# Written Submission for the Pre-Budget Consultations in Advance of the Upcoming Federal Budget by Oxfam Canada

August 4, 2023



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## Oxfam Canada's Recommendations for Federal Budget 2024

Recommendation 1: That the government create an independent long-term Sustainability Fund for women's and gender justice organizations in Canada, developed in consultation and collaboration with national, domestically focused feminist organizations. Such a fund would provide stable, predictable core funding to women's and gender justice organizations in their work to advance equality and achieve the realization of human rights across Canadian society.

Recommendation 2: That the government increase the international assistance envelope by \$1.2 billion in new and additional funding above 2021-22 levels to reduce global inequality and promote a more stable and prosperous global economy. Such investments will allow Canada to maintain our existing international commitments to tackle the global hunger crisis, fight climate change and uphold sexual and reproductive health and rights – while also investing in new initiatives to promote women's voice and leadership and respond to new and emerging humanitarian crises.<sup>i</sup>

Recommendation 3: That the government allocate at least \$20 million per year in international assistance programming that advances the human rights of LGBTQ+ people internationally. This would roughly be 0.3% of total aid spending, bringing Canada in line with other leading donor countries supporting LGBTQ+ human rights internationally, such as the Netherlands and Sweden. With the rise of anti-LGBTQ+ legislation and hatred in many parts of the world, this is the moment for Canada to show leadership.<sup>II</sup>

Recommendation 4: That the government increase climate finance to low-income countries, in line with Canada's fair share of financial capacity and in line with our historic responsibility for carbon emissions. New and additional funding is needed to enhance Canada's current five-year international climate finance package, with an emphasis on providing more grants to low-income countries for climate adaptation and making a significant financial contribution to the new Loss and Damage Facility at the United Nations.

**Recommendation 5: That the government introduce a permanent wealth tax on the richest Canadians immediately.** This tax should be at least at 2 per cent for wealth over \$5 million, 3 per cent for wealth over \$50 million and 5 per cent for wealth over \$1 billion.<sup>iii</sup>

Recommendation 6: That the government introduce a 15 per cent windfall tax for companies in all sectors that generate oversized profits due to crises, such as pandemics or global spikes in food and energy prices. The government should also raise the federal corporate tax rate to 20 per cent from 15 per cent to ensure Canadian corporations pay their fair share.

**Recommendation 7: That the government establish a National Care Economy Commission with \$30 million of funding over 3 years**, tasked with designing and implementing a holistic strategy that recognizes care as a human right, combats gender norms surrounding care work and builds a robust system to provide child, disability, health and elder care. This has already been recommended by the Standing Committee on the Status of Women, and pursuant to Canada's obligations as a member of the Global Alliance for Care.

Recommendation 8: That the government expand non-profit and publicly owned early learning and child care with an additional \$10 billion to the existing Infrastructure Fund to build out physical

facilities required to create 250,000 new quality and inclusive spaces by March 31, 2026, as outlined in the Government of Canada's \$10-a-Day child care plan. The government should also develop a workforce strategy for child care workers that ensures adequate compensation and dignified working conditions in partnership with childcare workers and organizations.

Recommendation 9: That the government provide targeted funding to support people and groups who have been historically under-represented in Canada's energy sectors (such as Indigenous peoples, women, immigrants, racialized people, people with disabilities) to find green jobs in the renewable energy or energy conservation sectors. The energy transition presents an opportunity to centre Indigenous Peoples' human rights and the rights of marginalized women in the Sustainable Jobs agenda by creating an equity and inclusion green jobs strategy.

Recommendation 10: That the government invests in a strong workforce development strategy that explicitly recognizes care work and infrastructure under the Sustainable Jobs plan to create care economy jobs that are high quality, green and contribute to community resilience. Canada's care strategy and climate action must come together in the Sustainable Jobs agenda.

## Supporting the Most Vulnerable in a World of Multiple Crises

The combined impacts of climate change, spiking food and energy price inflation, and ongoing and worsening conflict are wreaking havoc on the world's most vulnerable people. Women and gender diverse people living in poverty, who have contributed least to these crises, are among the worst impacted. The deteriorating global situation has set progress towards achieving gender parity back by a whole generation. VII

Budget 2024 is Canada's opportunity to fight social and economic inequality that threaten the fabric of our society and our shared prosperity. By supporting marginalized peoples to defend their rights and tackle these intersecting crises, the federal government can turn this moment of crisis into an opportunity for transformation.

#### **Fighting Inequality and Countering Hate**

Budget 2024 can help build a more equal, stable and secure world by countering inequality and supporting marginalized people – such as women, 2SLGBTQ people, Indigenous peoples, racialized people, immigrants, people with disabilities – who make up the majority of the world's poor and face the greatest social and economic barriers.

Extreme inequality, aggravated by the unprecedented climb of food and energy prices, is wreaking havoc on the world's most vulnerable people. Oxfam estimates that 263 million more people were pushed into extreme poverty in 2022. Viii Combatting inequality at the global level means investing more, not less, in our feminist approach to international assistance for low- and middle-income countries. Budget 2024 should increase the international assistance envelope by at least \$1.2 billion to fulfil the government's promise of annual increases and reverse the cuts imposed in last year's budget. Life-saving humanitarian assistance is needed more than ever.

We are witnessing the rise of interconnected anti-rights movements – anti-women, anti-trans, anti-abortion, anti-feminist, anti-democratic, etc. – and attacks on women's rights, 2SLGBTQ rights and

gender equality. The growth in far-right misogynistic attitudes and movements is provoking growing hatred against migrant trans women, trans women of colour and trans sex workers most at risk. Exports of in-person and online attacks, intimidation, threats and harassment against woman politicians are also growing. Such acts are a form of backlash against women's rights and feminist movements and are intended to keep women and gender-diverse people out of positions of power. They pose a serious threat to our democracy and gender equality.

Women's and 2SLGBTQ movements in Canada and other countries need resources to reverse the gender equality setbacks of the pandemic and defend their rights in the wake of hateful movements. Budget 2024 presents an opportunity for the government to create long-term funding streams for women's rights and gender justice organizations operating in Canada. Strengthened movements to defend rights, promote inclusion and reduce inequality will be a lasting legacy of the government's feminist agenda.

### **Building a Fair Economy for All**

The soaring cost of living is making it harder for households to afford basic essentials and is requiring workers to put in long working hours, often at more than one job. Low-income Canadians in particular struggle with a cost-of-living crisis and housing crisis while Canada's biggest corporations are reaping record level profits and not paying their fair share of taxes. In 2021, corporations enjoyed their lowest ever recorded income tax rate, despite having their third highest recorded profit rate, thanks in part to over \$100 billion in federal pandemic support. Canadian corporations pay so little tax that less than one week of revenues covered all their income taxes for the entire year in 2022.xi

Meanwhile, public services that benefit all Canadians – such as health care, disability care, long-term care, education and public transit – remain dramatically underfunded. Daily tasks that keep our society and economy running – such as cooking, cleaning, laundry, family planning, child rearing, elder care and caring for people with disabilities – are disproportionally done by women. For hundreds of thousands of women in Canada, there is no escape from the constant of care work.

In Canada, care workers make up nearly one fifth of the total employed labour force. Xii Yet, the paid care sector is characterized by low wages, low status and poor working conditions. Burnout among paid care workers has spiked since the onset of the pandemic, and many workers are leaving the sector as a result. Xiii

Budget 2024 should respond to our current economic crisis by investing in the people who keep our society strong and resilient. Expanding the care economy and the public and emergency services on which Canadians depend should be a core priority. Establishing a National Care Economy Commission can identify current gaps, recommend solutions and best practice, and direct federal investments in a strategic manner. To pay for the essential services on which we all depend, the federal government should raise new public revenues by implementing a wealth tax on the super-rich and windfall taxes on large corporations who are reaping super-profits.

The government should also be coordinating its investments in the care economy with its sustainable jobs agenda. A just energy transition presents a unique opportunity and avenue to promote gender equality and inclusiveness in the world of work. *The Sustainable Jobs Act*, Bill C-50, mentions "the creation of employment opportunities for groups underrepresented in the labour market, including women, persons with disabilities, Indigenous peoples, Black and other racialized people, 2SLGBTQIA+,

and other equity seeking groups."xiv Clearer guidelines and regulations will be required to ensure women, care workers and Indigenous peoples' human rights are upheld. Sustainable jobs legislation will require significant investments into a strong workforce development strategy that explicitly recognizes care infrastructure in the jobs plan that are high quality, green and contribute to climate resilience. Canada's care strategy and climate action must come together in the sustainable jobs agenda.

To learn more about Oxfam Canada's recommendations for Federal Budget 2024, please contact Diana Sarosi, Director of Policy and Campaigns: diana.sarosi@oxfam.org

Oxfam Canada acknowledges the historical and ongoing oppression and colonization of Indigenous Peoples, cultures and lands in what we now know as Canada. We commit to acting in solidarity with First Nations, Inuit and Métis peoples in their struggles for self-determination and decolonization. Oxfam Canada's offices are located on the unceded, unsurrendered traditional territories of the Anishinabe Algonquin peoples. As settlers on these lands, we commit to walking in solidarity with our host nation and according to Oxfam's values of equality, empowerment, solidarity, inclusiveness, accountability and courage.

<sup>&</sup>lt;sup>1</sup> Cooperation Canada. (2023). Written Submission for the Pre-Budget Consultations in Advance of Federal Budget 2023. <a href="https://cooperation.ca/written-submission-for-the-pre-budget-consultations-in-advance-of-federal-budget-2023/">https://cooperation.ca/written-submission-for-the-pre-budget-consultations-in-advance-of-federal-budget-2023/</a>

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<sup>&</sup>lt;sup>iv</sup> Oxfam Canada. (2023). *How Much Do We Care? An Assessment Of The Canadian Paid And Unpaid Care Policy Landscape*. https://www.oxfam.ca/publication/how-much-do-we-care

<sup>&</sup>lt;sup>v</sup> Parliament of Canada. (2021). Women's Unpaid Care Work: Report of the Standing Committee on the Status of Women.

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<sup>\*</sup> M.L. Krook. (2020). *Violence against Women in Politics*. <a href="https://doi.org/10.1093/oso/9780190088460.001.0001">https://doi.org/10.1093/oso/9780190088460.001.0001</a> D.T. Cochrane. (2022). *January 7th is Corporate Income Tax Freedom Day 2022*. <a href="https://www.taxfairness.ca/sites/default/files/2022-06/report-january-7th-is-corporate-imcome-tax-freedom-day-canadians-for-tax-fairness-jan-2022.pdf">https://www.taxfairness.ca/sites/default/files/2022-06/report-january-7th-is-corporate-imcome-tax-freedom-day-canadians-for-tax-fairness-jan-2022.pdf</a>

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