

**Professional Institute
of the Public Service of Canada
(PIPSC)**



***Pre-Budget Consultation Submission in
Advance of the 2021 Budget***

February 2021

Recommendation 1: Build an equitable and sustainable national recovery plan

Recommendation 2: Invest confidently in the public service

Recommendation 3: Protect workers as the country reopens

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Introduction

The Professional Institute of the Public Service of Canada (PIPSC) represents approximately 60,000 public sector professionals across the country, most of them employed by the federal government. Our members make vital contributions to Canada and Canadians every day. We submitted a portion of this brief in August 2020 as part of the original consultation process. We added the last two recommendations in February 2021.

PIPSC is committed to fostering equity, diversity, and inclusion (EDI) in the public sector and society more broadly. Conducting a Gender Based Analysis (GBA) using the framework outlined in Gender Based Analysis Plus (GBA+) centres EDI considerations throughout the consultation process.

Recommendation 1: Build an equitable and sustainable national recovery plan

2020 will be remembered as a critical moment in history. Policy makers will be scrutinized for how they dealt with the immediate threats of the health crisis as well as for the decisions made once the imminent risks diminished. The impact of public policy decisions made in the next few years will be felt for generations. Success means protecting peoples' health today and their livelihood tomorrow while also addressing structural inequity and ecological imperatives. When the crisis ends, we want Canada to be better than it was before. We need an ambitious plan to get us there.

The scale of the problem is massive and the response so far has been commensurate. We should be proud of efforts to date but we cannot rest on our laurels. We cannot cut spending when investment is needed, ignore the imminent threats of climate change nor can we ignore the faults in society exposed as a result of the crisis.

Recovery requires investment

Large parts of the economy were shut down to prevent the spread of coronavirus, the recovery phase will not be seamless. There must be a commitment of prolonged stimulus and continued income support for workers in affected industries. Low interest rates and low levels of federal debt means the government can spend without a practical limit when determining solutions. We

can and should respond with a comprehensive strategy on the same scale as the Marshall Plan that guided reconstruction efforts after World War II.¹

Recovery must be sustainable

In spite of the acute problems of COVID-19 we must not forget the looming dangers of climate change. Given the convergence of these two crises, mobilization efforts designed to respond to the economic downturn must also strive to reduce greenhouse gas emissions. Investment in infrastructure is critical to the recovery, these resources must be directed towards projects that accelerate the transition to a more sustainable and decarbonized future.

Recovery must be equitable

The negative impacts of the crisis have not been felt evenly. Whether it's health threats or economic uncertainty, women and racialized workers have suffered disproportionately.² These historically marginalized groups also face more imminent risk in front-line industries such as long term care, childcare and education, migrant labour and retail work. Systemic discrimination is not new but now it's out in the open and lives are on the line. Active steps need to be taken to correct this injustice and properly value healthcare, care work, essential services and lift up living standards for all low-wage workers.

We stand with workers and civil society organizations demanding that we learn from these harsh lessons. The old normal is no longer an option. Canadians expect a future that is more fair, equitable and sustainable. The Canadian Centre for Policy Alternatives Recovery Plan and the Canadian Labour Congress Vision for Economic Recovery provide detailed blueprints for how we should proceed.

The pandemic is gendered. Women were more likely than men to lose their jobs as feminized sectors like education and service work were shut down. Couple this with the fact that the vast majority of frontline healthcare workers are women and the pandemic shines new light on the depth of gender inequality in Canada.

¹ Stanford, *We're going to need a Marshall Plan*, Policy Options, April 2, 2020: <https://policyoptions.irpp.org/magazines/april-2020/were-going-to-need-a-marshall-plan-to-rebuild-after-covid-19/>

² CCPA, *Alternative Federal Budget Recovery Plan*, July 2020: <https://www.policyalternatives.ca/publications/reports/alternative-federal-budget-recovery-plan>

Recommendation 2: Invest confidently in the public service

When COVID-19 hit, Canada's public service was ready. We built the systems to get millions of Canadians the money they desperately needed. Our members worked miracles to get PPE to those who needed it. We built the technical infrastructure to allow public servants to work safely from home. Our scientists pivoted to important research to find a cure for COVID-19.

When markets failed, the public service was there. The crisis has proven that Canadians benefit from having a strong, efficient and professional public service. Now is the time to confidently invest in the future. The vital programs that save lives, protect the environment and grow our economy must remain in the hands of our non-partisan public service.

Leading-edge people

Public service professionals are assets to the Canadian public. They are skilled experts who devote their working lives to advancing the public good. Canadians get the most out of this investment when the government cultivates an environment of continual career development and training. As artificial intelligence seeps into government operations and technological innovation speeds up, so too must investment in human capital.

We can't afford another Phoenix pay system disaster. Outsourcing important government projects to the private sector not only increases costs, but it also puts Canadians' safety at risk. Public servants have and always will put Canadians first.

Outsourcing in the federal government has important implications for equity. We know the majority of temporary help workers, or temps, are women. By and large, temps fill precarious low-paying positions and are not protected by collective agreements.³ At the same time, billions of dollars in lucrative IT contracts are doled out to the historically male-dominated tech sector.^{4 5}

³ Stecy-Hildebrandt, et al. (2019), "Bad" Jobs in a "Good" Sector:
<https://journals.sagepub.com/doi/abs/10.1177/0950017018758217>

⁴ Brookfield Institute, Who are Canada's Tech Workers?, January 2019:
<https://brookfieldinstitute.ca/wp-content/uploads/FINAL-Tech-Workers-ONLINE.pdf>

⁵ The federal government spent \$11.9 billion on personnel outsourcing between 2011 and 2018, \$8.5 billion (71%) was spent on IT consultants:
<https://pipsc.ca/news-issues/outsourcing/part-one-real-cost-outsourcing>.

Integrity, evidence and expert advice

Canadians deserve a government that makes transparent decisions using the best information available. Un-muzzling scientists and listening to public service professionals ensures policies are evidence-based and guided by objective standards. Independent review and whistleblower protections provide additional layers of accountability. Respecting non-partisan, public-interest expertise is critical to ensuring effective public policies.

Protecting scientific integrity is especially important to fostering equity in public science. Traditional approaches to un-muzzling focus on censorship broadly but do not recognize additional barriers. In reality, scientific muffling is experienced as a double or triple bind when a scientist is also marginalized by systems of oppression like racism, homophobia, ableism, and sexism.

Public science

Innovation, research and development is a critical function of the public service. Public research, mandated by the federal government on water, air, food safety and public health, to name a few, has the ability to innovate and positively impact Canadians more than research driven by commercial interests.

Regulations and policies that protect Canadians

Strong regulatory systems protect Canadians while supporting economic growth. These systems ensure we have safe food, medications, industrial standards, transportation systems, robust public health authorities and adequate rules governing financial services. Corporations cannot be trusted to self-regulate when higher standards may impact their bottom line. The Government of Canada is trustworthy because it is accountable to the public and makes evidence-based decisions in the public interest, not in the interest of shareholders.

Tax fairness

A fair tax system is essential to a healthy economy. It acts as both an economic engine and a social equalizer. The integrity of the tax system should never be called into question. Tax laws need to be enforced equitably so wealthy individuals and powerful corporations are just as accountable as middle-class Canadians. Paying for the economic recovery will require a fair tax system that closes loopholes and punishes tax cheats.

Recommendation 3: Protect workers as the country reopens

Canada continues to move into the recovery phase of the crisis. Restrictions are being lifted and glimpses of normalcy are beginning to reappear. While we should be thankful that containment efforts have been effective so far, we must remain cautious. We must also acknowledge that different groups are facing different challenges. We need to move slowly, protect people and pull everyone up along the way.

Childcare

Across the country, working parents – especially women – have been forced to choose between their careers and taking care of their children. When the crisis took hold, childcare options disappeared and women picked up the slack. Since the start of the pandemic, participation of women in the labour force has been set back nearly three decades.⁶ The longer we go without childcare options, the harder it is for caregivers to reintegrate back into the workforce.⁷ We need safe and reliable childcare spots that workers can access now as well as safe and open public schools.

Women are more likely than men to take on the bulk of child care responsibilities. Access to safe and reliable childcare and quality public schools is a critical foundation of gender equity.

Modernize work-from-home arrangements

The need for distance has sped up a paradigm shift away from traditional workplaces. More people are working remotely than ever before. This change is welcome to some and problematic for others. For workers, it raises questions of preference, safety, childcare, privacy and cost burden. For employers, some may be attracted to remote work to save money, while others cling to a traditional office model unnecessarily. The natural experiment created by the lockdown represents an opportunity to modernize practices and create an updated set of national standards.

⁶ RBC Economics, *Pandemic Threatens Decades of Women's Labour Force Gains*, July 2020: <https://thoughtleadership.rbc.com/pandemic-threatens-decades-of-womens-labour-force-gains/>

⁷ Scott, "Needed now: A feminist recovery plan," CCPA, June 11, 2020: <http://behindthenumbers.ca/2020/06/11/needed-now-a-feminist-recovery-plan/>

Since the onset of the pandemic, we have seen a global spike in domestic violence. Canadians are not immune to this ongoing shadow pandemic. For many, and especially women, working from home poses additional risks. The process for modernizing work from home should include a robust set of practices for safe remote work.

Slow, safe and equitable return to worksites

As employers begin to ease restrictions and gradually reopen worksites, fairness and the precautionary principle must guide how these transitions unfold.

Workers have proven they can adapt and produce at a high level regardless of where they work. The return to employer worksites must be voluntary wherever possible. Those who prefer working at home, should be given the option to do so.

For people who prefer working away from home or those who don't have the option, employers must take every precaution. Superior health and safety measures must be sustained for the foreseeable future, such as:

- maintaining physical distance;
- providing personal protective equipment and non-medical masks;
- elevating sanitation of work stations, common spaces, bathrooms and kitchens;
- upgrading and monitoring ventilation systems when necessary;
- setting up tracking and notification systems;
- empowering employees, as a failsafe, to refuse work in unsafe situations.

Accommodations must be made for workers with health conditions that make them vulnerable to COVID as well as for those caring for dependents at high risk.

Regardless of where people are working from, they must have access to flexible and adaptable forms of leave that allows them to balance work and family. In the federal public service, access to leave code 699 has proven to be a successful and cost effective way to keep people working while they juggle childcare responsibilities or the other unique complexities of the crisis. These arrangements should be expanded for all workers.

Persons with disabilities may be negatively impacted by the transition to remote work if they do not have accessible, adapted, or functional home work spaces. A safe return to work must actively consider how accessibility needs have changed post-pandemic and continue to work alongside persons with disabilities to ensure an equitable return to work.

Recommendation 4: \$750 million grant for NAV CANADA in each of the next two years

PIPSC represents 475 engineers and information technology specialists at NAV CANADA. Thanks to them, the Canadian Automated Air Traffic Management System is one of the most advanced and integrated flight data processing systems in the world.

The company is losing millions of dollars every day because of the dramatic drop in air traffic over the past year. The federal government must take immediate and decisive action to keep the company in business, protect the safety of air travel in Canada, and protect the jobs of the people who ensure that safety.

Since the fall, PIPSC members have faced multiple rounds of layoff notifications. Cuts to personnel and the closure of facilities is the wrong course of action.

We have several concerns regarding the impact of cuts on air safety and the long-term health of NAV CANADA:

- Reductions in services and personnel have resulted in Canadians expressing safety concerns about air travel.
- Remote and northern areas are heavily dependent on air traffic for many aspects of their daily lives – food, supplies, medical care and travel in and out of their communities. They cannot be left without this critical access.
- Some NAV CANADA facilities have been or are scheduled to be closed across Canada. Many more are under review.
- Gender equality and diversity have suffered as a result of the layoffs

The government must immediately support the company by providing it with emergency funding to get through this crisis. A grant of \$750 million for each of the next 2 years would preserve and restore its work force and allow it to deliver its key services. The grant must be accompanied by a moratorium on layoffs. The skills, expertise and experience that have kept our skies safe must be retained. Finally, every effort must be made to rehire former employees once the air travel industry resumes normal activities. Such specialized staff cannot be recruited and trained overnight.

Air traffic management is a male-dominated environment, these lay offs could set back progress made by women in non-traditional roles within the aviation sector.

Recommendation 5: Correct inequality with tax fairness

Canada's top priority continues to be stopping the spread of COVID-19 alongside the ongoing vaccine rollout. As these efforts progress over 2021, the country will shift focus to the recovery. While the crisis has impacted everyone, the most destructive effects, both health and financial, have been felt by some demographic groups more than others. Because of this, the rebuilding efforts must reflect lessons learned. We cannot simply strive to return to the status quo, we must correct the deep inequality that has been exposed. A rigorous examination of the tax system will be critical to ensure there is a legacy of positive and meaningful change – allowing those who have profited from the crisis to lift up those who have been harmed.

About 80% of COVID-19-related deaths have been older Canadians in long-term care facilities⁸. Of those, the track record of private, for-profit providers has been markedly worse than publicly run alternatives⁹. Action will need to be taken at the federal level to raise standards across the country. This will require investment over and above pre-crisis levels.

The negative financial effects of the crisis have been felt predominantly by low-wage workers who are disproportionately young, racialized and female¹⁰. Extended periods of stimulus spending, additional training and enhanced supports will be required to offset the damaging effects of this disruption.

Over the last ten years, the wealth of Canada's billionaires has more than doubled. Canada's 44 richest individuals grew their fortunes by more than \$50 billion over the course of 2020 alone¹¹. As Amazon and the other tech giants cash in on the crisis, independent businesses face growing anxiety about the future. As the second wave of the virus swept over the country this fall, Loblaws paid out bigger dividends to shareholders, Chairmen Galen Weston grew his

⁸ Webster, Paul, (2021) COVID-19 highlights Canada's care home crisis. The Lancet (January 2021) [https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(21\)00083-0/fulltext](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(21)00083-0/fulltext)

⁹ Stamatopoulos & Mehra, Keeping private long-term care would be a deadly mistake, Toronto Star (February 10, 2021) <https://www.thestar.com/opinion/contributors/2021/02/10/not-ending-long-term-care-would-be-a-deadly-mistake.html>

¹⁰ Block, Sheila, *Racialized and Indigenous workers are bearing the brunt of pandemic job loss*, Canadian Centre for Policy Alternatives (January 2021) <https://behindthenumbers.ca/2021/01/14/racialized-and-indigenous-workers-pandemic-job-loss/>

¹¹ Sanger and Beauchesne, It's Time to Tax Extreme Wealth Inequality, Canadians for Tax Fairness (November 2020) https://www.taxfairness.ca/sites/default/files/resource/canadian_for_tax_fairness_-_billionaires_report_2020_final.pdf

personal fortune by \$1.7 billion¹², yet the company refused to reinstate “hero pay” to boost the salaries of frontline workers who put themselves at risk every time they go to work¹³.

The green shoots of a post-COVID world will emerge in 2021. The recovery period that follows will serve as an opportunity to correct injustices and rebuild as a more fair and compassionate society. One of the government's first orders of business must be upgrading the tax system to: ensure the super-wealthy pay their fair share, close unjust tax loopholes and prevent multinational corporations from hiding profits in tax havens.

Canada's richest 44 billionaires are all men and almost all of them are white. The negative impacts of the crisis have been felt disproportionately by poor, racialized and female workers.

¹² Sanger and Beauchesne, It's Time to Tax Extreme Wealth Inequality, Canadians for Tax Fairness (November 2020) https://www.taxfairness.ca/sites/default/files/resource/canadian_for_tax_fairness_-_billionaires_report_2020_final.pdf

¹³ Josh Rubin, Loblaw raises shareholders dividend but won't be reinstating 'hero pay' to front-line workers. Toronto Star (November 12, 2020) <https://www.thestar.com/business/2020/11/12/loblaw-raises-shareholders-dividend-but-wont-reinstating-hero-pay-to-front-line-workers.html>