

Provincial & Regional Partners:

Aboriginal Mother Centre Society
ACT Autism Community Training Society
Adoptive Families Association of BC
Affiliation of Multicultural Societies & Service Agencies
Alternate Shelter Society
Association for Community Education BC
BC Aboriginal Childcare Society
BC Assoc. for Child Development & Rehabilitation
BC Association for Community Living
BC Association for Play Therapy
BC Association of Child Care Employers
BC Association of Family Resource Programs
BC Association of Pregnancy Outreach Programs
BC Association of Social Workers
BC Council for Families • BC Crime Prevention Association
BC Early Years Alliance • BC Farm Women's Network
BC Federation of Foster Parents Association
BC Government & Service Employees' Union
BC Institute Against Family Violence
BC Pediatric Society • BC Recreation and Parks Association
BC School Trustees Association • BC Teachers' Federation
BC/Yukon Society of Transition Houses
Big Sisters of BC Lower Mainland
Boys & Girls Clubs of BC
Canadian Association for Young Children
Canadian Mental Health Association BC Division
Canadian Red Cross • Capilano Student Union
Caring for First Nations Children Society
Cerebral Palsy Association of BC
Child & Family Counseling Association
Child & Youth Care Association of BC
Child Care Advocacy Forum
Children's & Women's Health Centre of BC
Coalition of Child Care Advocates of BC
Council of Parent Participation Preschools BC
Deaf Children's Society of BC
Dietitians of Canada, BC Region
Developmental Disabilities Association
Early Childhood Educators of BC
East Kootenay Childhood Coalition
Family Services of Greater Vancouver
Federated Anti-Poverty Groups
Federation of BC Youth In Care Networks
Federation of Child & Family Services of BC
Health Officers Council of BC
Infant Development Program of BC
Institute for Safe Schools of BC
International Dyslexia Association, BC Branch
Invest in Kids • Justice Institute of BC
Labour Environmental Alliance Society
Learning Disabilities Association of BC
Literacy BC • McCreary Centre Society
MOSAIC • Nisika Community Services
National Council of Jewish Women
Pacific Association of First Nations Women
Pacific Community Resources Society
Pacific Legal Education Association • PARCA
Parent Support Services Society of BC
Penticton & District Community Resources Society
Public Health Association of BC
Self Help Resource Association of BC
Social Planning & Research Council BC
Society for Children & Youth of BC
Society for Public Education of BC
Society of Special Needs Adoptive Parents
Sunshine Coast Community Services Society
United Way of the Lower Mainland
Vancouver Coastal Health – Population Health
Westcoast Child Care Resource Centre
Westcoast Family Resources Society
Working Group on Poverty • YWCA of Greater Vancouver

Community Coalition Partners: 100 Mile House, Abbotsford, Armstrong, Burnaby, Chilliwack, Delta, Duncan, Fraser North, Golden, Grand Forks, Houston, Kamloops, Kelowna, Langley, Maple Ridge/ Pitt Meadows, Port Alberni, Prince George, Salmon Arm, Smithers, Squamish, Surrey, Terrace, Vancouver, Vernon, Victoria, Williams Lake

January 24, 2008

Rod Monette, Comptroller General
Treasury Board of Canada Secretariat
300 Laurier Ave W
Ottawa, Ontario
K1A 0R5

Dear Mr. Monette:

We are writing to you with several questions regarding federal spending on transfers to provinces and territories related to the now-terminated Bilateral Agreements on Early Learning and Child Care.

The Early Childhood Development Roundtable of First Call: BC Child and Youth Advocacy Coalition www.firstcallbc.org promotes increased public investment in early childhood development, including child care programs, that is accountable for measurably improving services for young children and their families. Given your responsibility for overseeing government spending, and for promoting rigorous stewardship of public funds and value for money, we would request that you please provide the following information:

1. What specific restrictions did the federal government impose on the Province of BC with regards to spending related to this agreement in 2005/06?
2. What, if any, specific restrictions did the federal government impose on the Province of BC with regards to spending related to this agreement in 2006/07?
3. For each of the two years in question (2005/06 and 2006/07), were there differences between the restrictions imposed on BC and those imposed on other provinces and territories (other than Quebec)? If so, please explain.
4. To the extent that these spending restrictions exist, where can the public find this information?
5. What specific restrictions, if any, has the federal government imposed on provinces and territories with regards to spending related to the Budget 2007 child care space transfer (\$250 million)?

By way of background, our membership has requested information from the Province of BC regarding its January 2007 decision to reduce operating funding for child care services in 2007/08 while using \$95.7 million from the above-noted federal transfers on a series of one-time

only grants in 2006/07. We have sought clarification in two areas (see www.firstcallbc.org where all correspondence has been posted).

- Rationale for spending \$95.7 million in one-time only grants (2006/07 fiscal year) - provincial government staff in our Ministry of Children and Family Development initially advised the child care community that federal transfers related to the bilateral agreements had to be spent by March 31, 2007 for accounting reasons. Subsequent attempts to clarify whether this statement actually reflected a provincial government decision or was in fact an accounting requirement have led to a complicated series of correspondence from BC's Comptroller-General. In her most recent correspondence, Ms Wenezenki-Yolland somewhat tangentially describes the accounting and legislative rules surrounding revenue recognition and balanced budgets. While we respect these rules, they did not require the BC government to spend all the transfers in 2006/07. As our Acting Auditor General reminded us "when and how to spend public money is a matter of government policy" (May 1, 2007).

Nonetheless, BC's Comptroller-General also points to the federal government in her explanation. She indicates that the federal government in 2005/06 imposed restrictions on BC, such that the funding could only be used "to provide ongoing programs as stipulated by the agreement." On the other hand, she indicates that in 2006/07, "the federal government did not include any restriction on how or when the revenue was to be used." We have reviewed BC's Agreement-in-Principle on Early Learning and Child Care (September 29, 2005), and do not see a requirement to fund only "ongoing programs," nor have we found documentation in the public realm to suggest that the federal government placed no restrictions on the 2006/07 transfer.

We would appreciate your clarification of this information, as outlined in our questions. With the federal government's commitment to effective public reporting (excerpted below) in mind, we are sure you can appreciate the importance of distinguishing between government policy and contractual/accounting requirements as a foundation for promoting dialogue between citizens and governments.

- Details on \$95.7 million in one-time only grants – the federal government has relied on public reporting with citizen feedback as the key accountability mechanism for federal transfers to provinces and territories for ECD, including child care services. Therefore, we think it is important to advise you of the problems we are experiencing in accessing timely and transparent information from the BC government regarding these federal transfers. For example, since April 2007 we have repeatedly asked the Province to provide details of the \$95.7 million in one-time only grants, but have been told that BC's public report for 2006/07 will not be available until March 2008.

This is not acceptable for several reasons:

1. Under the terms of the Multilateral Agreement on Early Learning and Child Care, public reporting for 2006/07 was due in November 2007. Furthermore, given that BC's 2006/07 public accounts are now released, we think this information should be readily available.
2. In addition, BC's annual public reporting related to child care has not typically included the level of detail we are requesting regarding these one-time only grants.
3. We have followed up with several telephone calls to our provincial Ministry for Children and Family Development trying unsuccessfully (as of January 16, 2008) to access the detailed grant information. We will now request assistance from our provincial Representative for Children and Youth. If that is not successful, we will pursue a Freedom of Information request. We should not have to go to these lengths to obtain this public information.

We agree with the federal government's statement that

Effective public reporting ensures that the public is provided with timely, accurate, clear, objective, and complete information about government policies, programs, services, and initiatives. In the Canadian system of parliamentary democracy and responsible government, the government has a duty to explain its policies and decisions, to inform Canadians of its national priorities, and demonstrate how Canadians will benefit. Information is necessary for Canadians-individually or through representative groups or members of Parliament-to participate actively and meaningfully in the democratic process. (http://www.tbs-sct.gc.ca/rpp/0708/guide/guide01_e.asp#_Toc150759137)

Unfortunately, our experience to date suggests that BC's public reporting related to federal ECD/child care transfers does not support the federal government in meeting these standards. This experience leads us to seriously question the sole reliance on public reporting and citizen feedback as effective accountability mechanisms for federal government spending on these transfers to provinces and territories. We look forward to your prompt reply both to our specific questions and to the broader accountability concerns we have raised.

Yours sincerely,

[original signed by]

Sheila Davidson
Chair, First Call Early Childhood Development Roundtable

Cc:
Ms. M E Turpel-Lafond, Representative for Children and Youth
Hon C. Taylor, Minister of Finance
Hon. T. Christensen, Minister MCFD
Ms. C. Wenenzenki-Yolland, Comptroller General