWT Child Benefit/Territorial Workers' Supplement	1,509	1,500	1,644	1,552
Early Childhood/Children-at-Risk Services				
Healthy Children Initiative ^a	419	419	419	1,768
Total	1,928	1,919	2,063	3,320

^aFigures include funding from another budget that provides children in the Northwest Territories with programs such as snacks, Aboriginal language and on-the-land camps.

Note: Totals may not add due to rounding.

Table 35 Northwest Territories: Estimated Number of Families and Children Benefiting Under NCB Reinvestments and Investments

	2003–2004		2004–2005		2005–2006		2006–2007	
NCB Initiatives by Program Name^a	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
NWT Child Benefit	2,200	4,300	2,300	4,300	2,331	4,441	2,200	4,191

^aPrograms with no available data are not listed.

Nunavut

The Government of Nunavut, through its Pinasuaqtavut mandate, continues to work to improve the well-being, prosperity and self-reliance of Nunavummiut. The goals of the NCB correspond to the Inuit principle of Pijitsirniq (providing for families and the community) by helping to prevent and reduce the depth of child poverty and by assisting low-income families with the costs associated with raising children. The NCB also provides an incentive for parents to (re)join the workforce, consistent with the government's interest in encouraging economic self-reliance.

The Government of Nunavut offsets the NCB Supplement as income from income support payments and reinvests the funds in the Nunavut Child Benefit (NUCB) and the Territorial Workers' Supplement (TWS).

Nunavut's reinvestment and investments include:

Nunavut Child Benefit (NUCB) –

This is the primary reinvestment program in Nunavut which is funded using monies from the recovery of social assistance payments in the territory. The NUCB is a tax-free payment given to qualifying families

with children under the age of 18 living at home. To reduce duplication and streamline efficiency, the Canada Revenue Agency delivers the Nunavut Child Benefit as an integrated payment with the CCTB and the NCB Supplement. The NUCB is a benefit paid to all families with a net income of \$20,921 or less in the previous year. Families receive \$27.50 per month or \$330 annually for each eligible child under the age of 18 living at home.

Territorial Workers' Supplement (TWS) –

Families who have earned income of more than \$3,750 in the previous year may also receive the Territorial Workers' Supplement. This is an additional benefit for working families with children under the age of 18 living at home. Nunavut uses recovered funds from social assistance payments to provide the Territorial Workers' Supplement for working parents, and Canada Revenue Agency delivers this benefit as an integrated payment with the CCTB and the NCB Supplement. Eligible families may receive up to \$275 annually for the first child and an additional \$75 per year for two or more children.

Table 36 Nunavut: NCB Reinvestments and Investments

	2003–2004	2004–2005	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplements				
Nunavut Child Benefit/Territorial Workers' Supplement	2,750	2,775	2,679	2,062
Total	2,750	2,775	2,679	2,062

Table 37 Nunavut: Estimated Number of Families and Children Benefiting Under NCB Reinvestments and Investments

	2003–2004		2004–2005		2005–2006		2006–2007	
NCB Initiatives by Program Name	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Nunavut Child Benefit/ Territorial Workers' Supplement	2,800	6,400	2,810	6,414	2,717	6,188	2,679	6,036

First Nations

First Nations have implemented a wide range of programs to address social, health and related issues in First Nation communities. The First Nations' NCB reinvestment component is a key element in the shared effort of about 400 First Nations and the Government of Canada to improve social programs for First Nation low-income families and children.

Following the approach of their provincial or territorial counterpart, First Nations adopt similar measures of adjusting income support to families with children on social assistance without reducing the overall disposable income of these families. This adjustment to social assistance results in savings which First Nations then reinvests in programs and services that will help reduce the depth of child poverty. When a province or territory supplements federal payments with additional funding, Indian and Northern Affairs Canada (INAC) commits to negotiate a reimbursement of the portion paid to low-income families on reserve including families on income assistance. For example, INAC reimburses Saskatchewan and Yukon for integrated child benefit payments to all low-income families with children who ordinarily reside in First Nation communities.

An important feature of the NCB reinvestment funding mechanism is that it gives First Nations the flexibility to prioritize reinvestments according to their own unique needs and cultural values. In each region, the projects implemented by First Nations closely follow off-reserve models, but they tend to cover a wider range of program areas than those of the provinces and territories.

In some cases, reinvestment funds available to smaller communities are modest, but First Nations have increased their impact by linking them with other resources, such as day-care funding, general band revenue, employment-creation funding, or with funding from other agencies such as Head Start, Brighter Futures, Canada Manpower, and Training Employment Skills Initiative.

Reinvestments are categorized under five activity areas:

Child Care – These programs enhance day-care facilities to enable more low-income families to access spaces for their children. Emphasis may be placed on accommodating children of parents who are working or in training projects. Funds are also used to reduce the share of child-care costs that parents who are working or in training must pay for the care of their children in day-care facilities (although no direct subsidies may be given to parents).

Child Nutrition – These programs are intended to improve the health and well-being of children by providing breakfast, lunch, or snacks in school, by educating parents about the nutritional needs of children and meal preparation, or by delivering food hampers to homes of low-income families.

Support to Parents – These programs are designed to equip and support parents by giving their children a sound start in life. Projects may include drop-in centres for parents or training in parenting skills.

Home-to-Work Transition – These programs are directed at improving the prospects of employment for parents and youth. These include employment and

skills development, and summer work projects for youth.

Cultural Enrichment – In this category are projects such as the teaching of traditional culture (e.g., language, art, music, storytelling), support projects for youth,

celebrations, peer support groups, family and community supports such as life skills, financial management training, and other group activities that bring together community elders, children, and youth.

Table 38 First Nations: NCB Reinvestments and Investments

Activity Area ^a	2003–2004	2004–2005	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates ^b (\$000)
Child Care	866	2,323	3,246	n/a
Child Nutrition	5,111	12,459	12,762	n/a
Support to Parents	1,750	4,995	12,584	n/a
Home-to-Work Transition	8,886	17,509	17,103	n/a
Cultural Enrichment	12,491	15,462	8,919	n/a
Sub-total	29,104	52,748	51,561	47,344
Additional Expenditures by First Nations with Multi-Year Agreements and Comprehensive Funding Agreements ^c	22,659	0	0	0
Additional Investment Envelope ^d	1,414	2,379	3,434	960
Total	53,177	55,127	58,048	48,304

^a Expenditures and estimates by activity area may vary because First Nations and bands under multi-year agreements only report their reinvestment activities to INAC at the end of the calendar year. As a result, INAC is not able to provide estimates on reinvestment activities prior to year end.

^b A breakdown of 2006–2007 estimates is not available.

^c As of 2004–2005, these estimates are reported under the activity areas.

^d The additional investment envelope includes funding to reimburse Saskatchewan and the Yukon for the portion of provincial/territorial children's benefits paid on reserve.

Notes: 1) n/a indicates the data is not available.

2) Totals may not add due to rounding.

3) Indian and Northern Affairs Canada does not fund social assistance in the Northwest Territories and Nunavut. Reinvestments in these areas are not included in this table.

Table 39**First Nations: Estimated Number of Families and Children on Reserve by Region, Benefiting from NCB Reinvestments**

Region	2003–2004		2004–2005		2005–2006	
	Families #	Children #	Families #	Children #	Families #	Children #
Atlantic ^a	431	776	1,281	2,608	1,087	2,229
Quebec	2,971	5,984	4,994	10,583	4,333	10,854
Ontario	2,945	7,768	22,960	52,429	28,480	68,701
Manitoba ^b	2,936	7,016	—	—	—	—
Saskatchewan	33,363	76,474	85,533	209,520	154,482	346,308
Alberta	9,798	21,460	11,910	23,826	16,503	36,620
British Columbia	40,693	74,586	32,722	59,088	21,355	35,131
Yukon	454	576	363	1,266	326	1,327

^aThe number of participants in the Atlantic region only includes First Nations in Nova Scotia and Prince Edward Island.

^bEffective January 2004, Manitoba fully discontinued the practice of recovering the NCB Supplement from families receiving income assistance, including First Nations families. As a result of flowing through the NCB Supplement to families, funds are no longer being recovered for reinvestment and no families or children benefit from reinvestment.

Notes: 1) Figures for 2003–2004 may differ from those reported in *The National Child Benefit Report: 2005* due to data revisions.
 2) Estimates for 2006–2007 are not available.
 3) Indian and Northern Affairs Canada does not fund social assistance in the Northwest Territories and Nunavut.
 4) Figures may vary because some bands funded under multi-year agreements and self-government arrangements may not have reported.
 5) Numbers include duplicates when a family or child receives from more than one service in the community.

Citizenship and Immigration Canada

Citizenship and Immigration Canada (CIC) is committed to the objectives of the NCB initiative. CIC continues to aid government-assisted refugees by reinvesting income support adjustments into benefits for refugee families and their children.

CIC administers the NCB through its local and regional offices following provincial/territorial social assistance guidelines which helps to maintain a national standard for clients. The funds available as a result of the income support adjustments are reinvested into benefits for refugee families with children.

The Resettlement Assistance Program (RAP) provides newly arrived government-assisted refugees with income support and a range of immediate and essential services. Income support is provided for up to 12 months or until the client has become self-sufficient, whichever comes first, with a maximum of 24 months coverage for certain special needs refugees. Clients who are not self-sufficient at the end of the period of RAP support are entitled to provincial/territorial social assistance.

In 2006–2007, a new initiative, the **Monthly School Allowance** was introduced. The new allowance aids government-assisted refugee families with the recurring and on-going costs of their children's education, such as school and gym supplies

and registration fees. Families with children and young adults (aged 4 to 21 years and who are attending provincial elementary and secondary education institutions) receive the allowance. During the summer months, the allowance will assist with summer school attendance and participation in other organized educational or recreational activities.

CIC's other reinvestments and investments include:

Newborn Allowance – This supplement assists government-assisted refugee families with the costs of caring for a newborn.

Children under 6 Years Allowance – This benefit recognizes the additional costs associated with raising young children.

School Start-Up Allowance – This supplement assists government-assisted refugee families with the costs of equipping young children for elementary school.

NCB Transportation Allowance – This supplement assists government-assisted refugee families with their transportation costs.

Table 40 **Citizenship and Immigration Canada: NCB Reinvestments and Investments**

	2003–2004	2004–2005	2005–2006	2006–2007
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplements				
Newborn Allowance, Children under 6 Allowance, School Start-up Allowance, Monthly School Allowance	681	799	767	1,022
Other NCB Programs, Benefits & Services				
NCB Transportation Allowance	1,174	1,793	1,688	1,066
Total	1,855	2,592	2,455	2,088

Note: Totals may not add due to rounding.

Results of the SLID Analysis

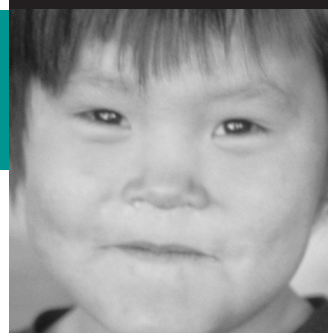


Table 41

Change in Incidence of Low Income Among Families by Family Type Due to the NCB: January 2004 to December 2004

SLID 2004	One-Parent Families	Two-Parent Families	All Families ^a
Post-Tax LICO^b			
Decline in Number of Children Living in Low Income	45,300	80,100	125,400
Decline in Number of Families Living in Low Income	23,200	35,800	59,000
Percentage Change in Number of Families Living in Low Income	-9.5%	-14.7%	-12.1%
Decline in Incidence of Low Income Among Families with Children ^c	-3.2%	-1.2%	-1.6%
Post-Tax LIM^b			
Decline in Number of Children Living in Low Income	39,900	113,200	153,100
Decline in Number of Families Living in Low Income	19,200	44,000	63,200
Percentage Change in Number of Families Living in Low Income	-7.0%	-15.9%	-11.5%
Decline in Incidence of Low Income Among Families with Children ^c	-2.6%	-1.5%	-1.7%
MBM^b			
Decline in Number of Children Living in Low Income	46,900	81,500	129,000
Decline in Number of Families Living in Low Income	23,900	33,900	58,400
Percentage Change in Number of Families Living in Low Income	-8.4%	-11.2%	-9.9%
Decline in Incidence of Low Income Among Families with Children ^c	-3.3%	-1.1%	-1.6%

^aThe "All Families" group includes one-parent, two-parent and other family types (e.g., children in foster care). As children in other families do not fall in the category of one or two-parent families, the total in "All Families" does not equal the sum.

^bThe direct impact of the NCB on the incidence of low income and disposable income is dependent on the measure of low income used in the simulation analysis. This Appendix uses three different measures of low income: post-tax LICOs, post-tax LIMs and the MBM. As these three measures are calculated with differing methodologies, it may be difficult to directly compare simulation results from each measure.

^cDecline in incidence of low income is expressed in percentage points.

Source: Based on Statistics Canada Special Tabulations from the *Survey of Labour and Income Dynamics (SLID)* 2004.

Table 42**Changes in Disposable Incomes Due to the NCB Among Families with Children by Family Type: January 2004 to December 2004**

SLID 2004	One-Parent Families	Two-Parent Families	All Families
Post-Tax LICOs			
Were Prevented from Living in Low Income in 2004			
Increase in Disposable Income due to NCB	\$2,200	\$2,500	\$2,400
Percentage Increase in Income	10.5%	8.7%	9.3%
Remained Living in Low Income in 2004			
Increase in Disposable Income due to NCB	\$1,300	\$2,000	\$1,600
Percentage Increase in Income	7.3%	9.7%	9.1%
Other Families with Children who Received NCB Supplement in 2004			
Increase in Disposable Income due to NCB	\$1,100	\$1,000	\$1,000
Percentage Increase in Income	3.0%	2.5%	2.7%
Post-Tax LIM			
Were Prevented from Living in Low Income in 2004			
Increase in Disposable Income due to NCB	\$2,500	\$2,600	\$2,600
Percentage Increase in Income	10.6%	8.5%	9.0%
Remained Living in Low Income in 2004			
Increase in Disposable Income due to NCB	\$1,300	\$2,000	\$1,600
Percentage Increase in Income	8.2%	9.6%	9.0%
Other Families with Children who Received NCB Supplement in 2004			
Increase in Disposable Income due to NCB	\$1,000	\$900	\$1,000
Percentage Increase in Income	2.8%	2.1%	2.4%
MBM			
Were Prevented from Living in Low Income in 2004			
Increase in Disposable Income due to NCB	\$1,900	\$2,600	\$2,300
Percentage Increase in Income	9.2%	9.1%	9.1%
Remained Living in Low Income in 2004			
Increase in Disposable Income due to NCB	\$1,300	\$1,900	\$1,600
Percentage Increase in Income	8.6%	9.6%	9.2%
Other Families with Children who Received NCB Supplement in 2004			
Increase in Disposable Income due to NCB	\$1,100	\$900	\$1,000
Percentage Increase in Income	3.1%	2.2%	2.6%
Source: Based on Statistics Canada Special Tabulations from the <i>Survey of Labour and Income Dynamics (SLID) 2004</i> .			

Table 43

Change in Incidence of Low Income Among Families by Family Type Due to the NCB: January 2004 to December 2004

SLID 2004	One-Parent Families	Two-Parent Families	All Families
Post-Tax LICOs			
Decline in Low Income Gap (\$ millions)	\$310	\$430	\$740
Percentage Change in the Low Income Gap	-17.7%	-19.0%	-18.5%
Post-Tax LIM			
Decline in Low Income Gap (\$ millions)	\$350	\$500	\$840
Percentage Change in the Low Income Gap	-16.7%	-20.0%	-18.5%
MBM			
Decline in Low Income Gap (\$ millions)	\$360	\$540	\$900
Percentage Change in the Low Income Gap	-17.3%	-19.1%	-18.3%
Source: Based on Statistics Canada Special Tabulations from the <i>Survey of Labour and Income Dynamics</i> (SLID) 2004.			

Additional Statistical Information



These additional statistical tables supplement the information contained in this report. They provide information on low income and labour market participation trends and are on the NCB website at: www.nationalchildbenefit.ca.

Table 1a

Post-tax LICOs – Income thresholds, by family size and community size, 2004.

Table 1b

Pre-tax LICOs – Income thresholds, by family size and community size, 2004.

Table 1c

Post-tax LIM – Income thresholds, by family size and composition, 2004.

Table 2

LICOs & LIM – Number and percentage of families with children under 18 below the low-income thresholds, by family type, Canada, 1984 to 2004.

Table 2a

LICOs & LIM – Number and percentage of children under 18 below the low-income thresholds, by family type, Canada, 1984 to 2004.

Table 3a

Post-tax LICOs – Percentage by which family income is below or above the low-income thresholds, by family type, Canada, 1984 to 2004.

Table 3b

Pre-tax LICOs – Percentage by which family income is below or above the low-income thresholds, by family type, Canada, 1984 to 2004.

Table 3c

Post-tax LIM – Percentage by which family income is below or above the low-income thresholds, by family type, Canada, 1984 to 2004.

Table 4

LICOs & LIM – Average market income of low-income families with children under 18 as a percentage of the low-income thresholds, by family type, Canada, 1984 to 2004.

Table 5

LICOs & LIM – Percentage of low-income families with children under 18 employed for pay during the year, by family type, Canada, 1984 to 2004.

Table 6

Estimated number of families with children under 18 receiving social assistance, by family type, Canada, March of each year, 1987 to 2004.

Table 7

Federal expenditures on CCTB benefits (the NCB Supplement and the CCTB base benefit) for NCB Supplement recipients, by province/territory, July 2005 to June 2006.

Table 8

Federal expenditures on CCTB benefits (the NCB Supplement and the CCTB base benefit) for CCTB base benefit recipients, by province/territory, July 2005 to June 2006.

