

NEWS EDITORS - FOR IMMEDIATE RELEASE

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BC's Auditor General denies Minister Reid's claims on child care spending

BC families are the only families in Canada struggling today with funding cuts to the child care programs they rely on. Yet, the BC government would have you believe that they had no choice in the matter – the accountants forced them to spend the last of a federal child care transfer payment by March 31 of this year, and then slash services.

In her attempt to explain why BC is cutting rather than sustaining child care, Minister of State for Child Care Linda Reid recently told the Williams Lake Tribune that “BC would have loved nothing better than to do what some of the other provinces did [and dedicate this federal child care transition payment to support ongoing programs]. But our auditor general said that was not permissible.”

Not so, says the Auditor General, an independent Officer of the Legislature.

Writing in response to First Call's letter to the Minister of Finance which questioned the Province's child care spending practices, Acting Auditor General Arn Van Iersel states that “our Office did not advise the government that they “must” spend the then residual \$86 million of federal funding by March 31, 2007. When and how to spend public money is a matter of government policy, and not an area our Office should or would be involved in. There is no accounting requirement that the federal funds would have to be spent by a certain date.”

The Minister of Finance's own chief accountant confirmed these facts in her letter to First Call on May 1 2007. Noting that the federal child care transition payment had to be included as revenue in 2006/07, Comptroller General Cheryl Wenezenki-Yolland indicates that, as long as the BC budget was balanced, government could have chosen to provide sufficient budgetary authority for ongoing child care programs within its multi-year fiscal plan.

First Call: BC Child and Youth Advocacy Coalition spokesperson Adrienne Montani responds to this news, stating that “BC's families and members of the child care community have had enough of Minister Reid blaming the auditor general and the federal government for her own government's political choices – particularly when her government has more than enough surplus funds available to restore the cuts to child care. With this revelation from the Auditor General, Minister Reid has lost all credibility.”

Montani points out that, in the wake of the Harper government's decision to cut federal transfers for child care services, other provinces are dedicating their transition payments to ongoing support for their child care programs. Some provinces, such as Alberta, have even announced increased funding for staff wages, for example, to address the critical recruitment and retention issues facing the child care sector. But not BC. Instead, the Campbell government rushed the \$86-million in federal child care transfer funds out the door in a dizzying display of one-time-only grants, apparently in time for fiscal year end. Then, BC's government began to decimate the operating funds that hold BC's fragile child care services together.

Montani adds, “To add insult to injury, Minister Reid has further tried to deflect criticism of her child care funding cuts by claiming that BC has actually increased child care funding since last year – meanwhile, her Ministry's cuts to child care programs are proceeding. This claim contradicts her government's own budget documents, among other public reports. Reid's hypocrisy is another slap in the face to the families and child care service providers who are struggling to deal with the funding cuts she is making to programs right now.

“This government has choices,” notes Susan Harney, Chairperson of the Coalition of Child Care Advocates of BC, a First Call partner organization, “unlike the more than 80-percent of BC families who lack access to affordable quality child care.”

“The BC government could have chosen to maintain and even increase funding this year for the almost 80,000 licensed child care spaces and 46 child care resource and referral programs across the province. They could have used the federal funding already in the bank to explain any budget increase needed to sustain these programs over the next four years. That would have been an accountable use of public funds for child care.”

We call on the BC government to stop passing the buck and start taking responsibility for restoring, sustaining and improving funding for child care services for working families and their children in this province,” Harney says.

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