



Public Service Alliance of Canada  
Alliance de la Fonction publique du Canada

---

**Public Service Alliance of Canada**  
**Submission to the House of Commons**  
**Standing Committee on Finance**  
**2022 Pre-budget consultations**  
**August 2021**

# Public Service Alliance of Canada Submission to the House of Commons Finance Committee: 2022 Pre-budget consultations

## Recommendations for a just recovery

### Public services

- Boost the federal public service so that it has the human capacity and resources to advise, evaluate, plan, develop and deliver the policies and programs required to tackle the social and economic gaps highlighted by the COVID-19 pandemic and strengthen its capacity to provide essential public services.
- Work with federal bargaining agents as much as possible and through all possible forums to ensure that new post COVID working conditions are respectful of the rights and health of workers.
- Reject any austerity measures to cut or eliminate federal public services or to reduce the number of public service workers.
- Reject efforts to contract out new public service work and instead work with bargaining agents to increase staffing to necessary levels to deliver new or enhanced services.
- Bring into the public service the work that has been contracted out, including, but not limited to: civilian work with DND (Department of National Defence) call centre work through 1-800-O-Canada, ESDC (Economic and Social Development Canada), SSC, CRA (Canada Revenue Agency), facility management work across departments and others.
- Reject the concept of social impact bonds and provide robust public, fully funded social services with enough longevity that providers, and the people they care for – the most marginalized – can plan for success.
- Implement a tax on extreme wealth so that the fiscal burden of the pandemic crisis is fairly shared.
- Institute an excess profit tax targeted at companies and individuals profiteering from the pandemic.

- Close tax loopholes and ensure CRA has the support and funding to enforce the rules.

## **Social infrastructure investment**

- Create a National Action Plan against Racism and Anti-Black Racism to accompany the national Anti-Racism Strategy, with the necessary funding, resources and concrete strategies with actionable goals, measurable targets and timetables.
- Increase funding for the federal Anti-Racism Secretariat and remove it from Heritage Canada.
- Increase funding for the Canadian Human Rights Commission to address racism issues.
- Mandate the federal government and provinces to undertake a racial, gender, sexual orientation, ableism, and social-economic intersectional review of all COVID-19 emergency measures and end all civil liberties restrictions.
- Mandate the collection of data disaggregated by race and other sociodemographic identities to better measure and understand the impact of government policies, programs and practices on Indigenous, Black, and other racialized peoples in these key areas: the labour market, economic inequality and poverty; criminal justice system and access to justice; child welfare; environment; health and mental health; housing; social and cultural benefits; education; refugee protection, immigration (including migrant workers and international students); citizenship; media, social media and mass communication.
- Ensure the Employment Equity Act Review Task Force is given sufficient time for meaningful consultation with all stakeholders, particularly from federal bargaining agents, throughout the process. Needed reforms include strengthened accountability and enforcement measures; updated terminology; revision of the Federal Contractors Program eligibility requirements to include the LGBTQ2+ group and the attachment of employment equity measures through community benefits agreements on all federal investment and recovery programs, equitable access by racialized groups and other underrepresented groups to any new jobs created and the collection of desegregated data.
- Mandate gender-based analysis plus (GBA+) in policy and program development in all facets of the pandemic response.

- Provide sufficient funding to eliminate barriers identified in plans developed under the Accessible Canada Act Regulations.
- Invest in stronger social infrastructure, workplace policies and benefits that afford people the flexibility and support to meet their family responsibilities.
- Develop an intense program and plan with timelines to combat anti-Indigenous racism and fulfill the commitment to carry out all 94 recommendations of the Truth and Reconciliations Commission's final report.
- Provide adequate funding to Indigenous women's organizations, including the Native Women's Association of Canada, to develop an Indigenous-led national action plan to end the violence and implement the 231 Calls for Justice in the report of the National Inquiry into Missing and Murdered Indigenous Women and Girls.
- Develop a comprehensive, appropriately resourced National Action Plan to prevent and combat all forms of violence against women, grounded in an intersectional feminist analysis.
- Implement income security reform and design future income supports that reflect diverse women's economic needs and experiences, including an overhaul of the Employment Insurance program.
- Maintain the government's commitments to early learning and childcare (ELCC) spending and continue negotiating funding agreements with the provinces and territories to provide regulated, affordable, inclusive, culturally safe, flexible, high quality ELCC.
- Put in place adequately resourced federal funding to support the construction of publicly owned childcare facilities/assets and fund childcare operations according to a formula that factors in proper and fair compensation for staff, other operational costs, and affordable parent fees by the province/territory aligned with federal reduction goals.
- Provide sufficient funding to ensure our health care system remains publicly funded, publicly delivered, based on need and available and accessible on a non-discriminatory basis by addressing existing barriers facing Indigenous, Black, racialized, LGBTQ2+ and disabled peoples.
- Implement a universal, single-payer public pharmacare program including a comprehensive drug formulary with a commitment to people before patents approach.

- Boost funding to ensure a robust compliment of Labour Program inspectors who can proactively inspect for labour code violations as well as respond to complaints.
- Implement the recommendations of the [HUMA Report on Precarious Work](#) from June of 2019.

## Physical infrastructure investment

- Restructure the Canada Infrastructure Bank to invest in infrastructure projects that are publicly owned and operated, in order to address the deficits in roads, bridges, transit systems, electricity infrastructure, internet, water treatment and related systems, with a focus on Indigenous communities, without the use of private-public partnerships. Social infrastructure investments must provide the criteria for choosing which physical infrastructure projects to fund.

## Research funding

- Fully implement the recommendations of the 2017 Naylor report to support vital publicly funded and owned research.

## Post-secondary funding

- Work with the provinces and territories to develop a shared vision for a renewed post-secondary education system and commit to a plan for education and lifelong learning for all.
  - Boost direct federal funding for post-secondary education through the transfer to the provinces by a minimum of \$3 billion, ensure that funding keeps up with inflation and enrolment growth, and require accountability and transparency for federal funding.
  - As a first step towards affordability, eliminate interest on federal student loan debt permanently, move to a 50-50 funding model for grants and loans, and replace the Canada Education Savings Program and Tuition Tax Credit with direct funding for student grants.
  - Increase funding for Indigenous post-secondary education by a minimum of \$650 million annually to eliminate the gap in post-secondary attainment between Indigenous students and non-Indigenous students, and to invest in the development and expansion of culturally appropriate Indigenous post-secondary education systems and models.

## Phoenix funding

- Continue to provide sufficient long-term funding dedicated to eliminating the backlog of 100,000 unresolved pay problems, stabilizing the Phoenix pay system, and properly developing, testing and launching a new pay system.

## Public services

COVID-19 reminded us of the important role played by government and the public service. It has underlined the damage that has been done by years of underinvestment in public services and a growing disregard for the values underlying public service.

The pandemic has shown that the public service can create policy and deliver programs quickly and effectively if allowed to do so. Public service workers quickly embraced new work, implemented unprecedented programs, processed millions of applications and worked on multiple support measures for businesses and individuals.

The government's budget must continue to address the inequities exposed and exacerbated by the pandemic. It needs to fund a public service that can support a broad program of reconstruction to create a more resilient Canada. It must allocate the necessary resources for essential services that must either be provided by the public sector or regulated by the public sector in a way that ensures their essential nature is preserved – essential services such as food, water, income, health care and education security. The recovery from this pandemic cannot depend on the whims of private investors or charities.

Federal public service jobs are strong economic drivers. As services are added to the system, it is imperative that they be provided by public service workers, and not private contractors. Services that are currently contracted out, including but not limited to, civilian defence work, call centres, facility management, should be brought back into the public service as soon as possible.

COVID-19 has radically transformed the working conditions and working environment of federal public service workers. The government must plan and fund changes to systems and equipment to ensure that the rights and health and safety of those workers are maintained, in consultation with federal bargaining agents.

## **Social infrastructure investment**

The pandemic has exposed and deepened Canada's long-standing systemic economic, social and health inequities with its disproportionate impact on Black, racialized and Indigenous individuals and communities.

Indigenous, Black and other racialized people continue to encounter systemic barriers in the health care system and major inequalities in employment and education. Indigenous women, women with disabilities, those with precarious immigration status, Black and racialized women and members of the trans and nonbinary community face even greater challenges, including the risk of losing decades of hard-won gender gains. As a society, we cannot simply return to the pre-pandemic status quo when we have an opportunity to address systemic inequality. The government must prioritize funding our social infrastructure.

## **Infrastructure investment**

The COVID-19 pandemic has taught us that our public services, at all levels of government, are the backbone of support for Canadians in crisis situations like this. After decades of underfunding local infrastructure by consecutive governments and systemic neglect of Canada's responsibilities to Indigenous communities, there are critical deficits across the country.

The Canada Infrastructure Bank (CIB), sold to Canadians as a means to publicly fund infrastructure projects, is actually a vehicle to privatize Canada's critical infrastructure through the use of public-private partnerships (P3s). Municipalities and provinces can only access CIB funds if they partner up with the private sector.

The government's commitments to creating new green infrastructure must be public jobs as much as possible and provide decent salaries for the one million workers that these new initiatives are expected to employ.

## **Research funding and post-secondary education**

Never has it been more important to invest in Canada's capacity to engage in foundational and applied research and to ensure that full research and science capacity exists in the country. The lack of ability to produce vaccines at this critical moment in time is a clear signal that Canada cannot be dependent on other nations for either research or production.

Governments at all levels have chronically underinvested in our universities and colleges. Laurentian University's financial crisis is a clear example of the failure of the present funding model. Accountability and public funding are needed to reverse the cuts and make sure collegial governance is strengthened to prevent the kind of financial mismanagement that leads to insolvency.

Precarious work among post-secondary workers has become more and more common, making it more difficult for them to provide the highest quality education and services to students, or to engage in the top-level research necessary to secure Canada's place as a research and innovation leader. Access to education is out of reach for many students, particularly low-income, racialized, Black and Indigenous students, and students living with disabilities. Students are burdened with years of debt.

## **Child Care**

While a number of childcare agreements have been negotiated, the federal government must continue to use its spending power to convince the remaining provinces and territories to collaborate on building a Canada-wide, community-based system of quality child care.