

**Written submission for the pre-budget  
consultations in advance of the upcoming Federal  
Budget**



**QUAKERS**

**Canadian Friends  
Service Committee**

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[QuakerService.ca](http://QuakerService.ca)

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## Summary of recommendations

### Recommendation 1

- 1.a) Reconsider spending cuts to Global Affairs Canada, increase diplomatic capacity, and strengthen Canadian peacebuilding infrastructure.
- 1.b) Expand traditional concepts of 'security,' by considering the range of activities that permits peacekeeping, infrastructure, and humanitarian expenditures to be defence commitments.
- 1.c) Cancel the purchase of the F-35 fighter jets.
- 1.d) Develop a federal civilian force that expands disaster relief capacity.
- 1.e) Establish a non-partisan training program for MPs in compassionate communication and conflict resolution.

### Recommendation 2

- 2.a) Invest at least \$30 million for advancing rights-based discussions with rights-holders to ensure Indigenous Peoples can fully participate in consultation and cooperation processes.
- 2.b) As mandated in Shared Priority 19, establish a properly funded, independent, and permanent Indigenous Peoples' human rights monitoring mechanism in consultation and cooperation with Indigenous Peoples.
- 2.c) Reverse programmed cuts to ISC and CIRNAC.
- 2.d) Reintroduce Bill C-61, *An Act respecting water, source water, drinking water, wastewater, and related infrastructure on First Nations lands*.
- 2.d) Plan and develop a strategy for the adoption and full implementation of the *UN Declaration Act* across all jurisdictions in Canada.

### Recommendation 3

- 3.a) Adopt federal legislation on a Guaranteed Basic Livable Income and allocate \$100 million for a federal-provincial GLBI demonstration project in Prince Edward Island.
- 3.b) Reallocate or match a minimum of 5% of criminal justice spending to social supports.
- 3.c) Increase funding (from 2025 levels) to Correctional Interventions and in particular Community Supervision.
- 3.d) Direct one third of the CSC budget to Indigenous-led justice approaches and restorative justice.

3.e) Include the right to be informed about restorative justice programs in the *Canadian Victims Bill of Rights*.

## Introduction

Canadian Friends Service Committee (CFSC) is the peace and social justice agency of the Religious Society of Friends (Quakers).

CFSC appreciates the opportunity to provide recommendations to the Standing Committee on Finance in advance of the 2026 federal Budget. Our expectation of the budget is a respect for public dollars that realigns priorities and invests in societal resilience.

Through smart, evidence-based policies and close collaboration between government and civil society, Canada can promote both domestic wellbeing and global peace. A cohesive and resilient society is what creates security. These priorities are not in conflict with fiscal responsibility—they are pathways to smarter, more cost-effective governance.

## Peace

Canada's traditional identity as a peacekeeper and diplomat has shifted toward weapons spending, while critical diplomatic and development infrastructure faces significant cuts. Prime Minister Carney's recent speeches emphasized building a strategic economy and reducing reliance on the US, positioning Canada to unite middle powers. The disconnect between these messages and actual budget decisions reveals a troubling reorientation—from a foreign policy focus on peace and development to self-interested trade and military power.<sup>1</sup>

Diplomacy, development, and military spending are connected foreign policy instruments and should grow proportionally. Yet Budget 2025 reflected an imbalanced approach: \$3.8 billion in official development assistance cuts—including elimination of the International Climate Finance Initiative (in a time of climate crisis) and \$862 million in international development cuts—alongside exorbitant military spending increases. Canada's ambiguous stance during the February Iran crisis demonstrated that rhetoric about "uniting with others" prioritizes economic strategy over commitment to international law and human rights.

Funding cuts at Global Affairs Canada (GAC) undermine capacity for the relationship-building essential to trade, development, and defence partnerships. Of concern is that due to staffing issues, the government outsources work to contractors that place a 35% mark-up; this despite knowing that every dollar invested in the public service returns \$1.77 back into the Canadian economy.<sup>2</sup> This is a clear place where savings could be made. The 15% cut across all federal departments signals a diversion of public funds to military spending—largely going to a small number of military contractors and arms dealers—a clear case of socializing risks while privatizing benefits.

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<sup>1</sup> Macdonald, David. (2026, April 20). *The end of Pearson's dream: The devastating impact of federal cuts on international aid*. Canadian Centre for Policy Alternatives. Accessed: <https://www.policyalternatives.ca/news-research/the-end-of-pearseons-dream-the-devastating-impact-of-federal-cuts-on-international-aid/>.

<sup>2</sup> Koca, Irem. (2026, April 27). 'A growing gap between funding and outcomes', says defence union as feds push to spend billions in defence procurement. *The Hill Times*.

In the spring economic update, the government introduced the idea of “alternative models of ownership”—privatisation—of airports and ports, citing global examples of successes. To be clear, the privatisation of public infrastructure in the UK (their water<sup>3</sup> and transport) for example, has led to higher service costs and poorer quality, not a model to emulate. Such privatisation, if being seriously considered, should be removed from the upcoming budget.

Critically, traditional security concepts must expand beyond military frameworks. Canada faces immediate, tangible threats requiring new solutions. Wildfires now happen for nine months annually; spring flooding affects Ontario and Quebec yearly; western droughts persist; and the Arctic warms four times faster than global averages. These climate-driven crises demand specialized federal responses: firefighter aircraft, expanded Indigenous Guardian Programs, and civilian disaster relief capacity. Northern and rural communities struggle with inadequate infrastructure—transportation, communication, and clean water access—particularly affecting Indigenous and Inuit communities. These represent genuine sovereignty challenges that a military solution cannot address.

Ensuring that more than 1.5% of the NATO spending target includes building helpful infrastructure and institutions like a federal civilian force focused on prevention, wildfire management, flooding, and infrastructure repair would promote societal resilience. This approach protects Canadians while positioning Canada as a solution-provider for allies.

Additionally, strengthening Parliamentary collaboration through conflict resolution training—inspired by successful programs like the UK’s Mindfulness Initiative and the US Field Fellowship—can renew Canada’s diplomatic reputation. MPs require stronger compassionate conflict skills to model constructive engagement amid rising polarization and misinformation.

Canada’s security depends not on abandoning alliances, but on recognizing that modern threats demand integrated approaches. True security rests on diplomatic capacity, climate resilience, and community infrastructure.

## **Indigenous Peoples’ human rights**

We acknowledge the government’s commitment to work in partnership with Indigenous Peoples and the right of free, prior, and informed consent (FPIC). Budget 2025’s \$10.1 million allocation over three years for Indigenous consultations on major projects represents a positive recognition that meaningful consultation and cooperation requires investment. However, the Assembly of First Nations suggests a minimum of \$30 million over five years is necessary to enable enhanced participation aligned with FPIC as affirmed in the *UN Declaration on the Rights of Indigenous Peoples*.<sup>4</sup> Spending that supports rights-based decision-making prevents costly future litigation and Charter challenges, making it a fiscally prudent investment.

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<sup>3</sup> Jack, Simon. (2024, Oct 26). *‘The water industry is in crisis. Can it be fixed?’*. BBC. Accessed: <https://www.bbc.com/news/articles/c0qdev4vyl5o>

<sup>4</sup> Assembly of First Nations. (2025, August 25). *National Chief calls for accelerated action on implementing the UN Declaration Act following release of federal Report*. AFN. Retrieved: <https://afn.ca/all-news/bulletins/national-chief-calls-for-accelerated-action-on-implementing-the-un-declaration-act-following-release-of-federal-report/>

Necessary structures to support effective implementation of the *UN Declaration Act* are urgently needed, particularly monitoring, oversight, and accountability mechanisms. Canada's *Action Plan* mandates the creation of an Indigenous Peoples' human rights monitoring mechanism (Shared Priority 19), which must be Indigenous-led and properly funded. The Action Plan Advisory Committee (Shared Priority 22), while positive, should not be confused with this accountability mechanism. An Indigenous Peoples-based approach ensuring consultation and cooperation regarding implementation is crucial.

The government's across-the-board 15% budget cuts over three years represent a troubling double standard. While correctly exempting provincial transfer payments essential to public services, applying cuts to Indigenous Services Canada (ISC) and Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) signal a move away from reconciliation.<sup>5</sup> CFSC is deeply disappointed by these setbacks and urges their reversal, emphasising that sustained funding for ISC and CIRNAC constitutes essential services. Indigenous organizations estimated that more than \$425 billion is needed to close the infrastructure gap in Indigenous communities by 2030,<sup>6</sup> making greater spending, not cuts, essential.

With \$2.3 billion allocated to strengthening First Nations' clean water access, the government should revive Bill C-61, *An Act respecting water, source water, drinking water, wastewater, and related infrastructure on First Nations lands*. Such legislation would guarantee legally enforceable safe drinking water protections for First Nations similar to provincial standards. The January 2026 sewage contamination and water system failures forcing Kashechewan First Nation to declare a state of emergency demonstrate why legislative protections requiring rapid government response are necessary.

Lastly, provincial and territorial legislative adoption of the *UN Declaration* across Canada is important for implementation and reconciliation. The federal government must develop a strategy, in consultation with provincial, territorial, and Indigenous Peoples counterparts, to achieve adoption in all Canadian jurisdictions.

## Transformative justice

Poverty and marginalisation are some of the strongest predictors of incarceration, and the current "tough on crime" policies are costly and ineffective. With 70% of people on remand in the provincial systems and essential programming being cut through the Comprehensive Expenditure Review, investment in alternatives and prevention is urgently needed.

CFSC encourages passage of Bill S-206, a *National Framework for a Guaranteed Livable Basic Income Act*. Additionally, the federal budget should allocate \$100 million to launch a five-to-seven-year demonstration project in Prince Edward Island as outlined in the *PEI Basic Income Report*.<sup>7</sup> A GLBI would be transformational in preventing incarceration and supporting

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<sup>5</sup> Levesque, Anne. (2025, July 22). *Carney government cuts unfairly hit First Nations*. Policy Options. Accessed: <https://policyoptions.irpp.org/magazines/july-2025/budget-cuts-first-nations/>

<sup>6</sup> Spear Chief-Morris, J. (2025, October 23). *Indigenous leaders skeptical federal budget will deliver on 2030 infrastructure promise*. CBC. Retrieved: <https://www.cbc.ca/news/indigenous/federal-budget-indigenous-infrastructure-9.6948675>

<sup>7</sup> PEI basic income report. Accessed: <https://www.gbireport.ca/>

successful reintegration, as income and housing are critical barriers to re-entry, with 85.5% of formerly homeless incarcerated people anticipating homelessness upon discharge.<sup>8</sup>

The government's increased defence spending comes at the cost of social programs, ironically making Canadians *less* safe. Research shows that increased expenditures on housing, employment, recreation, and community services could reduce violent crime by 50%.<sup>9</sup>

Cuts to Correctional Services Canada (CSC) threaten crucial social and educational programs for incarcerated people. CFSC advocates for reducing incarceration through bail supervision, increased parole, expanded community sentences, and Indigenous-led justice. Incarceration costs an average of \$150,505 (men) and \$259,645 (women) annually,<sup>10</sup> compared to \$38,418 for community support—a 74.5%<sup>11</sup> savings. Continuing provincial health insurance for incarcerated people could save \$20 million yearly, funds that could resource the *Federal Framework to Reduce Recidivism* (FFRR), an important framework that has remained without a budget for implementation.

Indigenous Peoples represent 5% of Canada's population but 33% of federal prisoners, while half of all women in federal prisons are Indigenous. At the UN Permanent Forum on Indigenous Issues, a coalition of Indigenous organizations called for \$1 billion in funding for decarceration consistent with the *UN Declaration Act*. Inadequate funding limits access to legal provisions allowing Indigenous people to served sentences in their communities.<sup>12</sup> \$1 billion of CSC's budget should be redirected toward Indigenous governments and organizations.

Finally, there should be expanded restorative justice pathways as alternatives to incarceration. Bill S-236 should be passed to amend the *Victims Bill of Rights* to include the right to be informed about restorative justice programs. Evidence from Atlantic Canada demonstrates that these approaches reduce recidivism, youth incarceration, and address root causes of crime, while benefiting both those harmed and those who cause harm.<sup>13</sup>

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<sup>8</sup> Government of Canada. (2021, November 5). *Ex-prisoner Helps Forge New Path for Others at Risk of Homelessness*. National Housing Strategy. Accessed: <https://www.placetocallhome.ca/stories/083-from-prison-to-homelessness-ending-a-perilous-trajectory>

<sup>9</sup> Waller, Irvin. (2019). *Science and Secrets of Ending Violent Crime*. Rowan and Littlefield.

<sup>10</sup> Statista (2024, September). *Average daily inmate expenditures for adult federal, provincial and territorial correctional services in Canada in fiscal years 2001 to 2022*. Accessed: <https://www.statista.com/statistics/563028/average-annual-inmate-federal-correctional-services-canada/>

<sup>11</sup> Hunt, Lindsay and Ridd, Karen (2025, November). *Following the Money: Cui Bono report-An analysis of who profits from Canadian federal carceral institutions*. Canadian Friends Service Committee. Pg 14.

<sup>12</sup> Perreault, N. (2026, April 22). *Indigenous Coalition urges Canada to fund Indigenous -led justice and end mass incarceration*. Net News Ledger. Accessed: <https://prisonjustice.org/news-release-united-nations-permanent-forum-on-indigenous-issues-indigenous-governments-organizations-and-legal-aid-clinic-rebuke-canada-for-mass-incarceration-of-indigenous-peoples-call-for-fun/>

<sup>13</sup> Canadian Friends Service Committee. (2029). *Alternative to prisons factsheet*. Accessed: <https://QuakerService.ca/AlternativesToPrison>