

Budget 2021: **Delivering A Just Recovery**

Submission to the Standing Committee on Finance Pre-Budget Consultations August $2020\,$

Summary of Recommendations

Citizens for Public Justice (CPJ) recommends that the federal government adopt the following principles to guide the development of Canada's COVID-19 Just Recovery Plan:

- 1. The Six Principles of a Just Recovery: put health and well-being first; strengthen the social safety net; prioritize the needs of workers and communities; build resilience to prevent future crises; build solidarity; and uphold Indigenous rights.
- 2. Intersectionality: apply an intersectional gender-based analysis (GBA+) to the development, implementation, and evaluations of all policy and budgetary decisions.
- 3. Indigenous Rights: make policy and spending decisions that are consistent with the U.N. Declaration on the Rights of Indigenous Peoples.
- 4. Carbon Neutrality: invest in measures that move us towards Canada's target of achieving net-zero greenhouse gas emissions by 2050.

CPJ also recommends these investments as key components of Canada's COVID-19 Just Recovery Plan:

- 5. Invest in complementary universally accessible public services including pharmacare, subsidized childcare, inclusive and sustainable infrastructure, and affordable housing stock and supports to offset the rising costs of living and increasing social and economic inequity.
- 6. Establish a universally accessible basic income guarantee for people 18-64 years of age to ensure all people living in Canada can meet their needs and live with the dignity of autonomy.
- 7. Improve equity and outcomes for workers and other community members who have traditionally been exploited and recognize the essential nature of immigration in addressing labour shortages.
- 8. Respect the right to health of migrants and refugees, including the provision of essential medicine, prevention, and treatment, regardless of status.
- 9. Streamline the recognition of foreign credentials for doctors and nurses, granting full licenses to those granted temporary license to work during the pandemic; invest in improvements to wages and working conditions of long-term care workers, many of whom are racialized people.
- 10. Reduce application processing times and eliminate fees for Canadian citizenship.
- 11. Protect asylum seekers by respecting the Federal Court decision on the unconstitutionality of the Safe Third Country Agreement.
- 12. Commit to reducing Canadian GHG emissions by 60 percent below 2005 levels by 2030 and invest in a just transition to a green economy.
- 13. End all subsidies to the fossil fuel industry and invest in renewable energy, energy efficiency, and skills development for workers currently employed in the oil and gas sector.
- 14. Strengthen the federal carbon pricing backstop by eliminating the preferences for large emitters and converting the cap and trade mechanism into a transparent carbon tax with border adjustments.
- 15. Increase climate financing to the Global South to at least \$4 billion USD per year.

Introduction

The COVID-19 pandemic has sharpened our collective focus. Priorities have become clearer and there is a call for change.

The climate emergency – the focus of the 2019 pre-budget consultation – has not gone away. Poverty and inequality have been aggravated. At the same time, long-standing systemic racism and social exclusion have also been brought to light.

These are not new issues, but curiously, the crisis spurred by the COVID-19 pandemic may have created a fresh opportunity to take a deeper look at how we respond.

Citizens for Public Justice (CPJ) is a faith-based public policy organization that believes federal policy can and must serve the public good. Our research, policy analysis, education, and advocacy work are grounded in an understanding of the sacredness of creation and the dignity of all people. From this perspective, the central role of government is to promote the well-being of citizens and residents, and the flourishing of the Earth.

In Canada, all levels of government demonstrated a willingness to set aside differences, roll-out financial supports, and develop new regulations. You have demonstrated what is possible with political will. Now, in addition to your solid collective response to the pandemic, you must address these ongoing and overlapping crises: climate change, domestic poverty, racism, and social exclusion.

Guiding Principles:

Just Recovery

Our evidence-based recommendations are aligned with the Principles of a Just Recovery,¹ developed in collaboration with a broad coalition of 200+ organizations.

- 1. Put people's health and well-being first, no exceptions.
- 2. Strengthen the social safety net and provide relief directly to people.
- 3. Prioritize the needs of workers and communities.
- 4. Build resilience to prevent future crises.
- 5. Build solidarity and equity across communities, generations, and borders.
- 6. Uphold Indigenous rights and work in partnership with Indigenous Peoples.

Intersectional Analysis

Central to the effectiveness of these principles is the application an intersectional gender-based analysis (GBA+) to the development, implementation, and evaluations of all policy and budgetary decisions. We encourage the federal government to budget for, and develop, a regular practice of using disaggregated data and the input of people with lived experience of poverty, marginalization, and structural oppression to inform targeted decision-making and investments.

¹ Available in full at https://justrecoveryforall.ca/ or https://relancejuste.ca/.

Prioritizing Indigenous Rights

Indigenous rights are human rights. The Government of Canada must honour the rights of Indigenous peoples by animating the principle of free, prior and informed consent, and legislating the implementation of the U.N. Declaration on the Rights of Indigenous Peoples. All processes related to Indigenous Peoples must be developed with First Nations, Inuit, and Métis communities themselves, and cultural training should be required of all non-Indigenous professionals involved in working with and among these communities.

Getting to Net-Zero Emissions

Addressing the climate emergency requires a massive transition. Canada's Minister of the Environment and Climate Change, Jonathan Wilkinson, has pledged to introduce federal legislation for net-zero carbon emissions by 2050. As we recover from COVID-19, it is essential that we determine how that will be achieved and take action now.

Policy Recommendations:

Social Supports to Address Poverty and Inequality

COVID-19 has exposed and intensified existing inequality in Canada and our overdependence on the charitable sector to fill the gaps in our systems. Chronic, generational poverty that disproportionately affects certain communities (women, Black, Indigenous and People of Colour) marks a clear distinction between "falling on hard times" and systemic inequity. The people hardest hit by this pandemic require an economy and social safety net that support the rights, well-being, and equal participation of all people.

The pandemic has also revealed that many of the workers deemed "essential" are in the most precarious positions in terms of wages, labour standards, immigration status, and access to benefits.

We urge you to:

- Invest in complementary universally accessible public services including pharmacare, subsidized childcare, inclusive and sustainable infrastructure, and affordable housing stock and supports to offset the rising costs of living and increasing social and economic inequity.
 - a. Adopt a public single-payer pharmacare system that is universal, comprehensive, and accessible, with portable coverage for residents who move within Canada (\$10.2 billion annually).²
 - b. Ensure access to childcare, recognizing its essential nature as part of economic recovery. Continue efforts to develop national standards and investments for public, subsidized childcare across the country. (\$6 billion over three years).
 - c. Eliminate core housing need by investing in social housing repairs and the development of new housing stock, including supportive housing (\$5.25 billion annually).
- Pair these systems and services with a universally accessible basic income guarantee for people 18-64 years of age, based on household income of \$22,000/year (\$31,113 for a couple), gradually reduced as

² All figures are drawn from <u>Alternative Federal Budget 2020</u>: <u>New Decade, New Deal</u>, published March 17, 2020, <u>https://www.policyalternatives.ca/publications/reports/alternative-federal-budget-2020</u> with the exception of basic income numbers.

- other income increases³ to ensure all people living in Canada can meet their needs and live with the dignity of autonomy (\$134 billion).³
- Improve equity and outcomes for workers and other community members who have traditionally been exploited (e.g. First Nations, Inuit, and Métis people; racialized people; refugees and other immigrants; women; LGBTQQIA+ people; and people living with disabilities) (\$785 million annually) and recognize the essential nature of immigration in addressing labour shortages, rebuilding the economy and assisting in paying off our national debt.

A Fulsome Welcome for Refugees and Newcomers

A just recovery and a fair and sustainable future for Canada require that we address the intersecting systems of oppression and inequity that continue to withhold individuals' and communities' rights and prevent their full participation in society.

We urge the federal government to honour its commitment to the Sustainable Development Goals through both domestic and foreign policy decisions and investments.

- Respect the right to health of migrants and refugees, including the provision of essential medicine, prevention, and treatment, regardless of status.
- Encourage the social and economic integration of racialized communities by addressing the systemic barriers they face in having foreign credentials and education recognized in Canada.
 - a. Streamline the recognition of foreign credentials for doctors and nurses, granting full licenses to those granted temporary license to work during the pandemic (\$100 million).
 - b. Invest in improvements to wages and working conditions of long-term care workers, many of whom are racialized people (\$800 million).
- Reduce application processing times and eliminate fees for Canadian citizenship.
- Protect asylum seekers by respecting the Federal court decision on the unconstitutionality of the Safe Third Country Agreement.

Just Recovery and Climate Resilience

As we move from crisis to recovery, governments, citizens, and civil society are showing an increased openness to ambitious structural change. Recovery plans from COVID-19 can and must address the climate emergency, support workers and communities, and move us towards a net-zero carbon economy.

- Commit to reducing Canadian GHG emissions by 60 percent below 2005 levels by 2030, while investing in a just transition (\$1 billion over 10 years) to a fair, inclusive, green economy that creates good secure jobs, and promotes the well-being of everyone in Canada:
 - a. Develop a National Decarbonization Strategy (\$150 million over three years) that emphasizes quality jobs and GHG emissions reductions in consultation with the provinces and territories, First Nations, Inuit, and Métis people, and others currently marginalized from the existing economy.

energy efficiency, technology, health care, and renewable energy.

For full details on this model of basic income, including proposed costing and financing, please see the Policy Options report of the Basic Income Canada Network at https://www.basicincomecanada.org/policy_options

- b. Include a Strategic Training Fund (\$450 million over three years) as a key component of decarbonization plans to support workforce diversification by funding post-secondary training programs for populations historically marginalized from low-carbon growth industries like energy efficiency, technology, health care, and renewable energy.
- c. Provide a Just Transition Transfer (\$300 million over three years) to provinces and territories to support workers and communities most directly impacted by the move away from fossil fuels.
- End all subsidies to the fossil fuel industry (-\$6.5 billion over three years) and invest in renewable energy, energy efficiency, and skills development for workers currently employed in the oil and gas sector.
- Strengthen the federal carbon pricing backstop by eliminating the preferences for large emitters and converting the cap and trade mechanism into a transparent carbon tax with border adjustments.
- Commit equal support for climate change adaptation and mitigation measures in the Global South through international climate financing mechanisms, with additional funding for loss and damage, scaling up to a fair share contribution of at least \$4 billion USD per year.

Citizens for Public Justice seeks human flourishing and the integrity of creation as our faithful response to God's call for love and justice.

We envision a world in which individuals, communities, societal institutions, and governments all contribute to and benefit from the common good.

Our mission is to promote public justice in Canada by shaping key public policy debates through research and analysis, publishing, and public dialogue. CPJ encourages citizens, leaders in society, and governments to support policies and practices which reflect God's call for love, justice, and the flourishing of Creation.

Citizens for Public Justice

Faith | Justice | Politics

334 MacLaren St., Suite 200 Ottawa, Ontario K2P 0M6 cpj@cpj.ca

facebook.com/citizensforpublicjustice twitter.com/publicjustice

T: 1.800.667.8046, 613.232.0275

www.cpj.ca