

Written Submission for the Pre-Budget Consultations in Advance of the Upcoming Federal Budget

UNICEF Canada
August 2025

KEY RECOMMENDATIONS

1. **Demonstrate global leadership by establishing a National Strategy for Children & Youth, supported by a \$11 million investment over three years.**
 2. **Include child budget reporting in Budget Impacts Reports and require Child Rights Impact Assessments in Memoranda to Cabinet (MC), Budget requests and Treasury Board (TB) submissions.**
 3. **Ensure every child has access to healthy food every school day by enshrining the National School Food Program into law, maintaining the \$1 billion commitment over five years from Budget 2024, and supporting continued future investments, including through the School Food Infrastructure Fund.**
 4. **Introduce a low-income supplement to the Canada Child Benefit, supported by a \$5.2 billion annual investment, to lift every child out of poverty.**
 5. **Commit \$5 billion over 10 years to expand the Youth Mental Health Fund to include children under 12.**
 6. **Safeguard Canada's Official Development Assistance (ODA) Budget, at no less than \$10.6 billion for the 2025-26 fiscal year, ensuring sustained support to the world's most vulnerable children.**
 7. **Make a transformative impact for children by investing \$450 million over 5 years in new global nutrition funding.**
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AN INVESTMENT IN THE FUTURE

A nation's resilience depends on the well-being of its youngest generations. For 25 years, UNICEF has taken stock of the state of children in Canada through its Report Card series. In its latest edition, [Report Card 19](#), Canada ranked 19th out of 36 countries on children's well-being – far below the top tier expected of one of the world's wealthiest nations. Over the past two decades, Canada's progress on key indicators of child well-being including mental and physical health, development, safety, and happiness, has largely stalled. Between 2010 and 2022, the overall life satisfaction of children in Canada decreased seven percentage points. At a time where children and their families face an increasingly complex web of challenges, including economic volatility and rising costs, targeted public policies and investments are needed more than ever to protect them.

Beyond Canada, children around the world continue to face significant challenges. Despite decades of progress, malnutrition still affects millions, denying children the opportunity to grow and learn. In complex humanitarian crises, including Gaza, Sudan, and Haiti among others, it is children who pay the highest price, and where Canada's voice and resources are most needed.

The Fall 2025 Budget presents a critical opportunity to change course. In a climate of geopolitical and economic uncertainty, a steadfast and unwavering commitment to children's rights must be upheld at home and abroad. Meaningful progress requires an economy that serves everyone, especially the most vulnerable. Investments in children will yield returns for years to come. Prioritizing their needs ensures that communities flourish, countries prosper, and a future of opportunity becomes possible for every child. A strong Canada depends on it.

FOR CHILDREN IN CANADA

CHILDREN'S RIGHTS

Recommendation 1: Demonstrate global leadership by establishing a National Strategy for Children & Youth, supported by a \$11 million investment over three years.

Children and youth require a holistic strategy that addresses their unique needs. This is an essential step towards Canada fulfilling its obligations under the UN Convention on the Rights of the Child. Children are too often overlooked in government decision-making, despite representing nearly one-fifth of Canada's population.

A National Strategy for Children and Youth would help the federal government ensure that the interests of children and families are consistently prioritized across the many federal departments that affect them, fostering stronger laws, policies and services that are responsive to families and children. This strategy should be co-developed with children, youth, Indigenous communities, and civil society; address systemic inequities; outline measurable targets and timelines; and include a permanent secretariat within the federal government. An investment of \$11 million over three years will support strategy development, policy design, stakeholder engagement, secretariat and operations, and monitoring & evaluation.

Recommendation 2: Include child budget reporting in Budget Impacts Reports and require Child Rights Impact Assessments in Memoranda to Cabinet (MC), Budget requests and Treasury Board (TB) submissions.

Canada is party to the United Nations Convention on the Rights of the Child, with the obligation to make children a budget priority with the 'first call' on public resources. In 2022, the UN Committee on the Rights of the Child asked Canada to clearly track allocations to children as a basis for determining the adequacy of the budget and to understand whether Canada is fulfilling its obligations to children. Federal budgets in Canada have begun to identify which allocations are intended to benefit different groups of people in the *Statement and Impacts Report on Gender, Diversity and Quality of Life*, but does not distinguish children's specific rights and needs. [UNICEF's Public Finance for Children Toolkit](#) provides guidance for Child Public Expenditure Management (C-PEM), which would assist Canada in

implementing its obligations, as would requiring the application of the Department of Justice Child Rights Impact Assessment in all budget requests from federal departments and agencies.

SOCIAL PROTECTION AND AFFORDABILITY

Recommendation 3: Ensure every child has access to healthy food every school day by enshrining the National School Food Program into law, maintaining the \$1 billion commitment over five years from Budget 2024, and supporting continued future investments, including through the School Food Infrastructure Fund.

One in three children in Canada faces food insecurity. As the cost-of-living increases, it is increasingly difficult for parents and caregivers to purchase nutritious food. Investments in childhood nutrition have been shown to improve children's learning and development, reduce long-term healthcare costs and is a strategic investment in Canada's future workforce. Universal school meals have been shown to provide a 2.5x - 7x return in human health and economic benefits in high-income countries (Lundborg et al., 2022; The Rockefeller Foundation, 2021).

The National School Food Program is a safety net that families can rely on in times of economic uncertainty. Making it permanent through legislation is essential to building an equitable, resilient Canada. Until 2024, Canada was the only G7 country and one of the only OECD countries without a country-wide approach to school food programs. Future-proofing recent progress in legislation and maintaining investments will ensure long-term program stability and support a range of positive child outcomes of national interest, including physical and mental health and readiness to learn at school.

Recommendation 4: Introduce a low-income supplement to the Canada Child Benefit, supported by a \$5.2 billion annual investment, to lift every child out of poverty.

A strong and more resilient Canada begins with ensuring that all children can grow up free from poverty. OECD modelling estimates that childhood socio-economic disadvantage results in lost employment and earnings, and poorer health outcomes, costing Canada the equivalent of 2.7% GDP. A [2020 report by UNICEF and the Overseas Development Institute](#) found that universal child benefits are the most effective public policy to reduce child poverty. Income benefits improve children's overall well-being, health, and education. Children who grow up with this support are better equipped to

contribute to their communities and economies as adults, and their societies save long-term costs related to poorer health outcomes, low levels of education and engagement with the justice system.

Introducing a low-income supplement targeted at the most financially vulnerable families would ensure that all households with young children are brought above the poverty line. An investment of \$5.2 billion annually will provide a maximum of \$8,500 for the first child in a family earning less than \$19,000, with scaled reductions for each additional child. Costs should be offset by more quickly scaling back the benefit amount in the final phase out stage for families in the highest income bracket. This approach would help "bend the curve" of benefit distribution across income levels while preserving the universal and progressive principles of existing policies.

MENTAL HEALTH AND WELL-BEING

Recommendation 5: Commit \$5 billion over 10 years to expand the Youth Mental Health Fund to include children under 12.

According to [UNICEF's Report Card 19](#), one in five Canadian children face frequent bullying, and one in five are lonely. At a rate of 8.4 deaths per 100,000 youth, Canada has one of the highest adolescent suicide rates among peer countries. At the same time, overall life satisfaction among children in Canada has declined significantly in recent years.

While Canada's future is rooted in the well-being of its children and youth, health systems serving this community are facing unprecedented demands and delays. Many must wait months, if not years, for mental health services. Although the federal government has made commendable steps to bridge this gap through the Youth Mental Health Fund, current eligibility criteria unfortunately exclude children under the age of 12. This leaves younger children, who are in critical stages of emotional and cognitive development, without the support they need, while evidence shows that early intervention is most effective. For every \$1 invested in early mental health interventions, an average of \$32 in societal costs are saved (Farrington & Koegl, 2015). In addition, these interventions contribute to improved education outcomes, safer schools, and overall health and well-being for children and their families.

FOR CHILDREN AROUND THE WORLD

Recommendation 6: Safeguard Canada's Official Development Assistance (ODA) Budget, at no less than \$10.6 billion for the 2025-26 fiscal year, ensuring sustained support to the world's most vulnerable children.

In a time of rising global conflict, displacement, and food insecurity, children are especially vulnerable and pay the highest price. From Gaza to Haiti to Sudan, millions of children face malnutrition, disrupted education, maiming, exploitation and violence. Canada's international assistance programs play a vital role in delivering life-saving nutrition, protection, and health services to these children. Maintaining Official Development Assistance (ODA), an expression of Canada's values and global responsibility, at \$10.6 billion ensures Canada can uphold its global commitments and continue to reach children in crisis with dignity and care. This does not represent an increase but rather a safeguard – indexed for inflation at 2% – of Canada's global engagement at a time of heightened global instability.

Protecting ODA in the next budget will safeguard hard-won progress and affirm Canada's role as a principled, reliable partner to the world's most vulnerable and a steadfast provider of humanitarian assistance.

Recommendation 7: Make a transformative impact for children by investing \$450 million over 5 years in new global nutrition funding.

Malnutrition is a growing global crisis, exacerbated by conflict, climate shocks, and economic instability. As funding declines, including the recent dismantling of major U.S. nutrition programs, millions of children face life-threatening consequences. A bold Canadian investment of \$450 million over five years would help fill this urgent gap and help prevent 6.2 million child deaths and nearly one million stillbirths, while strengthening community health systems and scaling up cost-effective interventions like vitamin A supplementation, treatment for wasting, and breastfeeding support.

Canada has long been a leader in maternal and child health, gender equality, and human rights. Now is the time to renew that leadership. Malnutrition not only threatens individual lives, but it also undermines global stability, drives poverty, and weakens economies. Every dollar invested in nutrition

yields a 23-fold return, fueling gains in health, education, and resilience. With momentum still building after the recent Nutrition for Growth Summit, and as G7 President, Canada has a pivotal opportunity to lead. This investment would represent less than 0.1% of the global cost of malnutrition, but its impact on children's lives would be immeasurable.

ABOUT UNICEF CANADA

UNICEF stands for every child, everywhere. UNICEF is the world's farthest-reaching humanitarian organization for children. Across 150 countries and territories, and in the world's toughest places, we work day in and day out to defend children's human rights and a fair chance to fulfil their potential, guided by the 1989 Convention on the Rights of the Child.

We thank the Committee for considering our recommendations and would welcome the opportunity to appear before the Committee to elaborate further. **For more information, please contact:**

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