



The Impact of Child Benefit Reforms on Parental Health: New Evidence from Canada

What this research is about

Canada's child poverty rate fell by nearly 5% between 2016 and 2021, a decrease that has been linked to the introduction of the Canada Child Benefit (CCB). The CCB provides income-based benefits to households with children under 18. Although the CCB strives to reduce child poverty, research has shown that it alleviates household food insecurity and improves spending on basic needs such as clothing and housing. In low-income households, parents' health may worsen from the strain of satisfying basic needs, especially because many parents put their children's needs ahead of their own when resources are limited. This study compares self-reported general and mental health of parents in Canada before and after the introduction of the CCB.

What the researchers did

The researchers used data from the Canadian Community Health Surveys (CCHS) for the period 2011–2021. The CCHS is an annual survey that gathers information about Canadians' health (excluding Indigenous peoples living on reserves). The study period covered 5 years before and after the CCB was introduced. The sample contained people aged 25 to 49, excluding residents of Quebec and the Territories, and people with an annual household income greater than \$300,000. The total sample was 128,163 observations, 51% of whom were eligible for the CCB (treatment group) and 49% of whom were not eligible, as there were no children in the household (control group). The number of observations ranged from 10,000 to 12,000 across years.

Self-reported data on general and mental health before and after the CCB was introduced were analyzed and compared between the two groups.

What you need to know

The introduction of the Canada Child Benefit (CCB) in 2016 has been shown to reduce child poverty and improve food security and household spending. But its impact on the general and mental health of parents has not been studied. This study compares self-reported general and mental health before and after the introduction of the CCB. The findings suggest that the CCB lessened the decline in general and mental health of parents during the study period (2011–2021). The positive impact on general health was mostly seen in mothers with young children aged 5 and under, while the positive impact on mental health was seen in both mothers and fathers, irrespective of their child's age. However, the health improvements were mainly seen in parents with higher incomes and parents with three or fewer children, while there was a negative effect on the mental health of single parents.

What the researchers found

The two groups differed in several significant ways. In the treatment group, almost 90% were married, compared to less than 50% in the control group. The treatment group contained more women and people who were marginally older. The control group were more likely to live in urban areas and have a higher income.

Self-reported general and mental health declined in both groups in the post-policy period (July 2016–2021) compared to the pre-policy period (2011–June 2016). But the decline was less marked in the treatment group.

In the post-policy period, the likelihood of reporting general health at the top of the scale (i.e., "good," "very

good,” or “excellent”) was slightly higher for the treatment group than the control group by 1.5 percentage points. The effect did not meaningfully change after controlling for socioeconomic and geographic factors. However, the impact of CCB on general health among mothers and fathers varied by the age of their youngest child.

In the post-policy period, the likelihood of reporting mental health at the top of the scale was slightly higher for the treatment group than the control group by approximately two percentage points. This positive impact persisted after controlling for socioeconomic and geographic factors and it was observed in both mothers and fathers, irrespective of their child’s age.

The effect of CCB on general health varied by income, with people in the third income quartile experiencing the strongest effect, while income differences in the effect of CCB on mental health were few. Compared with two-parent families, CCB had a negative effect on the general and mental health of lone-parents. Compared to people without children, the general and mental health benefits of the CCB appeared to be greatest among those with three children.

The results suggest that the CCB may not have been enough to produce better health outcomes for parents in financially vulnerable positions. Families with higher incomes may have been able to use additional resources (e.g., payment from the CCB) to support their own health. Therefore, the CCB is unlikely to reduce longstanding health inequalities linked to socioeconomic status and may, in certain instances, worsen them.

How you can use this research

This study shows the need for more comprehensive and accurate income-tested child benefits programs. More evidence-based policy reform should be developed. More research is needed to understand how health is affected by policy aimed at alleviating poverty and/or economic insecurity.

About the researchers

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Research snapshot by Erika Cao

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