

Yes, it's a classic boondoggle but surely an \$8 billion expenditure deserves some evidence ^[1]

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Full text:

Probably shouldn't say "we told you so" but last Tuesday a Parliamentary Budget Office (PBO) report confirmed what many have said since 2006: the UCCB cheque through the mail slot isn't child care. The PBO's analysis showed that more than half the "child care benefit" money (most of which is the Universal "Child Care" Benefit) will go to families who don't spend anything on child care.

Moreover, the PBO calculated that these expenditures would reach \$8 billion a year by 2017.

The PBO's most recent report book-ended a PBO analysis on income-splitting, another scheme touted as "family friendly." Income-splitting will benefit only 15 per cent of families, with the affluent making out best but will cost Canadians an additional \$2.2 billion foregone taxes a year.

These reports should raise enormous red flags about how the Conservative government is spending Canadians' money.

Any way you look at it, the amount of money involved is not peanuts. Eight billion dollars a year is an enormous sum for Canadians to be paying out for without any kind of documentation about what it's spent on, what it actually does, and for whom.

The many critics of the UCCB (including me) have heaped valid criticisms on the scheme:

- The \$100/month (expanding to \$160) cheque is a fraction of what most families actually pay for child care so it's unlikely to provide anyone with "choice in child care," as the government's claim goes.
- Although the UCCB is touted as "progressive," its flat across-the-income-spectrum payment ("one size fits all") is of particularly limited use to lower and modest income families who don't already have the cash to pay for child care.
- It has taken much-needed public revenue away from building the high quality accessible child-care system that Canadian families desperately need.
- Or -- it's just vote-buying -- as one parent called it on TV news, "An election lollypop."

One criticism that I haven't heard much, however, is how completely outrageous, profligate and indeed contemptuous of hard-working taxpaying Canadians it is for a government to spend our money on this kind of massive scale when they have no idea what it's being spent on. Is this huge sum meeting any kind of goal or objective? What good is it doing for families and children? Which families? Is it better than something else?

Back before 2006 when my work on child-care policy used to be publicly funded by the federal government, I was required to account for the funds in multiple ways. It goes without saying that I had to show that I actually took the work-related trip I claimed or bought the reference materials. I also had to show that my research outputs met the objectives set out and were well-used and useful. This kind of reporting is (or was) considered to be legitimate public accountability.

Last week, at the Broadbent Institute's Progress Summit 2015, I had the chance to hear some germane comments about public accountability from Monte Solberg who was at one time the Harper government's minister responsible for child care. I was intrigued to hear him say that "it's always time to invest in programs that deliver results, and it's always time to cut programs that don't deliver." "I want to see the evidence that 'it works,'" he said.

Few would deny that the UCCB cheques are welcomed by many young families as they provide an additional \$100/month for those who are cash-strapped, as well as those who aren't.

Yet the specific uses and benefits of this \$8 billion a year program are completely unknown -- it's a black hole to which Mr. Solberg's sentiments about results-based funding haven't been applied.

As the UCCB is such an enormous expenditure, the absence of accountability seems to go way beyond absence of accountability about politicians' spending on orange juice, double-dipping breakfasts after being offended by chilled Camembert or even spending on multiple residences and business trips. Canadian's cynicism about how some politicians spend public money can only get worse in light of the many

cuts that have been made to our public infrastructure in the name of the much-revered balanced budget -- national parks, environmental protection, meat inspection, water quality, government services, and so on -- while at the same time the Conservative government decides to expand its investment in the UCCB -- a program that no one can argue "delivers results" (to channel Monte Solberg).

The expanded UCCB will cost each woman, man and child in Canada an average of \$228 every year. For this we should be asking the federal government to provide at least a modicum of public accountability. What does it "deliver," what does it "work" to accomplish, what are the results? Is this a good use of our huge public outlay?

It's time for the Harper government to produce the evidence.

Region: Canada ^[4]

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