



## FINA COMMITTEE PRE-BUDGET CONSULTATIONS

TESTIMONY BY OXFAM CANADA

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Dear Committee members,

Thank you for the opportunity to present Oxfam's recommendations for Canada's next federal budget.

At Oxfam Canada, we put women's rights and gender justice at the heart of everything we do, both here at home and in our work with some of the poorest communities across the planet. I would like to start by providing a glimpse into the lives of the women who are at the bottom of the economic ladder.

Tasmia, a medical doctor, came to Canada in April 2017 from Bangladesh under the skilled visa program. After months of searching for a job, she found employment in a cosmetics factory but at 8 months pregnant was laid off being just 5 hours short of the 600 hours needed to be eligible for parental leave. Tasmia tried to convince her employer to give her one more day but to no avail. Now that her child is born, she is struggling to juggle work and caring for her baby, being ineligible for child care subsidies as she can only find part-time work.

Lae Lae paid a smuggler to leave Myanmar for Thailand when she was 21 years old hoping for a better future. After six years working on a rubber plantation, she found work as a hotel housekeeper. Despite her extremely long hours and backbreaking work, it is impossible for her to save any money. Strapped for money and time, she had no choice but to send her two children, now 6 and 11 years old, back to Myanmar to stay with relatives. She hasn't seen her children in four years.

These stories are heartbreaking, but not uncommon. Too many women around the world are stuck in jobs like these. They work so hard, yet they cannot escape poverty.

At the other end of the spectrum are the super rich, who continue to accumulate excessive amounts of wealth. Last year, of all the wealth created globally, 82% went to the richest 1% of the global population while the 3.7 billion people who make up the poorest 50% of the world's population saw no increase in their wealth. Here in Canada, the richest 1% saw their wealth increase by 32% and Canadian billionaire fortunes grew by a staggering \$28 billion in just one year.

Inequality is one of today's greatest challenge, obstructing poverty reduction and sustainable development. It undermines social, environmental and economic sustainability, and fuels poverty, insecurity, crime and xenophobia. Inequality is bad for everyone, but it is especially bad

for women, who are being exploited providing endless hours of free and cheap labour. We know economic inequality and gender inequality are inextricably linked. To make progress we must tackle both simultaneously. It is for these reasons that the federal government must invest in making economic growth truly inclusive *and* advancing gender equality. Oxfam Canada would like to highlight its recommendations in two key areas.

## 1. Invest in women's economic equality in Canada

The International Monetary Fund recently conducted a study, which demonstrated that increasing female labour participation is critical for Canada's economic growth and made the case for Canada to invest in child care to free up women's time for productive labour. The study predicted that the cost of child care would be fully compensated by the growth in GDP. Yet, Canada continues to spend less on child care than any other OECD country—a meagre 0.2% of GDP, way below the OECD's recommended target of 1%. Investing in childcare is the most effective and transformative investment the federal government can make to engage women more productively in the Canadian economy. It's the best bet for closing the economic gap between men and women and significantly advancing women's economic security.

**We are calling on the government to invest \$1 billion in 2019-2020 in childcare and move towards universal child care by setting a ten year timetable to reach the OECD target of 1% of GDP. This should include enacting national legislation grounding child care in universality, quality and comprehensiveness and protects caregivers' rights.**

## 2. Demonstrate global leadership on women's rights

Around the world, hard won gains to advance gender equality are under threat. In this context, it is critical that Canada continues to champion gender equality, especially in areas that align with its values and commitment to human rights. But leadership requires resources. Last year's budget announcement of an additional \$2 billion over five years was welcome, but this amount will do little to budge Canada's current aid to GNI ratio of 0.26% or improve its ranking on international assistance amongst OECD peers, where Canada currently ranks 16<sup>th</sup>.

**We are calling on the government to develop a robust ten year plan to achieve the UN aid target of 0.7% of gross national income and make investments in two particular areas: \$700 million a year over ten years starting in 2020 in sexual and reproductive health and rights and \$220 million a year over ten years in women's organizations and feminist movements.**

In closing, I would like to encourage you—honourable members of the Finance Committee—to show leadership as well. Earlier this year, you received a letter signed by 50 Canadian women's rights organizations calling on you to include 'gender equality' as a topic in your call for pre-budget consultation submissions and ensuring at least 15% of witnesses in the pre-budget consultation hearings are feminist or women's rights organizations. Women's voices must be front and center when it comes to governments making decisions that affect their lives. You have the opportunity and responsibility to ensure women's voices are heard.