

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

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Recommendations

Taxation and redistribution of wealth:

1. That the government impose an additional 1.5% annual “solidarity tax” for the next 5 years on families or individuals with net wealth over \$2.5 million (i.e. the top 5 percent), to finance a) housing affordable for the least wealthy 40% of Canadians, b) expanded high quality childcare and eldercare, c) universal pharmacare, dental care, vision care, chiropody, physiotherapy and mental health services, d) revitalization of manufacturing sector, and e) a stronger public sector and non-profit sector.
2. That the government triple funding for the investigation and pursuit of wealthy Canadians availing themselves of tax havens; that it use all available tools, including punitive fines, punitive tariffs and travel bans, to oblige Canadian institutions and the governments of tax havens to cooperate with Canadian investigations.
3. That the government cap and freeze individual incomes in excess of \$200,000/year, and increase the income tax rates applicable to those individuals.
4. That the government implement a Universal Basic Income that would lift all Canadians’ incomes to 10% above the poverty line.
5. That the government nationalise without compensation Vale INCO’s Canadian holdings, establish a federal crown corporation to operate those holdings, and use the profits thereby generated to help finance health care, eldercare, social services and environmentally sustainable industrial revitalization.
6. That the government increase the employers’ portion of CPP and EI premiums, oblige employers to pay premiums on all work, and severely restrict the leeway employers currently have to categorize people working for them as “contractors” or “consultants.”

Housing:

7. That the government finance the creation of ~700,000 new units of non-market rental housing over the next 5 years—with 50% to be operated as resident-run co-ops, the remainder by not-for-profits and/or municipalities—and with the design and size of the units (1 bedroom or larger) to correspond to community needs.
8. That the government restore CMHC’s capacity to provide funding enabling coops (nascent or well-established) to prepare viable proposals complying with municipal requirements (environmental assessments, etc.)
9. That the government establish and fund a CMHC branch mandated to actively promote and facilitate the establishment of not-for-profit housing coops and other forms of non-market housing, with the goals of decommodifying housing and making high-quality not-for-profit mixed-income housing the dominant form of housing in Canadian cities.
10. That the government impose a 5-year national rent freeze, as did many countries during WWI and WWII.

11. That the government establish an online national rent registry identifying by name current and past owners and rent figures by address.
12. That the government provide emergency funding to municipalities to offset COVID-related expenses, conditional on the municipalities in question doing the following:
 - a. Initiating a 10-year moratorium on the sale of municipal lands to for-profit developers
 - b. Adopting viable plans preventing further losses of affordable housing units and significantly expanding the number of mixed-income housing coops.
 - c. Streamlining application processes for building permits for not-for-profit housing, especially co-ops, so that all steps can be completed in a 3 month period.

A Just Blue-Green Recovery

13. That the government work with national trade unions, academics from various disciplines, environmental organizations, local communities, non-profits, credit unions, municipal governments and women's organizations to design and implement a just blue-green recovery incorporating an industrial strategy generating the mix of privately-owned businesses, municipally-owned enterprises, social enterprises and small, medium and large crown corporations to meet Canadians' basic needs in an environmentally sustainable manner.
14. That the government make the cornerstone of its economic recovery plan the construction of 700,000 units of high quality durable rental housing affordable to the least wealthy 40 percent of the population and using primarily Canadian-made materials.
15. That the government facilitate the bulk purchase of high-quality durable materials for the construction of mixed-income coop housing, and ensure that at least 80 percent of the materials are sourced and/or manufactured in Canada.
16. That the government establish a crown corporation to build and operate a high-speed energy efficient electrically-powered rail service between Windsor and Quebec City for passengers and freight, eventually extending it to Atlantic Canada.
17. That the government cease all subsidization of the fossil fuel and airline industries, instead providing generous financial assistance enabling workers in those industries to acquire new skills and experience in "green industries" or to take early retirement or shift to other lines of work.
18. That the government facilitate and finance research to identify the most viable new green manufacturing industries by region.
19. That the government provide financial support and incentives for green industry start-ups and expansion.
20. That the government cap credit card interest rates at 5% above prime.
21. That the government minimize its own use of temp agencies and other intermediaries (e.g. translation agencies) and instead employ Canadians directly itself.

Childcare and Eldercare:

22. That the government finance the creation and operating costs of not-for-profit and coop childcare centres and after-school programs to ensure adequate access to safe and affordable high-quality childcare and after-school care.
23. That the government work with provinces and municipalities to phase out for-profit childcare and unlicensed childcare.
24. That the government work with the provinces and municipalities to phase out for-profit long-term-care facilities over the next two years, replacing them with not-for-profit long-term-care facilities adequately designed, staffed and operated in a manner that optimizes the health of the residents and creates good stable jobs with those working in the LTC facilities.
25. That the government implement a three-year pilot project in five cities that would enable employees with children under 18 or severely disabled adult children or aging parents to shift to a 20-28 hour work-week if they so desire, without loss of benefits, seniority or job security, by covering a portion of the difference between a full-time salary and a pro-rated salary. If the pilot is successful, the government should legislate a phased-in shorter workweek.
26. That the government instruct the Office of the Parliamentary Budget Officer to study and report on other jurisdictions' experiences shortening the workweek, to determine if a shortened workweek facilitates a better work-life balance and contributes to children's and parents' mental and physical health.
27. That the government impose a 10-year moratorium on the sale of provincial and municipal land suitable for construction of long-term-care facilities and seniors' housing to private developers.
28. That the government provide additional funding to the provinces and municipalities to expand the direct provision of homecare services and reablement training programs to seniors wishing to age in the community, as is done in Denmark.

Primary and Secondary Education

29. That the government establish a national protocol for determining if and when physical attendance of minors at primary and secondary schools can safely take place, and establish standards and mandatory procedures.
30. That the government provide cooperative provincial governments special transfer payments for the physical modifications, extra teaching staff, training, extra support staff (cleaners, hall monitors, etc.), computers and internet services to ensure smaller class sizes, social distancing and the other measures to COVID outbreaks while providing a decent education.
31. That the government provide special transfer payments directly to cooperative school boards if the corresponding provincial government is uncooperative.

Rationales for the recommendations

Taxation and redistribution of wealth:

The wealthiest 1 percent must finance the recovery: they can afford to, while the bottom 80 percent cannot. Canada must dramatically reduce economic inequality in order to have a viable and just recovery.

Housing:

Even prior to COVID, housing costs were chewing up far too large a proportion of individuals' and families' budgets, especially those of renters. Canada lost 322,600 housing units that rented for \$750 or less a month, between 2011 and 2016 census years. [A rent of \$750 was affordable for someone earning \$30,000.] There were 3.1 million households across Canada that earned less than \$30,000, according to the 2016 Census. Thousands more of these affordable rental units have been lost since.

The unaffordability of housing has caused economic and social hardship for millions of individuals and families in recent decades. It has also left them with little disposable income to spend in their local economies, preventing small and medium enterprises from thriving and creating more jobs.

The root causes of this state of affairs are the commodification of housing and the failure of successive federal governments to create enough affordable mixed-income rental housing. Expanding the stock of affordable rental housing units, primarily in the form of self-managed mixed-income housing coops, is the single most effective step the government could take to both boost the economy and ensure the health and social well-being of average and low-income Canadians. The government must move swiftly and effectively to decommodify housing.

A Just Blue-Green Recovery:

Prior to COVID, Canada had already lost thousands of manufacturing facilities and hundreds of thousands of good manufacturing jobs, due to automation and diverse trade agreements. Meanwhile, debilitating heatwaves, melting polar icecaps and pollution of lakes, oceans and air reveal that our current economic model is not environmentally sustainable.

We therefore urgently need a revitalized manufacturing sector – one built around activities that address Canadians' basic needs and dramatically lower Canadians' per-capita carbon footprint.

We have had a century of automation since the 40 hour workweek became the norm. The government must oblige corporations to share the benefits of such automation with their own employees and the broader society. We must stop creating an underclass of Canadians who seldom have regular decently paid work, while others are obliged to work 40, 50 and even 65 hours a week. This damages not only the underemployed or overworked, but also their families. Legislating a shorter work week without an unwarranted cut in wages would be a way of ensuring that more Canadians have an opportunity for paid employment and a healthy life-work

balance. Such a shift is only feasible if we can get housing costs down to levels that correspond to 15-25 percent of the average individual's income. We must therefore shift to the housing model that achieved that in many European cities, such as Vienna, where rental housing is abundant, attractive, conveniently located, high-quality and eminently affordable (costing between 10 and 30 percent of people's incomes), and delivered stigma-free primarily through mixed-income housing coops.

Successive governments have occasionally lamented job losses stemming from corporate decisions, especially when men are the ones losing the jobs. Unfortunately, federal governments have themselves destroyed many good jobs previously employing women by contracting out to temp agencies, translation agencies and other intermediaries clerical and secretarial work, translation and editing work, and call centre work that used to be done either in-house or by individual free-lancers or temporary employees hired directly by the government.

Temp agencies have been allowed to charge the government considerably more for work that the government could have had done by people hired directly and paid more adequate wages. Meanwhile, translation companies with shell offices in Canada charge governments the going Canadian rate but have the non-French translation done in low-wage countries, or demand that Canadian translators accept Third World wages. The translation agencies pocket the difference, quality suffers, governments do not save money, and Canadians lose work opportunities.

Establishment of a high-speed rail corridor from Windsor to Quebec City, and eventually to the Atlantic provinces, would help Canadians trade more with each other, while reducing their carbon footprint. It would also make vacationing within Canada as affordable as vacationing in destinations involving air travel with CO2 emissions.

Expanding healthcare to cover universal pharmacare, dental care, vision care, chiropody, physiotherapy and mental health services would improve Canadians' health. Chiropody services enable diabetics to avoid debilitating loss of limbs and further health complications.

Childcare and Eldercare:

The COVID-related deaths of thousands of seniors in LTC is related to underfunding and profit-seeking, which must be eliminated.

Affordable childcare and financial support for parents working shorter hours when children are infected (or their childcare centres have outbreaks) are both needed to facilitate an economic recovery that includes women.