

RECOMMENDATION 1: That the Government's recovery plans adhere to the Principles for a Just Recovery For All.

RECOMMENDATION 2: That the Government phase out using GDP as a measure of economic success and replace it with measurements that reflect the totality of economic activity, including environmental and social costs.

RECOMMENDATION 3: That the Government legislate a Canadian Climate Accountability Act to build the legal foundation to achieve net-zero emissions by 2050.

RECOMMENDATION 4: That the Government prioritise Covid recovery investments in programs with high impact against the climate crisis.

RECOMMENDATION 5: That the Government invest \$3 billion over ten years to put in place natural climate solutions.

RECOMMENDATION 6: That the Government address holes in tax collection with respect to corporate tax breaks and subsidies, offshore tax havens, and taxing foreign e-commerce companies.

RECOMMENDATION 7: That the Government implement a Basic Income Guarantee for workers in vulnerable employment.

Honourable Members,

The Government and parliamentarians have responded to the Covid-19 emergency with admirable speed and perspicacity to provide remedies for the ensuing economic chaos with unprecedented insight and generosity. The prospect of a federal budget in this continuing crisis calls for nothing less than the continuation of the supports flowing directly to people, even though their manifestation may change over time.

The largest question we have to answer in this and subsequent budgets is, in my view, how do we retool the economy to address the cracks that the pandemic has laid bare and exacerbated in light of the overwhelming immediacy of the climate emergency.

Herewith, the thoughts of a reasonably well-informed citizen and voter for your consideration.

The first thing we need is a more comprehensive vision of success than that provided by GDP measurements.

Although growth as represented by increasing GDP numbers may provide a familiar hook on which to hang an assessment of the state of the economy, it is widely recognized that the situation it presents is incomplete at best and misleading at worst. Furthermore, reliance on GDP as an indicator of economic recovery may well lead to the misdirection of critical investments in Canada's future.

Climate change looms as an imminent threat, but it is by no means the only environmental limiter to continued human existence on planet Earth. Others include biodiversity loss, ocean acidification, ozone layer depletion, freshwater withdrawal, land conversion, air pollution, and chemical pollution.

At the same time, Canadians must honestly acknowledge our failures in meeting the legitimate needs of our own population as well as recognizing that extending that care to those beyond our borders is in the best interests of the social and economic justice that will enable all peoples of the Earth to thrive.

In light of the inadequacy of the conventional GDP graph to provide a picture of a country's economy, Oxford economist Kate Raworth has developed a new and more complete model for visualizing how to identify a thriving economy. In her 2017 book Doughnut Economics: 7 Ways to Think Like a 21st-Century Economist, she encapsulates the goals for the world or for any smaller entity in a doughnut-shaped image. I have attempted to capture her ideas as they apply to the present federal budget discussion in this adaptation of her image.



The outer ring lists the seven environmental systems that are essential for human life on the planet, as identified by earth system scientists, and whose boundaries we cannot afford to overshoot. The central hole represents the foundations of agreed basic human rights as expressed in the United Nations Sustainable Development Goals (SDGs). Although better than many countries, Canada still falls short in equitably meeting most of these goals throughout the country.

This is an image that is easy to understand and that can be used to quickly test the usefulness of any proposals put forward for inclusion in the budget, along with any trade-offs that might be required. For example, a government plan to facilitate energy retrofits of housing would have measurable climate benefits in reducing energy use and release of GHGs and could also address social deficits in work, income, housing, justice, and reconciliation if it was directed towards aging housing in impoverished areas such as low-income neighbourhoods and some remote First Nation reserves, thus drawing more people into the safe and just space of the doughnut. On the other hand, a proposal to subsidize investment in a bitumen mine would provide jobs and income and resource export potential but would

not only have deleterious impacts on climate change where we are already overshooting the ecological ceiling, but could also have negative impacts on water security, biodiversity, and ecosystems while undermining the health of the local population. If proponents understood the Doughnut as a scale against which they were transparently being judged, the public could have faith in the decisions being rendered.

With this vision in mind and with the exemplar of the bold Covid-19 emergency response as the backdrop, and bringing the perspective of a concerned citizen without expertise in these disciplines, I offer the following recommendations, many of which I have cribbed from other sources (as indicated).

RECOMMENDATION 1: That the Government's recovery plans adhere to the Principles for a Just Recovery For All.

1. Put people's health and wellbeing first, no exceptions.
2. Strengthen the social safety net and provide relief directly to people.
3. Prioritize the needs of workers and communities.
4. Build resilience to prevent future crises.
5. Build solidarity and equity across communities, generations, and borders
6. Uphold Indigenous Rights and Work in Partnership with Indigenous Peoples.

(These are elaborated in detail at <https://justrecoveryforall.ca/>.)

RECOMMENDATION 2: That the Government phase out using GDP as a measure of economic success and replace it with measurements that reflect the totality of economic activity, including environmental and social costs.

Consistent with the ideas advocated in Raworth's Doughnut Economics, I suggest:

- That GDP as a measure of economic success be phased out and replaced by measurements that reflect the totality of economic activity, including environmental and social costs that are currently excluded as "externalities."
- Further, that the idea of "growth" as being synonymous with "progress" be recalibrated to capture the conditions in which humanity (including Canadian humans) can thrive within the limits of the life-sustaining planetary systems for centuries to come.

RECOMMENDATION 3: That the Government legislate a Canadian Climate Accountability Act to build the legal foundation to achieve net-zero emissions by 2050.

I support the proposal from West Coast Environmental Law, Equiterre, Leadnow, and others that the government's commitment to climate change targets be written into law with the following provisions.

Five pillars of Canadian Climate Accountability Act

Pillar 1: Long-term (2050 & 2030) GHG reduction targets that are ambitious and move Canada towards its fair contribution to a 1.5 C mitigation scenario.

Pillar 2: Five-year carbon budgets that cap total GHG emissions and fairly distribute emissions reductions across the country. Carbon budgets are the basis for mitigation planning.

Pillar 3: Five-year impact reports tabled before Parliament that assess the risks of current and predicted climate impacts in Canada. Impact reports are the basis for adaptation planning.

Pillar 4: Planning and reporting requirements to achieve carbon budgets and guide adaptation. Plans, progress reports on their implementation, and the government's response to progress reports must be tabled before Parliament.

Pillar 5: Arm's-length expert climate advisory committee to advise on long-term targets, five-year carbon budgets, climate impact reports and policy solutions, and independently monitor and report on implementation progress. The expert committee is central to the accountability framework and has a key role in each of the preceding pillars.

If implemented effectively, these pillars can transform how our country approaches climate action and redefine its ambition. In addition to Canada's obligations to do its part – both internationally and to Canadians themselves – industry and businesses are asking for a clear climate framework to enhance certainty. A climate framework that charts a pathway to our long-term targets will promote steady action, avoid stop-start investment and ensure sufficient lead time for larger shifts in the economy – thereby providing more certainty for investors and stakeholders. <https://www.ecojustice.ca/wp-content/uploads/2020/06/A-New-Canadian-Climate-Accountability-Act-Detailed-Report.pdf>

RECOMMENDATION 4: That the Government prioritise Covid-recovery investments in programs with high impact against the climate crisis.

Corporate Knights have assessed these impacts and identified direct benefits from programs such as:

- Retrofitting homes and workplaces for climate resilience and energy efficiency
- Capitalizing on Canadians' technology leadership to make Canada a leading supplier of zero-carbon products and expertise.
- Greening of the electricity grid with more connection east-west, rather than the current north-south alignments with the U.S.
- Decarbonizing of heavy industry

<https://www.corporateknights.com/reports/green-recovery/building-back-better-bold-green-recovery-synthesis-report-15934385/>

RECOMMENDATION 5: That the Government invest \$3 billion over ten years to put in place natural climate solutions that would:

- cover the costs of planting two billion net additional trees;

- initiate regional and urban forest plans;
- and put in place conservation, mitigation and restoration measures in forests, grasslands, agricultural lands, wetlands, and coastal areas designed to sequester carbon and build more resilient ecosystems.

Take advantage of the opportunity to engage in Nature-based climate solutions such as actions that work with and enhance nature to help address societal challenges. They include conservation, protection, restoration, and improved land management actions that increase carbon storage or avoid greenhouse gas emissions in landscapes. Natural climate solutions contribute to the green economy through investments in land restoration and management, and they help build a more resilient society by fostering ecosystem health and mitigating the impacts of severe weather.

<https://naturecanada.ca/defend-nature/how-you-help-us-take-action/working-toward-nature-based-climate-solutions/>

RECOMMENDATION 6: That the Government address holes in tax collection with respect to corporate tax breaks and subsidies, off shore tax havens, and taxing foreign e-commerce companies.

Use this crisis as an opportunity to address gaping holes in tax collection: through judicious shifting of corporate tax breaks and subsidies to green industries, legislating against off shore tax havens, taxing foreign e-commerce companies like Facebook and Google.

https://www.huffingtonpost.ca/dennis-howlett/canadian-taxes-dont-apply-to-companies-like-google-and-we-pay-with-jobs_a_23291061/

Strong journalism secures our democracy, and Canadian storytelling asserts our culture and independence. Both are in mortal danger as the advertising revenue which once sustained them is increasingly diverted to American tech monopolists, a process facilitated by Canadian tax policy.

[Friends of Canadian Broadcasting's] report projects conservatively that closing the internet advertising loophole would repatriate up to \$440 million of ad spending per year, while boosting federal and provincial revenues by \$1.3 billion.

<https://friends.ca/explore/article/pre-budget-2019-submission-to-the-house-of-commons-standing-committee-on-finance/>

This change would address Canada's lapses in one of the SDGs—ensuring political voice by stemming the tide of media (newsroom) closures and downsizing—as well as bring in tax revenue to support other recovery initiatives.

RECOMMENDATION 7: That the Government implement a Basic Income Guarantee for workers in vulnerable employment.

Essential Service Workers kept us fed and healthy during the pandemic. Arts workers kept us sane. The arts sector will be slowest to recover post pandemic. Musicians, actors, festival organizers, community creators deserve concrete demonstration of our gratitude and respect with the implementation of programs that protect them from the ravages of the gig economy while public health rules will continue to prevent them from earning a living, maybe for several years.

The urgency of this need has already been addressed by the Arts community in an open letter.
<https://basicincometoday.com/open-letter-from-organizations-representing-75000-artists-in-canada-calls-for-a-permanent-basic-income-guarantee/>

Financial insecurity and the cracks in our health- and social-support systems have been highlighted by the pandemic, but they were always present. Structural inequalities disproportionately affect vulnerable and marginalized communities....

Many support programs have been eroded during the last few decades, with federal, provincial and territorial income assistance and disability support systems consistently failing to provide economic dignity or meet basic human needs. Furthermore, employment-insurance programs have not adapted to the realities of the gig economy or the self-employed....

The gig economy is undermining decades of worker protections. As participants, many arts-and-culture-sector workers are subject to precarious short-term contracts, without access to benefits, paid sick leave, or even employment insurance. Today, the world of general labour is looking a lot like the way art labour has looked for decades.

Establishing a Basic Income Guarantee will help to create a healthier, more equitable social safety system that provides financial support, elevating people and ensuring that no one is left behind.