

6.1.3 Child Tax Credit

In 1979, the federal government introduced an annual refundable Child Tax Credit for families with children. Application is made through a special form attached to the annual federal personal income tax return. A credit of \$559 per child was payable in 1989 to applicants whose net incomes for 1988 did not exceed \$24,090. The benefit is reduced by 5% of any net income above that level. An annual prepayment of the credit is payable to low-income families who received the Child Tax Credit in the previous year.

For the 1988 tax year, payable in November 1988 for those who met the criteria for prepayment, or in 1989 for those who did not, a supplement to the Child Tax Credit of up to \$100 per child under 7 years of age was available to families. The amount of the supplement was based on the amount by which \$100 exceeded 25% of the total Child Care Expense Deduction in respect of the child. The maximum supplement of \$100 per child was raised to \$200 per child for the 1989 tax year. For the 1986 tax year, figures indicated that approximately \$1.5 billion was paid to just under 2.3 million families, on behalf of 4.7 million children (Table 6.4).

In 1987, a National Strategy on Child Care was developed by Health and Welfare Canada to give parents choices in providing care for their children and to improve the availability, affordability and quality of child care in Canada.

6.1.4 Programs for native peoples

Indians, as other Canadians, are entitled to the benefits of universal federal programs such as Family Allowances, Old Age Security pensions, the Guaranteed Income Supplement, and Child Tax Credit. Indians receive Canada or Quebec pension plan payments, unemployment insurance, workers' compensation and veterans' benefits.

Where there are agreements between the federal and provincial governments, provincial welfare benefits and services are available to registered Indians living on reserves and Crown land, but the amount of help varies according to province. Welfare assistance to registered Indians who do not live on reserves can also vary; most provinces seek recovery from the federal government of the costs of assistance and services.

Federal-provincial arrangements. Individual arrangements have been worked out between the federal government and provincial authorities. All welfare programs in Ontario are available to Indians living there, either on or off reserves. In Quebec, federal contracts with eight social agencies furnish welfare service to Indians in their

geographic jurisdictions; a James Bay agreement provided for a provincially sponsored Cree health and social services board. In agreement with the federal and Alberta governments, the Blackfoot band administers two provincial health and social development programs on the reserve.

The federal Department of Indian Affairs and Northern Development has four main welfare objectives: to ensure that services are comparable to those available to other Canadians in a province; to increase Indian participation in the design and operation of social service programs; to strengthen family life and encourage independence; and to help other government and private agencies provide social services to Indians.

The department's social assistance program provides basic household needs (food, clothing, shelter, fuel). Administration is handled by departmental employees on some reserves, by employees of the band council on others.

Indian residents are subject to the child welfare legislation in their own province. The aim of the departmental child care program is to ensure that provincial and territorial services for neglected, dependent or delinquent children are available to Indian children living on reserves. In conformity with federal-provincial agreements, Indian and Northern Affairs Canada pays for maintenance and protection services to Indian children in Yukon, Manitoba, Ontario, Quebec, Nova Scotia and British Columbia. In provinces where child care services are voluntary, the department pays administrative costs and daily rates for Indian children in foster homes or other agencies.

The department pays for maintenance and care of physically and socially handicapped adults in homes for the aged and other institutions. Indian recipients of such benefits as Old Age Security or the Guaranteed Income Supplement may get additional assistance from the department.

With departmental support, a number of bands administer their own day care centres, senior citizens' homes, and community-based social services. The department also operates a rehabilitation program to avert social problems and reduce the effects of physical disabilities and emotional difficulties.

A work opportunity program gives jobs to people on welfare who are physically able to work. Social assistance funds are used to provide native communities with facilities, for example, roads and services such as day care, instead of direct financial aid. Each project is financed by a reallocation of social assistance funds plus money from other sources (regional appropriations, provincial revenues, band revenues).