

1.5.2 Chronology

- 1994 *Home Child Care Allowance* introduced.
- 1995 *Parenting Allowance* introduced, incorporating the Home Child Care Allowance. Replaces the Dependent Spouse Tax Rebate and is intended to create a degree of individualisation in the means-tested social security system while giving women in couples with children greater choice in deciding whether to take up paid work or care for children full-time. Two elements:
- Non-taxable payment, at \$65.10 per fortnight, irrespective of number of children, income tested but not asset tested.
 - Taxable component at paid at the maximum rate of \$225.00 per fortnight, based on income and asset tests.
- 1996 Sole Parent Pensioners become eligible for an advance payment of up to \$500, recoverable from payments over the next 13 fortnights.
- 1996 *Newstart Allowance (NSA)*. Introduced following the amalgamation of Jobsearch Allowance (JSA) and NSA into a single payment. NSA seeks to meet the objectives of the program for people aged 18 years or older who are unemployed and actively seeking full-time work or are participating in other labour market-related activities.
- 1998 *Parenting Payment (PP)* (for Singles and Partnered) replaces Sole Parent Pension and Parenting Allowance. Parenting Payment for sole parents remains to be paid at the same level as pensions (tied to 25% of average weekly earnings). Level of PP in May 1999:
- Maximum PP (Singles): \$361.40 per fortnight.
 - Basic rate PP (Partnered): \$66.00 per fortnight; plus a maximum additional rate of \$293.80 on basis of income and asset tests.
- 1998 *Family Allowance (FA)* replaces *Family Payment*. FA payment level in May 1999, per fortnight:
- Maximum rate per child under 13: \$99.00
 - Maximum rate per child aged 13-15: \$128.80
 - Maximum rate per student 16-18: \$23.80
 - Minimum rate per child: \$23.70
- The minimum rate is lost once annual family income exceeds \$66,404 (for 1 child, plus \$3,332 per additional child). The maximum payment begins to reduce once income exceeds \$23,550 (for 1 child, plus \$624 per additional child).

Table 1.8 Selected FaCS Income Support Payment¹ Maximum Rates (\$/week), 1989-1999

<i>Allowances: maximum rate</i>	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Married adult, per person	107.70	117.70	125.75	127.65	130.15	132.65	134.10	142.90	145.05	145.05	146.90
Single 18+, with children	176.15										
Single 21+, no children	120.65	130.00	138.75	140.95	141.35	147.05	148.65	158.35	160.75	160.75	162.85
Single aged 18-20	97.70	105.15	113.85	117.10	118.50	120.75	122.80	128.35	132.35	132.75	133.70
Child under 18, at home	53.55	57.60	62.05	64.15	64.90	66.15	67.25	70.30	72.50	72.75	73.20
Benefit free area ²	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
Benefit Cut-out point ³											
Married adult, per person	157.70	167.70	175.75	177.65	180.15	182.65	184.10	245.57	248.64	248.64	251.29
Single 18+, with children	293.07										
Single 21+	170.65	180.00	188.75	190.95	191.35	197.05	198.65	267.64	271.07	271.07	274.07
Single 18-20	147.70	155.15	163.85	167.10	168.50	170.75	172.80	224.79	230.50	231.07	232.43
Child 17, at home	100.00	100.00	100.00	100.00	100.00	100.00	100.00	141.86	141.86	141.86	146.00
Child 16, at home	100.00	100.00	100.00	100.00	100.00	100.00	100.00	141.86	141.86	141.86	146.00

Source: Department of Family and Community Services (FaCS): *Income Support and Related Statistics: a 10-year compendium, 1989-1999.*

¹Income Support Payments by the Department of Family and Community Services:

- Maternity Allowance;
- Child endowment, Family Allowance and successors;
- Family Tax Payment;
- Child Disability Allowance;
- Rent Assistance;

²Benefit free area: income level below which the maximum amount of benefit is paid.

³Benefit cut-out point: the rate of income at which the benefit level is reduced to zero.

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Australian Institute of Family Studies,

<http://www.aifs.org.au/institute/media/mediamenu.html>

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Centrelink, <http://www.centrelink.gov.au/internet/internet.nsf/home/index.htm>

Child Care Home Page,

<http://www.facs.gov.au/internet/facsinternet.nsf/childcare/nav.htm>

Department of Family and Community Services, <http://www.facs.gov.au/>

Family Assistance Office, <http://www.familyassist.gov.au/>

Department of Employment and Workplace Relations, Work and Family Unit,

<http://www.dewrsb.gov.au/workplaceRelations/workAndFamily/default.asp>

Below are the direct links to publications describing social security payment rates and characteristics of benefit recipients in Australia:

Department of Family and Community Services, *History of Australian Social Security*

[http://www.facs.gov.au/internet/facsinternet.nsf/4a0e577e7b9d1e2aca2568070012e251/f80c6990abddb3eca25685f00167457/\\$FILE/FCS+83137+PRP1+Whiteford.pdf](http://www.facs.gov.au/internet/facsinternet.nsf/4a0e577e7b9d1e2aca2568070012e251/f80c6990abddb3eca25685f00167457/$FILE/FCS+83137+PRP1+Whiteford.pdf)

Department of Family and Community Services, *Social Security Payment Rates 2000*

[http://www.facs.gov.au/internet/facsinternet.nsf/889874a4f29ad16aca25680700136a8f/4f049e87a40ac34eca2569a7001186e6/\\$FILE/append_glossary.pdf](http://www.facs.gov.au/internet/facsinternet.nsf/889874a4f29ad16aca25680700136a8f/4f049e87a40ac34eca2569a7001186e6/$FILE/append_glossary.pdf)

Department of Family and Community Services, *Social Security Payment Rates 2001*

[http://www.facs.gov.au/internet/facsinternet.nsf/889874a4f29ad16aca25680700136a8f/6affe3507a71b71fca256a54003498c5/\\$FILE/Appendices.pdf](http://www.facs.gov.au/internet/facsinternet.nsf/889874a4f29ad16aca25680700136a8f/6affe3507a71b71fca256a54003498c5/$FILE/Appendices.pdf)

Department of Family and Community Services, *Trends in Pension and Benefit Receipt, Trends over Time*

[http://www.facs.gov.au/internet/facsinternet.nsf/d997eb3baf9fe878ca256807001352b7/92a43510afb0a199ca25687e00016b6b/\\$FILE/FacsSheet_2.pdf](http://www.facs.gov.au/internet/facsinternet.nsf/d997eb3baf9fe878ca256807001352b7/92a43510afb0a199ca25687e00016b6b/$FILE/FacsSheet_2.pdf)

Department of Family and Community Services: *Income Support and Related Statistics, 10 year compendium, 1989-1999*,

[http://www.facs.gov.au/internet/facsinternet.nsf/vIA/occasional_papers/\\$file/No.1.pdf](http://www.facs.gov.au/internet/facsinternet.nsf/vIA/occasional_papers/$file/No.1.pdf)

Department of Employment and Workplace Relations: *Work and Family Information Series – Parental Leave*

<http://www.dewrsb.gov.au/workplaceRelations/workAndFamily/informationSeries/parentlv.htm>

2 Canada

2.1 Chronology of Family Policy Legislation

(Source: Baker and Phipps, 1997)

- 1945 *Family Allowance* first paid to mothers with children under 16.
- 1964 Quebec is the last province to allow mothers equal child custody rights.
- 1966 The *Canada Assistance Plan* allows for federal/provincial cost-sharing of social assistance and social services (including child-care subsidies for low-income parents).
- 1968 *Divorce Act*. Expands grounds for divorce, adding 'marital separation'.
- 1969 'Therapeutic' abortions, contraception, and homosexuality between consenting adults are legalised.
- 1970 *Royal Commission on the Status of Women*. Government study for the *Committee for the Equality of Women*.
- 1971 *Maternity Benefits* first paid through the Unemployment Insurance Program.
- 1971 *Child Care Expenses Deduction* (from federal income tax) is created.
- 1973 Minister Responsible for the Status of Women appointed.
- 1974 *Canadian Abortion Rights Action League*. Formed to decriminalise abortion. Established the *Abortion Information and Referral Service* in 1980.
- 1984 *Royal Commission on Equality in Employment*. Government study.
- 1985 Adoptive parents gain *Adoption Benefits* under the Unemployment Insurance Program.
- 1985 *Divorce Act*. Reduces time period to one year to obtain a 'no-fault' divorce.
- 1986 *Task Force on Child Care* established.
- 1988 *Canadian National Child Care Survey*. Conducted by university-based, federally funded academics (Powell, 1992).
- 1988 *Child Care Act* fails to pass in Parliament. Aimed to remove childcare funding from welfare legislation.
- 1989 Members of Parliament resolve to eliminate child poverty by year 2000.
- 1990 *Parental Benefits* are added to Unemployment Insurance Benefits.
- 1993 The *Child Tax Benefit* is created by combining money from Family Allowance and the child tax credits.
- 1995 The Supreme Court of Canada rules in the Thibaudeau case that asking custodial parents to pay income tax on child support received is not a violation of the Canadian Charter of Rights and Freedoms.
- 1995 *Canada Health and Social Transfer*. Replaces matched funding by lower block grants. Provinces acquire more discretion to create their own welfare programmes.
- 1996 The Finance Minister announces that parents paying child support will no longer receive a tax deduction, and parents receiving child support will not be required to pay income tax on this support. The new ruling applies to new court awards or agreements effective from May 1997.

Table 2.1 Total Fertility Rate, Canada 1961-1997

	1961	1971	1981	1991	1997
Total Fertility Rate	3.8	2.2	1.7	1.7	1.55

Source: Statistics Canada

2.2 Maternity/Parental Leave and Provision

2.2.1 Current provisions

Table 2.2 Maternity/Parental leave and provisions, 2001

	Description	Length paid	Eligibility	Level of payment	Job protection	Paid by
Maternity leave and benefits	Cash benefit to mothers surrounding the birth of a child.	15 weeks	600hrs of insured work in the last 52 weeks before claiming.	55% of average weekly earnings, up to a max of \$413 per week.	Yes	(Federal) Employment Insurance
Paternity/Parental leave and benefits	A maximum of 35 weeks of benefits to either or both parents after childbirth.	35 weeks	600hrs of insured work in the last 52 weeks before claiming.	55% of average weekly earnings, up to a max of \$413 per week.	Yes	(Federal) Employment Insurance
Leave to care for children	None	n.a.	n.a.	n.a.	n.a.	n.a.

Source: Bradshaw and Finch, 2002

2.2.2 Chronology

(Source: Baker and Phipps, 1997)

- 1971 Introduction of *Maternity Benefits* to the Unemployment Insurance Programme. Length: 15 weeks; wage replacement rate: 66.6%. Eligibility: woman must have worked min. 20 weeks, 15hrs/wk in the previous year. In 1994 wage replacement rate is 55% (women on higher income must repay 30% of benefits received). Benefit subject to income taxation.
- 1980 67.4% of women on maternity leave received cash benefits.
- 1983 Level of Maternity Benefit is 60% of previous average insured earnings, maximum \$189 per week.
- 1984 *Adoption Benefits* introduced. Same entitlements and eligibility criteria as Maternity Benefits. Since 1990, adoptive parents were only eligible for parental benefits (a reduction to 10 weeks).
- 1987 84.6% of women on maternity leave received cash benefits.
- 1990 Ten weeks of *Parental Benefits* introduced. Eligibility conditions are the same as for maternity benefits. Either parent can claim parental benefits or can share the ten weeks at any time within the first year of child birth (Routhier and Labowka, 1994).
- 1995 98.9% of total beneficiaries of maternity/parental benefits are women (Statistics Canada).

2.2.3 Child and Family Welfare Groups

- 1965 *Vanier Institute of the Family*. Funds research, lobbies in Parliament and publishes monographs and quarterly magazines on family life.
- *Family Services Association*.
- 1969 *National Council of Welfare*. Advisory body to federal government.
- 1971 *National Anti-Poverty Organisation (NAPO)*.
- *Canadian Institute of Child Health*. Injury prevention, health promotion.
- 1982 *Child Care Advocacy Association for Canada*. Lobbied for an affordable, comprehensive, high-quality, and non-profit childcare system, supported by public funds and accessible to all parents.
- 1985 *Child Poverty Action Group*.
- 1991 *National Forum on Family Security*. Private funding to commission policy papers and to conduct seminars.
- 1992 *Caledon Institute of Social Policy*. Influential in policy discussions. In 1995 proposed a new way to fight child poverty.

2.3 Child Benefits and Family Tax Allowances

2.3.1 Current provisions

There is no universal child benefit in Canada. Income-related benefits are incorporated in the income tax system.

Table 2.3 Child benefits and family tax allowances, Canada 2001

<i>Tax Allowance</i>	<i>Eligibility</i>	<i>Overall value of tax benefits on average male income</i>	<i>Paid by</i>
Canada Child Tax Benefit (CCTB)	All tax allowances vary by income.	Lone parent + 1 child aged <3	Canada Customs and Revenue Agency.
Equivalent to Spouse Credit	Child-related credits vary by number of children and the CCTB varies by the age of children as well.	Lone parent + 1 child aged 7	Most provincial credits and the CCTB are paid by monthly cheque or direct bank deposit.
Childcare expense deduction		Couple + 1 child aged <3	
Ontario's Child Care Supplement for Working Families		Couple + 2 children aged 7, 14	
		Couple + 3 children aged 7, 14 and 17	

Source: Bradshaw and Finch, 2002.

Canada Child Tax Benefit: for all families with children under 19, depending upon income.

Equivalent to Spouse Credit: for lone parents and couples if one spouse is not working, depending on income.

Ontario Child Care Supplement for Working Families: for families with children under 7, depending on income.

For a full description of federal and provincial tax credits see: Mendelson and Battle 2001.

2.3.2 Chronology

(Source: Baker and Phipps, 1997)

- 1944 *Family Allowances (FA) Act* passed, granting universal cash benefits to all Canadian Families with children under 16.
- 1947 *Child Tax Deduction* for families with children.
- 1949 Government repeals clause which provided lower benefits for fifth and subsequent children. Waiting period for immigrant families to receive benefits reduced from three years to one year.
- 1956 Introduction of *Family Assistance Program* to aid immigrant families with child expenses; in effect until 1973.
- 1964 *Youth Allowances Act* passed, extending eligibility for receipt of family allowance benefits to children under 18 in school attendance.
- 1972 *Child Care Expense Deduction* introduced.
- 1973 *Family Allowances Act* passed. Major restructuring of programme: monthly benefits increased, extended eligibility by eliminating stipulation on school attendance, more authority given to provinces in formulation of family allowance policy, family allowance benefits become taxable, family allowance benefits indexed annually to account for inflation. Immigrant children generally eligible until landed immigrant status granted.
- 1974 Family Allowances Act comes into effect.
- 1977 Introduction of \$50 income-tested non-refundable *Child Tax Credit*. Families with income less than \$26,000 eligible.
- 1978 Major reforms to *Family Allowance Program* in an effort to achieve distributive goals: monthly benefits slashed by 23%, replacement of \$50 non-refundable Child Tax Credit by \$200 income-tested Refundable child Tax Credit. Parents who do not claim child-care expenses eligible for supplement to tax credit.
- 1979 Reforms of 1978 come into effect.
- 1982 Full indexation of family allowances eliminated; only inflation over 3% per year is accounted for. In 1983 the federal average family allowance amount is \$24 per month per child. Provinces may vary amounts and method of payment according to age or number of children.
- 1988 Replacement of child tax exemptions by credits. Introduction of new *Non-Refundable Child Tax Credit* and *Equivalent-to-Married Credit*, which can be claimed by single parents.
- 1989 Claw-back of family allowance benefits to higher-income families.
- 1993 New *Child Tax Benefit* implemented. Amalgamates family allowances and tax credits. No tax credits for families with children, except for the childcare expense deduction, and Equivalent-to-Married credit for single parents. Eliminates monthly family allowance cheques, ends universality in the Canadian system of income security for families. Intended to target lower-income families, consolidate benefits system, and supplement earned income.

2.4 Childcare Services and Usage

2.4.1 Current provisions

No state guarantee childcare for children below the minimum school age. Most prevalent type of formal childcare is centre based care.

Regulated childcare: centre-based and family day care. Although most centres are non-profit, this can vary considerably from province to province (Friendly, 1994).

Kindergarten: available to 5 year olds as part of the public education system in all provinces except Prince Edward Island and Alberta (Friendly, 1994).

Private pre-schools: offer early education programmes in most provinces.

Community organisations: offer before- and after-school programmes.

Table 2.4 Regulated childcare places for children 0-12 years

	1992	1995	1998
Centre based	262,857	299,939	329,950
Family day care	45,679	65,928	70,270
Total	371,573	425,332	516,734

Source: Statistics Summary: Canadian Early Childhood Care and Education in the 1990s by The Childcare Resource and Research Unit (CRRU) at the Centre for Urban and Community Studies, University of Toronto.

(<http://www.childcarecanada.org/resources/CRRUpubs/factsheets>)

Table 2.5 Proportion of children provided for in 1998

	1992	1995	1998
Childcare place provided for % children (0-12)	7.5%	8.4%	10%
Childcare place not available for % children (0-12)	92.5%	91.6%	90%

Source: see Table 2.3

6.5% of all children up to the age of 12 were in full-time formal childcare in 1998.

Table 2.6 The usage of full-time formal childcare, 1998

Age group	Number in childcare
0 - 18 months	5,300
19 - 30 months	15,000
31 months - 5 years	106,200
6 - 12 years	40,590

Source: see Table 2.3

Table 2.7 Median monthly parent fees for full-time formal childcare, 1998

	Median \$	Range \$	
		Lowest	Highest
Infants (0-17months)	531	380	783
Toddlers (18mnth-3 yrs)	477	360	603
Pre-schoolers (3-5.11yrs)	455	360	460

Source: see Table 2.3

2.4.2 Chronology

(Source: Baker and Phipps, 1997)

- 1950 Half-day kindergarten places offered to four-year olds by the public schools in Ontario.
- 1966 *Canada Assistance Plan (CAP)*. Federal government's provision to share the cost of childcare of low-income families. In 1991-92, monthly childcare expenditure per child under 13 varied from \$15 in Newfoundland to \$400 in the Yukon (Mitchell, 1995b).
- 1987 *National Strategy on Child Care*. Increased tax deductions, research money and a Child Care Act that would take funding out of welfare legislation. The Act has not been implemented.
- 1988 *National Child Care Study* (Statistics Canada, 1993). Day-care provided to: 3.2% of children under 18 months; 9.6% of children aged 18-35 months; and 10.8% of children aged 3-5.
- 1988 30% of children aged 4-5 attended kindergarten, almost always part-time (Statistics Canada, 1993).
- 1989 Family day-care provided 12.7% of all licensed places. Located in care-givers home (Goelman, 1992).
- 1991 2.2 million children under 13 required childcare for at least 20hrs per week. Only 333,000 licensed places were available, i.e. only 15% would be served by licensed care (Lero and Johnson, 1994).
- 1995 Canada Assistance Plan revoked by Liberal government, gradually replacing cost-sharing by block funding for social assistance, social services, Medicare and post-secondary education.

2.5 Other Policies

2.5.1 Current provisions

Table 2.8 Other family benefits, 2001

	<i>Description</i>	<i>Eligibility</i>	<i>Monthly level of payment</i>
Ontario Works*	Social assistance benefit, for anyone in need whose income and assets fall below a certain level and who has no other alternatives (including employment alternatives).	Rigorous means-testing.	Single person \$195 Couple \$390 Single + 1 child <12 \$446 Couple + 1 child <12 \$476 Couple + 2 children >13 \$648 For each additional dependant: Under 13 years old \$136 Above 13 years old \$100
Health Care Service	There are no formal charges for hospital and GP treatments. Dental treatments and prescriptions are regulated by a private market.	Covers whole population. Dental and prescription charges can be subsidised to low-income families.	Not applicable.
Shelter Allowance	Housing allowance for those on social assistance.	Means-tests.	Monthly levels depending on income: \$325.00 / \$511.00 / \$554.00 / \$602.00 / \$649.00 / \$673.00
Education	Free education for all, no formal material charges.	Free school-meals are provided in very deprived neighbourhoods in a few provinces.	Not applicable.

*Each province has its own social assistance scheme, here that of Ontario is presented.

Source: Bradshaw and Finch, 2002

2.5.2 Chronology

Health Care

- 1957 *Hospital Insurance and Diagnostic Services Act*. Government pays 50% of hospital-based medical expenses in provinces with public insurance programmes. By 1961 all provinces agreed to provide such programmes.
- 1965 Total cost of all health services: \$3.3 billion.
- 1966 *Medical Care Act*. Created federal/provincial cost-sharing for physician services outside hospitals. Medicare has been funded through taxes and in some provinces premiums.
- 1977 *Federal-Provincial Fiscal Arrangements and Established Programs Financing Act*. Ended the 50/50 cost sharing between government and provinces, limited federal expenditures, tied subsequent increases to growth of GNP and shifted cost control to the provinces. Provinces introduced user fees for certain services.
- 1984 Canada Health Act. Confirming federal principles behind Medicare and introduced financial penalties for provinces allowing user fees or extra billing by physicians (Guest, 1985).
- 1982-85 Aboriginal still birth rate 3 times higher than the general population.
- 1990 Maternal death rate decreased to 4 out of 100,000 births from 401 in 1940 (Statistics Canada). Infant mortality rate per 1,000 live births also decreased to 6.8 from 102.1 in 1921.
- 1991 Total cost of all health services rose to \$66.7 billion, which is \$2,500 per capita and 9.9% of GNP. Hospital costs account for 40% of expenditures.
- 1995 Federal government began reducing health transfers to the provinces.

Social Assistance

Family support services are provided through provincial social assistance or child welfare programmes. Services under social assistance are intended to enable parents to care for their children on a limited budget and to enter or return to paid work. Most government funding for family services is targeted at child protection. (Kamerman and Kahn, 1997).

Housing

- 1946 *Canada Mortgage and Housing Corporation (CMHC)* created. Administers housing policy, partially covers operating costs and losses, provides subsidies, and funds research on housing. CMHC co-operates with provincial and municipal governments and the private sector to deliver social housing in Canada.
- 1971 Federal government began to provide direct grants to non-profit companies and co-operatives with 100% financing to build low-income housing.
- 1973 *Residential Rehabilitation Assistance Program (RRAP)*. Provides one-time assistance to home-owners and landlords of sub-standard buildings to help them comply with minimum health and safety standards. In 1986 eligibility restricted to low-income households.
- 1975 Provinces imposed rent control as part of national wage and price controls, but provincial variations are now considerable.
- 1978 Federal government ended the public housing construction programme, yet maintains existing public housing.
- 1990s 64% of Canadian households owned their own homes.

- 1990 5% of households received rent subsidies mainly from government but also from employers or family members (Blakeney, 1992).
- 1991 *Aboriginal Peoples Survey*. National study. 7% of Aboriginal households had no electricity, 6% no heating, 3% no bathroom and 12% no flush toilet. 21% reported that their needs were not adequately met by their housing (reported need for more space) (Statistics Canada).

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3 New Zealand

3.1 Chronology of Family Policy Legislation

(Sources: Shirley et al 1997, Ministry of Social Development)

- 1927 *Family Allowance* introduced, means-tested benefit for families with children.
- 1938 *Social Security Act*. Introduced free health care and education, state-funded maternity benefits giving entitlement to free pre- and post-natal care for all regardless of income. The *Family Benefit* replaced Family Allowance.
- 1955 *Marriage Act*.
- 1968 *Guardianship Act*. Ensures more personalised legal resolution to custody and access disputes.
- 1972 *Royal Commission on Social Security*. Report: emphasis on the ideals of community responsibility for the relief of need through flat-rate benefits paid for by taxation.
- 1972 *Equal Pay Act*.
- 1980 *Family Proceedings Act*. Places emphasis on counselling, conciliation and mediation in resolving family disputes.
- 1980 *Maternal Leave and Employment Protection Act*. Provided unpaid, job-protected leave to mothers of a new born child.
- 1987 *Parental Leave and Employment Protection Act*. Amended in 1991. Either parent is eligible for parental leave, who worked 12 months, 10hrs per week, at the same employer.
- 1987 *Status of Children Amendment Act*. Clarifies the legal status of children conceived by the use of donated sperm, ova, or embryos, and by the use of techniques such as artificial insemination, *in vitro* fertilization and gamete intra-fallopian transfer. Endorses social parent as legal parent.
- 1989 *Children, Young Persons and Their Families Act*.
- 1991 *Child Support Act*. Sets down the financial obligations resulting from family dissolution in the form of the liable parent contribution scheme. Even those absent parents who are on benefits, must pay at least \$10 per week child support maintenance.
- 1991 *Holidays Act*.
- 1991 Social security cuts across the board. Family Benefit and Family Support amalgamated.
- 1993 *Human Rights Act*.
- 1993 *Council of Christian Social Services*: Report on family and child poverty. Expressed concern about the stress of financial hardship on New Zealand families. Increasing social disintegration.
- 1994 Criteria for *Special Needs Grants* relaxed by the government.
- 2000 *Family Start*. A home visiting programme that is provided in 16 sites in New Zealand at a cost of approximately \$16 million a year. The objectives of the programme are: to improve long-term outcomes for children in health, education and welfare, improve family functioning and parenting practice, and to assist parents to improve their personal circumstances. A process evaluation is due to be completed at the end of 2001, and work has begun on an impact evaluation, which is expected to be completed in late 2003 or early 2004.
- 2000 *Early Start*. A home visiting programme similar to Family Start. Both programmes aim to improve life outcomes for children and families at risk. Early start was initially developed in Christchurch by a consortium of

providers, based on the Hawaii's Healthy Start model. The programme was expanded in 1999 to enable evaluation through a randomised controlled trial funded by the Health Research Council. The Early Start programme itself is funded intersectorally alongside Family Start.

- 2000 *Tipu Ora* is a child welfare provider, which provides a home visiting programme that is more health focussed than Early Start and Family Start. Like Early Start and Family Start, the programme also aims to improve life outcomes for children. And like Early Start the programme was developed locally, in Rotorua.
- 2000 *Agenda for Children* launched in Parliament at the Seminar on Children's Policy. Goals:
- Change the way children are viewed, establish their place as respected citizens.
 - Ensure that all government policies, practices respond to children's interests, rights and needs.
 - Ensure that services are funded and delivered in a way that responds to children's rights and needs.
 - Give priority to addressing child poverty and abuse.
 - Give priority to maximising opportunity for all children.
- 2000 *Children's Policy Reference Group* established. Works with Ministries of Social Policy and Youth Affairs and is responsible for the design of the *Agenda for Children*.

3.2 Maternity/Parental Leaves and Benefits

3.2.1 Current provisions

There is no separate maternity/paternity leave, only parental leave.

Table 3.1 Maternity/Parental leaves and benefits, New Zealand 2001

<i>Type of Provision</i>	<i>Description</i>	<i>Length Paid</i>	<i>Eligibility Criteria</i>	<i>Level of Payment</i>	<i>Job Protection</i>	<i>Paid by</i>
Parental Leave	Leave for either parent for children under age 1. Length of leave is 14 continuous weeks or 52 continuous weeks in case of extended leave.	No provision for payment.	Either parent is eligible who at the expected date of delivery will have worked at least 10hrs per week for 12 months at the same employer.	Not applicable	Yes	Not applicable
Parental Tax Credit	Tax credit received by the primary caretaker for 8 weeks after childbirth.	8 weeks	Means-tested allowance, abates at the same rate as other family assistance benefits.	\$150 per week	Not applicable	State
Leave to care for children	Paid leave for domestic purposes, (connected to sick leave entitlement).	3 weeks per year*	At least one year employment at the same employer. For children under 14.	Sick leave entitlement. Usually full wages.	Yes	Employer

*Employers and employees can agree their own procedures. Some collective agreements restrict leave to 5 days per year.
Source: Bradshaw and Finch, 2002.

3.2.2 Chronology

- 1987 *Parental Leave and Employment Protection Act*. Provides unpaid, job-protected leave to either parent. Eligibility criteria: 12 months of employment at minimum 10 hrs per week at same employer.
Maternity Leave: 14 weeks.
Paternity Leave: 2 weeks.
Extended Leave: 52 weeks (including mat. leave, for either or both parents).
- 1991 *Holidays Act*. Provides statutory entitlement to paid special leave when either the employee is sick, the employee is required to care for a sick dependant or when the employee suffers a bereavement of a close relative. Entitles both mothers and fathers to take time off to look after a child. Connected to employee's sick leave entitlement.
- 1998 Introduction of paid *Parental Tax Credit* at the rate of \$150 per week for 8 weeks after the birth of a child, regardless of mother's employment status. Income-tested above an annual family income of \$60,000 per year.
- 2002 Planned introduction of paid parental leave scheme. The scheme will allow a mother with a new-born baby to take a leave of 12 weeks on 80% of earnings, subject to a maximum of \$325 per week before tax. The scheme will be funded from the general tax revenue with an expected cost of \$42 million per annum.

3.3 Child Benefits and Family Tax Allowances

3.3.1 Current provisions

Universal child benefits do not exist in New Zealand. Income related child benefits are incorporated into the income tax system.

Table 3.2 Family tax allowances, New Zealand 2001

<i>Type of Provision</i>	<i>Description</i>	<i>Eligibility</i>	<i>Level of Payment</i>	<i>Method of Payment</i>
Family Support Tax Credit	Reduces tax liability for low-income families with dependent children under age 18.	Varies by income, age and number of children. The maximum amount of Family Support applies to up to \$20,000 income per annum.	<p>Weekly amounts:</p> <p>Each child aged 16-18: \$60</p> <p>Eldest aged 15 or under: \$47</p> <p>Other aged 13,14,15: \$40</p> <p>Other aged 12 and under: \$32</p> <p>Rate of abatement:</p> <p>Income: \$20,000-27,000 18%</p> <p>Income above \$27,000 30%</p>	Where feasible, tax credits are paid to the principal caregiver. They can be received weekly through the wage packet or can be claimed at the end of the year from the Inland Revenue.
Child Tax Credit	In-work benefit, reducing tax liabilities of low-income families with children under age 18.	Varies with number of children and level of income. One parent must be in work. Recipients must not receive income-tested benefits.	\$15 per week per dependent child. Added to Family Support Tax Credit and both are abated against income, including benefit income.	
Family Tax Credit	To low-income working families with dependent children.	Varies by hours of work and income level. Work requirements: 20hrs/week for lone parents; 30hrs/week for couples	Designed to bring gross family income, including family assistance, up to \$18,638 per annum, or net \$286 per week. Above \$18,638 families receive a combination of Family Support and Child Tax Credit.	
Childcare Tax Rebate	Tax deduction for the expenses of formal childcare.	For the childcare costs of a registered childcare provider.	Maximum \$310 per annum. It is 33% tax rebate for childcare expenses of up to \$940 per year.	

Source: Bradshaw and Finch, 2002

3.3.2 Chronology

1946 *Family Benefit* became fully universal, was not taxed and was paid at the rate of 10 shillings a week per child. For a woman with two children, this was the equivalent of a full day's pay of a labourer (Beaglehole, 1993). Family Benefit abolished in 1991.

Table 3.3 Weekly levels of Family Benefit (per child) 1946-1991

	1946	1958	1972	1979-1991
Family Benefit	10 shillings	\$1.50	\$3	\$6

1982 *Family Rebate*. Tax allowance for low-income families.

1984 *Family Care*. Means-tested benefit to families. \$10 per week per child in addition to Family Benefit.

1986 *Family Support Tax Credit* introduced, replaces Family Rebate and Family Care. Concept of a guaranteed minimum family income advanced but not introduced.

1991 Family Benefit and Family Support amalgamated.

1991 Universal Child Benefit abolished.

1986-1995 Cash benefits to families on different income levels:

Table 3.4 Financial assistance to different family types¹ 1986-1995

	<i>Financial Years</i>			
	1986/87	1993/94	1994/95 ²	1986-95 (% change)
One-child family, 0.75 average weekly earnings	\$	\$	\$	\$
Family Benefit (per week)	42	42	42	-29.0
Annual income of family type	16,070	22,877	23,259	44.7
Income threshold for abatement	14,000	17,500	18,750	33.9
Family Assistance (per week)	35	23.4	26.40	-46.0
Three-child family, 1.0 average weekly earnings				
Family Benefit (per week)	86	88	93	8.1
Annual income of family type	21,424	30,524	30,992	44.7
Income threshold for abatement	14,000	17,500	18,750	33.9
Family Assistance (per week)	60.30	32.80	41.40	-51.0
Three-child family, 1.5 average weekly earnings				
Family Benefit (per week)	86	88	93	8.1
Annual income of family type	32,136	45,786	46,488	44.7
Income threshold for abatement	14,000	17,500	18,750	33.9
Family Assistance (per week)	23.20	0	0	-100.0

¹All children aged under 13.

²Estimates.

Source: Shirley et al 1997, Table 6, p. 259.

1996 *Child Tax Credit* (formerly Independent Family Tax credit) introduced. Recipients must not be in receipt of any income-tested benefit and be in the work force.

Table 3.5 Weekly level of Child Tax Credit

	1996	1998	2001
Per dependent child	\$7.50	\$15	\$15

1996 *Family Support Tax Credit*. Tax credit levels have been updated several times since 1996, but not according to any formula.

3.4 Childcare Services and Usage

3.4.1 Current provisions

Most prevalent form of full-time formal childcare for pre-school aged children:
Crèche – Licensed Education and Care Services

Table 3.6 Proportion of pre-school age children using various types of services, New Zealand 2001

<i>Type of service</i>	<i>% children using service</i>
Crèche	40.9
Kindergarten	26.3
Play Centres	9.1
Home-based services	5.7
Kohango Reo (Maori)	6.4
Licence-exempt	11.6

Source: Ministry of Education, Early childhood statistics

Table 3.7 Participation rate in childcare services

<i>Age groups</i>	<i>% of all children in each age group attending 2001</i>	
	All services	Crèches
Under 1 year old	13.6	5.4
Aged 1-2	34.8	13.8
Aged 2-3	55.9	22.1
Aged 3-4	90.3	35.8
Aged 4-5	99.5	39.4
Aged 0-5*	58.9	23.3

*Some dual enrolments by type of service.

Source: Ministry of Education, Early childhood statistics

Charges: average full-time cost for a child aged 2-5 in crèche is \$196 per week or \$850 per month.

Subsidies: low-income childcare subsidy, rate varies with income levels and length of time that childcare is used. When there are more children, the amount of