

FACT SHEET

Universal Child Care Benefit (effective July, 2006)

As of July 2006, all Canadian families with children under the age of 6 are entitled to a federal Universal Child Care Benefit (UCCB). Families can receive \$100 a month for every child under 6, up to a maximum \$1200 a year.

Are families on social assistance eligible?

Yes. All families on Ontario Works (OW) or Ontario Disability Support Program (ODSP) who are already receiving the Canada Child Tax Benefit (CCTB) will receive the UCCB automatically. Cheques are mailed on approximately the 20th of every month or deposited automatically into your bank account.

This money is not clawed back from your social assistance cheque and does not affect allowable child care deductions. It also does not affect how your income is calculated for benefits such as subsidized child care fees, the Ontario Child Care Supplement for Working Families, Rent-Geared-to-Income, the Ontario Student Assistance Program, the Guaranteed Annual Income System, Women in Skilled Trades, Information Technology Training for Women, Domiciliary Hostels, Assistance for Children with Severe Disabilities, the Ontario Drug Benefit Program, the Trillium Drug Program, Mental Health Supportive Housing, the Long-Term Care Homes Co-Payment, the Hospital Chronic Care Co-Payment, Homes for Special Care, and Community Support Services.

What if I'm not on social assistance or receiving the Canada Child Tax Benefit?

All Canadian families with children under the age of 6 are entitled to the UCCB. You will receive the UCCB automatically if you get the Canada Child Tax Benefit (CCTB). If you do not receive the CCTB, you must apply for it first before you can receive the UCCB. Instructions on how to apply are available at:

www.universalchildcare.ca.

Is it all good news?

No. The reality is that most families will not receive the full \$1200 per year. Because the UCCB is taxable, the families that will benefit most from the UCCB are families with one parent at home and the other earning more than \$106,000.

Families on social assistance will receive approximately \$951 and will not have to pay tax on the UCCB, but will lose the Young Child Supplement (worth \$249 annually).

For further information on the UCCB: <http://www.universalchildcare.ca>.