

Oxfam Canada's Recommendations for Federal Budget 2026



**Submitted to Finance Canada
July 2026**

Summary of Recommendations

1. Support the establishment of an International Panel on Inequality
2. Establish a comprehensive fund dedicated to rebuilding Gaza
3. Ringfence and recommit to key global gender equality and LGBTIQ+ investments
4. Introduce a progressive wealth tax on the richest Canadians
5. Introduce a windfall profits tax on oil and gas producers
6. Implement a permanent excess profits tax
7. Recognize the care economy as a necessary pillar of Canada's economic future
8. Expand access and enhance equity in Canada's \$10-a-day child care plan
9. Modernize Employment Insurance benefits
10. Allocate \$150M annually in base funding to WAGE's Women's Programs
11. Dedicate \$10M a year in operational funding for five years for national women's rights organizations working on systemic change

Navigating rupture

The current geopolitical landscape is marked by profound turbulence. At present, the world is experiencing a rupture that is rapidly unravelling the previous international order. The impacts are deeply consequential and felt both here in Canada and across the globe. International law has largely been deserted, rights are being rolled back, economic policy has been weaponized, and global trade and security relationships are evolving, emphasizing fluidity and pragmatism over values. In this rupture's wake, significant costs are being borne by individuals as existing and new humanitarian, economic, and climate crises worsen – in particular those who are already vulnerable.

As dire as this current moment is, the challenges we face are not insurmountable and Canada has much to contribute by way of capacity, capability, and ingenuity necessary to ignite solutions. The catalyst still needed however is political will – political will to advance solutions that for the previous era might seem bold – but viewed through the lens of the magnitude of the rupture in which we currently sit, are realistic, practical, and indeed necessary.

Global leadership that plays to Canadian strengths

At a moment where economic shocks, conflicts and climate disasters are escalating, global engagement is critical for Canada and we have an opportunity to play a greater leadership role than perhaps at any other point in our history.

Global inequality is spiking and impacting billions. The challenge is so great that leading economists have dubbed it an “[inequality emergency](#).” Just like the climate emergency requires mass mobilization and coordination across states, so too will responding to the global inequality emergency. Opportunity exists for Canada to both lead by example domestically, and leverage our expertise to aid in navigating the world out of these dire economic straits.

While Canada evolves security alliances and realigns trade relationships, core Canadian values must not be compromised and our commitments to universal human rights, upholding international law, and fighting climate change should maintain prominence across our development, trade, and security portfolios. Where grave violations of international law have occurred – including in Gaza – Canada should lead in the coordination of accountability measures and the rebuilding of states or regions that have been deeply impacted by attacks against civilians and civilian infrastructure.

Further, we can't ignore the fact that in every crisis, gender inequality is deepening. Take for example the genocide in Gaza where the destruction of health infrastructure has severely limited the access of women, girls, and gender diverse people [to sexual and reproductive health services](#). Through Canada's previous investments, civil society capacity, and government expertise, we have a comparative advantage in the delivery of gender equality programming relative to our global peers. This, paired with the leadership vacuum that currently exists presents a generational opportunity for Canada to cement its position as a world leader in advancing global gender equality.

To effectively lead in delivering solutions to these critical challenges and opportunities, Budget 2026 should:

Support the establishment of the International Panel on Inequality: Canada should publicly champion, support, and endorse the establishment of the International Panel on Inequality, that

would serve a function similar to the Intergovernmental Panel on Climate Change, recognizing the gravity of the global inequality emergency and ensuring that the necessary attention and resources are dedicated to identifying and activating solutions.

Establish a comprehensive fund dedicated to rebuilding Gaza: Canada took a critical step in September 2025 by officially recognizing Palestine. Now, after Palestinians have experienced more than two years of genocide and the destruction of nearly all civilian infrastructure, Canada should put action behind state recognition. Budget 2026 should dedicate funding at the scale required to begin reconstruction of Gaza. According to the EU, UN and the World Bank, reconstruction costs are already estimated at \$97B. Canada's contributions should reflect both the scale and scope of needed reconstruction, and our government's complicity in the genocide.

Ringfence and recommit to key global gender equality investments in Canada's Official Development Assistance portfolio: Budget 2026 should protect Canada's most effective and internationally recognized global gender equality investments, including advancing protected, multiyear funding envelopes for:

- **Canada's Ten-Year Commitment to Global Health and Rights** by maintaining the previously committed annual investments of at least \$1.4 billion annually through to 2030 and \$700M dedicated to sexual and reproductive health and rights (SRHR). This funding is essential to support and expand programming for SRHR, maternal health, and support healthcare capacity for women, girls, gender diverse, and 2SLGBTQI+ people.
- **The LGBTQI+ International Assistance Program**, to be funded at \$20M annually.
- **The Women's Voice and Leadership Program** by renewing and extending funding.

Additionally, the government should maintain and resource the 15 percent target for standalone gender equality programming under the ODA portfolio, and commit to no further declines in Canada's ODA investments.

These mechanisms will deliver measurable results, strengthen global stability, advance Canada's economic and security interests, and uphold Canada's reputation at a moment of anti-gender backlash.

Creating a just and sustainable economy for all Canadians

Canada's economy isn't working for everyone. Income inequality hit [a record high](#) in 2025. Wealth inequality [continues to grow](#). The richest one-percent hold nearly \$3.9 trillion in wealth – almost as much as the bottom 80 percent combined.

Who is Canada's economy working for? A small cohort of Canada's wealthiest – including the more than 89 billionaires Canada is host to – and the owners of the large corporations that hold monopolies in key sectors like media, telecom, and groceries (groups of which there is much overlap).

The economy is also working for the fossil fuel sector. The government has dedicated significant resources to scaling up Canada's oil and gas production, while eliminating incentives that reduce consumption. At the same time, ongoing conflicts are further enriching fossil fuel producers. The world's top 100 oil and gas companies [banked more than \\$30M USD every hour in unearned profit](#) in the first month of the US-Israeli war in Iran, with those profits coming from the pockets of everyday people. The

re-focusing of public resources on fossil fuel production has devastating consequences for the climate too. The government's [current projections](#) show that Canada will fail to meet its 2030 emissions reductions target set out by the Paris Agreement.

Billionaires and corporations are raking it in at record rates and their profits are generated at the expense of people and the planet.

Further hamstringing economic fairness, sectors of our economy are being under-prioritized by government. For example, the care economy makes up more than [one in five jobs](#) in Canada, larger than manufacturing, construction, and mining. While care work has the potential to be the backbone of the middleclass, paid care workers — predominantly women, racialized people, and immigrants — endure low and poor working conditions. At the same time, [nearly half of Canadians](#) over age 15 provide unpaid care. Unpaid care reduces women's ability to pursue well-paid jobs, undermining Canada's economic growth.

Canada needs to start building an economy that works everyone. To that end, Budget 2026 should:

Introduce a progressive wealth tax on the richest Canadians: The government should introduce a moderate and progressive wealth tax on the richest Canadians. This tax should be at least 1 percent for net wealth over \$10 million, 2 percent on net wealth over \$50 million and 3 percent on net wealth over \$100 million. Such a tax could raise [more than \\$120 billion in new revenues](#) over its first five-years.

Introduce a windfall profits tax on fossil fuel producers: The government should implement a new tax on the profits of fossil fuel producers that rises progressively with profits. The revenues of the tax could be redistributed back to Canadians and deployed to support Canada's climate finance commitments and to drive our own transition to a net-zero economy.

Implement an excess profits tax: In times of crisis, corporations may earn outsized profits from price increases. For example, at the tail end of the pandemic and while inflation was in double digits, the grocery sector in Canada earned record profits of more than \$6B. Profit rates have fallen since their peak during the pandemic but remain higher than previous. An excess profits tax is a way to curb corporations from profiteering during times of crisis.

Recognize the care economy as a necessary pillar of Canada's economic future: To present, the government is over-indexing investments in projects in male-dominated economic sectors like fossil fuel production that lack long-term sustainability, while overlooking sectors with immense growth potential, like the care economy. Promoting, growing, and improving Canada's care economy should be prioritized and investments should be made at the same scale as other projects deemed to be in the national interest.

Enhancing economic resilience and security through social protection

Precarity is becoming more pervasive in the lives of Canadians. Poverty has been rising steadily [since 2020](#). [One quarter](#) of Canadians are food insecure, and as grocery prices continue to rise – they have risen [almost 30 percent](#) in the last five years – [food bank usage](#) is breaking records. Wages are largely stagnant, technological turbulence is putting jobs at risk, and [youth are experiencing](#) unprecedented unemployment rates.

Despite the government's recent investments in defence, Canadians do not feel secure. How could they, when for so many basic needs are not being met? To date, the government has failed to effectively address the cost-of-living crisis and invest in the social infrastructures that are essential to the security of all Canadians. Social infrastructure is critical infrastructure and supporting and strengthening these infrastructures does indeed constitute the national building this government is committed to.

To enhance the economic resilience of Canadians, Budget 2026 should:

Expand access and enhance equity in Canada's \$10-a-day child care plan: The \$10-a-day childcare plan has reduced fees, but affordability remains uneven, and access is inequitable. Workforce shortages and lack of publicly managed expansion limit growth. To enable greater access to affordable child care the government should:

- **Increase operational funding for CWELCC by ramping up annual federal transfers from \$8.7B in 2026/27 to \$13.3B by 2030/31** (\$54.5B over five years) to address current funding gaps and support the continued expansion of the Canada-Wide Early Learning and Child Care system. These transfers should enable the maintenance of a \$10-a-day fee cap for families; ensure reduced fees for lower-income families; eliminate fees for families living in poverty; and support workforce strategies to expand and stabilize the qualified early learning and child care workforce.
- **Renew and expand the Early Learning and Child Care Infrastructure Fund with investments increasing to \$4B annually by 2028/29 through 2030/31** (\$15.2B over five years) to support the construction, renovation, and expansion of public and non-profit child licensed care spaces. Funding should be tied to provincial and territorial growth plans that prioritize equitable and inclusive access, include a 75/25 federal-provincial/territorial cost-sharing model, and prioritize co-location in schools, non-market housing, schools and post-secondary institutions, health facilities, and other public infrastructure.
- **Sufficiently fund the implementation of the Indigenous Early Learning and Child Care (IELCC) Framework**, co-developed with First Nations, Métis, and Inuit partners and the Government of Canada, to expand Indigenous-led early learning and child care systems and services.
- **Strengthen long-term system accountability and evidence-based policy development by investing \$15M over two years in a Canada-wide ELCC data strategy** to monitor and publicly report on CWELCC expansion, equity outcomes, and public spending, **alongside \$20M over three years for a dedicated research and evaluation program** to guide the ongoing development of Canada's early learning and child care system.

Modernize employment benefits: The government has long made commitments to modernize Employment Insurance (EI). Today, modernization should include **extending benefits to precariously employed workers, extending the duration of benefits** for all workers, **increasing the earnings replacement rate, boosting parental leave income, and raising the maximum yearly insurable earnings.**

Allocate \$150M annually in base funding to WAGE's Women's Programs for multi-year project-based funding for women's rights and gender equality organizations working at the local, regional, and national levels.

Dedicate \$10M a year in operational funding for five years for national women's rights organizations working on systemic change. Funding would provide stable, predictable core funding to women's and gender justice organizations in their work to advance equality and achieve the realization of human rights across Canadian society.