



NEWS RELEASE

Households earning less than \$40,000 now receive 16% of total federal child benefits—down from more than 21%

Oct. 6, 2020

For Immediate Release

VANCOUVER—Families with less than \$40,000 of annual household income receive 16.2 per cent of total benefits from the Canada Child Benefit (CCB) program compared to 21.8 per cent under two child benefit programs that were scrapped and replaced by the CCB, finds a new essay released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“I am quite surprised that government officials would claim the CCB is targeted to those who need it most when the evidence refutes that completely. Indeed, the additional funds devoted to the CCB since 2015 make it even less targeted to low-income families,” said Christopher Sarlo, Fraser Institute senior fellow, professor of economics at Nipissing University and co-author of *Is the CCB Targeted to those Most in Need?*, part one of an essay series on the Canada Child Benefit.

According to the federal government, the CCB (one of Ottawa’s most expensive programs) will cost \$27 billion in 2020-21 by providing tax-free cash benefits to eligible families with children.

Approximately 90 per cent of Canadian families with children receive the CCB (although benefits decline as income rises). But crucially, while all families now receive more money, lower-income families—who need the benefits the most—now receive a smaller share of the total benefit than they did under the Child Tax Benefit and the Universal Child Care Benefit, which were scrapped by the federal government in 2016.

“Contrary to repeated statements by the federal government, there’s no evidence that the CCB targets assistance and resources to those most in need,” Sarlo said.

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MEDIA CONTACTS:

Christopher Sarlo, Senior Fellow, Fraser Institute

Jason Clemens, Executive Vice-President, Fraser Institute

To arrange media interviews or for more information, please contact:

Mark Hasiuk, 604-688-0221 ext. 517, mark.hasiuk@fraserinstitute.org

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