

MEMBER STATEMENT—JULIE GREEN, MLA YELLOWKNIFE CENTRE

CANADA CHILD TAX BENEFIT

October 17, 2016

MS. GREEN: Mahsi, Mr. Speaker. Mr. Speaker, today is an important day. It is the International Day for the Eradication of Poverty, as declared by the United Nations and marked each year on this date since 1987.

I believe all of us understand that poverty is a problem here in the Northwest Territories, as it is in much of the world. According to 2014's CRA tax filer data, 17 per cent of families and 22 per cent of children live in poverty in communities across the NWT.

In March, the federal government announced it would help families with income under \$80,000 a year with the cost of raising their children. The Canada Child Tax Benefit came into effect on July 1st this year. The Minister of Education, Culture and Employment celebrated this new benefit by announcing that, starting in August, the GNWT would not count this new benefit as income "to ensure our residents have the full benefit." This sounded like good news and a much-needed lift for people caught in the never-ending cycle of making ends meet.

Alas, the expression "if it sounds too good to be true, it probably is" applies in this situation. Let's take a single parent with one child, receiving income assistance and living in Yellowknife. Since August 1st, she is receiving an additional \$450 from the federal government. At the same time the federal government was giving, the territorial government was taking away. Her food allowance from income assistance decreased by \$137 a month and clothing by \$31 a month. So instead of getting the full benefit of the new \$450 Canada Child Tax Benefit, she is getting just \$282. No matter the size of the family or where in the Territory they live, the amount of income assistance they receive for food and clothing has decreased.

The Minister has been clever about making these changes. It's hard to describe them as claw-back, because he's not clawing back either the Canada or NWT child benefits. In fact, he's not counting them as income anymore. But at the same time, he has reduced the benefits available to families who rely on income assistance for food and clothing. It's not a claw-back; it's a reduction. Because the federal government has increased the Child Tax Benefit, families have a little more income than they used to have.

I'll go to the bottom line, and this is what it is: the GNWT is helping to perpetuate the poverty trap. They are not allowing families to experience the full benefit of the new federal anti-poverty initiative. Shame, Mr. Speaker, shame for trying to save money on the backs of the most vulnerable residents of this Territory. Mahsi.