



THE POWER OF WOMEN WORKING TOGETHER
LA PUISSANCE AU FÉMININ: ENSEMBLE POUR RÉUSSIR.

CFUW's Overview of the Federal Budget 2018

**Prepared by the National Office of the Canadian Federation of
University Women**

March 26, 2018

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Overview of the Federal Budget 2018

On February 27, 2018, the Federal Government tabled the budget for the 2018 fiscal year, the government's first budget with a gender-based analysis. Many welcomed measures to advance gender equality are present in the budget, including a use-it-or-lose-it parental leave, increased funding for a 5-day paid leave for survivors of domestic violence, pay equity legislation, increased funding for socio and economic measures for Indigenous Peoples, and increased funding for skills and job training. The efforts of the government for gender mainstreaming and integrating a diversity lens on budgeting are also noteworthy.

However, despite the gender focus of the budget, it falls short on the policies that would be most effective in ending gender inequalities and for which CFUW has been advocating: a high quality, universally accessible, affordable, flexible and inclusive national child care program, universal pharmacare and a national action plan on gender-based violence.

CFUW has prepared an overview of and our response to the budget, in the context of what this budget is doing for women across Canada to reduce gender inequalities, and to respond to our key priorities and concerns related to our two 2017 Resolutions: Right to Safe, Clean, Accessible and Affordable Drinking Water and Sanitation on First Nations Reserves and Universal Pharmacare.

About CFUW:

Founded in 1919, the Canadian Federation of University Women (CFUW) is a self-funded, non-partisan, non-profit, voluntary organization. Close to 8400 CFUW women from across Canada promote women's equality, human rights, justice and peace. CFUW is active in public affairs, working to raise the social, economic and legal status of women and girls and to contribute to education, the environment, peace, justice and human rights. CFUW has special consultative status at the United Nations (ECOSOC) and serves on the Education Committee of the Canadian Sub-Commission to UNESCO.

Federal Budget 2018

Highlights

- Use-it-or-lose-it Parental Benefit
- More funds for organizations providing support to survivors of gender-based violence
- 5 days paid leave for survivors of domestic violence
- More funds for workers to access legal aid
- Funding for skills and job training
- More funds for Indigenous People and to build Nation-to-Nation relationship
- Gender-Based Analysis Plus/Gender budgeting legislation
- Proactive pay equity legislation

Shortcomings

- No new funding for child care in a gender focused budget (No plans for Universal child care)
- No funding or timeline for Pharmacare
- No National Action Plan on Violence Against Women
- Insufficient additional funding for safe drinking water for First Nation communities

1) No Gender Equality without Child Care

One of the objectives that cuts across this year's budget is to enable women to join or re-enter the workforce and unlock the important potential for economic growth they can generate. Yet, despite this objective, the government fails to commit to the single most important policy in getting women to participate in the economy: universal child care.

CFUW is concerned that no new investments were made in the 2018 budget to respond to the child-care crisis across Canada. Supporting child care services is essential to reducing poverty and transforming our society into a gender equal one.

The Federal Budget underlines the *Early Learning and Child Care Framework* launched in summer 2017 that is creating bilateral agreements with the provinces to support and create up to 40,000 subsidized childcare spaces. The 2017 budget allocated 7.5 billion over 11 years in federal transfers for the new Framework.

CFUW has been advocating for a federally funded, high-quality and accessible child care system since 1972. While the Early Learning and Child Care Framework was a step in the right direction, it does not meet the needs of parents and families across Canada. The benchmark spending recommended by UNICEF is 1% of GDP. Canada falls short of this recommendation, spending less than 0.3% of its GDP. CFUW recommends that the government starts by allocating \$1-billion for the 2018-2019 fiscal year, and plans for the total annual spending for child care to reach 1% of GDP.

The recent report by the International Monetary Fund (IMF) projected the start-up cost for a Canadian Universal Child Care Program at approximately \$8-billion. They also estimated that a Universal Child Care program could recruit 150,000 highly educated stay-at-home parents, into the workforce. The effect of these women entering the workforce and paying taxes would boost economic growth by two percentage points, which would cover the cost of the program.

Moreover, the budget highlights the Child Benefit Program for its potential to be used to cover child care fees. The Child Benefit Program cannot replace a Universal Child Care program. It has been pointed out by the IMF, the Canadian Center for Policy Alternatives, and child care researchers, that the policy does not provide incentives for parents to participate in the labour market.

Universal Child Care is the driving force behind women being able to pursue education, gain access to high-paying jobs and join the middle class. Canadians need a quality, accessible, affordable, flexible and inclusive child care system with consistent standards and measurable benchmarks. We urge the government to implement universal child care, the necessary next step towards economic growth, and more importantly, towards gender equality in Canada.

2) Violence against Women

2.1) New investments, but no comprehensive National Action Plan

The 2017 budget provided \$101-million over five years for a Gender-Based Violence (GBV) strategy that was launched in summer 2017. The 2018 budget proposes an additional \$86-million over five years and a further \$20-million per year ongoing, to expand Canada's strategy to address GBV. Part of these new investments will focus on the prevention of bullying and cyber bullying, supporting sexual assault centres in close proximity to Canadian forces bases, and to double the funds available to the High Needs Victims Fund for organizations like rape crisis centres that are working to provide support to victims of GBV.

CFUW welcomes the additional funding to end GBV, especially the support for organizations providing essential services to victims. We commend the government on the federal strategy on GBV, focusing on prevention, including engaging men and boys, data collection, and supports for survivors. We recognize the positive steps taken by the government to address GBV through the Strategy to Prevent GBV, the National Housing Strategy and the increased funding for services focusing on victims and families.

However, we reiterate the need for a National Action Plan that includes federal, provincial, territorial, municipal and Indigenous governance to “ensure that women in all areas of the country have access to comparable levels of services and protection.” As one of the Canadian organization responsible for drafting a blueprint for a National Action Plan (NAP) on Violence Against Women in 2015, CFUW urges the government to look into the adoption and implementation of a NAP in collaboration with the various levels of governance in Canada and civil society, in order to ensure comprehensive policies and consistency across the country. We also encourage the government to use measurable, comprehensive targets, based on intersectional, gender, and human rights approaches, as well as transparent accountability mechanisms.

2.2) Workplace legislation: Paid leave for Domestic abuse; and workplace Violence and Harassment

CFUW welcomes the government's intention to introduce a 5-days paid leave for workers in the federally regulated jurisdiction in situations of domestic violence. We believe this will contribute to empowering survivors by enabling them to take time to insure their safety as well as to access health, social and legal services.

We also support the introduction of legislation to end violence and harassment in federally regulated workplaces, as well as the funding to support implementation of anti-harassment legislation. We point out the need for government to specify to which activities this funding will be allocated, and to highlight the need for sufficient funding to provide adequate support in the investigation process to train employers, investigators and employees on the reporting mechanisms, their rights, and the root cause of harassment and violence, as well as to provide financial compensation to victims.

To enable Canadian workers to address cases of harassment and violence in the workplace it is crucial that they be able to access legal aid. We welcome additional funding for legal aid across the country, as well as a pan-Canadian outreach program in collaboration with provinces and territories.

2.3) Human Trafficking

We are pleased to see the government take further actions to end human trafficking. In the 2018 Budget, the government is providing \$14.51-million over five years, beginning in 2018-2019 and \$2.89-million per year ongoing to establish a National Human Trafficking Hotline, including an online portal and a referral mechanism to social services and law enforcement. CFUW encourages the government to continue to develop and strengthen existing child protection laws in line with the Convention on the Rights of the Child. We recommend continued support and development of human trafficking information and awareness campaigns, and an RCMP Youth Strategy, to explore various outreach initiatives among young people.

2.4) Sexual Assault on Campuses – National Framework to Address GBV in Post-Secondary Institutions

CFUW is concerned about the high rates of self-reported harassment and sexual assault on Canadian campuses that disproportionately affect young women. Of all self-reported sexual assault in 2014, 41% were reported by students, 90% committed against women. Currently, only Ontario, British Columbia and Quebec legislate the mandatory adoption of sexual assault policies in their universities. The absence of uniform standards means that existing policies, along with their implementation processes, are often ambiguous or inadequate.

The 2018 budget commits \$5.5-million over five years to develop, with the provinces and territories, a National Framework to Address Gender-Based Violence at Post-Secondary Institutions. We look forward to the development of this national framework and urge the government and provinces to work on a comprehensive sexual assault policy and prevention strategy that includes training on gender stereotypes, bystander intervention, consent, and racial exploitation.

2.3) Reviewing Unfounded Cases

CFUW strongly supports the ongoing work of the RCMP to review unfounded cases of sexual assault. We would like to highlight the need for additional training for police and judges in order to clearly understand sexual harassment and sexual assault law, gender and racial stereotypes, and the root cause of violence against women.

3) Pharmacare

Too many Canadians are sacrificing their health due to high costs of prescription medication. Although Canada has a Universal Medicare system, it does not cover necessary prescription medications. In 2017, CFUW adopted policy to support the implementation of a Universal Pharmacare plan, a publicly funded and financially sustainable drug plan that would cover prescription drug costs for all Canadians.

Despite the announcement of the creation of an advisory council on the implementation of a national pharmacare program, led by Dr. Eric Hoskins, Ontario's former Minister of Health, there are no financial commitments toward a universal pharmacare plan in the 2018 Budget.

CFUW is concerned that this advisory council lacks funding and a definitive timeline. The lack of these essential elements, particularly the timeline, leaves Canadians in the dark in terms of when we can expect to see concrete results.

CFUW remains attentive to the allocation of funds to this advisory council, as well as to the announcement of a timeline for the completion of the council's work. Moreover, we

request firm commitment from the government, including funding allocated to the implementation of this vital program - Universal Pharmacare.

4) Pay Equity

According to Statistics Canada, a woman earned, on average, 88 cents for every dollar earned by a man, based on hourly rate income in 2014. This wage gap is even wider for Indigenous women, migrant women and racialized women. CFUW commends the government on its commitment in the 2018 Budget to bring forth a proactive pay equity legislation, ensuring women in the public service, Crown corporations, and other federally regulated sectors, are paid equally for work of equal value. The legislation will apply to 2.1 million employed individuals.

As outlined in the budget, we welcome legislation that establishes a streamlined pay equity process, sets out specific timelines for implementation, and contains compulsory maintenance reviews. We also welcome the government's commitment to pay-transparency and funding of \$3-million over five years, allocated to enact this commitment through online portals.

However, CFUW recommends that this legislation be rolled out more broadly across the country and address intersectional factors of discrimination (disability, race, and country of origin). We stay attentive to the details of this legislation, to be introduced this year, in particular, the details on how the legislation will be enforced in federally regulated workplaces. We look forward to a proactive pay equity legislation with strong accountability mechanisms.

5) Parental Benefits

CFUW welcomes the introduction of a new EI parental Sharing Benefit based on a "use-it-or-lose it" approach. This parental benefit, available only to fathers or non-birth second parents, including adoptive and same-sex partners, encourages the second parent to take a minimum of 5 weeks leave covered at 55% of their average weekly earnings. There is also the option, in the case of an extended parental benefit, to access a minimum of 8 weeks additional leave for the second parent at the rate of 33% of average weekly insurable earnings.

CFUW fully supports any measure that will help to break the barriers to gender equality by encouraging more balanced child-rearing. According to Statistics Canada, in Quebec, where second parents have access to a use-it-or-lose-it parental leave program that provides 70-75% of average weekly insurable earnings, more than 80% of second parents take an average of 5 weeks parental leave. Only 12% of second parents take a similar leave in the rest of Canada.

CFUW encourages the government to increase the rate of parental benefit, a key element in the second parent's decision to use the leave and share child-rearing responsibilities.

CFUW calls on the Federal Government to show continued commitment to make maternity, paternity and parental leave more flexible and more affordable for all Canadians.

We also wish to point out that although this program is a step towards gender equality, the lack of a Universal Child Care Program to support women at the end of their maternity leave generate a significant barrier for women to return to the workforce or to pursue their studies.

6) Non-traditional Jobs / STEM

In its pre-budget brief to the finance committee, CFUW recommended that the federal government invest in programs to increase the participation of women, particularly for vulnerable populations, in fields where they are currently under-represented. In keeping with this recommendation, CFUW recognizes the government's acknowledgement, in the 2018 budget, of the gender gap in STEM fields, in skilled trades and in academia.

We welcome the \$5-million per year for Status of Women Canada to research gender gaps and collect data on women from visible minorities and immigrant women's presence in the STEM fields. We note, however, that no new or additional investments were made for programs to strengthened women's participation in STEM.

We urge the government to take additional concrete measures to research the barriers to the participation of women, in STEM occupations, particularly indigenous women, racialized women, women from the LGBTQ community and women with disabilities. We also would like to see additional concrete actions to reduce the gender gap in STEM fields.

6.1) Skilled Trade jobs

The government is allocating \$2.9-billion annually to provinces and territories to support skills training and development. CFUW welcomes these investments in women's economic empowerment.

The 2017 Budget supported skills training and employment support for unemployed and underemployed with \$2.7-billion over 6 years. The goal for the new apprenticeship program is to target people currently underrepresented in the trades, including women, youth, Indigenous peoples, new-comers, and people with disabilities, to prepare them for an apprenticeship.

The 2018 Budget targets women's over-representation in lower-paid trades and the barriers to women entering Red Seal trades, including the absence of mentors, the difficulty in finding an employer sponsor, discrimination and family obligation. Women entering male dominated Red Seal trades are to be given access to a \$3000 grant for each of their first two years of training, in combination with monies already available, to a total of \$8000 in financial support. This is a much needed investment to support women in male-dominated trades.

6.2) New Women Entrepreneurship Strategy

The 2018 budget encourages women-led businesses with its new women entrepreneurship strategy that will provide direct funding from regional development agencies for women entrepreneurs, mentorship and skills training. The strategy sets targets for federal procurement from women-led business and allocates \$10-million over five years for women-owned and women-led businesses to support export opportunities through the Business Women in International Trade Program. An additional \$250-million through Export Development Canada will ensure women-led businesses quick access to available federal resources through partnerships with women business associations, the Canadian Trade Commissioner Service and the BDC. CFUW supports this measure to assist Canadian women to build thriving businesses.

7) Indigenous Peoples

CFUW fully supports substantial investments to reduce the gap in living standards and to end inequalities between Indigenous and non-Indigenous peoples, especially in supporting child and family services, health services, education, safe housing and safe drinking water and ending violence against Indigenous women.

In this budget, the government has allocated about \$5-billion in new spending for First Nation, Métis and Inuit peoples: \$1.4-billion to Indigenous and family services and \$2-billion over five years for skills and job training for Indigenous women. We welcome these efforts and the investment of \$51.4-million to support self-government negotiations.

Improving the social and economic well-being of Canada's Indigenous population is not only a moral imperative, it is a sound investment. Canada's Indigenous population is its fastest-growing demographic group, and has much to contribute to Canada's economic well-being.

7.1) Safe Drinking Water and Sanitation

In the 2018 budget, the government reiterates its commitment to end all on-reserve long-term drinking water advisories by March 2021.

The December 7 report of the Parliamentary Budget Officer (PBO) pointed out that the funding allocation of the 2016 budget was insufficient for the government to meet this commitment, highlighting that the government allocated at most 70% of what is needed.

According to the PBO report, between \$3.2-billion and \$4.7-billion in capital investments, and between \$361-million and \$419-million in operating and maintenance costs are needed, depending on the population growth estimate used.

"Ensure access to clean drinking water on reserve to prevent future long-term drinking water advisories and invest in First nation's capacity to operate and maintain their water systems" is a key goal in the government's 2018 Budget. In the 2016 budget, the government allocated \$1.8-billion dollars over 5 years to upgrade and maintain on-reserve water and wastewater infrastructure, and train water system operators, and \$141.7-million over 5 years to monitor and test drinking water reserves. The 2018 Budget

proposes an additional investment of \$172.6-million over three years, to cover: 1) construction of water and waste water infrastructure, 2) repairs of existing infrastructure 3) recruitment, training and retention of water operators and 4) First Nations-led service delivery models.

While additional funding to ensure safe, drinking water and sanitation on reserves is desperately needed, CFUW is concerned that the new funding barely addresses the gaps highlighted in the PBO report. It should also be noted that while the government lifted 81 long-term drinking water advisories as of March 2018, 30 more have been added.

Previous governments' underfunding of water system infrastructure, maintenance, and operations have resulted in unsustainable or incomplete projects, leaving communities with the same fundamental problems – lack of access to safe drinking water and sanitation. The government must provide sufficient long-term investments in five-year and ten-year plans of action for water treatment and sanitation infrastructure, operations, management and maintenance, including appropriate training and certification of Reserve and Community residents, and the necessary funding to retain these system operators.

8) Official Development Assistance and the Feminist International Assistance Policy

The 2018 Budget is planning new investments of \$2-billion over five years in international assistance.

This much-needed investment represents only 0.26% of official development assistance (ODA) to gross national income (GNI) spending. The government is still far behind on the international target of 0.7% ODA/GNI agreed to by OECD countries and recommended in the United Nations sustainable development goals. We recommend that government stay true to its commitment to the SDGs and increase the ODA to achieve the international benchmark.

CFUW strongly supports Canada's feminist international assistance policy which focuses on advancing gender equality and the rights of women and girls across the world. The policy plans for 95% of Canada's bilateral international development assistance investments to target or integrate gender equality by 2021-2022.

We were pleased to see Canada's investment in the Global Partnership for Education to support girls' education in developing countries. We believe education is essential to women and girls' empowerment and in strengthening peace.

CFUW reiterates the importance of long-term flexible funding for feminist and women's rights organizations in order to make a real change and to strengthen women's rights abroad.

9) Gender Mainstreaming: A New Department for Status of Women and the Gender-based Analysis Plus (GBA+)

The budget announced that Status of Women Canada will now be a full-fledged government department. CFUW has pointed out on several occasions the need for the government to take an additional step toward gender equality and to strengthen federal programs by providing greater means to Status of Women Canada.

We are pleased to see official recognition of the crucial mandate of ensuring gender equality, and the significance of Status of Women Canada's work towards achieving this goal. We anticipate seeing the department fully resourced, both financially, as well as with sufficient human resources to lead key initiatives to end gender inequality.

9.1) Gender-Based Analysis Plus (GBA+)

The government introduced a Gender Results Framework, aimed at tracking Canada's performance in achieving gender equality and in identifying gaps.

CFUW supports the inclusion of metrics that take into consideration gender and diversity (race, socio-economic status, age and disability), to inform the expansion of policies and programs that work for everyone. Incorporating the impacts of policies and programs on diverse populations makes for better policies.

We applaud the government's efforts to use gender and other indicators in the budgeting process in order to target and address inequalities.

The budget also includes plans for the introduction of a law making GBA+ analysis mandatory. The proposed GBA+ legislation would require all future Budgets tabled by the Minister of Finance in the House of Commons to include a GBA+ analysis, enshrining gender budgeting in the federal government's budgetary and financial management processes.

CFUW will be following development of this legislation closely. We would like to emphasize the need for this legislation to be well supported by gender budgeting experts across all departments to ensure that it is an integral part of the budgeting processes across the federal government rather than an afterthought.

10) Sustainable Development Goals

In the 2018 Budget, the government has allocated \$49.4-million over 13 years towards a Sustainable Development Goals Unit, with fund monitoring and the reporting of activities by Statistics Canada. CFUW welcome this measure in order to better target Canada's advancement in achieving the SDGs by 2030. We also welcome the provision of \$59.8-million over 13 years to support the implementation of the SDGs. We urge the government to use appropriate quantitative and qualitative indicators to assess the SDGs in a Canadian context and focus an intersectional approach to data collection.
