

# Canada Report

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Sustainable Governance in the Context of the COVID-19 Crisis



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# **Executive Summary**

There is little question that the COVID-19 pandemic resulted in countries around the world, Canada included, operating in an environment of extreme uncertainty. In Canada, the pandemic not only unfolded heterogeneously across the country, which is vast geographically, but was also experienced differently by diverse segments of the Canadian population. The COVID-19 pandemic was not just a health crisis, but also an economic, social, fiscal, physical and emotional crisis. In terms of the health crisis, Canada was illprepared to deal with the challenges of the global pandemic, with the coronavirus casting light on the long-standing inadequacy of Canada's crisis response infrastructure and the policies that compose it. As was also the case with the SARS pandemic, Canada failed to mount a coordinated national response. Instead, across the country provincial governments pursued a patchwork of strategies, while the federal government held the purse strings and looked on in an advisory capacity. Canada was also slow to recognize and communicate the magnitude of the coronavirus threat, as well as use early opportunities to "get ahead" of the pandemic through the introduction of measures to contain the spread of the virus. Because of this and the failure to mount a coordinated national response, the provinces and local governments were forced to interpret for themselves how the public health crisis would unfold. Across the country, provinces declared their own states of emergencies, and shut down schools, businesses and various public spaces. Similar to the aftermath of the SARS pandemic, Canada's response to the health crisis will be reviewed in detail and recommendations made. The question remains as to whether those recommendations will be followed this time.

In terms of the economic and fiscal crises, Canada's federal government was well placed fiscally prior to the pandemic. Canada had a healthy labor market in 2019 with strong full-time job growth, mainly in the service sector, which resulted in close to an historically low unemployment rate. Canada's national budget sheet was stronger than most countries around the world, with one of the lowest debt-to-GDP ratios. Even with the additional spending due to the pandemic, the federal debt-to-GDP ratio is only expected to rise to 49%. This strong fiscal position has allowed the federal government to direct more than \$300 billion in direct pandemic spending, not only related to healthcare spending, but also social supports for Canadians hard hit by the economic

effects of the pandemic. Pandemic support measures, which were developed and deployed collaboratively with subnational governments, have included direct income support for Canadians, direct support for businesses and direct support for subnational governments, with many of these support measures extended during the ongoing second wave of the virus. Canada has committed to keeping support measures in place until the virus is under control, at which time it will redirect its focus to economic recovery. Although economic recovery has not yet been prioritized, the federal government has announced that \$70–0 billion (roughly 3–4% of GDP) will be spent on the COVID-19 Economic Recovery Plan over three years beginning in 2021–2022. While there is always room for improvement, Canada's democratic governance functioned well throughout the pandemic and the majority of Canadians are quite satisfied with how government functioned during the pandemic.

# Key Challenges

Our examination of Canada's handling of the COVID-19 pandemic cast light on several central challenges in crisis management faced by Canadian authorities. These challenges include difficulties in decision-making in an environment of uncertainty; balancing competing policy objectives; and managing the tension between the need for swift and decisive action, and the desire to uphold democratic principles, such as deliberation and debate. In addition, given increasing partisanship, misinformation and "fake news," it is evident that authorities must find new ways to gain public trust and buy-in, as well as maintain control over crises and public health messaging. Finally, effective crisis management in the future will require that governments prioritize sufficient investment in and remain attentive to crisis preparedness during times of relative stability. Not only do we anticipate that these challenges apply to other countries, we also expect that they are inherent to crisis management in general, not simply a symptom of the COVID-19 pandemic. Below, we offer several recommendations.

Navigating uncertainty: Often applied in the context of environmental policy, the precautionary principle empowers authorities to make decisions and act – despite scientific uncertainty or contexts of imperfect evidence – on the basis of caution and prevention in the face of potential harm. At the outset of the pandemic in particular, many countries, including Canada, were accused of failing to adhere to the precautionary principle, which meant that the level of threat was not publicly acknowledged quickly enough and public health measures (e.g., rapid and widespread testing, robust contact tracing, the mandatory wearing of masks, and social distancing rules) were not enacted

with enough urgency to limit spread, both within and beyond national borders. Countries which did act in accordance with the precautionary principle at the outset of the public health crisis – New Zealand, Singapore, Vietnam, South Korea, Taiwan, among others – have fared much better over the course of the pandemic.

Managing policy tradeoffs: Managing tradeoffs is a core aspect of policymaking and competency in this area is particularly important in moments of public emergency. In many cases, the public health measures required to contain the pandemic have, at face value, looked to be at odds with broader economic and social policy goals. In some jurisdictions, a reliance on narrow understandings of tradeoffs and policy impacts has resulted in ineffective measures. In the face of complex policy issues, authorities must do better to understand the interconnectedness of social and economic policy (and public health), as well as leverage intersectional frameworks for understanding how both crisis and policy response have disparate impacts for diverse groups.

Maintaining public trust: The effectiveness of crisis response, particularly over sustained periods of time, rests on the ability of governments and other authorities (e.g., public health bodies) to maintain public trust. Public trust also bolsters the effectiveness of crisis management approaches, which depend on widespread participation and compliance, such as contact tracing and social distancing. However, growing partisanship in many countries, as well as a rise in ideologically driven misinformation, undermines this already difficult task. Jurisdictions which have focused on consistency, clarity and coordination (i.e., across ministries, agencies and levels of government) in communications have fared better in achieving sustained public support, as have authorities which have shown responsiveness and flexibility in the face of evolving information, and a willingness to consult and act on expert opinion.

Investing in crisis preparedness: Despite recent experiences with both SARS and H1N1, Canada was ill-prepared to deal with the challenges of COVID-19. This is due in part to the fact that successive federal and subnational governments failed to act on lessons learned during previous public health crises, both with regard to requisite public health infrastructure and sustained investment in crisis preparedness. Countries must invest more in and pay more attention to crisis preparedness, both domestically and in collective international efforts, despite limited political incentives during times of relative stability. To begin to address this issue in the Canadian context, some experts have recommended that Standing Crisis Response Teams be established and their resourcing be enshrined in law.

## **Resilience of Policies**

### I. Economic Preparedness

### **Economic Preparedness**

Economic Policy Preparedness Score: 7 In 2019, the Bank of Canada expected Canada's economy to grow near potential in both 2020 and 2021 (Bank of Canada 2019). Exports, including oil exports, were expected to grow moderately and investments in the energy sector were expected to stabilize. Overall, Canadian GDP growth was forecasted to be 1.7% in 2020 and 1.8% in 2021, compared to 1.5% in 2019 (Bank of Canada 2019, 8). However, global geopolitical tensions, and conflicts that ramped up in late 2019 and early 2020 hurt Canada's business investments and exports, even before the pandemic hit. This included tensions with China regarding the detention of Meng Wanzhou, CFO of Huawei, by Canada at the request of the United States, and China detaining two Canadian citizens in retaliation. These tensions have yet to be resolved and continue to hurt Canadian exports to China even in early 2021. In addition, trade relations with the United States hit many bumps in 2019 and 2020, with various retaliatory tariffs threatened and enacted even as the Canada-United States-Mexico Agreement (CUSMA) was signed and ratified in July 2020. While Canada's trade relations with the newly elected Biden/Harris administration is expected to improve, issues such as Canada's dairy supply management system are still expected to pose a challenge to this trade relationship.

Despite signing various free trade agreements, including the Canada European Comprehensive Economic Trade Agreement (CETA), Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and CUSMA, Canada continues to rank low in trade competitiveness: 51st in 2020 for trading across borders, well below the OECD average (World Bank 2020). This suggests there is room for significant regulatory improvements to make trade smoother, not only cross-border, but also inter-provincially as well. The new U.S. government's trade policies are expected to be more measured than the previous administration's pro-U.S. policies, which may help improve

Canada's trade competitiveness (Healing 2020). In addition, Alberta's premier, prior to the pandemic, had been leading the way in dismantling interprovincial trade barriers across Canada (The Canadian Press 2019).

The Canadian economy continues to rely heavily on the faltering natural resource sector, mainly the oil and gas industry. In August 2019, a new federal regime for the assessment of project-level impacts associated with major infrastructure projects within federal jurisdiction came into force in Canada (Canadian Environmental Assessment Agency 2019). This new regime, made up of the Impact Assessment Act, and its regulations and policy guidance, broadens the depth and breadth of factors considered by federal regulators when determining a project's potential impact and are based on the precautionary principle. Some stakeholders argue that the new regime puts significant costs on entities proposing new infrastructure projects, particularly those related to the energy sector. Other domestic hurdles also exist, such as indigenous opposition to projects, uncertain government regulation (The Economist 2020) and an aggressive new climate policy that will see the federal carbon levy rise from \$30 per ton of greenhouse gas emissions to \$170 per ton by 2030 (Environment and Climate Change Canada 2020).

Further, the oil industry in Canada has to contend with a newly elected government in the United States that ran on a policy that would see the possible cancellation of the Keystone XL pipeline's permit (Healing 2020), which may further hurt Canada's ability to attract investment in the oil sector. Therefore, if Canada's oil sector is to rebound, it will take time. In the meantime, despite committing to carbon neutrality by 2050, the Canadian government has been supporting the struggling oil sector. In addition to the federal buy-out of the Kinder Morgan pipeline, over \$1 billion of the pandemic Canada Emergency Wage Subsidy went to oil and gas companies, many of which were still profitable enough to continue paying dividends to shareholders (Ferreira and Carmichael 2020); \$320 million was given to Newfoundland and Labrador to reduce its emissions, and fund R&D activities; and \$1.7 billion was allocated to the cleanup of abandoned wells (The Economist 2020).

The current COVID-19 crisis has also laid bare some of the shortcomings in Canada when it comes to economic innovation. Canadian entrepreneurs have to deal with "regulatory red tape in selling newly developed products in Canada," and there is a lack of policies to support the growth of entrepreneurial activities, and scale up small and medium-sized businesses (Owen 2020). Innovation experts argue that Canada's failure to invest strategically in R&D has meant Canada lags behind its OECD peers in the development of new technology and products, which has increased its reliance

on offshore supply chains (Owen 2020). While the federal government has signaled that it will pursue a post-COVID stimulus plan that promotes green and inclusive economic growth strategy, the details of this plan will not be released until the next budget, expected in March 2021.

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### Labor Market Preparedness

Before the onset of the coronavirus pandemic, Canada had a healthy labor market in 2019 with strong full-time job growth, mainly in the service sector, which resulted in close to a historically low unemployment rate (Bank of Canada: 2020b). However, the labor market conditions in the prairies were softer compared to the rest of Canada, and job growth was slower due to the ongoing contraction and uncertainty in the oil and gas sector (Bank of Canada 2020b). The Canadian labor market has been very flexible, particularly for a developed country. In the 2019 Global Competitiveness Report, Canada's labor market was ranked eighth out of 141 countries overall and sixth with regard to current skill levels in the labor force. Overall, labor market regulation in Canada was relatively light and there were few rigidities that impeded the operation of the labor market.

Despite this overall labor market strength and a robust Employment Insurance (EI) regime that was thought to provide income security during periods of employment disruption, shortcomings of the regime were laid bare as EI proved to be unresponsive to the sudden and ongoing collapse of the oil and

Labor Market Policy Preparedness Score: 8 gas sector (Fekete 2016). Further, concerns related to the cover for selfemployed and precariously employed workers began to be expressed (Torjman 2017). These concerns were magnified when the COVID-19 crisis hit Canada, and businesses responded by reducing hours and laying off workers at an unprecedented rate, with more than one million jobs lost across Canada in March 2020 alone and over two million workers working fewer than usual hours or none at all (Bank of Canada 2020a, 9). By April 2020, three million Canadians – disproportionately lower-income earners, younger workers, recent immigrants and women – had lost their jobs (Bank of Canada 2020a, 11). The magnitude of the job losses led to Canada's EI system rapidly being overwhelmed and EI benefits proving to be unresponsive, which required new measures to be developed (Lim 2020b).

In March 2020, the federal government announced the Canada Emergency Response Benefit (CERB) program for individuals as a backstop to the EI system. It was expected to compensate workers for most of, if not more than, the amount of income lost due to reduced hours or being laid off (Department of Finance Canada 2020b). In October 2020, the CERB was replaced by several more specific programs, including the Canada Recovery Benefit (CRB), the Canada Recovery Caregiving Benefit (CRCB) and the Canada Recovery Sickness Benefit (CRSB) (Employment and Social Development Canada 2020b). In addition, the federal government has rolled out changes to the EI program to make it more simple, flexible and generous (Employment and Social Development Canada 2020a), which may signal that a permanent overhaul to the EI program may be forthcoming.

The Canada Emergency Wage Subsidy (CEWS) program for businesses has helped many businesses remain open and retain their employees as the pandemic continues, and as restrictions ebb and flow (Canada Revenue Agency 2020). The Bank of Canada (2020a) found that 25% of businesses surveyed had used the program to avoid or reduce the scale of potential layoffs. Statistics Canada (2020) shows that 23.2% of CEWS recipient businesses were able to retain 100% of their workforce because of the subsidy and 47.8% were able to retain more than 50% of their workforce. As of 13 December 2020, the CEWS program has paid \$54 billion in wage subsidies to 368,240 companies – of which 42% were medium-sized businesses and 35% were large companies with more than 250 employees – supporting up to 4.1 million workers (Lim 2020a).

Additional lending support to businesses was also provided through Export Development Canada, Business Development Bank of Canada, other financial institutions, the Office of the Superintendent of Financial Institutions, the Canada Mortgage and Housing Corporation, Indigenous Community Support Fund, Canada Emergency Business Account, an increase in the lending capacity of Farm Credit Canada, deferred business and personal income tax payments, and deferred sales tax remittance and customs duty payments, (Bank of Canada 2020a; Export Development Corporation 2020; Department of Finance Canada 2020c, 2020a; Prime Minister of Canada's Office 2020; Department of Finance Canada 2021). Further business support included an extension to the maximum duration of the work-share program, an enhancement of the Canada Summer Jobs program and an interest-free sixmonth moratorium on National Student Loans repayment. Therefore, several existing policies and institutions have been vital to ensuring the market stays balanced and the economy is on track to take off when the post-pandemic recovery begins.

In July 2020, the Bank of Canada (2020c) reported that strong fiscal and monetary policy responses to the pandemic were already helping to start the economic recovery. While the situation continues to improve slowly, challenges remain, such as slower capital accumulation which will put downward pressure on the growth of labor inputs. Further, Canada was hit by a second wave of COVID-19 cases in November 2020, which vastly surpassed the first wave. In response, soft lockdown policies were initially introduced. However, these morphed into hard lockdown restrictions in December 2020 and January 2021. Moreover, the new and more infectious COVID-19 variants from the United Kingdom and South Africa have been detected in various provinces in Canada, which may cause further economic and labor market disruption.

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### **Fiscal Preparedness**

Fiscal Policy Preparedness Score: 8 Canada had a growing deficit even before the pandemic hit. The federal budget deficit had increased from \$14 billion in 2018–19 to \$39.4 billion in 2019–20 (Department of Finance Canada 2020c). Despite running growing deficits for the last five years, the federal government's fiscal policy was generally considered to be sustainable in part due to the fact that its major transfers to provinces are linked to nominal GDP growth or low fixed targets, as opposed to program costs (Parliamentary Budget Officer 2020). The Parliamentary Budget Officer (2020) further noted, again pre-pandemic, that the federal government could reduce federal taxes or increase federal spending by 1.8% of GDP while maintaining a debt-to-GDP ratio of approximately 30%. With Canadian public pension plans also on a sustainable path, the Parliamentary Budget Officer (2020) estimated that the fiscal policy of the general government sector (federal, provincial, territorial and pension plans) was sustainable overall.

Even after incurring significant deficits in an effort to mitigate the pandemic's impact, Canada's national budget-sheet remains stronger than most countries in the world (Department of Finance Canada 2020c). Canada continues to maintain the lowest-debt advantage among the G7 countries, even after the estimated rise in federal debt-to-GDP ratio from 31% in 2019–20 to 49% in 2020–21 (Department of Finance Canada 2020b). In addition, more than two-thirds of outstanding Government of Canada securities, which provides a buffer against potential fluctuations in foreign demand, is held by Canadian investors (Department of Finance Canada 2020b).

On the other hand, the fiscal policies of only four of the 10 Canadian provinces are considered sustainable (Parliamentary Budget Officer 2020).

Across all provinces and territories, population aging is expected to result in slower economic growth, reduced provincial government revenues and increased healthcare costs (which are largely the responsibility of provincial/territorial governments). The fiscal adjustment required for the subnational government sector to close the fiscal gap (either as a permanent tax increase or a reduction in spending) was estimated at 0.3% of GDP, but ranges between 0.7% and 4.3% of GDP for the six provinces with unsustainable policies to more than 11% for some territories (Parliamentary Budget Officer 2020). There are mechanisms that ensure debt sharing remains reliable and manageable for the near future. The historically low interest rates at the moment help procure cheap debt. For example, Canada's public debt charges are expected to be more than \$4 billion lower in 2020 than what was forecasted last year and to decline further in 2020–21 (Department of Finance Canada 2020a). However, it is clear that over the longer term significant changes to the decentralized nature of government in Canada will need to be considered in order for subnational governments in Canada to be sustainable (Parliamentary Budget Officer 2020).

There are also accountability concerns. In July 2020, the Parliamentary Budget Officer noted the government's reluctance to commit to a fiscal anchor (Lim 2020). In the Fall Economic Statement 2020, the government stated that it would announce a long-term fiscal anchor only after the economy stabilizes post-COVID-19 (Department of Finance Canada 2020b). In the meantime, the federal government will use various "fiscal guardrails" (i.e., economic indicators such as the employment rate, total hours worked and the level of unemployment) to track the economy's recovery and determine when to bring one-off stimulus spending to an end. The aim is to return to a prudent and responsible fiscal path, based on a long-term fiscal anchor, once the economy is more stable (Department of Finance Canada 2020c). However, the overall fiscal situation does not seem unsustainable and budgetary institutions appear to be doing a good job.

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### **Research and Innovation**

Research and Innovation Policy Preparedness Score: 7 Canada has historically provided support for innovation predominantly through indirect instruments in the form of research and development tax credits, both at a national and subnational level. Canada's innovation performance has been modest for decades. This is particularly true in terms of business spending on R&D (BERD) relative to GDP, a measure of businesses' commitment to exploring and generating new ideas, which has been perpetually lower in Canada than the OECD average. In fact, Canada has consistently ranked near the bottom of OECD countries (Richards, Lonmo and Gellatly 2017), including other resource-based economies such as Australia or Norway (OECD 2020). It has been detailed that this is the direct result of Canada's innovation support being focused on indirect measures that lack coherence, cohesion and focus, as opposed to direct government spending guided by a strategic framework (McCabe et al. 2020). Canada, however, does not lack entrepreneurial spirit, as demonstrated by the private sector's rapid reaction to the COVID-19 crisis, and the willingness of industry to invest in innovation when government resources and incentives are made available (Hirsch 2014; Ipsos 2021).

In 2016, Canada announced its Innovation Agenda, which focused on support for innovation networks and so-called superclusters. The target is for Canada to catch up to the OECD average in terms of private R&D spending by 2025 (Innovation Science and Economic Development Canada 2016). As part of this plan, almost \$1 billion in funding was set aside for five innovation superclusters; the Strategic Innovation Fund was announced to promote large innovation projects; the Economic Strategy Tables were launched to encourage collaboration between industry and government in seven key sectors; and two public procurement innovation programs were consolidated into Innovative Solutions Canada, which will support small businesses sell their innovative products to government. It is too early to tell how successful these initiatives will be in undoing decades of lackluster innovation performance. However, preliminary analysis shows considerable delays in the execution of the Superclusters Initiative (Parliamentary Budget Officer 2020).

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### II. Welfare State Preparedness

### **Education System Preparedness**

Education Policy Preparedness Score: 8 Canadians have a high level of tertiary education, with 62% of persons aged 25-34 holding tertiary qualifications, well above the OECD average of 44% (OECD 2019). Nearly all of Canada's post-secondary educational institutions are public and charge tuition (Statistics Canada 2020), with tuition fees set by the provincial governments. Tuition fees differ not only across fields but also between national and international students enrolled in the same programs. Tuition fees for national studies are partially subsidized through provincial transfers to the tertiary education institutions (OECD 2011). The provinces and the federal government do offer a system of student grants and loans to help with the affordability of tertiary education (Service Canada 2020). However, despite this support, there is still a very concerning gap in access to tertiary education, with Canadians from low-income, Indigenous and racialized backgrounds disadvantaged (Frenette 2007). Early in the pandemic, all post-secondary institutions moved their curriculum to online teaching, where it has essentially remained and there is no clear date for a comprehensive return to face-to-face teaching (Schrumm 2020). The financial sustainability of Canada's tertiary education institutions has been a concern, as enrollment from international students has dropped while operating costs have remained flat, but it is too early to know the long-term impact (Statistics Canada 2020).

In terms of K-12 education, Canada has a comprehensive system of public education, which is delivered by the provinces with various gaps filled by a separate, private education system (Council of Ministers of Education n.d.). Since authority for education falls under the jurisdiction of the provinces, there is considerable variation in curricula and assessment across Canada. In addition, there is considerable variation across provinces in terms of the degree of funding provided through provincial transfers versus direct contributions from parents, although the federal government provides educational funding to all provinces through the Canada Social Transfer. Despite this variation, Canadian schools consistently rank above average in the OECD Program for International Student Assessment (PISA) rankings for reading, mathematics and science in its K-12 system (OECD 2021).

While there is a relatively high level of equity within the Canadian education system, there are concerning differences in outcomes between students with differing socioeconomic backgrounds (Edgerton, Peter, and Roberts 2008) along with students with differing abilities. The gap in educational attainment between Indigenous Canadians and non-Indigenous Canadians is one of concern. The other is due to the lack of a coherent strategy or system related to early childhood education (Child Care Canada n.d.). Some provinces (e.g., Quebec, Manitoba) have a robust and publicly funded ECE system, while others (e.g., Alberta, Ontario) only provide partial and sliding scale subsides to low-income parents. All of these gaps were exacerbated during the pandemic, a point that will be detailed in "Education Policies."

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### Social Welfare Preparedness

Social Welfare Policy Preparedness Score: 7 Social inclusion is defined as the process of encouraging participation in society, particularly for people who are disadvantaged, through addressing barriers to opportunities, obstacles to resources, a lack of voice and respect of rights (United Nations Department of Economic and Social Affairs 2016, 18).

In May 2019, the government of Canada passed Bill C-81, the Accessible Canada Act, to improve communities, workplaces and services so that all Canadians can participate equally in society (Government of Canada 2019a). In 2019, Canada also established, for the first time, an official poverty line, the Market Basket Measure (MBM) (Employment and Social Development Canada 2019). The MBM considers the cost of a basket of basic necessities (e.g., food, clothing and shelter) in several metropolitan and rural areas around the country. If a household in a community cannot afford the items in the basket, then they are below the poverty line (Petit and Tedds 2020b) and lack the resources to be able to participate in society.

Canada does have an extensive social safety net, especially when compared to the United States, which consists of federal and provincial in-kind support policies along with a system of income transfers and benefits (Petit and Tedds 2020a). The largest income assistance program offered by the federal government to the working-aged population in Canada is the Employment Insurance (EI) program, which offers temporary benefits for a range of situations – job loss, parental leave, sickness and training (Employment and Social Development Canada 2014a). While the program provides support to millions of Canadians, it is not without its issues, as outlined in previous sections (Torjman 2017), and is expected to receive an overhaul (Department of Finance Canada 2020). The federal government also provides significant support to Canadian seniors, including through the Guaranteed Income Supplement, Old Age Security program and the Canada Pension plan (Employment and Social Development Canada 2014b) - a suite of programs that have been credited with reducing poverty among Canadian seniors to record low levels (Heisz 2020).

The largest provincial program that provides income support to individuals is income assistance (or welfare) (Maytree 2020). This is funded in part by the Canada Social Transfer, a payment from the federal government to the provinces. No provincial welfare program across the provinces or territories is sufficient to lift a recipient out of poverty, despite the fact that most of the individuals that receive income assistance from these programs are disabled (Petit et al. 2020).

In addition to these programs, federal and provincial governments offer a series of tax benefits (e.g., Canada Child Benefit, Climate Action Initiative, property tax circuit breakers) that aim to reduce poverty (Financial Consumer Agency of Canada 2020).

Prior to the pandemic, Canada was considered to have a strong social safety net. However, several gaps have since been exposed or reinforced (Yussuff 2020). While Canada had made recent progress in reducing poverty, particularly child poverty, approximately 3.4 million Canadians still live below the poverty line, most of whom are of working age (Statistics Canada 2019). In an effort to address poverty in this group, several provinces and territories – including British Columbia, Prince Edward Island, Yukon and Nunavut – are considering implementing a guaranteed basic income or reforming the existing income support system to better address poverty among working-aged adults (Green, Kesselman, and Tedds 2020).

The debate about a basic income is growing because there exist several groups who remain marginalized within Canadian society, namely recent immigrants, Indigenous Canadians, people experiencing homelessness, people with substance abuse problems, and people with moderate and severe disabilities. Indigenous Canadians have the highest levels of poverty in the country – one in four Indigenous persons and four in 10 Indigenous children live in poverty (Canadian Poverty Institute 2021). Further, there is a substantial amount of stigma that surrounds substance users and those with addictions (Employment and Social Development Canada 2019). The stigma has negative effects that spillover into the institutions that are mandated to provide support to these individuals.

The federal government delivers many of its income benefits through the tax system for which eligibility is assessed annually with the submission of tax returns (Petit et al. forthcoming). Since taxes in Canada are only filed annually, individuals and families must wait a year in order for any changes in their income to be reflected in their income benefits. As such, the system is not responsive and cannot cope with immediate changes to one's financial status, especially changes that occur mid-tax year (e.g., changes that occurred due to the COVID-19 pandemic). In such a system, the most vulnerable individuals within society remain in a precarious situation, both during times of widespread economic crises and so-called normal times. Calls for the federal government to reform its tax system to improve benefit delivery have increased (Petit et al. forthcoming).

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### Healthcare System Preparedness

Following the Severe Acute Respiratory Syndrome (SARS) outbreak in 2003, the federal government established a national advisory committee to provide an assessment of the public health response to and lessons learned from this crisis (National Advisory Committee on SARS and Public Health 2013). Outside of Asia, Canada was the country most affected by SARS, though it was isolated to two of Canada's biggest cities: Toronto and Vancouver. The final report, often referred to as the Naylor Report (National Advisory Committee on SARS and Public Health 2013), emphasized numerous systemic deficiencies, with many related to the organization and particularly the decentralization of public health in Canada. While the primary responsibility for public health resides at the provincial/territorial level, the federal government does have the authority to legislate aspects related to matters of national concern, quarantine provisions, trade, commerce or national borders. One of the main recommendations of the Naylor Report was the creation of the arms-length Canadian Agency for Public Health, which is led by the chief public health officer of Canada and aims to foster more effective collaboration between the different levels of government, and the creation of a national strategy for the surveillance and control of emerging infections.

Health Policy Preparedness Score: 7 The Public Health Agency of Canada (PHAC) was created in 2004. However, a coordinated federal–provincial–territorial response plan for an infectious disease outbreak was only created in 2017 (Pan Canadian Public Health Network 2018) and drew in part on the lessons learned from the H1N1 pandemic, which affected Canada and the world in 2009–2010.

However, the coordinated national response called for in the Naylor Report was never achieved. Since the start of the COVID-19 pandemic, provincial and territorial governments have pursued different, sometimes contradictory strategies. Examples include the reallocation of federal COVID-19 funds to provincial priorities other than healthcare or the reluctance to adopt the national COVID-19 reporting app in some provinces (McCabe et al. 2020).

In terms of healthcare infrastructure and resources, Canada has a publicly funded healthcare system in which medically necessary healthcare services are provided on the basis of need and not the ability to pay (Health Canada 2019). The federal government sets out principles of healthcare provision in Canada, and transfers funds to the provinces to help fund healthcare through the Canada Health and Social Transfer (CHST). However, the primary responsibility for healthcare services lies with the provinces. Five significant challenges that Canada's publicly funded healthcare system struggles with are lengthy waiting times for non-urgent surgeries (Canadian Institute for Health Information 2020c); the financial unsustainability of the system, which stems from Canada's aging population (Parliamentary Budget Officer 2020); growing evidence of systemic racism within the healthcare system (Ironanyah and Cyr 2020); unequal access to healthcare services on First Nations reserves, and in rural and remote areas, and unequal access to extended healthcare services (e.g., prescription medication, physiotherapy and mental healthcare services), which are not part of the publicly funded healthcare system, but are generally provided by private health insurance providers (Martin et al. 2018); and one of the lowest proportions of hospital beds per capita in the OECD, with 2.5 beds per 1,000 inhabitants (OECD 2019). The COVID-19 pandemic pushed this capacity past its limit, with bed capacity in the intensive-care units (ICU) of many hospitals overwhelmed. As a result, some patients had to be transferred to less stretched hospitals and additional field hospitals were used to manage excess demand (Favro, St. Philip, and Ho 2021).

Operating in parallel to Canada's public healthcare system, is a system of long-term care (LTC) homes, which offer 24-hour nursing care to residents. In Canada, 54% of LTC homes are privately owned with the rest publicly owned, though the percentage varies across provinces (Canadian Institute for Health Information 2020a). Regarding people in long-term care, Canada had

significantly fewer people aged over 65 receiving long-term care than the OECD average in 2017 (4% vs. 10.8%). Canada also spends almost 40% less on long-term care as a share of GDP than the OECD average (1.3% vs 1.7%), and employs less than three-quarters of long-term care workers per 100 people 65 and over compared to the OECD average (3.6 vs 4.9) (OECD 2019). As of the end of May 2020, more than 80% of deaths from COVID-19 in Canada were in long-term care homes, far higher than the OECD average of 38% (Canadian Institute for Health Information 2020b). In several cases, the number of deaths within specific long-term care homes were so high that the Canadian Armed Forces had to be sent into the homes to help manage the situation. A scathing report on what the Canadian Armed Forces found was subsequently issued (4th Canadian Division Joint Task Force 2020). The outbreaks and deaths in the network of LTC homes across Canada has become a national embarrassment. In the fall of 2020, the federal government committed to developing new national standards for long-term care in conjunction with the provinces and territories (Department of Finance Canada 2020).

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### Families

Family Policy Preparedness Score: 8 Unlike the United States, which taxes on the basis of households, Canada bases its tax unit on the individual (Tedds 2017). This ensures that lower earning spouses do not face the higher tax rate of their partners, thereby helping overcome participation barriers established by personal income tax regimes. As a result, Canada has a higher female labor force participation rate than the United States (Drolet, Uppal, and LaRochelle-Cote 2016). Furthermore, Canadian households are more likely to have both spouses participating in the labor market and are better able to weather economic disruptions than U.S. households.

Canada has also had a long history of delivering child benefits. Introduced in 1944, the federal Family Allowance provided nontaxable payments to all women with children under the age of 16 (Moscovitch and Falvo 2017). Since then, family benefits have gone through various forms, culminating in the introduction of the Canada Child Benefit (CCB) in 2016 (Baker, Kroft, and Stabile 2020). The CCB provides up to \$6,400 a year for each child under the age of six and up to \$5,400 for each child between the ages of six and 17. The benefit is calculated based on net family income and the benefit decreases with an annual income above about \$30,000. The benefit is paid monthly, starting in the first month following the birth of a child. The CCB has been credited with lifting approximately 280,000 children out of poverty (Minister of Finance 2019). In addition, many provinces administer parallel child and family benefits (Kesselman 2019).

Access to affordable, high-quality and accessible childcare has long been noted as a barrier to labor market participation for women in Canada (ScotiaBank 2020; Liu 2012). As previously indicated, Canada does not have a national early learning and childcare program, though some provinces have publicly provided or subsidized childcare (Child Care Canada n.d.). For example, in 1996, Quebec introduced a universal subsidized childcare system, which has been credited with increasing the labor force participation rate of women of childbearing age in Quebec to the highest in Canada (Liu 2012). Federally, the CCB is intended to help with the costs of childcare. In addition, the Childcare Expense Deduction (CCED) exists, which allows the lower-income parent to deduct direct childcare costs from their income up to \$8,000.

The CCED, however, is well known to be a poorly designed and targeted program, and proposals exist to modify it in order to encourage parents to work more (Laurin and Milligan 2017).

In acknowledgment of the high cost and inaccessibility of childcare in Canada, which continues to curtail female labor force participation, particularly during the pandemic as caregiving responsibilities fall disproportionality on women, the federal government has committed to moving toward a Canada-wide early learning and childcare system. Such a system requires the federal government to work directly with the provinces and territories, which maintain constitutional authority over education (Department of Finance Canada 2020). Finally, Canada does have a maternity and parental leave program offered through its Employment Insurance Program (Employment and Social Development Canada 2014). New mothers can take up to 15 weeks of paid maternity leave and new parents can take up to an additional 69 weeks of paid parental leave, paid out at either 55% or 33% of qualifying earnings. In order to qualify for this paid leave, new parents must meet the eligibility criteria, which includes having worked at least 600 insured hours of work before the birth of the child. As a result of the COVID-19 pandemic, the federal government reduced the number of qualifying hours to 120 insured hours and increased the benefit payment to a flat amount rather than a percentage of qualifying earnings (Service Canada 2015).

In addition, the federal government has committed to developing a maternity and parental leave program that provides all new parents a universal benefit for the first year of a child's life (Liberal Party of Canada 2019)

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### III. Economic Crisis Response

### **Economic Response**

In Canada, there has been no COVID-19 economic recovery package either detailed or implemented at the federal level (Connolly 2020). The first wave of COVID-19 led to lockdowns nationwide beginning in March/April 2020, although lockdowns varied by province (Vogel 2020). Beginning in December 2020, a second wave of COVID-19, more deadly than the first, hit Canada (Losinski and Muggeridge 2021). Many provinces, including the two most populous provinces of Ontario and Quebec, introduced new restrictions on activities, including closing restaurants for in-person dining, moving higher or all school grades to online learning and asking people to work from home where possible (Treble 2021). Due to these events, economic recovery has not yet become a policy priority. Rather, governments continue to focus primarily on providing healthcare services, and financial support to individuals and businesses to help cope with the restrictions. Canada has also focused on securing COVID-19 vaccine doses from a variety of sources and well in excess of its population size (Public Health Agency of Canada 2020). Canada began receiving doses of the Pfizer-BioNTech vaccine in December 2020, and is focusing early vaccinations on front-line workers and the elderly, especially those in long-term care homes. Canada anticipates being able to fully vaccinate its population by December 2021 (CBC News 2020).

Although economic recovery has not yet been a priority, the federal government did announce in its Fall Economic Statement that \$70–100 billion (roughly 3–4% of GDP) would be spent on the COVID-19 Economic

Economic Recovery Package Score: 8 Recovery Plan over three years beginning in 2021-2022 (Department of Finance Canada 2020). While no details have yet been provided, it will be deployed when the virus is "under control," and will build "toward an economy that is greener, more innovative, more inclusive and more competitive" (Department of Finance Canada 2020, 70). The federal government has declined to set a fiscal anchor (e.g., a targeted debt-to-GDP ratio), but instead will use "fiscal guardrails" to determine when the fiscal stimulus should be wound down, at which time a fiscal anchor may be imposed. These guardrails include indicators such as the employment rate, total hours worked and the unemployment rate. This approach to economic recovery appears to be prudent, and additional details - conditional on the virus - should be forthcoming in the next federal and provincial budgets, all of which are anticipated in the spring of 2021. A recent IMF Article IV report on Canada concludes that "the authorities took timely, decisive, and well coordinated policy actions in response to the pandemic" (see IMF). A report by the business-friendly think-tank CD Howe Institute makes the case that a large post-pandemic stimulus package may not be appropriate (see CD Howe 2021).

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### Sustainability of Economic Response

Recovery Package Sustainability As discussed in "Economic Recovery Package," the \$70–100 billion earmarked by the federal government for its COVID-19 economic recovery

Score: 7 plan (which will be introduced once the virus is under control) will promote a greener and more inclusive economy. Although the details of the economic recovery plan have yet to be released, the Fall Economic Update Department of Finance Canada (2020) proposes a host of programs/spending that would aid efforts to target net-zero emissions (if implemented). The proposals include (by target):

- Energy transition
- Sustainable transport
- Sustainable cities, and
- Investment in biodiversity and natural capital

Further, the federal government has proposed exploring the possibility of broader carbon adjustments and the possibility of a sustainable finance market that would see capital flows re-directed toward green initiatives with the possibility of enhancing climate disclosures. It should also be noted that Canada does currently price carbon pollution and has committed to continuing to do so. In fact, Canada has committed to an increase in federal carbon pricing, tripling its current pricing by 2030 (Environment and Climate Change Canada 2020). These programs were confirmed in a more in-depth climate action plan, along with a host of other new programs and spending intended to meet net-zero commitments.

In terms of building a more inclusive economy, as noted in previous questions, the federal government has committed to developing a Canada-wide early learning and childcare system. In addition, it has created a task force of diverse experts to create the Action Plan for Women in the Economy (Department of Finance Canada 2020). It has also provided additional funds to the Canada Child Benefit program, enriching the benefit to children under the age of six by \$1,200 a year and \$600 a year for children between the ages of six and 17 (Department of Finance Canada 2020). In addition, the federal government is finalizing agreements with the provinces and territories regarding the design and delivery of the Canada Housing Benefit, and the Rapid Housing Initiative (Canada Mortgage and Housing Corporation 2020; Press 2020). Finally, the federal government has also committed to introducing the Canadian Disability Benefit, which will be modeled after the Guaranteed Income Supplement program for seniors (Governor General of Canada 2020).

How much of the \$70–100 billion recovery fund will be spent on green versus inclusive initiatives, and the degree to which inclusive initiatives will also be green and vice versa is unclear. Further details regarding the allocation of funds across initiatives and how these funds will be profiled over the short term is expected in the federal 2021 budget, which is expected in early spring 2021.

#### Citation:

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### Labor Market Response

Labor Market Policy Response Score: 8 At the outset of the pandemic, it was clear that Canada's existing employment insurance was not adequate for the scale and scope of the labor market disruptions caused by the pandemic: not only were processing times too slow, but usually only about 40% of unemployed workers qualify for EI benefits (Macdonald 2020). The federal government backstopped employment insurance with a temporary income support measure, the Canada Emergency Response Benefit (CERB) (Department of Finance Canada 2020). The CERB was a \$2,000/month taxable benefit available to workers who had lost income or work. The CERB was replaced in October 2020 with several new programs delivered through the employment insurance framework, which relaxed eligibility requirements for employment insurance, and included the Canada Recovery Benefit (employment insurance for the self-employed) and the Canada Recovery Caregiving Benefit (employment insurance for persons taking time off work to care for their children or family members) (Employment and Social Development Canada 2020b, 2020a).

To address disruptions in business income, in March 2020, the Canada Emergency Wage Subsidy (CEWS) was implemented. CEWS is a wage subsidy intended to enable employers to rehire workers previously laid off (Canada Revenue Agency 2020). It covers up to 75% of an employee's salary (for employers who have lost an eligible amount of revenue) and was aimed at preventing further job losses while allowing employers to better position themselves to resume normal operations (International Labour Organization 2020). The federal Work-Sharing (WS) program was also extended in March 2020. WS provides employment insurance to eligible employees who agree to reduce their normal working hours and share their hours until their employer recovers (Employment and Social Development Canada 2020d). Legislated temporary layoff periods were extended for federal workplaces while many provinces also extended layoff periods (Employment and Social Development

Canada 2020c). Lastly, training programs were also provided a boost. In November 2020, the federal government announced \$1.5 billion in new spending (in addition to the \$3.4 billion already provided) to be given to the provinces under the Workforce Development Agreements (Prime Minister of Canada's Office 2020).

It is as yet uncertain if or how any of these measures have reduced the negative impact of the pandemic on the labor market due to lack of detailed data on these programs, the ongoing pandemic and insufficient time. However, it is possible that because the CERB was relatively easier to access ("trust then verify" method) and had lower eligibility requirements compared to employment insurance, the CERB provided broader income support coverage, particularly for vulnerable groups, compared to employment insurance (Tranjan 2019; Robson 2020). There is also some evidence available that the CERB has not had a detrimental impact on the labor market. While the CERB has been criticized for incentivizing people to remain unemployed, preliminary research has shown that this is in fact not true (Schirle and Skuterud 2020). As for CEWS, it has been criticized for poorly targeting vulnerable jobs, being inefficient and allowing companies to pay off shareholders (Ferreira and Carmichael 2020; Smart 2020).

#### Citation:

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### **Fiscal Response**

The federal government has projected a \$343 billion deficit for 2020 (up from \$34 billion in 2019), driving total federal debt to \$1.2 trillion (up from \$765 billion in 2019) (Department of Finance Canada 2020a), and has committed to spending between \$70-100 billion more on an economic recovery package in 2021/22 (Department of Finance Canada 2020b). To date, the government has not set a fiscal anchor (e.g., a debt-to-GDP ratio target). Instead, "fiscal guardrails" are being used to determine when to wind down spending on economic recovery (Department of Finance Canada 2020b). Details on these guardrails will be presented in the upcoming federal budget, which is expected in spring 2021. The government has set expiry dates on other policies, such as increased transfers to children and families, wage subsidies, and increased spending on COVID-19-specific employment insurance programs. For example, the Canada Recovery Benefit is set to end in September 2021, the Canada Wage Subsidy is set to end in June 2021 and the expansion to the Canada Child Benefit will be paid out in four installments in 2021 (Department of Finance Canada 2020b).

With respect to investment in critical infrastructure, new spending has been allocated to accelerate the timelines of existing projects, such as achieving universal broadband and improving access to potable water for indigenous communities. New (proposed) future-oriented investments include investments in nationwide early learning and childcare systems, and green infrastructure (see "Recovery Package Sustainability") (Department of Finance Canada 2020b).

To rate this question, economic recovery measures and a fiscal path to a balanced budget are, at this time, opaque as we await more details. However, given that Canada is in the middle of a second wave of COVID-19 cases, and many of its trading partners are in a third and more contagious wave, this opaqueness is prudent. It is unclear what this means for fiscal sustainability given that there continues to be a need for fiscal measures to tackle to the COVID-19 crisis, including measures related to securing and distributing

Fiscal Policy Response Score: 9 vaccines. The federal government does, however, appear to have the fiscal capacity to incur this additional spending and investments that have the potential to pay off in terms of future economic growth are being prioritized.

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### **Research and Innovation Response**

Canada has taken a series of measures to provide support for research and innovation related to COVID-19, and to increase communication and collaboration between various organizations, public health researchers and practitioners.

In March 2020, the federal government dedicated \$275 million to COVID-19 research. A portion of these funds, \$25.8 million, were used to increase the funding available for the Canadian 2019 Novel Coronavirus (COVID-19) Rapid Research Response to COVID-19 Funding Opportunity competition, which was launched in February to promote investigator-led research focused on medical and social/policy countermeasures to COVID-19 (Canadian Institutes of Health Research 2020). With additional funds from three provincial research funding agencies, a total of 100 grants were funded through this competition, with a total investment of \$55.3 million. The applications were submitted in two streams: medical countermeasures research area (53 applications were awarded \$37.6 million) and social/policy research area (47 applications were awarded \$17.7 million). Successful applications were matched with World Health Organization priorities, including diagnostics, vaccines, therapeutics, clinical management, studying the public health response and its impact, coordination, governance, and logistics (ibid.).

In April, the federal government announced more than \$1 billion in support for a national medical research strategy that includes vaccine development, the production of treatments and tracking of the virus, building on the \$275 million support announced in March (Prime Minister of Canada's Office 2020). Some of the support measures include the establishment of the COVID-19 Immunity Task Force; funding for the Canadian COVID-19 Genomics Network (CanCOGeN), which is led by Genome Canada, and coordinates COVID-19 viral and host genome sequencing efforts across Canada; funding for the Vaccine and Infectious Disease Organization-International Vaccine Centre (VIDO-InterVac), which aims to accelerate the development of a COVID-19 vaccine; funding through the Strategic Innovation Fund to support COVID-19 vaccine and therapy clinical trials led by the private sector and the

Research and Innovation Policy Response Score: 7 Canadian biomanufacturing sector; funding for a Canadian data monitoring initiative to coordinate and share pandemic-related data across the country; and funding to support the Canadian Immunization Research Network to conduct vaccine-related research and clinical trials.

The National Collaborating Centre for Methods and Tools (NCCMT) is the organization in charge of the COVID-19 Rapid Evidence Service (National Collaborating Centre for Methods and Tools 2020). This service supports the public health sector's response to the COVID-19 pandemic by providing rapid reviews to public healthcare professionals' COVID-19-related questions using an internationally accepted rapid review methodology.

Canada has also engaged in collaboration with international regulators to help fast-track clinical trials and applications for vaccines, treatments and diagnostic tests, like the International Coalition of Medicines Regulatory Authorities (Public Health Agency of Canada 2020). During a March meeting of global medicine regulators, discussions included regulatory considerations for anticipated COVID-19 vaccine candidates to ensure regulatory convergence, including a common approach to the requirements to support first-in-human clinical trials. Health Canada is exploring potential collaboration on regulatory issues related to COVID-19 with international regulatory partners under the Australia–Canada–Singapore–Switzerland Consortium (ibid.).

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### IV. Welfare State Response

### **Education System Response**

Education Response Score: 8 In an effort to reduce the spread of the virus, in March and April 2020, K-12 schools and post-secondary institutions across Canada closed their doors to face-to-face learning and moved to online learning, in many cases, for the

remainder of the school year (Lawson et al. 2021). While in most cases K-12 classes returned to face-to-face learning in September 2020, throughout the fall, various classes, schools and school districts returned to online learning as outbreaks of COVID-19 in local communities occurred.

Overall, schooling continued during the pandemic for those who had access to broadband internet and a computer (or other technology). However, the shift to online learning exacerbated many of the equity issues raised in "Education Policy Vulnerability." Students belonging to lower socioeconomic classes/disadvantaged backgrounds have been disproportionately affected by school shutdowns and shifts to online learning, as well as those living on First Nations reserves and in rural areas (Matte 2020). Further, the shutdown of schools and classes demonstrated the lack of accessible, affordable, highquality, culturally appropriate and supportive programs for children with developmental disabilities across Canada and have become a national concern (Wong 2020). This is due to the lack of universal broadband and wireless coverage along with a lack of appropriate equipment and support for children with special needs.

In September 2020, K-12 schools re-opened across Canada with enhanced health and safety measures, while most post-secondary institutions continued to offer most programs and courses online. During the second wave of COVID-19 (in November/December), many schools struggled to contain the virus and some provinces once again moved schooling for older children online and/or extended the winter vacation. In early January, many K-12 schools returned temporarily to online learning, with an expectation to return to face-to-face learning by mid-January. Post-secondary courses continued to be offered largely online in winter 2021, with in-person teaching generally limited to courses where it was necessary to be on campus.

Also affected in the early days of the pandemic were early childhood education programs. Some provinces shut down early childhood education centers (e.g., preschool and childcare centers) in March/April, although this differed across provinces and center types. Even after being ordered to close, some were re-opened to essential workers (see for example: Labby 2020; Fletcher 2020; Lecce 2020). As of September 2020, reopening of ECE centers was more or less complete across all provinces (with health and safety measures in place). When schools and childcare programs closed early in the pandemic, the burden of caregiving on parents, mostly women, increased (Statistics Canada 2020b). Based on this experience, the federal government has laid out a commitment to build a universal early learning and childcare program across Canada, the details of which will emerge in 2021–2022 (Department of Finance Canada 2020).

In terms of tertiary education, while all institutions shifted to online education, students struggled to maintain part-time employment or find summer jobs during the pandemic (Statistics Canada 2020a). Except for New Brunswick, and Newfoundland and Labrador, all provinces froze interest accruing on outstanding provincial post-secondary student loans beginning in March/April and did not require payments to be made on outstanding loans until October (Nathans et al. 2020). This mirrored the federal policy, which also froze payments for and interest on outstanding federal post-secondary student loans (COVID-19 Emergency Response Act S.C. 2020 c.5, s. 52). The federal government implemented the Canada Emergency Student Benefit (CESB) covering the summer of 2020 to help post-secondary students who failed to find a summer job (Canada Emergency Student Benefit Act, S.C. 2000, c. 7 2020). The federal government also eased student loan eligibility requirements, doubled the benefit amount of Canada Student Grants to \$6,000 and increased the cap on student loans to \$350/week (Office of the Prime Minister 2020). Other than waiving interest on student loans, provinces differed in the financial hardship help offered to post-secondary students. For example, Nova Scotia provided a one-time grant to all post-secondary students of \$750 in September (Nova Scotia Ministry of Labour and Advanced Education 2020) and British Columbia set up a \$3.5 million emergency student fund in May (BC Ministry of Advanced Education and Skills Training 2020). Alberta and Ontario have not provided any additional financial support to students, with students relying on federal programs.

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### Social Welfare Response

In addition to all the existing social assistance programs that were detailed in previous questions, the federal government implemented measures to reduce social inequalities during the pandemic. These measures involved cash transfers. The first program that was implemented was the Canada Emergency Response Benefit (CERB). The CERB was a temporary cash transfer of \$2,000/month paid to all workers who had lost income because of COVID-19. The CERB was available almost immediately at the start of the pandemic, from March 2020, and was phased out at the end of September 2020 as more permanent programs were phased in (Department of Finance Canada 2020c).

The CERB was replaced in October 2020 by a number of new employment support measures, paid through the employment insurance program. Employment support was increased for the self-employed, the precariously employed and for persons who left work in order to provide care to a child or family member. In addition, eligibility requirements for employment insurance were generally lowered (Department of Finance Canada 2020a). Additional programs that were introduced throughout the pandemic included:

• One-time cash transfers to families with children, seniors, persons with disabilities, and low-income earners (Department of Finance Canada 2020a; Employment and Social Development Canada 2020; Government of Canada 2020);

• Cash transfers to the provinces, municipalities and community organizations to be spent on affordable housing; shelters and transition houses; food banks; organizations that provide services to seniors, persons with disabilities, and community organizations and not-for-profits in general; and a provincially delivered wage top-up for low-income essential workers (Department of Finance Canada 2020b); and

• Increased income support for Indigenous persons on and off reserve (over whom the federal government has exclusive jurisdiction) (Department of Finance Canada 2020d).

Provinces unilaterally pursued measures in their jurisdictions to mitigate social inequalities, including:

Social Welfare Policy Response Score: 9 • Social assistance: the majority of the provinces did not alter their social assistance schemes during 2020 in response to the pandemic. Two out of 13 provinces/territories increased monthly social assistance benefits (British Columbia and Nova Scotia) and one territory (NWT) provided a one-time top-up. In addition, some provinces clawed back or reduced to zero social assistance benefits to clients receiving federal income support (e.g., from the CERB), although the British Columbia, the Yukon and the Northwest Territories did not do this (Petit and Tedds 2020).

• Housing: all provinces immediately implemented measures in March or April to stall evictions and postpone rent increases, but most of these measures had expired by August 2020 (Lawson et al. 2021). Banks allowed mortgage payments to be deferred, with 90% of applications being approved, although mortgage deferrals had expired by October (Canadian Bankers Association 2020). There was little done by provinces to address hardships faced by low-income renters or homeowners. The exceptions are British Columbia and Prince Edward Island, which provided temporary rental supplements for residential renters paid direct to landlords (Legaline.ca n.d.).

• Labor market: Very few provinces adapted labor regulation to address inequities in the labor market, instead relying on federal income support measures, such as the CERB, to address these issues (see "Labor Market Policies") (Nathans et al. 2020).

The federal measures, particularly the CERB and one-time cash transfers, were relatively generous and easily accessed by disadvantaged groups. They were targeted at those who needed income support. Unfortunately, for non-workers and non-tax filers, the combination of federal and provincial measures was less effective: supports were not as generous and, more often than not, took the form of in-kind benefits, which was problematic since many not-for-profits and community organizations experienced financial difficulty or were closed for a time.

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### Healthcare System Response

Health Policy Response Score: 8 As noted in "Health System Vulnerability," Canada's healthcare is predominantly the responsibility of the provincial governments and is only partially funded by federal government transfers. With regional discrepancies in administration, healthcare spending, and attitudes toward the pandemic and the severity of outbreaks, experiences and responses to COVID-19 differed between regions both in terms of timing and severity. Despite the existence of a mechanism to ensure a unified approach to infectious diseases, this has failed to produce a uniform national response (McCabe et al. 2020).

One of the most critical issues that impaired Canada's response to the first wave of COVID-19 outbreaks was the inadequate supply of personal protective equipment (PPE). This issue was due to the underfunding of the federal government's emergency stockpile and mismanagement of the PPE stockpile (Dyer 2020). For example, in 2019, the federal government discarded two million expired N95 masks and 440,000 medical gloves from the National Emergency Strategic Stockpile without replacing them (Leo 2020). Similarly, in Ontario, the largest Canadian province, more than 80% of the 55 million face masks stockpiled after the SARS outbreak to protect healthcare workers during a future epidemic had expired and were not replaced, according to a December 2017 report by the province's Auditor General (Martell and Warburton 2020).

One of the most severe impacts of COVID-19 in Canada has been on longterm care residents. By the end of May 2020, LTC residents accounted for the highest proportion of COVID-19 deaths in Canada among all OECD countries (81% in Canada versus an OECD average of 38%) (Canadian Institute for Health Information 2020). In April 2020, overwhelmed by the first wave of COVID-19 outbreaks in LTC homes, the largest provinces of Ontario and Quebec requested and received federal assistance whereas Canadian Armed Forces (CAF) were deployed to LTC facilities. A report by CAF (4th Canadian Division Joint Task Force 2020) lists the insufficient use of PPE, chronic understaffing, poor quality of services and inappropriate behavior toward residents as some of the factors that contributed to the large number of fatalities.

A Royal Society of Canada report (Estabrooks et al. 2020) emphasized that the long-term care crisis in Canada preceded COVID-19 and is due to a combination of factors. These factors include the fact that Canadians enter long-term care later in life, with complex needs that nursing homes are not designed to address; in order to contain costs, the ratio of nurses to care assistants is steadily declining; there is an over-reliance on unregulated care assistants, many of whom are immigrants who speak English as a second language, are often hired on-demand and underpaid, and work in multiple healthcare settings, which encourages the transmission of viruses.

In response to the critical situation in the LTC sector, in May 2020, the federal government issued interim guidance for long-term care homes (Public Health Agency of Canada 2020). This was followed by the appointment of a LTC task force, which published a series of reports that recommended increasing support for the LTC sector, and ensuring sufficient staff numbers and adequate skills among available staff (Office of the Chief Science Advisor of Canada 2020). The Safe Restart Agreement announced by the federal government in September 2020 includes \$740 million for LTC, home care and palliative care to support costs incurred during the pandemic (Intergovernmental Affairs 2020). Despite these measures, as of early January 2021, Canada faces a second wave of COVID-19 in LTC homes, which in the province of Ontario is expected to result in more fatalities than the first wave (Science Advisory and Modelling Consensus Tables 2021). The same reports outlined the possibility that the healthcare system in Ontario might be overwhelmed by the second wave of COVID-19. As a result, a new stay-at-home order was issued by the government of Ontario on 12 January 2021, while the second largest province, Québec, introduced a curfew starting 9 January 2021.

As of mid-December 2020, Canada was leading the world in terms of the number of vaccine doses the country had agreed to purchase per capita, with contracts agreed to purchase enough doses to vaccinate every Canadian more than five times (Duke Global Health Innovation Center 2021). Responsibility for administering vaccine doses rests with the provinces, some of which have experienced significant delays in administering the available doses. As of 6 January 2021, only 40.9% of the less than 500,000 available vaccine doses had been administered, with large variation across the provinces. However, both

the delivery of vaccine doses to the provinces and vaccination programs are ramping up. By 15 January 2021, 65.8% of 761,500 doses of COVID-19 vaccines delivered to the provinces have been administered (Little 2020). Canada expects to receive one million vaccine doses a week starting in April (Tasker 2021) and, despite temporary delays, to have enough approved vaccine doses by the end of September 2021 for everyone who wishes to be vaccinated (Gilmore 2021).

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#### Family Policy Response

As noted previously, in early spring 2020, K-12 schools across Canada closed their doors to face-to-face learning and moved to online learning, in many cases, for the remainder of the school year (Lawson et al. 2021). While in most cases, K-12 classes returned to face-to-face learning in September 2020, throughout the fall, various classes, schools and school districts returned to online learning for periods of time as local COVID-19 case numbers increased. In addition, childcare centers in some provinces closed in March, although many provinces offered emergency childcare to essential and front-line workers (see "Crisis Response of Education System"). Childcare centers re-opened (generally) in September. These school and childcare closures disproportionality affected parents, particularly mothers, and their ability to continue to work and participate in the labor force (Stroh 2020).

At the federal level, to combat the differential impact on mothers' employment and labor force participation several measures were introduced. These included:

• The Canada Recovery Caregiving Benefit: implemented in October 2020, it provides income support to employed and self-employed individuals who are unable to work because they must care for a child under 12 years old or a family member who needs supervised care. The benefit is available to either mothers or fathers (Canada Revenue Agency 2020);

• A one-time top-up to the monthly Canada Child Benefit (CCB) in May 2020 of \$300 and a promise to top-up the CCB again in 2021 up to a maximum of \$1,200 (Department of Finance Canada 2020); and,

• Provision of \$625 million, which will be divided among the provinces, to be spent on childcare programs (Intergovernmental Affairs 2020).

Some provinces also adopted new employment standards that provided job protected leave for people (male or female) who have to leave work to provide care (Lawson et al. 2021). All of these new employment standards cover unpaid leave and are for an open duration, with the exception of Alberta, which only provides job protected leave for caregiving for 14 days.

Some provinces offered cash transfers to families with children. The BC Emergency Relief Support Fund for Parents with Children of Special Needs (Province of British Columbia 2021) provided \$225/month from April to June 2020 to purchase support with meal preparation and grocery shopping, homemaking services, and caregiver relief. The Ontario Support for Families Initiative provided \$200/child while schools and childcare centers remained closed (D'Mello 2020).

Family Support Policies Score: 8 Despite these measures, the employment gap between mothers and fathers increased between February and May (Qian and Fuller 2020). Furthermore, although employment returned to pre-COVID-19 levels for both fathers and mothers in September 2020, as of November 2020, mothers continued to work fewer hours (Beauregard et al. 2020; Statistics Canada 2020b, 2020a). However, the pandemic may have increased equity in time spent on unpaid tasks, particularly for families where the father began to work from home (Shafer, Scheibling, and Milkie 2020).

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#### International Solidarity

International Cooperation Score: 9 Canada has been a leader in coordinating the international response to COVID-19 (Chattu, Adisesh, and Yaya 2020). Canada's Minister of Foreign Affairs François-Philippe Champagne, along with representatives from Australia, Brazil, Germany, Morocco, Peru, South Africa and the United Kingdom, formed the Ministerial Coordination Group on COVID-19 in March 2020 (Global Affairs Canada 2020b), which has met regularly to provide a

global perspective on the effects of the pandemic. In May 2020, Canada's Prime Minister Justin Trudeau joined the Coronavirus Global Response, which aimed to raise over \$8 billion to assist researchers and innovators in developing and testing a vaccine (Prime Minister of Canada's Office 2020). Through this initiative, the government of Canada committed over CAD 850 million, with funding provided for COVID-19 diagnostic support in over 20 countries; accelerated vaccine development, including through the International Coalition for Epidemic Preparedness Innovations; and safe and effective treatments through the World Health Organization (WHO) solidarity trial (ibid).

Further, Canada has committed to working with the global community to develop, treat, test and immunize against COVID-19. Minister of International Development Karina Gould committed CAD 120 million to support activities associated with the Access to COVID-19 Accelerator, a global collaboration that aims to accelerate the development, production and equitable distribution of COVID-19 vaccines (Global Affairs Canada 2020a). These investments aim to assist those countries which are most vulnerable to the pandemic and its impacts.

Canadian organizations, such as the International Development Research Centre (IRDC), have also provided support in low-income countries (International Development Research Centre 2021a). This has included supporting research organizations and developing strategies to address the inequalities created by the pandemic in the Global South. For example, the IRDC has, in partnership with South Africa's National Research Foundation, facilitated research collaboration between African science councils to support knowledge generation and translation for COVID-19 diagnostics, prevention and treatment (International Development Research Centre 2021b).

Canada has also committed to donating any surplus vaccine doses, of which it expects to have a large number, to developing countries (Aiello 2020). However, it will wait for its population to be fully vaccinated and the efficacy of the vaccines to be proven against all strains of the virus before doing so.

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## Resilience of Democracy

#### Media Freedom

Media Freedom Score: 9

In Canada, public and private media are largely independent of government influence and free in their coverage, and the right to "freedom of the press and other media of communication" is constitutionally protected through Section 2b of the Canadian Charter of Rights and Freedoms. According to the World Press Freedom Index published by Reporters Without Borders, Canada consistently ranks among the top countries in terms of media independence and journalistic freedom (Reporters Without Borders 2020). These standards have largely been maintained over the course of the pandemic, and have been reflected in critical and investigative reporting on government matters. For example, investigative reporting by journalists published by the national public broadcaster, CBC/Radio-Canada, recently cast light on the working relationship between civil servants and political officials in the province of Alberta, highlighting a pandemic response characterized by political directives and tension among key actors (Russell and Rusnell 2020).

However, some journalists have raised concerns regarding a breakdown in the federal and provincial freedom-of-information request system – a central component in ensuring government transparency – as "one of the most underrated consequences of the pandemic," noting both rejections of requests and long delays in completing requests (Lou 2020). In addition, new data indicate that the majority of federal departments have recently opted against deeming FOI requests a critical public service (Robertson 2020). The COVID-19 pandemic has had a devastating impact on local journalism in particular, further undermining the delivery of independent local news. As of October 2020, 51 Canadian news outlets – many of them community newspapers – had either temporarily or permanently closed, while over 2,500 editorial and non-editorial jobs had been cut, either temporarily or permanently (Lindgren, Wechsler, and Wong 2020).

Canada has long-standing regulations under the Broadcasting Act which prohibit the distribution of licensed television and radio programming containing content that is considered to be "false or misleading news." Though it has never enforced this authority, the Canadian Radio-Television and Telecommunications Commission does have the ability to revoke broadcasting licenses where appropriate. However, as the nature of media evolves, the increased presence of "fake news" and misinformation online – and on social media platforms, in particular – has emerged as a key area of concern that is not well-contained within existing legislative frameworks. The coronavirus pandemic has only increased the salience of this issue. In April 2020, President of the Privy Council Dominic Leblanc told journalists that the Canadian government was considering legislation that would make it an offense to knowingly spread misinformation about the COVID-19 pandemic that could harm people (Thompson 2020). However, as 2020 draws to a close, no such legislation has been tabled, with the government instead choosing to invest in public education initiatives to combat false and misleading COVID-19 information through the Digital Citizen Contribution Program (Department of Canadian Heritage 2020).

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#### **Civil Rights and Political Liberties**

Canadian institutions uphold the rule of law as a principle of justice by which the need for laws to regulate society and the state is an accepted fact. The Constitution of Canada, the Canadian Charter of Rights and Freedoms (which is protected by the constitution), as well as federal, provincial and territorial laws, codify the protection of Canadian's human rights and fundamental freedoms. Fundamental freedoms include the right to religion, the right to free speech, the right to freedom of the media, and related to democratic, mobility, legal, equality, educational and treaty rights (Department of Justice 2016). While there is always room for improvement, especially with regard to LGBQTN BI2S and Indigenous rights, Canada is generally a free and open society.

Civil Rights and Political Liberties Score: 8 In terms of the pandemic response, the constitutional division of powers is such that the federal government, as well as provincial, municipal and First Nations authorities all played a role. This produced a patchwork of orders and measures, many of which restrict political liberties and civil rights in the name of public health – though it can be argued that many such infringements are justified under the "reasonable limits" clause of the charter, or align with charter protections regarding the right to life, liberty and security of the person (Feder et al. 2020).

The government of Canada has introduced, enforced and continued to update international travel restrictions since the onset of the pandemic, and has added additional screening protocols for travelers arriving from high-risk areas (Immigration Refugees and Citizenship Canada 2020). In addition, the provinces and territories have implemented public health measures, such as social distancing requirements (e.g., business and public facility closures; school shutdowns; and restrictions on religious and private gatherings) and mandatory mask rules (Lawson et al. 2021). When considering tradeoffs between public health and individual rights, such restrictions can be considered reasonable – that is, necessary and proportionate. Legal experts have expressed that Canadian responses during the first wave of the pandemic - the imposition of very strict limitations on gatherings and a gradual reopening - were consistent with both precautionary decision-making and individual rights (Flood et al. 2020, 11). However, some of these measures can be considered to restrict freedoms (e.g., religious freedoms), especially during the second wave when they were introduced in the context of increasing COVID-19 caseloads, and substantial evidence regarding high-risk activities and super spreader events (Drolet 2021). Further, some indicate that the most restrictive aspects of first-wave measures in some provinces have been adjusted or relaxed during the second wave, reflecting a more obvious attempt to balance public health goals with concerns about the consequences of harsh lockdowns, economic or otherwise (Deshman and Zwibel 2020).

Federal legislation contains checks to limit the extent to which civil and political liberties are compromised. For example, the passage of the Time Limits and Other Periods Act (COVID-19) introduced safeguards and oversight provisions intended to enhance transparency, including publication requirements for all orders and the implementation of sunset clauses. Further, the Department of Justice Act requires the minister of justice to prepare a charter statement for every government bill, documenting both the charter rights and freedoms that could be engaged, as well as potential justifications for any limits that may be placed on rights (Department of Justice 2020). This process has been followed for all federal pandemic legislation.

Subnational governments have been reasonably transparent in communicating timelines and rationale for restrictions. Toward the end of the first lockdown, provinces published their reopening plans in which they outlined the various phases, timelines and criteria for moving between phases of their reopening approaches. Subsequent health orders, including those provoked as a result of the second wave, have been introduced in various provinces with clear timelines, and are frequently revisited and updated.

Finally, governments have sought to limit the extent to which lockdowns and distancing orders have indirectly infringed upon the rights of certain populations. For example, the government of Canada announced that it would fund emergency shelters and organizations serving those experiencing intimate partner violence given the heightened risk of intimate partner violence (IPV) due to the pandemic and lockdown measures. Additional support has also been provided to temporarily house persons experiencing homelessness or precarious housing, although one could argue that such support and the resulting measures have been insufficient.

In jurisdictions that have relied more heavily on fines – which some suggest have been set at exorbitantly high levels – the enforcement of public health measures and restrictions has been criticized for its uneven impact on marginalized populations: fines have likely been disproportionality imposed on poor, marginalized and under-housed populations, mirroring existing patterns of discrimination against Indigenous, Black and racialized persons, as well as those living in precarious housing or with addictions and mental illness (Canadian Civil Liberties Association 2020; Luscombe and McClelland 2020).

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#### **Judicial Review**

Judicial Review Score: 8 The various provincial courts, the federal court and the Supreme Court can all set their own policy regarding court administration (Department of Justice 2016). During COVID-19, this resulted in varied approaches to the continuation of services not only across Canada, but also within provincial or territorial jurisdictions. In March 2020, all courts were closed for in-person hearings and operations were limited, with the exception of "urgent" matters (Fasken 2020). What constituted an urgent matter differed by court. Judicial review was not considered an urgent matter in any court, except for the Ontario Superior Court. Moreover, although not "urgent," the federal court also heard some judicial review matters dependent on the situation and whether the matter could be heard remotely or in writing (Clark Wilson 2020; Strikeman Elliott 2020). Courts re-opened and expanded operations throughout the summer and into September, although normal operations have been modified (e.g., video- and teleconferencing have been used) if and when appropriate (Cseh, Gorguous, and May 2021). As of June 2020, the Federal Court of Canada scheduled all judicial review applications to be conducted by video or teleconferencing, although it would consider in-person requests (Federal Court 2020).

In practice, this meant that, in March and April, judicial review petitions were severely impacted, with processes coming largely to a standstill (Ford 2020). However, as technology was adopted and operations were expanded, judicial review does not appear to have been impacted other than for timeliness issues. For example, reviews may be slower to process due to backlogs (pre-existing and accrued).

In Canada, courts pursue their own reasoning, free from the influence of government or powerful individuals. During the pandemic, judicial review was limited when a province declared a state of emergency. As long as a province does not abdicate its powers or breach a distinct constitutional provision, they may respond to the pandemic under their emergency powers (Daly forthcoming). The federal government never declared a state of emergency. Aside from this, courts have continued to act independently, pursue their own reasoning and respond to judicial review matters.

Since the initial shutdown, courts have mostly resumed normal operations, albeit with new safety and health measures in place. There have been a number of constitutional challenges brought against provincial governments and the federal government related to COVID-19 measures. It does not appear that any systematic complaints regarding court delays in reacting to judicial review petitions have been filed.

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#### Informal Democratic Rules

The spread of COVID-19 has exacerbated already heightened polarization and partisanship in several countries. While this effect has been less pronounced in Canada, partisan tensions have flared at various points throughout the pandemic – both within legislatures and between orders of government (Kheiriddin 2020; McCabe et al. 2020). Research examining the public messaging of political elites in Canada at the outset of the pandemic suggests that the country was in a moment of "cross-partisan consensus" in April 2020, with regard to the virus and the required response (Merkley et al. 2020). However, as the pandemic has progressed and the first phase of vaccine administration nears (Picard 2020), and as the federal government and opposition parties prepare for the looming federal election, partisan disagreement has re-emerged.

At the federal level, the Liberal minority government has largely managed to achieve cross-party consensus throughout the pandemic, with political scandal – not pandemic policy – constituting the largest threat to government

Informal Democratic Rules Score: 8 confidence (Aiello 2020). Importantly, in Canada's parliamentary democracy, instances of minority government mean that the governing party is not simply required to seek legislative approval of proposed measures, but in fact relies upon opposition support to pass legislation. Many have argued that opposition parties have played an important role in holding the government to account regarding its response to the pandemic (Rayment and VandenBeukel 2020). For example, it has been reported that several key pandemic policy measures, such as income support measures for workers and students, as well as a 75% wage subsidy program, were strengthened as a result of pressure and proposals from opposition parties (Parkin 2020). Further, early in the pandemic, opposition parties were successful in renegotiating an emergency response bill, which would have allowed the minority government to tax, borrow and spend without parliamentary approval until the end of 2021; the bill that was eventually passed removed taxation powers and drastically shortened the period of unchecked spending powers (Thomas 2020). However, others argue that during the first wave of the pandemic, adaptations to legislative sittings and processes (e.g., fewer sittings and reductions in the number of participants) still affected the extent to which parliaments could adequately fulfil their representative functions and limited the ability of parliamentarians to scrutinize executive actions (Rayment and VandenBeukel 2020).

While cross-party cooperation has been necessary at the federal level due to the existence of a minority federal government, both Canadian federalism – in which provinces have distinct jurisdiction over key areas of pandemic response, such as healthcare – and the existence of province-centric federal opposition parties have hamstrung efforts to coordinate and cooperate in a national approach (McCabe et al. 2020; Freeman 2020). At present, all provincial governing parties enjoy majority status, which means that government functioning does not require opposition support. Importantly, minority governments in two provinces – British Columbia and New Brunswick – called snap elections in which they were able to leverage the health crisis to gain majority mandates. In some provinces, majority status has resulted in governments taking ideologically-motivated and political decisions to secure their base, even as COVID-19 cases rise – and public support plummets – during the second wave (Bratt and Young 2020).

Political procedure aside, most Canadians believe their democracy is functioning well amid the public health crisis. A recent study revealed that 80% of Canadians are either fairly or very satisfied with how democracy works in Canada, up from 73% in 2019, and Canadians of all party affiliations have reported increased confidence in the federal government since 2019 (Morden 2020). Further, the prime minister and all but two provincial leaders experienced increases in their approval ratings between February and

# November 2020, with six seeing their ratings increase by at least 15 percentage points (Grenier 2020).

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## Resilience of Governance

## I. Executive Preparedness

#### Crisis Management System

Crisis Management System Score: 7 Canada was ill-prepared for the challenges of the global pandemic (Evans 2020; McCabe et al. 2020), with the coronavirus crisis casting light on the long-standing inadequacy of Canada's crisis response infrastructure and the policies that compose it (Wells 2020b). Analysis reveals that despite the development of comprehensive pandemic plans post-SARS, successive federal governments have failed to both implement recommendations for a robust and well-funded pandemic response system, and develop the habits and processes to enact the preparedness mechanisms outlined in such plans (Wells 2020a; McCabe et al. 2020). A recent report released by the Auditor General of Ontario – Canada's largest province – raised several concerns about preparedness at the outset of the pandemic. The report revealed that the province had not updated its pandemic-related emergency plans in several years, nor had it fixed weaknesses or addressed key lessons identified following the 2003 SARS outbreak (Office of the Auditor General of Ontario 2020).

Health experts point to several sore points in Canada's systems at the outbreak of the crisis: meager national stockpiles of key supplies, such as masks, personal protective equipment for healthcare workers and ventilators; and a slow-to-get-going testing system, marked by the limited availability of testing equipment and qualified personnel (Evans 2020; McCabe et al. 2020). Others noted concern about the capacity of hospitals to accommodate a surge in demand for healthcare services, given that in recent years many hospitals across the country were functioning at or over 100% capacity (Bensadoun 2020). In the second COVID-19 wave, it appears as though in many provinces this fear has come to fruition, with some calling on the Canadian Red Cross to support the preparation of field hospitals (Canadian Red Cross 2021).

Following both the 2003 SARS outbreak and the 2009 H1N1 pandemic, Canadian experts called for the establishment of a collaborative national public health strategy. This eventually resulted in the creation in 2017 of a federalprovincial-territorial response plan for biological events and it was the triggering of mechanisms within this plan that led to the appointment of the Pan-Canadian Public Health Network Special Advisory Committee on COVID-19 in January 2020 (McCabe et al. 2020). However, Canada once again failed to mount a coordinated national response, with provinces and territorial governments pursuing a patchwork of strategies while the federal government held the purse strings and looked on in an advisory capacity (Da Silva and St-Hilaire 2020; McCabe et al. 2020). The lack of coordination that has come to characterize Canada's crisis management system is a product of the country's federalist system and in particular province-centric interpretations of the constitutional roles which it sets out. However, both constitutional scholars and health experts note that these realities need not hinder attempts to adopt processes that would overcome jurisdictional tensions in emergency responses. Indeed, what is required is that the leadership set aside politics in favor of a more effective intergovernmental approach (Da Silva and St-Hilaire 2020).

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## II. Executive Response

#### **Effective Policy Formulation**

Effective Policy Formulation Score: 7 Evidence suggests that Canada was slow to both recognize and communicate the magnitude of the coronavirus threat, and use early opportunities to "get ahead" of the pandemic through the introduction of measures to contain the spread of the virus (Anderson 2020; Boin et al. 2020; Tasker 2020). Indeed, as the federal government waited to act, provinces were forced to interpret for themselves how the public health crisis would unfold, declaring their own states of emergencies, and shutting down schools, businesses and various public spaces. Investigative journalists have since uncovered that shifting priorities within the federal health agency led to the silencing of Canada's international alert system for outbreaks in 2019, significantly curtailing Canada's pandemic surveillance capacity and ultimately hindering the country's capacity to respond rapidly to COVID-19 (Robertson 2020).

Once the pandemic alarm was sounded by the World Health Organization, the Canadian government was quicker to formulate COVID-19 response policies than most. Less than one week after the pandemic was declared, the federal government had moved to close the Canada-U.S. border and had also announced an \$82 billion economic relief package equal to more than 3% of GDP (Aiello 2020b). A little over a week later, the Canadian parliament passed emergency legislation, which gave the federal government special spending powers. The legislation also confirmed the relief package and a \$2,000 per month benefit for people who had lost income as a result of the pandemic (Aiello 2020a).

The policy response going forward was generally coherent and viable – and was, for the most part, informed by expert advice. The government of Canada has established several advisory groups and task forces composed of experts from the public and private sectors, academia, and the research community to recommend measures to address the pandemic, including in the areas of immunization, testing and screening, contact tracing, data management, and broader population and public health data collection (Public Health Agency of Canada 2020). As detailed in previous questions, the federal government's

response has been multi-pronged, spanning economic and financial support for individuals, businesses, sectors, organizations and subnational jurisdictions. The Canadian government has also led efforts around immunization and public health data, and has sought to support contact tracing through the creation of a national contact tracing application for mobile phones (Health Canada 2020).

In considering the effectiveness of crisis policy responses in some Canadian subnational jurisdictions, a "tale of two waves" emerges. While many provincial and municipal governments acted swiftly at the outset of the pandemic, effectively containing spread such that businesses could reopen and hospitals regroup, management of the second wave has not produced the same results, as cases continue to rise and the government has floundered. In some jurisdictions, government officials relied for too long on approaches centered on "personal responsibility" and the need to keep businesses open for the sake of economic health (Anderson 2020). The second wave of the pandemic hit hard across Canada starting in November. Canadians were not able to gather over the winter holiday season, given government failure to contain viral spread and, in several provinces, school-aged children were not able to return to the classroom following the winter break. When the ongoing second wave will end remains to be seen, especially since more contagious variants of the virus have now been detected in several provinces.

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#### Policy Feedback and Adaptation

Policy Feedback and Adaptation Score: 8 Over the course of the pandemic, Canada's federal and subnational governments have displayed flexibility and openness with regard to crisis response, regularly assessing measures, and often adapting them when circumstances and evidence change. One example of this at the federal level is the extent to which economic measures were revisited and tweaked in response to both the evolving situation and stakeholder feedback.

During the first wave of COVID-19, the federal government, once the WHO officially declared the health crisis a pandemic and as cases were beginning to be reported across Canada, moved quickly to roll out economic response measures, among them emergency financial support for those without work but ineligible for Employment Insurance (EI) and those forced to stay home due to sickness or caregiving responsibilities. The government also announced a 10% temporary wage subsidy to enable employers to retain workers without going bankrupt (Department of Finance Canada 2020a). In mere weeks, the government had retooled and merged its emergency financial supports for individuals, creating the Canada Emergency Response Benefit (CERB) (Department of Finance Canada 2020d). Overall, these measures contained considerable gaps and reflected key shortcomings, largely due to the speed with which they were introduced. Thus, in response to feedback from stakeholder groups and experts, as well as pressure from the political opposition and public, the CERB was quickly revised to increase impact and reach (Department of Finance Canada 2020b), and a new 75% Canada Emergency Wage Subsidy (CEWS) was created (Department of Finance Canada 2020c). Additional programs, such as the Canada Emergency Student Benefit, were launched to fill remaining gaps, such as the fact that many students would be ineligible for financial support through the CERB.

Following the first wave and as communities planned for "safe restarts," the government of Canada announced a phase out of some of its temporary response programs. Initially created to account for the inadequacy of the employment insurance (EI) system in the face of the crisis, CERB was transitioned out in September 2020, and replaced with an adjusted and simplified EI system, and several new recovery benefits: the Canada Recovery Benefit, the Canada Recovery Sickness Benefit and the Canada Recovery Caregiving Benefits (Employment and Social Development Canada 2020). These adjustments over the course of 2020 could ultimately form the basis of a fundamental overhaul or reform of the EI system. Other programs, such as CEWS, have been extended and adjusted several times since being introduced at the end of March 2020 (Canada Revenue Agency 2020).

On the public health front, Canadian jurisdictions have been generally responsive to and adaptive in the face of evolving evidence and knowledge about the virus. The Public Health Agency of Canada consistently updates its guidance on various matters – for example, regarding aerosol transmission and recommended mask types – in response to emerging research. Generally speaking, provinces have also consistently revisited and strengthened or lifted measures in response to testing data and evidence of community spread. However, given the nature of the Canadian federation, subnational jurisdictions have taken different approaches in response to evidence, enacting a patchwork of public health measures. Accordingly, restrictions have not always been applied in all jurisdictions with a sense of urgency to match growing rates of transmission and case numbers; in some provinces this has resulted in public criticism of government responses.

Finally, some Canadian epidemiologists point to weaknesses in data collection practices related to virus transmission and infection rates, particularly when compared to practices in other jurisdictions like the United Kingdom, suggesting that such shortcomings undermine the extent to which authorities can truly be said to be enacting targeted and evidence-driven public health measures (Tuite and Fisman 2020).

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#### Public Consultation

The Canadian government has made substantial efforts in recent years to ensure principles of open government are enmeshed in federal institutions and processes, most recently through new commitments announced in the 2018–2020 National Action Plan on Open Government. In addition, in 2019, Canada was co-chair of the Open Government Partnership – a global multilateral initiative focused on building capacity among governments to expand access to data and information, and support meaningful dialogue between citizens and governments (Government of Canada 2020).

In most cases, the federal government consults with societal actors in a fair and pluralistic manner, both through public consultation, as well as longstanding relationships with various stakeholder groups. For example, public and stakeholder consultation is entrenched in the budget process, both federally and at subnational levels: in advance of each budget, citizens and organizations are asked to provide input through written pre-budget submissions and questionnaires, and finance ministers and other officials routinely schedule additional roundtables and meetings for specific interest groups (e.g., business, trade unions and non-profit organizations). House and Senate committee hearings are another venue through which elected officials consult with experts and interest groups to receive advice on policy development and implementation. Further, governments in Canada have a constitutional duty to consult Indigenous peoples when an activity that might have an adverse impact on Aboriginal or treaty rights is being considered.

In many ways, the COVID-19 pandemic has complicated the consultation process. For example, reports indicate that many municipalities – particularly those with larger populations – canceled planned public consultation events altogether during the early weeks of the pandemic and have also been slower to reinstate such consultations (when contrasted with council and committee meetings). This is significant, as important municipal decisions are often taken only following public and stakeholder consultations (Smit and Syed 2020). That said, some municipalities have successfully adopted online consultation processes (Smit and Syed 2020). Furthermore, attempts to fulfil the constitutional duty to consult have in some cases been complicated by the pandemic, and several authorities have recommended extending timelines or deferring consultation on non-urgent projects. The resulting delays have increased tensions between developers and Indigenous communities (Porter 2020).

Canadian governments have also used public and stakeholder consultation to formulate pandemic policy. For example, the federal government worked

Public Consultation Score: 8 closely with impacted sectors to introduce a range of financial support measures, which were packaged as Canada's COVID-19 Response Plan. In addition, Canadian researchers are ensuring that further pandemic responses receive public input. Recently, health researchers surveyed nearly 3,000 Canadians for their opinions on which population groups should receive the initial COVID-19 vaccine doses. The results of the survey will inform public health officials as they develop their immunization guidance (McEwan and Snowdon 2020). Further, the Bank of Canada recently consulted securities distributors, institutional investors and other interested parties on the issue of managing increased debt incurred as a result of the pandemic (Bank of Canada 2020).

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#### **Crisis Communication**

At the onset of the pandemic, Canada was slow to act, placing responsibility on the provinces to respond to initial reports of the pandemic. During this time, experts were not necessarily prepared to identify policy responses and convey advice to policymakers (McCabe et al. 2020).

Shortly after the World Health Organization (WHO) declared COVID-19 a pandemic, the prime minister addressed the nation to announce the border closure and travel restrictions. Since this time, political communication at the federal level has been clear, direct and thorough. During this period, there was a Speech from the Throne (Governor General of Canada 2020) and a Fall Economic Update (Department of Finance Canada 2020), both of which announced policies to support the nation during and after the pandemic. While there were several strong policies announced, many lacked a clear timeline. However, this is expected to change later in 2021 with the new federal budget.

Crisis Communication Score: 8 Due to issues related to Canadian federalism, the same cannot be said about the provinces. Messaging at the provincial level has varied and the lack of national messaging could be considered detrimental. Local governments have the authority to make decisions based on their local state of affairs, adapt plans for lifting or implementing measures in their region, and monitor and assess the effects of specific benefits (Government of Canada 2020). This has contributed to provincial differences in the number of COVID-19 cases across the country. A significant amount of misinformation about the pandemic has circulated throughout the country, adding a layer of complexity to political communication. Certain Indigenous communities have developed their own social media campaigns to disseminate pandemic-related messages and educate against misinformation (Government of Canada 2020). Decisionmaking has been affected by the way in which individuals acted on and interpreted information. Due to the ever-changing nature of the pandemic, transparency and timeliness in communication is crucial. However, this was not always the case in certain jurisdictions (McCabe et al. 2020).

Beginning in March, Prime Minister Justin Trudeau delivered daily briefings on the status of coronavirus in Canada. In June, the briefings moved from daily to semi-weekly. Using phrases such as "our government," Trudeau was able to create a sense of togetherness. Messaging has been largely data-driven (Lalancette and Raynauld 2020). Approximately \$88 million has been allocated toward COVID-19 advertisements, which has been criticized for not being utilized to help the population (Lalancette and Raynauld 2020).

Each province reports the number of COVID-19 cases in its locality, but there are slight differences in communication, which could translate into varying levels of cases in each jurisdiction. Many provinces provided daily updates regarding overall cases, trends, outbreak zones, among other things. Updates are often accompanied by a press conference with the provinces' premier or chief medical officer. Several platforms have been used to inform the public, including news media and social networking. In December, Alberta launched a "Mr. COVID" ad campaign to appeal to younger demographics (Rosove 2020).

General information on the coronavirus is available at both the federal and provincial levels. The federal government provides information relating to the current situation (Canada's response, epidemiological and economic research data, trends), vaccines, financial and economic support, health (selfassessments, symptoms), how to limit the spread, and travel and immigration. In addition, supplementary information is available for specific demographics, including healthcare professionals, Indigenous communities, senior citizens, and parents and children. Some of these resources are also available in multiple languages as well. The COVID-19 Virtual Assistant is available to guide individuals to the correct resources. The assistant prompts individuals with a list of COVID-19-related options, some of which include the topics listed above.

The Government of Canada Public Heath website also offers a comprehensive breakdown of information, ranging from a daily snapshot of total cases, active cases, deaths, recovered cases and people tested to reports outlining approaches to COVID-19 (Public Health Agency of Canada 2020).

#### Citation:

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#### Implementation of Response Measures

The Canadian government has struggled to shape and implement collective national efforts to mitigate the consequences of COVID-19. Structures do exist to support coordination and pan-Canadian responses, such as the Federal/Provincial/Territorial Special Advisory Committee on COVID-19 and the Council of Chief Medical Officers of Health (Pan-Canadian Public Health Network 2021). Such bodies have published guidance on, for example, criteria to be used by jurisdictions when assessing whether to lift, loosen or reintroduce pandemic measures (Government of Canada 2020) and information on the use of non-medical masks. However, such efforts have not been entirely successful in ensuring consistency and unity in responses across the country, particularly given that pandemic measures have largely been a political or governmental undertaking at the provincial level.

Implementation of Response Measures Score: 6 Pandemic measures across provinces have looked more like a disjointed patchwork of various approaches than a cohesive but regionally sensitive approach. Over the course of the crisis, the federal government has declined to declare a Public Welfare Emergency under the Emergencies Act, arguing that such a declaration is not needed given strong coordination with the provinces (McCabe et al. 2020). Yet, outcomes indicate that there has been less cohesion than Ottawa suggests, with evidence pointing to a considerable lack of unity across federal, provincial and territorial responses (both in introducing and removing restrictions), as well as competing messaging on self-isolation requirements, and inter-provincial discrepancies in communication, PPE acquisition, testing capacity and contact tracing (Vahed 2020). Further, as cases continue to rise during the second wave, with both the nation and its provinces consistently setting daily records for new cases, experts have again pointed to an absence of federal leadership, and have called on the Canadian government to both use emergency powers to direct provincial measures and to lead a national conversation about a long-term COVID-19 strategy (Kirkey 2020; McCabe et al. 2020).

Even in areas where the federal government has spearheaded policy – providing financial support to Canadians who have lost income and work as a result of the pandemic through the Canada Emergency Response Benefit (CERB), for example – this policy has not been accompanied by guidance for provinces, which would ensure uniformity of implementation. In the case of the CERB, this produced significant inter-provincial inconsistencies in how pandemic assistance affected recipients' eligibility for or the level of support received through long-standing policies, such as income assistance, and negatively impacted vulnerable Canadians in several provinces (Petit and Tedds 2020). Furthermore, premiers in several jurisdictions initially opposed any spending conditions imposed on targeted federal support measures provided through the "safe restart plan" launched during summer 2020 (Nardi 2020). Some observers have noted that, in some provinces, a portion of funds received were used for other purposes (McCabe et al. 2020).

The pandemic has also revealed the extent to which Canadian federalism can be used as scapegoat or cover for ideological approaches to pandemic governance, which further undermine effective policymaking and attempts at national cohesion. Indeed, increased partisanship, and tensions between rightleaning provincial governments and a centrist federal government have also been on display throughout the pandemic. For example, some provinces have stubbornly refused to adopt a federal contact tracing app, preferring to go it alone despite direct pleas from the prime minister to citizens to use the federal app (Slaughter 2020; Herring 2020). Citation:

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#### National Coordination

In Canada, local governments are "creatures of the provinces." They are not a form of government that is recognized in the Constitution Act as having separate jurisdiction or authority over any areas or matters, instead the constitution grants provincial governments jurisdiction over municipalities (Farish and Tedds 2014). This means that there is almost no direct relationship between the federal government and local governments, but instead the federal governments in the provincial governments who then cooperate with local governments in the province.

Once the immediate health crisis pertaining to the first wave of the COVID-19 pandemic abated in Canada in late spring 2020, the federal government began to roll out funding to help cash-strapped provinces and local governments whose revenues were hit hard by the economic toll of the pandemic. In June 2020, the federal government accelerated \$2.2 billion in annual infrastructure funding that is paid out through the federal gas tax fund (Harris 2020) and through existing federal/provincial infrastructure agreements. In July 2020, the

National Coordination Score: 7 federal government also announced \$19 billion would be provided to provinces and territories as part of a safe restart agreement that had been negotiated with the premiers (Lim 2020). The funding is intended to support provincial spending in seven key areas, such as enhanced COVID-19 testing and contact tracing, the purchase of personal protective equipment (PPE) for front-line workers and businesses, operational funding for municipalities, a national sick leave plan, and support with childcare to enable parents to return to work (Meyer 2020).

The federal government also took steps to modernize the Fiscal Stabilization program, responding to concerns raised by premiers across Canada (Department of Finance Canada 2020). The Fiscal Stabilization program existed prior to the COVID-19 crisis and is intended to provide a backstop to provinces that face an extraordinary reduction in revenue. The program provides financial help to any province faced with a year-over-year decrease of more than 5% in non-resource revenues or of more than 50% in resource revenues, with adjustments for interactions between revenue sources. Payments are currently capped at \$60 per person for a given fiscal year. The federal government committed to increasing the cap, which was last adjusted in 1987, and changing the formula so that the program provides more generous payments when the provinces need help the most. While this change came in response to the sharp declines in revenue experienced through the pandemic, the changes will remain in place post-pandemic.

While the above paints a rosy picture of federal/provincial relationships and cooperation through the COVID-19 pandemic, these relationships were not without tension, albeit tensions that would have existed even without the pandemic. Most of the premiers in western Canada are from right-wing and more populist political parties, while the current federal government is more of a centrist political party. Consequently, the current tensions are more about political posturing than about actual policy response.

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#### International Coordination

When Justin Trudeau's Liberal government was elected in 2015, there was much talk about rebuilding Canada's reputation on the world stage. In fact, Prime Minister Trudeau noted that under Canada's previous prime minister, Stephen Harper, the world questioned whether Canada had lost is compassion and constructive voice (Bronskill 2015). Upon taking office, Trudeau embarked on a mission to restore Canada's global reputation as a positive and collaborative presence (Nimijean 2018). In many ways, Canada has collaborated effectively under this new leadership, having signed several international trade agreements, led on the inclusion of gender equity chapters in world trade deals and re-established Canada's active commitment to climate policy. However, there have also been challenges, both in navigating tense relationships with U.S. President Trump and the Chinese government (given Canada's detention of Meng Wanzhou and China's retaliatory detention of two Canadians), and in managing the imposition of travel and border restrictions on several key partners, including the United States and the United Kingdom.

As detailed in "International Cooperation," Canada has continued to play a leadership role in initiating and steering international coordination efforts throughout the pandemic. The Ministerial Coordination Group on COVID-19 was established in March 2020 as a result of an initiative brought forward by the Canadian government (Federal Foreign Office 2020; Global Affairs Canada 2020b) and the Canada's minister of foreign affairs led this group throughout 2020. The purpose of the group – which includes participants from over 15 countries, many of them G-20 member states – is to ensure a strong and coordinated global health response, maintain essential global links (e.g., transportation links and supply chain connectivity), and coordinate among all countries regarding public health, travel, trade, economic and financial measures (Global Affairs Canada 2020a). This is in addition to Canada's contributions to ongoing international efforts coordinated by the World Heath Organization (WHO), World Trade Organization, international regulators, the G-7 and G-20, and the global research community.

Pandemic responses in the areas of public health, and social and economic policy in Canada have largely been consistent with international guidance and have supported, rather than hindered, international efforts to contain the virus, and develop and disseminate a vaccine. Canada has also remained committed to ensuring that international trade remains open, despite the restrictions put in place by major training partners (Global Affairs Canada 2020c), and necessary steps have been taken to ensure pandemic measures do not put unjustified burdens on workers and businesses globally.

International Coordination Score: 8 Yet, despite being an early proponent of and contributor to COVAX efforts, Canada has recently received criticism regarding its vaccine procurement strategy – an approach which arguably flies in the face of collective action, undermining international efforts to achieve a coordinated response. Criticism is centered on the fact that, although the federal government has purchased enough vaccine doses to inoculate its population five times, no firm commitments or plans have been made to redistribute surplus vaccines and recent WHO requests for immediate vaccine donations to COVAX have been met with inaction (York 2021).

#### Citation:

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#### Learning and Adaptation

The Canadian government has a long-standing history of evaluating the efficiency and effectiveness of its crisis management systems. For example, in response to the SARS outbreak, the federal minister of health established the National Advisory Committee on SARS and Public Health in 2003, the mandate of which was to provide a "third party assessment of current public health efforts and lessons learned for ongoing and future infectious disease control" (National Advisory Committee on SARS and Public Health 2003). As a result, the Public Health Agency of Canada was created in 2004 (Government of Canada 2020). At the subnational level, in Ontario, the Independent SARS Commission was launched in 2003 to study all aspects of the outbreak in the province. However, too few of the recommendations made by the committee and commission were adopted, which meant that some of the same vulnerabilities that Canadians faced over 15 years earlier were still present in 2020.

Learning and Adaptation Score: 9 Several investigations have already been launched regarding the country's COVID-19 responses, indicating that Canada will continue its tradition of evaluating its crisis management systems in the wake of an emergency. This includes the creation of the new Special Senate Committee on the Lessons Learned from the COVID-19 Pandemic and Future Preparedness (Senate Government Representative Office 2020). Further, in fall 2020, Ontario's Auditor General released a special report on Ontario's initial response to COVID-19 and announced plans to issue a second companion report (Office of the Auditor General of Ontario 2020). The Public Health Agency of Canada also took stock of Canada's initial COVID-19 response in its annual report (Public Health Agency of Canada 2020). Ultimately, an improved response to the next crisis will depend on the initiative of sectors to act on the issues and gaps identified, and a willingness on the part of government to make longerterm. sustained investments in crisis management and emergency preparedness.

Relatedly, the coronavirus pandemic has uncovered significant vulnerabilities and shortcomings within key aspects of Canada's social infrastructure, such as provincial long-term care systems, the early childhood education and care sector (The Canadian Women's Foundation 2020), and the Employment Insurance system (Canadian Centre for Policy Alternatives 2020, 66–71). Though not aspects of Canada's crisis management system as such, these vulnerabilities have significantly undermined the effectiveness of Canada's response to COVID-19. As a result, improvements in these areas are necessary to lay a better foundation for emergency preparedness in the future. The government of Ontario's decision to launch an inquiry into the state of long-term care in the province, which began in July 2020, underscores this point (Ontario's Long-Term Care COVID-19 Commission 2020).

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## III. Resilience of Executive Accountability

#### **Open Government**

Open Government Score: 10 The Government of Canada strives to provide transparency, accountability and citizen participation through its Open Government platform. Its goal is to make government data and digital records more accessible to the public (Government of Canada 2015). The data available on COVID-19 is both extensive and diverse. Data is available on COVID-19-related government spending (e.g., benefits), contracts, briefing notes, travel/hospitality expenses as well as the justice system (Government of Canada 2020). The federal government provides a daily update on the total number of COVID-19 cases, deaths and tests, and epidemiological rates by province. Open Government access is also available across provinces, territories and municipalities. The data is provided in easy-to-read numerical and graphic formats. In certain cases, the data is explained in simple terms or with bolded characters to indicate the gravity of the issue. The Canada Open Government Working Group (COGWG) allows for the inter-jurisdictional sharing of information, both domestically and internationally (COVID-19 Canada Open Data Working Group 2021). The working group's priorities are centered on public engagement and the development of common tools.

Statistics Canada provides real-time data on a number of areas, including society, the economy and the environment. In the wake of COVID-19, Statistics Canada has published numerous articles and studies that examine the socioeconomic impacts of COVID-19 on individuals (Government of Canada 2020). The ability to provide current data has been invaluable to decision-making across all levels of government. While Canada has extensive information related to crisis management plans and risk mitigation strategies, these plans and strategies were not necessarily effective in slowing the rate of infection.

#### Citation:

COVID-19 Canada Open Data Working Group. 2021. "About Us." https://opencovid.ca/about/. Government of Canada. 2015. "Open Government." Last Modified November 6, 2015. https://www.canada.ca/en/transparency/open.html.

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#### Legislative Oversight

Legislative Oversight Score: 8 With respect to operations in the House of Commons, scheduled seatings were postponed from April until the end of May, and scheduled seatings starting in June were moved online with votes cast virtually (Parliament of Canada 2020). Remote work posed some difficulties, including cybersecurity concerns, restrictions on the sharing of information and language issues (lack of interpreters) (Parliament of Canada 2020). In contrast, the Senate has maintained in-person meetings and only votes cast in-person count. However, there have been very few meetings and, at those, attendance rates have been low (Tasker 2020).

COVID-19 has altered the annual budget submission and the reporting cycle. The federal 2020 spring budget was postponed indefinitely, with emergency sittings scheduled to pass legislation related to the pandemic response, though a very detailed economic and fiscal snapshot was provided in June 2020 (Department of Finance Canada 2020a) and the usual fall economic update was provided in November 2020 (Department of Finance Canada 2020b). However, the federal government has clearly signaled that a federal budget will be tabled in the spring of 2021.

A number of new measures were introduced in order to pass emergency legislation quickly. First, the Senate was asked not to amend or block bills and instead to send them immediately through for royal assent (OECD 2020). Second, new legislation, the COVID-19 Emergency Response Act, was passed in March. The act granted cabinet members broad spending powers, and the minister of employment and social development powers to change the Employment Insurance Act. A piece of this legislation (Bill C-12) was passed using a procedure called "unanimous consent," which meant that there was no debate and the motion was adopted before being presented to the House of Commons (The Samara Centre for Democracy 2020). A second piece of this legislation (Bill C-13) dealing with the employment insurance program was debated and presented to both the House and the Senate to vote on (The Samara Centre for Democracy 2020).

New oversight mechanisms for the enhanced spending powers were established. For example, the minister of finance must report to the Finance Committee regarding pandemic spending and the House Finance Committee was given the power to recall the suspended parliament if it was unsatisfied with the transparency of the government reporting on spending measures (The Samara Centre for Democracy 2020). Further, the Auditor General must review all spending measures (The Samara Centre for Democracy 2020).

On 18 August, the governor general prorogued parliament on the advice of Prime Minister Justin Trudeau until 23 September (Lagasse 2020). Not only did this prevent legislative debates, but it prevented parliamentary committees from asking questions about the government crisis response (Aiello 2020). The House of Commons resumed on 23 September 2020 and included a Speech From the Throne (Governor General of Canada 2020). The speech set out not only how the government intends to continue in its response to the ongoing COVID-19 pandemic, but also a framework for building a more resilient and inclusive economy once the pandemic abates. This was followed at the end of November with a Fall Economic Statement (Department of Finance Canada 2020b), which provided more information regarding the fiscal situation of the federal government and set out additional details regarding this plan. As indicated previously, the full details related to continued pandemic response and Canada's economic recovery plan are expected to be provided in the update spring budget.

#### Citation:

Aiello, Rachel. 2020. "PM Trudeau Prorogues Parliament Until Sept. 23." August 18, 2020. https://www.ctvnews.ca/politics/pm-trudeau-prorogues-parliament-until-sept-23-1.5068461.

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#### **Independent Supervisory Bodies**

The auditor general is appointed by parliament on the advice of the prime minister for a 10-year term (Library of Parliament 2009). Once in place, however, auditor generals have a virtually free hand in deciding who to audit and when. The Office of the Auditor General (OAG) is accountable to parliament, and the removal of an auditor general requires the approval of both

Auditing Score: 9 the House of Commons and Senate. Instances when either parliament or its Public Accounts Committee were able to direct the work of the Office of the Auditor General are rare.

At the outset of the pandemic, the OAG switched to remote work and suspended travel for auditors (Office of the Auditor General of Canada 2020). This resulted in initial difficulties in obtaining audit evidence. However, the OAG, the federal government and federal organizations are developing workable solutions. The OAG is auditing federal government spending in relation to COVID-19 and has committed to delivering a report no later than June 2021. Other planned audits focus are related to health and safety, support to individuals and businesses, emergency preparedness and early response action, climate change actions, and cybersecurity. All of these are due to be released beginning in early 2021.

#### Citation:

Library of Parliament. 2009. Appointment of Officers of Parliament. https://lop.parl.ca/sites/PublicWebsite/default/en\_CA/ResearchPublications/200921E#a2. Office of the Auditor General of Canada. 2020. "COVID-19 Impact on the OAG." Last Modified October 28, 2020. https://www.oag-bvg.gc.ca/internet/English/parl\_fs\_e\_43616.html.

Data Protection Score: 9 Canada's data protection authority is the Office of the Privacy Commissioner of Canada (OPC) (Office of the Privacy Commissioner of Canada 2016). The legislation governing federal government use of private data is the Privacy Act. As an officer of parliament, the commissioner can audit suspected government breaches of the Privacy Act and act as an ombudsman in relation to individual violations. Analogous structures exist at the provincial and territorial level.

During the pandemic, new technology risks have emerged as the process of digital transformation advances in areas such as telemedicine and e-learning platforms. Although legislation has not caught up to specifically cover these new developments, the OPC has applied a flexible, contextual application of the existing laws, developed a framework for data protection during a pandemic and has demonstrated continued capacity to advocate for data protection (Office of the Privacy Commissioner of Canada 2020).

Citation:

Office of the Privacy Commissioner of Canada. 2016. "How the OPC protects and promotes privacy." Last Modified 2016-11-10. https://www.priv.gc.ca/en/about-the-opc/what-we-do/mm/.

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