

# **Pre-Budget Submission 2017:**

Strengthening the foundations of community

July 2016



#### **Executive Summary**

For more than 160 years, YMCAs have been at the centre of communities across Canada helping people of all backgrounds, ages and abilities live engaging, healthy lives. Every day, YMCA members, volunteers, and staff work toward building a Canada that lives the values we share. Together we work toward a Canada that demonstrates leadership in improving the health of all people and respect for diversity and pluralism; a Canada that combats inequality and protects the most vulnerable; and a Canada that promotes global citizenship and nurtures the potential of young people.

The Standing Committee on Finance's 2017 pre-budget consultations reinforce the priorities of the Government of Canada and provide an opportunity to outline areas of common direction where the YMCA is providing leadership to Canadians, to communities, and as employers driving economic growth.

Our three part plan for building a healthier Canada helps children and their families get off to their best start; supports teens and young adults to make that important transition from school to work; and creates social and physical environments where strong, supportive networks and a sense of belonging are built. In doing so, we contribute not only to economic growth but to an inclusive social fabric.

#### **Consultation Questions**

What federal measures would help **Canadians** Generally — and such specific groups as the unemployed, Indigenous peoples, those with a disability and seniors — maximize, in the manner of their choosing, their contributions to the country's economic growth?

# Early Learning and Child Care

According to Statistics Canada, dual income families now account for nearly 7 in 10 families with children<sup>1</sup>. The advocacy organization, Generation Squeeze, illustrates the challenges facing young families today:

"as younger Canadians try to make a life for themselves, they are increasingly squeezed by stagnant incomes and difficulty finding good jobs, high costs for things like housing and child care, too little time at home and mounting debts (including public debts like climate change). These pressures combine to form a multi-faceted "squeeze" on those in their 20s, 30s and 40s".<sup>2</sup>

For Canadians with young children to participate fully in the economy, they need to know that their children are in safe, developmentally appropriate care and learning environments while they work or study. Public investment in initiatives such as a national early learning and child care system can have a transformative effect; building the economy, supporting families, and helping children get off to their best start. Investing this way benefits all Canadians today and long into the future. And so, YMCA Canada was pleased to see this government's commitment to beginning work and investment on a new National Early Learning and Child Care Framework.

<sup>&</sup>lt;sup>1</sup> Statistics Canada. *The rise of the dual-earner family with children*. <u>Canadian Megatrends</u>. May 30, 2016. http://www.statcan.gc.ca/pub/11-630-x/11-630-x/2016005-eng.htm.

<sup>&</sup>lt;sup>2</sup> Kershaw, Paul and Swanson, Eric. The Squeeze: Fast Facts for Canada's Newly Elected MPs. Generation Squeeze. 2015. https://d3n8a8pro7vhmx.cloudfront.net/gensqueeze/pages/136/attachments/original/1446686507/GS Fast Facts for New MPs 20 15 Oct 30.pdf?1446686507. 2.

We believe that the best child care system to support the healthy development of children is one that includes high-quality, licensed, accessible, and affordable programs that provide families with a mix of child care choices. Providing widespread access to such programs – led by qualified early learning professionals - gives children the opportunity to thrive, grow and succeed throughout their lives and for families to be well supported. Our position stems from decades of experience as Canada's largest not-for-profit provider of licensed child care, serving more than 72,400 children from coast to coast.

#### **Recommendations:**

- The National Early Learning and Child Care Framework and its related investments should have as its goal that every family in Canada who needs a child care space should have access to one.
- A system of high quality, accessible and affordable child care gives children the opportunity to thrive, grow and succeed throughout their lives. A national framework is an opportunity to embed those principles as our national approach.
- The YMCA has the expertise needed to understand both what families and caregivers need, what
  children need, and how high-quality early learning and child care organizations can meet the needs of
  both in a sustainable manner. We respectfully call for on-going stakeholder inclusion throughout the
  development and implementation of the national framework.

# Youth Skills Training and Employment

The Liberal Party's platform made a strong commitment to teens and young adults with an entire section on "Opportunities for Young Canadians" and the Prime Minister subsequently reinforced that priority by adding responsibility for youth to his portfolio as Minister of Intergovernmental Affairs. Indeed, Budget 2016 made a good start in fulfilling those commitments. The investment in the Youth Employment Strategy and Canada Summer Jobs, in particular made an immediate and meaningful difference in lives of thousands of young people.

According to Statistics Canada, our nation's youth unemployment rate was 13.4% in March 2016, further evidence that Canada's vigilance on this issue is necessary. Tackling this challenge is clearly going to need a multi-sector approach that includes and respects the voice of young people themselves. The education system including post-secondary institutions, employers in all sectors, government, youth-serving organizations all have a role to play. Dr. Patricia Buckley of Deloitte provides perspective on the challenge:

"...if young adults' current high unemployment rate follows them across their work lives, funding retiree pensions and health care may be even more challenging than otherwise, as those with lessened prospects for income will be asked to support an ever-growing number of retirees... High youth unemployment amid an aging population is a transatlantic phenomenon, affecting not only the United States but also Canada and most of the countries in the European Union..."

As an employer and as a service provider, the YMCA helps young people be leaders, succeed at school and work, have stronger community ties, develop healthier lifestyles, make a commitment to community service, and adopt a set of positive values on which to build their lives.

<sup>&</sup>lt;sup>3</sup> Dr. Patricia Buckley. *An unbalanced age: Effects of youth unemployment on an aging society*. <u>Issues by the Numbers</u>, April 2015. Deloitte University Press. <a href="http://dupress.com/articles/effects-of-youth-unemployment-us/">http://dupress.com/articles/effects-of-youth-unemployment-us/</a>.

We believe developmentally appropriate wrap-around service provision and a no wrong door approach best serves the needs of young people. By eliminating barriers such as the need to travel to multiple service providers, young people increase their trust, their skills, and their connections for healthy outcomes. Our approach comes to life through signature YMCA employment services, education and training programs, immigrant services, and housing. Many of these programs and services are funded by Employment and Social Development Canada, by Canadian Heritage, and other still as part of the federal-provincial labour market and labour market development agreements.

### Recommendation:

- Work with proven youth specialists like the YMCA to:
  - Expand national programs that enable young Canadians to acquire the skills and experience they need to meet the needs of a knowledge-based and green economy;
  - To develop the Prime Minister's new Youth Service Program; a unique opportunity to bring a global approach to youth exchange, internship, and civic engagement; and
  - To ensure that the refreshed Youth Employment Strategy that results from the Expert Panel on Youth Employment meets the needs of both young people and employers.

What federal actions would assist **Canada's Businesses** — in all regions and sectors — meet their expansion, innovation and prosperity goals, and thereby contribute to economic growth in the country?

# The role of Canada's charitable and not-for-profit sector

The Government of Canada has had several recent strategies designed to better support the relationship between the charitable and not-for-profit sector and the government. Incremental change has been made in this area but we can, and should, keep working on it. In its 2015 position paper: A Federal Economic Agenda for Ontario, The Mowat Centre at the University of Toronto perhaps said it best:

"Innovation and productivity growth must be thought of in broader terms, beyond the contribution of private sector firms. The not-for-profit (NFP) and charitable sector is one of the largest economic sectors in Ontario and in Canada, employing over 11.1 per cent of the Canadian labour force and contributing 8.1 per cent to the national GDP. Given its size and importance to the economy, the same foundational structures needed to foster innovation and accelerate productivity in the private sector need to be adopted for NFP organizations."

The government's recent announcements reinforcing charitable sector eligibility for social infrastructure investments through the New Building Canada Fund was an important illustration of steps in the right direction. Further changes in the regulatory and legislative environment to foster innovation and accelerate productivity including multi-year cost recovery funding, a shared commitment to transparency, and continuous improvements of administration, can only strengthen our sector's ability to contribute to the Canadian economy.

<sup>&</sup>lt;sup>4</sup> Dragicevic, Nevena. *A Federal Economic Agenda for Ontario*. Mowat Centre. School of Public Policy and Governance University of Toronto. May 2015. <a href="https://mowatcentre.ca/wpcontent/uploads/publications/FederalEconomicAgendaForOntario.pdf">https://mowatcentre.ca/wpcontent/uploads/publications/FederalEconomicAgendaForOntario.pdf</a>. 28.

#### Recommendation

- Explore opportunities to foster innovation, productivity, and growth in the charitable and not-for-profit sector given its size and importance to the economy
- That government departments commit to multi-year funding that recognizes the true cost of program delivery and evaluation, acts in a manner that reflects a shared commitment to transparency, and values continuous improvement of administrative processes.

WHAT FEDERAL MEASURES WOULD ENSURE THAT URBAN, RURAL AND REMOTE **COMMUNITIES THROUGHOUT CANADA** ENABLE RESIDENTS TO MAKE THEIR DESIRED CONTRIBUTION TO THE COUNTRY'S ECONOMIC GROWTH AND BUSINESSES TO EXPAND, PROSPER AND SERVE DOMESTIC AND INTERNATIONAL CUSTOMERS IN ORDER TO CONTRIBUTE TO GROWTH?

# Social Infrastructure

An ever-evolving body of evidence shows us how having a sense of belonging contributes to improvements in the social determinants of health, educational development indicators, civic engagement and other widely accepted dimensions of social and personal well-being. Healthy social, cultural and physical environments play an important role in that outcome. With a return on investment lens on, a review of the evidence by the Public Health Agency of Canada found that

"...investing in actions that aim to reduce health inequalities may also be economically justifiable, insofar as improving the health status of currently disadvantaged individuals and groups would enable them to pursue more fully their human, economic, and social potentials, and in doing so mitigate (in part or in full) the initial costs of those investments." <sup>5</sup>

The YMCA is committed to providing Canadians across the country with access to health promoting social infrastructure. Our wrap-around approach provides access to a wide variety of resources and services in an environment that builds a sense of belonging and supports the healthy development of children and youth. But we cannot create these environments on our own. Governments, foundations, corporations, and individuals all help us do that. Indeed, we thank the government for their recent expansion of the New Building Canada Fund Provincial-Territorial Infrastructure Component investment categories to include a broader definition of social infrastructure and also for the expansion of the Canada 150 infrastructure program. It is an important signal for the direction of the new long-term infrastructure plan to come.

The New Building Canada Fund currently prioritizes refurbishment and expansion of existing assets over creating new ones. While YMCAs across Canada are in the midst of significant facility revitalization, we are also aggressively trying to close the infrastructure gap in communities across Canada by investing an estimated \$571 million over the next 4 years in 19 new YMCA facilities. Our projects feature multi-sector partnerships including municipalities, provinces, the federal government, indigenous communities, charities and not-for-profit organizations, and the private sector. Our ability to get these projects off the ground and open their doors is hindered by a funding gap of approximately \$134 million. New YMCA projects requesting federal funding support in FY2017/18 include:

<sup>5</sup> Ball, J., DesMeules, M., Kwan, A., Jacobsen, L., Luo, W. and Jackson. Investing in prevention the economic perspective: Key Findings from a Survey of the Recent Evidence. Strategic Initiatives and Innovations Directorate. Public Health Agency of Canada. May 2009. http://www.phac-aspc.gc.ca/ph-sp/pdf/preveco-eng.pdf . 17.

| YMCA Member Association | Project Name           | Type of Social Infrastructure | Funding Request |
|-------------------------|------------------------|-------------------------------|-----------------|
| YMCA of Okanagan        | Glenmore YMCA Centre   | Early Learning & Child Care   | \$700,000       |
| YMCA of Newfoundland    | Placentia Pool/YMCA    | Recreation                    | \$1,000,000     |
| and Labrador            |                        |                               |                 |
| YMCA of Newfoundland    | Labrador Wellness      | Culture, Recreation           | \$7,334,000     |
| and Labrador            | Centre/YMCA            |                               |                 |
| YMCA of Greater         | Halifax John Lindsay   | Recreation, Family            | \$5,000,000     |
| Halifax/Dartmouth       | YMCA Centre            | Development                   |                 |
| YMCA of Greater Toronto | Vaughan Metropolitan   | Early Learning & Child Care,  | \$14,700,000    |
|                         | Centre YMCA Centre     | Recreation                    |                 |
| YMCA of Hamilton/       | Brantford Laurier YMCA | Seniors, Recreation           | \$4,000,000     |
| Burlington/Brantford    | Centre                 |                               |                 |
| YMCA of Western Ontario | Windsor-Essex YMCA     | Recreation                    | \$4,150,000     |
|                         | Centre                 |                               |                 |

# Recommendations

- The government sets aside a specific allocation of resources for the development of new social infrastructure in fiscal year 2017/18 and in the long-term infrastructure plan.
- The government ensures that charities and not-for-profit organizations are eligible for federal infrastructure programs.
- That charities and not-for-profit organizations are engaged as stakeholders during the design of the new long-term infrastructure plan.

# **CONCLUSION**

The YMCA has a long history in Canada, longer than Canada itself. We provide transformative programs and services, share knowledge and learn from others; develop leaders; create community; and advocate for healthy public policy. Investing in healthy individuals and communities is an investment in economic growth.

We firmly believe there are ample opportunities for our organization to collaborate and partner with the Government of Canada on the issues we have outlined going forward. We look forward to working with you and would be happy to meet to discuss any of these recommendations further.

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