

**Written Submission for the Pre-Budget Consultations  
in Advance of the Upcoming Federal Budget**

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## **List of Recommendations**

- Recommendation 1: Implement major tax reform
- Recommendation 2: Immediately eliminate all direct and indirect fossil fuel subsidies
- Recommendation 3: Reform EI and/or introduce a “basic income” based on a “living wage”
- Recommendation 4: Introduce a single payer publicly administered universal “pharmacare” program
- Recommendation 5: In cooperation with the provinces introduce a universal publicly administered early childhood education and care program

## **Implement major tax reform**

Tax cuts for the wealthy and corporations have impoverished the federal, provincial and municipal treasuries leading to drastic cuts in public services at all levels of government. The Covid pandemic has demonstrated the gaps in social support and the government has demonstrated that it is able to respond promptly and effectively to protect Canadians. There are many ways to obtain the funds to support public services. Canada needs to increase corporate taxes and make the use of tax havens illegal. Inheritance and wealth taxes need to be introduced. Capital gains need to be fully taxed as income. Multinational corporations operating in Canada need to be taxed the same as local companies and finally a financial transaction tax must be introduced whether or not a global tax is agreed upon.

<https://www.policyalternatives.ca/publications/reports/alternative-federal-budget-recovery-plan>

## **Immediately eliminate all direct and indirect fossil fuel subsidies**

The latest British Petroleum Statistical Review of World Energy 2020 shows that from 1990 to 2019 Canada's fossil fuel consumption increased from 6.9 to 9.4 exajoules per year. Per capita consumption has surpassed even the USA and stands at 250 gigajoules per year. For a country that claims to be a climate champion this is an absolute disgrace! Several countries have decreased their consumption during this period. Canada needs a plan and needs to implement.

<https://www.nationalobserver.com/2020/07/16/opinion/global-fossil-burning-breaks-record-2019-canadians-top-1>

## **Reform EI and/or introduce a “basic income” based on a “living wage”**

The degree of poverty, food insecurity and homelessness in Canada is a national disgrace. The Covid pandemic has demonstrated that a comprehensive social support system could eliminate these serious and costly manifestations of inequality in our very rich country.

<https://proof.utoronto.ca/food-insecurity/>

<https://www.policyalternatives.ca/publications/reports/alternative-federal-budget-recovery-plan>

## **Introduce a single payer publicly administered universal “pharmacare” program**

Government and independent studies have shown this to be feasible and a cost saving program.

<https://www.canada.ca/en/health-canada/corporate/about-health-canada/public-engagement/extern>

<https://www.policyalternatives.ca/publications/commentary/fact-sheet-economic-case-pharmacare>

## **In cooperation with the provinces introduce a universal publicly administered early childhood education and care program**

Quebec has had affordable daycare for years and the population has benefited from it. Where is the federal leadership to implement similar programs nationally?

<https://policyalternatives.ca/grow-up>

[https://www.td.com/document/PDF/economics/special/di1112\\_EarlyChildhoodEducation.pdf](https://www.td.com/document/PDF/economics/special/di1112_EarlyChildhoodEducation.pdf)