

Is federal child care benefit good use of tax dollars? ^[1]

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EXCERPTS:

By the end of this fiscal year, the Harper government will have spent about \$17.5 billion on the Universal Child Care Benefit.

But nobody knows how parents are actually spending the monthly \$100 benefit that goes to every child under age 6, says a new research paper being released Tuesday.

Ottawa can't say if the money has eased the severe shortage of child care in Canada where more than three-quarters of mothers with young families work and where there are licensed spots for only 21 per cent of kids under age 12.

It doesn't know if the money has made child care more affordable. Nor can the government say if the monthly cheques have helped more parents stay home with their young children, said child care expert Martha Friendly in her report.

In the lead up to Wednesday's federal throne speech, which is rumoured to include more goodies for families, Friendly suggests Ottawa should be accounting for the money it is already spending before promising more.

"Seventeen billion dollars isn't lettuce," Friendly said in an interview. "Canadian taxpayers deserve to know if this money is being spent effectively."

In January 2006, the Harper government tore up child care agreements between Ottawa and the provinces that would have committed \$5 billion over five years, or about \$1 billion a year toward building a national child care system. Annual reporting on how each province spent the federal money was part of those agreements.

But the annual \$2.5-billion Universal Child Care Benefit, introduced in July 2006, carries no such transparency, says Friendly, who heads the Toronto-based Child Care Resource and Research Unit.

"The government billed this as the 'choice in child care benefit,' " Friendly said. "But did it provide choice?"

"Did parents open the cheque and say: 'Now I can afford that child care centre down the road.' Or: 'Now I can afford to stay home,' " she said. "I think it's incumbent upon (Ottawa) to answer that question."

Federal bureaucrats conducted a five-year evaluation of the program in 2011, but Friendly says it was just an account of the program's administrative costs, parents' awareness of the benefit and the number of cheques that were sent.

Friendly notes that since 2006, the population of Canadian children under age 6 has increased along with young mothers' workforce participation. Meantime, growth in licensed child care spaces and quality indicators has slowed.

If Ottawa had put the money toward a national child care program, it would have funded an additional 700,000 spaces at the current average of \$3,615 per space in public spending, she said.

A spokesman for Employment and Social Development Minister Jason Kenney said the Harper government believes "parents know what is best for their kids, not government bureaucrats."

"Every family is different, and a one-size-fits-all model of institutionalized daycare does not provide support to the majority of Canadian parents," Nick Koolsbergen said in an email.

The benefit, which goes to more than two million children annually, has helped lift about 55,000 children out of poverty, he added.

-reprinted from the Toronto Star

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