

# COMMUNIQUE



## Federal government budget cuts hit the marginalized – A needful response from the non-profit sector

You may be aware that on 25<sup>th</sup> September 2006, the conservative government announced budgetary cuts of \$1 billion—to be implemented over the next two years—for initiatives not considered priorities. While announcing these budgetary cuts, the government observed that these initiatives were not meeting the priorities of Canadians or were not providing good value for money.

### A shift in focus

The Conservative Government defends these cuts based on four categories including:

- programs that are not delivering value for money
- programs with unused funds; those that did not spend all the money allocated
- work that could be done more efficiently outside government

- programs that do not meet the needs of Canadians.

The government has shifted the budget focus for federal spending to: new childcare benefits, agriculture, policing, border security and public security as well as rebuilding the armed forces. What follows is information we have been able to gather.

From Federal Government's website

<http://www.fin.gc.ca/news06/06-047e.html>

Ottawa, September 25, 2006 – Canada's New Government cuts wasteful programs, refocuses spending on priorities, achieves major debt reduction as promised.

The Honourable Jim Flaherty, Minister of Finance and the Honourable John Baird, President of the Treasury Board, announced that Canada's New Government has eliminated wasteful and ineffective programs, reduced government spending and paid down the national debt. "We are trimming the fat and refocusing spending on the priorities of Canadians," said Minister Baird. "Our government is also keeping its promise to families and taxpayers by reducing the national debt."

For more information, see website listed above.

## What programs are affected? *continued on page 2...*

### 1 Status of Women Canada - \$5 million cut out of a \$13 million budget

The main objective of the Status of Women Canada is to achieve full participation of women in the economic, social and cultural life of Canada through various interventions such as advocacy, lobbying and research. Because of its relentless work, violence against women and girls has come down in recent

years. Also, in social and economic status spheres, Status of Women Canada has played a significant role mainly in working with aboriginal and migrant women. Any withdrawal of funds to such key programs will be a regressive step.

### 2 The Court Challenges program - \$5.6 million cut

The Court Challenges program aims to provide modest contributions to the cost of important test cases dealing with language and equality rights. This has made these constitutional rights accessible to mainly minorities and marginalized Canadians. It has helped organizations like CUPE in successfully achieving

benefits for pensioners. It has also helped women, first nations and other equality seeking groups with funding to mount court cases. One can imagine how real the guarantee of Canada's constitutional rights will be for the poor without this program.

## What programs are affected? *continued from page 1*

### 3 Law Commission - \$ 4.2 million cut

The Law Commission of Canada was created in 1997 to advise Parliament on how to improve and modernize Canada's laws. Since then, it has been working on legal/societal issues around globalization, aboriginal legal traditions, labour law and ageism in an attempt to solve many emerging problems with a multi-disciplinary approach to law reform. In the wake of new domestic and global challenges, there is a greater need for bodies



for law reform to review the existing legislation and advise the government on laws to suit the present conditions. The gap between law and societal needs is bridged by these bodies. In fact, with these cuts the gap will widen.

### 5 Adult Literacy program - \$17.7 million cut

About nine million adult Canadians, struggling with low literacy, will have far fewer places to turn. The government spending cuts of \$17.7 million [\$5.8 million in 2006-2007 and \$11.9 million in 2007-2008] available to literacy organizations through Human Resources and Social Development will impact the

delivery of programs to many learners whose literacy challenges hinder their ability to function.

Such programs and initiatives as: family outreach to potential learners, professional development for educators, curriculum materials development, research, partnership and coordination, will be severely affected.

### 7 Health Canada Policy Research Program - \$7.5 million cut

Together with NGOs and universities, the Canadian Policy Research Network [CPRN] provides excellent cutting edge research on critical public policy issues such as: vulnerable workers, promotion of public involve-

ment and democracy, labour market and skills, health care reform, child and family policy. CBOs do not have the capacity to do national work. How will organizations like this sustain themselves without CPRN support?

### 4 Youth Employment Program - \$55.4 million cut

This program allows community organizations and other non-profit groups to hire youth. Those eligible for this program include: youth between the ages of 15 and 30 (inclusive) at the time of intake/selection; full-time secondary or post-secondary students returning to full-time studies; Canadian citizens, permanent residents, or persons on whom refugee protection

has been conferred. Summer work experience creates summer employment opportunities for secondary and post-secondary students, and supports the operation of summer employment offices where students find jobs. The Youth Employment Program has proven beneficial for students and employers alike.

### 6 Canadian Volunteerism Initiative - \$9.7 million cut

CVI is designed to support thousands of volunteers across the country, who contribute \$53 billion worth of services annually by running things like local museums, social services,

health organizations, supports, recreation and arts programs.

CVI encourages Canadians to volunteer and enhances the capacity of organizations to involve volunteers.

### 8 Environment - \$7.6 million cut



Today's global concern is environmental protection. While pressuring developing countries to take measures for protection of their environment,

a developed country like Canada cannot minimize its efforts in this area by cutting funds for environmental groups.

### 9 Community Access Program - \$42 million cut

The Community Access Program (CAP) aims at providing low-cost public Internet access, mostly in areas where there is no access for

people. Through reduced access in public libraries & community centers mainly the poor will be impacted.

## What programs are affected? *continued from page 2*

### 10 Assistance to Museums - \$4.6 million

This program funds projects that tell Canada's story; cultural and natural heritage, diversity and the promotion of Canada-wide perspectives. As

well, it funds First Nations museums that archive traditional and historical artifacts.



### 11 First Nations/Inuit Tobacco Strategy - \$10.8 million

As part of Health Canada's First Nations and Inuit Health program, this program sought to reduce the 60% smoking

rate amongst Inuit and First Nations people. It had an external evaluation which has shown it was effective.



## An analytical view

Budgetary reallocations do have an immense impact on the non-profit sector as most of the funds cut are from welfare and development initiatives.

The changing focus of the government raises certain questions. Their observation that certain programs are not delivering value for money, not being economically productive -but are certainly socially productive, generating social capital for meeting the long-term needs of the country - needs to be re-

examined. The Status of Women, Adult Literacy Program, International Internship program—all intend to address social and family issues in the country.

Unspent money for certain programs could be diverted to other human resources or social capital development programs. A shift of focus to the universal childcare benefit is appreciated, but it should not be done at the expense of the Status of Women.

Strengthening internal security and safety is another area of government priority. However, research has established that there is a correlation between decreasing support for welfare initiatives and an increasing crime rate. Then why not increase spending on social development and crime prevention? These budgetary cuts will also discourage the vulnerable and the migrant minorities from upgrading their literacy and functional skills required to enter the labor market leading to their integration with the Canadian society.

## Who is affected?

Primarily, it is the voluntary sector that is going to be affected directly by the cuts with estimated loss of millions of dollars from its budget over the next two years. This in turn will have a devastating effect on the poor and the marginalized populations of Canadian society.

## What is needed now?

The reduction in funding comes at a time when the need for investment in literacy has never been greater.' Four out of 10 Canadians are challenged with low literacy at a time when work places are requiring higher levels of literacy

The Social Planning Council is concerned about this direction as it may represent a direction towards further crippling of the non-profit sector where it is already under stress. A need for a response from the non-profit sector to thwart such regressive steps of the government is

needed. As part of that, the SPC is using two tools to mobilize public sentiment including a survey of non-profits as to how and the extent they are affected, and to organize an all member forum to discuss and develop modalities for action.

Please plan on attending the SPC's forum on "The Face of the Cuts" being planned for December 1, 2006 from 9 am – 12 noon. More details on this event will be released in the near future and will be posted on our website.

## References

1. Response to cuts: a Coalition of Canadian Non-profit building a communities agenda. [www.Communitiesagenda.wordpress.com](http://www.Communitiesagenda.wordpress.com)
2. Literacy Services of Canada Ltd. ABC Canada literacy Foundation. 2006 p.1
3. Annual report 2006. Law Commission of Canada
4. The Status of women Canada
5. Court Challenges Program of Canada
6. Summer Work Experience. Human Resources and Skills Development Canada. [http://www.cprn.com/en/kids-policy\\_8.1.htm](http://www.cprn.com/en/kids-policy_8.1.htm)



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The SPC promotes the "democratization of data" to build a healthy community with active citizens involved in multi-sector networks and accessible organizations that work together.

The role of the SPC is to collect, analyze and openly share data on: community trends; demographics (current and projections); and best practices (local and beyond).

The Social Planning Council of Cambridge and North Dumfries is located in downtown Cambridge. Our office hours are Monday to Friday, 9:00 am to 4:00 pm.

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