

# Submission to the Select Standing Committee on Finance and Government Services

This Budget 2022 submission is from a newly formed non profit society called *Fairness for Children Raised by Relatives (FCRR)* Email: [fairness4crr@gmail.com](mailto:fairness4crr@gmail.com)

## Fairness for Children Raised by Relatives Society

Our organization was formed to advocate for children who would otherwise be in the BC provincial foster care system if they had not been taken into the care of their grandparent or other kinship relative. Our membership is made up of kinship caregivers.

Many of the children being raised by relatives have suffered trauma from their abandonment by their biological parents, being moved to foster care and often have complex physical and emotional problems. Recent research found that 76% of kinship children were reported to have experienced four or more adverse childhood experiences<sup>1</sup>. Many children raised in kinship care suffer from Fetal Alcohol Spectrum, ADHD, drug addiction at birth, delays in speech, and various other disabilities. Current research has found that 77% of respondents were caring for at least one child with special needs, and 61% were caring for children with two<sup>2</sup>. On top of this 27% of kinship caregivers were caring for more than one child with special needs.

This government recognizes that children have better outcomes when raised in extended families than in foster care. The government is committed to reducing the number of children in foster care. (Particularly the disproportionate number of Indigenous children.)

There are a number of provincial programs for adoptees and guardians raising children. These varied programs are either not funded the same, or have barriers for the children they are intended to support. These programs fall under the auspice of the Ministry of Children and Families require further consideration. This submission will focus on two:

- 1) Child in the Home of a Relative
- 2) Section 54 (of the BC Children, Family and Community Services Act) court ordered permanent custody

## EXECUTIVE SUMMARY

*The people of BC who are impacted by this submission are seniors, elders, children, Indigenous children, and grandparents (often women) at or below the poverty level.*

- 1) *Those families who receive support through the Child in the Home of a Relative program, **and** Section 54.1/54.01 (of the BC Child, Family, and Community Services Act) do not receive the same level of funding and tax benefits as other programs administered by the Ministry of Children and Family Development.*

- ***This inconsistency is discriminatory***

2) *The court orders for permanent custody states, “The COURT ORDERS pursuant to section 54.01 (54.1) of the Act that the custody of the child be permanently transferred to (guardians name) maternal grandmother (for example.)”*

- ***The position of the BC Government that they are the primary caregiver and not the guardian is contrary to the BC Provincial Court Orders we receive.***

### **Child in the Home of a Relative**

#### **Recommendation:**

The Province mandate that Children Raised in the Home of Relatives be given the same level of funding as foster parents, and supports and services as post-adoptive parents.

### **Section 54**

#### **Recommendations:**

MCFD make the administrative changes necessary to:

1. **enable all 54.01/54.1 Out-of-Care Families with children to receive the federal tax credits and allowances for which they are eligible, as families with children in other MCFD family support programs do (e.g. the Extended Family Program, Post-Adoption Program, Child in the Home of a Relative).**
2. **enable all 54.01/54.1 Out-of-Care Families with children with disabilities to receive the same MCFD disability related benefits, services and supports for their children that children with disabilities and their families in other MCFD family support programs are eligible to receive (e.g. Post-Adoption Program, Foster Program)**

#### **Background and Rationale - Child in the Home of the Relative**

- In 2019 the provincial maintenance rates for kinship caregivers were increased. However, those families receiving the Child in the Home of the Relative (CIHR) benefit did not receive an increase and their rates have remained at, depending on age, from \$314.31 /month to \$454.32/month (less any financial contribution by parents). This is insufficient to meet the unique challenges that our children face.
- We understand that the rationale for CIHR being excluded from the rate increase, was that while it is grouped under MCFD, the funding comes from the Ministry of Social Development and Poverty Reduction. We reject this as an adequate reason for this exclusion.
- CIHR was discontinued in 2010, and families enrolled in it were grandfathered. The numbers of children in the program have been falling ever since, as children naturally age out at the age of 19. Our best estimation of the cost of raising the rates received by

families on Child in the Home of the Relative is based on 2019 data for the Child in the Home of the Relative program (774). The difference between the top foster parent maintenance rate of \$1089.04 and the lowest CIHR rate (\$314.310) is \$774.73. Therefore, increasing CIHR rates to foster parent rates would cost (at maximum) less than \$7.2 million a year (based on 2019 data). This is a very generous estimation, and it would most likely be much lower. This amount will steadily decrease to zero when those who were infants in 2010 age out in 2029.

## **Background and Rationale - Section 54**

- Section 54 guardians are appointed by court order under either section 54.01 (voluntary surrender by the biological parent (s)) or section 54.1 (court ordered transfer of permanent custody). Under BC's Family Law Act (FLA), Section 54 guardians have the same rights and responsibilities as other guardians with permanent custody of their children. Many Indigenous bands in BC only support section 54 custody, rather than adoption for their band members where permanent kinship guardianship is sought.
- Almost all families of children under 19 in British Columbia receive the federal Canada Child Benefit (CCB), including guardians with children in MCFD's Extended Family Program, Post-Adoption Program and Child in the Home of a Relative program. MCFD's current 54.01/54.1 practice directs the Canada Revenue Agency to forward the child's CCB benefits (up to \$569.41/month) to MCFD rather than to the 54.01/54.1 children for whom it is intended and to families who need it.
- Because MCFD claims Out-of-Care children's federal CCB, BC also denies 54.01/54.1 families the BC Child Opportunity Benefit (up to \$133.33 per month).
- Families with children with disabilities in British Columbia whose children meet Canada Revenue Agency (CRA) eligibility criteria for Disability Tax Credit status, in addition to receiving the federal CCB, also receive the federal Child Disability Benefit (CDB) and the transfer of their child's disability tax credit to assist them with the additional costs of providing their child the disability related supports that they need. As with the CCB, MCFD's current 54.01/54.1 practice directs the Canada Revenue Agency to forward the child's CDB (up to \$242.92/month) to MCFD rather than to the 54.01/54.1 children who need it.
- Because the province chooses to file claim with the federal government that it is responsible for the care of their children, not 54.01 and 54.1 Out-of-care families with permanent legal custody, the CRA will not allow Out-of-Care families to receive the transfer of their child's non-transferable disability tax credit, denying Out-of-Care

families an average of \$2,500 year which could be used towards their child's disability related needs.

- Although the Federal Children's Special Allowance Act (CSA) allows the federal government to forward CCB and CDB payments to provinces if they claim them on behalf of permanent custody parents receiving provincial allowances, provinces are under no obligation to file such a claim. Even if provinces do file a claim under the CSA Act, completing section 6 of the claim form directs the federal government to forward those payments directly to 54.01/54.1 families. Some provinces choose to direct these payments to their permanent custody families. BC does not.
- In addition to preventing children with disabilities in Out-of-Care families from receiving their federal and provincial special allowances and benefits, MCFD also refuses to provide additional disability related allowances or to pay for disability related services and supports for Out-of-Care disabled children which children in MCFD's Post Adoption and Foster programs receive. Foster families, in addition to the foster base rate of \$1,107.96/month, receive an additional allowance of up to \$1,816.66 /month, depending on the on the level of disability of their children. And both Foster and Post-Adoption children with disabilities are eligible for medically supported disability services and supports, including psycho-educational assessments, respite services, adaptive equipment, counselling, and tutoring.
- MCFD's current 54.01/54.1 practice discriminates against all children in its Out-of-care Programs compared to its other family support programs, especially children with disabilities. The discrimination is especially egregious for children with disabilities who are federal disability tax credit (DTC) eligible. The financial impact of MCFD's practice to individual families is significant: eligible families are denied up to \$10,000 year in federal benefits that could be used to help their children with disabilities, and for some families many more thousands of dollars in disability supports not available to their children that are available to those in other MCFD programs.
- By denying direct support for disability related supports and services, many children with significant disabilities are unable to receive the interventions they need to thrive and maximize their potential and future independence.
- In 2020, the province partially acknowledged its obligation to allow 54.01/54.1 Out-of-Care children to receive their federal allowances by forwarding the one-time Covid benefits they received on behalf of Out-of-Care children (\$300 for CCB eligible children, and \$600 for CDB eligible families) to their families.
- It is time for MCFD to build on the positive gesture it made in 2020 in regards to the one-time federal Covid payments, and end its discriminatory practice towards children, especially children with disabilities, in its 54.01/54.1 Out-of-Care programs.

As a newly formed society, we appreciate this opportunity to share our concerns with this committee. Our submission only touches on two areas of concern. We look forward to future opportunities to share our stories with you. We believe that we all have a common goal of improving the outcomes of children.

<sup>1,2</sup> *State of Kinship Care in BC* Parent Support Services Society/University of Northern BC research (2020)