



THE National Child Benefit

PROGRESS REPORT: 2003



兒童福利的未來



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March 2005

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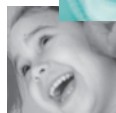
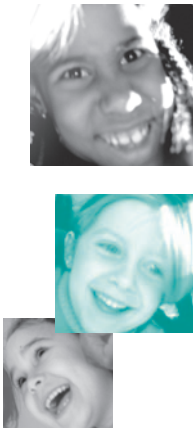


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Message from Federal/ Provincial/Territorial Ministers Responsible for Social Services

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). This report, *The National Child Benefit Progress Report: 2003*, is the fifth in a series of progress reports provided by Ministers since the NCB was launched in 1998.

Helping children get off to a good start in life is crucial, and governments have recognized 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.

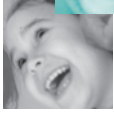
The 2003 report provides updated information on the activities of Canada's federal, provincial and territorial governments and First Nations to improve the well-being of children in low-income families.

Specifically, it provides detailed information on the contributions of the Government of Canada through the Canada Child Tax Benefit and its NCB Supplement component, as well as information on the contributions of provincial and territorial governments and First Nations through the programs and services they provide under the joint NCB initiative. It was prepared by a joint working group of officials representing federal, provincial and territorial governments.

As Ministers Responsible for Social Services in Canada, we remain committed to reporting on the progress being made by the NCB toward its goals. We will keep working together to meet the needs of Canadian children and families and will continue to report regularly on our 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 governments², which includes a First Nations component.

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 report, *The NCB Progress Report: 2003*, is the fifth in a series of reports to Canadians since the NCB was introduced in July 1998. The report 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.

Under the NCB, the Government of Canada provides benefits directly to low-income families with children through the NCB Supplement component of the Canada Child Tax Benefit. Provinces, territories and First Nations provide other programs and services to low-income families with children in their communities.

Specific details of the Government of Canada's contribution through the NCB Supplement are provided in Chapter 3. For the program year ended June 2003, the Government of Canada provided \$2.4 billion through the NCB Supplement. During that period, 1.5 million families with 2.7 million children received the NCB Supplement.

Comprehensive information on provincial, territorial and First Nations reinvestments and investments in programs and services for children and their families is provided in Chapters 4 and 5, and in Appendix 2. These are estimated to be \$764.2 million for 2002-2003 and \$816.6 million for 2003-2004. Chapter 4 also provides detailed information on the approaches jurisdictions are using to replace social assistance benefits for children through the NCB.

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 5 looks at First Nations and the NCB. It describes how the Government of Canada and some 600 First Nations are cooperatively addressing the needs of low-income families on reserve through the NCB initiative. First Nations investments and reinvestments in programs and services are estimated to be \$56.0 million in 2002-2003 and \$60.2 million in 2003-2004.

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





Chapter 1

Introduction

In 1998, Canada's Federal, Provincial and Territorial Ministers Responsible for Social Services³ introduced the National Child Benefit (NCB) initiative as part of the National Children's Agenda, under which Canadians in every part of the country are engaged to ensure that all Canadian children have a good start in life and that families with children have the tools they need to provide care and nurturing.

The National Child Benefit Progress Report: 2003 is a key element of the National Child Benefit Governance and Accountability Framework⁴ 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.

This fifth NCB report describes the federal, provincial, territorial and First Nations components of this unique initiative. Chapter 2 provides a brief overview of each component, while Chapter 3 focuses on the NCB Supplement as part of the federal child benefit

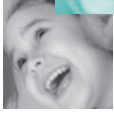
system for the 2002–2003 and 2003–2004 program years. Comprehensive information on provincial, territorial and First Nations reinvestments and investments in programs and services in fiscal years 2000–2001 and 2001–2002 and estimated amounts for fiscal years 2002–2003 and 2003–2004 are provided in Chapter 4. Chapter 5 outlines how First Nations and the Government of Canada are working together to address the needs of low-income families with children on reserve through First Nations NCB reinvestments and investments.

An analysis of the impacts of the NCB, using the 2001 Survey of Labour and Income Dynamics (SLID) data, will be published separately.

The NCB has been shown to help families improve their economic situation. As the NCB moves forward, additional investments and reinvestments currently being implemented will contribute to helping families leave social assistance and improve outcomes for children in low-income families.

³ 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.

⁴ For further information on the National Child Benefit Governance and Accountability Framework, please consult the Archives section of the NCB Web site at: <http://www.nationalchildbenefit.ca>



Chapter 2

What is the National Child Benefit Initiative?

The National Child Benefit (NCB) initiative is a joint approach of federal, provincial and territorial governments to support Canadian children living in low-income families. The initiative takes a multifaceted approach, which recognizes that both income support and a variety of benefits and services are critical to sustained success.

The NCB initiative has three goals:

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

The Welfare Wall

Governments deliver a variety of benefits and services for people receiving social assistance to help address their family needs. These include basic income benefits for children, financial work incentives for parents, and extended drug, dental and optical benefits.

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.

At that time, leaving social assistance for employment often meant that low-income families with children lost many or all of their benefits when they took paid employment. Families on social assistance who found paid work often saw their overall disposable income increase only slightly and in some cases would see a decline. In addition to forfeiting child benefits and other non-monetary benefits, they also needed to pay taxes and employment-related costs out of their typically low wages⁵. As a result, parents were often reluctant to seek employment because they were financially worse off working compared to being on social assistance. Thus, government programs had inadvertently created a “welfare wall” – a set of disincentives to labour force participation that made it financially less attractive for parents to leave welfare for work.

⁵ K. Battle and M. Mendelson, “Benefits for Children: Canada” in *Benefits for Children: A Four Country Study*, K. Battle and M. Mendelson, eds. (Ottawa: Caledon Institute of Social Policy, 2001) pp. 93-186.

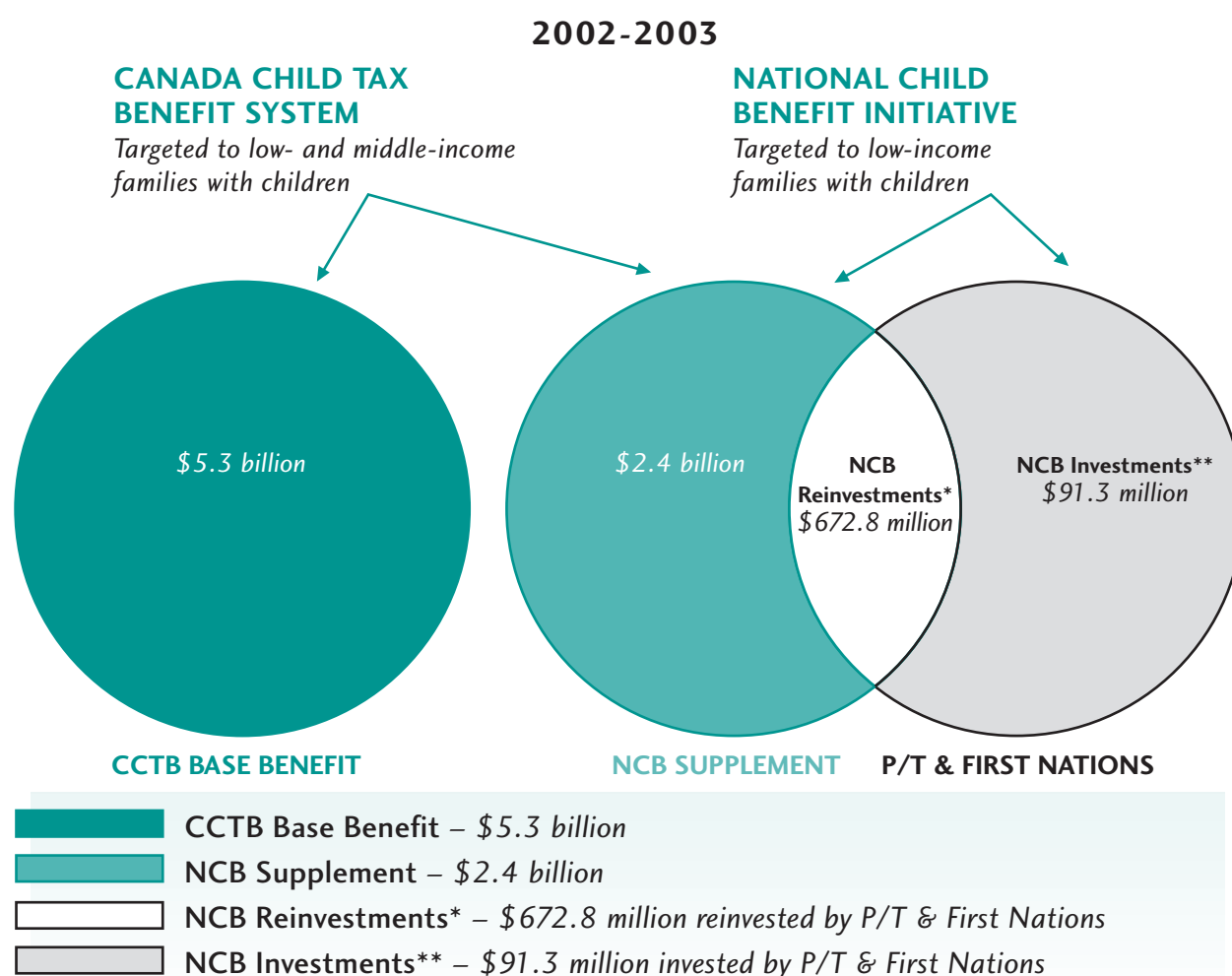


The NCB in Action

The NCB is intended to help lower this welfare wall by making sure 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 basic children's income support.

Federal, provincial and territorial systems of income support for children are being integrated to build a national platform of income-tested child benefits available to both social assistance families and low-income working families. The initiative combines two key elements: 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.

Figure 1 – How the NCB Works



* Reinvestment funds comprise social assistance/child benefit savings and, in some jurisdictions, Children's Special Allowance recoveries. Please see Appendix 2 for further details.

** Investment funds comprise additional funds that some jurisdictions spend on NCB initiatives, over and above the reinvestment funds. Please see Appendix 2 for further details.

The Government of Canada's Contribution to the NCB Initiative

The Government of Canada contributes to the NCB initiative through a supplement to its Canada Child Tax Benefit (CCTB). In addition to the CCTB base benefit, which is targeted to both low- and middle-income families with children, the NCB Supplement provides extra support to low-income families with children. Both the base benefit and the NCB Supplement are paid on a monthly basis and are income-tested using information provided when a parent files an income tax return. The benefits from the CCTB base benefit and NCB Supplement are provided to eligible families regardless of whether the parents are working or receiving social assistance.

Provincial, Territorial and First Nations Contributions

Under the NCB initiative, the coordinated approach to delivering child benefits to low-income families with children has also provided provinces and territories with the option to modify their income-support systems in the manner that best meets the needs of low-income families in their jurisdictions.

Most provinces and territories have adjusted social assistance or child benefit payments by an amount equivalent to the NCB Supplement, which is reinvested to support NCB initiatives. This has permitted families on social assistance to maintain the same level of benefits as before, while providing additional funds for new or enhanced provincial and territorial programs benefiting low-income families with children.

Since the introduction of the NCB initiative, a number of approaches to adjusting social assistance and child benefits have evolved. A detailed discussion of these approaches is included in Chapter 4.

Provinces, territories and First Nations may also invest additional funds in benefits and services consistent with the objectives of the NCB. Reinvestment and investment funds are used by provinces, territories and First Nations to finance NCB programs and services. These programs and services are in addition to other long-standing programs and services that provinces and territories have had in place to advance child development and help low-income families. In 2002–2003, investments and reinvestments through the NCB initiative for all provinces, territories and First Nations totalled \$764.2 million.

Provinces and territories provide programs and services that fall in six categories:

- child benefits and earned income supplements;
- child-/day-care initiatives;
- early childhood services and children-at-risk services;
- supplementary health benefits;
- youth initiatives; and
- other NCB programs, benefits and services (e.g. literacy, employment support programs).

First Nations reinvestments and investments cover a broader range of programs, and fall in five main areas:

- child/day care;
- child nutrition;

- early child development;
- employment opportunities/training programs; and
- community enrichment.

The NCB initiative has provided the flexibility for provinces, territories and First Nations to tailor their programs and services to the specific needs of their low-income families. As a result of reinvestment and investment funds, provinces, territories and First Nations have enhanced existing programs and/or introduced new programs and services designed to meet the

specific needs of families within their jurisdictions, while fulfilling the objectives of the national initiative.

In addition, program and service design have significantly benefited from shared knowledge and experience across jurisdictions. Provinces, territories and First Nations now offer new and enhanced programs designed to provide all low-income families with children the services and supports that reduce the impacts of child poverty and encourage attachment to the labour force.





Chapter 3

The National Child Benefit Supplement

The Federal Child Benefit System

The Government of Canada has long provided Canadian families with child benefits. The Child Tax Exemption was established as early as 1918. This was followed by the Family Allowance benefit and various types of child tax measures aimed at providing financial support to parents.

Since July 1998, the Government of Canada has provided direct financial assistance to families with children through the Canada Child Tax Benefit (CCTB). The CCTB is designed to help families with the cost 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 and age of the children within the family.

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.

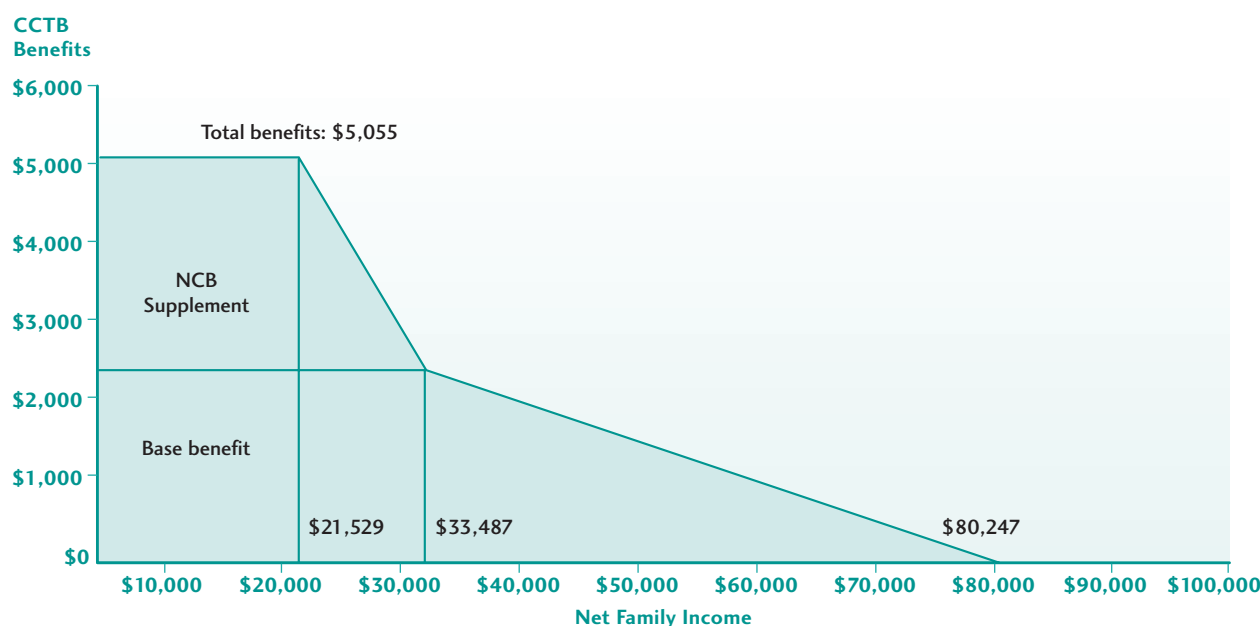
1978 – **Refundable Child Tax Credit:** This targeted and income-tested child benefit, which was delivered through the tax system, provided a maximum benefit to low-income families, a declining amount to middle-income families, and no benefit to upper-income families.

1993 – **Child Tax Benefit:** 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 – **National Child Benefit (NCB) Supplement:** The NCB Supplement replaced the WIS, which was limited to low-income working families. The NCB Supplement is provided to all low-income families as part of the new **Canada Child Tax Benefit**.



Figure 2 – The Canada Child Tax Benefit for a Two-Child Family: July 2003 to June 2004



Note: Benefits do not include an additional amount provided for each child less than seven years of age for whom no child-care expenses were claimed. This amount was increased to \$232 per child for the 2003–2004 program year, and to \$239 per child for 2004–2005.

The CCTB is made up of two key components: the base benefit of the CCTB, which is paid to low- and middle-income families with children, and the National Child Benefit (NCB) Supplement, which is an additional benefit paid to low-income families. Eligible Canadian families with children receive the base benefit and the NCB Supplement through a single monthly payment. Between July 2002 and June 2003, approximately 3.0 million families with 5.5 million children received the base benefit of the CCTB.

Figure 2 illustrates the CCTB structure for families with two children as of July 2003. During the 2003–2004 benefit year (from July 2003 to June 2004), two-child families with net incomes less than \$21,529 received the maximum benefit level of \$5,055. Under the CCTB benefit structure, all families in receipt of the NCB Supplement receive the maximum level of the base benefit of the CCTB. Families with net incomes above \$21,529

but below \$33,487 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 \$33,487 but below \$80,247 receive only the base benefit of the CCTB. The level of this benefit also decreases as family income increases.

Federal Support to Low-Income Families with Children

The NCB Supplement represents the Government of Canada's contribution to the NCB initiative. To underscore its commitment to Canadian families with low incomes, the Government of Canada has significantly increased its contributions to support low-income families since the implementation of the CCTB. As its initial contribution to the NCB initiative, the Government of Canada committed



to \$850 million per year for the NCB Supplement, in addition to the \$5.1 billion per year that had been provided under the former Child Tax Benefit.

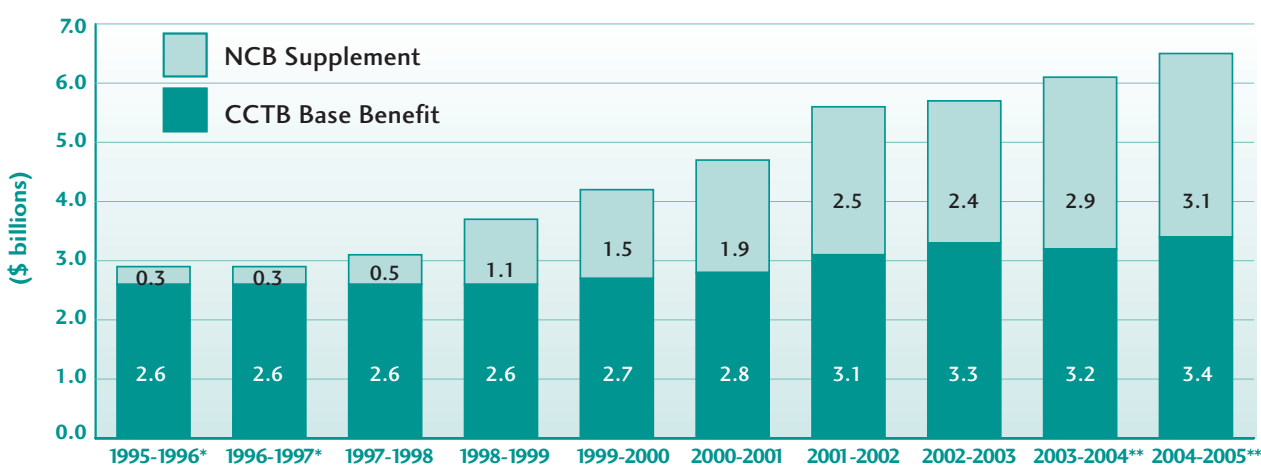
Additional investments in the program were announced in the 1998 and 1999 federal budgets. In 2000, the Government of Canada made a commitment to restoring full indexation of benefit levels, as well as the income levels that determine a family's entitlement to benefits. Indexation ensures that benefit increases are not eroded by inflation. In its 2003 Budget, the Government of Canada announced an increase to the NCB Supplement of \$150 per child in July 2003, \$185 in July 2005, and \$185 in July 2006.

These increases would bring the benefit to \$3,243 for the first child, \$3,016 for the second child, and

\$3,020 for each additional child⁶. These increases are projected to bring the federal investment in the CCTB to \$10 billion per year by July 2007.

Figure 3 shows the increase in the value of annual federal expenditures on low-income families from 1995-1996 to 2004-2005. From \$300 million spent on the former Working Income Supplement (WIS) in 1995-1996, the federal investment in the NCB Supplement has increased steadily and is projected to reach \$3.1 billion in 2004-2005. In addition, the federal investment provided to low-income families through the base benefit of the CCTB has increased over this period, with \$3.4 billion projected to be provided to NCB Supplement recipients in 2004-2005, compared to \$2.6 billion in 1995-1996⁷.

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)



* Includes the former Working Income Supplement for the years 1995-1996 to 1997-1998.

**Figures for 2003-2004 and 2004-2005 are projections.

Source: CCTB administrative data from the Canada Revenue Agency (September 2003).

⁶ To target the increase in the NCB Supplement to lower-income families, the income threshold at which the NCB Supplement begins to be phased out was adjusted, keeping the reduction rate for the first child constant at its July 2003 level.

⁷ 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 2002-2003, the Government of Canada invested \$2 billion in the base benefit of the CCTB paid to 1.5 million families with 2.8 million children that have 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 \$7.7 billion in 2002-2003, and is projected to reach over \$10 billion by July 2007.

The NCB Supplement targets low-income families with children and provides these families with additional assistance on top of the base

benefit of the CCTB. Between July 2002 and June 2003, 1.5 million families with 2.7 million children received the NCB Supplement.

Table 1 – Number of Children in Receipt of the NCB Supplement and Federal NCB Supplement Expenditures by Jurisdiction for 2001-2002 and 2002-2003 Program Years (July to June) in Current Dollars*

Jurisdiction	July 2001 – June 2002		July 2002 – June 2003	
	Children Receiving NCB Supplement (thousands)	Benefits paid (\$ millions)	Children Receiving NCB Supplement (thousands)	Benefits paid (\$ millions)
Newfoundland and Labrador	53.9	50.2	52.0	47.9
Prince Edward Island	13.2	11.5	13.1	11.3
Nova Scotia	89.3	84.5	88.4	82.3
New Brunswick	71.8	67.1	71.1	65.3
Quebec	631.1	573.6	633.7	565.0
Ontario	932.2	862.7	952.5	842.7
Manitoba	133.6	123.1	135.1	122.2
Saskatchewan	128.3	119.6	126.7	115.6
Alberta	268.5	244.3	266.6	230.7
British Columbia	354.0	334.9	355.7	320.4
Yukon	2.5	2.3	2.5	2.1
Northwest Territories	4.5	4.1	4.4	3.7
Nunavut	6.0	5.7	6.1	5.4
TOTAL	2,690.7**	2,484.6***	2,711.4**	2,416.5***

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

** Includes Canadians living outside of Canada.

*** Totals may not add due to rounding.

Source: CCTB administrative data from the Canada Revenue Agency.



Federal Investment in the NCB Supplement by Province and Territory

Table 1 shows that the number of children who received the NCB Supplement increased between 2001–2002 and 2002–2003. Federal expenditures on the NCB Supplement decreased slightly, however, from \$2.48 billion in 2001–2002 to \$2.42 billion in 2002–2003, which reflects growth in family incomes. The NCB Supplement is income-tested and, as such, benefits decline as family income rises.

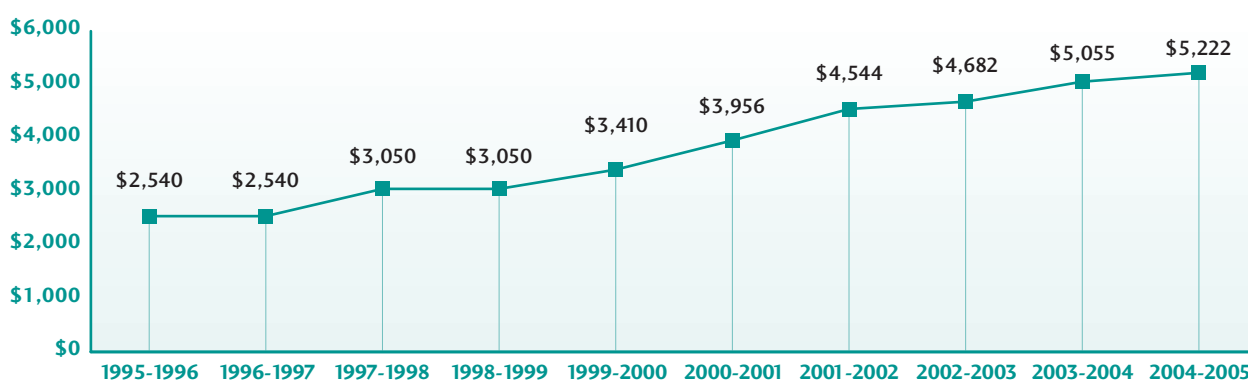
Increased Federal Financial Assistance for Families with Children

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. With the CCTB base benefits and the NCB Supplement, the level of federal child benefits that low-income families with two children were eligible to receive reached \$5,222 in July 2004.

As of July 2004, low-income families receive maximum annual CCTB benefits (base benefit of the CCTB and NCB Supplement) of \$2,719 for the first child and \$2,503 for the second child, bringing the amount of total federal child benefits for a family with two children to \$5,222, or more than double that of the pre-NCB 1996–1997 levels (see Table 2). For a third and each subsequent child, the amount of the benefit is \$2,507, which includes an additional benefit of \$84 per year for third and subsequent children. An on-line Canada Child Tax Benefit calculator provided by the Canada Revenue Agency (<http://www.cra-arc.gc.ca/benefits/calculator/menu-e.html>) can be used to determine the amount of benefits to which families are entitled.

Figure 4 – Maximum Levels of Federal Child Benefits for Two-Child Families for 1995-1996 to 2004-2005 Program Years (July to June) in Current Dollars*



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

Note: Benefits do not include an additional amount provided for each child less than seven years of age for whom no child-care expenses were claimed. This amount was increased to \$239 per child as of 2004-2005.

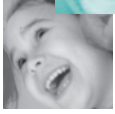
Table 2 – Maximum Levels of Federal Child Benefits for 1996-1997 and 2004-2005 Program Years (July to June) in Current Dollars*

Number of Children	1996-1997 Maximum CTB+WIS	2004-2005 Maximum CCTB Base Benefit + NCB Supplement	Percentage Increase from 1996-1997 to 2004-2005
1	\$1,520	\$2,719	79%
2	\$2,540	\$5,222	106%
3	\$3,635	\$7,729	113%
4	\$4,730	\$10,236	116%

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

Note: Benefits do not include an additional amount provided for each child less than seven years of age for whom no child care expenses were claimed. This amount was increased to \$239 per child as of 2004-2005.





Chapter 4

Components of the National Child Benefit Initiative

The National Child Benefit (NCB) initiative includes both federal and provincial/territorial components.⁸ The federal component, described in Chapter 3, involves increased benefits paid to low-income families with children through the NCB Supplement. This federal investment makes it possible for provincial and territorial governments to adjust the income support to families on social assistance without impacting the overall disposable income of these families.

This adjustment to social assistance/child benefit payments produces savings that provinces and territories then reinvest to enhance existing programs or implement new programs or services aimed at reducing child poverty and supporting low-income families. Reinvestment funds comprise social

assistance/child benefit savings and, in some jurisdictions, Children's Special Allowance recoveries (see Appendix 2 for further details).

In addition to reinvestments, many jurisdictions invest additional funds in benefits and services that are consistent with the goals of the NCB initiative (see Appendix 2 for further details). Additional investments for First Nations are provided by Indian and Northern Affairs Canada.

The resulting 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 to become self-sufficient.

The Children's Special Allowance

The Children's Special Allowance (CSA) is paid by the Canada Revenue Agency for children who are in the care of provincial/territorial child welfare authorities. It mirrors the maximum Canada Child Tax Benefit payments, including the base benefit and the NCB Supplement. Jurisdictions have the option of passing on the increased NCB Supplement amount to child welfare authorities for child maintenance costs, or recovering the increase. In jurisdictions that recover the increase to the NCB Supplement, the amount is included in their reinvestment funds available for NCB initiatives.

In 2002–2003, it is estimated that \$12.8 million or 1.7 percent of the total reinvestment funds came from CSA recoveries.

⁸ This report does not include data for Quebec. All 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.

Approaches to Replacing Social Assistance Benefits for Children

Since the inception of the NCB initiative in 1998, three distinct approaches have evolved respecting the replacement of social assistance benefits for children through the NCB. These are:

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

In addition, some jurisdictions (New Brunswick, Manitoba⁹) do not adjust social assistance benefits for children and, instead, flow through the NCB Supplement directly to recipients.

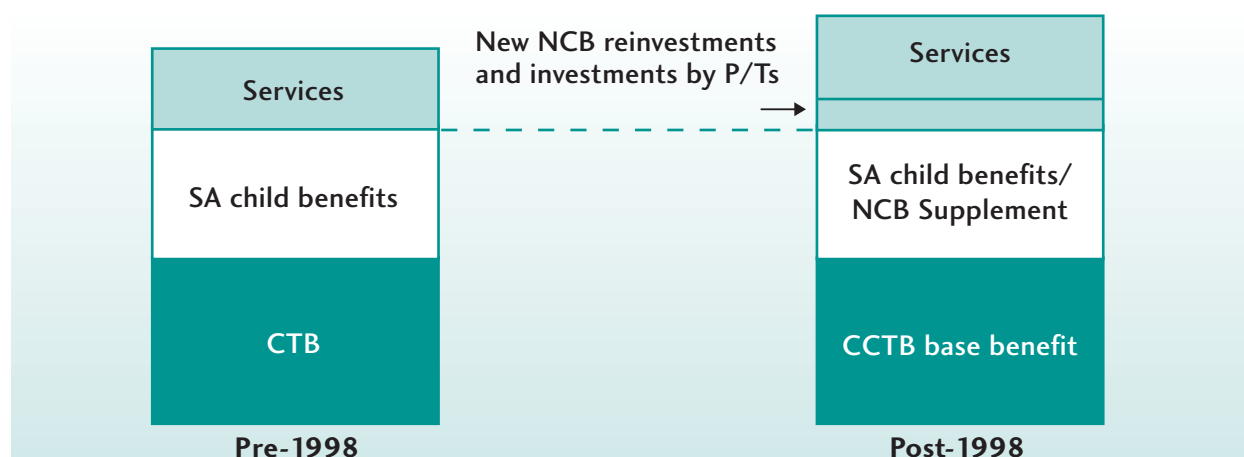
The three approaches are briefly explained below.

1. The Social Assistance Offset Approach (see Figure 5)

Under this approach, provinces and territories either treat 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, Ontario,¹⁰ Yukon, Northwest Territories and Nunavut. In the case of rate reduction, the social assistance rate is reduced by the maximum NCB Supplement. Alberta¹¹ uses this approach.

Each family that leaves social assistance continues to receive the NCB Supplement. Reinvestment funds under this approach are the savings in social assistance.

Figure 5 – The Social Assistance (SA) Offset Approach



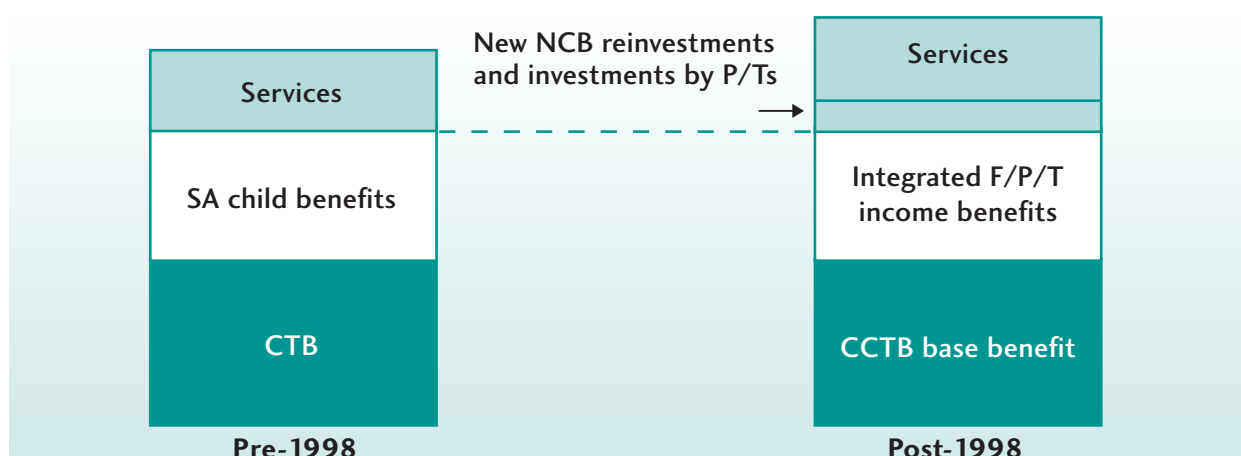
Notes: 1) Figure is for illustrative purposes only and is not drawn to scale. 2) CTB - Child Tax Benefit.

⁹ 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.

¹⁰ In its 2004 Budget, Ontario announced that social assistance benefits would not be reduced to take into account the Government of Canada's July 1, 2004 increase for indexation to the NCB Supplement for one year.

¹¹ 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. This flow-through is also in place in 2004.

Figure 6 – The Integrated Child Benefit Approach with Adjustment



Notes: 1) Figure is for illustrative purposes only and is not drawn to scale. 2) CTB: Child Tax Benefit.

2. The Integrated Child Benefit Approach with Adjustment (see Figure 6)

Some jurisdictions have chosen to restructure their social assistance system to pay children's benefits through a separate income-tested child benefit program that is integrated with the Canada Child Tax Benefit (CCTB) program. Under this approach, increases in the NCB Supplement are offset in full or in part against the provincial child benefit. The savings from this offset become the province's reinvestment funds. Saskatchewan and British Columbia have adopted this approach.

3. The Integrated Child Benefit Approach without Adjustment (see Figure 7)

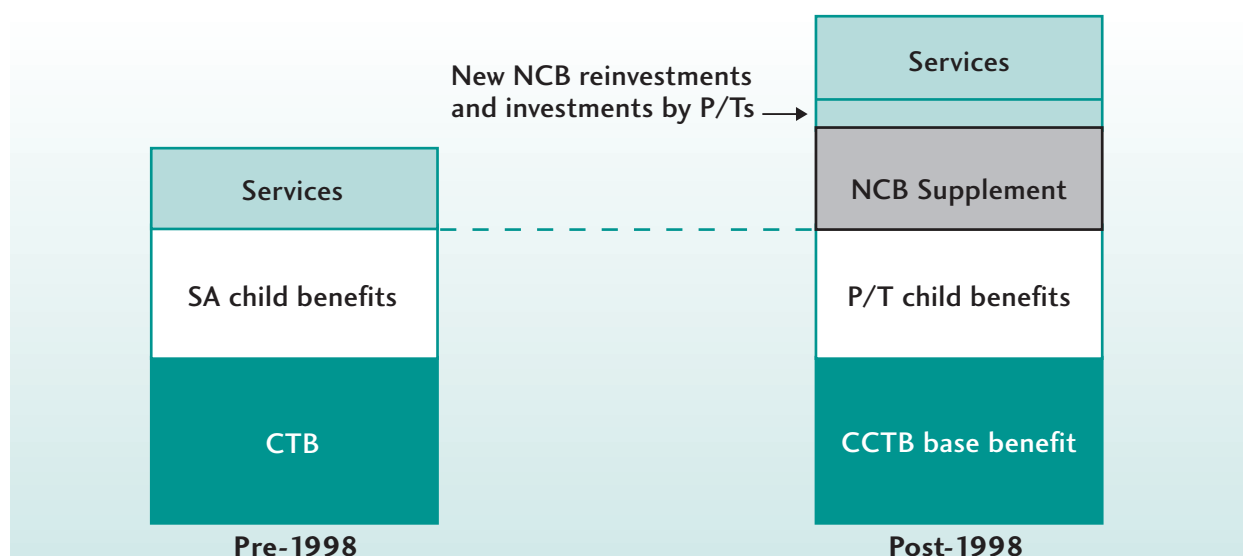
After the inception of the NCB in July 1998, some jurisdictions chose to restructure their social assistance system to provide children's benefits through a separate income-tested program. In these cases, however, there was no offset of the NCB Supplement against child benefits. In jurisdictions that implemented this type of approach, the amount of reinvestment funds is set to the funds that were being used for child benefits under the social assistance

system at the time the system was restructured. The amount of reinvestment funds is set at that time and remains the same for subsequent years. Newfoundland and Labrador and Nova Scotia have adopted this approach.

Newfoundland and Labrador redesigned its income support program in 1999–2000, with the introduction of the Newfoundland and Labrador Child Benefit as the provincial reinvestment initiative. In 2000–2001 and 2001–2002, Newfoundland and Labrador did not recover the increases in the NCB Supplement as there were no longer basic benefits for children in the social assistance program.

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.

Figure 7 – The Integrated Child Benefit Approach without Adjustment



Notes: 1) Figure is for illustrative purposes only and is not drawn to scale. 2) CTB: Child Tax Benefit.

At the same time, Nova Scotia ensured that any future increases to the NCB Supplement flowed directly through to families receiving income assistance.

NCB Reinvestments and Investments 2002–2003 to 2003–2004

In 2002–2003 – the fourth full year of the NCB initiative – provincial, territorial and First

Nations reinvestments and investments are estimated at \$764.2 million. It is estimated that reinvestments and investments will reach a total of \$816.6 million in 2003–2004.

Table 3 provides a breakdown of each jurisdiction's expenditures over two full fiscal years of the initiative: 2000–2001 and 2001–2002. Estimates are given for 2002–2003 and 2003–2004, as final data are not available for many provinces and territories.

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

Jurisdiction	Expenditures				Estimates			
	2000-2001		2001-2002		2002-2003		2003-2004	
	Reinvestment	Reinvestment & Investment (Total)	Reinvestment	Reinvestment & Investment (Total)	Reinvestment	Reinvestment & Investment (Total)	Reinvestment	Reinvestment & Investment (Total)
Newfoundland and Labrador	6.8	16.7	8.8	16.8	8.6	17.0	8.7	19.0
Prince Edward Island	1.8	1.8	2.1	2.6	2.3	3.1	2.4	3.7
Nova Scotia	21.7	21.7	20.4	29.5	20.1	30.9	20.2	30.6
New Brunswick	--	6.9	--	7.2	--	10.1	--	9.1
Ontario*	166.7	207.6	191.6	227.5	202.5	227.2	214.5	254.9
Manitoba** ***	17.0	30.7	12.1	32.2	8.0	35.4	6.4	43.1
Saskatchewan	29.0	35.8	38.0	39.6	40.8	40.8	39.4	39.4
Alberta	31.3	32.1	28.7	32.0	33.2	37.9	35.3	46.0
British Columbia	176.3	176.3	270.3	270.3	298.3	298.3	302.5	302.5
Yukon	0.2	0.6	0.3	1.0	0.3	1.1	0.3	1.4
Northwest Territories	0.7	2.1	0.8	2.2	0.8	2.0	0.9	2.0
Nunavut	2.3	2.8	2.3	2.6	2.7	2.7	2.8	2.8
P/T SUB-TOTAL	453.7	535.0	575.2	663.5	617.6	706.3	633.3	754.5
First Nations	50.2	54.3	51.2	57.0	53.5	56.0	51.8	60.2
Citizenship and Immigration Canada ****	2.3	3.8	2.1	2.9	1.7	1.9	1.9	1.9
“Other” SUB-TOTAL	52.6	58.1	53.3	59.9	55.3	57.9	53.7	62.0
TOTAL	506.2	593.1	628.5	723.4	672.8	764.2	687.0	816.6

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

** Figures include funding which is provided through remaining NCB Supplement recoveries, Children’s Special Allowance recoveries, the federal Early Childhood Development transfer (\$11.1 million in 2001-2002, \$14.8 million in 2002-2003 and \$18.4 million in 2003-2004), the federal Early Learning and Child Care transfer (\$0.9 million in 2003-2004), and provincial revenue.

*** Figures for Manitoba’s reinvestments and investments include the Annualization of the Rate Increase and the Restoration of the NCB Supplement. In 2000-2001, \$2.0 million was spent on the Annualization of the Rate Increase and in 2001-2002, \$3.4 million was spent on the Annualization of the Rate Increase and the Restoration of the NCB Supplement. It is estimated that in 2002-2003, \$4.5 million was spent on Restoration of the NCB Supplement, and that in 2003-2004, \$8.2 million will be spent.

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

Notes: 1) The expenditures for 2000-2001 and 2001-2002 may differ from those reported in The National Child Benefit Progress Report: 2002 due to data revisions.

2) Totals may not add due to rounding.

In deciding what 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. These supports fall in six key areas:

- child benefits and earned income supplements;
- child-/day-care initiatives;
- early childhood services and children-at-risk services;
- supplementary health benefits;
- youth initiatives¹²; and
- other NCB programs, benefits and services.

Citizenship and Immigration Canada

Citizenship and Immigration Canada (CIC) administers the Resettlement Assistance Program (RAP), which provided refugees with

\$32.7 million in income support in 2002–2003, reflecting the amounts that jurisdictions provide through social assistance. This includes \$1.9 million, which is the NCB reinvestment and investment portion of the RAP program. CIC reinvestments and investments fall in 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. First Nations reinvestments and investments tend to cover a wider range of program areas than those of the provinces and territories, and address the local needs of communities. First Nations reinvestments and investments fall into five main areas:

- child/day care;
- child nutrition;
- early child development;
- employment opportunities/training programs; and
- community enrichment.

First Nations reinvestment and investment amounts constituted approximately 7.3 percent of total reinvestments and investments in 2002–2003. First Nations reinvestments and investments are included in the summary provided in Figure 8; however, because First Nations report on their NCB reinvestments and investments according to these five activity areas, the analysis by key areas in this chapter

¹² In this report, “youth initiatives” are added as one of the key areas. In previous reports they were included under either Early Childhood/Children-at-Risk Services or Other NCB Benefits and Services.



does not include these amounts. Instead, *First Nations investments* and reinvestments are discussed separately in Chapter 5, *First Nations and the National Child Benefit Initiative*, and Appendix 2, *Provincial, Territorial and First Nations NCB Reinvestments and Investments*.

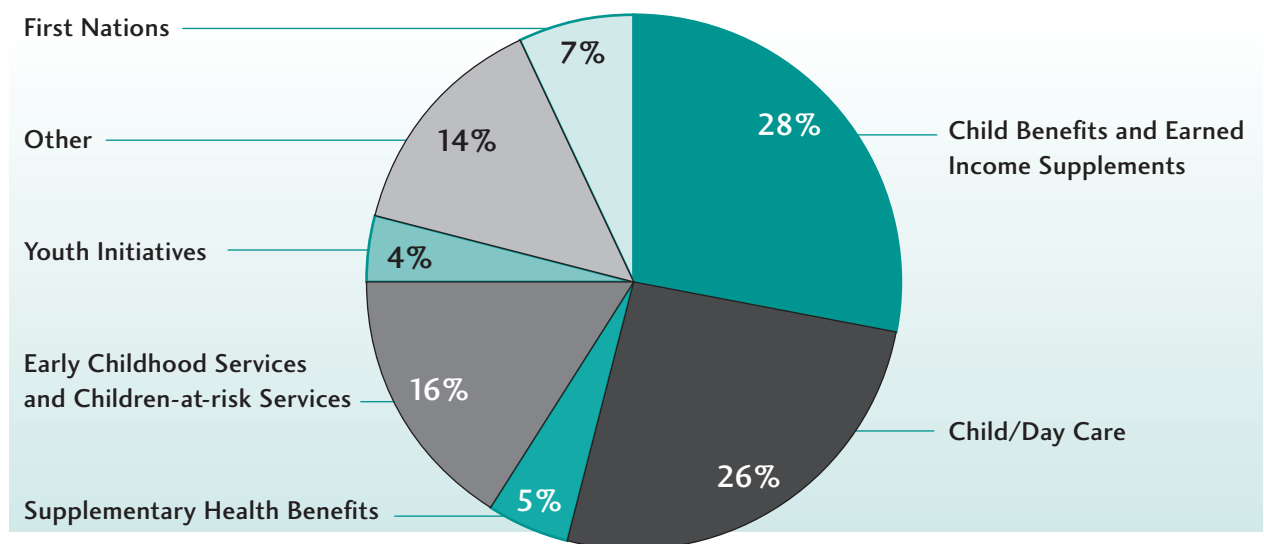
NCB Reinvestments and Investments by Program Area

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 make up for 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.

Figure 8 – Summary of NCB Reinvestments and Investments by Program Area, 2002– 2003 Estimates



**Table 4 – Child Benefits and Earned Income Supplements:
NCB Reinvestments and Investments (\$ millions)**

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures	Expenditures	Estimates	Estimates
Provincial/territorial & CIC expenditures	\$143.2	\$194.3	\$213.5	\$221.9
Percentage of total NCB reinvestments & investments	24.2%	26.9%	27.9%	27.2%

Note: First Nations reinvestments and investments are reported separately in Chapter 5.

Some jurisdictions also provide low-income working families 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 2002–2003, child benefits and earned income supplements accounted for the largest portion of NCB reinvestments and investments. Table 4 provides expenditures for 2000–2001 and 2001–2002 and estimates for 2002–2003 and 2003–2004.

Child/Day Care Initiatives

Child care must be accessible and affordable so that low-income parents can enter and stay in the labour market. Improving access to affordable child care provides this opportunity and contributes to healthy child development.

Provincial/territorial NCB reinvestments and investments in child care have taken a variety of forms, with nine jurisdictions devoting NCB funding to this area. In 2002–2003, child-/day-care programs accounted for the second largest share of NCB initiative funding. About 73 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 5 provides data on child-/day-care reinvestments and investments.



Table 5 – Child/Day Care: NCB Reinvestments and Investments (\$ millions)

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures	Expenditures	Estimates	Estimates
Provincial/territorial expenditures	\$197.9	\$196.3	\$198.1	\$225.3
Percentage of total NCB reinvestments & investments	33.4%	27.1%	25.9%	27.6%

Note: First Nations reinvestments and investments are reported separately in Chapter 5.

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 third-largest share of NCB initiative funding for the last four years. This area of investment has grown the most of all categories in terms of the number of jurisdictions investing in it – increasing from six to eleven jurisdictions over the six years of the NCB. Table 6 provides reinvestment and investment data on early childhood services and children-at-risk services.

Table 6 – Early Childhood Services and Children-at-Risk Services: NCB Reinvestments and Investments (\$ millions)

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures	Expenditures	Estimates	Estimates
Provincial/territorial expenditures	\$75.0	\$108.0	\$125.3	\$111.6
Percentage of total NCB reinvestments & investments	12.7%	14.9%	16.4%	13.7%

Notes: 1) Previous reports included youth initiatives in this section. These are now reported separately.

2) First Nations reinvestments and investments are reported separately in Chapter 5.

**Table 7 – Supplementary Health Benefits:
NCB Reinvestments and Investments (\$ millions)**

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures	Expenditures	Estimates	Estimates
Provincial/territorial expenditures	\$22.6	\$29.3	\$38.3	\$42.9
Percentage of total NCB reinvestments & investments	3.8%	4.1%	5.0%	5.3%

Note: First Nations reinvestments and investments are reported separately in Chapter 5.

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 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 49 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 2002–2003. Supplementary health benefits have grown since

the beginning of the NCB, with six jurisdictions investing in these programs in 2002–2003. Table 7 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.

This is the first year that youth initiatives have been reported separately. In previous reports, they were included under either Early Childhood/Children-at-Risk Services or Other NCB Programs, Benefits and Services. Table 8 provides reinvestment and investment data on youth initiatives.



Table 8 – Youth Initiatives: NCB Reinvestments and Investments (\$ millions)

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures	Expenditures	Estimates	Estimates
Provincial/territorial expenditures	\$19.1	\$28.1	\$29.4	\$38.8
Percentage of total NCB reinvestments & investments	3.2%	3.9%	3.8%	4.8%

Note: First Nations' reinvestments and investments are reported separately in Chapter 5.

Other NCB Programs, Benefits and Services

The flexibility of the NCB enables provinces and territories to address particular challenges facing their jurisdictions. Seven jurisdictions and Citizenship and Immigration have investments in this category of “other” benefits and services.

Ontario municipalities, which share responsibility for social assistance with the province, provide a

wide array of reinvestment and investment programs and services. 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.

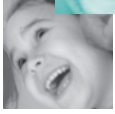
Table 9 shows the level of expenditures in this category for 2000-2001 and 2001-2002, with estimates for 2002-2003 and 2003-2004.

Table 9 – Other NCB Programs, Benefits and Services: NCB Reinvestments and Investments (\$ millions)

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures	Expenditures	Estimates	Estimates
Provincial/territorial & CIC expenditures	\$81.0	\$110.4	\$103.6	\$115.9
Percentage of total NCB reinvestments & investments	13.7%	15.3%	13.6%	14.2%

Note 1: Previous reports included youth initiatives in this section. These are now reported separately.

Note 2: First Nations' reinvestments and investments are reported separately in Chapter 5.



Chapter 5

First Nations and the National Child Benefit Initiative

The First Nations population in Canada continues to grow at a greater rate than the rest of Canada, making First Nations the youngest and fastest-growing segment of the population. First Nations people continue to experience social and economic disparity when compared to other Canadians. The First Nations National Child Benefit (NCB) reinvestment component is one way in which the Government of Canada is addressing this disparity. Through the First Nations NCB reinvestment component, the Government of Canada and First Nations are working together to realize the shared goal of improving the quality of life for First Nations people and especially children. The services and benefits generated from reinvestment/investment projects are aimed at ensuring that First Nations children receive the best possible opportunity to fully develop their potential as healthy, active and contributing members of their communities.

This chapter outlines how First Nations and the federal government are working together to address the needs of low-income families with children on reserve through the First Nations NCB reinvestment component. First, it explains how First Nations implement NCB reinvestments, including the types of activity areas in which reinvestments occur. Secondly, it sets out how the progress of the First

Nations NCB reinvestment component is being monitored. Thirdly, it outlines the next steps for the First Nations NCB reinvestment component.

Across Canada, there are approximately 600 First Nations that participate in the NCB. Each plays a vital role in the implementation of the NCB as it designs and administers its own reinvestment projects. Like provincial and territorial governments, First Nations that deliver income assistance have the flexibility to reinvest savings from adjustments made through income assistance into programs and services tailored to meet the specific needs and priorities of the individual community. This flexibility is an important feature of the First Nations NCB reinvestment component, as it allows First Nations to implement projects that are culturally relevant and are responsive to the unique needs of each community, and that reduce the incidence and depth of child poverty.

First Nations tailor their reinvestments to meet the needs and priorities of their individual communities, provided that the activities undertaken are consistent with the goals of the NCB. The projects implemented by First Nations vary from community to community and tend to cover a wider range of program areas than those of their provincial and territorial counterparts.



Table 10 – First Nations: NCB Reinvestments and Investments

Year	Total (\$ million)
1998-1999	30.5
1999-2000	50.2
2000-2001	54.3
2001-2002	57.0
2002-2003 (estimate)	56.0
2003-2004 (estimate)	60.2

NCB reinvestment projects for First Nations fall into five broad activity areas: child/day care; child nutrition, early childhood development; employment opportunities/training programs; and community enrichment. A description of each activity area is provided in Appendix 2.

Table 10 shows the total First Nations NCB

reinvestment and investment envelope since the program was implemented in 1998.¹³

Table 11 outlines the First Nations reinvestments and investments by region from 2000–2001 through to 2003–2004. The amounts for 2002–2003 and 2003–2004 are estimates.

Table 11 – First Nations: NCB Reinvestments and Investments by Region

Region	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Yukon	264	341	489	705
British Columbia	4,324	4,174	5,973	6,500
Alberta	9,667	8,566	9,757	11,067
Saskatchewan	11,441	15,392	16,851	14,962
Manitoba	7,786	5,322	3,209	2,000
Ontario	5,218	7,355	8,118	8,512
Quebec	8,540	8,540	8,161	6,544
Atlantic	3,000	1,549	991	1,550
SUB-TOTAL	50,239	51,239	53,549	51,839
Additional Investment Envelope*	4,039	5,763	2,439	8,340
TOTAL	54,278	57,001	55,988	60,179

* The Additional Investment Envelope includes funding to reimburse Saskatchewan and the Yukon for the portion of provincial/territorial children's benefits paid on reserve.

Note: Totals may not add due to rounding.

¹³ Some figures differ from those reported in *The National Child Benefit Progress Report: 2002* due to data revisions.



Monitoring Progress – Evaluating the First Nations National Child Benefit Component

The monitoring of progress of the NCB with First Nations has been focused on two activities:

- an interim evaluation of the NCB for First Nations, which was a cooperative process between First Nations and Indian and Northern Affairs Canada (INAC); and
- workshops on performance measurements for social programs.

Interim Evaluation

The interim evaluation began in 2001, and its objective was to assess the implementation of the NCB initiative in First Nations communities. To achieve this, data were collected from a number of sources, including but not limited to surveys with ten First Nation communities, site visits to eight First Nation communities in four regions, a dialogue circle in each of the eight communities, interviews with chiefs and council members, interviews with 28 key informants, and two case studies of communities that exemplify best practices in data collection and reporting. The evaluation highlighted three key themes of the reinvestment component:

- flexibility for First Nations in programming;
- First Nations ownership of the initiative; and
- importance of reporting.

The evaluation report contained several recommendations to improve the reinvestment component according to each of the main evaluation issues. These recommendations,

which can be found in *The First Nations National Child Benefit Reinvestment Initiative: Progress Report for the Year Ending March 31, 2002*, are currently being used by INAC in the development of a strategic action/work plan for the First Nations component of the NCB initiative.

Workshops on Performance Measurements for Social Programs

A series of three workshops on performance measurement for social programs were held in 2003, which included participants from INAC headquarters and regional offices, as well as the Assembly of First Nations, and First Nations representatives.

At the request of all stakeholders and as a result of the interim evaluation, the participants in the workshops were divided into program-specific groups to review and build the logic models and performance indicators for their program area. The groups were asked to focus on the following objectives/tasks:

- to review and modify, where appropriate, program logic models for five programs, including the NCB, from two perspectives – that of First Nations and that of INAC – in order to see how they might be improved;
- to identify, review and recommend a series of performance indicators that would be useful to the Department in being accountable to Parliament and in improving program management, while also taking into account First Nations reporting pressures;
- to identify any new reporting and resource requirements – either First Nations or

departmental – called for in the Department’s proposed performance indicators. This would involve analyzing the common data requirements of INAC and the First Nations, which involves indicating the major differences; and

- to recommend next steps with regard to the future use of this tool for First Nations with attention to the increased reporting workloads of First Nations and INAC that might result from the logic models and indicators.

The workshops helped all stakeholders to better understand their roles and responsibilities in the overall NCB initiative.

To answer the need for capacity building, INAC’s NCB reinvestment team held a Management Tool Workshop with First Nations in 2004.

Additional Federal Investments in the NCB

In addition to the First Nations reinvestment component of the NCB initiative, INAC

reimburses provinces and the territories for integrated child benefits paid to low-income families with children who live on reserve. This is the case in Saskatchewan and the Yukon.

Future Activities

INAC will continue to work with its First Nation partners to ensure that the First Nations NCB reinvestment component continues to be successful. INAC’s next steps include:

- the development of a tool that will provide First Nations with practical project management instructions to assist them in preparing NCB reinvestment project proposals, monitoring and evaluating projects, and reporting;
- a First Nations NCB Summary Evaluation as part of the Departmental plan for the near future;
- INAC’s continuing participation at the federal/provincial/territorial level with the NCB Working Group; and
- the development of an NCB Reinvestment Initiative Guideline Manual for INAC.





Chapter 6

The Way Ahead

Through the collaboration of federal, provincial and territorial governments and First Nations, the 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 in July of each year. As a demonstration of its ongoing commitment to

supporting low-income families with children, the 2003 Budget put in place a significant long-term investment plan that is projected to enrich the NCB Supplement by \$965 million annually by 2007–2008. This investment is projected to bring annual federal support to Canadian families with children delivered through the CCTB system to over \$10 billion per year by 2007–2008.

As illustrated in Table 12, by 2007–2008, the amount of total federal child benefits for which low-income families are eligible will increase by more than 100 percent over the 1996–1997 level, before the NCB was launched.

Table 12 – Maximum Levels of Federal Child Benefits for 1996-1997 and 2007-2008 Program Years (July to June) in Current Dollars*

Number of Children	1996-1997 Maximum CTB+WIS	2007-2008 Maximum CCTB Base Benefit + NCB Supplement	Percentage Increase from 1996-1997 to 2007-2008**
1	\$1,520	\$3,243	113%
2	\$2,540	\$6,259	146%
3	\$3,635	\$9,279	155%
4	\$4,730	\$12,299	160%

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

** Projection based on the 2003 federal Budget.

Note: Benefits do not include an additional benefit provided for each child less than seven years of age for whom no child-care expenses were claimed. In 1996-1997, this benefit was equivalent to \$213 per child, and is projected to be \$252 per child in 2007-2008.



The benefits and services that provinces, territories and First Nations provide under the NCB initiative are equally important components of the system. These investments have been expanded since the NCB was established and have benefited from jurisdictions' shared knowledge and

experiences. 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.





Appendix 1

Glossary

Canada Child Tax Benefit (CCTB) is 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, and the NCB Supplement, which provides additional support to low-income families.

Earnings Supplements are 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.

National Child Benefit (NCB) is 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. Most provinces, territories and First Nations reduce social assistance or child benefits by an amount equal to the NCB Supplement and use these savings 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 is the federal contribution to the NCB – a monthly payment targeted to low-income families to help with the cost of raising children. It is a component of the CCTB.

Social Assistance (SA) is 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) was a federal program that preceded the NCB. It provided income support to supplement the earnings of low-income working families. 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.





Appendix 2

Provincial, Territorial and First Nations NCB Reinvestments and Investments

This appendix provides information on the National Child Benefit (NCB) reinvestments and investments that jurisdictions¹⁴ 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 2000–2001 and 2001–2002, and estimated expenditure data for 2002–2003 and 2003–2004.

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

welfare. Among these jurisdictions, some adjust their child benefits to match, in whole or in part, the NCB Supplement, 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, over and above the reinvestment amounts.

Sources of Reinvestment Funds

There are two sources of reinvestment funds:¹⁵

Social Assistance/Child Benefit Adjustments

Chapter 4 provides a summary of the various approaches that have evolved with respect to the adjustment of social assistance benefits and child benefits through the NCB.

¹⁴ This report does not include data for Quebec. All 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.

¹⁵ 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.

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 of

passing on the increased NCB Supplement amount to child welfare authorities for child maintenance costs, or recovering the increase. 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, 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 full amount of the NCB Supplement was passed on to all 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 for families were reduced, because benefits were paid to adults only. However, the reduction was offset by the 1999 increase in the NCB Supplement and the new NLCB, which all families in receipt of Income Support receive.

Newfoundland and Labrador's reinvestments and investments include:

■ **Newfoundland and Labrador Child Benefit (Reinvestment)** – This is a provincial child benefit that is 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 the 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.

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, which was also part of the Income Support Program, was removed and is now 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, 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 monitor and provide support to private care providers in family settings. The agency may receive operational funding from the Department of Health and Community Services and is

licensed to monitor homes by the various regional Health and Community Services Boards. In Newfoundland and Labrador, two family child-care agencies are funded through the NCB.

■ **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 Income Support and to low-income families (below an annual income of \$24,000). NCB funding has allowed an increase in the subsidy rate and funding to support two new service provisions: family child care and infant care. Funding also supports transportation.

■ **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 for young children and their families.

■ **School-based Infant Care (Investment)** – Refers to group infant child care in high schools for students who require on-site care and increased support to continue their high school education. This initiative combines access to quality child care and direct supportive assistance to the high school parent(s). During the school day, the young 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 provided through other means.

■ **Early Childhood Education Certification (Investment)** – This component supports two ongoing initiatives: (1) the provision of courses for people employed in licensed

child-care facilities who 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 the provision of quality child care for families that require licensed care for their children.

■ **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 Health and Community Services Regional Board structures. These positions add to the licensing 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 Income Support for employment. This initiative helps recipients make the transition from dependence on Income Support to employment.

■ **Family Resource Centres (Investment)** –

These community-based programs are designed to provide a range of drop-in support services and learning activities for young children and their families. Objectives of the initiative are to improve child development outcomes, to support adults in their respective care-giving 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. Funding supports eight projects in the



province (six of these projects have three or more service sites).

■ **Intervention Program Supports (Investment)**

– Intervention Program Supports encompass two initiatives: support for the implementation of home-based intensive intervention services to children under age six diagnosed with Autism Spectrum Disorder; and increased support for families of children with disabilities that require increased support in the home. These combined activities are designed to support families that have children with special needs and require additional support to improve both child and family outcomes.

■ **Child, Youth and Family Services (Investment)**

– This initiative provides programs and services 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. 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 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 is presently being carried out. A final evaluation report is in preparation.

■ **Post-Secondary Education and Training (Investment)**

– This refers to the provision of funding to support young persons in care who require assistance to attend post-secondary education programs. Funding covers education and living expenses to attend programs. This support is considered essential for young people who may experience barriers to accessing post-secondary education and obtaining suitable employment. In 2001–2002, this support was reported under Child, Youth and Family Services.

■ **Residential/Mental Health Services (Investment)**

– This refers to funding available to Health and Community Services Regions to support youth aged 12 to 18 years. At the regional board level, the funding is dedicated to residential and mental health services to support youth at risk and to implement preventive, community-based solutions for supporting young people.

■ **Project Administration (Investment)**

– This is funding reserved to support overall administration of the NCB initiative under the responsibility of the Department of Health and Community Services.

Table 13 – Newfoundland and Labrador: NCB Reinvestments & Investments

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplement Newfoundland and Labrador Child Benefit (NLCB)*	8,100	7,977	8,233	8,169
Child/Day Care				
Unlicensed Child Care	600	600	600	600
Family Home Child Care Agencies	237	311	221	313
Child Care Subsidy Program	1,887	1,803	1,375	1,736
Funding to Centres	255	345	250	250
School-based Infant Care	49	57	59	75
Early Childhood Education Certification	73	60	70	100
Child Care Service Consultants	300	300	300	300
Supplementary Health Benefits Extended Drug Card Program	407	754	737	1,000
Early Childhood/Children-at-Risk Services				
Family Resource Centres	1,200	1,159	1,150	1,340
Intervention Program Supports**	275	275	639	1,199
Child, Youth and Family Services**	175	305	396	894
Youth Initiatives				
Community Youth Network	1,817	1,817	1,817	1,817
Post-Secondary Education and Training***	161	--	--	--
Residential/Mental Health Services	964	964	964	964
Other Project Administration	169	107	158	269
TOTAL	16,669	16,834	16,969	19,026

* Mother 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.

** These programs were formerly reported in 2000-2001 as "Child Care Program Support."

*** Commencing in 2001-2002, Post-Secondary Education and Training was reported under "Child/Youth/Family Services."

Note: Totals may not add due to rounding.



Table 14 – Newfoundland and Labrador: Estimated Number of Families & Children Benefiting under NCB Reinvestments & Investments

NCB Initiatives by Program Name*	2000-2001		2001-2002		2002-2003		2003-2004	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Newfoundland and Labrador Child Benefit	20,629	33,182	20,000	32,000	20,314	31,500	19,800	30,000
Unlicensed Child Care**	450	750	461	680	424	630	425	650
School-based Infant Care	10	10	n/a	11	n/a	13	n/a	5
Extended Drug Card Program**	360	600	300	450	340	550	400	600
Family Resource Centres**	--	--	1,475	1,853	2,217	3,008	3,000	4,000
Community Youth Network	6,597	7,698	6,599	7,689	3,469	5,733	3,120	5,159

* Programs with no available data are not listed.

** Represents monthly average.

Notes: 1) Figures have been rounded.

2) n/a indicates the data for this category is not available.

Prince Edward Island

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

The NCB Supplement is considered income under the social assistance program. These benefits are deducted dollar for dollar from social assistance benefits.

Effective August 2001, 2002 and 2003, the PEI Healthy Child Allowance was increased by an amount equal to the NCB Supplement increase.

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 for the previous year.
- **Early Childhood Interventions (ECI)** – The Healthy Child Development Strategy, implemented across Prince Edward Island, recognized the importance of early intervention in the development of children. Services included pre-school intervention to children with autism, speech therapy innovation, and other related programs and services. Starting in 2001–2002, the funds for ECI were reported outside of the NCB (under the Early Childhood Development Initiative).
- **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.
- **Autism Integration Project** – This program is also part of the Healthy Child Development Strategy. Therapeutic interventions are provided directly to preschool children with autism.
- **Looking After Children** – NCB funds have been key to implementing this project for the delivery of services to children in 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 a significant number of children in Prince Edward Island. Staffing increases within the renewed child protection services have resulted in enhanced quality-of-service planning with children/families.
- **Children's Mental Health** – NCB has provided the funding necessary to establish a new multidisciplinary children's mental health clinical team. This team provides an improved response to Island families that 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 July 2003, the benefit amount was increased to \$55 per month (from \$41 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 many parents on social assistance to upgrade their job skills and obtain employment.

■ **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 parents on social assistance to take advantage of this program.

■ **Family Support Orders Program** – This

program provides legal services to children and custodial parents on social assistance to determine matters of custody and access/support in relation to matters of family law. In 2003–2004, this program was enhanced.

Table 15 – Prince Edward Island: NCB Reinvestments & Investments

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child/Day Care				
PEI Child Care Benefit	900	700	700	700
Supplementary Health Benefits				
PEI Family Health Benefit	60	170	220	250
Early Childhood/Children-at-Risk Services				
Early Childhood Interventions*	352	--	--	--
Speech Therapy Innovation	--	--	75	75
Autism Integration Project	--	--	125	125
Looking After Children	50	50	50	50
Children-in-Care Initiatives	88	150	150	450
Children's Mental Health	50	250	250	250
Healthy Child Allowance	--	970	1,180	1,375
Other				
Employment Enhancement/Job Creation	200	200	200	200
Literacy/Adult Basic Education	100	100	100	100
Family Support Orders Program	--	--	--	80
TOTAL	1,800	2,590	3,050	3,655

* Starting in 2001-2002, the funds for Early Childhood Interventions were reported outside the NCB.

Note: Totals may not add due to rounding.

Table 16 – Prince Edward Island: Estimated Number of Families & Children Benefiting Under NCB Reinvestments and Investments

NCB Initiatives by Program Name*	2000-2001		2001-2002		2002-2003		2003-2004	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
PEI Child Care Benefit	1,100	1,100	1,100	1,100	1,000	1,200	1,000	1,200
PEI Family Health Benefit	500	800	400	800	400	700	400	720
Early Childhood Interventions**	50	50	--	--	--	--	--	--
Speech Therapy Innovation	--	--	--	--	250	300	250	300
Autism Integration Project	--	--	--	--	50	50	50	50
Looking After Children	400	500	400	600	300	600	300	600
Children-in-Care Initiatives	200	200	200	200	275	300	250	300
Children's Mental Health	330	330	335	500	900	1,000	900	1,000
Healthy Child Allowance	n/a	n/a	1,350	2,500	1,300	2,500	1,200	2,200
Employment Enhancement/ Job Creation Programs	140	300	150	300	150	300	125	250
Literacy/Adult Basic Education	125	250	100	200	100	200	100	200

* Programs with no available data are not listed.

** Starting in 2001-2002, the funds for Early Childhood Interventions were reported outside the NCB.

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



Nova Scotia

The government of Nova Scotia has made some important strides in addressing child poverty as part of the joint initiative of the federal, provincial and territorial governments. Over the past several years, Nova Scotia has demonstrated its commitment to the health and well-being of its children by expanding and strengthening programs and services to help low-income families. This commitment remained strong in 2002–2003, with total estimated spending on NCB programs of \$30.9 million.

Some of the more recent developments that have contributed to a significant overall improvement in the health and well-being of low-income families with children in Nova Scotia include the redesign of the province's income assistance program in 2001. The province removed children's benefits from the income assistance program and fully integrated them with the Canada Child Tax Benefit (CCTB) to establish a single, non-taxable monthly payment for all low-income families with children. This was further enhanced by a commitment that the full amount of the NCB Supplement, as well as future increases to the NCB Supplement, would flow directly through to families. At the same time the province made a substantial increase to the Nova Scotia Child Benefit rates.

As a result, many low-income families – whether they were working or receiving income assistance – saw an increase in the total amount of child benefit they received. This resulted in a substantial increase to their household incomes and helped with the costs of raising their children. But this was only one way in which the change made an impact on the depth of child poverty in the province.

Providing child benefits outside the income assistance system made it easier and more financially viable for parents receiving income assistance to return to work. Working parents saw an increase in their net income and received additional financial assistance for transportation and employment-related expenses through the new Employment Support program.

Enhancements to employment supports were also a positive development for children, as parents received additional assistance for child-care expenses and children became eligible for extended Pharmacare coverage.

Today, the Canada Revenue Agency delivers the Nova Scotia Child Benefit, as well as the base benefit of the CCTB, and the NCB Supplement component, for a total of approximately \$97 million to 55,000 children in Nova Scotia each year. The number of Nova Scotian children receiving the NCB Supplement decreased from 2002 and continues to decline as the economy improves and more low-income families earn higher incomes through secure employment.

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 was fully funded by the province and is provided over and above the NCB Supplement. The Nova Scotia Child Benefit is

delivered as a combined payment with the base benefit of the CCTB and the NCB Supplement. In addition to flowing through the initial NCB Supplement, in 1999, the Nova Scotia government made a commitment 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 income would receive child benefits from both governments whether employed or unemployed. 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.

■ **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.

■ **Community-based Prevention Programs** – These build on existing programs to enhance prevention efforts across the province. Prevention programs are specifically designed to support low-income families.

Table 17 – Nova Scotia: NCB Reinvestments & Investments

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplements				
Nova Scotia Child Benefit	19,398	26,698	28,333	28,400
Child/Day Care				
Centre-based Child Care	1,478	1,537	1,538	1,538
Early Childhood/Children-at-Risk Services				
Early Intervention Programs	515	675	675	675
Community-based Prevention Programs*	287	564	350	--
TOTAL	21,678	29,474	30,896	30,613
Unspent Reinvestment Funds**	450			

*NCB funding for the Community-based Prevention Program was discontinued. The programs are now funded from other sources.

**Unspent reinvestment funds are not included in the Total, but are carried over and included in the reinvestments and investments funds for 2001-2002.

Note: Totals may not add due to rounding.



Table 18 – Nova Scotia: Estimated Number of Families & Children Benefiting under NCB Reinvestments & Investments

NCB Initiatives by Program Name*	2000-2001		2001-2002		2002-2003		2003-2004	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Nova Scotia Child Benefit	34,106	57,325	33,224	55,986	31,905	53,961	31,047	52,511
Center-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

* Programs with no available data are not listed.

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 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. Total expenditures in this program area are shown in Table 19.
- **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** – The pilot program (Healthy Minds Breakfast Pilot Program) addressed the nutritional needs of elementary school students by providing basic breakfast items. Approximately 2,150 children benefited from the pilot. The program was significantly expanded in 2000–2001, and was renamed the Healthy Minds Nutritional Partnership. The program benefited as many as 6,900 students across the province in 2002–2003.
- **Positive Learning Environment** – Funding was provided to address 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 and Wellness, through regional hospital corporations. It provides treatment to young substance abusers in 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 increased New Brunswick's expenditures in this program to a total of



\$ 2.4 million in 2002–2003. Enhanced funding provided increased education, prevention and chemical dependency treatment for approximately 1,700 children and youth aged 12 to 19 in 2002–2003.

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 19 – New Brunswick: NCB Investments

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child/Day Care				
Day Care Assistance Program	1,554	1,233	2,568	1,318
Alternative Child Care Assistance	580	738	700	750
Early Childhood/Children-at-Risk Services				
Provincial Breastfeeding Strategy	40	40	40	40
Healthy Minds Nutritional Partnership	607	880	976	950
Positive Learning Environment	3,000	3,000	4,000	4,000
Youth Initiatives				
Youth Addictions	1,100	1,262	1,783	2,005
TOTAL	6,881	7,153	10,067	9,063

Notes: 1) Figures exclude funds that were invested in the above program areas prior to the introduction of the NCB in 1998. Total expenditures for the above programs in 2000-2001 were \$11.7 million; in 2001-2002 total expenditures were \$11.9 million, and are estimated to be \$14.8 million in 2002-2003 and \$13.9 million in 2003-2004.

2) Totals may not add due to rounding.

Table 20 – New Brunswick: Estimated Number of Families & Children Benefiting under NCB Investments

NCB Initiatives by Program Name*	2000-2001		2001-2002		2002-2003		2003-2004	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Day Care Assistance Program	n/a	2,332	n/a	2,303	n/a	2,300	n/a	2,500
Alternative Child Care Assistance	n/a	213	n/a	283	n/a	200	n/a	550
Healthy Minds Nutritional Partnership	n/a	7,276	n/a	6,900	n/a	6,900	n/a	6,671
Positive Learning Environment	n/a	**	n/a	**	n/a	**	n/a	**
Youth Addictions	n/a	1,336	n/a	1,665	n/a	1,700	n/a	1,715

* Programs with no available data are not listed.

** All New Brunswick children in school.

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).

The Children's Special Allowance is passed through to child welfare agencies and does not form part of the provincial and municipal funds available for reinvestment.

In its 2004 Budget, Ontario announced that social assistance benefits would not be reduced to take into account the federal government's July 1, 2004 increase to the NCB Supplement for one year.

Over the next year, the Ontario government will examine its approach to the NCB and decide whether it should be changed or restructured. As well, social assistance programs that provide cash and in-kind benefits for children will be reviewed to determine if there are better ways to deliver benefits to low-income families and vulnerable people. The government will also take steps forward to support children to learn, grow and be ready for school.

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:

■ **The Ontario Child Care Supplement for Working Families (OCCS)** – Each year, over \$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 income reaches \$20,000.

In 2000–2001, Ontario introduced an additional benefit for single parents, providing qualifying families with a maximum annual benefit of \$1,310 for each 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.

Table 21 – Ontario: NCB Reinvestments and Investments

	2000-2001 *	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child/Day Care Ontario Child Care Supplement for Working Families**	159,276	149,226	144,658	170,000
Early Childhood/Children-at-Risk Services 4 Point Plan for Children's Mental Health	15,000	20,000	20,000	20,000
Children's Treatment Centres	--	20,000	22,000	22,000
Other Municipal Reinvestment Strategies	33,335	38,317	40,507	42,893
TOTAL	207,610	227,544	227,165	254,893

* Some of the expenditures for 2000-2001 differ from those reported in *The National Child Benefit Progress Report: 2002* due to data revisions.

** Figures for 2003-2004 consist of NCB reinvestments of \$130 million and additional Ontario investments of \$40 million. Figures exclude an additional \$40 million previously committed to the former Ontario Child Care Tax Credit. Actual expenditures may be adjusted for up to 3 years beyond the end of the fiscal year due to accounting under the Ontario Child Care Supplement for Working Families. Families are eligible for benefits for an 18-month period beyond the end of a fiscal year, or for a period of 18 months from the time of the tax reassessment.

Note: Totals may not add due to rounding.

Table 22 – Ontario: Estimated Number of Families & Children Benefiting under NCB Reinvestments & Investments

NCB Initiatives by Program Name*	2000-2001		2001-2002		2002-2003		2003-2004	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Ontario Child Care Supplement for Working Families	219,485	351,869	210,483	335,715	222,000	367,000	222,000	367,000

* Programs with no available data are not listed.

Manitoba

Manitoba¹⁶ has continued to build upon programs and services that help reduce and prevent child and family poverty, promote labour market attachment and foster early childhood development.

Manitoba's investments and reinvestments include:

- **Manitoba Child Care Program (formerly Child Day Care)** – Since April 2000, child-care funding in Manitoba has increased by over 41 percent to nearly \$76 million,¹⁷ improving salaries 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** – Family-centred services are provided to an increased number of families to maintain 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.
- **Healthy Baby** – The Manitoba Prenatal Benefit is an income-tested program that assists pregnant women to meet their extra nutritional needs during pregnancy. Pregnant women and new families with babies up to 12 months old also have access to expanded community support programs.

- **BabyFirst** – BabyFirst is a community-based program designed to support overburdened families that have children up to three years of age, which is delivered by the public health program through Regional Health Authorities. BabyFirst begins with universal screening of all families with newborns by a public health nurse. Based on the family's identified strengths and needs, the program offers a continuum of support to families, including intensive home visiting support from a trained paraprofessional and/or referral to community-based services.

- **Early Start** – Early Start is a community-based home visiting program for pre-school children offered primarily through licensed child-care facilities. Home visitors work with families to enhance parenting and attachment, to assist in preparing children for success at school entry and to connect families to existing resources in their communities.

Note: In 2002–2003, the BabyFirst and Early Start programs were integrated into a continuum model in several regions of the province, to provide a seamless service delivery model for families and to increase access to the home visitation program. Referrals, program implementation, and training and supervision of the home visitors are coordinated through the Regional Health Authorities.

- **Parent-Child Centred Approach** – This approach brings resources together through community coalitions across the province

¹⁶ 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.

¹⁷ Includes federal Early Childhood Development and Early Learning and Child Care, as well as provincial revenue funds.



that support parenting, improve children's nutrition and literacy, and build capacity for helping families in their own communities. Each parent-child centred coalition determines the unique form that activities will take based on the needs of the community.

- **STOP FAS** – STOP FAS is a three-year mentoring program for women at risk of having a child with a Fetal Alcohol Spectrum Disorder. 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 school-based programming for students with special needs.
- **Healthy Schools** – This initiative links the health and education communities to promote healthy children and healthy schools.
- **Other Programs** – Consistent with the Healthy Child Framework, these programs are for at-risk mothers and children and are provided by community-based organizations. For example, the Parent Support Project, a two-stage initiative aimed at providing support and assistance to “at-risk” adolescent mothers, is included in this category.
- **Education, Citizenship and Youth Early Childhood Development Initiative (ECDI)** – ECDI assists school divisions in their efforts to provide intersectoral services for pre-schoolers (birth to school age).

ECDI, in partnership with parents, the community and Healthy Child Manitoba, is designed to facilitate pre-schoolers' readiness to learn prior to school entry.

- **Early Literacy** – This grant program supports efforts to accelerate the literacy development of grade one students to support targeted early intervention for the lowest achieving students in grade one.
- **Healthy Adolescent Development** – Healthy Child Manitoba provides funding to community groups to support healthy adolescent development, including initiatives for teen-pregnancy prevention through teen-centred prevention and intervention programs.
- **Workforce Attachment** – New 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 23 – Manitoba: NCB Reinvestments and Investments

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child/Day Care Manitoba Child Care Program* ** ***	8,018	6,394	3,197	2,534
Early Childhood/Children-at-Risk Services Children's Special Services* **	922	326	318	2,500
Healthy Child Manitoba: Healthy Baby**	3,167	3,170	4,394	4,388
BabyFirst**	3,041	4,255	5,864	6,023
Early Start**	894	1,096	1,475	1,417
Parent-Child Centred Approach**	781	920	2,136	2,878
STOP FAS**	508	581	717	704
Special Needs Programs for Children in Schools	670	770	955	2,519
Healthy Schools	155	92	234	370
Other Programs	280	818	981	1,001
Education, Citizenship and Youth Early Childhood Development Initiative (ECDI)**	--	547	551	681
Early Literacy	5,700	5,700	5,700	5,700
Youth Initiatives Healthy Adolescent Development	334	313	294	295
Other Workforce Attachment	2,450	2,069	2,364	2,260
Building Independence/New Income Assistance Initiatives* ****	3,749	5,149	6,174	9,874
TOTAL**	30,667	32,200	35,355	43,143

* The amounts indicated for 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.

** Figures include funding which is provided through remaining NCB Supplement recoveries, Children's Special Allowance recoveries, the federal Early Childhood Development transfer (\$11.1 million in 2001-2002, \$14.8 million in 2002-2003 and \$18.4 million in 2003-2004), and provincial revenue.

*** Figure includes funding received through the federal Early Learning and Child Care transfer (\$0.9 million in 2003-2004).

**** 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 2000-2001, Rate Increase expenditures totalled \$2.0 million. In 2001-2002, Rate Increase and Restoration of the NCB Supplement expenditures totalled \$3.4 million. It is estimated that in 2002-2003, \$4.5 million was spent on the Restoration of the NCB Supplement, and that in 2003-2004, \$8.2 million will be spent.

Note: Totals may not add due to rounding.



**Table 24 – Manitoba: Estimated Number of Families & Children
Benefiting under NCB Reinvestments and Investments**

NCB Initiatives by Program Name*	2000-2001		2001-2002		2002-2003		2003-2004	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Manitoba Child Care Program	n/a	10,952	n/a	11,020	n/a	11,455	n/a	11,568
Children's Special Services	n/a	3,353	n/a	3,536	n/a	3,593	n/a	3,712
Healthy Baby	2,250	n/a	6,622	n/a	7,231	n/a	7,379	n/a
BabyFirst	654	654	825	825	1,114	1,114	1,150	1,150
Early Start	184	363	235	500	270	533	325	600
STOP FAS	60	n/a	86	n/a	120	n/a	150	n/a
Special Needs Programs for Children in Schools	25	25	33	33	57	57	69	69
Other Programs	627	942	896	1,439	939	1,518	919	1,413
Education, Citizenship and Youth Early Childhood Development Initiative (ECDI)	n/a	n/a	n/a	13,540	n/a	12,908	n/a	12,338
Early Literacy	n/a	2,427	n/a	2,466	n/a	2,477	n/a	2,500
Healthy Adolescent Development	205	1,150	n/a	1,075	n/a	1,085	n/a	1,085
Workforce Attachment	1,201	n/a	828	n/a	761	n/a	777	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

* Programs with no available data are not listed.

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

Saskatchewan

Saskatchewan is committed to investing net savings from federal NCB Supplement expenditures into incremental programming for low-income families, consistent with the three NCB goals: reducing child poverty, supporting parents' labour force attachment, and increasing harmonization of child benefit programs.

NCB initiatives in Saskatchewan are part of a broader strategic plan to develop mainstream supports, outside of social assistance, that support social and economic inclusion for all Saskatchewan people.

When the NCB was introduced in 1998, Saskatchewan supplemented reinvestment funds with additional provincial investment funds. This additional funding allowed the province to move children's basic benefits completely outside of welfare, to extend comparable benefits to low-income working families, and to introduce complementary initiatives to support labour market attachment. 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. The restructured benefit, known as the Saskatchewan Child Benefit, is delivered as an integrated payment with the Canada Child Tax Benefit to reduce duplication and simplify administration.

Over time, the Saskatchewan Child Benefit will be phased out, as it is replaced by federal increases to the NCB Supplement. It is expected that the Saskatchewan Child Benefit will be fully phased out by July 2006.

Saskatchewan's reinvestments and investments include:

- **Saskatchewan Child Benefit** – This payment to low-income parents is designed to help with the costs of raising a child. Together with the NCB Supplement, the program replaces social assistance for children and provides child benefits to low-income families, whether parents are 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.
- **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 Day 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. Enhanced funding was provided in 2002 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 and 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 they are not forced onto assistance due to children's health costs.

- **Community Schools Program** – In 2001–2002 and 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 and teen parent programs, and adult education courses are among the programs offered in community schools. Through the adult programming offered at community schools, many participants gain the necessary skills and

supports to enter the workforce or pursue further training opportunities.

- **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. In 2002–2003, targeted funding was provided 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. The income from child maintenance payments, which is eligible for additional supplementation available under the Saskatchewan Employment Supplement, helps parents achieve greater financial independence.



Table 25 – Saskatchewan: NCB Reinvestments & Investments

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplement				
Saskatchewan Child Benefit*	24,825	17,496	12,995	7,986
Saskatchewan Employment Supplement	6,121	11,632	12,833	12,504
Child/Day Care				
Child Day Care Enhancements	--	--	915	2,184
Supplementary Health Benefits				
Family Health Benefits	4,804	5,926	6,430	7,014
Youth Initiatives				
Community Schools Program	--	4,532	6,901	9,159
Other				
Employment Support Programs	--	--	578	436
Maintenance Enhancement Project	--	--	98	151
TOTAL**	35,750	39,586	40,750	39,434
Unallocated Reinvestment Funds***			410	3,016

* Not including funds recovered from Indian and Northern Affairs Canada.

** Total expenditures shown in the above table include incremental provincial investment funds of \$6.8 million in 2000-2001 and \$1.6 million in 2001-2002.

*** Unspent reinvestment funds are not included in the total, but are carried over and included in the estimated reinvestment funds for the following year.

Note: Totals may not add due to rounding.

Table 26 – Saskatchewan: Estimated Number of Families & Children Benefiting under NCB Reinvestments & Investments

NCB Initiatives by Program Name*	2000-2001		2001-2002		2002-2003		2003-2004	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Saskatchewan Child Benefit	33,070	67,820	29,020	56,960	26,090	53,530	15,270	39,600
Saskatchewan Employment Supplement	6,480	12,750	7,510	14,810	7,870	15,540	7,680	15,250
Child Day Care Enhancements	--	--	--	--	220	290	330	430
Family Health Benefits	20,670	39,400	23,260	37,860	21,860	35,960	19,200	34,500
Community Schools Program	n/a	--	n/a	23,000	n/a	25,000	n/a	28,000
Employment Support Programs	--	--	--	--	234	445	433	823
Maintenance Enhancement Project	--	--	--	--	6	9	9	16

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



Alberta

Alberta's National Child Benefit initiatives support the national 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.

In 2003, Alberta enhanced the mix of income and in-kind benefits and services to families receiving assistance through the Supports for Independence (SFI)¹⁸ program, by flowing through the full increase of the NCB Supplement directly to them.

Alberta NCB initiatives are funded through the reinvestment of savings from social assistance benefits and through provincial investment into programs that meet the goals of the NCB.

Alberta's reinvestments and investments include:

■ **Child Care Subsidy** – The Child Care Subsidy Program supports low-income families with child-care costs for their pre-school children attending licensed day-care centres or approved family day homes. Parents may apply for a subsidy if they have a valid reason for child care, such as if they are currently working or looking for work, attending school, or if they or their children have special needs. Giving eligible, low-income families the choice of accessible and affordable child-care services promotes family independence and supports the family's goal for financial self-sufficiency through work and training opportunities. The Kin Child Care Pilot Project, launched September 2003,

enhances parental child-care choice by providing funding to eligible non-custodial relatives who serve as regular caregivers.

■ **Developmental Child Care (Child Care Quality Improvement)** – 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. The 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. It provides health benefits for children in low-income families. The ACHB helps low-income families stay independent of income support and allows them to provide their children with health benefits they otherwise could not afford. The ACHB provides premium-free prescription drugs, optical and dental services, emergency ambulance, and essential diabetic supplies.

■ **Alberta Adult Health Benefit (AAHB)** – This program provides families and individuals with the same health benefit they had while in receipt of income support. NCB reinvestment dollars fund the costs of the program for parents with children who leave the SFI¹⁸ program for work. Ensuring that

¹⁸ The Supports for Independence program was replaced by the Alberta Works Income Support Program, effective April 1, 2004.

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

- **Protection of Children Involved in Prostitution** – This initiative encompasses the introduction of ground-breaking 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 initiative supports youth who are making the transition from the Child Welfare system to independent living. Included in this initiative are supported independent living programs, mentoring opportunities, and various incentives and supports to pursue education or training. A bursary program was launched in November 2003.
- **SFI¹⁸ Shelter Benefits** – This reinvestment increases shelter benefits for SFI recipient families with children.
- **SFI¹⁸ School Allowance Benefit** – This reinvestment increases the school expense benefit and is paid annually to SFI 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.
- **SFI¹⁸ Earnings Exemption Increase** – NCB reinvestment dollars were used to increase the earnings exemption for SFI recipient single parents who are working, thus allowing them to earn additional income per month before their benefits are reduced.
- **SFI¹⁸ 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 27 – Alberta: NCB Reinvestments & Investments

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child/Day Care				
Child Care Subsidy	6,300	6,200	6,300	7,800
Developmental Child Care	--	--	2,200	1,000
Supplementary Health Benefits				
Alberta Child Health Benefit	17,300	16,943	18,579	21,322
Alberta Adult Health Benefit	--	--	n/a	566
Early Childhood/Children-at-Risk Services				
Protection of Children Involved in Prostitution	600	600	600	600
Youth				
Transitional Support for Youth Leaving Child Welfare	937	1,250	1,250	2,250
Other				
Supports for Independence (SFI) Shelter Benefit	5,735	4,640	4,650	6,859
SFI School Allowance Benefit	1,250	1,151	1,184	2,401
SFI Earnings Exemption Increase	--	940	2,840	2,914
SFI Employment Maintenance Benefit	--	315	299	326
TOTAL	32,122	32,039	37,902	46,038

Notes: 1) Totals may not add due to rounding.

2) n/a indicates the data is not available.

**Table 28 – Alberta: Estimated Number of Families & Children
Benefiting under NCB Reinvestments & Investments**

NCB Initiatives by Program Name*	2000-2001		2001-2002		2002-2003		2003-2004	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Child Care Subsidy	n/a	12,100	n/a	11,015	n/a	10,158	n/a	10,462
Developmental Child Care	--	--	--	--	n/a	21,496	n/a	21,600
Alberta Child Health Benefit	n/a	62,311	n/a	66,293	n/a	68,277	n/a	66,901
Alberta Adult Health Benefit	--	--	--	--	767	n/a	1,493	n/a
Protection of Children Involved in Prostitution	n/a	103	n/a	87	n/a	72	n/a	72
Transitional Support for Youth Leaving Child Welfare	n/a	1,350	n/a	1,671	n/a	1,852	n/a	2,776
Supports for Independence (SFI) Shelter Benefit	n/a	n/a	11,384	22,845	11,386	22,646	13,330	23,435
SFI School Allowance Benefit	n/a	21,834	n/a	20,014	n/a	20,459	n/a	20,431
SFI Earnings Exemption Increase*	--	--	2,733	n/a	2,752	n/a	2,824	n/a
SFI Employment Maintenance Benefit*	--	--	514	n/a	205	n/a	224	n/a

*Monthly averages.

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 has adjusted the BC Family Bonus payments with respect to the increase in the NCB Supplement in July 2004, such that families receive the same or increased benefits when combined with the NCB Supplement. As part of the BC Family Bonus, BC also adjusted the BC Earned Income Benefit by any increase in the NCB Supplement in excess of the current BC Family Bonus payment.

British Columbia's reinvestments 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 welfare to seek work and to remain employed. Since 1996, British Columbia has invested and reinvested almost \$1.7 billion in the BCFB and BCEIB.
- **Supported Child Care** – This initiative promotes the inclusion of children with special needs in “typical” community child-care settings. In addition, a space-fee subsidy of up to \$107 per month is available from the Ministry of Human Resources (MHR) for families meeting the income eligibility criteria. The program is currently undergoing a review.
- **Before and After School Care** – MHR expanded access to before- and after-school care for children in kindergarten until they reach 12 years of age.
- **Child Care Subsidy Volume Increase** – A monthly payment assists eligible BC low-income families (who are working, preparing for work or looking for work) with the cost of child care and maintaining labour force attachment. The subsidy is available to parents who meet eligibility criteria to help cover the fee for eligible child care. This one-time increase for child care was implemented in 2000–2001.
- **Healthy Kids Dental and Optical** – The Healthy Kids program extends basic dental treatment and eyewear to children in low- and moderate-income families. Healthy Kids removes one of the barriers to moving from welfare to work by providing coverage to children receiving services through MHR.

- **Pharmacare Plan C** – Plan C provides prescription drug and designated medical supply coverage to BC residents under age 19, who are receiving medical benefits and income assistance through MHR.
- **Foster Care 2000** – Foster Care 2000 provided for continuing improvements to training and support for foster parents. This program was regionalized in 2002.
- **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 Strategy** – 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 (formerly called School-based Programs)** – Funding is provided 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 meals programs.
- **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, and sexually exploited and sexual minority 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, family and youth counselors, and strategies to address Fetal Alcohol Syndrome.
- **Youth Community Action** – This initiative wound down in 2001–2002. It provided young people with the opportunity to earn credit for tuition fees while participating in approved community service projects. A maximum of \$2,400 could be applied towards post-secondary tuition fees.
- **Youth Safety Programs** – Youth Safety Programs cover a range of community-based services for youth. These include the Safe Schools Program, which enhances the safety and security of children, youth and adults in schools and communities in BC. It also includes a Youth Against Violence Line, to prevent or report crime and violence and to receive assistance from local police.



- **Education Support for Families** – This program provides benefits to eligible students with dependants. The support recognizes the challenges faced by those students who are going to school while raising children. After 2000–2001, no incremental funding was provided through NCB reinvestments.
- **Social Housing** – Housing assistance is provided to low-income families across the Province and is targeted to households in the greatest need. As new housing units reach

completion, additional subsidy dollars are required to support these families.

- **Family Earnings Exemption** – A flat rate earnings exemption was introduced in January 2000, which allowed families on income assistance to keep up to \$200 of earned income each month for non-disabled income assistance recipients. This program was eliminated in April 2002, with the reform to the British Columbia Employment and Assistance system.



Table 29 – British Columbia: NCB Reinvestments

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplements				
BC Earned Income Benefit	69,784	68,378	69,700	60,000
BC Family Bonus Increase*	10,000	57,230	76,500	99,500
Child/Day Care				
Supported Child Care	1,000	1,725	2,100	2,100
Before and After School Care	14,000	25,077	30,300	32,000
Child Care Subsidy Volume Increase**	1,350	--	--	--
Supplementary Health Benefits				
Healthy Kids Dental and Optical	--	5,450	5,100	5,500
Pharmacare Plan C	--	--	7,200	7,200
Early Childhood/Children-at-Risk Services				
Foster Care 2000	1,000	2,292	--	--
Family Support Programs	28,400	28,400	24,500	25,000
Aboriginal Strategy	4,700	6,220	15,100	2,900
CommunityLINK ***	1,500	2,508	8,400	--
Youth				
Youth Initiatives	5,830	8,522	7,500	12,900
Youth Alcohol and Drug Strategy	6,450	6,524	7,100	7,200
Youth Community Action	500	1,765	--	--
Youth Safety Programs****	1,000	1,137	1,800	2,200
Other				
Education Support for Families*****	6,400	--	--	--
Social Housing	6,400	36,877	43,000	46,000
Family Earnings Exemption	17,936	18,212	--	--
TOTAL	176,250	270,317	298,300	302,500

* Figures do not include the total BC Family Bonus; they include only reinvestments related to increases in the BC Family Bonus since 1998.

** This was a one-time increase for child care.

*** This program was reported in 2000-2001 and 2001-2002 as School-based Programs.

**** This program includes Safe Schools, which was reported separately in 2000-2001, 2001-2002 and 2002-2003. In 2003-2004, Safe Schools became one of the services provided under the Youth Safety Programs.

***** After 2000-2001, no incremental funding was provided through NCB reinvestments.

Notes 1) The amounts reported for 2001-2002 and the estimates reported for 2002-2003 and 2003-2004 exclude the amounts reported under the Early Childhood Development Agreement.

2) Totals may not add due to rounding.



**Table 30 – British Columbia: Estimated Number of Families
& Children Benefiting under NCB Reinvestments**

NCB Initiatives by Program Name*	2000-2001		2001-2002		2002-2003		2003-2004	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
BC Earned Income Benefit	99,772	172,604	96,400	166,700	94,800	164,100	90,500	156,500
BC Family Bonus Increase	205,286	370,253	204,000	364,433	194,000	368,637	186,500	333,000

* Programs with no available data are not listed.



Yukon

All of the Yukon initiatives were put in place to support the government's Anti-Poverty Strategy and its emphasis on supporting healthy children, healthy families, and healthy communities, as well as recognizing the long-term benefits of early childhood interventions. They also represent an integration of health and social services programming.

Social Assistance adjustments 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 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." This amount 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 and its NCB Supplement component are automatically considered for the 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. The full benefit of \$300 per year per child is available for families with net annual incomes below \$16,700 (turning point), at which point the taxback rate applied is 2.5 percent for one

child families and 5 percent for families with two or more children. This yields break-even points of \$28,700 for one- and two-child families, and \$34,700, \$40,700 and \$46,700 for three-, four- and five-child families. The Yukon Government negotiated a recovery from Indian and Northern Affairs Canada for costs of the YCB associated with status Indian children in the Yukon.

■ Children's Drug/Optical Program (CDOP) (Reinvestment)

– This program is designed to assist families with the cost of prescription drugs and eye care for children up to 18 years of age. Families pay a deductible based on their income and the number of family members. There is no deductible for low-income families. 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 \$30,000 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 child, 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 Initiative (Reinvestment)

– The Government of Yukon, in March 1999, implemented the early intervention program, Healthy Families, to improve the long-term outcomes of Yukon children. The Healthy



Families program is a culturally appropriate, intensive home-based family support service offered to expectant parents and to parents of children under three months of age. The service 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 needed. The goals of Healthy Families 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, for a total contribution of \$60,000 (\$30,000 investment). The project is currently operated by a non-government organization that receives funds from the territorial government, donations and other sources.

Table 31 – Yukon: NCB Reinvestments & Investments

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplements Yukon Child Benefit*	357	273	218	260
Supplementary Health Benefits Children's Drug/Optical Program	20	37	37	62
Early Childhood/Children-at-Risk Services Kids Recreation Fund	60	69	69	69
Healthy Families Initiative	145	573	771	983
Food for Learning	30	30	30	30
TOTAL	612	981	1,124	1,404

* Not including funds recovered from Indian and Northern Affairs Canada.

Note: Totals may not add due to rounding.

**Table 32 – Yukon: Estimated Number of Families & Children
Benefiting under NCB Reinvestments & Investments**

NCB Initiatives by Program Name*	2000-2001		2001-2002		2002-2003		2003-2004	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Yukon Child Benefit	1,154	2,148	1,065	1,958	1,003	1,799	1,000	1,800
Children's Drug/Optical	n/a	392	n/a	321	n/a	320	n/a	315
Kids Recreation Fund	n/a	900	n/a	743	n/a	634	n/a	800
Healthy Families	59	50	92	76	111	91	125	121

* Programs with no available data are not listed.

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



Northwest Territories

The Government of the Northwest Territories NCB initiatives are focused on encouraging families to stay in the workforce, as well as on providing programs for ensuring children from birth to five years of age and their families have access to programs and services that give them a strong, positive start in their early years that leads to self-sufficiency in the future.

As it matures and benefits increase, the NCB Supplement is playing a more significant role in helping low-income families support their children without having to resort to Income Support. Parents can be confident that the well-being of their children is secure if they leave income support for work or are between jobs. The NCB provides stable income, which they can count on, while Income Support continues to be a responsive program that assists families that are in financial difficulty due to fluctuating incomes.

The Northwest Territories offsets the NCB Supplement as income from Income Assistance payments and reinvests the funds in the Northwest Territories Child Benefit (NWTCB) and the Healthy Children Initiative. In 2002–2003, the Government of the Northwest Territories (GNWT) added \$1.4 million to the approximately \$800,000 reinvestment to fund its commitment under these two programs. In order to reduce duplication and streamline efficiency, the Canada Revenue Agency delivers the NWTCB for the Northwest Territories 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** – This program provides families who have earned between \$3,750 and \$10,000 in working income for the previous year with an annual benefits of up to \$275 for the first child and \$75 for the second.
- **Healthy Children Initiative (HCI)** – While the 1998–1999 reinvestment and the GNWT investment continues to fund the NWTCB, subsequent increases have been directed to the Healthy Children Initiative (HCI), which has been in place in the GNWT since 1997. The program is recognized as playing a major role in communities by providing programs for children six years of age and under and their families. Funding is provided to community groups to plan and deliver programs that promote and enable families and communities to make healthy choices. The development of family skills and knowledge supports children so that they can reach their full potential.

The effect of these benefits and the positive economy is apparent in the significant reduction in NWTCB expenditures. Expenditures on the NWTCB have fallen by approximately 20 percent, from \$2.0 million in 1999–2000 to \$1.6 million in 2002–2003. It is evident that Northwest Territories residents continue to access training and jobs available in the mining, oil and gas and service sectors, in order to provide better lives for their families.



Table 33 – Northwest Territories: NCB Reinvestments & Investments

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplements NWT Child Benefit/Territorial Workers' Supplement	1,773	1,740	1,560	1,600
Early Childhood/Children-at-Risk Services Healthy Children Initiative	367	419	419	419
TOTAL	2,140	2,159	1,979	2,019

Note: Totals may not add due to rounding.

Table 34 – Northwest Territories: Estimated Number of Families & Children Benefiting under NCB Reinvestments & Investments

NCB Initiatives by Program Name*	2000-2001		2001-2002		2002-2003		2003-2004	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
NWT Child Benefit	2,600	5,100	2,500	5,000	2,300	4,500	2,200	4,300

* Programs with no available data are not listed.



Nunavut

The Government of Nunavut has established principles under Pinasuaqtavut (the Bathurst Mandate) related to the Self Reliance of Nunavummiut and Healthy Communities. The National Child Benefit parallels these principles, by helping to prevent and reduce the depth of child poverty and assisting low-income families with the costs associated with raising children, as well as by encouraging parents to be in a better position to participate in the workforce by ensuring they are better off working.

The Government of Nunavut continues to treat the NCB Supplement as income, thereby reducing the amount of social assistance payable to a family.

Nunavut's reinvestments and investments include:

- **Nunavut Child Benefit (NUCB)** – This is the primary reinvestment program used by the Government of Nunavut. The Canada Revenue Agency delivers the Nunavut Child Benefit as an integrated payment with the federal child benefits. The NUCB is a cash benefit paid to all families with net income of \$20,921 or less in the previous year. These families receive \$330 for each eligible child under the age of 18 living at home.
- **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 to provide the Territorial Workers' Supplement for working parents, and the Canada Revenue Agency delivers this benefit as an integrated payment with the federal child benefits. Eligible participants may receive up to \$275 per year for the first child and \$75 for the second. To qualify, the family must have earned income of at least \$3,750 in the previous year.
- **Healthy Children Initiative (HCI)** – HCI is a joint initiative between the Department of Education and the Department of Health and Social Services. HCI provides funding through two programs. The first is a community initiative that funds family-centred early intervention services and programs for young children (up to age six) and their families. The second program focuses on supportive services that fund out-of-school programs and services for children (up to age six) that require extra supports to reach their full developmental potential. Funding is administered through a yearly Nunavut-wide proposal call. Proposals are submitted by community early childhood organizations, District Education Authorities or Hamlet offices, and are administered by regional committees.



Table 35 – Nunavut: NCB Reinvestments & Investments

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplements Nunavut Child Benefit/Territorial Workers' Supplement	2,287	2,300	2,746	2,750
Early Childhood/Children-at-Risk Services Healthy Children Initiative*	486	325	---	---
TOTAL	2,773	2,625	2,746	2,750

* For 2002-2003 and 2003-2004, the HCI Program did not receive funding through NCB reinvestments.

Note: Totals may not add due to rounding.

**Table 36 – Nunavut: Estimated Number of Families & Children
Benefiting under NCB Reinvestments & Investments**

NCB Initiatives by Program Name*	2000-2001		2001-2002		2002-2003		2003-2004	
	Families #	Children #	Families #	Children #	Families #	Children #	Families #	Children #
Nunavut Child Benefit/Territorial Workers' Supplement	2,901	6,662	2,881	6,576	2,828	6,420	2,800	6,400

* Programs with no available data are not listed.



First Nations

First Nations, with the help of the federal government, design a wide range of programs to address social, health and related problems in First Nations communities. The First Nations component of the NCB reinvestment initiative is a key element in the shared effort of about 600 First Nations and the Government of Canada to improve social programs for First Nation low-income families and children.

It is in accordance with the Government of Canada's policy that, like other Canadians, First Nations people should benefit from national social service programs. The First Nations NCB reinvestment component provides low-income families with children living on reserve with services and benefits comparable to those received by people living off reserve. The services and benefits also aim at ensuring that First Nations children have the best possible opportunity to fully develop their potential as healthy, active and contributing members of their communities.

In 2002–2003, a *Family Support* project was implemented by some bands to recognize the importance of early intervention in the development of children, as well as to support family and community life through cultural enrichment.

The savings in First Nations income assistance budgets are used to develop a wide range of programs and services for low-income families

with children. Reinvestment and investment projects in First Nations are categorized under five activity areas:

- **Child/Day Care** – Develop and improve day-care facilities to enable more low-income families to access spaces. Emphasis may be placed on accommodating children of parents who are working or in training, or on reducing the amount of child-care costs.
- **Child Nutrition** – Improve the health and well-being of children by providing breakfast, lunch or snacks to school children, or by educating parents about nutrition and meal preparation. Food hampers may also be delivered to homes to support good child nutrition.
- **Early Childhood Development** – Early intervention services support parents by giving their children a sound start in life. Projects may include drop-in centres for parents or training in parenting skills.
- **Employment Opportunities/Training** – To increase the skills of parents and youth, and to increase their prospects for employment through such means as work-related and training projects or summer work projects for youth.
- **Community Enrichment** – Included in this category are projects such as teaching traditional culture (e.g. art, music and storytelling), support projects for youth, celebrations, peer support groups and group activities that build community awareness.

Table 37 – First Nations: NCB Reinvestments & Investments

Program Type	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates** (\$000)
Child/Day Care	617	814	984	n/a
Child Nutrition	5,003	6,972	7,042	n/a
Early Child Development	3,463	1,289	947	n/a
Employment Opportunities/Training	5,079	5,739	7,900	n/a
Community Enrichment	8,822	19,219	17,775	n/a
SUB-TOTAL	22,983	34,032	34,648	N/A
Additional Expenditures by First Nations with Multi-Year Agreements and Comprehensive Funding Agreements	27,256	17,206	18,901	n/a
Additional Investment Envelope*	4,039	5,763	2,439	8,340
TOTAL	54,278	57,001	55,988	60,179

*The additional Investment Envelope includes funding to reimburse Saskatchewan and the Yukon for the portion of provincial/territorial children's benefits paid on reserve.

**A breakdown of 2003-2004 estimates is not available.

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.

4) Some bands funded under multi-year agreements and self-government arrangements may not have reported.

Table 38 – First Nations: Estimated Number of Families & Children on Reserve by Region, Benefiting from NCB Reinvestments and Investments

Region	2000-2001		2001-2002		2002-2003	
	Families #	Children #	Families #	Children #	Families #	Children #
Yukon	165	253	250	506	98	526
British Columbia	17,046	28,907	15,125	26,088	25,238	43,409
Alberta	3,396	8,354	8,218	22,273	5,998	15,054
Saskatchewan	1,294	3,599	3,117	9,598	7,404	18,803
Manitoba	6,197	14,796	6,662	16,444	6,752	14,301
Ontario	2,998	6,101	4,500	9,713	7,958	16,240
Quebec	14,214	20,433	4,379	9,610	3,945	8,720
Atlantic	593	963	683	1,086	574	681

Notes: 1) Estimates for 2003-2004 are not available.

2) Indian and Northern Affairs Canada does not fund social assistance in the Northwest Territories and Nunavut.

3) Some bands funded under multi-year agreements and self-government arrangements may not have reported.



Citizenship and Immigration Canada

Citizenship and Immigration Canada (CIC) is committed to the objectives of the National Child Benefit. CIC continues to aid government-assisted refugees (GARs) 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 that help to maintain a national standard for clients.

The Resettlement Assistance Program (RAP) for GARs provides income support and a range of essential services. Income support is provided for up to 12 months, with a maximum of up to 24 months for GARs with special needs. Clients who are not self-sufficient at the end of the period of RAP support are entitled to provincial/territorial assistance. RAP benefits are adjusted in the same manner as social

assistance benefits in those jurisdictions that have chosen this type of approach.

The Kosovo project was a one-time project that saw funding provided for a period of two years; the project is now complete. Reporting for the Kosovo project ceased after 2002. There are no longer any Kosovo clients eligible for RAP income support.

CIC's reinvestments and investments include:

- **Newborn Allowance** – This benefit assists clients with the costs of having a baby.
- **Children under 6 Years Allowance** – This benefit recognizes the additional costs associated with young children.
- **School Start-Up Allowance** – This supplement is provided to families with school-aged children.
- **NCB Transportation Allowance** – The transportation allowance provides a supplement that assists families with their transportation costs.

Table 39 – Citizenship and Immigration Canada: NCB Reinvestments & Investments

	2000-2001	2001-2002	2002-2003	2003-2004
	Expenditures (\$000)	Expenditures (\$000)	Estimates (\$000)	Estimates (\$000)
Child Benefits & Earned Income Supplements Children under 6 Allowance, Newborn Allowance, School Start-up Allowance	563	562	400	681
Other Transportation Allowance	3,286	2,292	1,492	1,174
TOTAL*	3,849	2,854	1,892	1,855

* Amounts from 2001-2002 to 2003-2004 have decreased due to phasing out of the Kosovo movement initiative.

Note: Totals may not add due to rounding.



THE National Child Benefit

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