

Important steps taken but Budget 2018 keeps Canadians waiting for the big investments required to build an inclusive economy ^[1]

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Today's federal budget takes positive steps forward on gender equality and science funding but the bold policy moves that will make a real difference for Canadians —child care, pharmacare, health care or closure of tax loopholes—will have to wait for another day, say experts from the Canadian Centre for Policy Alternatives.

"Budget 2018 isn't constrained by a lack of need or by a weak economy, it is rather constrained by a lack of ambition likely tied to being too far from the next election," says CCPA Senior Economist David Macdonald. "While Budget 2018 lays some long-awaited foundations for the real change promised in the 2015 election, this is a budget for a shrinking target. It may help the middle class, but will do little for those looking to join it."

Today's budget announcement delivered some important measures for gender equality, including pay equity legislation for the federal sector and federal government contractors, use-it-or-lose-it paternity leave and a doubling of funding for community women's organizations. But when it comes to substantive action to advance a truly feminist agenda, the budget comes up short.

"This budget's gender analysis can be commended for covering most bases and closing gaps in pay and employment in the future. But the biggest base that it misses is national, affordable child care. It is hard to talk about gender equality without it, but this budget manages to," says CCPA researcher Kate McInturff. "The additional five weeks leave for a second parent is a welcome development. But it is not a replacement for affordable universal childcare."

On poverty reduction:

The sole measure that will have a direct impact on poverty rates is the change in the Working Income Tax Benefit (WITB). It was increased to offset Canada Pension Plan (CPP) contributions and then some. The budget estimates that 70,000 people will be lifted out of poverty: an insufficient 0.2% decrease in the poverty rate.

On Indigenous infrastructure:

The federal government has finally agreed to honour its Human Rights Tribunal-mandated investments in Child and Family Services on reserves. There is a substantial new commitment to Indigenous health care funding, particularly in remote communities. What is noticeably missing is more detail and funding for on-reserve housing.

On taxes:

Missing from this budget are significant measures to reform Canada's tax system, which is currently riddled with loopholes that largely benefit Canada's most wealthy and corporations. This was a key platform promise from the Liberals, and one on which they have so far failed to deliver.

"We need government to play its role and step up to help build an economy for all Canadians," adds Macdonald. "Revenue matters. Fairness matters. Ottawa is leaving tens of billions on the table annually by not closing these loopholes. Tax fairness doesn't start and end with the abuse of private corporations but extends to stock options, capital gains exemptions and the like."

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