## 2003:01 ACCOUNTABILITY FOR FEDERALLY TRANSFERRED FUNDS

**Whereas:** federal funds transferred to the provinces and territories through the Canada Assistance Plan (CAP) for spending in the areas of health, education and welfare had conditions attached to the funding; and

**Whereas:** since the termination of the CAP agreement in 1995, the federal government has transferred a block of funds to the province and territories through the Canada Health and Social Transfer (CHST), with the general expectation that it would be spent in the areas of health, social welfare and post secondary education, but with diminished expectations for accountability on precisely how the money was to be spent; and

**Whereas:** the Social Union Framework (1999) called for public accountability by the provinces for the use of transfer funds but did not establish a mechanism for the accountability to take place; and

**Whereas:** in 1989 the House of Commons passed a resolution to eliminate child poverty by the year 2000 and in pursuit of this goal the federal government introduced the National Child Benefit System, but these benefits continue to be clawed back from families on social assistance in eight of the provinces and territories, in spite of the fact that families on social assistance are the lowest income group below the poverty line; and

Whereas: the federal government, influenced by the Mustard-McCain Report on Early Childhood Development (Ontario), directed 2.2 billion to a five year federal/provincial initiative for investment in this area, but did not require that any of it be spent on licensed child care, the most significant source of early childhood development for pre-school children; and

**Whereas:** in 2001 the federal government allocated to the provinces \$1 billion for the purchase of much needed medical diagnostic equipment but according to a recent CMA Report only 60% of this money went towards the purchase of new health technology and diagnostic imaging machines, the remainder going for other purposes; and

**Whereas:** the federal government allocated \$753 million for capital grants under its three year Federal Homelessness Initiative but placed no requirement that the provinces design their programs to target the homeless through subsidies and further, in making the agreement with Ontario, violated the terms of its 2001 framework agreement with the provinces; therefore be it

RESOLVED: that the National Council of Women of Canada adopt as its policy that federal government transfers to the provinces and territories adhere to the principle of accountability for public money by requiring that the money so transferred be used for the purposes for which it is intended; and be it further

RESOLVED: that the National Council of Women of Canada urge the Government of Canada to ensure that, in any future financial agreement or renewal of a current agreement, money transferred from the federal government to the provinces and territories be used for the purpose intended, through placing clear requirements on how this public money is to be used; and developing mutually agreed-upon mechanisms to monitor the use of these funds and establishing clear mechanisms for annual reporting to the public.