

# The financial reality behind the federal child care spaces initiative: A mismatch of mythic proportions <sup>[1]</sup>

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## AVAILABILITY

- [Brief in pdf](#) <sup>[2]</sup>

Excerpts from the brief:

The current federal government has announced the termination of bilateral agreements on March 31, 2007. Instead of funding child care services in communities, the current federal government has introduced a taxable family allowance and announced an incentive-based child care spaces initiative that they promise will be "flexible enough to meet the needs of all families" and will "work for all sizes and types of employers".

The price tag for this all-encompassing initiative? The federal government's web site indicates a financial commitment of \$250 million each year over the next five years & a veritable bargain by international standards to achieve such far-reaching objectives. But what the web site doesn't clearly say is that this \$250 million annual budget replaces previously committed and dedicated federal funds for child care services of \$1.2 billion, for a net loss of \$950 million.

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[1] <https://childcarecanada.org/documents/research-policy-practice/06/10/financial-reality-behind-federal-child-care-spaces> <sup>[2]</sup>

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