



United Way Centraide Canada

2024 Pre-Budget Submission

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Recommendations

1. Community services and charitable sector:

- a) Invest \$400M in an adapted Community Services Recovery Fund.
- b) Invest \$100M in Caring for Carers to address front line worker burnout.
- c) Resource the co-development of a comprehensive labour force strategy to contribute to staff training, recruitment and retention.
- d) Act on Imagine Canada's 2024 pre-budget recommendations.

2. Housing and homelessness:

- a) Expand the cost-shared Canada Housing Benefit.
- b) Pursue opportunities to acquire and redeploy existing properties and expand the stock of non-profit, permanent affordable and supportive housing units.

3. Income security:

- a) Allocate funding for the Canada Disability Benefit.
- b) Increase funding for the Canada Social Transfer.
- c) Expand access to Employment Insurance (EI).

4. Care economy:

- a) Fund childcare capital expansion; implement a comprehensive Canada-wide workforce strategy to increase the number of spaces available.
- b) Establish a National Care Economy Commission.

5. Mental health:

- a) Invest in community based mental health supports, including for crisis prevention and support to complement the activation of the 9-8-8 service in November 2023.

6. 211 community navigation:

- a) Leverage 211 infrastructure to increase benefit uptake among vulnerable communities, as outlined in the Minister of Seniors' 2021 mandate letter.
- b) Invest \$27 million over 3 years to transform 211 into a digital and interoperable social infrastructure, and augment its emergency response and recovery support, technological and data insights capabilities and services.

About United Way Centraide Canada

United Way Centraide (UWC) is Canada's leading national network of local social experts empowering people to make lasting social change in their community. With a national footprint, serving over 5,000 communities, our federated network of 67 local United Ways and Centraides (UWCs) tackle poverty and social exclusion locally. UWC is Canada's largest non-government funder of human and community services, investing over \$570M annually. We support 5,800 programs serving 10 million people to support our vision for everyone in every community to

have the opportunity to reach their full potential. United Way Centraide Canada (UWCC) is the national office that represents and supports the network of UWCs across Canada.

Priorities for an Equitable Recovery

UWCC's priorities for an equitable recovery from the COVID-19 pandemic are based on data and the experience of our members. They are underpinned by equity and the need for a strong community services sector to create opportunities for everyone.

UWCC's pre-budget recommendations are guided by these five priorities:

1. Ensure access to basic needs.
2. Address the housing and homelessness crisis.
3. Close the widening opportunity gap.
4. Increase access to mental health and substance use support.
5. Support equitable economic recovery and inclusive growth.

UWCs are mobilizing donors and investments to contribute to achieving these priorities. Success will require all levels of government to work with community-based funders to strengthen Canada's community services infrastructure with an unwavering commitment to diversity, equity, inclusion and reconciliation.

Strong community infrastructure is essential as unprecedented challenges persist

Over the last year, people across Canada have continued to face unprecedented economic, social and environmental challenges. While the COVID-19 pandemic has officially ended, our collective recovery is far from over. At the same time, housing affordability has become a nationwide crisis and the rising cost of living is placing added strain on all Canadians, with the greatest impact on low- and moderate-income households. In addition, our communities are experiencing more intense extreme weather events and wildfires causing far-reaching disruptions to livelihoods and well-being.

Every day, people in precarious circumstances turn to the community services sector to cope, connect and recover. This year, food programs have seen record demand, while many jurisdictions struggle with homelessness encampments and long waiting lists for mental health and substance use services. Already stretched community service organizations also now increasingly engage in emergency preparedness and response work while they prepare to support settlement of record numbers of immigrants.

A robust community services sector will be essential to Canada's success meeting these challenges and to creating opportunities for a better, more equitable future. Millions of people rely on community service organizations to fill the gaps in the social safety net at a local and national scale and the sector helps governments deliver on their own priorities, providing local urgent and ongoing supports. Importantly, the charitable and nonprofit sector is also an economic powerhouse: employing over 2.5 million people, over 70% of whom are women, and contributing 8.3% to Canada's GDP, which exceeds contributions made by the construction, transportation, and agricultural sectors.ⁱ

Despite the sector's critical role, it remains fragile due to precarious, often project-based funding, which contributes to reliance on low wage, precarious work. Higher program and supply costs are placing it under further stress while it continues to face a pandemic-borne staff

recruitment and retention crisis. Budget 2021's Community Services Recovery Fund provided one-time support to help community organizations adapt and build resilience by strengthening their operations. UWCC is honoured to be a national funder for the program, and we note that the demand for funding has far outstripped supply due to decades of insufficient investment in the sector.

UWCC's budget recommendations address policy areas where federal action can further support individual and community health and inclusion as well as stronger community services to achieve an equitable recovery and prepare for the future.

Budget 2024 Recommendations

1. Support a strong, resilient community services sector

A thriving community service sector requires federal investment in people, operations, and sustainability to ensure its long-term success. To address current challenges and prepare for the future, UWCC, along with our colleagues in the Coalition of National Service Federations, propose a three-pronged approach:

- a) An additional investment of \$400 million into a second adapted round of the Community Services Recovery Fund (CSRF) to support charities to modernize and be responsive to emerging needs within communities. The CSRF, which launched earlier this year was highly oversubscribed, which demonstrates the ongoing need for investment in the sector. This second round of funding can be used to support enhancements to systems and processes, and innovative approaches that enable organizations to respond more effectively to changing community needs.
- b) An investment of \$100 million over two years into the *Caring for Carers: Investing in the Mental Health of Front-Line Community Service Workers* program proposal. Across the sector, charities are reporting increasing levels of staff absenteeism, burnout, and mental health challenges. This investment will support the dedicated workforce within Canada's care economy, ensure better outcomes for individuals using services, and stabilize the organizations they work for. It includes two key costed interventions:
 - \$50 million to expand immediate access to evidence-based mental health and substance use support for staff who are currently struggling.
 - \$50 million to enhance organizational capacity building for a culture of wellbeing and improving workplaces psychological health through the development of a resource hub and funding for pro-active mental health action plans.
- c) A co-developed labour force strategy for the community service sector. The sector plays an essential role in Canada's economic and social recovery and in advancing the federal government's priorities related to housing and homelessness, immigration, childcare, employment and more. This should address the sector's current talent recruitment, training and retention crisis that threatens the continuity of critical services in communities. It should seek to create pathways to careers within the sector and to harness the potential of untapped talent, including youth and newcomers.

Important considerations in the co-development of a community services labour force strategy include measures for decent work to improve staff retention, growth and advancement, such as:

- Fair and adequate compensation, benefits and retirement savings plans, particularly given the sector has a women-majority workforce
- Reducing the precarity of employment in the sector through stable, longer term funding arrangements
- Best practices in hybrid and remote work to enable access for service delivery and adapt to other evolving workplace norms
- Improved and enhanced diversity, equity, inclusion and Indigenous collaboration policies and practices
- The development of Human Resources trainings, support, and tools to support the development of policies, practices and protocols for staff and boards

This strategy should also address workforce development, which may include:

- Promoting leadership development and succession planning
- Enhancing skills and opportunities for advancement, inclusive of building digital capabilities and technological infrastructure
- Promoting careers in nonprofits and creating opportunities for workers to attain in-demand skills
- Capacity building for employers who may wish to recruit and/or sponsor new Canadians
- Preparing new job seekers, such as youth and newcomers to Canada, and other untapped potential, to enter the sector and build careers
- Collecting and analyzing data about demographic shifts, service demand and the sector's workforce capacity to enable adaptive service planning

In addition to this three-pronged approach, UWCC endorses Imagine Canada's pre budget priorities for the charitable and non-profit sector.

2. Strengthen social policy and programs to ensure everyone in every community has the opportunity to reach their full potential

Housing and homelessness:

- a) Sustain funding for an expanded cost-shared Canada Housing Benefit with the provinces and territories.
- b) Enable qualified non-profits to compete for acquisition of select buildings by providing them access to existing NHS funding.ⁱⁱ This program would allow the government to save up to 7,500 units every year from becoming unaffordable, build long-term capacity in the non-profit sector, and deliver an additional measure of progress on the NHS.

Income Security

- a) Allocate funding to deliver an inflation-indexed Canada Disability Benefit to prevent and eradicate poverty among people with disabilities.
- b) Increase funding for the Canada Social Transfer (CST) by \$4 billion annually, targeting funding to social assistance to improve income adequacy, health and social outcomes.

- c) Undertake comprehensive EI reforms to provide a stronger, fairer and more agile EI system, including more access for self-employed workers and improved benefit rates of at least 60% of earnings.ⁱⁱⁱ

Care Economy

- a) Further capital investment to support public childcare expansion.
- b) Create an in-depth, comprehensive, Canada-wide childcare workforce strategy.
- c) Establish a National Care Economy Commission—as recommended by the House of Commons Standing Committee on the Status of Women

Mental health and substance use

- a) Invest in community-based mental health and substance use supports to provide timely, low barrier services to everyone, including people who call 9-8-8 in crisis.

3. Leverage 211 to connect vulnerable community members to services and benefits

211 is Canada’s primary source of information on government and community-based health and social services. It helps people navigate their local network of human services quickly and easily, 24/7/365 in over 150 languages. 211 enables people to access non-emergency health services, virtual mental health support, financial counselling and food and has been critical to communities grappling with floods, fires and the pandemic.

211 is uniquely positioned to support emergency response and management efforts, the forthcoming 9-8-8 service and equitable recovery because it provides personalized navigation support to people in vulnerable circumstances. Through targeted outreach to vulnerable people, tailored referrals, inclusive service provision and innovative case management, 211 can help ensure hard to reach populations are not left behind in accessing important government benefits and community services. In turn, this can help reduce the prevalence of poverty, improve health outcomes and facilitate community connections that build resilience.

UWCC’s believes that 211 should be a fundamental part of Canada’s social infrastructure. Navigation services and data insights are ready to be leveraged to contribute to stronger communities, policies and programs. We propose:

- a) That the federal government leverage 211 infrastructure to increase uptake of federal benefits among vulnerable community members, as outlined in the Minister of Seniors’ 2021 Mandate letter.
- b) Investing \$27 million over 3 years to transform 211 into a digital and interoperable social infrastructure, and augment its emergency response and recovery support, technological and data insights capabilities and services.

Conclusion

United Way Centraide Canada wishes to thank the House of Commons Standing Committee on Finance for their consideration of our Budget 2024 recommendations.

ⁱ See endnotes 2-6 in Caring for Carers, available here: <https://www.unitedway.ca/wp-content/uploads/2023/02/Budget-2023-Proposal-Caring-for-Carers-Mental-Health-Support-for-Front-line-Community-Service-Workers-February-7-2023-as-of-Feb17.pdf>.

ⁱⁱ Canadian Housing Policy Roundtable.

ⁱⁱⁱ Inter-provincial EI Working Group. 2021 HUMA Committee Submission.