

The Clawback of the National Child Benefit Supplement

- ⇒ The National Child Benefit Supplement (NCBS), introduced in July 1998, provides monthly benefits to low-income families with children. Initially, most families on welfare had their **BENEFITS REDUCED BY THE AMOUNT OF THE NCBS**—this is known as the **CLAWBACK**. Only Newfoundland and Labrador and New Brunswick did not claw back the NCBS.
- ⇒ The clawback has evolved since 1998. Some jurisdictions claw back all of the NCBS and some claw back part of it. Some stopped clawing it back when they reformed their welfare programs, and others don't claw back but have not reformed their system. It is difficult for most people to understand what approach is taken in their province or territory, and the rationale for it.
- ⇒ Here is where things stood as of early 2005:

	Full Clawback	Partial Clawback	No Clawback
NEWFOUNDLAND AND LABRADOR			√
PRINCE EDWARD ISLAND		√	
NOVA SCOTIA			√
NEW BRUNSWICK			√
QUEBEC			√
ONTARIO		√	
MANITOBA			√
SASKATCHEWAN	√		
ALBERTA		√	
BRITISH COLUMBIA	√		
YUKON	√		
NORTHWEST TERRITORIES	√		
NUNAVUT	√		

- ⇒ As of March 2005, **APPROXIMATELY 175,000 WELFARE FAMILIES** with **AN ESTIMATED 280,000 CHILDREN** had their benefits reduced by all or part of the NCBS. This represented just over **60% OF ALL WELFARE FAMILIES** and **NEARLY 60% OF ALL CHILDREN IN WELFARE FAMILIES**.

Please refer to *Welfare Incomes 2005* for additional details.