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

UNICEF Canada
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RECOMMENDATIONS

1. Strengthen Canadian food sovereignty by committing to an incremental year over year increase to the National School Food Program budget to achieve sustainability and universality, and by allocating $20 million to Buy Canadian in the School Food Program.
2. Reduce child poverty by introducing a low-income supplement to the Canada Child Benefit to address rising poverty rates and better support the most vulnerable families.
3. Improve access to child and youth mental health services by renewing a 10-year, $5-billion bilateral mental health investment, and applying a child budget lens to ensure dedicated, equitable funding for young people.
4. Protect children in low-income and fragile countries by establishing a core minimum of $5.5 billion per year for essential development programming and $962.7 million per year for humanitarian assistance within the ODA budget.
5. Prioritize child survival by protecting funding allocations to nutrition, immunization, polio and Maternal Newborn and Child Health (MNCH) as core pillars of Canada's global health engagement, and as part of an effective child survival continuum.

CHILDREN FIRST IN PUBLIC INVESTMENTS

Canada faces a generational challenge – one that requires generational investments for its youngest demographic. Children's well-being and national prosperity are mutually reinforcing, yet Canada is underperforming. In UNICEF's 2026 Report Card, Canada ranked 22nd out of 37 countries on children's well-being, far below expectations for one of the world's wealthiest nations. Over the past two decades, progress in key indicators, including mental and physical health, skills development, and life satisfaction, has largely stalled. At the same time, inequities persist as disparities in household income drive unequal outcomes in health and quality of life, reinforcing cycles of disadvantage and limiting Canada's potential.

Beyond Canada's borders, children affected by conflict, disaster, displacement and economic turmoil face violence, the risk of famine, and collapsing essential services. 2024 saw the highest number of grave violations against children on record, with thousands of children killed and maimed, and persisting attacks on schools and hospitals. In 2026, UNICEF estimates that more than 200 million children will require humanitarian assistance in 133 countries and territories.

Canada has long been a leader in advancing children's rights. However, evolving geopolitical pressures and domestic fiscal constraints call for renewed commitment. Meeting this moment requires sustained investment in the foundations of human development and societal resilience—chief among them, children's well-being.

As a signatory to the UN Convention on the Rights of the Child, Canada has a responsibility to give children a "first call" on public resources. When children thrive, they strengthen communities and contribute to a more resilient economy. Budget 2026 offers a critical opportunity to act on this commitment. By prioritizing sustained, equity-focused investments in children and the systems that support them, Canada can drive long-term economic prosperity and build a more inclusive future.

FOR CHILDREN IN CANADA

AFFORDABILITY AMID ECONOMIC UNCERTAINTY

Recommendation 1: ***Strengthen Canadian food sovereignty by committing to an incremental year over year increase to the National School Food Program budget to achieve sustainability and universality, and by allocating $20 million to Buy Canadian in the School Food Program.***

With the now-permanent National School Food Program, Canada has taken critical steps to ensure that children have reliable access to healthy, nutritious meals so they can focus on learning. These investments are meaningful, and the additional financial commitments made by provinces, territories, and municipalities demonstrate clear, shared leadership toward this goal. Nonetheless, achieving the Government's objective of universal access, as outlined in the National School Food Policy, requires greater investment, as current funding levels remain insufficient to meet this ambition. As affordability pressures continue to rise, federal investments must keep pace with the cost of living to ensure the program's sustainability.

Investing in children is both a social and economic imperative. Evidence consistently shows that school meal programs improve learning outcomes and child development, while also reducing long-term health care costs and strengthening Canada's future workforce. In high-income countries, universal school meal programs are estimated to generate a return of 2.5 to 7 times the initial investment through improved health and economic outcomes. To fully realize Canada's vision of ensuring that "all children and youth have access to nutritious food at school," and to build on the significant investments already made across jurisdictions, the federal government should scale up its contributions year over year by matching investments made by provinces, territories and municipalities. To further strengthen local food systems, there is a clear opportunity to support Canadian producers and prioritize fresh and locally sourced foods through allocating $20 million to Buy Canadian in the School Foods Program, aligned with Canada's new Food Security Strategy.

Recommendation 2: ***Reduce child poverty by introducing a low-income supplement to the Canada Child Benefit (CCB) to address rising poverty rates and better support vulnerable families.***

Since its introduction in 2016, the CCB has played a critical role in reducing child poverty in Canada. However, this progress has since stalled and reversed with Canada ranking 26th out of 42 countries on Child Poverty in UNICEF's 2026 Report Card. By 2023, child poverty had risen to 10.7 per cent, with over half a million more children living below the poverty line since the pandemic.

A strong and more resilient Canada begins by ensuring that all children can grow up free from poverty. Strengthening income support is one of the most effective ways to achieve this. Universal child benefits are among the most impactful policies for reducing child poverty, while also generating long-term economic returns. OECD modelling further estimates that childhood socio-economic disadvantage costs Canada the equivalent of 2.7% of GDP through lost earnings, reduced employment, and poorer health outcomes.

Introducing a targeted low-income supplement to the CCB would help close this gap by lifting the most vulnerable families above the poverty line. Investments should 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 accelerating the phase-out for higher-income households, helping to "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 3: Improve access to child and youth mental health services by renewing a 10-year, $5-billion bilateral mental health investment, and applying a child budget lens to ensure dedicated, equitable funding for young people.

Resilient children are the foundation of a strong, thriving society, yet too many are struggling. According to UNICEF's 2026 Report Card, one in five Canadian children face frequent bullying, and one in five feel lonely. With an adolescent suicide rate of 8.4 deaths per 100,000 youth, Canada ranks among the highest of its peers, while life satisfaction among children continues to decline.

Canada's future depends on the well-being of its children and youth, but the systems designed to support them are under growing strain. The federal governments $5 billion investment over 10 years announced in Budget 2017 marked important progress in improving access to services for children, youth and families. However, with this funding set to expire next spring, there is a real risk of losing momentum as needs intensify.

Renewing and strengthening this investment with provinces and territories is essential. Dedicated, transparent allocations for child and youth mental health can expand timely, equitable access to care, strengthen early intervention, and prevent mental health challenges from escalating. Applying a child-focused budget lens to renewed funding would ensure that investments are clearly targeted and that children remain at the centre of policy decisions. Budget 2026 presents an opportunity to better support children during a critical window when early intervention is most effective. Studies show an $8 return on investment for every $1 invested into early childhood mental health. Early investment also delivers lasting impact: it improves educational outcomes, contributes to safer schools, and fosters healthier communities.

FOR CHILDREN AROUND THE WORLD

DEVELOPMENT ASSISTANCE

Recommendation 4: ***Protect children in low-income and fragile countries by establishing a core minimum of $5.5 billion per year for essential development programming and $962.7 million per year for humanitarian assistance within the ODA budget.***

In 2024, millions of children, adolescents, and youth died before age 25—a stark reminder that preventable deaths remain widespread. These outcomes are not inevitable; they reflect chronic underinvestment in the systems that keep children alive. Canada has long supported these systems, and continued investment is essential. Yet Canada's ODA declined to 0.32% of GNI in 2025 and is projected to fall further through 2027. Beyond the moral imperative, these reductions increase Canada's exposure to global shocks, drive more costly humanitarian responses, and place added strain on systems tied to Canada's national interests.

Analysis of Canada's 2023/24 ODA[1] shows that only $4.8 billion was directed toward improving basic services in low-income and fragile contexts—where poverty and inequality are most acute. These investments in health, education, and system resilience are essential to prevent shocks from escalating into humanitarian, economic, and security crises. They also serve Canada's broader interests in an increasingly interconnected global economy. Establishing a protected minimum of $5.5 billion annually for development programming in low-income and fragile settings would ensure consistent support for the world's most vulnerable children, while safeguarding the integrity of Canada's international assistance and aligned with Canada's ODA Accountability Act.

In 2026, UNICEF estimates that more than 200 million children will need humanitarian assistance across 133 countries and territories. The widening gap between needs and available funding is deeply concerning. These shortfalls threaten life-saving programmes, jeopardize children's survival and protection, and limit preparedness and recovery efforts. In this context, establishing a protected humanitarian funding floor is essential. With crises becoming increasingly protracted, predictable funding is critical. A minimum annual commitment of $962.7 million would strengthen partners' ability to prepare, respond, and support recovery.

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[1] According to an analysis of 2023/24 ODA data using Reality of Aid poverty-oriented sector codes, $4.86 billion of $6.72 billion Canadian ODA (discounting COVID and Ukraine), was poverty-focused.

CHILD SURVIVAL

Recommendation 5: ***Prioritize child survival by protecting funding allocations to nutrition, immunization, polio and Maternal Newborn and Child Health (MNCH) as core pillars of Canada's global health engagement, and as part of an effective child survival continuum.***

The global rate of decline in under-five mortality has slowed significantly from 3.9 per cent annually between 2000- 2015 to 1.5 per cent during 2015–2024, a 61 per cent reduction in the pace of progress. At current rates, 27.3 million children under five are projected to die between 2025 and 2030, largely from preventable causes. Nearly half of these deaths are linked to undernutrition, while over 20 million children will miss at least one routine vaccine each year.

For every US$1 of investment in immunization, we see economic benefits of US$54, as vaccination supports children's health and their capacity to learn, laying the foundation for stronger, more productive, and resilient societies. In addition, every US$1 invested in addressing undernutrition generates a return of US$23 in economic benefits. Scaling up high-impact nutrition interventions is estimated to generate $2.4 trillion in economic benefits over the next decade.

With global child mortality still unacceptably high, predictable, and sustained investment in prevention is both a moral imperative and a strategic necessity. Canada should continue to prioritize and protect allocations across the child survival continuum aligned with its 10-Year Commitment to Global Health and Rights.

ABOUT UNICEF CANADA

UNICEF is the world's farthest-reaching humanitarian organization for children. Across more than 190 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 welcome the opportunity to appear as a witness to elaborate further. **For more information, please contact: Rebecca Davidson, Chief Programs Officer:** rdavidson@unicef.ca