



May 1, 2007

170176

Sheila Davidson
Chairperson
Early Childhood Development Roundtable
First Call BC Child & Youth Advocacy Coalition
L416-4480 Oak St.
Vancouver BC V6H 3V4

Dear Ms. Davidson:

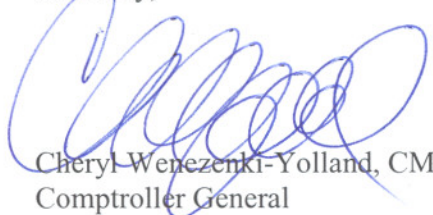
Thank you for your letter of March 13, 2007 on behalf of the First Call BC Child and Youth Advocacy Coalition, regarding funding from the federal government for childcare.

The province received transitional funding of \$86 million from the federal government on the cancellation of the Early Learning and Child Care Initiative (ELCC). The absence of any restrictions on how the funding had to be used required the province to recognize the full amount as revenue in the 2006/07 fiscal year. Under our current legislative framework the Ministry of Children and Family Development does not have the ability to carry forward funding into future years.

Recognition of program expenses in future years would require sufficient budgetary authority in each year to allow the Ministry of Children and Family Development to meet its targets under the Balanced Budget and Ministerial Accountability Act. The planned spending would also require sufficient room in the province's multi year fiscal plan to ensure the province complies with the requirement for balanced budgets in each year.

Providing one time grants to independent child care providers, and organizations delivering programs, allowed the Ministry of Children and Family Development to provide transitional funding to the organizations most effected by the federal government's cancellation of ELCC and invest in programs that support the objectives of early learning and child care.

Sincerely,



Cheryl Wenezenki-Yolland, CMA
Comptroller General

pc: Honourable Carole Taylor, Minister of Finance
Honourable Linda Reid, Minister of State for Childcare

**Ministry of
Finance**

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