

# Federal budget 2018: Equality and growth <sup>[1]</sup>

A strong middle class

**Author:** Federal government

**Source:** Government of Canada

**Format:** government document

**Publication Date:** 26 Feb 2018

## AVAILABILITY

Full budget and various responses available in the links

## Overview

The federal government has released its third budget since its election in 2015. It has been billed as a gender-based budget with one of the central goals being to increase female participation in the labour force.

One of the highlights is a new option for parental leave, reserved for the non-birth parent on a “use-it-or-lose-it” basis. This is described by the government as a way of encouraging mothers to rejoin the workforce earlier if they choose and to remain in the workforce, more generally.

The new benefit is part of a new Employment Insurance Parental Sharing Benefit that will allow parents to add 5 weeks at up to 55% of their average weekly insurable earnings (up to a maximum)—35 weeks can be shared or taken by either parent; while only the non-birth parent can take an additional five weeks. The additional time can also be applied to the Extended Leave option at 33% of their average weekly earnings. Eligibility for all leaves and benefit levels remained unchanged. Finally, the federal government has committed to making amendments to the Parliament of Canada Act that will allow members of parliament to take maternity and parental leave.

The budget plan also included an intention to introduce pay equity legislation in federally regulated sectors, though funding has yet to be allocated and the exact date of implementation is unknown. This would legislate equal pay for work of equal value.

There was no additional funding allocated to building a national child care system in this budget.

Beginning in the current fiscal year, \$360 million, spread out over the next three years has been committed to the development of an Indigenous Early Learning and Child Care Framework. These funds are part of the allocation to early learning and child that were announced in the 2017 federal budget under the Social Infrastructure Provision plan.

\$100 million has been earmarked for innovation in early learning and child care practices, as well as \$95 million to close data gaps in the child care landscape across Canada. Bilateral agreements have been settled with nine of the provinces and territories, while the rest continue to be in negotiation.

## Government Documents

**Federal budget 2018 -Equality and growth: A strong middle class <sup>[2]</sup> (EN)**

**Federal budget 2018- Égalité et croissance: Une classe moyenne forte (FR) <sup>[3]</sup>**

## Organizational Responses

### Canada Without Poverty <sup>[4]</sup>

*"The glaring absence of a national childcare strategy in light of the recommendations from the CEDAW committee is incredibly disappointing. To truly meet its human rights obligations under international law, the government needs to be applying maximum available resources to realizing gender equality," Harriett McLachlan, CWP Deputy Director.*

### Canadian Labour Congress <sup>[5]</sup>

*"The evidence is very clear that the most effective way to remove barriers to women's participation in the workforce is with a universal child care system," said Yussuff. "That's why we had hoped to see this budget commit to increasing child care spending – over time – to reach the internationally recognized benchmark of one percent of GDP."*

President of Canadian Labour Congress, Hassan Yussuff

### Child Care Now <sup>[6]</sup>

*"The 2017 federal budget gave \$540 million for child care in 2018-2019, and that amount will rise to only \$550 million by 2021-2022... It is half what the previous Liberal government allocated more than ten years ago and nowhere near close to enough to address the high cost of child care and the serious shortage of licensed spaces in the short, medium or long term."*

Morna Ballantyne, Executive Director of Child Care Now (formerly Child Care Advocacy Association of Canada)

### Canadian Union of Public Employees <sup>[7]</sup>

*Budget 2018 is billed as a gender equality budget which also includes a "gender budget plus" analysis. The strong emphasis and actions on gender equality are certainly welcomed. However, to really make a difference, these measures need to be combined with other actions that will improve working and living standards for the vast majority of Canadian women, like a national affordable childcare plan, additional funding for social services, and introduction of a \$15 per hour national minimum wage.*

CUPE

## Commentary and Analysis

### Important steps taken but Budget 2018 keeps Canadians waiting for the big investments required to build an inclusive economy <sup>[8]</sup>

Canadian Centre for Policy Alternatives

### An ambition constrained budget <sup>[9]</sup>

David Macdonald, Senior Economist at the Canadian Centre for Policy Alternatives

## News Coverage

### Federal budget stresses need for gender equality but offers little cash <sup>[10]</sup>

Gloria Galloway, The Globe and Mail

### A gender budget needs meaningful changes to parental leave and pay equity <sup>[11]</sup>

Federal Budget 2018: Liberals pledge new leave option for 2-parent families [12]

Jordan Press, Huffington Post

New parental leave planned in budget aims to get women into workforce [13]

Elise Von Scheel, CBC News

Budget takes baby steps to extend parental leave [14]

Jennifer Robson, iPolitics

Federal Budget a disappointment for poverty fighters [15]

Jeremy Nuttall, The Tyee

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