



United Way Centraide Canada

2025 Pre-Budget Submission

August 2, 2024

Contact:
Anita Khanna
National Director, Public Policy and Government Relations
akhanna@unitedway.ca, 1-800-267-8221 x2268

Recommendations

1. Develop a Community Services Labour Force Strategy
 - a) Join leading nonprofit and charitable sector organizations and private foundations in its co-development.
2. Recruit Talent for the Community Service Sector
 - a) By creating and promoting job opportunities in the sector.
 - b) By Supporting skills training and workforce development.
3. Enable Retention of Talent
 - a) Explore the implementation of a tax credit for workers in the care economy.
 - b) Reduce the precarity of employment in the sector through stable, longer term funding agreements.
4. Evaluate Progress
 - a) Collect and analyze data about demographic shifts, service demand and the sector's workforce capacity.
5. Act on Imagine Canada's pre-budget priorities for the charitable and non-profit sector.
6. Implement an annual Nonprofit Day of Appreciation in late May in to officially recognize Canada's 170,000 non-profit organizations.
7. Housing and homelessness:
 - a) Fully implement the Urban, Rural and Northern Indigenous Housing Strategy.
 - b) Accelerate the Canada Rental Protection Fund with sector leadership.
 - c) Make the Federal Community Housing Initiative permanent, beyond 2028.
 - d) Sustain investments in Reaching Home to prevent and eliminate homelessness.
 - e) Invest in up-front, low-barrier pre-construction funding for non-profit and co-operative housing developments.
 - f) Create targeted capital and funding investments for rural and remote communities.
 - g) Sustain funding for an expanded cost-shared Canada Housing Benefit.
8. Income security:
 - a) Enhance the adequacy of the Canada Disability Benefit.
 - b) Increase funding for the Canada Social Transfer.
 - c) Expand access to Employment Insurance (EI).
9. Care economy:
 - a) Enhance investment in the early learning and childcare sector to improve wages and benefits to support talent recruitment and retention.
 - b) Ensure the broader community services sector is considered in the work of the Sectoral Table on the Care Economy.
10. Leverage 211 community navigation services to:
 - a) Support streamlined referrals and service planning for the roll out of the Youth Mental Health Fund announced in Budget 2024.
 - b) Increase federal and provincial benefit uptake among vulnerable communities.
 - c) Support seniors in accessing government and community services and programs to help them age in place in their homes and communities.

About United Way Centraide Canada

United Way Centraide (UWC) is Canada's leading network of local community builders empowering people to make lasting change in their community. Working in 5,000 communities in every region of Canada, our federated network meets community needs and tackles the toughest social issues so everyone in every community can reach their full potential. Annually, we fundraise over half a billion dollars to invest in 3,500 partner agencies serving over 7 million people. Through United Way Centraide, donors and volunteers mobilize to meet basic needs, deliver essential community services, enable access to training and employment and respond to local emergencies. United Way Centraide Canada (UWCC) is the national office that supports the network of UWCs across Canada.

Our budget recommendations are based on data and the experience of our members, who have deep local expertise in communities from coast to coast to coast. Our recommendations are underpinned by equity and the need for a strong community services sector to create opportunities for everyone. Across the country, our network is guided by five priorities to:

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.

Budget 2024 Recommendations

Support a strong, resilient community services sector

The charitable and nonprofit sector in Canada is an under-recognized economic engine. Annually, the sector contributes 8% - or \$211 B – to Canada's Gross Domestic Product. It is also a significant employer, providing 2.4 M people with meaningful and important jobs in rural, remote, urban and suburban communities.

The community services subsector of the charitable and nonprofit sector employs 600,000 people, 77% of whom are women. These hard-working individuals are an essential part of Canada's care economy - caring for the young, elderly, sick and frail. They deliver employment and skills development programs, enable seniors to remain in their homes and communities, deliver high quality mental health support and keep people housed, and supported so they can reach their full potential. The community services sector puts people first and makes communities in every corner of the country more welcoming, inclusive, safe and prosperous for everyone.

As Canada's population both grows and ages, and life becomes increasingly unaffordable, the demand for locally-provided, high-quality care in communities is outpacing supply and only projected to grow for the foreseeable future. While the community services sector is eager and best-positioned to meet the growing demand, it is facing recruitment and retention challenges.

Workers are leaving community agencies for more stable, less stressful jobs in other sectors with better compensation and benefits. Many workers are facing burn out linked to sustained high demand during and since the pandemic and working to meet complex challenges in understaffed environments. Given the services these workers provide are a critical bridge to opportunity and equality, enabling people to access training and join or return to the workforce, action is required.

Given the community services sector's economic and social contributions, it's time to future proof the sector so it can be there for the communities that rely on it. To do this, United Way Centraide Canada recommends government invest in:

1. Developing a Community Services Labour Force Strategy
 - a) Join leading nonprofit and charitable sector organizations and private foundations to co-develop an all hands on deck strategy to recruit and retain workers to future proof care and support a strong economy.
2. Recruiting Talent for the Community Service Sector
 - a) By creating and promoting job opportunities in the sector. There are opportunities to support these efforts through investments and scaling of existing programs such as Canada Summer Jobs.
 - b) By Supporting skills training and workforce development. This includes investing in skills training and workforce development in the sector, particularly for youth and newcomers, to better equip staff to meet future care needs in Canada. There are opportunities to support this effort through investments and scaling of existing programs such as the Sectoral Workforce Solutions Program which could provide micro-credentialing and training opportunities.
3. Enabling Retention of Talent
 - a) By exploring the implementation of a tax credit for workers in the care economy, inclusive of workers in the community services sector.
 - b) By reducing the precarity of employment in the sector through stable, longer term funding agreements between the federal government and funded delivery partners, without delays between agreements.
4. Evaluating Progress
 - a) This should include collecting and analyzing data about demographic shifts, service demand and the sector's workforce capacity to enable adaptive service planning to support communities today and into the future.
5. Acting on Imagine Canada's pre-budget priorities for the charitable and non-profit sector.
6. Implementing an annual Nonprofit Day of Appreciation in late May in to officially recognize Canada's 170,000 non-profit organizations.

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

7. Housing and homelessness:

The United Way Centraide network has identified housing and homelessness as a top concern in their communities. Our network believes that community members require adequate, suitable, and affordable housing options such as community housing, purpose-built rentals and affordable homeownership options that meet their needs across the housing continuum. Many people also require support and assistance with the transition out of emergency shelters into supportive and permanent housing.

The nonprofit and community housing sectors are essential partners in building and maintaining the right mix of housing for everyone in our communities. Federal funding should be accessible to the nonprofit and community housing sectors with flexibility that enables them to maximize their contributions to the housing ecosystem. The services and supports that UWC invest in are essential to the success of residents of nonprofit and community housing. With deep knowledge of communities, nonprofit and community housing providers, UWC and partners can collaborate with the federal government to identify housing and service needs to build strong neighbourhoods and create thriving communities. We recommend Budget 2024 invest in enhanced housing stability for low- and moderate-income people by:

- a) Advancing Indigenous housing rights by fully implementing the Urban, Rural and Northern Indigenous Housing Strategy.
- b) Securing existing affordable rental homes through an accelerated and sector-led Canada Rental Protection Fund.
- c) Protecting over 400,000 low-income households by making the Federal Community Housing Initiative permanent, beyond 2028, along with similar provincial commitments where needed.
- d) Sustaining investments in Reaching Home to prevent and eliminate homelessness.
- e) Investing in up-front, low-barrier pre-construction funding for non-profit and co-operative housing developments.
- f) Creating targeted capital investments and funding programs for rural and remote communities.
- g) Sustaining funding for an expanded cost-shared Canada Housing Benefit with the provinces and territories.

8. Income Security

- a) Enhance 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.ⁱ

9. Care Economy

- a) Enhance investment in the early learning and childcare sector to improve wages and benefits to support recruitment and retention.
- b) Establish a National Care Economy Commission—as recommended by the House of Commons Standing Committee on the Status of Women.

Leverage 211 community navigation services to support federal priorities:

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 referrals and service planning through the new Youth Mental Health Fund and emergency response and management efforts 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 pathways to employment and greater overall 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.

10. We propose government leverage 211 as ready to go social infrastructure to:

- a) Support streamlined referrals and service planning for the roll out of the Youth Mental Health Fund announced in Budget 2024.
- b) Increase federal and provincial benefit uptake among vulnerable communities.
- c) Support seniors in accessing government and community services and programs to help them age in place in their homes and communities.

Conclusion

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

¹ Inter-provincial EI Working Group. 2021 HUMA Committee Submission.