

Oral Testimony

Pre-Budget Consultations in Advance of the 2019 Budget

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(CCIC)**

Members of the Committee:

Thank you for the invitation to testify today. I am pleased to have the opportunity to present on behalf of the Canadian Council for International Co-operation (CCIC).

CCIC is Canada's national coalition of civil society organizations working to end global poverty and promote social justice and human dignity for all. Our 80-plus members include many of Canada's leading international development and humanitarian assistance organizations.

Today I want to present on three core themes:

First, the relationship between a more competitive economy and a more sustainable society.

Second, the key role charities play in both the economic and societal success of Canada.

And third, how Canada can apply increased growth to build Canadian leadership in global sustainable development.

First of all, in terms of building a competitive economy and sustainable society, Budget 2019 represents an opportunity for the Government of Canada to increase Canada's competitiveness by creating enhanced conditions for sustainable economic growth and tackling inequality – following recommendations highlighted in the Alternative Federal Budget, including investing in First Nations infrastructure, closing tax loopholes and tackling tax evasion, investing in child-care and promoting a rapid and just transition to a low-carbon economy – in line with G7 commitments in 2016 and 2018.

To complement these policies, we recommend that the Government launch a national commission to generate a comprehensive, costed, whole-of-Canada action plan to align government policy with the Sustainable Development Goals, and establish a coherent whole-of-government framework of indicators for meeting and measuring Canada's SDG priorities at home and abroad. We are pleased that Budget 2018 established an SDG Unit and resources to support this work. We now need to get the work done.

Secondly, the government's support for growth extends to all sectors of the economy, including the charitable sector.

Canada's charities employ approximately two million Canadians and represent \$135 billion or 8.1% of GDP. Moreover, they are a core element of Canada's national identity – contributing to our society as well as our economy. When Canadian charities do well, we all do well.

CCIC therefore recommends that the government implement the first three recommendations of the independent Consultation Panel on the Political Activities of Charities, namely legislative and regulatory reforms by the Canada Revenue Agency to enable charities to contribute to dialogue on and development of public policy.

We further recommend that the government engage Canadian charities in a dialogue to modernize Canada's regulatory and legislative framework for the charitable sector.

Thirdly, sustainable economic growth is more than an end in itself – it is also an opportunity to advance transformative change at home and abroad. Budget 2019 should use the benefits of current and future economic growth to enhance Canada's global leadership in sustainable development and humanitarian assistance, and its global reputational and competitive advantage.

Yet today, Canada invests just 0.26% of gross national income (GNI) – 26 cents for every \$100 – in international assistance. In fact, at current funding levels, by the end of 2019 this government will have the lowest average commitment as a percentage of GNI of any Canadian government in half a century. This is below the average of OECD countries, and below Canada's own historic average contribution. Just last week, the OECD noted that despite robust economic growth, Canadian aid levels had dropped off in recent years. It recommended Canada scale up its GNI ratio to add weight to its global leadership and advocacy efforts.

With this in mind, CCIC recommends that the Government increase Canada's spending on global development and humanitarian assistance over 10 years, through predictable 15% annual increases to the International Assistance Envelope (IAE). This is in line with recommendation 85 in last year's Finance Committee report.

These resources should be accompanied by new, flexible, diverse and responsive funding mechanisms suitable for a variety of civil society partners. They should also include measures to target some of the poorest people in the poorest countries – including through a focus on gender equality and women's rights, as well as through growing investments in women's rights organizations. We also need to increase investments in tackling climate change, and make sure 50% of those investments are geared towards adaptation.

By taking these measures, Budget 2019 will help build a fairer, more sustainable, and safer world for all.

Thank you, and I look forward to any questions.