

Alternative
Federal Budget

RECOVERY PLAN

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Notes

1 The views and policies expressed in the Alternative Federal Budget do not necessarily reflect those of the authors or their organizations.



Introduction

IN 25 YEARS OF Alternative Federal Budgets, this edition of the AFB stands out: reflecting a chapter of history as it is unfolding, in real time, in the middle of a global pandemic.

Future generations will look back at 2020 as a critical turning point, a year in which the systems that sustain our societies were put on trial—and, in many cases, failed. Everything that comes next will be influenced by this moment. And in this moment we have choices about where we go from here.

COVID-19 ground the world's economy to a halt as countries shut down to prevent the pandemic's spread. Planes no longer flew overhead. Global supply chains stalled then reconfigured. Greenhouse gas emissions dropped, at least temporarily, highlighting the irrefutable link between how we live and climate change. Most importantly, billions of lives have been disrupted, more than half a million lives lost.

To varying degrees, governments stepped up where the market failed. Where they were carefully enacted, planned economic shutdowns helped “flatten the curve.” In some cases, income supports for workers in the most affected sectors have temporarily raised living standards from where they were a year ago.

In other cases, governments have utterly failed to protect their people. Canadians have watched in horror as the U.S. infection rate spikes in the wake of hasty economic reopenings in southern and western states. A new cycle of police brutality has exposed the deep-set racial injustice in that country, but also launched an international antiracist movement for systemic change.

Here in Canada, we are guilty of racial, ethnic, and Indigenous injustices, too. The inequities that were baked into our systems have been exposed and exacerbated by COVID-19.

Workers in the service sectors, retail and supply, and care work have been deemed essential, but they remain among the lowest-paid and least protected workers in Canada. It is no accident that they are disproportionately racialized, immigrants, migrant workers, and women. The impacts of COVID-19 on women's work are so immense there is a threat to equality gains secured decades ago. We must do better.

In metropolitan areas, dense low-income communities and people in crowded housing situations—where there is less ability to physically distance—were harder hit by the pandemic. These are communities that are racialized, that are home to immigrants and historically marginalized peoples. We must do better.

Then there are the long-term care homes, staffed by low-paid personal support workers who are often forced into piecemeal work at multiple facilities, where COVID-19 outbreaks proved catastrophic. We must do better to protect the people who live in, work in, and visit Canada's nursing homes and other care facilities.

Migrant workers, too, require our immediate and full support. For too long, they have been living in crowded housing, with poor labour protections, as they toil in farm fields to secure Canada's food supply. We must do better for them and the workers in crowded meatpacking facilities whose employers failed to protect them with physical distancing measures.

Let's be clear: a pandemic was never a question of "if" but a question of "when." Lessons from SARS in the early-2000s taught us that we should prepare. Public health officials warned, year in and year out, that we should prepare. Government austerity agendas—fuelled by neoliberal ideology that privileged the "free market" over public health and community well-being—left us unprepared, and expected women and families to pick up the slack.

The same governments that ignored the warnings have pursued an expanding trade agenda that deliberately constrains our ability to intervene in the economy or the environment. Proponents of this agenda promised it would lead to "jobs, jobs, jobs," rising productivity, and sustainable economic growth. The actual results do not bear this out. In fact, the COVID-19 crisis has exposed Canada's disproportionate reliance on the export of raw and semi-processed resources, notably fossil fuels.

The pandemic has both exposed deep systemic issues and presented us with a golden opportunity to fix so many areas of public policy. The AFB Recovery Plan is a collective blueprint for how Canada can get

through this crisis in the short, medium, and long term. It closes the chapter on the old normal.

The old normal was unacceptable because it left far too many people behind. It led to preventable suffering and premature deaths. Moreover, the old normal was putting us at much higher risk of natural disasters, and on track to making our planet unliveable.

This pandemic is forcing us into a new chapter of history. We will be judged by what we do next. And we will be judged by what we fail to do.

COVID-19 exposed the impossibility of a healthy economy without a healthy society. The status quo is no longer an option. This is our chance to bend the curve of public policy toward justice, well-being, solidarity, equity, resilience, and sustainability. These are not just words. These are the conditions upon which we rebuild. The majority of Canadians are already there—will our governments read the room?

The AFB Recovery Plan isn't solely focused on the economy, as though economic issues can be disconnected from everything else. Rather, it adopts a Health-in-All-Policies approach. Because if this pandemic has taught us anything, it's that public health is *the* requirement for economic health.

The AFB Recovery Plan charts a course toward equity. In what follows, we promote a vision for Canada that includes a caring economy plan, an income support plan, a healthier communities plan, and plans targeting key sectors that are most impacted by the pandemic and related economic slowdown. Importantly, as in past AFB projects, we also outline a path toward fiscal health, answering the question: how do we pay for the transformation this moment in history demands of us.

We understand the weight of this moment in history and we are ready to act in the best interests of the public at a time when that is what we require most from governments.



Macroeconomic recovery

DURING THE PANDEMIC, the regular functioning of our economy was completely upended, with big portions deliberately shut down to reduce the spread of the COVID-19 virus. The income of affected workers was replaced with government payments that are higher than what people would normally receive from the employment insurance system, and more accessible. This discrepancy exposed the inadequacy of Canada's current income supports and social services, but showed us what a new, better normal might look like.

In fact, the pandemic has both exposed and presented us with a golden opportunity to fix so many areas of public policy, as explored in this AFB Recovery Plan. Why return to the old normal if it means between 566,000 and 855,000 children and between 216,000 and 891,000 seniors living in poverty?¹ Why accept carbon emissions rising by 37% between 2005 and 2030 instead of acting now to lower them by 30% in that time, as Canada promised in its Paris Agreement commitments?²

The old normal was unacceptable because it left far too many people behind. It led to preventable suffering and early deaths. Moreover, the old normal was putting us at much higher risk of natural disasters, and on track to making our planet unliveable.

We can do better—and we have now seen how governments can do better, and do more, when pushed to act. The federal government overhauled our employment insurance system in just two weeks; payments started arriving in the bank accounts of jobless Canadians just days later. A wage subsidy program was rolled out for affected businesses while large-scale support was offered to post-secondary students. Major one-time transfers were distributed to seniors (through Old Age Security and the Guaranteed Income Supplement), children (through the Canada

Child Benefit), and adults (with a GST credit top-up). The scale of these transfers and their speed is unprecedented and illustrates the power of the federal government and the competence of public service workers when given the chance.

Of course, these interventions had to be financed from somewhere and that somewhere was new federal debt. But we should not allow ourselves to be deceived by the numbers.

The summer economic and fiscal snapshot estimates the federal deficit will be \$343 billion this year.³ Compared to the size of the Canadian economy, even factoring in a hit to GDP this year from the pandemic, we are still in better shape than we were for much of the 1990s. Far more worrying is the extreme over-indebtedness of the corporate and household sectors, which each hold twice as much debt as the federal government, largely due to federal downsizing over the past quarter-century.

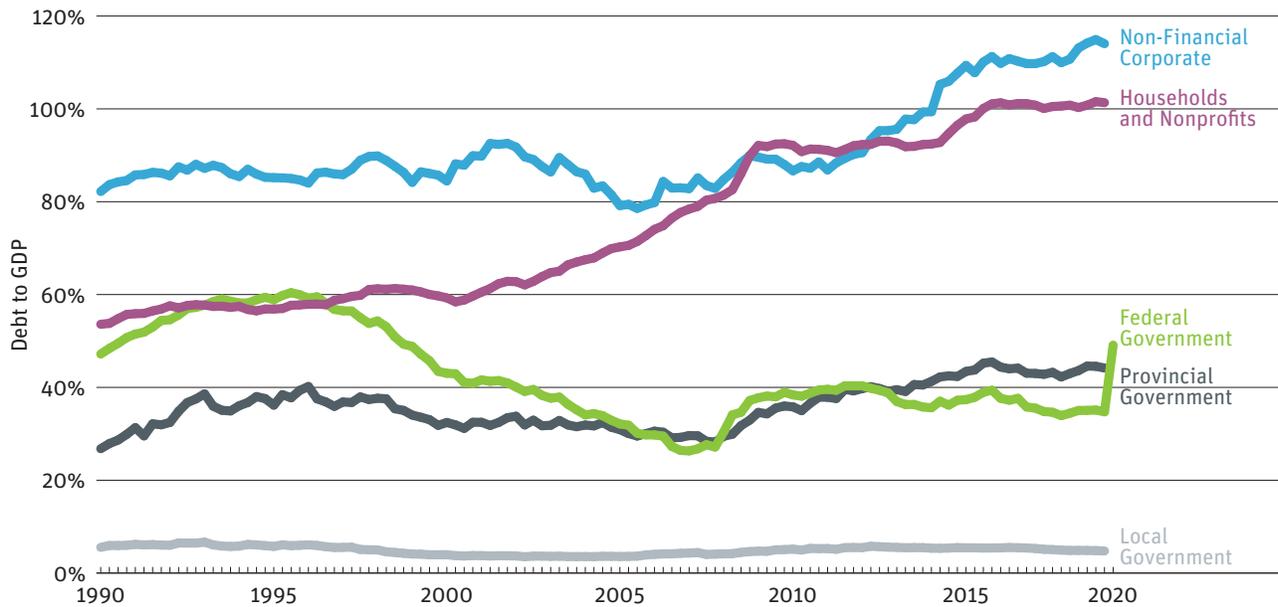
Another factor we must consider when weighing the deficit is that the federal government can now borrow money at the lowest interest rates recorded since the Second World War, and likely the lowest rates in our nation's history.⁴ In June, the average interest rate on five- and 10-year bonds was 0.46%, compared to about 9%, or 20 times higher, in the 1990s.

More importantly, we must emphasize what this federal debt has made possible: unlike past financial crises, Canada has avoided mass bankruptcies for families and businesses, at least for the time being. Most of this year's federal deficit is to pay for various income supports that allowed families to continue to pay for their bare minimum needs, including housing and debt payments, during the shutdown. Without that help, the economic shock on households and businesses would have been much more severe.

Conservative groups and politicians are already calling for an end to pandemic income support programs and an immediate return to austerity to pay down the debt, but no such action is necessary. In fact, investors are presently paying us, in inflation adjusted terms, to hold Canadian debt as real interest rates have turned negative.

Total government debt in Japan stands at 239% of GDP.⁵ Combining federal, provincial, and municipal debt in Canada, even following the large deficits of this year, only gets us to 98% of GDP. It is possible for Canadian governments to carry much higher debt loads with no need to ever pay them back.

FIGURE 1 Debt-to-GDP ratio by sector



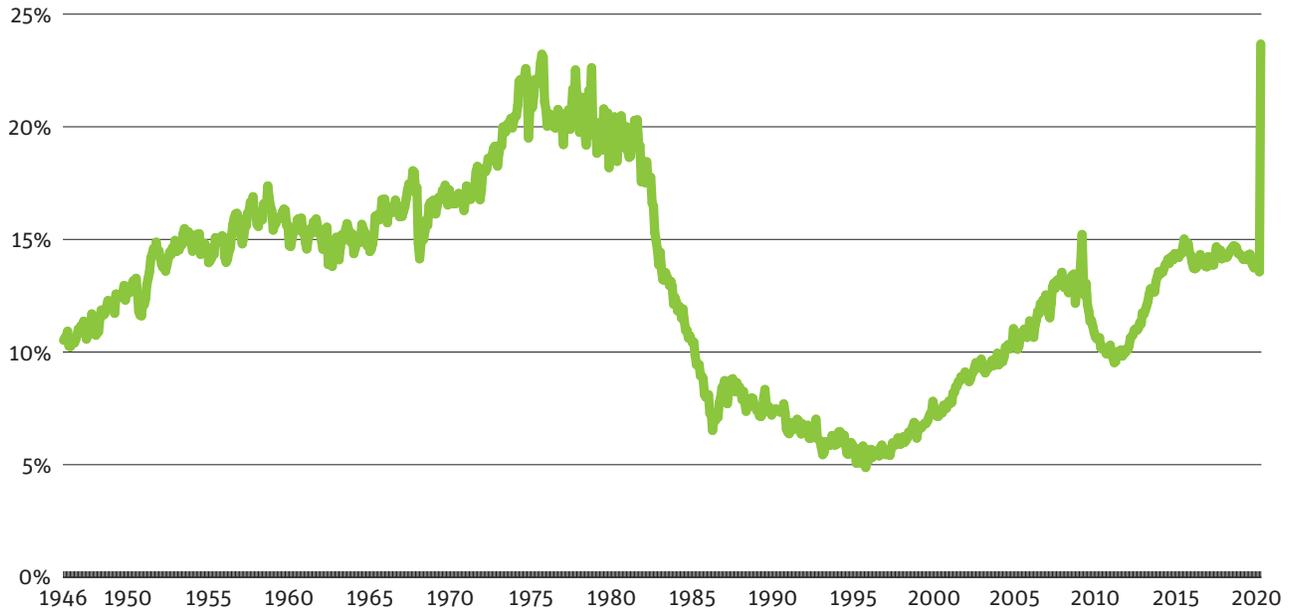
Source: Statistics Canada tables 36-10-0580-01 and 36-10-0103-01, 2020 Economic and Fiscal Snapshot.

What Canada and Japan have in common is that their debt is almost all in their own currency. That means that the central bank can always buy new federal debt if needed. This distinguishes Japan from a country like Greece, for example, as Greece also has high debt relative to GDP but no national currency, and no capacity to set domestic monetary policy.

In the present situation, the Bank of Canada has committed to buying \$5 billion of federal government debt every week until at least the end of 2020, which will add up to about \$160 billion in total debt.⁶ While the scale of the purchases is bigger, the Bank of Canada has been regularly buying federal government debt since its inception. A large proportion of federal debt is always held there, varying over time from 5% to 23.1%, but stabilizing around 15% more recently. The Bank of Canada bond buying program would push that to 23.7%, which is just above the top end of the historical range for debt ownership.

It would be possible for these large Bank of Canada interventions to cause inflation, but only if the economy were running at full tilt. With 25% of everyone who was working in February either having lost their jobs or the majority of their hours by May,⁷ this is hardly a concern and won't be

FIGURE 2 Proportion of federal debt held by the Bank of Canada



Source Statistics Canada Table 10-10-0113-01, taken from the 2020 Economic and Fiscal Snapshot. This chart assumes the Bank of Canada purchases \$5 billion a week in federal bonds between April 1 and December 31, 2020.

for many months or even years to come. In fact, inflation turned negative in April as a result of plummeting economic activity.⁸

In short, the Bank of Canada will fund roughly two-thirds of all new debt incurred by the federal government in 2020-21. The federal government owns the Bank of Canada and is creating money by lending to itself in order to support Canadians in need.

To reduce government debt, surpluses must be created. There are two choices: either cutting spending (on transfers and services) or increasing taxes, with the latter historically, but not necessarily, more difficult to sell politically than the former.

While government services are fairly evenly distributed across the income spectrum,⁹ federal transfers are generally designed to help lower-income families. Taxes, particularly income taxes, are paid by the middle and top of the income distribution. Therefore, if deficits are eliminated by cutting transfers, like EI, instead of increasing taxes, the burden falls much more heavily on lower-income households, who are far more likely to have been hit by job loss during the pandemic.¹⁰

Beyond the distributional implications of eliminating government deficits in particular ways, there is a larger problem that any government surplus has to come from another sector of the economy or be extracted from another country through trade. The federal government could generate a surplus by cutting health transfers to the provinces and forcing them to make up the difference, for example. It could also cut services or reduce funding for things like long-term care, forcing households to pick up the slack, or it could increase taxes on business to cover the deficit.

While these measures may produce a federal surplus, every dollar of that surplus will mean a dollar of deficit in another sector (provincial, corporate, and household). As households and businesses are already highly indebted, pushing up their costs further would be a great way to turn a recession into a depression. Many businesses and households are already at risk of insolvency.

During the 1990s, governments reduced their debt levels by forcing households to cover for the services that had been cut. Women and girls lose out twice from the cumulative impact of austerity policies: first when they lose access to essential public services due to insufficient funding, and then again when they are forced to fill these gaps with many hours of unpaid caring work.

In the worst case, unpaid care will be provided by people who have quit paid work. Other households won't be able to provide all this unpaid labour for free, but will respond to cuts to public services by buying those services in the private market, potentially adding to private debt in the process. With businesses and households already at all-time-high debt levels, providing them with even less support in the form of federal services and transfers, by undercutting spending, will invariably lead to slower growth.

Federal interest rates have turned negative, inflation is negative, and unemployment hasn't been this high since 1936. The traditional macroeconomic standby of lowering interest rates to encourage people to take out loans and buy more, to drive growth, is reaching its end game. As aggregate debt is never paid back in a country with a growing population and growing economy, it is time for the federal government to use its special position in the economy—as owner of the Bank of Canada—to provide the services and income supports that Canadians need.

The creation of new debt in Canada to support growth will increasingly fall to the federal government. But simply creating money to run a few emergency government programs, as important as they are to

our COVID-19 response, won't be enough to ensure a just recovery from the pandemic.

Employment insurance needs to be made sufficient enough to keep households above water and out of bankruptcy through the coming recession. We need to bolster health care, long-term care, and child care to meet the needs of all Canadian households in a COVID-19 world. And we desperately need a plan to transition our economy to a zero-carbon future.

The public eye has been opened to the capacity of government to do good in people's lives. We should be using the same ingenuity and ability to provide support as we have seen during the initial stage of the pandemic to set the foundation for future shared prosperity, and pursuing that objective with just as much urgency.

Notes

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Tax fairness

Introduction

The COVID-19 pandemic necessitated massive federal government spending to protect people and communities from catastrophe. This will result in a deficit of over \$340 billion this year—the deepest deficit in Canada’s history.

Given the ongoing nature of the pandemic, it’s reasonable to expect that Canada will register substantial deficits for the next few years as well.

This year’s deficit will be the result of two pressures: 1) much higher spending on programs to assist individuals, employers, and communities, and 2) lower personal income and corporate tax revenues as parts of the economy have been shut down. With unemployment at the end of the year expected to be double what it was last year and business losses to carry forward, overall household and business income will be low in future years.

The federal government will need to run sizable deficits for a few years ahead, financing program spending and recovery measures by borrowing and credit creation.

These large deficits are leading to political pressure to cut spending—to not extend or improve income support programs, expand public services, or to invest in the measures necessary for a real recovery. There is a much better option at hand: a fairer tax system will demonstrate that the measures the federal government took during the emergency response phase of the pandemic, and the measures it needs to take during the recovery and rebuild phase, are affordable over the longer term.

A fairer tax system will also significantly reduce inequalities that have been exposed by this crisis. Before the pandemic, federal revenues were about \$50 billion lower than what their long-term average had been as a share of the economy since the 1960s. Regressive tax cuts from 2000

onward diminished the federal government's role in the economy to the smallest it had been since the 1950s. These tax cuts largely benefited people with higher incomes and white males, while women and the less privileged also lost out more from diminished public spending.

There's a lot of scope to increase revenues and reduce inequalities across the board by making the tax system more progressive and to increase revenues to support expanded public services. Now is the time to put in place major reforms.

While most businesses will suffer significant revenue declines this year, and thousands of smaller businesses will fail, a number of larger corporations and their owners have done very well through the pandemic. Let's ask more of them.

COVID-19 short-term response phase

The AFB Recovery Plan will:

- Introduce an excess profits tax. While so many are making enormous sacrifices, and thousands of small businesses will close, a number of large corporations are making massive profits as a result of the pandemic. During the world wars, Canada and other nations had excess business profits taxes of up to 80% for profits above 7.5%. It's time to bring these back.
- Implement a digital services tax on large multinational e-commerce firms and level the digital playing field. While retail and main street businesses suffer, some of the world's largest corporations, such as Amazon, have done especially well during the pandemic, on top of being some of the biggest tax dodgers in the world.
- Introduce a 5% digital services tax on the revenues of large multinational e-commerce companies that do business in Canada. Applying GST to imports of digital services to Canada and eliminating the tax deductibility for Canadian businesses that advertise on foreign internet platforms like Google and Facebook will also help level the digital playing field. Currently, large digital corporations can minimize their taxes by using profit shifting and other measures while benefiting from not having to collect the same sales tax as Canadian firms providing similar services.

- Create an annual net wealth tax of 1% on fortunes of over \$120 million and 2% on fortunes of over \$50 million. Wealth inequality has increased significantly in Canada over recent decades, even more so than previously estimated. A June 2020 report by the Parliamentary Budget Officer (PBO) found the richest 1% hold more than 25% of net wealth in Canada. Despite this deepening wealth gap, the richest Canadians don't pay taxes on financial and other assets.
- Establish a surtax on top incomes. The top federal personal income tax rate maxes out at 33% for taxable income over \$215,000. With provincial rates, the maximum rates are just over 50%. This is far below top rates that existed in previous decades, which were up to 90%. Introducing a 5% federal income surtax on income of over \$500,000 and 10% on income over \$1 million for millionaires would keep the marginal rate within the revenue maximizing rate.
- Strengthen the carbon tax system and eliminate fossil fuel subsidies. The steep decline in fuel prices provides a good opportunity for the federal government to further increase carbon taxes without causing economic disruption. The federal government's carbon price framework is progressive for households: 80% of households—all except the top 20%—receive more in rebates than the additional costs they will pay from the carbon tax. However, large emitters only pay the carbon price on a small fraction of their emissions. The AFB Recovery Plan will increase the carbon price and convert the cap-and-trade system to a transparent carbon tax with border adjustments so that tariffs are applied to imports from countries that aren't taking sufficient action on climate change and rebates are provided to Canadian exporters to those countries. We will also eliminate all remaining fossil fuel subsidies.
- Introduce a 10% luxury tax on private cars, boats, and planes with a value of over \$100,000. The PBO estimated this would generate over \$600 million annually.
- Publish all COVID-19 funding in detail, and also publish basic financial and tax information for all companies with annual income of over \$100 million, as Australia does to improve

transparency and accountability. The AFB Recovery Plan will also strengthen whistleblower protections, introduce a national public beneficial ownership registry, and require financial institutions to share information on assets held abroad.

- Increase penalties and strengthen investigation, enforcement, and prosecution of tax dodgers. In addition to reforming the international corporate tax rules, the AFB Recovery Plan will introduce stronger punishments for companies and individuals that engage in offshore tax dodging, end double non-taxation agreements with tax havens, and strengthen enforcement and prosecution of individual and corporate tax dodgers, including professional promoters of tax avoidance and evasion schemes. The AFB Recovery Plan will invest in improved training and technology to help the Canada Revenue Agency (CRA) meet the increased need for auditing and compliance enforcement in a challenging new reality.

COVID-19 medium-term recovery phase

The AFB Recovery Plan will:

- Eliminate regressive tax loopholes. Regressive and unfair tax loopholes continue to riddle our tax system, particularly:
 - Those that allow income from capital and investments to accumulate and be taxed at much lower rates than income from employment, and
 - Those that enable corporations, especially larger corporations, to significantly reduce their taxable income and overall taxes. Some of the most regressive tax preferences include:
 - The stock option deduction, which the government proposed to cap, but not eliminate, last year;
 - Exemptions and lower tax rates on capital gains and corporate dividends;
 - The business meals and entertainment expense deduction;

- Opportunities to shelter income and assets through private corporations, trusts and foundations; and
 - Ever-increasing opportunities to shelter investment income through tax-free savings accounts. The AFB Recovery Plan will conduct an open public review of tax preferences and loopholes with diverse stakeholders and move quickly to eliminate regressive and ineffective ones.
- Reform international corporate tax rules and tackle tax havens. In addition to introducing a digital services tax, the AFB Recovery Plan will introduce other reforms to prevent international corporate tax dodging, including:
 - Restricting interest deductibility to no more than 10% of corporate earnings (EBITDA), in line with the OECD's recommendations;
 - Placing strict limits on use of intellectual property to shift profits to low-tax jurisdictions; and
 - Unilaterally and multilaterally introducing and pursuing reforms to international corporate tax rules that treat multinational enterprises as unitary entities (so they can't shift profits through subsidiaries and affiliated companies); allocate taxable income between jurisdictions using a formula based on real economic factors (as we do between provinces in Canada); and support a minimum global corporate tax rate.
 - Reduce poverty by removing the tax filing burden and improving delivery of benefits. COVID-19 has shown the CRA plays a critical role in delivering support to workers and families in need. The tax system can do much more to tackle inequality. One in 10 Canadians—and a higher proportion of the most disadvantaged—don't file their taxes. This means that a significant share of the \$50+ billion in federal benefits delivered through the tax system does not get to those who need it the most. A June 2020 report by Canada's Tax Ombudsman found the tax system must improve how it treats Indigenous, remote, and lower-income tax filers, who are already less likely to receive the support they need. Many

other countries have already introduced automatic tax filing to save citizens the time and cost involved with tax filing money and to ensure the most vulnerable populations get the benefits they're entitled to. The AFB Recovery Plan will do the same, starting with low-income individuals and making the option available to anyone who wants it.

COVID-19 long-term rebuilding phase

The AFB Recovery Plan will:

- Restore corporate tax rates. Corporate profits will be considerably lower for most businesses, but once the economy recovers, corporate tax rates should be increased back to the levels they were before the Great Recession. The AFB will restore the federal general corporate tax rate back to the 2009 rate of 19%.
- Introduce a financial activities tax on profits and compensation of the finance sector. It's been more than 10 years since the last global financial crisis and the finance sector still hasn't paid for *that* crisis. Many advocate for a financial transactions tax, but a simpler solution for Canada would be to introduce a Financial Activities Tax, as the IMF suggested a number of years ago. Financial activities were largely exempted when the GST was introduced decades ago. A Financial Activities Tax on the compensation and profits (equivalent to the value added) of the financial sector would remedy this and generate about \$7 billion annually.

Conclusion

The federal government incurred historic levels of debt in order to protect Canadians from the onslaught of the COVID-19 pandemic. This saved lives and prevented households, businesses, and communities from economic ruin. And yet much more needs to be done to address the health and income inequities that the impact of the pandemic has exposed, hitting people from Indigenous, racialized, and immigrant communities hardest, as well as people with disabilities, women, and people from trans and non-binary communities. The AFB Recovery Plan takes long-needed

measures to address the revenue side of the equation by implementing the most ambitious tax reform since the Second World War. Not only would these measures address the federal fiscal deficit, they would make the federal government more resilient to prepare for and respond to future shocks to the economic and health system.



Affordable housing and homelessness

Introduction

The COVID-19 pandemic has highlighted the importance of housing as an underpinning factor for protecting people and public health.

During the economic shutdown, many people experienced considerable or total income loss and rental arrears. This was especially true for lower-income households and for racialized workers, who are more likely to rent their homes. Eviction bans across Canada have been somewhat effective in preventing or slowing down evictions, but when those bans are lifted, many households will be on the brink of absolute homelessness.

Higher up the income spectrum, prospective new homeowners have had to put their plans on hold. Mortgage approvals have become more difficult to secure, in part because many people have reduced income (or lost their jobs entirely), and also in light of new mortgage rules that took effect on July 1.¹ An entire cohort of would-be homeowners will remain in the rental market, driving down rental vacancy rates.

The pandemic has also exposed the patchwork of social services in place for people experiencing homelessness. The closure of daytime services (e.g., drop-in centres) and public spaces offering access to washroom facilities (e.g., libraries) created significant challenges, as did a lack of internet access. Supportive housing programs and emergency shelters saw costs rise and operational pressures increase for cleaning, personal protective equipment, and staffing.

Across Canada, local officials in the homelessness sector have responded to the pandemic by creating more physical distancing at existing emergency shelters, opening new facilities, leasing hotel

rooms, and creating facilities for both isolation and quarantine. The federal government has provided important financial assistance to the homelessness sector to support these efforts.

The Economic Response Plan announced in March, for example, includes an additional \$157.5 million in one-time funding for the government's Reaching Home program, which supports the local homelessness needs of urban, Indigenous, rural, and remote communities. This new money represents a 74% increase in base Reaching Home funding for the 2020-21 fiscal year.

But many challenges remain in the sector, including the existence of shared bathrooms, inadequate access to personal protective equipment, lack of harm reduction measures (e.g., safe access to illicit drugs), the prevalence of outdoor sleeping (encampments), a dwindling workforce at emergency shelters and drop-in centres, and an anticipated increase in homelessness resulting from the economic downturn.²

Toward a just recovery

The downturn in the real estate market offers an opportunity for the federal government to help nonprofit housing providers acquire new stock. We must act now to expand the creation of housing options so that when we are hit by a future wave or new pandemic, everyone in Canada will have a home in which to stay safe. We must commit to a new normal.

COVID-19 short-term response phase

The AFB Recovery Plan will:

- Purchase rental stock at fire-sale prices to preserve affordability. Many experts anticipate apartments, hotels, and condos in financial distress to be available at a cost that might represent a fire sale. Affordable housing funds could be targeted to acquiring this existing stock for low-income households.
- Provide a rental top-up to the CERB to prevent arrears and loss of housing. This could simply be added to existing CERB payments, directly into recipients' bank accounts. Such a top-up could cover part of the gap between actual rents and 30% of the monthly value of the CERB (about \$600). The Canada Revenue Agency could

administer the program, just as it does the CERB.³ CERB recipients transitioning onto employment insurance could carry their rental top-up with them.

- Immediately appoint a strong, well resourced, and effective Federal Housing Advocate and National Housing Council to identify and remedy violations of the right to housing as recently allowed for by federal legislation.
- Make permanent the recent Reaching Home enhancement to better support local efforts. Across Canada, federal funding for homelessness is too modest. According to a 2018 federal program evaluation, for each \$1 invested federally \$13 is invested by other sources (mostly provincial and municipal dollars).⁴ Some communities might use some of this enhanced funding to lease under-used hotels as a way to house people. Some might use it as extra funding for the support workers need in supportive housing. Others might choose to invest in modular supportive housing, especially in cities with very low rental vacancy rates. BC Housing, for example, has been using modular housing as supportive housing (i.e., subsidized housing and social work support for persons who have experienced long-term homelessness). The main advantage it offers over conventional housing is that it can be developed in 18 months as opposed to the usual three to five years.

COVID-19 medium-term recovery phase

The AFB Recovery Plan will:

- Enhance the National Housing Co-investment Fund by \$3 billion a year to create more rental housing at affordable rents. The fund, announced in November 2017, is intended to help create an estimated 6,000 new units and repair up to 24,000 existing housing units each year. Over 10 years, this federally managed initiative will be worth \$15.9 billion, which includes \$4.7 billion in capital grants and \$11.2 billion in low-interest loans from CMHC. About half of the grant funding will fund repairs, while the other half will fund new builds. This can assist nonprofit housing providers and also private rental developers. Primarily a loan

program (as opposed to a grant program), the housing fund has been criticized for not being high enough to make rent levels truly affordable for low-income tenants. Topping it up by \$3 billion a year would help the government build approximately 10,000 additional new units of housing and repair approximately 20,000 units of existing housing every year.

- Enhance the Canada Housing Benefit to help people keep their homes in the face of lost jobs and income. This benefit provides financial assistance to help low-income households afford the rent, mostly in private-landlord buildings. The federal government estimates it will cost \$4 billion over eight years and that the average beneficiary will receive \$2,500 in support per year. It is expected that half of this money will come from the federal government and the other half from provinces and territories. Increasing the budget of this program by \$250 million a year (also to be matched by provinces and territories) would help up to 200,000 additional low-income households afford better housing.
- Ensure that those who have directly experienced systemic violations of the right to housing are able to demand action through the new Federal Housing Advocate and National Housing Council, and that the recommendations from both bodies to remedy systemic barriers to housing and structural inequalities driving homelessness are implemented.
- Capital funding for supportive housing to house persons experiencing long-term homelessness. The National Housing Strategy contains no specific provisions for supportive housing, even though one of the strategy's stated goals is to reduce chronic homelessness by 50%.⁵ The 2020 AFB recommended providing \$2 billion in new annual funding (for capital) for supportive housing at a per-unit rate of \$200,000. A strong focus should be placed on persons who have experienced long-term homelessness, persons with serious physical disabilities, and persons with serious mental health challenges (see the Disability chapter). Federal funds will be conditional on the provinces and territories providing additional, ongoing funding to both keep rents affordable for low-income tenants (e.g., housing allowances or rent supplements) and to pay for professional staff support for the subpopulations in

question. This funding will create 10,000 new units of housing a year, to be delivered by nonprofit entities.

COVID-19 long-term rebuilding phase

The AFB Recovery Plan will:

- Sustain higher levels of federal housing investment to meet the scale of Canada’s needs. COVID-19 has exposed the adverse impacts on health and well-being of leaving low- and moderate-income renters to rely on crowded and poor-quality private-landlord apartments. It has also exposed the inequitable way that these issues most affect new immigrants, racialized communities, and essential workers that already face other risks and disadvantages.
- Enhance the federal-provincial partnership on housing issues. Historically, affordable housing has involved shared federal and provincial priorities, funding, and program delivery. The most successful initiatives and periods were ones with federal leadership and federal funding.
- Reconceptualize the use of space in housing builds and repairs. This could be done in such a way as to enable improved hygiene and distancing. For example, the use of shared bathrooms could be reduced in both the rental sector and the homelessness sector.
- Meaningfully implement the right to housing in Canada. It is essential that we remedy systemic barriers to housing and structural inequalities that drive homelessness and inadequate housing. This will be achieved when those who have directly experienced systemic violations of the right to housing are able to exercise rights and demand action through a strong, well led, well resourced, and effective Federal Housing Advocate and National Housing Council.

Notes

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- 2** Jay Bainbridge and Tony J. Carrizales, “Global homelessness in a post-recession world,” *Journal of Public Management & Social Policy*, 24(1), 6: <https://digitalscholarship.tsu.edu/jpmsp/vol24/iss1/6/>
- 3** Marion Steel, “A lot of Toronto renters can’t get by even with CERB. They need a top-up from the feds,” *Toronto Star*, May 24, 2020: <https://www.thestar.com/business/opinion/2020/05/24/a-lot-of-toronto-renters-cant-get-by-even-with-cerb-they-need-a-top-up-from-the-feds.html>
- 4** Employment and Social Development Canada, *Final report on the Evaluation of the Homelessness Partnering Strategy, May 11, 2018*: <https://www.canada.ca/en/employment-social-development/corporate/reports/evaluations/homelessness-partnering-strategy.html>
- 5** Supportive housing has received co-investment fund financing.



Agriculture

Introduction

COVID-19 has disrupted agriculture most visibly where serious outbreaks of the virus have caused mass illness or death. This was a major problem in large meatpacking plants, where conditions are close and there was not adequate protection for line workers, and on some farms that depend on temporary foreign workers.

Far too many of these workers paid for their employer's neglect with their lives, while many others were subjected to racist harassment by Canadian residents. Their deaths, serious illness, and mistreatment highlight the exploitation at the centre of our "normal" food system.

The rapid shift from restaurant and institutional meal service to at-home cooking, to comply with social distancing measures, disrupted the food supply. Processing capacity was overwhelmed as demand for quantities of foods and their packaging needs changed overnight. This led to shortages in grocery stores and income losses for producers alongside food wastage for those supplying the food and hospitality industries.

At the same time, local food sales increased suddenly. Direct-marketing farmers moved months' worth of supply in a few weeks. Social distancing rules closed some farmers' markets temporarily. This meant a complete loss of income for some farmers. Others quickly adopted online sales platforms and set up home delivery and pickup distribution systems while implementing new safe work routines. New demand is welcome, but without knowing if it will last, farmers face risks in ramping up production.

When international borders closed, virtually all of Canada's commercial horticultural, fruit, and honey production was jeopardized until seasonal temporary foreign workers were exempted and emergency federal assistance helped bring them in. Even so, fewer foreign workers

than normal were able to come. Many are pressured to do excess work, and experience serious gaps in health and safety protection, with no recourse.

Following the deaths in early June of two temporary farm workers in Ontario, Mexico stopped workers from coming to Canada until the federal government agreed to enforce existing safety rules. Meanwhile, farms without adequate labour are unable to complete their sowing and harvesting, resulting in financial losses and wasted food. In the face of labour uncertainty, some farmers planted corn and soy instead and may not return to vegetable production.

Outbreaks at meatpacking plants have also severely affected cattle and hog farmers. The beef sector is so highly concentrated that the two Cargill and JBS plants in Alberta fill 70% of Canada's federally inspected slaughter capacity. Backlogs mean that live cattle need to be held longer, increasing feed costs. Cargill and JBS also own or control much of the feeder cattle supply, enabling the multinational corporations to manipulate auction prices paid to independent beef producers. Cow-calf producers expect losses due to reduced demand and lower prices when they sell calves in the fall.

Hog production is more time-sensitive than beef. When processing plants are backlogged farmers feel there is little choice but to euthanize piglets. Canada's hog sector is highly export-oriented, so closures of U.S. plants affected Canadian producers, and hogs are selling well below the cost of production as a result.

Supply-managed sectors (dairy, broiler chickens, turkeys, eggs, and hatching eggs) were affected by the rapid change in demand. But since these sectors are distributed across Canada, have smaller processing facilities, do not rely on exports, and production levels are governed by the farmers themselves through quotas, impacts on individual farmers and the food system have been less severe than in beef and pork.

Local and regional abattoirs serving smaller-scale farmers were already stretched and are now booked up many months ahead. The need for more local and regional capacity is clear, as livestock producers are facing severe delays or simply cannot get their animals butchered.

COVID-19 may also have a significant impact on corn prices. A lot of corn is processed into fuel ethanol, and with less fuel being used during the economic shutdown, demand is lower. Corn is an important feed grain, so the slowdown in meatpacking also means less demand for feed. The impacts on other grains is still unknown, but the effect could be

serious if railway transportation or ports suffer COVID-19 outbreaks in a second wave.

Agriculture and Agri-Food Canada (AAFC) severely limited its 2020 field research season, which will set back public plant breeding and may result in reduced long-term research capacity. Organic commodity prices may fall if low incomes due to high unemployment cause demand to weaken as people to switch to lower-cost foods, as happened in the 2008-09 recession. Demand and prices for feed grains may also fall if lower consumer incomes translate into less meat consumption.

Regardless of the type of farm, farmers have had to adjust work routines to comply with public health measures. Supply chains for inputs, equipment, and services have been affected to varying degrees, adding extra costs and time, and in some cases restricting or limiting operations.

Toward a just recovery

Canadians care where their food comes from and how it is produced. They want to support Canadian farmers and are uncomfortable with highly concentrated ownership in the food system.

With policy rooted in principles of food sovereignty and agroecology, the AFB Recovery Plan will build a food system that will democratically provide sustainability, security, and stability in our food supply, and fair incomes for food providers and food consumers. In recognition that COVID-19 is not the first or last crisis we will face, our food system will no longer be designed to maximize extraction with “just in time” and “lean” approaches, but instead will build in buffers and reserves that provide resilience.

Using climate-friendly, low-emissions production, the post-pandemic agriculture sector will deliver a healthy and secure domestic food supply and provide sustainable livelihoods to a larger, younger, and more diverse population of farmers. This will allow Canadian agricultural producers to engage in fair international trading relationships in solidarity with the peoples of other countries.

Farmers are the foundation of the food system. They should have the security of land tenure, seed sovereignty, control of animal breeding stock, and effective market power within the economy. To support a vibrant ethos of agriculture—to nourish the larger community, culturally as well as physically—farmers will pass knowledge from generation to

generation, both within farm families and to new farmers from non-farm backgrounds.

Our new food system will broaden the foundation of rural prosperity by embodying gender equity, antiracism, and decolonization. Our post-pandemic food system will honour the treaties, traditional territories, and inherent rights of Indigenous peoples. Indigenous food sovereignty, food lands, and food ways will have priority.

Farmers and farm workers will earn equitable incomes, realizing the full value of their products, as Canada leaves behind its cheap food policy and reduces socioeconomic inequality so that all can afford high-quality, balanced diets.

COVID-19 short-term response phase

The AFB Recovery Plan will:

- Shut down the Industry Strategy Table, the federal government's advisory panel for a corporate-led COVID-19 recovery, and disband the Agri-Food Table, the committee of agribusiness executives appointed by Finance Minister Bill Morneau to develop policy for intensifying extractive, export-oriented agriculture through digitization, deregulation, and automation.
- Reform the Temporary Foreign Worker Program to ensure workers are guaranteed safe working and living conditions, as well as the ability to change employers and speak up without fear of deportation. The reforms will also ensure that they are granted permanent resident status on arrival (see Immigration chapter).
- Reduce dependence on large export-oriented meat plants by increasing the number and capacity of local and regional abattoirs. This can be done through transition funds to owners and prospective owners, expediting scale-appropriate food safety regulations, training more butchers and inspectors, fast-tracking the relicensing of recently closed abattoirs, and encouraging multi-species facilities that will facilitate diversity of livestock production.

- Expand the capacity of local food institutions such as food hubs and farmers' markets to provide aggregated processing, storage, and distribution facilities for smaller-scale producers.
- Develop programs and policies by 2021 that promote increased domestic food production, incentivize climate-friendly agriculture, and defund subsidies for extractive agriculture.
- Establish a Canadian Farm Resilience Administration, modelled after the former Prairie Farm Rehabilitation Administration, to provide research, extension, and funding support for climate-friendly, low-input production. Reducing farmers' overreliance on petroleum-intensive fertilizers, chemicals, and other inputs can simultaneously reduce emissions and raise incomes. Low-input agriculture is a climate change adaptation and mitigation measure, and it can be a farm income solution.

COVID-19 medium-term recovery phase

The AFB Recovery Plan will:

- Ban lobbying by agribusinesses and their associations.
- Develop, revitalize, and support institutions for democratic control of the food system, such as supply management; single-desk marketing agencies; producer, consumer, worker, and multi-stakeholder co-operatives; land trusts; strategic reserves; public research institutions; and community food hubs, farmers' markets, and CSAs.
- Revise the mandate of the Farm Credit Corporation to provide credit to farms and food businesses implementing climate-friendly production systems and strategies.
- Incentivize and support the development of domestic food production and processing, to provide Canadian residents with a balanced, seasonal diet, reducing our dependence on imports, retaining more food dollars within Canada, and limiting exposure to the volatility of foreign markets.
- Redesign the business risk management programs under the Canadian Agricultural Partnership (CAP) to provide relevant

and equitable safety nets for farmers of all sizes and types. The programs should promote climate mitigation and adaptation, and support a food system oriented toward farmer livelihoods, consumer health, environmental sustainability, rural prosperity, and food sector employment. By fixing the farm income problem and reducing farm debt, farmers will become much less vulnerable to climate impacts, pandemics, and other crises.

COVID-19 long-term rebuilding phase

The AFB Recovery Plan will:

- Withdraw from trade agreements and negotiate international solidarity agreements that impel a virtuous circle that enhances justice, equity, diversity, and resilience among trading partners.
- Make Canada's major agricultural sectors more locally accountable by re-establishing and expanding the Canadian Wheat Board; outlawing captive supply of cattle; reducing the scale of farm hog production by returning to family farm production and single-desk marketing; reinstating domestic market share taken, via trade deals, from Canada's supply-managed sectors; and requiring imported fruits and vegetable production to meet all Canadian labour and pesticide standards.
- Establish trusts for farmland and supply-management commodity quota to reduce farmland-related debt and promote intergenerational transfer with dignity.
- Create agroecological farm educational programs in every province to help non-farm youth establish successful farms.
- Orient agricultural policy toward stability, resilience, self-reliance, and democratic governance by reducing integration with the U.S. economy and its regulatory framework.
- Implement a regulatory system that effectively enforces the precautionary principle to safeguard the air, water, biodiversity, and lands, and which protects farmers and consumers against hazards, balances power in the marketplace, and prevents decision-makers from being insulated from the impacts of their policies.



Arts and culture

Introduction

The impact of the COVID-19 pandemic on Canada's \$53 billion cultural industries was swift and severe.¹ Live performance venues, galleries, events, festivals, conferences, theatres, seasons, and gigs were closed, cancelled, or postponed as public health officials enacted self-isolation measures.

Statistics Canada's Labour Force Survey suggests 192,300 workers in the information, culture, and recreation industries lost their jobs between February and May 2020; employment declined from 778,700 to 586,400—a 24.7% drop.² As of May 27, 2020, an independent survey of 800 of Canada's 726,000 culture workers confirmed the cancellation or potential loss of 28,000 jobs, representing over \$20 million in lost income.³

Regardless of uncertainties and physical distancing measures, artists and arts organizations soothed anxieties through human, connected, shared experiences—once again highlighting the immense value of the arts. Impromptu performances from balconies and living rooms were beacons of hope and endurance—important levers toward a recovery.

Leveraging this innate human response to the arts requires system reform to enable new and in-demand investment strategies and cross-sectoral partnerships. These opportunities dismantle systemic barriers—elevated and scrutinized during the pandemic—to advance equitable social justice for all. Implementing such reforms will foster arts organizations' ingenuity, resiliency, and long-term outcomes.

Art transcends sectoral, political, economic, and racial boundaries, giving rise to Indigenous, Black, and People of Colour (IBPOC) narratives.⁴ The holistic, interdependent nature of the arts fosters positive impacts for societies, communities, and individual health—irrelevant of short-term crises or long-term prosperity.

COVID-19 short-term response phase: artists and regional networks

COVID-19 has blatantly exposed the long-standing, well-documented precariousness of the cultural sector. As Canada transitions from crisis to recovery, many arts sector workers will remain in untenable circumstances due to the anticipated extended delays in reopening arts and cultural venues.

The Canadian Emergency Response Benefit (CERB) protects and sustains self-employed artists and cultural workers during forced closures and physical distancing restrictions. The AFB Recovery Plan proposes income relief measures to support cultural workers through mid- and long-term transitions into new and unknown realities (see the Employment insurance chapter).

The Canadian Emergency Wage Subsidy (CEWS) and the \$500 million Emergency Fund for Culture Heritage and Sport provide additional support to charitable arts organizations and arts sector facilities in many underserved communities. These centralized hubs connect isolated artists, immigrants, and networks to each other and the general public. However, far too often these organizations do not equitably serve Indigenous, racialized, and other marginalized communities.

Equitable recovery and growth will require a concerted effort to support IBPOC arts workers across the country. Extending immediate short-term investments to maintain arts sector business infrastructures and operations will stave off sector-wide or regional collapse. This measure will create stability for cultural organizations not presumed to be wholly operational until 2021.

COVID-19 medium-term recovery phase: community

Supporting community resilience through human-centered economic recovery, while embracing creative adaptability, is a primary objective in reopening and stabilizing the arts sector. Some arts venues have pivoted to offer digital programming and pay professional performance fees; others offer unused space to meet community needs.

Aligning health and well-being programs with artistic expression links health and wellness (policy) to participatory arts (programming) and leverages a local, flexible, creatively skilled workforce that responds to re-stabilization period demands. Activating these types of co-working

partnerships between artists, arts venues, and municipal health and social services will facilitate health and economic recovery support programs while accommodating public health or sector-specific needs, such as trauma response within long-term care facilities.

The AFB Recovery Plan will develop responsive programs for unique, local, community, and social re-stabilization needs that are supported federally and delivered locally.

Equally important, artists must maintain adequate time and resources for artistic pursuits of excellence while engaging in societal recovery efforts. A flexible system that redistributes and dovetails artistic skills to meet ever-changing societal needs can mitigate lost income due to the crisis and open the door to adaptive revenue streams for improved financial security. Regardless of how this process is framed, particular emphasis must address barriers for organizations that serve Indigenous and racialized people, deaf and other-abled people, and other marginalized communities.

COVID-19 long-term rebuilding phase: resilience

COVID-19 both magnifies the limitations of long-established, counter-intuitive systems within the arts ecosystem and provides a unique perspective from which to reconstruct and adapt these systems toward creative resiliency. A needs-based, trust-based system that responds to grassroots realities as a primary mechanism offers a platform from which to reconstruct nonprofit, integrative business models that underwrite collective advancement.

Enabling local operations to respond to local needs, encouraging creative experimentation, developing cross-sectoral partnerships, and integrating social enterprise frameworks are, individually and collectively, important. Models that expand and integrate the agency of local arts organizations both increase community interdependence and foster positive artistic, societal, and economic outcomes for an expanded group of beneficiaries.

Nonprofit arts organizations must be allowed to build internal funds for unrestricted use to better meet the needs of their clients, their members, and the communities they serve. During the pandemic, a trust-based funding model activated philanthropists, granting agencies, and governments to provide fast and flexible emergency relief to arts

organizations and artists.⁵ This model, which should be extended and utilized as the new standard, offers nonprofit organizations a tangible option to build liquidity and lessen operational precarity while meeting unexpected circumstances over the long term.

Finally, as proposed in the AFB 2020, the federal government must pass legislation to support new finance and partnership models for nonprofit/not-for-profit and charitable organizations, such as shared platforms,⁶ which are not accepted under current regulations. This reform, specific to arts sector realities, would better reflect artists' individual employment status, related shared resource priorities, established organizational capacities and infrastructures, and new financial partnerships. Legislation would be realigned to present-day realities and demands for social finance structures and matching-fund models that philanthropic sources embrace and social conscience demands.

Notes

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Child care

Introduction

“The need for child care has never been made clearer.”

—*Prime Minister Justin Trudeau*¹

Never has child care been more vulnerable—and more essential.

It has taken a public health crisis for the essential role of early learning and child care to be widely recognized, and for the fragility of Canada’s provision to be laid bare.

Early learning and child care in Canada was fragile before the pandemic hit because it is market-based, fragmented, and under-funded. Most licensed programs primarily rely on parent fee revenue.

The predominantly female workforce earns low wages and any raise in compensation translates into higher parent fees, as do any other quality improvements. As a result, recruitment and retention of qualified early childhood educators is a perpetual serious concern.

COVID-19 has added another dimension to the challenges that the early learning and child care sector faces. Almost all provinces and territories ordered child care programs to close during the emergency response phase of the pandemic (with limited services for essential workers). They also adopted dissimilar and shifting approaches to supporting the sector through the shutdown.

A recent survey of licensed child care centres in Canada confirms that 70% laid off all or part of their workforce during the emergency response phase of the pandemic, and more than one-third of the centres across Canada are uncertain about reopening.

The early learning and child care sector could lose thousands of educators who will not return to low-wage work when other employment opportunities open up again.

It's time to update Canada's plan for early learning and child care.

The construction of an accessible, affordable, quality, inclusive system of early learning and child care, with fairly compensated early childhood educators at its heart is now essential if Canada is to forge a resilient and just future, and also become the best possible place for children.

Millions of workers have lost their job and income because of the pandemic. A sustainable economic recovery relies on their ability to regain their earning power. But before parents of young children can return to work, they need access to affordable child care programs that meet their diverse needs. This is particularly true for mothers, who have suffered disproportionately through the pandemic.

As one economist states: "There can be no recovery without a she-covey; and there can be no she-covey without childcare."²

The evidence providing the rationale for, and value of, a universal child care system has been well established over the last few decades³ and is now the norm in many countries. While even countries with established universal child care systems continue to struggle to remedy inequality of access for less advantaged populations, the evidence still shows that a universal system is the best approach to advancing equity in child care. Given that the pandemic has disproportionately impacted families facing various and often inter-related systemic barriers, building a universal system in Canada is all the more urgent—one that would make early learning and child care "accessible and affordable for all families and inclusive of children regardless of ability, economic, cultural or linguistic circumstances, where they live in Canada or whether their parents are in or out of the workforce, studying or working non-standard hours."⁴

Federal leadership, including bold, accelerated federal spending, is needed to expedite Canada's move from the market-based provision of early learning and care to a publicly managed and fully publicly funded system.

Toward a just recovery

The AFB Recovery Plan will implement the updated Affordable Child Care for ALL Plan⁵, which calls for a two-phased approach by the federal government in the aftermath of COVID-19:

- In the first phase, the plan calls for \$2.5 billion for early learning and child care in new federal transfers to the provinces/territories

and Indigenous communities to support the safe and full recovery of regulated child care as part of the re-opening of the economy.

- In the second phase, the plan proposes federal spending of \$2 billion on early learning and child care in 2021-22. This base would be increased each year after by \$2 billion (that is, \$4 billion in 2022-23, \$6 billion in 2023-24, etc.). The federal funds would be used to move Canada toward a fully publicly funded system, in partnership with the provinces, territories, and Indigenous governments.
- Under the plan, the federal government would require the provinces and territories to use the federal funds to achieve measurable improvements in accessibility, affordability, quality, and inclusiveness.
- Additionally, the federal government would establish and fund a federal early learning and child care secretariat to lead and co-ordinate the federal government’s early learning and child care work.
- Finally, the federal government would propose parliamentary legislation that enshrines Canada’s commitment to give all children the right to high-quality early learning and child care. Similar to the Canada Health Act, the legislation would set out the principles, conditions, and accountability mechanisms for federal transfer payments to provinces and territories.

Phase 1 (through March 31, 2021)

The federal government has promised \$14 billion in new federal transfers to the provinces and territories, to be rolled out over the remaining months of 2020, to help finance the safe restart of the economy. Prime Minister Trudeau says the agreement will provide federal funding for child care “so that every parent knows there is a safe place for their kids.”

Under the first phase of the updated plan, the AFB would allocate \$2.5 billion of these promised transfers for spending on early learning and child care. The provinces and territories would use the funds to augment, not replace, the public funding that early learning and child

care programs now receive. Agreements with each province and territory would ensure that the federal funds are used for:

- A safe restart of child care programs;
- Restoration and expansion of the number of licensed child care spaces that existed prior to the pandemic;
- Increases in wages and other compensation for those who work in early learning and child care to ensure the return and retention of staff to the sector;
- Stabilization of parent fees, and reductions to the extent possible; and
- Interim full-day child care programs for school age children 12 years of age and younger until schools are re-opened.

The federal secretariat that has been mandated by the prime minister of Canada would be established during this first phase. Its mandate would be to advise on, monitor, and evaluate the Phase 1 implementation and plan for Phase 2, including the development of comprehensive workforce and expansion strategies.

Phase 2 (starting April 1, 2021)

The AFB Recovery Plan will boost the federal allocation for early learning and child care to \$2 billion in 2021-22 and add a further \$2 billion each year thereafter, earmarking 20% of the annual total to support implementation of the Indigenous Early Learning and Child Care Framework⁶.

In this second phase of early learning and child care system construction, the focus would be on expanding availability of licensed child care, making early learning and child care more affordable and on improving the quality of programs, primarily through the development and implementation of a workforce strategy and the application of the best available evidence.

To make progress on these fronts, the federal government would negotiate bilateral funding agreements with each of the provinces and territories. These agreements would provide for federal funds to be directed to enhance the public management of early learning and child

care, and to increase operational (supply side) funding of early learning and child care programs.

During Phase 2, federal early learning and child care legislation enshrining Canada's commitment to high quality early learning and child care for all children would be introduced. The legislation would set out the principles, conditions, and accountability mechanisms for federal transfer payments to provinces and territories.

Conclusion

COVID-19 makes clear that it's time to update Canada's plan for early learning and child care. Federal leadership is required to accelerate the construction of an accessible, affordable, quality, inclusive system of early learning and child care, with fairly compensated early childhood educators at its heart. Urgent action is required not only to save early learning and child care programs from collapsing, but to advance the universal approach required to ensure access for all parents—including low-income women from Indigenous and racialized backgrounds—so they can return to the workforce during the recovery and rebuild phases of this pandemic. Research shows investments in early learning and child care pay for themselves by enabling women to enter the paid labour market. Socialization opportunities are also essential for children's well-being, especially since many have been isolated due to the necessary COVID-19 shutdown.

Notes

- 1 Jordan Press and Teresa Wright, "Feds quietly probe expanded role for child care in post-pandemic recovery" (May 18, 2020), CTVNews. <https://www.ctvnews.ca/health/coronavirus/feds-quietly-probe-expanded-role-for-child-care-in-post-pandemic-recovery-1.4943770>
- 2 Armine Yalnizyan (June 5, 2020), "No recovery without a she-covery," Presentation to House of Commons Standing Committee on Finance. <https://atkinsonfoundation.ca/atkinson-fellows/posts/no-recovery-without-a-she-covery/>
- 3 Anderson, L., Ballantyne, M., and Friendly, M. (2016). Child care for all of us: Universal child care by 2020. Ottawa: Canadian Centre for Policy Alternatives. https://www.policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2016/12/Child_Care_AFB2017_technical_paper.pdf
- 4 *ibid.*, p.7.

5 <https://timeforchildcare.ca/a-strategy-for-recovery-making-affordable-child-care-for-all-a-reality/>

6 The allocation of 20% of the federal funding to Indigenous communities is consistent with the allocation established in Budget 2016 (p. 101), which noted that the federal government would “invest \$500 million in 2017/18 to support the establishment of a National Framework on Early Learning and Child Care. Of this amount \$100 million would be for Indigenous child care and early learning on reserve.” <https://www.budget.gc.ca/2016/docs/plan/budget2016-en.pdf>



Cities and infrastructure

Introduction

Municipal governments are responsible for vast amounts of the most visible, impactful, and important public services we rely on.

Cities build and maintain critical infrastructure like roads, bridges, power, water, and public transportation. They operate parks, libraries, art spaces, recreation facilities, and community centres. They are responsible for first responders, sanitation, and public health services.

City programs help entrepreneurs and small businesses as well as provide social services for a variety of marginalized populations. Eighty three per cent of Canadians live in cities and these services enhance the standard of living for each of them on a daily basis.¹

Cities have had to deal with COVID-19 in ways similar to other levels of government. Essential operations continue while many important services have been shut down, resulting in layoffs and decreased access. As things begin to re-open, everyone is adapting, adjusting, and absorbing extra costs to provide services safely within the new reality.

Municipalities, unlike other levels of government, are dealing with the crisis while constrained by an inability to borrow or run operating deficits. They only have access to meager and regressive forms of taxation such as property taxes, fines, and user fees. As people stay home, revenue from land transfer taxes, bus fares, parking tickets, and library fines have disappeared. The estimated budget shortfall for municipalities nationwide comes in at around \$12 billion.²

As of now, direct municipal support from the federal government has been minimal: \$2.2 billion in gas tax payments will be provided up front instead of staggered over the next two years. Cities are also expected to

get a portion of the “safe economic restart” funding negotiated with the provinces. So far, support has fallen well short of what’s needed.

The pandemic has exposed how flawed this system is. The current governance structure creates unnecessary scarcity pushing cities to the brink of bankruptcy. Cities could soon be forced to cut services, cancel projects, or aggressively raise revenue—impractical options when the priority should be on caring for people in a time of need.

The acute problems of the COVID-19 crisis are also converging with a long list of ongoing challenges.

Municipal infrastructure has been neglected for the last 40 years. Spending commitments have increased recently, but they were backloaded and projects have been slow to break ground. Over the last 10 years, before the crisis, total gross fixed capital formation in Canada declined as a percentage of GDP.³

Decades of stagnant tax revenue, combined with downloading responsibility for social services, has put excessive budgetary pressure on care services and social infrastructure.⁴

The crisis is further exposing the weakness of public-private partnerships (P3). When big shocks happen, projects are disrupted and revenues disappear. When deals go bad, ultimately, governments are on the hook. Private investors get the profit while public coffers cover the risk.

Internet access has become an even more critical point of division between the haves and have-nots. Not having fast, reliable internet excludes people from participating in school, work, and a range of other vital services.

The funding structure from higher levels of government remains flawed. The process is ad hoc, lacks transparency and predictability—thereby discouraging long-term planning.

The climate crisis continues to loom large, with both the causes and solutions interwoven into municipal issues.

Systemic inequity, misogyny, and white supremacy underlie all public institutions and, not surprisingly, cities are impacted as well.

Municipalities are facing a large set of dynamic problems. If there’s one silver lining, it is that we have an opportunity in this sector to deliver transformative solutions. As we move out of the containment phase and start addressing the challenging economic conditions that municipalities face, we can aspire to solve all these problems at the same time.

We can create jobs, look after people, and pave the way for a more sustainable future—all while addressing societal inequities every step of the way.

COVID-19 short-term response phase

The AFB Recovery Plan will:

- Ease the municipal budget crunch through an immediate transfer of \$15 billion to cities. This amount will cover unforeseen COVID-19-related expenses and revenue shortfalls. It will also provide stabilization funds for health, child care, and social services. Public safety and equity should guide decision-making about municipal services, not an artificial scarcity of resources.
- Increase the federal share of infrastructure project funding. Instead of requiring matching funds from provinces and municipalities, the AFB Recovery Plan will provide up to 100% of the cost in order to maintain momentum on current operations and expedite the next wave of critical projects. The increased funding will be conditional upon negotiating funding agreements that respect long-term national priorities.
- Divert all new Canada Infrastructure Bank projects away from P3s and toward projects that are entirely publicly financed, owned, operated, and maintained.

COVID-19 medium-term recovery phase

The AFB Recovery Plan will:

- Negotiate new funding agreements with provinces, territories, municipalities, and Indigenous communities to expand public ownership and facilitate infrastructure projects based on a set of national priorities, including a national public transit strategy, decarbonization, care economy investments, and universal access to broadband. These agreements will be designed to achieve a broad range of policy objectives, such as poverty reduction, equity, and community economic development. The procurement strategy will use community benefit clauses to achieve these goals. It will

also incorporate social and environmental value weighting as well as equality, diversity, and inclusion criteria.

COVID-19 long-term rebuilding phase

The AFB Recovery Plan will:

- Implement an ambitious reconstruction plan that facilitates the development of projects that achieve the most social and redistributive impact as well as the greatest possible GHG emission reductions. Initiatives will be selected using community benefit clauses and they will incorporate social, environmental, equality, diversity, and inclusion criteria throughout the process.

Projects will include:

- Universal access to affordable broadband internet.
- Critical social infrastructure projects in neglected but critically important service areas that have been overlooked because of the communities they serve or the demographics of their workers. This includes investments in child care, long-term care, recreational facilities, cultural infrastructure, homelessness, harm reduction, and other social support services that disproportionately impact women, members of the trans and non-binary community, Indigenous and racialized communities, people with disabilities, and immigrants.
- Expanding public transit projects like rapid transit priority lanes that reduce commuter times, and get people out of cars and onto public transit.
- Expanding alternative transportation infrastructure, such as bike lanes, trails, sidewalks, and car-free zones to promote cycling, walkability, and healthier lifestyles.
- Expanding clean electricity and zero-emission infrastructure projects, including the production and transmission of energy as well as within the transportation system.

- Expanding adaptation and resilience initiatives to prepare infrastructure for higher frequency and more extreme weather events.
- Resource efficiency projects that extend the life of products, expand re-use and recycling capacity, and divert waste from landfills and incineration.
- District energy projects that expand centralized production of thermal energy for heating and hot water.
- High-speed rail expansion to create more efficient intercity travel within the Windsor-Toronto-Quebec City corridor, Calgary-Edmonton, Vancouver-Portland, and other regions.
- Limiting urban sprawl and encouraging brownfield rehabilitation, encouraging the cleanup and reuse of existing urban land—projects that create more compact dense cities that are less reliant on car-ownership for mobility.

Conclusion

Municipalities have borne the brunt of the COVID-19 pandemic but they lack the revenue tools to meet their obligations to ensure cities continue to function and people are protected. The AFB Recovery Plan recognizes the dysfunctional nature of municipal funding arrangements and addresses the problem in the short-, medium-, and long-term by increasing federal funding for physical and social infrastructure in order to improve and expand vitally necessary public services. These investments will foster community well-being, public ownership, inclusive economic initiatives, and city resilience.

Notes

1 Statistics Canada. Census 2016.

2 RBC Economics (June 2020). Canadian City Finances Ailing from COVID-19.

3 Statistics Canada. Table 36-10-0108-01, Gross fixed capital formation. Quarterly. Canada (x 1,000,000).

4 Johal, Alwani, Thirgood & Spiro (2019). Rethinking Municipal Finance for the New Economy, Mowat Centre.



Climate change, just transition, and industrial strategy

Introduction

The unplanned disruption of our current fossil fuel-based economy presents Canada with an unexpected opportunity to accelerate the transition toward a more sustainable future. By forcing us to rethink how we live and work, the COVID-19 pandemic has opened the door to a more radical, comprehensive social and economic transformation than seemed plausible only six months ago.

Governments at all levels have taken unprecedented action to respond to COVID-19 and that same level of ambition and speed must also be applied to the zero-carbon transition. We cannot afford to scale back investment or redirect political will from the vital project of phasing out fossil fuels and building inclusive, green communities. Public investment in green jobs will not only be essential to addressing the climate crisis but will be critical to creating desperately needed jobs to replace the millions that have been lost during the crisis and to avoid lingering unemployment and rising poverty.

A just recovery from COVID-19 will not be a return to the status quo of an exploitative fossil fuel-based economy. A just recovery means building back better, putting a definitive end to the fossil fuel era and ushering in a new vision for Canada: a diversified, green economy that works for workers and communities, serves the wellbeing of society, and drastically cuts our greenhouse gas emissions.

COVID-19 short-term response phase

The AFB Recovery Plan's short-term priorities are to support displaced workers and communities and to accelerate Canada's transition away from fossil fuels.

To that end, the plan creates a new EI system built for the modern Canadian workforce that provides immediate support to fossil fuel workers and other workers in their communities who are laid off during the COVID-19 pandemic (see EI chapter).

The AFB Recovery Plan recommits the government to legislate a *Just Transition Act* to ensure displaced workers and communities are given the support they need as the economy transitions toward renewable energy and increased energy efficiency. In addition to enshrining the principles of climate justice and the rights of workers displaced by climate policies, the act establishes a Just Transition Commission, a Strategic Training Fund and a Just Transition Transfer (see below).

The AFB Recovery Plan allocates \$5 million per year to establish a Just Transition Commission to study and make recommendations for the transition of oil and gas workers and their communities away from fossil fuel production. The commission will build upon the work of the Just Transition Task Force that previously studied the national phase-out of coal-powered electricity generation. The design of the commission will be informed by the success of similar models in Scotland, Germany, New Zealand and elsewhere.

The AFB Recovery Plan also establishes a clear timeline for the regulatory phase-out of oil and gas production for fuel by 2040 (modeled on the national phase-out of coal power by 2030). It is imperative that the deadline be established immediately, before the public and private sectors strand assets by investing recovery funds into the oil and gas industry. Complementary regulations, such as a moratorium on new extraction projects, will ensure emissions from the sector do not rise any further before declining.

COVID-19 medium-term recovery phase

The AFB Recovery Plan's medium-term priorities are to get people back to work in green jobs while jump-starting strategic green industries.

To that end, the AFB Recovery Plan allocates \$50 million toward a National Decarbonization Strategy to be coordinated by Innovation,

Science and Economic Development Canada in partnership with provincial and territorial governments, First Nations, Inuit and Métis representatives, labour unions, industry associations and the public through a participatory democratic process. The strategy will chart a course to a net zero-carbon economy through public investments in industries such as electricity generation, public transit, forestry and building and home retrofitting.

The 2019 federal budget made a one-time transfer to the Federation of Canadian Municipalities of \$1 billion for energy-efficiency retrofits and the construction of energy-efficient homes across the country. The AFB Recovery Plan makes this transfer permanent and annual and aligns it with the Greener Home initiative and National Housing Strategy. The AFB Recovery Plan allocates a significant portion of annual retrofit funding to remote communities, Canada's North, low-income family homes, and multi-unit residential buildings, which will create good jobs in those communities.

The AFB Recovery Plan also invests \$650 million per year to accelerate renewable and decentralized energy projects, with a focus on federal procurement, community financing, rooftop solar, capacity building, and remote and Indigenous communities.

As part of the Just Transition Act, the AFB Recovery Plan allocates \$250 million per year to Employment and Social Development Canada for a new Strategic Training Fund. The money will help training institutions, such as colleges and labour union training centres, to expand training capacity in priority fields identified under the National Decarbonization Strategy. Consistent with the principles of community benefits, funding will be conditional on efforts to recruit and retain new workers from historically marginalized and disadvantaged communities, including women, racialized Canadians, immigrants and Indigenous peoples—those who have been historically excluded from many of the occupations poised for growth in the clean economy.

The AFB Recovery Plan also establishes a Green Jobs Corps at a cost of \$10 billion per year to create good green jobs that advance Canada's decarbonization agenda. Among the corps' priorities will be climate adaptation and environmental reclamation projects identified under the National Decarbonization Strategy. All youth under the age of 25 in Canada will be guaranteed either a job in the corps or access to subsidized training through the Strategic Training Fund.

To protect Canadians and our environment from exposure to toxic substances, the AFB Recovery Plan enhances funding for relevant federal regulatory departments to assess and manage toxic substances, including pesticides. Chemical risk assessment and management will be allocated an extra \$100 million per year, with a further \$50 million per year going to enforce the Canadian Environmental Protection Act and its regulations, and \$50 million per year to the Pesticide Management Regulatory Agency to assess risks and upgrade its compliance and enforcement.

COVID-19 long-term rebuilding phase

The AFB Recovery Plan's long-term priorities are to fully decarbonize the Canadian economy and advance a progressive, democratic, and just economic vision of community economic development.

To that end, the plan puts the National Decarbonization Strategy to work with a broad-based program of investment in high-impact green infrastructure projects in the communities where they are needed most (see Cities and infrastructure chapter). In addition to direct public ownership, the AFB Recovery Plan encourages more social enterprises and other forms of cooperative, community-based ownership.

As part of the Just Transition Act, the AFB Recovery Plan allocates \$200 million per year to a Just Transition Transfer to the provinces. The transfer is intended to support the long-term viability of communities transitioning away from fossil fuels once shorter-term income supports are exhausted. Funding is conditional on the implementation of community benefit agreements and an equity assessment to ensure the benefits are fairly distributed to all affected people in each community, whether or not they work directly in the fossil fuel industry. In addition, funding cannot be used to subsidize further fossil fuel activity. A portion of the transfer is allotted specifically to marginalized communities, especially Indigenous communities, for decarbonization projects.

Through the reformed Canada Infrastructure Bank (see Cities and infrastructure chapter), the AFB Recovery Plan establishes new crown corporations, as required, to drive the transition to a lower carbon economy where public investment and incentives are insufficient. For example, if the regulatory phase-out of oil and gas extraction provokes the flight of private capital from the oil sands, the federal government may be required to nationalize fossil fuel projects to ensure they are

responsibly and predictably wound down. Crown corporations may also have a role to play in rapidly scaling up projects in renewable energy, sustainable housing and the care economy (e.g., long-term care facilities and schools) that remain under public ownership. Crown corporations established for these purposes can help drive low-carbon job creation in the communities where jobs and economic diversification are needed most.

The AFB Recovery Plan invests \$100 million per year on top of the federal government's commitment of \$3 billion over 10 years for nature-based climate solutions, plus \$140 million a year in restoration and \$320 million a year in natural infrastructure.

The AFB Recovery Plan invests \$600 million per year to create and manage terrestrial and marine-protected areas, including Indigenous protected areas and the Indigenous Guardians Program.

The AFB Recovery Plan invests \$1 billion over three years to reduce road transportation emissions through electric vehicle purchase incentives, charging infrastructure, heavy-duty vehicle emission reduction incentives, and a new low-carbon fuels innovation program.

The AFB Recovery Plan invests \$6.76 billion in international climate finance between 2021–25 to contribute Canada's fair share of the Development Assistance Committee target of USD \$100 billion (see International development chapter).

Conclusion

The destruction wrought by the global COVID-19 pandemic offers us a glimpse into the catastrophic threat posed by climate change. Our economy, public health and safety, community well-being and even the very functioning of our society are all put at risk by uncontrolled global warming.

COVID-19 requires governments to rethink and reimagine the role of the public sector in protecting society from major shocks and disruptions. The AFB Recovery Plan leads with a transformative agenda that treats the climate emergency with the same sense of urgency as our pandemic response. This is our moment to get it right, because nothing will be the same post-COVID. There is no normal to return to, especially when it comes to the environment and the urgent need for a just transition into a low-carbon, inclusive economy. Our future depends on it.



Disability

Introduction

People with disabilities make up 22% of the Canadian population and are among the hardest hit during this pandemic.

That they have been largely overlooked in COVID-19 response planning fits a troubling, persistent pattern of disability exclusion in this country, where 52% of all human rights complaints¹ relate to disability and where immigration law still openly discriminates against disabled applicants.²

The *Accessible Canada Act* (2019) and creation of the Canadian Accessibility Standards Development Office (CASDO) offer new opportunities for federal disability leadership, as does the prime minister's past commitment to apply a disability lens to all federal policy.

This active leadership is sorely needed to undo eugenic policies of segregation and elimination, enforced poverty, and other systemic and intersectional forms of ableism—particularly in relation to intellectual disability, class, race, and gender. The pandemic may have brought the resulting issues to a crisis point, but these crises have yet to be met with meaningful government action.

The AFB Recovery Plan directly addresses the ableist effects of response planning across four interrelated disability domains and presents a just way forward, under federal guidance. This plan of action is underscored by the principle of self-direction, emphasizing leadership by disabled people and their organizations (i.e. disabled people's organizations, or DPOs)³, above that of service provider and other stakeholder groups.

Disability housing

An estimated 18.5% of Canadians with intellectual disabilities⁴ experience core housing needs and far too many are living in segregated congregate environments, such as disability group homes.

Meanwhile, the crisis at Participation House⁵ in Markham, Ontario—along with damning reports⁶ on COVID-related infections and deaths in group homes in the state of New York—shows how easily the pandemic has ravaged these institutional environments.

Unfortunately, the federal response to the ongoing disability housing crisis through Canada Mortgage and Housing's National Housing Co-Investment Fund includes a re-investment in institutional-style projects that isolate disabled residents.

Rather than building more institutions and simply aiming to protect those in segregated settings, it is time to shift away from this approach on a national scale, through a National Deinstitutionalization Strategy, which highlights the importance of individualized options and choices and prevents housing and disability supports from being controlled by the same provider.

Disability employment

COVID-19 exacerbates the impact of a disability unemployment rate that is nearly double the non-disability rate. At the same time, the pandemic shutdown reveals the ability of many businesses to adapt to one of the top five⁷ most requested accommodations from workers with invisible, episodic, and other disabilities: remote work⁸ with flexible hours.

Following the principle of equal pay for equal work, it is time the federal public service provides leadership in ending inequitable employment practices and in modelling a disability-inclusive workplace. This requires shifting away from consulting disability communities, toward hiring them; it involves going beyond funding external employment-related initiatives⁹ by also modelling best practices internally throughout the federal public service.

Disability reaches across all sectors of government; building in-house disability expertise will reshape the public service toward a representative and accessible sector. This culture change will model equitable and inclusive employment and contribute toward the disability leadership that is needed to avoid mistakes seen during the pandemic.

Disability poverty and income

Throughout their prime working years (15–64 years of age), people with disabilities are about twice as likely as those without disabilities to live in poverty. And even more so if they experience intellectual disabilities¹⁰ or intersectional identities, such as women and racialized people with disabilities.¹¹

Government research suggests that as the degree of ‘severity’ of disability increases, so does the risk of poverty. We also know that the single largest component of the incomes of working-age people with disabilities living in poverty is provincial social assistance. Yet it was not until June 2020, after many provinces began re-opening and amidst punitive social assistance claw backs, that a disability-related income initiative¹²—offering one-time payments ranging from \$100 to \$600—was announced through the Disability Tax Credit. However, at time of writing, this initiative has been neither approved nor launched.

As the disability community has long known, the non-refundable Disability Tax Credit is an extremely limited policy tool that is gendered, regressive, and racialized. The Disability Tax Credit leaves out the poorest of the poor, most of whom are younger people with disabilities, while women and Indigenous disability communities are under-represented as recipients. These modest one-time-payments do little to advance disability justice.

A fundamental principle of the AFB Recovery Plan is that if the federal government is to continue using the notion of disability ‘severity’, then it must play a central role in the provision of income security through direct transfers to individuals and families. The long-term aim is to provide a nationally consistent level of financial support to prime working age people with severe disabilities not in the labour force.

Disability and health care

Longstanding tensions between medical authority and disability justice movements came to the fore when a number of provinces drafted COVID-related medical triage protocols¹³ recommending the withholding of life-saving resources from patients who, as a result of disability status, are assumed to have a low quality of life.

These draft protocols¹⁴ would be implemented under specific circumstances, and only when a given hospital’s capacity reaches a

certain level. But the designation of certain disabled lives as burdensome and ‘not worth saving’ serves a eugenic function that reaches across Canadian history and culture, with important intersectional dimensions of class, race, Indigenous status, and gender.

Federal leadership, in collaboration with disabled people’s organizations, is needed to address these systemic problems and safeguard disabled people’s access to consistent and equitable health care across Canada.

COVID-19 short-term response phase

Disability housing

The AFB Recovery Plan will:

- Adopt the definition of an institution¹⁵ used by People First of Canada, the pre-eminent national organization representing people with intellectual disabilities.
- Commit to developing a National Deinstitutionalization Strategy in collaboration with disabled people’s organizations; premised on the separation of housing providers from support providers and promoting individualized options and choices—including the right to choose where and with whom one lives, and popular alternatives such as direct funding.
- Commit to making 100% of new affordable housing accessible.
- Put a stop to shovel-ready projects that use federal funding, such as the National Housing Co-Investment Fund, to build new segregated disability residences—replacing them, instead, with investments in integrated, affordable and accessible housing for people with disabilities and portable funding for disability supports that are not tied to housing.
- Immediately begin collecting and making publicly available disaggregated data on the number and nature of disability institutions¹⁶ across the country, as well as the number of disabled people housed in long-term care homes, homeless shelters, hospitals, migrant detention centres and prisons.

- Immediately begin collecting and making publicly available disaggregated data on COVID-19 infection and mortality rates in disability institutions, such as group homes, and among disabled people in long-term care homes, homeless shelters, hospitals, migrant detention centres and prisons.
- Ensure that data collection is attentive to factors such as impairment, age, race, gender, LGBTQI2S+, and migrant status.
- Commit to ending new disability admissions to institutions, such as group homes and nursing homes, in favour of building affordable and accessible housing options for people with disabilities in socially inclusive settings and funding portable and individualized disability supports that are separate from housing.

Disability employment

The AFB Recovery Plan will:

- Commit to moving toward a representative public service with in-house disability expertise. It significantly expands on the promise to hire 5,000 people with disabilities in the public service over five years, aiming for a more proportional disability representation (20%) at all levels—including managerial and executive—and across all federal departments and agencies. It promotes disability parity in the public service, which should redress the 20% disability rate of the prime working age group (25–64).
- Set a public service disability parity target for 2035, with clear benchmarks along the way.
- Commit to hiring qualified persons with disabilities into full-time positions to help roll-out the *Accessible Canada Act*.
- Recognize and remove barriers to full time remote work¹⁷ and/or flexible hours within the federal public service by granting these disability accommodations upon request; avoids a one-size-fits-all approach to accommodations by ensuring other accommodation plans are individualized and guided by the worker’s knowledge of their own needs.

- Immediately begin collecting disaggregated data on sheltered workshops¹⁸ and other arrangements where workers with disabilities typically receive a ‘training wage’ that is less than the minimum wage; commits to providing leadership in this area, including through a greater investment in supported and integrated employment.

Disability poverty and income

The AFB Recovery Plan will:

- Lead conversations with the provinces and territories to address non-exemptions and clawbacks to: CPP-D, Registered Disability Savings Plan (RDSP);
- Raise the disability component of CPP-D benefits; account for COVID-related costs; and
- Enhance the Canada Child Disability Benefit by increasing the maximum amount of the benefit and ensuring that it is not clawed back under provincial/territorial social assistance schemes; extend the benefit to more moderate-income families with a child or children with severe and prolonged impairments.

Disability and health care

The AFB Recovery Plan will:

- Provide federal leadership, in close cooperation with other governments, to review and revise triage protocols in all provinces and territories, in collaboration with disabled people’s organizations.
- Partner with disabled people’s organizations and provinces to provide training around granting accommodations, especially in relation to communication¹⁹, decision-making, and essential visitor designations.²⁰ This helps to ensure that disability support people—which may include trusted friends and relatives—are recognized as essential partners in care and not subject to hospital visitation bans.

COVID-19 medium-term recovery phase

Disability and housing

The AFB Recovery Plan will:

- Increase investments in integrated, accessible and affordable housing, with a proportionate percentage of units reserved for people with intellectual disabilities that is reflective of their 18.5% core housing needs.
- Begin rapidly building supported housing alternatives, in collaboration with self-advocacy groups, which enhances individual choice and control by separating the provision of housing from the provision of supports, thus making supports person-centred and portable.
- Offer appropriate housing with separate and portable supports to disabled people currently living in nursing homes, hospitals, and shelters; creates options for those in disability institutions, such as group homes, to transition to non-institutional forms of housing with separate and portable supports.

Disability employment

The AFB Recovery Plan will:

- Demonstrate measurable annual progress on reaching disability parity in the public service, at all levels and across all federal agencies and departments; continue to grant disability accommodation requests for full time remote work and/or flexible hours, while supporting other individualized and worker-directed accommodation plans.
- Monitor and publicly report on the outcome of disability investments under the workforce development agreements.
- Expand the Canada Workers Benefit Disability Supplement by lowering the annual earnings threshold, gradually phase-out the income level at which the maximum benefit is payable, and increase its value to better acknowledge the additional costs for employees with disabilities.

- Raise the earnings exemption and enhance vocational rehabilitation services under the Canada Pension Plan Disability (CPP-D) program.
- In collaboration with disabled people’s organizations, explore wage subsidies as a tool for inclusion, for people with profound disabilities.

Disability poverty and income

The AFB Recovery Plan will:

- Examine the patchwork system of tax measures for people with disabilities.
- Convert the Disability Tax Credit to a refundable tax credit extending compensation to the lowest-income people with disabilities living in poverty. Everyone eligible would receive the full value regardless of income.
- Review and reform the Child Disability Benefit; extends coverage by raising the age limit from 18 to age 25 or 30 for young adults.

Disability and health care

The AFB Recovery Plan will:

- Make a firm commitment by the Canadian Accessibility Standards Development Office (CASDO) to support the development of accessibility standards in health care to address systemic ableism,²¹ including its intersectional forms, within areas of federal jurisdiction and across the provinces and territories.

COVID-19 long-term rebuilding phase

Housing

The AFB Recovery Plan will:

- Set clear benchmarks and monitor the strategy for progress, with the goal of closing large congregate facilities and both small- and large-scale institutional housing models by 2035.

Employment

The AFB Recovery Plan will:

- Meet the target for an inclusive federal public service by 2035.
- Continue granting accommodation requests for full time remote work and/or flexible hours while supporting other worker-directed and individualized accommodation plans.

Income and poverty

The AFB Recovery Plan will:

- Implement a new national basic income program for persons with profound disabilities, aged 18–64, and modelled after Old Age Security/Guaranteed Income Supplement programs.

Health care

The AFB Recovery Plan will:

- Initiate a federal conversation around the *Canada Health Act* and Canada Health Transfer, with targeted funds set aside to partner with provinces to invest in upgrading accessibility training, in partnership with disabled people’s organizations.
- Ensure that any future policy and investment directions in regards to the *Canada Health Act* will be informed by a disability lens.

Conclusion

COVID-19 has exposed long-standing structural and systemic ableism. The impact of the pandemic exacerbates the injustices and eugenic threat already faced by many people with disabilities. Federal leadership is required to address the short-term immediate needs of disabled people but, also, to implement new measures that redress profound inequities and inadequacies with respect to housing, employment, income, and health care to ensure and enshrine equal rights for disabled Canadians.

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Employment insurance

Toward a just recovery

The AFB Recovery Plan recognizes that the onset of COVID-19 revealed serious inadequacies with Canada’s employment insurance (EI) system. As a result, the conversation about income supports for workers has rapidly changed.

People suddenly understand that it matters—a lot—if they can quickly access income when they’re abruptly separated from their employment, in this case because of a global health emergency.

Historically, EI has been tasked with that job in our income security system, whether it’s a separation due to layoff, parental leave or quarantine. But EI could not deliver what was needed when COVID-19 hit Canada in March 2020.

It could not reach enough people. It could not pay them enough. It could not get money out quickly enough. It could not dismantle enough of the hurdles.

It’s been a long time since EI was recession-ready and pandemic-ready. The shortcomings have led to many ‘Fix EI’ campaigns, going back to the damage wreaked by EI restructuring in the 1990s and compounded by the neglect of successive governments.

Ottawa responded in March with a few EI modifications, including a waiver of the waiting period and medical certificate, but they weren’t enough.

The government quickly put another system in place, the Canadian Emergency Response Benefit (CERB). For all its shortcomings, CERB saved lives. It also saved the country from an economic catastrophe.

What CERB did well was quickly get benefits to millions of Canadians who were suddenly without work, on reduced schedules, sick, or caring for family. It did so with:

- Federal funds (not just employer and worker contributions);
- A broad brush that covered many who don't normally qualify for EI;
- A bare minimum of eligibility questions;
- A benefit that paid more than the low EI benefit many could expect;
- A maximized immediate benefit by deferring taxes; and
- A modern computer program to quickly process payments.

The AFB Recovery Plan assumes the ending of CERB is not the end of the conversation. It can't be. Not for millions of workers who need to know there's a social insurance system that has their back.

This is an urgent task. EI is supposed to be our number one automatic economic stabilizer in times of crisis, getting money out quickly into the community to prevent further losses. As it stands, EI simply can't do the job if we face a climate crisis, a depression, another COVID-19 wave, or a new pandemic.

The AFB Recovery Plan proposes to start that conversation with two simple questions: Can we learn some lessons from CERB? Can we move quickly to transcend the current EI system?

We learned some key lessons from CERB.

It's possible for the federal government to contribute to EI. This is central to the way forward. Ottawa paid for CERB (\$55 billion by July 5th). A new EI will also need federal contributions, as existed prior to 1990.

It's possible to cover more workers. CERB covered millions of people who don't currently qualify for EI, including premium-payers like temporary workers who don't have enough qualifying hours and the self-employed who don't pay premiums.

It's possible to pay an adequate benefit to more people. CERB paid a flat \$500 weekly before taxes. In sharp contrast, EI paid an average \$453 weekly before taxes (2018), with many people receiving less than \$400.

It's possible to pay benefits a lot faster.

How do we transcend the current EI system?

A new unemployment insurance system can't address all of Canada's working adults' income and social program needs, but it can be a more dependable, hard-working pillar of the income security system.

COVID-19 has laid bare EI's failure to keep pace with a labour market that is now rife with temporary, part-time and other precarious forms of employment. As a result, many of the women, racialized, Indigenous, new immigrant and migrant workers employed in these jobs pay the steepest price, unable to meet EI's qualifying rules or relegated to an impossibly low benefit rate. And so they stumble from one survival job to the next. At year's end, 2019, only 33% of Canada's unemployed women were receiving regular EI benefits, compared with 40% of unemployed men. The AFB's new program would attempt to open up access for more of these workers and provide better benefits. These workers pay EI premiums; they should be able to collect EI benefits.

The AFB Recovery Plan is guided by these priorities in designing a new unemployment insurance system that can tackle the most egregious gaps in the current program:

- Expanded access to more people active in Canada's labour market;
- Improved benefits that meet income adequacy standards;
- A more agile delivery mechanism that gets benefits out with a minimum of fuss; and
- A more effective automatic economic stabilizer.

COVID-19 short-term response phase

Given the ongoing public health crisis and precarious economic recovery, immediate measures are needed to expand and expedite access to EI.

These AFB Recovery Plan measures will improve access to EI as CERB winds down (the current maximum 24 weeks ends on August 29, 2020). By December 2020, these measures will be reviewed for possible extension based on secondary waves of COVID-19 and the extent of the recession.

These measures include but are not limited to:

- Reducing qualifying work hours to 300 hours (or 12 weeks if less) over an extended reach-back period of 24 months.

- Raising benefit rates to 75%. Further, improve supports for low-paid workers through a floor similar to the weekly \$500 benefit that was set by CERB or to a comparable low-income supplement based on individual, not household, earnings.
- Requiring a simple worker attestation to establish a new claim (not employer-issued Record of Employments).
- Waiving EI disqualifications and disentitlements. In particular, ‘voluntary quit’ and ‘refuse work’ lose all meaning during a pandemic, given broad public advisories from government officials to stay safe and flatten the curve. Safe return-to-work protocols are also extremely difficult to enforce. And many workers are caring for family who are ill or children at home while school and child care is curtailed.
- Extending EI to all migrant workers who pay EI premiums.
- Waiving the one-week waiting period when no benefits are payable.
- Doubling EI sick benefits to 30 weeks. Waive requirements for a medical certificate.
- Extending EI regular benefits to 50 weeks in all regions.
- Boosting the number of self-employed enrolled for EI sickness and special benefits by waiving the employee contribution and one-year waiting period and lowering the qualifying earnings to \$5,000 (as with CERB).
- Stopping requiring workers to exhaust severance pay before they receive EI. This delays benefits, complicates processing, and leads to appeals.
- Remodelling EI Work Sharing to assist with economic recovery, phased returns to work, and modified work schedules. This would encourage workforce consultations on schedule adaptations while providing workers with EI benefits for time off schedule, an advantage over the wage subsidy model.
- Assigning all 2020 CERB-EI benefit costs to general revenues. They are not reasonably attributable to the EI account that is funded by worker and employer premiums.

COVID-19 medium-term recovery phase

The AFB Recovery Plan will transition the current EI program to a new Unemployment Insurance program (UI) during the course of the year 2021. Beyond the immediate measures, the AFB Recovery Plan will institute these additional improvements:

- Revamped funding for the new UI contributory social insurance program:
 - A federal contribution will be restored to help fund UI and share in the costs when national unemployment exceeds 5%; this contribution will increase with each additional 1% rise in unemployment.
 - A federal contribution will also apply to some combination of special benefits, training, a new floor for low-wage workers, and enhanced access for self-employed workers;
 - A new counter-cyclical formula for setting premiums. The current pro-cyclical formula increases premiums at the worst possible time, when the economy is struggling to recover;
 - Maximum insurable earnings will be increased with a commensurate increase in the maximum benefit rate.
- A new qualifying rule for all benefits, the lesser of 360 hours or 12 weeks, which would be uniformly applied across Canada. This still allows for regional variations in benefit duration.
- A fixed three-week disqualification for “quit-fire” situations and school attendance.
- Maternity and parental benefits increased to match Quebec benefit rates while lowering qualifying hours and taking other measures to expand access.
- Automatic UI special benefit coverage for self-employed, requiring a modest premium contribution.
- Increased training funds to support economic recovery and a Green New Deal. UI training benefits must allow for extended

re-training, upgrading, literacy, and internet skills development.
Extend Worksharing-While-Learning and similar initiatives.

- Investment in a modern computer program.

Conclusion

COVID-19 pressed an already faulty EI program to the max. CERB was a short-term improvement that saved lives and proved there are better ways to ensure income security to workers when they lose their job or working hours, for whatever reason. This is a moment in Canada's history where we can no longer look away from the inadequacies of EI. A new, comprehensive unemployment insurance program could make Canada more resilient to all kinds of shocks, including future climate emergencies, pandemics, and recessions. If the global pandemic has taught us anything, a radical transformation of how we address unemployment is not only possible, it's imperative.



First Nations

Introduction

With unprecedented levels of investment this spring to address the effects of the COVID-19 pandemic, Canada has effectively demonstrated that it can act quickly in a crisis and that its fiscal framework can handle the demands placed on it.

Should Canada’s response to the ongoing crisis facing First Nations be any different?

The evidence with respect to First Nation poverty, poor health outcomes, unemployment, barriers to educational attainment, lack of adequate infrastructure, and other socioeconomic gaps is both clear and definitive. Recognizing the crisis on First Nations exists is the first step, and the federal government has acknowledged that Canada must act.

However, while investments in Indigenous programs over the past four years have begun to chip away at the challenge, a holistic and thorough response—one that fully meets the prime minister’s commitment to sufficient, predictable, and sustainable funding—is still required.

Toward a just recovery

Globally, economists are calling for urgent action to reduce inequality, mitigate the impacts of climate change, and enable a strong economic recovery from the current pandemic. In June, for example, the World Economic Forum launched its Great Reset Initiative, a consultative exercise with the aim of building “a new social contract that honours the dignity of every human being.”¹

The International Monetary Fund has outlined three objectives for a global economic restructuring: greening the economy, investing in the

digital economy, and reducing inequality. In Canada, federal investments in these three areas for First Nations can provide a framework for a holistic, post-pandemic response that would help both First Nations and Canada prosper.

COVID-19 short-term response phase

From Gull Bay First Nation to the Great Bear Rainforest Initiative, and from Henvey Inlet First Nation to the First Nation Power Authority, there are over 150 renewable energy projects involving First Nations underway in Canada right now. These projects not only help First Nations themselves move away from costly and environmentally damaging diesel generation as a power source, they also provide clean energy to First Nations and to nearby Canadian communities. In doing so, the projects ultimately help Canada meet its climate change targets with cheaper, cleaner alternatives to fossil fuels.

At the same time, projects such as these will spur local economic development for First Nations, reducing pressure on First Nation governments, and helping them provide improved programs and services to their citizens. To take full advantage of this opportunity, Canada needs to address the infrastructure deficit faced by First Nations. Roads, housing, water systems, and other critical infrastructure must be improved.

In the short term, infrastructure investment increases gross domestic product (GDP) by \$1.43 per dollar invested; 9.4 jobs are generated per million dollars invested and \$0.44 of each dollar invested by the federal government is recovered in additional tax revenue.² These outcomes are multiplied within First Nations, where there is a persistent infrastructure deficit. Over the long term, the discounted present value of GDP generated per dollar of public infrastructure spending (return on investment) lies between \$2.46 and \$3.83.³

COVID-19 medium-term recovery phase

To take advantage of the expected growth in the digital economy, a priority must be placed on connectivity.

First Nations, particularly in remote and northern regions of the country, remain without reliable broadband. The Canadian Radio-

television and Telecommunications Commission target for broadband (50 Mbps download and 10 Mbps upload speeds with an option for unlimited monthly data transfer) is currently available to 85.7% of Canadian households. By contrast, only 31.3% of First Nation reserves meet this target, which is even lower than the rate of 40.8% for rural households across the country.⁴

While the hardware for connectivity should be part of the infrastructure investments outlined above, there is more to this picture. The digital economy is often also referred to as the knowledge economy. Therefore, participation in that sector necessitates a reduction in the educational attainment gap faced by First Nations.

Investment must continue for First Nations education at the primary and secondary school levels, while post-secondary students, First Nations post-secondary institutions, and adult education programs have been neglected for far too long. Additional investment in the Indigenous Skills and Employment Training Program, to modernize and keep up with demand, should round out this aspect of First Nations participation in the digital economy.

Along with the hardware for connectivity and a reduction in the educational attainment gap, broader First Nations economic development is needed in order to facilitate growth in this sector of the economy. A strategy for First Nations economic development, including the establishment of a First Nations centre for trade and access to markets, would allow First Nation governments to take fuller advantage of the opportunity.

COVID-19 long-term rebuilding phase

While the steps outlined above would go a long way to helping reduce inequality, specific investments in First Nation citizens and First Nation governments are also needed.

A form of guaranteed basic income specifically for First Nations citizens would eradicate poverty among the poorest people in Canada and enable greater participation in skills acquisition, employment, and entrepreneurship. Such a program could eliminate the gaps that existing programs fail to cover and provide a foundation for greater participation in Canada's economic growth for the youngest and fastest growing demographic in the country.

Finally, as with every government, First Nation governments require strong governance systems in order to make efficient and effective use of the resources at their disposal. Funding for First Nation governance has not risen by more than 2% in any year since 1997, thus failing to keep up with inflation, let alone other cost drivers. As a result, current funding for First Nation governance amounts to just over 3% of spending, whereas most governmental organizations operate in the 10% to 15% range of expenditures.

The situation is simply unsustainable for First Nations. Increased governance funding would help considerably with institutional development, the creation and functioning of shared service organizations, recruitment and retention of qualified staff, and the strengthening of financial management, human resource, IT systems, and all other governance structures required to run an effective and efficient government. This, in turn, would enable First Nations to make better use of the resources available to them.

Governance financing should be treated as essential infrastructure to reduce inequality and support implementation of the other investments outlined in this chapter.

Conclusion

Canada and First Nations share a desire to increase self-determination for First Nations. This, above all else, will improve the quality of life of First Nations citizens. However, jurisdiction, without the fiscal capacity to exercise that jurisdiction, is hollow.

Through investment, Canada has made great efforts to ensure it maintains its high ranking on the Human Development Index (13th globally).⁵ By contrast, First Nations measure 78th against those same indicators.

Investment in a “great reset” for First Nations could be the most important step that Canada can take to support the important work that First Nations and Canada are engaged in together. Without question, the measures outlined in the AFB Recovery Plan above would pay for themselves through a return on investment vastly exceeding the initial government expense. When First Nations prosper, Canada prospers.

Notes

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Food security

Introduction

With food security at centre stage because of COVID-19, there is an unprecedented opening and urgency to advocate for visionary food systems change that builds fairness and resilience.

By implementing an inclusive, public interest-based approach to food policy and programming, Canada can ensure food security for all; build resilient, ecological local food systems; support Indigenous food sovereignty; and uphold justice for all workers along the food chain.

The AFB's long-term food security goal is for all people in Canada to be able to afford to put good, healthy, culturally appropriate food on the table for themselves and their families, and for the federal government to support healthier food environments.

Even before the COVID-19 pandemic, 4.4 million Canadians were food insecure, meaning they lacked the financial resources to access an adequately nutritious diet. Food insecurity has since increased by 39%.¹ Black households were 3.5 times more likely to be food insecure than white households, and more than half of all First Nations families on reserve were food insecure; 28.2% of Indigenous people off reserve are food insecure.²

Since the pandemic hit, community food security organizations have experienced a sharp spike in need, and the federal government has responded with \$100 million in funding for emergency food aid.³

In the short term, emergency food aid was necessary to provide support to people before government financial support was made available. However, food charity should be reserved for emergencies: Canadian research shows most food insecure people do not use food banks. For those who do, food banks do not meaningfully improve their level of food security.

The most effective way to decrease food insecurity is to increase incomes.

For example, recent research shows that the Canada Child Benefit (CCB) decreased rates of severe food insecurity in households with children by 30%.

The Canada Emergency Response Benefit has provided an income floor for Canadians who've lost their jobs due to COVID-19, which should be a principle for Canada's approach to income policy (see the Employment insurance chapter).

COVID-19 short-term response phase

The AFB Recovery Plan will:

- Transition away from supporting emergency food assistance and ensure all people in Canada have the means to access sufficient, healthy food by providing a Dignity Dividend to low-income families and by uploading social assistance from the provinces to the federal government (see the Poverty chapter). Any emergency food funding, particularly the Food Surplus Purchase Program, should not serve to further entrench food charity responses and should support smaller producers, as well as big industry.
- Measure and report food insecurity data monthly, by temporarily adding the Household Food Security Survey Module (HFSSM) to the Labour Force Survey. Provinces and territories are presently only required to measure food insecurity rates every five years, resulting in outdated and incomplete national data.
- Invest \$5 million to make the HFSSM part of the Canadian Community Health Survey's annual components and to ensure this data is being analyzed and reported on by Statistics Canada in a timely manner, including race- and gender-based analysis, once levels of food insecurity have returned to pre-COVID levels.
- Expand the Local Food Infrastructure Fund to \$200 million and open it up to infrastructure and investments for institutions, such as schools, universities and hospitals. Eligible projects will include kitchen and canteen retrofits, tools and equipment, greenhouses and gardens, as well as research and pilots on food preparation,

processing, and distribution. This investment will create jobs while laying the groundwork for a national school food program (see below).

COVID-19 medium-term recovery phase

The AFB Recovery Plan will:

- Invest \$5 million to convene the Canadian Food Policy Advisory Council, announced as part of *A Food Policy for Canada*. This council will ensure that the federal government seeks expert advice from across the food system on how to help the food and agriculture sectors recover and how to create a healthier, more equitable, and more sustainable food system. Given the disproportionate impact of the present food systems on marginalized peoples and communities, it will be essential to have Black, other racialized and Indigenous voices at the table as decisions are made.
- Invest \$360 million toward a national school food program. Canada is one of the only industrialized countries without one such program. These programs can increase the consumption of fruits, vegetables, and other healthy foods. Access to healthy food contributes to learning and success at school, which particularly benefits children from marginalized and disadvantaged backgrounds. While the 2019 federal budget committed the government to work with provinces and territories on a food program, no funding was allocated.
- Create an Indigenous Food Sovereignty Fund governed and administered by First Nation, Métis and Inuit people, to support Indigenous food ways, including hunting, fishing, and gathering. Food insecurity is a disproportionate problem for Indigenous people, affecting 28.2% of Indigenous people off reserve, 54.2% of First Nations on reserve, and up to 70% of Inuit adults. Food was used as a tool of colonialism (through, for example, the separation of Indigenous people from their traditional food systems and cultures) and must be part of reconciliation.

COVID-19 long-term rebuilding phase

The AFB Recovery Plan will:

- Put a 20% manufacturer's levy on sugary drinks, which will raise an estimated \$43.6 billion in federal revenue over 25 years (\$1.74 billion a year). This money will be reinvested in health promotion programs, such as fruit and vegetable subsidies.
- Follow Quebec's lead and restrict the marketing of unhealthy foods and beverages to children. Presently, more than 90% of foods and beverages targeted at children through marketing are high in sodium, sugar, and saturated fat. In Quebec, where restrictions on such marketing have been in place since the 1980s, fast food consumption has decreased by 13%.
- Introduce front-of-package labelling for foods and drinks that are high in sugar, sodium, and saturated fats.
- Focus on infrastructure. Infrastructure funding post-COVID-19 is an opportunity to build healthier, more just, and more sustainable food systems into the future, with the goal of fulfilling Canada's obligation to ensure the right to food for all.

Conclusion

Living amid a global pandemic has tested Canada's food supply system and has worsened existing inequities: income, race, gender, and health. Even before COVID-19, far too many Canadians lived in food insecure households. The pandemic, and necessary economic slowdown, has made things worse. The pandemic has forced a rethink about our systems and how they are failing Canadians. When it comes to the food system, let's take this moment in history to implement a long-term strategy that ensures everyone has access to healthy food during, and after, the pandemic.

Notes

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Gender equality

Introduction

Women are disproportionately impacted by the COVID-19 pandemic to such an extent that threatens to roll back gender equality gains of past decades.

While the current health crisis has precipitated “an economic ‘shutdown’...some aspects of our economies are actually in overdrive.”¹ Women are busier than ever taking care of loved ones, home schooling, provisioning supplies, and finding ways to shoulder the enormous economic and social burdens of this time, unacknowledged with little support.

From health to the economy, physical security to income security, the COVID-19 crisis has served to magnify and exacerbate existing gender disparities, especially among those facing intersecting forms of discrimination.

Women are at the forefront of the crisis in their work as primary caregivers and care workers² in the public and private sectors, employed in jobs that are directly involved in containing the pandemic and providing needed care and support.

Women also represent the majority of workers in sectors such as accommodation and food services, child care and educational services, business administration, and retail trade—all hard hit by the lockdown. Large numbers of racialized women and immigrants work here, concentrated in the lowest paying and most precarious of jobs, with scant access to important protections such as paid sick leave or health benefits. Those with precarious immigration status or in criminalized work have no protection at all.

The May jobs report hints at a recovery in employment but, as feared, job creation among women is lagging men by more than two to one.

Women accounted for only 29% of the recovery in COVID-19-related job losses³ and absences posted in May 2020.

Altogether, more than 900,000 parents⁴ have lost their jobs or more than 50% of their paid working hours between February and May 2020, with mothers accounting for well over half (56.7%) of these losses and only 40.7% of May's employment gains. Without child care and other community supports, women will not be able to go back as the economy reopens, leaving them open to economic losses that will affect them for a lifetime.

We are already seeing a rise in the number of single-earner families and no-earner families⁵ and a 38% rise in single female parents who have left the labour market since February. These families are all on the brink, facing increased debt, higher levels of stress and related ill health.

Indigenous women, women with disabilities, those with precarious immigration status, racialized women and members of the trans and non-binary community face the greatest challenges. They are most likely to live in poverty and experience violence, with the least access to affordable food, quality housing, needed health services, and social supports.

Rates of gender-based violence⁶ were already high in Canada, even before the pandemic: on average, every six days, a woman is killed by her intimate partner. Thousands of women, girls, and trans and non-binary people face a heightened risk of violence⁷ at home with COVID-19 isolation measures, whether it takes the form of emotional, physical, or sexual abuse.

Government austerity hasn't helped prepare us for this moment: decades of reduced public services and increased private sector service delivery and for-profit managerial strategies shifted more of the costs and labour involved onto women and their families.

Community services won't be able to meet demand as sources of revenue dry up and the costs of operating safely increase. In a recent survey, one-third of child care centres and homes⁸ reported that they either weren't sure that they would be re-opening or had already decided to close. Those remaining will be offering fewer spaces⁹ in order to comply with new physical distancing measures.

A feminist recovery plan

The COVID-19 pandemic has revealed the ways in which the economy and caring labour are fundamentally intertwined. It has also shown the critical role that our social safety net plays, or fails to play, in times of crisis.

The response of public health care systems and the Canada Emergency Response Benefit (CERB) have been essential in helping to flatten the curve. Our long term care sector, however, has failed miserably to protect our most vulnerable seniors—many left to die without dignity or care.

What’s needed now is the political will to tackle entrenched barriers to gender equality and chart a course for the future, one in which women in all of their diversity can lead full and equal lives.

This is not about getting “back to normal”. Governments need to step up with programs that can meet the immediate needs of millions of Canadians and lay the foundation for a safer, more resilient, and gender-just future for everyone.

Twenty-five years ago, 50,000 activists, diplomats, and world leaders gathered in Beijing to develop such a plan. The resulting *Beijing Declaration and Platform for Action* was the most progressive blueprint ever for advancing women’s rights and has since served as an important tool for assessing progress.

To mark the 25th anniversary, a network of national women’s rights organizations, civil society groups, and trade unions released *Unfinished Business*¹⁰, their assessment of Canada’s progress in meeting the goals set out in the Beijing Declaration and a set of recommendations for accelerating change. This document serves as both context and inspiration for the recommendations presented here.

Employ an intersectional feminist approach

In charting a course forward, it is essential to collect and integrate gender disaggregated data, for example, by racialized group, disability, immigration status or Indigenous people, that speak to the realities and challenges faced by different groups of women and gender-diverse people. This is imperative to guide needed action to dismantle systemic legacies of exclusion and discrimination. To this end, the AFB Recovery Plan will:

- Mandate a gender-based analysis plus analysis (GBA+) in policy and program development in all facets of the pandemic response, including transfer payments to other orders of government and in funding agreements with non-profit/charitable and private sector partners;
- Collect, analyze, and publish disaggregated data (gender, race/ethnicity, age, geography, etc.) on COVID-19 cases and the economic impact of the pandemic; and
- Involve the women’s sector in all of its diversity in decision-making at all levels of government, and provide core funding to women’s rights and gender equality organizations to enhance their financial security and program impact.

Strengthen Canada’s income safety net

A feminist recovery plan must also continue to target financial support to those with continuing caring obligations and those facing the ongoing loss of employment or reduced earnings as the economy recovers and shifts to respond to a post-COVID world. Barring a sudden turnaround in employment, many will be exhausting their CERB benefits in the next few months. This is the situation facing millions of women, many of whom won’t have recourse to EI (given its restrictive eligibility requirements) or other barrier-ridden programs such as social assistance in the short term. And without child care, many mothers won’t have the choice to take up employment again. The AFB Recovery Plan will:

- Implement income security reform for working-age people in precarious, informal, or self-employment and raise benefit levels for low-wage workers¹¹—effectively establishing a minimum income guarantee for today’s workers. This will involve systemic reform of the employment insurance system, including enhanced sick leave, family care leave and parental leave, in combination with robust labour protections (see EI chapter) as well as new income support programs designed to eliminate poverty and ensure the dignity of working-age people, taking the needs of the most vulnerable and caregiving obligations into account (see Poverty chapter).

- Expedite access to the EI system through to January 2021, bringing in lower and uniform eligibility standards of 300 hours (or 12 weeks if less) over an extended reach-back period of 24 months to ensure that precarious workers and eligible migrant workers will not be left without support.

In the medium to longer term, it will be important to design future income support with diverse women's economic needs and experiences in mind. Existing gender bias in the income security system creates barriers for women seeking to increase their hours of employment, which is why investments in new gender-responsive income supports and tax measures must be accompanied by investments in stronger social infrastructure and workplace policies and benefits that afford people the flexibility and support to meet their family responsibilities.

Invest in the care economy

The AFB Recovery Plan will invest in the care economy. Now is the moment to build out our social infrastructure, to create a system of comprehensive, high quality, publicly managed caring services serving all populations across the country. Investing in social infrastructure has the added benefit of paying for itself over time¹², through increased employment and earnings, reduced income security benefits and emergency services, and healthier communities. The AFB Recovery Plan will:

- Create a universal public early learning and child care plan (see Child care chapter).
- Reform long-term care and ensure there is no profit motive. We must learn from the COVID-19 devastation in long-term care homes and place vulnerable seniors and all who rely on caring services at the heart of our response to the coronavirus and beyond (See Seniors' care chapter).
- Make permanent increased COVID-19 federal funding to increase the earnings of low-wage workers in sectors such as long-term care and home care through a dedicated funding vehicle with appropriate conditions attached to ensure results.

- Increase the funding envelope for caring services (e.g., violence against women; child care, mental health services) to build out needed infrastructure and ensure that all people with care needs can access appropriate services without facing usurious costs and that the services themselves can innovate and adapt to life post-COVID.
- Set national standards of care and employment that set out best practice to ensure proper levels of staffing, infection control practices, provision of training, protection of labour rights, and management practices, with appropriate protocols for monitoring and enforcement, and sector-specific labour force strategies.
- Establish new pathways for permanent residence for temporary foreign workers in long-term care and other essential service sectors (see Immigration chapter).
- Work to increase the capacity of public non-profit care services and facilities to meet community need through the creation of sector stabilization fund that will support direct operational costs (See Nonprofits and charities chapter).
- Promote women’s economic independence by strengthening the 2018 *Pay Equity Act* and pay transparency regulations as well as centring the needs of women in all efforts to decarbonize the economy and build out domestic industrial capacity (see Just transition chapter and Trade and investment chapter).

End violence against women and girls

Violence against women is a persistent blight on the lives of women in Canada, a situation made infinitely worse by the current crisis and the requirement to shelter in place, closing down routes to safety. These pressures are particularly acute among Indigenous women, women with significant mental health concerns, LGBTQI2S+ people, women with disabilities, rural residents and immigrant and refugee women who are at higher risk of violence than others. Evidence gathered from frontline organizations is already showing a 20% to 30% increase¹³ in rates of gender-based violence and domestic violence in some regions of the country.

An initial federal investment of \$50 million earmarked for shelters serving women and children fleeing violence and sexual assault centres, including those supporting Indigenous women, provided much needed assistance to purchase supplies and re-orient services, but is not nearly enough to meet overall need for service and safe and affordable housing. The AFB Recovery Plan will:

- Develop a comprehensive, appropriately resourced, National Action Plan to prevent and combat all forms of violence against First Nations, Inuit, and Métis women, girls, and Two-Spirit Peoples to be led by Indigenous women’s organizations, and include timetables, measurable goals for change, and robust monitoring, as recommended by the national Inquiry into Missing and Murdered Indigenous Women and Girls (MMIWG).
- Develop a comprehensive, appropriately resourced National Action Plan to prevent and combat all forms of violence against women, grounded in an intersectional feminist analysis.
- Ratify ILO Convention C190 on violence and harassment in the world of work, and ensure its implementation in the context of the National Action Plan.
- Increase funding for prevention programming and support services, including broad public education campaigns to encourage women to leave unsafe or violent living situations during the pandemic and continuing efforts to adapt and modify supports in the context of the pandemic.
- Expand needed transitional housing options and supports to meet heightened demand through the National Housing Strategy, ensuring to meet needs of different groups (see Housing chapter).
- Conduct a systemic review of all justice mechanisms including policing, prosecution, and offender management practices, making needed changes to protect women at immediate risk of violence and to facilitate more timely access to justice and legal aid services.

Conclusion

A gender just recovery demands an approach that centres the needs and perspectives of women, girls, and gender-diverse people; one that works consciously against intersectional gender bias in all recovery efforts. This is an opportunity for ideas that speak not only about response and recovery, but also of repair, revival, and redress for historic harms.

Notes

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Health care

Introduction

COVID-19 has highlighted the incredible strengths of Canada's health care system: public health care is our best defence against this pandemic and other health crises.

But our health care system has been eroded by decades of underfunding and privatization. It was already operating at capacity before COVID-19.

As we recover from this crisis, we have an opportunity to rebuild our health care system to make it stronger, more inclusive, and more resilient. This AFB Recovery Plan fulfils the historic vision of a fully comprehensive and universal public health care system that provides quality care for everyone in Canada, from the cradle to the grave.

The federal government has taken steps throughout this pandemic to help our health care system prepare for and respond to COVID-19.

It has provided up to \$3 billion¹ to increase the wages of low-income essential workers, including frontline health care workers.

It has invested \$240.5 million² to develop and expand virtual health care and mental health tools.

It has announced more than \$1 billion³ in support of COVID-19 medical research and vaccine development.

It is also providing \$285.1 million⁴ to support responses to COVID-19 in Indigenous communities.

But additional and ongoing federal leadership is required.

While Canada's hospitals have largely been successful in handling the COVID-19 outbreak, the virus has ravaged our long-term care homes. This sector, which was already plagued by chronic staffing shortages before the crisis, has been devastated by COVID-19.

Over 80% of COVID-related deaths in Canada have occurred in long-term care homes. Among 14 countries in a recent study, Canada has the highest proportion of deaths from COVID-19 in long-term care.⁵

The Canadian Armed Forces were deployed to help deal with outbreaks in Ontario's and Quebec's long-term care homes, revealing horrifying conditions in these facilities. Systemic changes are urgently needed in this sector.

COVID-19 short-term response phase

The AFB Recovery Plan will:

- Assist the provinces in ramping up COVID-19 testing, including by implementing wide-scale testing in workplaces that are known to be at higher risk, such as long-term care, meatpacking, mining, and agriculture, and in other sectors as needed.
- Support the provinces in immediately taking control of all long-term care facilities with high COVID-19 infection rates to help manage these outbreaks.
- Support the provinces in continuing to prevent long-term care employees from working in multiple facilities and in topping up the wages of these workers.
- Ensure that all front-line health care workers, including those in long-term care, have consistent access to the necessary personal protective equipment to do their jobs safely. These essential workers are putting their lives on the line to protect our communities (see the Seniors' care chapter).
- Ensure that going forward, all public funding for seniors' care goes toward providing care, not corporate profits.
- Implement a universal, single-payer public pharmacare program to ensure that everyone in Canada can access the medications they need. Millions of Canadians have lost their jobs and their work-based drug plans during the pandemic. The need for national pharmacare has never been more urgent.

- Implement the amended regulations governing the prices of patented medicines (the Patented Medicine Prices Review Board regulations⁶) to significantly reduce drug prices in Canada.
- Encourage collaboration between the federal and provincial public health agencies to ensure a concerted approach to planning for and responding to future public health emergencies.

COVID-19 medium- and long-term recovery and rebuilding phases

The AFB Recovery Plan will:

- Increase federal health care funding to the provinces with the goal of having the federal government cover 50% of the costs of public health care within five years. As a first step, we will negotiate a new Health Accord that will set the Canada Health Transfer escalator at a minimum of 6%.
- Work with the provinces to increase the capacity of the public health care system. Instead of turning to the private sector, the AFB Recovery Plan will help provinces implement evidence-based public innovations to improve wait times and address the backlog of surgeries that were put on hold during the pandemic.
- Bring long-term care, home care, and assisted living into our public health care system to ensure that all seniors and disabled people have access to a continuum of high-quality care that is publicly funded and delivered. Abundant research shows that public, not-for-profit facilities and services provide higher-quality care than private, for-profit facilities and services. For-profit long-term care facilities have reported higher COVID-19 mortality rates⁷ than public and not-for-profit facilities.
- Provide dedicated federal funding for long-term care, home care and assisted living. To access this funding, provinces will have to meet new national standards of care. These standards will include minimum staffing levels for long-term care homes and minimum hours of direct care per resident per day.

- Develop a national health human resources strategy to help recruit and retain a skilled seniors' care workforce. We will work with the provinces to improve working conditions for care workers with the goal of providing full-time, permanent jobs with decent wages and benefits.
- Recognize that certain communities and individuals—such as migrant, Indigenous and racialized communities, disabled people, LGBTQI2S+ people, and the working poor—continue to face barriers in accessing health care (see the Immigration, Racial Equality and Disability chapters). The AFB Recovery Plan commits to addressing health inequities by preventing discrimination in the development and delivery of all health policies, programs, and services. To measure our progress, we will collect comprehensive and disaggregated data on health care access and outcomes.
- Many private, for-profit companies have taken advantage of this crisis to infiltrate our health care system. Some of these companies are allowing patients to jump the queue by paying for virtual doctors' visits. The AFB Recovery Plan will put an end to this practice by enforcing the Canada Health Act to ensure that care continues to be based on people's needs and not on their ability to pay.
- Ensure timely access to publicly funded mental health care provided by a broad range of health professionals, including psychologists. Countless Canadians will need access to mental health supports to help them cope with the devastating impacts of COVID-19. The AFB Recovery Plan will increase government spending on mental health from 7.2% to at least 10% of total health spending.
- Continue to work with the provinces to address the opioid crisis. Regrettably, measures adopted to stem the spread of COVID-19 have resulted in a decrease in direct services for people who use drugs. The AFB Recovery Plan will increase federal funding to help scale up harm reduction services and invest in wide-scale implementation of safe supply programs. Recognizing that drug use is a public health issue and not a criminal justice issue, we will decriminalize drug possession for personal use.

- Mandate an advisory council to study options for implementing a national, universal, public dental care program, with the goal of further expanding our public health care system to include dental care.
- Continue partnering with Indigenous communities to ensure equal access to comprehensive, culturally appropriate health care, including full implementation of Jordan's Principle and all of the Truth and Reconciliation Commission's Calls to Action.
- Reinstate the Health Council of Canada to report on the performance of our health care system. This data will increase public accountability and allow us to develop evidence-based solutions to improve our health care system.

Conclusion

COVID-19 has shown us that strong government leadership is required to ensure that Canada is resilient enough to handle a major blow to its health care system and economy. For too long, Canada has postponed needed investments to improve and expand its public health care system. As a result, many residents in long-term care have paid the price with their lives during this crisis. While we recover from COVID-19, transformative change is not only possible, it is necessary. This AFB Recovery Plan charts a path forward to ensure that everyone in Canada has equitable access to high-quality public health care, no matter where they live or how much money they have. Investing in public health care will save lives and help fuel a healthy economy.

Notes

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Immigration

Introduction

The COVID-19 pandemic and response to it by all orders of government more clearly exposed the persistent and ever-deepening inequities and contradictions in Canada's immigration program. Most severely affected were people with precarious immigration status, including migrant workers, international students, refugee claimants, and those without a work permit, study permit, or other temporary resident status. The COVID-19 experience underlines the urgent need for a fundamental reset of Canada's immigration program.

Pandemic related measures significantly affected immigration in three main ways:

1. Closure of the border to most travel;
2. Slowdown or suspension of refugee, immigration, and citizenship related government services; and
3. Suspension of most labour market activities.

Precarious immigration status elevated the hardships most low-income Canadians faced to crisis proportions for refugee claimants, migrant workers, international students, and those without any resident status. Among these groups, people who are racialized, women, LGBTQI2S+, and people with disabilities were most affected. They also became more isolated and more vulnerable to exploitation and abuse by recruiters and others who sought to take advantage of their vulnerability. Those facing language or literacy barriers, or who had little or no phone or internet access, were especially impacted and faced greater uncertainty and tremendous mental and emotional stress.

On the positive side, the government allowed entry to Canada for certain refugees in need of urgent protection. The Canada Border Service Agency (CBSA) suspended all removals, since borders were closed for non-essential travel. And most people held in immigration detention were released, though only after protests from people in detention and their supporters regarding the high risk of exposure to COVID-19. Some immigration detainees continue to be imprisoned in provincial jails—even though detention was for administrative reasons and not for a criminal charge or conviction.

In a shocking development, without any consultation or review, CBSA quietly imposed electronic monitoring bracelets as a condition of release for some detainees. This measure is an utter violation of detainees' human rights. And it stigmatizes and traumatizes detainees and their families.

Canada is also turning back all asylum seekers entering Canada from the U.S. through unregulated points at the border, as well as those that don't meet the Safe Third Country Agreement exceptions at border entry points. These returnees face almost certain incarceration and inhumane detention conditions in the U.S.

Canada's treatment of migrant workers during the pandemic is a complete debacle. Bowing to pressure from the agri-food lobby, the Canadian government allowed employers to bring in seasonal agricultural and other food chain workers as essential workers as long as they followed self-isolation requirements. But post-quarantine, workers were housed in unsanitary and crowded conditions with severely limited access to water and sanitary facilities. They worked in conditions that left them unable to comply with physical distancing requirements. Personal protective equipment was either not provided by the employer or was inadequate.

Some of the biggest outbreaks of COVID-19 happened in workplaces with a high number of migrant workers, refugees and immigrants, and predominantly racialized workers. Migrant agricultural workers in particular faced the most egregious conditions (see Racial equality chapter).

The federal government opened access to emergency benefits for people with valid work permits and certain international students. Refugee and immigrant settlement services were declared essential and allowed to operate on the condition they observed safety guidelines.

However, federally funded settlement services continue to be restricted only to permanent residents and convention refugees.

Prior to the emergency, Immigration, Refugees and Citizenship Canada representatives used Section 91 of the Immigration and Refugee Protection Act (IRPA) to threaten community agencies with sanctions if they provided immigration related services, even though services were free and desperately needed by low-income refugees and migrants who could not afford paid services anywhere else. With the onset of COVID-19 and closure of government offices, the department relied increasingly on community agencies to help refugees, immigrants, and migrants address their myriad needs, including immigration matters, contrary to its earlier position.

On the positive side, almost all provincial and territorial governments expanded access to COVID-19 testing and treatment to all residents regardless of immigration status. However, uninsured migrants continue to face exorbitant charges for diagnosis and treatment for other health needs, as well as for pregnancy.

Just prior to the pandemic, the government introduced a “pause” in processing parent and grandparent sponsorships. The reopening of this immigration program is now delayed. Processing of permanent resident applications, renewal of work permits, and study permits are slowed down, and refugee hearings and citizenship ceremonies are suspended.

The slowdowns and suspensions have significantly affected people’s ability to work or study and access certain benefits. People with precarious immigration status have absolutely no access to government financial payments, social assistance, or other benefits. This has left those working in the grey economy with no resources following loss of employment, putting them at risk of homelessness and worse.

There is also evidence of rising xenophobia and racism during the pandemic. There are calls from certain quarters to close the border to immigrants and refugees.

Toward a just recovery

More than ever, Canada needs immigrants and migrant workers to help rebuild our economy and our country as we gradually recover and rebuild from this crisis of the century. To date, people with precarious immigration status are made invisible by, and have been left out of,

pandemic-related relief measures, which has put their health and well-being, and the health of the community at large, at great risk. A just response, recovery and rebuilding in Canada will require the following actions.

COVID-19 short-term response phase

The AFB Recovery Plan will:

- Immediately remove all immigration status barriers to accessing income supports and benefits including the CERB and the Canada Child Benefit, and encourage the provinces and territories to do the same with social assistance;
- Release all immigration detainees held in provincial jails;
- End the use of tracking bracelets for immigration detainees; and
- Immediately open the Canada-U.S. border to asylum seekers and allow them to file a refugee claim while following health requirements for self-isolation and distancing.

COVID-19 medium-term recovery phase

The AFB Recovery Plan will:

- Fundamentally reset Canada's immigration program to make it consistent with real labour market needs, respect human rights, and meet humanitarian obligations.
- Give all residents with precarious immigration status in Canada, including refugee claimants, migrant workers, and international students, access to permanent residence. This will provide an additional pool of applicants for the permanent immigration program and support efforts to meet immigration targets set before the pandemic closures.
- Open up eligibility for refugee and immigrant settlement and integration services to all who need it.
- Reinstate the parent and grandparent sponsorship program and remove the minimum necessary income criteria.

- Eliminate citizenship fees as promised by the federal government.
- Where possible, encourage the provinces and provincial regulatory bodies to streamline the recognition of foreign credentials and experience.

COVID-19 long-term rebuilding phase

The AFB Recovery Plan will:

- Reset the economic immigration program to be consistent with real labour market needs and work deemed to be essential during the pandemic closures. Future immigration selection will include all occupations at all skills in the 10 sectors in the National Strategy for Critical Infrastructure, including but not limited to all work in the food supply chain, health care, and long-term care.
- End all immigration detention and pursue alternatives in situations where detention is judged to be necessary, consistent with respect for human rights and dignity.
- Establish a fully resourced, independent oversight body for the Canada Border Service Agency.
- Amend regulations for Section 91 of IPRA to exempt nonprofit settlement agencies and their employees from sanctions for providing free immigration services to their clients.
- Increase family class immigration to at least 35% of total annual immigration.
- Make all pilot programs permanent, including those programs for domestic violence survivors, caregivers, vulnerable workers, and undeclared family members, while relaxing the rules for the agri-worker pilot program and expanding it to other workers and sectors.
- Repeal criminal inadmissibility in IRPA to remove double punishment, and amend the Quarantine Act to make sure temporary foreign workers are not penalized for their employers' failure to comply with quarantine measures.
- Repeal the Canada-U.S. Safe Third Country Agreement.



International assistance

Introduction

The COVID-19 pandemic has highlighted inequalities between and within countries.¹ Countries with large informal sectors and dependent on international trade found themselves caught between the imperative of stopping the viral pandemic and meeting the subsistence needs of their citizens.² The chronic underfunding of public health structures and social safety nets more broadly resulted in overwhelmed capacity of national and international structures. Civil society and trade unions are challenged to help fill the gaps in service provision and safeguard labour and human rights in increasingly challenging circumstances.³

COVID-19 is expected to result in a US\$2 trillion loss in global gross domestic product.⁴ An estimated 265 million people are expected to face acute malnutrition.⁵ Women and girls are particularly affected, with their access to food, sanitation, education, and sexual and reproductive health and rights (SRHR) limited even further. With the new sovereign debt crisis looming, commitments expressed in the 2030 Agenda for Sustainable Development are severely threatened.

Toward a just recovery

The AFB Recovery Plan recognizes the need for a human rights–based, feminist approach to recovery efforts grounded in solidarity, resilience, and equity. The Feminist International Assistance Policy (FIAP) continues to guide our immediate response efforts focused on meeting the most urgent humanitarian needs.⁶

In the medium term, the AFB's efforts will be accompanied by investments in preparedness and social safety net mechanisms. In support of a just global recovery, the AFB Recovery Plan commits to ensuring sustainable local solutions for inclusive safety nets encompassing human, social, political, economic, and environmental rights.

COVID-19 short-term response phase

The AFB Recovery Plan will:

- Provide an additional \$2 billion in COVID-19 emergency funding, accounting for 1% of Canada's domestic COVID-19 response. This will allow us to answer global calls for addressing urgent needs for pandemic containment, food security, access to SRHR and labour rights, and poverty. As per the latest UN COVID-19 appeal, US\$6.7 billion is needed in multilateral funding for life-saving operations until December 2020.⁷ With the World Bank estimating that COVID-19 is likely to push 71 million people into extreme poverty, a determined response is needed to save lives.⁸
- Given the constraints of COVID-19, the importance of nationally led initiatives, and the imperative of strengthening development partners, increased official development assistance (ODA) will be accompanied by more flexible funding mechanisms that include no activity-level earmarking and provide local partners with agency to ensure context-informed timelines and delivery.
- Alleviate the shock of international trade interruptions and debt servicing (which is eroding public health budgets of developing countries) to enable effective national responses. Current efforts have been limited to debt suspension, resulting in unsustainable solutions.⁹ The AFB Recovery Plan leverages Canada's G7 position to influence partners like China to commit to debt cancellation, commits Canada to joining the European Union's initiative for Special Drawing Rights, and issues grant-based assistance.¹⁰
- Implement mandatory human rights due diligence legislation and pursue fair trade agreements. Early action to ensure that trade and defence foreign policy components follow those of international

assistance are crucial for enabling a just recovery in developing countries. Policy coherence should aim to ensure that Canadian companies uphold labour and human rights throughout the entirety of their global operations.

COVID-19 medium-term recovery phase

The AFB Recovery Plan will:

- Ensure sufficient funding for humanitarian interventions while investing in the response, preparedness, and readiness capacity of developing countries and global institutions. This investment will allow countries to address any subsequent waves of the COVID-19 pandemic and other epidemics, but also climate change effects and natural disasters.
- Ensure that COVID-19 specific investments in social safety nets result in sustainable, long-lasting development structures. Existing commitments on climate change will be respected to avoid potential setbacks.
- Invest \$6.76 billion in principal purpose climate finance between 2021 and 2025, following the recommendation of the Canadian Coalition on Climate Change and Development (C4D), and based on the US\$100 billion target for DAC providers.¹¹

COVID-19 long-term rebuilding phase

The COVID-19 pandemic cast light on the structural inequalities of national and international systems. Weak social safety nets have failed the most marginalized, proving the urgency to redesign welfare states everywhere.

The AFB's commitment to integrated approaches aiming at agricultural transformation, climate change adaptation and mitigation, and gender equality will guide long-term recovery efforts. With COVID-19 threatening to wipe out development achievements in lower- and middle-income countries, the AFB Recovery Plan is ready to pay its fair share to ensure no one is left behind.

Canada currently lags behind other G7 countries on official development assistance (ODA).¹² Far from the global standard of contributing 0.7% of gross national income (GNI) on ODA, Canada's contribution for 2019 stood at 0.27%, or \$6.4 billion.¹³ Given the chronic underfunding of international systems expected to surmount unprecedented challenges such as the current pandemic, and the 10-year deadline to achieve Agenda 2030, the urgency of Canada's engagement cannot be overstated.

As of July 1, Canada's COVID-19 assistance included \$300 million for vaccine development and distribution, and for humanitarian response.¹⁴ Canada had previously announced that \$159.5 million would be allocated to emergency response,¹⁵ along with an additional investment of \$16.5 million,¹⁶ and \$8.9 million specifically for women's rights.¹⁷

These contributions to global humanitarian and development efforts simply do not reflect the scale, complexity, nor the urgency of the current pandemic. A drastic increase of ODA is needed to answer appeals to developed countries from the UN and within the Access to COVID-19 Tools (ACT) Accelerator.¹⁸

The AFB Recovery Plan will:

- Double ODA to \$12.8 billion, which, at 0.54% of GNI, would still leave Canada below the global standard, but will help begin to address the dire state of global food security, public health, poverty, and economic dependency, while ensuring the continuation of essential services. The AFB Recovery Plan also enables initiatives such as the Sector Resilience Grant Program and ensures Canada gets closer to its full commitment of 0.7% of GNI in the next five years.
- Support structural reforms of institutions like the World Bank and the International Monetary Fund, and the ongoing United Nations Resident Co-ordinator System reform. This helps avoid austerity measures to come and moves toward a valorization of human lives and livelihoods. It is crucial to a just recovery that sustainable and equitable infrastructure funding is directly tied to people-centred welfare states encompassing universal public health, accessible and high-quality education, access to transformative technology, sexual and reproductive health and rights, and environmental programs.

- Support workers affected by COVID-19. This is especially crucial for mitigating the risk of rising poverty. Under the AFB, Canada is tasked with participating in global emergency relief programs set up with contributions from international financial institutions, donor governments, and major brands and retailers.
- Lastly, Canada should support international learning mechanisms to build on lessons learned throughout the COVID-19 response, thus boosting innovation and learning in the area. In the new pandemic world, Canada must transcend the notion of international assistance and, instead, invest in a global just recovery that centres human rights.

By strengthening inclusive, progressive, and sustainable systems that directly address inequality within and between nations, Canada is investing in a safer, more prosperous world.

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Nonprofits and charities

Introduction

Charities and nonprofits form a vital part of our social and economic fabric. The sector has been hit hard by the COVID-19 pandemic and, yet, is essential to a just recovery.

Many nonprofits and charities are on the front lines of the COVID-19 response, providing a wide range of health and social services, often working with the most disadvantaged and marginalized members of our communities.

Charities and nonprofits also play an essential role in challenging injustice through advocacy and public policy development. Many seek to address the inequities and gaps in our social safety net that became so glaring as the pandemic hit, and to confront the deep racial and settler-colonial injustices now at the centre of public discourse.

Charities and nonprofits are also the engine that keeps whole areas of our economy—like the arts—alive (see the Arts and culture chapter). The nonprofit sector makes vital contributions to the economy in all regions of the country, in rural and urban areas alike. The community nonprofit sector¹ alone accounted for 1.4% of GDP in 2017 and more than 610,000 jobs (three times the direct employment in mining, quarrying and oil and gas extraction, for comparison).²

Numerous surveys of the nonprofit and charitable sector nationally and by umbrella groups in several provinces show how drastically the sector has been impacted by the pandemic. In May, 69% of charities had seen decreased revenues and 30% had already reduced staffing, with more than half anticipating new or additional layoffs to come.³ Job losses

have been much more severe in occupations related to the nonprofit sector compared to other parts of the economy.⁴

Going into the pandemic, the sector faced a variety of challenges that are well-documented elsewhere, including in a recent report by the Special Senate Committee on the Charitable Sector.⁵ These challenges include lack of stable long-term funding, lack of funding for core operating costs (administration and salaries), a longer-term decline in charitable giving, and the impact of a protracted political activities audit program.⁶ As noted in a recent report on the women’s sector, “much of the sector’s work is considered care work and thus women’s work, particularly that of racialized, immigrant, and Indigenous women”⁷ and, as such, is systematically undervalued. The sector also struggles with the impact of years of government austerity and the related downloading of services onto communities.

In spite of the vital role many charities play in challenging systemic injustices, the legal and policy frameworks governing charitable activities in Canada constrain their ability to do so fully and function to exclude or dampen the voices of those already marginalized. Recent changes to the Income Tax Act allowing charities to dedicate unlimited resources to “public policy dialogue and development activities”—provided these further their charitable purposes—represent a major improvement. However, it is past time that Canada do away with the narrow “allowable purposes” themselves, which derive from an old-fashioned model of charitable works that favours band aids (e.g., the alleviation of poverty) over root-cause systemic change (e.g., elimination and prevention of poverty). In addition, there are critiques that challenge nonprofits and charities—particularly larger ones—to address the ways in which they benefit from systemic racism. Nonprofits and charities, however, have the advantage of functioning with community-based systems of accountability through their legal structures, diverse funding obligations, and independence from government.

The AFB Recovery Plan sees nonprofits and charities as foundational to economic recovery and vital to our ability to build a vibrant, equitable, and ecologically healthy society instead of simply returning to the pre-pandemic old normal.

Given that the economic recovery is unlikely to be private-sector led, governments need to work with the full scope of the nonprofit and charitable sector. This does not mean contracting out public services but, rather, working with community-based nonprofits to expand the services

and programs that they already deliver (often in areas where governments have failed to provide services or to do so adequately). It also means developing new initiatives where there are clear benefits to partnering with community nonprofits. Working in partnership with the nonprofit sector will be undertaken on terms that support transparent community-driven approaches.

The pandemic has also highlighted the need to stop relying on the for-profit sector to deliver essential human services, as we have seen so glaringly in the case of seniors care (see Seniors' care and Cities and infrastructure chapters). Doing so requires building out the public and community nonprofit sectors—both in terms of physical infrastructure and services—and democratizing services so they are more fully responsive and accountable to the communities they serve.⁸ This must include major investments in the care economy (see Gender Equality and Child Care chapters).

The following AFB Recovery Plan actions will respond to the unique needs of nonprofits and charities and increase the sector's capacity in the months and years ahead.

COVID-19 short-term response phase

- The Canada Emergency Wage Subsidy program has a number of inherent barriers, in particular the 30% threshold for revenue loss. The AFB Recovery Plan eliminates this threshold for all community nonprofits and charities based on attestation of need, not revenue loss. This will be applied retroactively to March 15, 2020.
- The AFB Recovery Plan further mandates the creation of a sector stabilization fund of at least \$7.2 billion. The stabilization fund will support direct operational costs and will not be limited to COVID-19 specific impacts.
- The AFB Recovery Plan takes into account all new recovery initiatives with the non-profit sector in mind at the outset, not after the fact in response to the sector's call for adaptations. Ensuring the sector is recognized and considered during the planning phase of new initiatives is a more efficient approach, which will improve service delivery and save countless hours

spent by the sector in communicating their unique needs after the fact—time that should be focused on the important missions of these organizations.

- An additional \$3 billion will be directed to expanding or supporting new nonprofit community initiatives that aim to reduce social and/or economic inequities, with a particular focus on racial and gender equality and decolonization, including alternative services to policing and incarceration (such as community-based mental health and harm reduction, poverty reduction, sex worker support and advocacy, violence prevention and support, housing and other services). This fund includes capacity building support for Black community organizations and funds to improve access to essential food support to vulnerable Black Canadians (see the Recognition, justice, and development for Black Canadians chapter). The fund will also support collaborations among nonprofit sector members. These funds will fully cover associated operating and staffing costs.
- The AFB Recovery Plan will promote local and social procurement, including through Community Benefit Agreements⁹ that address racial, gender, and other inequalities in the labour market. The AFB Recovery Plan will also enable employee- and community-based ownership succession and buyouts of struggling businesses.¹⁰

COVID-19 medium-term recovery phase

The long-term development of, and investment in, the non-profit sector must begin now. The Senate Report¹¹ reflects an extensive analysis of the strengths and needs of this sector. Its recommendations can act as a blueprint for strategic action moving forward.

- The AFB Recovery Plan responds to long-standing calls from the sector for a “home in government” by establishing a secretariat dedicated to the well-being of the nonprofit sector by the end of 2021. This secretariat will be housed within Innovation, Science and Economic Development Canada. It will be mandated with: 1) directing government interactions and planning for the sector across federal ministries and agencies, 2) making funding

systems appropriate and consistent across government (including requiring all granting programs to fully cover related nonprofit administrative and staffing costs), 3) developing a human resources strategy to strengthen decent work in the sector, 4) working with Statistics Canada to improve data collection about the sector and the provision of socio-economic data to the sector without fees, and, 5) working with Canada Revenue Agency (CRA) to institute meaningful and substantive changes to modernize our tax laws and ensure they support the sector rather than hamper its innovation and economic impact, including allowing advocacy-related charitable purposes.

- In the meantime, as the impacts of the COVID-19 pandemic continue to unfold, the AFB Recovery Plan will extend the Canadian Employment Wage Subsidy (CEWS) program and above stabilization fund for nonprofits as needed, given the revenue impacts are likely to be more prolonged than for much of the private sector (eg, due to reduced financial capacity of donors and the medium-term impacts of the recession on foundation funds).
- In the longer term, the AFB Recovery Plan will also establish an ongoing wage stabilization program for the nonprofit and charitable sector to assist organizations to pay decent wages and provide health benefits and pensions, and to encourage permanent full-time employment in the sector (in contrast to current funding models that too often incentivize precarious work).

Conclusion

Canada's charitable and non-profit sector plays a powerful role in promoting social and economic justice. It has been hit hard by the pandemic and requires federal government leadership to weather the storm as it continues to provide frontline services, supports, and advocacy. The AFB Recovery Plan promotes a transformational approach to how the federal government views this sector—an approach that is empowering, fair, and that recognizes the expertise that charitable and non-profit organizations bring to the decision-making table.

Notes

1 Statistics Canada defines community nonprofits as those engaged in activities such as social services, advocacy, or sports and recreation. This excludes government nonprofits (such as hospitals, universities and colleges) and business nonprofits (such as chambers of commerce and condominium associations). The AFB measures discussed in this chapter largely apply to community non-profits, but many should be extended to cooperatives and social enterprises as well. <https://www150.statcan.gc.ca/n1/daily-quotidien/190305/dq190305a-eng.htm>

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Post-secondary education

Introduction

Post-secondary education in Canada was significantly disrupted by the COVID-19 pandemic. Campuses closed and nearly all instruction was moved online. Research activities have been severely curtailed. Support staff in food services, maintenance, operations, libraries, and custodial services have been redeployed, furloughed, or laid off. Contract instructors are having their contracts for summer and fall courses cancelled. International students have had to choose between staying in Canada without economic support, or returning home, potentially unable to return to Canada for some time.

Publicly funded universities and colleges have not been able to access the Canada Emergency Wage Subsidy (CEWS) to continue paying workers. Workers who have had their hours cut or who have been laid off are eligible for the Canada Emergency Response Benefit (CERB). However, the federal government has not allowed these workers to receive supplemental unemployment benefits that could top up their benefit.

Students who are Canadian citizens or permanent residents are eligible for the Canada Emergency Student Benefit (CESB). But for students who do not have dependents or who are not living with a disability, the amount of the benefit is less than what is available to Canadians receiving the CERB. This is despite the fact that students have to pay rent, buy groceries, and be able to afford their tuition bill for the upcoming academic year. Furthermore, international students who have stayed in Canada are not eligible for the CESB even though there are limits on the number of hours international students are allowed to work (unless they are working for an essential service).

There has been no federal financial support and very little provincial support for post-secondary institutions that are in a precarious situation. Many universities and colleges are facing a potential decline in revenue due to the loss of international students, loss of revenue from other programming (such as athletics and rentals), and higher costs due to the transition to remote learning and the need to ensure health and safety as campuses re-open.

Post-secondary institutions are also unsure of what will happen with domestic enrolment this year. Will unemployed Canadians turn to post-secondary education to retrain for a new career? Will students disenchanted with online learning decide to defer or drop out of post-secondary education? It is difficult to anticipate, let alone plan, for these uncertainties.

Toward a just recovery

A high-quality, publicly funded post-secondary education system that provides education at no cost to any student who qualifies is a key element of Canada's economic recovery, as outlined by the AFB Recovery Plan. It will also contribute to a future that is more environmentally and socially sustainable.

COVID-19 short-term response phase

- In the short term, most post-secondary institutions will continue to provide remote learning in combination with some in-person training and research where it is safe to do so. In order to ensure that remote learning is successful, short-term funding will be provided to support instructors in transitioning courses to online learning, ensure students have adequate access to the necessary technology to participate, and promote cybersecurity. The AFB Recovery Plan will also support the rapid expansion of rural broadband access.
- Post-secondary institutions face significant costs to ensure the health and safety of those who do return to campus. Workspaces will need to be altered and barriers installed, while disinfection practices are improved and institutions sort out how to provide

personal protective equipment to those who need it. Increasing the federal transfer for post-secondary education (to cover lost tuition fees) will help institutions provide a safe working and learning environment.

- For workers who risk being laid off or having their hours reduced, eligibility for the CEWS program will be extended to post-secondary institutions, in addition to allowing supplemental unemployment benefits to be paid for those workers receiving the CERB. In exchange, post-secondary institutions will be required to continue making contributions to pensions and health benefits for these workers.
- Finally, international students who reside in Canada will be allowed to apply for the CESB and have increased access to federal student grants and loans programs.

COVID-19 medium-term recovery phase

- As provinces begin to reopen and certain in-person activities resume on campus, online learning and remote work will need to continue. This will protect students, staff, and faculty who are at higher risk of contracting the virus, and ensure that they are able to self-isolate without penalty if they develop symptoms.
- Universities and colleges will need to follow strict protocols to ensure that access to campus is restricted, that students, staff, and faculty continue to physically distance and/or wear PPE as appropriate, and that anyone who is experiencing symptoms stays home. To make this work, workers will need access to paid sick leave. Far too many university and college employees do not currently have paid sick leave. As employers, post-secondary institutions need to do better. Cleaning staff at many institutions have also been cut or contracted out completely. Post-secondary institutions need to ensure there are enough staff to safely clean and disinfect campuses.
- Indigenous communities also need resources to close the education gap, including supports for students who need to relocate to complete their education. The AFB Recovery Plan will

include funding to support the Indigenous-led development of Indigenous language, culture, and history courses at the post-secondary level.

COVID-19 long-term rebuilding phase

As we move into a rebuilding phase in a post-pandemic world, free post-secondary education will be provided to every student who qualifies. Even before the crisis hit, post-secondary education was unaffordable to many Canadians, who had to go deep into debt to pay for tuition. With the incomes and savings of many Canadians wiped out by the pandemic, post-secondary education will become even more inaccessible unless we take action.

In fact, post-secondary education will be a key element of a just recovery. It will provide retraining to unemployed Canadians, especially in sectors that have been hard hit and will not return to their pre-crisis state, or for workers who cannot return to their jobs due to health reasons.

Free post-secondary education also provides an opportunity for workers to transition away from jobs and sectors that are environmentally damaging, in addition to providing equal access to communities that have been historically disadvantaged or excluded.

The cost of providing free post-secondary education will be shared by the federal and provincial governments. But given the federal government has been an absent partner in post-secondary education for decades, the AFB Recovery Plan will increase provincial post-secondary transfers by 60%.

In exchange for these additional funds, the provinces must agree to abide by the principles of a new Canada Post-secondary Education Act. Much like the Canada Health Act does for health care, the new education legislation will outline core principles of public post-secondary education in Canada, including universality, accessibility, affordability, and public administration.

Conclusion

The research community is still navigating the challenges of restarting work, and strategies of catching up are still largely unknown. Although austerity measures are all too common in times of economic downturn,

we need to continue investing in research and science, and spur the innovation that is necessary to see our country through current and future crises.



Poverty

Introduction

The same sense of urgency that fuelled the response to the COVID-19 pandemic needs to be applied to end poverty in Canada.

Eradicating poverty is essential to the public health of all people in Canada and to meeting our human rights obligations as enshrined in the Sustainable Development Goals and other international covenants (e.g. the rights of children, Indigenous peoples, persons living with disabilities, and women; and other economic, social, cultural rights).

COVID-19 severely exacerbates the pre-existing crisis of poverty in Canada.

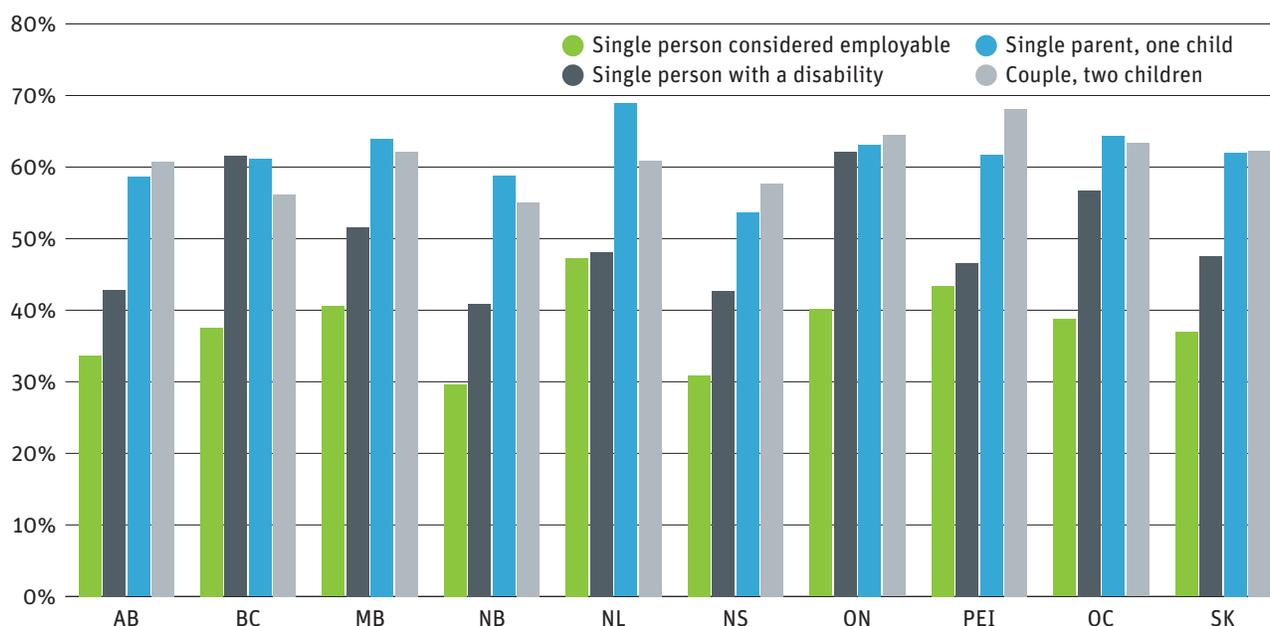
Pre-pandemic, between 4.5 and 5.9 million Canadians lived in poverty; this number is expected to rise with the economic fall-out from COVID-19.¹ Inequality and conditions of poverty, marginalization, and systemic discrimination based on Indigenous identity, race, ethnicity, class, gender, and disability create conditions that shorten life expectancy, increase the likelihood of death, and contribute to the spread of disease.²

We must also ensure that income assistance, health benefits, and employment insurance are accessible to all, with particular emphasis on those in low-wage, precarious, seasonal, and/or criminalized work (e.g. sex workers), and regardless of immigration status.

When the pandemic hit, low-income people were not able to stock up on groceries, medications, and cleaning supplies as they have no savings or credit to do so. When public health guidelines required the closure of public drop-in spaces, low-income people were left out in the cold without access to the necessities of life that they rely on for survival (meals, toilets and showers, phones and internet).

Female workers and racialized workers, over-represented among low-wage, part-time, and caring professions, have borne the brunt of the

FIGURE 3 Welfare income as a percentage of LIM-AT by province and family type (2018)



economic impacts of COVID-19 on the labour force. Among those in the paid labour force, people working in low-wage jobs without benefits were the worst hit. Half of workers making under \$16 per hour and over a third of those making between \$16 and \$22 per hour either lost their job or at least half of their working hours between February and May 2020.³

COVID-19 broke out in workplaces like meat packing plants, where employers did not follow safety protocols and encouraged employees to work despite symptoms.⁴

In response to these cases and in recognition of the right to safe work, the federal government has moved forward with a proposal to the provinces to introduce 10 paid sick days for all employees.⁵ Paid, job-protected sick leave should be mandatory and permanent going forward to protect workers and their communities.

It is imperative that any improvements to wages and working conditions for essential workers in the COVID-19 response phase be maintained and built upon even after the pandemic ends.

The pandemic has exacerbated homelessness for at least 35,000 Canadians who do not have a place to live and the 235,000 who

experienced some form of homelessness in recent years (see the Housing chapter).

Children in low-income families have also been adversely impacted by COVID-19. School closures mean breakfast and lunch programs are no longer available. Children's physical and mental health is at risk, particularly with the isolation and stress brought upon families by the pandemic. This is particularly concerning for those experiencing violence in their homes (see Gender Equality chapter).

The federal government provided a one-time top-up to the Canada Child Benefit (CCB) in May. However, amounts remain inadequate for many families and certain households are not even eligible to receive the benefit. Eligibility should be expanded to include kinship families, foster families, and be available regardless of immigration status.

Current social assistance rates across Canada are completely inadequate to meet basic needs. In "normal" times the work expectation for those on assistance is a challenge, with little incentives to move off of assistance due to lack of training, punitively high clawback rates on earned income and support, low minimum wages, precarious work, and other barriers faced by low-income people. Recipients in many provinces are expected to exhaust personal savings. Depleting personal assets makes it harder to transition back to work and climb out of poverty. Given high rates of unemployment with the COVID-19 economic crisis, work expectations for those on assistance are completely unreasonable.

Income assistance rates must increase, and permanently, so people are not concerned about their daily survival and can live in dignity. British Columbia is the only province to provide emergency income assistance, a \$300 payment per month to people on assistance or with disabilities for three months. Benefits for single individuals and people with disabilities are far below what the federal government deems adequate via the Canadian Emergency Response Benefit (CERB) of \$2,000 per month.

In addition to the deplorable conditions being maintained in many long-term care facilities, seniors are particularly at risk of contracting COVID-19 and they are experiencing extreme isolation due to social distancing (see Seniors' care chapter for recommendations).

Pre-existing health concerns may make people with disabilities more vulnerable to the virus and many experience extreme social isolation due to social distancing. People with disabilities are at much higher risk of poverty. The federal government provided a one-time payment of the

Disability Tax Credit. However, this is not enough to address the needs of this population (see the Disability chapter for recommendations).⁶

First Nations set up blockades to keep COVID-19 out of their communities, given the conditions of severe overcrowding, lack of comprehensive health care, and, in some cases lack of clean water, to fight the virus in northern and remote reserves.⁷ Urgent action must be taken to address the poverty and health crises on and off reserve, in partnership with Indigenous leadership (see the First Nations chapter for recommendations).

Overcrowding in migrant workers camps, poor living and work conditions, and lack of sufficient public health protections has also led to increased rates of COVID-19 and death among these workers.⁸ Canada should require regular workplace inspections and grant permanent residency status upon arrival in recognition of the vital role migrant workers play in Canada's food system and economy⁹ (see the Immigration and Agriculture chapters for recommendations).

COVID-19 short-term response phase

The AFB Recovery Plan will:

- Take aggressive action to end poverty and support public health for all.
- Create the AFB Recovery Plan Dignity Dividend. The AFB Recovery Plan's Dignity Dividend will provide \$300 per month (\$3,600 per year) per adult and child to bring low-income people closer to the Low Income Measure, after tax (LIM AT) poverty line and stimulate local economies. This transfer would be paid to all those who already receive the GST credit. The clawback will have a rate of 15 per cent once a family makes more than \$2,500 in income in a year. The Dignity Dividend will go to all low-income people, regardless of family type.
- Provide help for those marginalized from the tax system. Rates of non-filing of taxes and non-receiving of benefits are much higher for people with lower incomes and marginalized people.¹⁰ The AFB Recovery Plan simplifies tax filing for low-income Canadians (see the Taxation chapter). The AFB Recovery Plan will work in partnership with community organizations to find ways to

reach marginalized communities that are outside the tax system and subsidize digital or prepaid credit cards to help people buy food and other basic necessities immediately. The AFB Recovery Plan will provide compensation to organizations for their time delivering these resources.

- Recognize telecommunications as a right. The AFB Recovery Plan ensures lower-income Canadians and children can afford internet service and devices to call for emergency help, access health services, receive information about potential COVID-19 community transfer, reduce social isolation, access online learning, and subscribe to government benefits. The AFB Recovery Plan will extend the existing Connecting Families¹¹ internet access program to all low-income people, as recommended by ACORN Canada's *Barriers to Digital Equality* report.¹²

COVID-19 medium-term recovery phase

Canadian income benefits are a patchwork of inadequate federal and provincial programs. The federal government delivers employment insurance, Canada Pension Plan, and the Canada Child Benefit.

The provinces operate social assistance, child and seniors benefit programs, and rent supplements funded, in part, by the federal Canada Social Transfer and, soon, the National Housing Benefit. In the COVID-19 era it is more important than ever to ensure benefits are seamless as workers move from employment insurance or the Canadian Emergency Response Benefits (CERB) to social assistance. However, currently social assistance is only half of CERB for most household types.

COVID-19 has called into question traditional notions of basic needs. Social assistance must be sufficient to cover the cost of cleaning supplies and non-insured medical items, including face masks, which Canada's Chief Public Health Officer recommends be worn in public to prevent community transmission of COVID-19.¹³

The AFB Recovery Plan will:

- Implement accountability measures on federal transfer payments to ensure adequate social assistance rates by the provinces and territories.

- Implement a Canadian Liveable Income Benefit. The AFB Recovery Plan takes bold action to create a new Canadian Liveable Income Benefit (CLIB), which uploads social assistance to the federal level. The CLIB provides dignified adequate levels of income support that is indexed to median wage growth. This will lead to significant provincial savings, such that the AFB Recovery Plan will reduce the Canada Social Transfer to the provinces and territories for the complete cost of social assistance programs to offset new federal costs.

COVID-19 long-term rebuilding phase

The AFB Recovery Plan cuts poverty in Canada in half by 2023—ahead of the current government’s goal of 2030. That will put Canada on track to eliminate poverty by 2028, based on the LIM-AT.

Conclusion

COVID-19 has exposed poverty and inequities in Canada, resulting in low-income households and communities bearing a heavier load in this pandemic. The AFB Recovery Plan sets a higher standard by implanting a suite of measures to ensure Canada is a more equitable, just, and humane place to live. These measures culminate in a goal to eliminate poverty in Canada by 2028—a goal that is within reach. Now is our moment to make it so.

Notes

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Public services

Introduction

Living in the age of a pandemic reminds us of the vital role of public services in our lives.

As the economy necessarily shut down to protect Canadians from COVID-19, the federal government implemented a range of public supports at breathtaking speed in order to protect the majority of households from catastrophe.

The pandemic provides both the model and the rationale for our government to strengthen and reinforce the public service and public services at this critical time in history. The federal public service came to the rescue with innovative ideas for immediate benefit programs to support both people and businesses.

Canada's employment insurance system was swamped by the unprecedented number of unemployed workers seeking income supports; the federal government created the Canadian Emergency Response Benefit (CERB) that would prove a lifeline to millions of households. It was public sector workers who deftly tweaked the system to process more than 15 million CERB applications, 18 other support measures in order to support physical distancing, and another 18 support measures for businesses.

Public sector workers also continued to support Canadians to navigate the public health crisis, to provide critical public services—from public transit to health care—often at personal risk.

Public service workers quickly accepted the challenges that COVID-19 imposed on the system, to ensure that these public supports and services were delivered in a safe, timely fashion. They implemented unprecedented programs to extend key health benefits, including increased access to mental health supports, extension of special leave

measures, and relaxing requirements related to insurance benefits in order to support physical distancing.

COVID-19 has exposed how vital public health is to community well-being and how vital public services are to a functioning society, in a pandemic or not.

But for too long, governments have relied on austerity measures to cut and/or eliminate public services, to reduce public service workers, to make public service work more precarious, and to justify privatizing vital services that should remain in public hands.

The long shadow of austerity was made crystal clear when the pandemic struck and Canada found itself flat-footed, short of needed personal protection equipment and scrambling hard to ensure hospitals weren't swamped beyond capacity—even though many were already at capacity due to funding cuts before COVID-19 arrived.

The onset of a pandemic of this nature was not a surprise to the experts who study pandemics.¹ For years, public service experts warned that a pandemic was a question of when, not if. Yet their warnings went unheeded by a series of governments. Canada was unprepared and, as a result, has been playing catch-up ever since.

Those same voices remind us that COVID-19 will be with us for a while and that new pandemics and shocks to the system will also emerge. The direct and indirect impacts of unmitigated climate change will create drought and flood situations that will have the same devastating impact as COVID-19 (see the Just transition chapter).²

What's clear is that the federal government and its public service will need to continue to play a central role in the recovery and reconstruction phases of COVID-19 that is needed to protect the health and well-being of all Canadians, now and in the future. COVID-19 laid bare the neoliberal ideology that fixated on small government, reduced public services, and low taxes. It left governments scrambling to respond to the crisis.

The AFB Recovery Plan recognizes that public services, and the workers who deliver those services, are central to Canada's health and well-being, as well as to this country's ability to weather shocks to the system.

COVID-19 short-term response phase

The AFB Recovery Plan will:

- Keep privatization out of Canada's pandemic response and recovery plan.
- Ensure essential and frontline workers in the public sector are adequately compensated, are unionized, have collective agreements that capture post-COVID work organization environments, and have access to personal protection equipment and worker protections as well as to paid sick days (see Health chapter).
- Ensure public service workers who have lost their job or working hours due to COVID-19 are covered by CERB and the new Unemployment Insurance program post-CERB (see Employment insurance chapter).
- Ensure that automated solutions introduced to facilitate emergency benefits are used to help workers do provide public services and not replace workers.
- Expand public services such as child care, pharmacare, affordable housing, seniors' care, skills and training, and more (see Child care, Health, Housing, Seniors' care, Employment insurance and Gender equality chapters).

COVID-19 medium-term recovery phase

The AFB Recovery Plan will:

- Expand funding for public services, including transfers to provincial governments and municipalities (see Cities, Child care, Health, Post-secondary education, Taxation, and Macroeconomic framework chapters).
- Ensure that the public interest and public service values are at the heart of the work of the federal government. This crisis has demonstrated both the weakness and danger of an operating model that privileges private profit and undermines the strength

and resilience of programs and services that are designed to meet public need (see, especially, Seniors' care chapter).

- Boost the 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 pandemic and the climate emergency.
- Invest in infrastructure projects that remain in public hands (see Just transition and Cities chapter). Social infrastructure investments must provide the criteria for choosing which physical infrastructure projects to fund.
- Resist calls for austerity during a moment in history to calls for transformative change led by the federal government.
- Ensure public servants are able to speak truth to power, without suffering negative consequences.

COVID-19 long-term rebuilding phase

The AFB Recovery Plan will:

- Reverse the unhealthy obsession with privatization and outsourcing;
- Provide funds to create renewed policy space for the federal public service;
- Ensure greater job stability and internal expertise by reducing the use of contract jobs; and
- Focus on well-being budget instead of solely on GDP as a measure of success.

Conclusion

We know that people from marginalized and disadvantaged communities—such as women, Indigenous peoples, racialized communities, immigrants and migrant workers, and people with disabilities—benefit disproportionately from having access to affordable, high quality public services. Moving through the pandemic, and long

afterward, Canada will need to be laser focused on ensuring that everyone has equitable access to more comprehensive and less punitive income supports and public services. The AFB Recovery Plan makes investments that will yield health, social, ecological, and economic equity and benefits for generations to come. Public service is the gift we'll give our seniors, our children, our neighbours, and ourselves.

Notes

1 Stephen S. Morse, “Emerging Viruses” Stephen S. Morse, 1996; and Kent Harrington, “The spies predicted the pandemic, but they couldn’t foresee a president who wouldn’t act quickly and boldly”, Project Syndicate, April 16, 2020

2 (Ellen Gray, Jessica Merzdorf, “Earth’s Freshwater Future: Extremes of Flood and Drought”, NASA June 13, 2019 and Jonathan Watts “We have 12 years to limit climate change catastrophe, warns UN”, Guardian, Oct 8, 2018



Racial equality

Introduction

COVID-19 has significantly increased and deepened Canada's racial inequities. Economic, social, and health related responses by different orders of government have exposed structural and systemic disadvantage along racial lines, as well as the over-policing and criminalization of Black and Indigenous people (see the Recognition, justice, and development for Black Canadians chapter).

Governments in Canada have long refused to collect race-based disaggregated data in health, which made it virtually impossible to identify risk factors and populations, or to devise appropriate policy recommendations and practice remedies. The federal and various provincial and territorial governments have finally agreed to start collecting race-based health data, particularly on COVID-19 transmission, fatalities, and recoveries. While the collection of data might come too late to help those already impacted by the spread of the virus, it will be an important resource to develop equitable public policy and public responses in the future.

Racialized health impacts of COVID-19 across Canada are yet to be fully determined. In Montreal and Toronto, the hardest hit neighbourhoods are those with the highest number of Black and other racialized residents as well as high levels of poverty and poor social and economic opportunities. As well, Indigenous, Black, and other racialized people continue to encounter systemic barriers in the health care system.

The pandemic has also exposed major racial inequalities in employment. Some of the highest mass outbreaks have been in sectors characterized by low-waged and often precarious jobs that employ a disproportionate number of racialized workers, such as health care aides, janitors and support workers, and workers in the food sector.

In long-term care facilities in Greater Montreal, which faced massive outbreaks, up to 80% of aides are Black and other racialized women. A significant number of aides and other support workers in the hard-hit long-term care facilities in the Greater Toronto Area are similarly Black and racialized women. Years of chronic understaffing, lack of critical personal protective equipment, and generally unsafe working conditions essentially condemned these workers at the beginning of the COVID-19 outbreak.

The outpouring of well-deserved public and media attention on health workers often does not extend to these low-waged racialized women. In fact, they are completely invisible. Even worse, racialized workers with precarious immigration status—e.g., refugee claimants from Haiti who are employed in long-term care homes in Montreal, migrant agricultural workers from the Caribbean and Mexico, and meat plant workers from the Philippines—are subject to racism and treated with suspicion and hostility in the communities where they work and live.

On a positive note, starting in July, for the first time in Canadian history, race-based data will be collected in the monthly Labour Force Survey. This fulfils a long-time recommendation of the AFB, thus providing a tool for the assessment of race-based impacts in employment.

However, governments across Canada have also given themselves new powers under emergency measures, using public health reasons to surveil and police the public. Indigenous people and Black people in particular faced heightened risk of profiling, police surveillance, and street checks. Ontario enacted new legislation that mandated the sharing of individual health data with first responders including police—a massive invasion of privacy. A recent report from Canadian Civil Liberties Union documents the escalation of COVID-19 policing tactics against Indigenous and Black people and other people of colour.¹

Almost all racialized communities have reported an increase in hate attacks against them. Most notably, there has been a dramatic spike in anti-Asian racism, with people of Chinese descent reporting an escalation in racist attacks related to COVID-19, from physical and verbal assaults to bullying and racist graffiti.²

Even before COVID-19, racialized residents experienced structural disadvantages and systemic racism in all levels of education. These disadvantages were further exposed as different jurisdictions across Canada turned to online learning as a viable education option.

Indigenous, Black, and other racialized students are overrepresented among those who are low-income and facing a variety of socio-economic disadvantages. They were least able to access online learning or successfully navigate this type of learning format. The impact will likely be felt for decades as their education is further delayed and opportunities further restricted.

COVID-19 short-term response phase

The AFB Recovery Plan will:

- 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, interdiction and immigration (including migrant workers and international students), and citizenship; and media, social media, and mass communication.
- Work with provinces to increase minimum wages to living wages and to increase the wage rate for all low-waged essential workers, while strengthening workers' benefits and protections under provincial employment standards legislation. These include but are not limited to paid sick leave and benefits, paid personal emergency leave, and enhanced protection for workers who refuse to work in unsafe conditions.
- Not implement penalties for the collection of CERB. The quasi-criminalization of CERB recipients will disproportionately impact racialized communities. Racialized communities are overrepresented in low-wage and service sector employment and have faced a disproportionate degree of COVID-19 job loss.

COVID-19 medium-term recovery phase

The AFB Recovery Plan will:

- Mandate that the federal government and provinces undertake a racial equity review of all COVID-19 emergency measures and end all civil liberties restrictions.
- Strengthen the federal Employment Equity Act and attach employment equity measures through community benefits agreements on all federal investment and recovery programs, to ensure racialized groups and other underrepresented groups have equitable access to any new jobs created.
- Mandate that the provinces and territories ensure every student from kindergarten up to secondary school completion is supported to meet education requirements and their full learning potential.
- Fund efforts across Canada to address anti-Asian, anti-Black, and anti-Indigenous racism and discrimination.

COVID-19 long-term rebuilding phase

The AFB Recovery Plan will:

- Create an Anti-Racism Act for Canada that gives a legislative foundation for the Anti-Racism Secretariat, which will receive ongoing, sustainable funding and resourcing. Ensure the Anti-Racism Act will name and address all forms of racism including anti-Asian racism, anti-Black racism, anti-Indigenous racism, and Islamophobia.
- Create a National Action Plan Against Racism to accompany the national Anti-Racism Strategy, containing concrete strategies with actionable goals, measurable targets, and timetables, and the necessary resource allocation that accompanies each strategy and action to address all forms of racism.
- Amend the federal Poverty Reduction Strategy to have specific focus and actions on alleviating disproportionate levels of poverty in racialized and Indigenous communities, which are likely to increase because of the economic downturn from COVID-19.

- Require media organizations to address racism and racial inequality in media coverage, content creation, and editorial decision-making.

Notes

1 Canadian Civil Liberties Union, “Canadian Rights during COVID19: CCLA’s Interim Report on COVID’s First Wave,” June 2020: <https://ccla.org/coronavirus/>

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Recognition, justice, and development for Black Canadians

Introduction

The disproportionate impact of the COVID-19 pandemic on Black and other racialized Canadians (see Racial equality chapter), and the global mass movement for police reform in response to the police killing of George Floyd this June, have once more exposed deep-set social inequities in Canada, the United States, and elsewhere.

In Canada, the current lack of disaggregated race-based data in health, criminal justice, and employment has added to the crisis felt by Black communities. Informed decisions about how to address the impacts of the pandemic cannot be made without this information. Recent protests against police brutality have led Black Canadians and allies to demand programs, new initiatives, and reporting mechanisms to improve the socioeconomic and health outcomes of this demographic.

In January 2018, Canada officially recognized the UN's International Decade for People of African Descent (UNDPAD). Since that announcement, the government has promised to distribute approximately \$43 million over five years to various Black community-based projects aimed at addressing racism and discrimination. However, structural impediments within the bureaucracy have stalled that money in the system.

As a result, we have seen only nominal results on government commitments to Black Canadians over the past year. Under so-called normal conditions inaction was unacceptable. As the pandemic puts even

more strain on the socioeconomic situation faced by Black Canadians, it is needlessly reckless.

African diaspora communities from across Canada have called for action in the areas of disaggregated race-based data collection, justice and public safety, economic inclusion, and the federal public service. Achieving results in these areas will create the opportunity for real progress in support of the UNDPAD in Canada.

Toward a just recovery

On June 16, 2020, the Parliamentary Black Caucus issued a new statement challenging the government to move swiftly to address systemic inequality facing Black Canadians. “The reaction to the COVID-19 pandemic proves that governments can act quickly and ably in crisis,” it read. “Black Canadians are in a state of crisis: it is time to act. Words and symbolic gestures, while important, are not enough.”¹

Black and African diaspora Canadians of all backgrounds believe that Canada’s diversity is indeed a natural resource. The federal government has a responsibility to invest in this resource, which will in turn enrich the economic and social well-being of our country and all of its citizens. The following investments and political reforms will ensure that Black Canadians are not left behind during and after the COVID-19 pandemic.

COVID-19 short-term response phase

The AFB Recovery Plan will:

- Accelerate the \$25 million Black Community Capacity Building funding to address sustainability in the Black community during the pandemic.
- Provide funds (including grants) to help Black businesses reopen.
- Extend and update the Canada Emergency Business Account (CEBA) requirements to target Black businesses.
- Provide funding of at least \$5 million to help Black-owned businesses classified as essential services in their respective provinces (as of April 11, 2020) adapt to new demands and pressures stemming from COVID-19, including moving online.

Individual business grants of up to \$5,000 shall be made available.

- Provide \$5 million to national, regional, and local Black not-for-profit, charitable, and community organizations or their designated partner organizations across Canada to improve access to essential food for vulnerable Black Canadians.
- Extend the 75% wage subsidy for hiring, rehiring, and retaining on a full-time basis (30–40 hours/week) for Black Youth until March 31, 2022.
- Extend the UN Decade for People of African Descent to 2027 and call it the Canadian Decade.
- Include race as one of the variables in Statistics Canada’s publicly accessible database on COVID-19 cases to allow researchers to highlight trends within Black communities.

COVID-19 medium- and long-term recovery and rebuilding phases

The AFB Recovery Plan will:

Economic development

- Set a low-dollar, sole-source government procurement target for Black businesses, to be set at 20% in the first year and 4% in the second year.
- Establish a Black Women Entrepreneurship Strategy, modelled on the 2018 Women Entrepreneurship Fund, including National Business Community Hub seed funding for three years.
- Establish a foundation with \$20 million of matching funds to support diversity- and equity-seeking groups in skills and trades, entrepreneurship, and technology.
- Develop and resource a community child care and elder care plan to assist Black children and families.
- Leverage procurement dollars strategically to respond to inequalities generated in the labour market. This can be

done through social procurement and community benefits agreements (e.g., through infrastructure projects such as Eglinton Crosstown in Toronto), or by ensuring that tenders or requests for proposals favour bidders whose supply chains support Black-led organizations (e.g., nonprofit social enterprises or other nonprofits) or businesses.

Governance

- Create a UNDPAD Anti-Black Racism Secretariat within the Privy Council Office;
- Establish a prime minister's advisory group (or champion) comprised of Black Canadians, reporting to Parliament for the rest of the UNDPAD and beyond;
- Appoint Black Canadians to senior portfolios in cabinet, within the senior civil service, and on boards, commissions, and agencies through positive measures;
- Appoint Black Canadians to the 17 judicial advisory committees responsible for evaluating candidates for federal judicial appointments;² and
- Appoint Black Canadian lawyers to the federal judiciary and the Supreme Court.

Health

- Declare anti-Black racism a national health crisis;
- Work with the provinces to ensure the allocation of protected funds to provide culturally appropriate health and well-being support within Black communities; and
- Collect data on African Canadian seniors: population, where they live, vulnerability, service needs, etc.

Justice

- Increase funding to legal aid across Canada to enhance access to justice for low-income racialized populations. This will include

resources for legal aid clinics, such as the Black Legal Action Centre (BLAC), with expertise and a focus on issues facing the community.

- Provide significant grant increases (not just micro grants) for programs supporting Black communities, with no age restrictions (e.g., youths only), within the justice system.
- Expunge all minor cannabis convictions.
- Expunge all other minor convictions for first-time offenders.
- Abolish mandatory minimum sentences.
- Mandate and adequately resource critical race theory (including Black and Indigenous history) courses in law schools through the Federation of Law Societies of Canada.
- Stop the RCMP from racial profiling and carding and encourage other police services to do the same.
- Work with provinces to enhance accountability infrastructure to address police brutality, police violence, and harms to Black communities.
- Resource community groups to help people who have been incarcerated serve sentences out of prison, based on restorative justice models.
- Grant parole eligibility after two years, not the current five.
- Review life sentences, which are getting longer and longer.
- Review prison disciplinary systems and allow access to legal aid and lawyers.
- Abolish solitary confinement in federal penitentiaries and encourage provinces to follow suit.

Capacity building

- Establish a fully resourced Black community information and communications infrastructure hub;

- Facilitate and fund the establishment of an education and policy network to support, Black education in the community (to offset the lack of education in the public school system), civic engagement, and policy knowledge for community educators, leaders, and organizations;
- Fund activities related to advocating for the equal representation of Black Canadians in Parliament, in provincial and territorial legislatures, and on municipal councils; and
- Establish and resource a public interest–based fellowship to advance research and scholarship on anti-Black racism and intersecting and systemic discrimination issues.

Diversity and inclusion

- Implement recommendations made to the International Grand Committee on Big Data, Privacy and Democracy to curb online misinformation and hate speech, including making Big Tech CEOs and company board members personally liable for content on their sites.

Monitoring and reporting

- Annual reporting to the Prime Minister’s Office and the Parliamentary Black Caucus on progress made in dismantling systemic barriers, current issues, and recommendations for resolutions including the work plan for the UNDPAD in Canada.

Immigration

- Investigate immigration practices that discriminate against people from Black and Brown countries and review the visa approval process; and
- Expedite a permanent residence process for Black refugees who are working as nurses and patient care attendants in the Canadian health system, especially those working in Quebec elderly homes.

Notes

1 Statement by the Parliamentary Black Caucus, June 16, 2020, taken from the website of Hull-Aylmer MP Greg Fergus: <https://gfergus.liberal.ca/mp-service/declaration-du-caucus-des-parlementaires-noirs/>

2 For a list of committees, see: <https://www.fja.gc.ca/appointments-nominations/committees-comites/index-eng.html>.



Seniors' care

Introduction

COVID-19 makes visible what is mostly invisible: the need for collective, government-led action has never been more obvious. This is especially the case when it comes to health protections and services.

Like housework, public health efforts are mainly evident when their job is not done—when water is not safe to drink or food safe to eat or vaccinations not carried out. But this pandemic puts public health efforts centre stage, making clear their contributions to our collective health.

Similarly, especially in contrast to the United States, our public hospital system has proven essential. Swift, coordinated action helped make beds available, even though it became evident that we did not follow the SARS Commission's recommendations to create surge capacity and adequate stockpiles of personal protective equipment. Nor do we fund enough hospital beds for non-pandemic needs.

However, we are finally seeing some recognition of daily care work—most of which is provided by women.

We hear repeatedly that “we are all in this together”—a welcome change from the mantra of individual choice and the right to buy. The phrase emphasizes our shared responsibilities and shared vulnerabilities. But COVID-19 is not a great equalizer. Some are more vulnerable than others, particularly those from Indigenous and racialized communities, people who are low-income, people who live with disabilities, and people with underlying health conditions that are often associated with social determinants of health.

COVID-19 has exposed particular vulnerability in long-term care—those places most commonly called nursing homes that provide 24-hour nursing care. Years of research and work by advocacy groups, public coroners, and others have identified major systemic problems in long-

term care. Yet it took calling in the military to investigate COVID-19 outbreaks in these institutions to shock governments into calling for action.

The issues the military describe in the horrific long-term care COVID-19 reports are the same even though they are exaggerated by this pandemic. The problems reported—the lack of staff, the reliance on temporary or part-time workers, the lack of training for nursing home care, the lack of benefits, the lack of resources, and especially the lack of time workers have to do the job—are all too familiar, and not only in Ontario and Quebec.

The reports also highlight the cleaning, laundry, and dietary services that are too often dismissed as ancillary, even though they are critical to care.

Inadequate training in and adherence to infection control protocols are highlighted in the military reports. COVID-19 has focused our attention on handwashing and clean surfaces, but clean is much more complicated, particularly when vulnerable people are crowded and when this specialized cleaning must be done around people, many of whom have dementia, and around delicate medical equipment.

The military documented food placed out of reach, full meals left on trays, and the failure to sit residents up to eat, placing residents at risk of choking. Food is critical to survival for us all, but food takes on a particular significance in nursing homes. Residents not only need to be tempted to eat and helped to do so, they also need skilled assistance to avoid risks and to make eating a social time.

The reports of limited soaker pads and linens, and of residents not being dressed for the day, point to the importance of clothing, laundry, and supplies to both survival and dignity. Indeed, for all of these and other services, supplies were rationed or absent in the facilities that the military investigated.

Residents are also isolated, feeling scared and alone, without any psychological support. Too many are either left in bed or put in wheelchairs, with no possibility for the exercise that is critical to health and well-being.

Meanwhile, the military report medications were used to sedate those who complained about their living conditions. At the same time, the military reports question the accuracy of documentation, challenging its use both for planning care and for monitoring facilities. They also

stress the failure to appropriately communicate internally with staff and residents as well as externally with families and the public.

What the military does not address is the for-profit ownership in four of the five Ontario homes they were called into, even though corporate ownership of long-term care facilities has long been identified as contributing to lower quality conditions.

Nor do they consider that most of the workers are women, many of whom are racialized and/or immigrants—social factors that contribute to the precarity of the labour force and render many skills invisible.

The shift to corporate ownership has been combined with years of underfunding, a lack of standards in areas like staffing and working conditions, and a failure to make homes publicly accountable.

While the focus now is on nursing homes, these issues are equally important in home care and in the broader community. It's time to action strategies for change. However, we must avoid approaches that offer home care as the solution to the nursing home disasters—solutions that ignore the skilled, 24-hour care required for many seniors, the dependency on the free labour of women, in particular, and the fact that many people have no homes or no safe homes, as the pandemic makes clear.

COVID-19 short-term response phase

The AFB Recovery Plan will provide new, dedicated federal funding for seniors' care, conditional on demonstrating that the money goes:

- To decent pay, with benefits, for those providing direct care and those providing housekeeping, laundry, and dietary services;
- To provide hands-on training in infection control for everyone providing paid or unpaid care;
- To provide personal protective equipment (PPE) based on the discretion of those doing the work;
- To provide alternative housing for those providing care when required; and
- To provide child care services for those doing care work.

COVID-19 medium-term recovery phase

The AFB Recovery Plan will provide new, dedicated federal funding that is conditional on demonstrating the money goes:

- To putting into permanent policies the practices listed above; and
- To improving staffing levels and working conditions.

COVID-19 long-term rebuilding phase

In the longer term, the AFB Recovery Plan will:

- Establish federal legislation that would provide new, dedicated funding conditional upon meeting specified standards for appropriate conditions and upon demonstrating that these standards are met;
- Establish a long-term care labour force strategy to ensure appropriate valuing of the skill, effort, responsibility, working conditions, and support for equitable, decent conditions;
- Require that no federal money goes to for-profit care long-term care homes or for-profit services within these facilities;
- Require public reporting of verified finances, expenditures, and inspections, as well as provision for democratic participation in decision-making; and
- Prepare for future pandemics, especially with stockpiles of supplies that include, but are not restricted to, personal protective equipment.

Conclusion

Canada's long-term care facilities were ravaged by COVID-19. Our governments must learn from the systemic failures that military investigations have exposed and act immediately to create systemic change that will leave both seniors in care and the workers who care for them better equipped and protected to weather a pandemic, a flu season, or other pressures on institutional care settings. Human dignity and well-being should be at the core of all government investments into

and oversight of seniors' care, whether it's at home or in a care facility. The tragedies that occurred within seniors' facilities in Canada were preventable. Let's act to ensure a similar scenario is prevented in future.



Trade and industrial strategy

Introduction

The COVID-19 pandemic has exposed structural problems with Canadian trade policy that have gone unattended for too long. While some in trade policy circles yearn for a swift return to business as usual, we must let the COVID-19 moment spur a deeper discussion about how neoliberal hyperglobalization has contributed to an intolerable rise of inequality, corporate power, and ecological insecurity. And how we might reverse this.

For decades, Canadian governments have pursued an expanding trade agenda that deliberately constrains our ability to intervene in the economy, and in which key decisions about trade are left to global corporations focussed on bottom-line profit rather than the well-being of Canadians, the Canadian economy, or the environment. Proponents of this agenda promised it would lead to “jobs, jobs, jobs,” rising productivity across the economy, and sustainable economic growth.

The actual results do not bear this out.¹ In fact, the COVID-19 crisis has exposed Canada’s risky disproportionate reliance on the export of raw and semi-processed resources, notably fossil fuels. At the same time, we are finally talking positively about industrial policy—the idea that governments can democratically set overall economic goals (e.g., the transition to a zero-carbon economy) and then employ policy tools, including incentives, public investment, and regulations, to achieve them.²

In April, the WTO estimated that global trade volumes would decline by between 13% and 32% in 2020.³ Canadian exports and imports fell by one quarter in April, “an historic decline,” with exports recovering 6.7%

in May while imports continued to slip. Canada's trade deficit with the world grew to \$4.3 billion, another grim milestone.⁴

As bleak as these numbers appear on paper, we must distinguish between the effects on Canadian trade from the controlled *shutdown* of the economy (to protect people from the spread of the coronavirus) and those resulting from an unanticipated *breakdown* in supply chains. We must then ask ourselves whether a traditional *laissez-faire* response is appropriate to a just recovery, or if it's time for our governments to re-emphasize industrial strategy and enhance the resilience of our domestic markets and social services.

The impact on employment and economic activity from the controlled shutdown is staggering, but it was done purposely and for good reasons. By contrast, global shortages of medical supplies, and the impact on employment and provincial government finances of the sudden drop in fossil fuel prices, expose an inexcusable lack of planning and precaution on Canada's part. The same can be said for the bottlenecks created by the shutdown of a few huge export-oriented meat processing plants whose profit-driven owners spared little thought for the health and safety of their underpaid, underprotected, largely racialized workforce (see Agriculture chapter).⁵

Toward a just recovery

Canada, like other countries, will be buffeted in its response to these market breakdowns by outside forces, in particular the actions of our major trading partners, many of whom are becoming more interventionist, restrictive of foreign investment, and leery of far-flung global supply chains.⁶ Simply repeating free trade nostrums about open markets in medical equipment and urging countries to avoid export restrictions on food, as Global Affairs Canada has been doing, can only undermine our own recovery and, importantly, those of developing countries.⁷

The resumption of "normal" trade for Canada's formidable agri-food export sectors should not come at the expense of increased self-sufficiency for food staples in developing countries. And given the imperative to halve greenhouse gas emissions over the next decade, and Canada's status as a highly polluting, high-cost oil producer, now is surely the opportunity to support fossil fuel workers—and the

undervalued, majority female retail, hospitality, and care workers who support them—in a just transition out of oilsands production.⁸

COVID-19 short-term response phase

As part of the AFB Recovery Plan:

- Key aspects of the government’s COVID-19 legislation will stay on the books. Bill C-13 authorizes unlimited spending to acquire essential medical supplies and allows the temporary suspension of patents to respond to the public health emergency. This gives government the ability to address any supply chain obstacles to producing or procuring medical supplies, equipment, or medications it decides are needed in the immediate crisis.
- Innovation, Science and Economic Development Canada will undertake detailed studies (including independent research, surveys, and site visits) of Canada’s exposure to future disruptions of global supply chains for other critical goods, from rare earths to foodstuffs, and consider plans to minimize such risks.
- Global Affairs Canada and Export Development Canada will withdraw support for fossil fuel development and export from Canada’s trade and investment promotion activities (see the Just transition chapter).
- Rather than pursuing more trade “opening” agreements in medical equipment and agriculture at the WTO, Canada will seek immediate international support for a “peace clause,” a moratorium shielding governments from trade and investment challenges to measures taken to curb and recover from the pandemic.

COVID-19 medium-term recovery phase

- In 2018, Canada had a trade deficit in medical equipment, diagnostic kits, pharmaceutical products, and personal protective equipment of more than \$13 billion.⁹ Much of this production can be onshored for precautionary and economic reasons. Many automobile parts-makers and other manufacturers got ahead

of the government on this retooling imperative, which could be extended to other areas of essential goods production for the long term, with more government co-ordination and support.¹⁰

- Canada’s agricultural supply chains and meat processing must be decentralized to create more stability in the domestic market and de-emphasize exports, in particular exports of greenhouse gas intensive industrial meat (see Agriculture chapter).
- The federal and provincial governments will begin to apply “Buy Sustainable” conditions to all major public procurements of infrastructure, goods, and services. These wouldn’t necessarily favour Canadian companies, but should put social and environmental conditions on public purchasing designed to maximize community benefits, local hiring, high wages, decent working conditions, unionization, and worker and community control. Set-asides for historically marginalized groups (e.g., businesses owned by Indigenous people, women, and racialized people) should be much more liberally employed in Canadian procurement policy.
- Canada should be prepared to apply trade sanctions against flagrant environmental and human rights abusers including the Bolsonaro regime in Brazil, for its encouragement of clearcutting and depopulation of Indigenous lands for agricultural and mining operations.
- Given the role of public services as great equalizers in society, and the important place that expanded social services will play in a just recovery from the pandemic, Canada will guarantee that moves to expand or create new public services will not result in trade and investment challenges. Canada can do this by including an unequivocal exclusion for public services in all new and existing trade and investment agreements.

COVID-19 long-term rebuilding phase

- In the long term, the private sector cannot be relied upon to guarantee supplies of medical equipment and affordable medications when they are needed, as during a pandemic.

Canada's publicly funded and owned R&D and manufacturing capacity needs to be substantially enhanced and made permanent, to give governments the capacity to "switch on" production at the drop of a hat to meet domestic and global needs in times of crisis.

- Canada's trade and investment policy needs a radical makeover, in close consultation with Indigenous communities, unions, municipalities, and human rights, environmental, and other non-business civil society groups. Trade should *serve* greater societal interests, not hold them captive to corporate demands for profits.
- Canada agreed to remove investor–state dispute settlement (ISDS) from CUSMA (the NAFTA replacement), with Foreign Affairs Minister Chrystia Freeland claiming ISDS undermines national sovereignty to enact legitimate environmental and other policies. As a sign of good faith to the world, Canada will cease negotiating new ISDS clauses in current trade talks (including with Mercosur), freeze its existing bilateral investment treaties and free trade deals that include ISDS, and join international negotiations toward a binding treaty on human rights and transnational corporations.¹¹
- In collaboration with other WTO members and Paris Agreement signatories, Canada will pursue a "peace clause" protecting any country's measures aimed at meeting international obligations to lower greenhouse gas emissions, even if those measures favour local goods, services, or labour.

Conclusion

Neoliberal free trade is clearly incompatible with the need to put sustainable development at the heart of our domestic economy and encourage a democratic and equitable international order.¹² But we must not let Canada's current trade and investment treaty entanglements interfere with a just post-pandemic recovery. In the immediate term, there is both the policy space and urgent need to take measures that would contribute to Canada's reconciliation obligations to Indigenous peoples, substantially decarbonize our economy, and make our country more resilient in the future to shocks like COVID-19.

Notes

- 1** On Canada's lackluster trade performance in the wake of FTAs, see Scott Sinclair and Stuart Trew, "Taking Stock of CETA: Early Impacts of the EU–Canada Comprehensive Economic and Trade Agreement," Friedrich Ebert Stiftung, September 2019: <https://www.policyalternatives.ca/publications/reports/taking-stock-ceta>; and Jim Stanford and Daniel Poon, "Employment Implications of Trade Liberalization with East Asia," September 2006: <https://www.bilaterals.org/IMG/pdf/KoreaTradeStudy1.pdf>.
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- 9** Daniel Poon, "A snapshot of Canada's import structure of COVID-19 medical supplies," Behind the Numbers, May 7, 2020, Canadian Centre for Policy Alternatives: <http://behindthenumbers.ca/2020/05/07/import-structure-of-medical-supplies/>
- 10** Scott Sinclair, "Getting a grip on essential medical supplies," Behind the Numbers, April 16, 2020, Canadian Centre for Policy Alternatives: <http://behindthenumbers.ca/2020/04/16/getting-a-grip-on-essential-medical-supplies/>
- 11** La Via Campesina, "Crucial negotiations taking place in Geneva this week for Globally Binding Treaty on TNCs," October 15, 2019: <https://viacampesina.org/en/crucial-negotiations-taking-place-in-geneva-this-week-for-a-globally-binding-treaty-on-tncs/>
- 12** For more on how to do this, see the international collaboration "Beyond NAFTA 2.0: A Trade Agenda for People and Planet," co-published by the Canadian Centre for Policy Alternatives in July 2019: <https://www.policyalternatives.ca/publications/reports/beyond-nafta-20>



Water

Introduction

The COVID-19 pandemic has exposed and exacerbated many structural inequalities in Canada, including the lack of universal access to water and sanitation. Regular hand washing is critical to stopping the spread of the virus. Yet in many communities this basic need and fundamental human right is lacking, putting residents at a higher risk of infection.

Across Canada there are over 100 First Nation communities without access to safe, clean water. Currently, Indigenous Services Canada (ISC) reports 74 communities are under long-term (over a year) drinking water advisories and 32 are under short-term drinking water advisories.¹ Not all of these communities receive federal support; many live without access to running water and must rely on cisterns or pails instead.² The federal government has made concrete, though slow, progress with its commitment to end all long-term drinking water advisories by 2021, but the delays due to COVID-19 make meeting that deadline unlikely.

Inadequate access to water and sanitation, as well as overcrowded housing and limited access to health care facilities, put Indigenous communities at higher risk from COVID-19. The CCPA-Manitoba recently spotlighted two northern Manitoba First Nations where residents have to ration the limited water supply and cram into crowded homes, making hand-washing and self-isolation guidelines out-of-touch advice akin to “let them eat cake.”³ To combat COVID-19, the federal government has allocated over \$1 billion for health, economic, and social support for Indigenous communities on and off reserve, which is urgently needed.

Municipalities across the country are straining under the pressure of the pandemic. Cities and towns are losing at least \$10–15 billion in revenue from property taxes and user fees while stretching themselves thin to support residents, according to the Federation of Canadian

Municipalities (FCM).⁴ This financial shortfall could result in the loss of essential local services and worsen the public health crisis.

In the medium to long term, the current shortfall further compounds decades of cost downloading and prevents municipalities from making necessary investments in critical infrastructure and services. The federal government has announced an accelerated delivery of \$2.2 billion for municipalities from the Gas Tax Fund, but this is simply already promised support on a modified schedule.

Meanwhile, the Canada Infrastructure Bank (CIB) continues with its mandate to invite private investors to finance major infrastructure projects. In 2019, the CIB announced a \$20 million investment in a public-private partnership for water and wastewater infrastructure in Mapleton, Ontario, with a plan to replicate this model across Canada.

Cash-strapped municipalities are more likely to fall prey to this inefficient, costly, and faulty private funding model. In the process, they risk losing control of critical infrastructure and services like water when they are faced with substantial budget shortfalls caused by COVID-19 shutdowns.

Toward a just recovery

COVID-19 has revealed an unfortunate reality: water and sanitation are not universally accessible in Canada. Under the AFB Recovery Plan, the federal government plays a critical role in implementing the human right to water in Canada through a strong policy framework, adequate public funding that centres communities (not private interests), and better water protection legislation.

In addition to providing support for the most vulnerable communities, the government has an opportunity to approach water governance with a commitment to respecting Indigenous sovereignty and self-determination over their lands and waters. Communities must be at the heart of any recovery and rebuilding efforts through direct support for, and investments in, essential infrastructure and services at the municipal level.

COVID-19 short-term response phase

- The AFB Recovery Plan strengthens support for Indigenous communities fighting COVID-19 by providing financial support to on- and off-reserve First Nations, Inuit, and Métis communities on a needs and equity basis. Part of that support includes temporary solutions to ensure immediate access to safe, clean water and adequate sanitation for communities with drinking water advisories or without a water system. The federal government will also engage with communities in making decisions about how to respond to the pandemic while respecting their sovereignty and self-determination.
- To ensure no loss in essential services such as water, sewage treatment, public health, or emergency response, the AFB Recovery Plan invests \$12 billion to help municipalities maintain their short-term operations (see the Cities and infrastructure chapter). It also allows local governments to qualify for the Canada Emergency Wage Subsidy so they can minimize layoffs of municipal employees and reductions in services. Beyond immediate operations, support should continue into the medium term, to build resilience and prepare for additional outbreaks.

COVID-19 medium-term recovery phase

- The federal government must learn from the COVID-19 pandemic and prioritize policies that deliver universal access to water and sanitation. Through the newly formed Canada Water Agency, the AFB Recovery Plan will enshrine the human right to water and sanitation into federal legislation, establish an implementation framework to clarify the government's obligations, and co-ordinate work across federal departments and jurisdictions.
- One of the most urgent priorities is to end drinking water advisories, especially in First Nations communities. The AFB Recovery Plan will allocate adequate funding to fulfil the current commitment to end drinking water advisories, including support and resources for training, operations, and maintenance. Beyond that, the AFB Recovery Plan commits to supporting and investing in Indigenous-led legislation and solutions, such as the First

Nations–led Safe Drinking Water Legislation or the Atlantic First Nations Water Authority.

- The AFB Recovery Plan tasks the Canada Water Agency with establishing a national drinking water standard, harmonizing the patchwork of policies across provinces, and continuing to implement the Wastewater Systems Effluent Regulations passed in 2012. The AFB Recovery Plan will help communities implement these policies with public infrastructure funding to replace lead lines, upgrade sewage treatment plants, and improve the resilience of water and wastewater infrastructure in a changing climate.
- The creation of the Canada Water Agency is also an opportunity to strengthen our policies to protect freshwater, oceans, and drinking water sources, and respect Indigenous rights. In addition to working with Indigenous nations and across jurisdictions to co-develop water policies, the Canada Water Agency is tasked with implementing a plan to protect the Great Lakes Basin, mapping all of Canada’s watersheds, establishing freshwater quality and quantity monitoring frameworks, investing in and co-ordinating scientific research, developing a groundwater protection plan, and reviewing virtual water exports.

COVID-19 long-term rebuilding phase

- After the COVID-19 crisis passes, significant investments in infrastructure could quickly put Canadians back to work and help close the infrastructure gap. Investments in water and wastewater infrastructure must benefit communities, not private interests. The AFB Recovery Plan will shift the mandate of the Canada Infrastructure Bank away from promoting private investments through public-private partnerships to funding community infrastructure projects directly.
- The AFB also brings back and strengthens the Clean Water and Wastewater Fund to support municipalities in repairing and replacing critical infrastructure, speeds up infrastructure funding through the Invest in Canada Plan, and sets aside a separate fund

for small municipalities that often have a hard time accessing funds due to high per capita costs.

Notes

- 1** See Indigenous Services Canada, “Ending long-term drinking water advisories” (<https://www.sac-isc.gc.ca/eng/1506514143353/1533317130660>) and “Short-term drinking water advisories” (<https://www.sac-isc.gc.ca/eng/1562856509704/1562856530304>).
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Youth

Introduction

Young Canadians have grown up in a period of turmoil, uncertainty, and widespread change, which does not bode well for employment opportunity and earnings, housing, financial well-being, and families. Our response to the pandemic gives us the chance to address these and other structural inequalities experienced by young people, many of whom face deeper, intersecting forms of discrimination such as criminalization, lack of policy and social supports, human and employment rights abuses in the workplace, underfunding of education, and the violence of state security services.

Toward a just recovery

The following short- and longer-term measures will bring about lasting improvements for today's youth and future generations. These measures are meant to entrench a real drive for intergenerational equity in public policy in the areas of housing, income security, mental health, and labour market policy.

Housing

Canada is dealing with an affordability crisis. Young people are devoting large chunks of their income to rental housing costs at the expense of spending on necessities or saving for retirement or a house down payment. They also face the brunt of high housing prices, and the fallout from rental arrears and evictions as a result of the pandemic-related economic shutdown.

To address these and other inequities in the housing market, the AFB Recovery Plan will work with provincial governments to enact a freeze on evictions due to non-payment until July 2021. The AFB also enacts rent controls so that rents cannot increase faster than the rate of inflation.

For longer-term measures, the AFB works with municipalities to incorporate zoning laws that will encourage densification, with a reconceptualization of space to address distancing. It also increases federal housing investment to address the needs of young Canadian families in high-cost urban environments (see the Housing chapter).

Income security

The Canada Emergency Student Benefit (CESB), Canada Emergency Response Benefit (CERB), and employment insurance (EI) programs have not effectively responded to the financial needs of hard-hit young Canadians during the pandemic. Two in five youth (aged 15–24) lost their jobs or the majority of their hours as a result of the economic shutdown. Canada's income security systems have structurally excluded and discriminated against young Canadians for decades.

The AFB Recovery Plan will:

- Raise the CESB payout from \$1,250 to \$2,000 per four-week period to make it consistent with the CERB;
- Extend eligibility for the CESB to international students;
- Provide a rental top-up of \$600 per month for students who are at risk of losing their housing; and
- Extend EI eligibility to pregnant women who lack the requisite level of insurable hours due to the pandemic.

The labour market and gig workers

Precarious, insecure work is on the rise among young workers, and particularly among young migrant workers, newcomers, refugee youths, and international students. There are profound intersections between precarious, insecure work and gender, race, citizenship status, class, and age.

Young Canadians need to be able to access robust legal protections in the workplace, both from unions and labour departments. Currently neither option is particularly effective and this needs to change. We also need to discontinue public policy that creates pools of low-wage, precarious young workers.

With these concerns in mind, the AFB Recovery Plan introduces the following short-term measures to correct recent policy errors:

- Terminate the Canada Student Service Grant (CSSG) and transfer part of the funding to the Canada Summer Jobs and Student Work Placement programs through Employment and Social Development Canada. This will ensure that young Canadians have access to more meaningful summer employment opportunities that are paid at or above the minimum wage.
- Discontinue the “I Want to Help” platform.
- Vastly increase the number paid internships through Mitacs and the Youth Employment and Skill Strategy using redirected funding taken from the CSSG program.
- Enact new legislation to ensure that the administration, oversight, and operations of the Youth Employment Skills Strategy and any related initiatives remain solely with federal civil servants.

To address longer-term challenges, in particular to correct the excesses of the gig economy and precarious, insecure work, the AFB takes the following measures:

- Create a revised legal test to check for employment misclassification under the Employment Insurance Act, the Canada Pension Plan, and the Income Tax Act, as a means to stop technology firms from avoiding supporting social benefit programs such as EI and the CPP/QPP.
- Develop and utilize litigation and enforcement strategies to target technology firms (Lyft, Uber, Foodora, Doordash, etc.) and others engaged in the wholesale misclassification of young and migrant workers.
- Work with provincial counterparts to develop effective regulatory, statutory, and enforcement responses to precarious, insecure work and gig economy work along the lines of policy proposals

contained in the Changing Workplaces Review and the Expert Panel on Modern Federal Labour Standards. This would address issues such as scheduling, workplace health and safety, provincial and local living wages, greater access to collective bargaining rights and unions, and alternate forms of collective representation.

- Work with provincial counterparts to develop effective regulatory, statutory, and enforcement responses to widespread racial discrimination in Canada's labour market.

Mental health

The confluence of the COVID-19 pandemic, ongoing economic uncertainty, a precarious labour market, and current civil unrest has strained mental health in the community, including among youth. There is an immediate need to develop a responsive mental health system to address the present and emerging challenges arising from the youth mental health and suicide crisis.

Already in Canada there were long wait lists and a lack of mental health care to meet the needs of youth. This has been exacerbated by the pandemic. The need for mental health supports is now greater than ever, as shown in the 350% increase in calls to the Kids Help Phone since the pandemic.¹

The AFB recognizes that young people need mental health supports on campus and in their communities. In the short term, the AFB Recovery Plan does the following:

- Allocates \$500 million to help college and university frontline counsellors, therapists, and psychologists address the mental health crisis on Canada's campuses.
- Allocates a further \$500 million to community mental health supports for youths, with a focus on Indigenous, northern, racialized, and low-income communities. This would include community early intervention and prevention programs and intensive services for youth with serious mental health concerns. This money would also ensure a seamless transition from children and youth mental health programs to adult programs and help implement the National Aboriginal Youth Suicide Prevention Strategy.

Conclusion

The rising cost of housing and tuition, a lack of good stable employment, a challenging job market, the continuing spectre of precarious and gig work, and a lack of community mental health supports are leaving youth vulnerable. We need public policy that addresses the intersecting realities and challenges facing young people in Canada, and that enshrines intergenerational and racial equity in all forms of legal, economic, social, and labour policy. Youth need an intentional and focused federal policy strategy to support them as they navigate the impact of the pandemic now and into the future.

Notes

1 Melanie Price, “Kids Help Phone sees dramatic spike in demand during COVID-19 pandemic,” CTV News, March 30, 2020: <https://atlantic.ctvnews.ca/kids-help-phone-sees-dramatic-spike-in-demand-during-covid-19-pandemic-1.4874112>.

