

2014 Foreign Aid Budget Suffers No Further Cuts, But Charities to Face Stricter Rules?

CCIC Press Release

Ottawa, Feb. 12, 2014. It is a good-news federal budget for Canadians who care about international development, as Canada's foreign aid budget suffered no further cuts.

But Canada's international assistance envelope is still shrinking.

In Budget 2012, the government announced that the international aid budget would be cut by almost 8% over a three year period. However, in 2012-13, \$370 million was actually cut from Canada's aid budget including roughly \$290 million in unspent money that was returned to Treasury Board. This was much more than the anticipated \$180.7 million for that year.

Canada's image internationally as a generous donor has been tarnished while other countries (the United Kingdom, for example) are still committed to growing their aid budgets.

"In the context of an ever-shrinking foreign aid budget, the news that the 2014 federal budget does not make any further cuts is a relief," says Julia Sanchez, President and CEO of the Canadian Council for International Co-operation (CCIC). "But with millions of people living in extreme poverty, Canada should be doing much more."

At 0.31 per cent of Gross National Income, Canada is far from the internationally agreed goal for foreign aid spending of 0.7 percent of GNI. And as the aid budget continues to fall, and the Canadian economy continues to grow, that figure is going to decrease dramatically.

"The \$290 million in unspent money meant that programs which could have helped tens of thousands of people struggling to get out of poverty, simply did not happen," says Sanchez. "What is needed is a timely and predictable flow of funds, and not another significant lapse in 2013-14."

The 2014 federal budget also announced new measures for monitoring support by terrorist states, namely by Syria and Iran, to Canadian charities, as well as a review of the tax exemption status of non-profit organizations (NPOs).

"We'll be looking to see that the new measures relating to charities and NPOs won't compromise the ability of humanitarian and other development organizations to deliver key life-saving programs in difficult situations; nor that these provisions be used to silence government critics," says Sanchez.

"Charitable organizations play a critical role in helping to end injustice and global poverty and their work needs to be supported and promoted."

The Canadian Council for International Co-operation (CCIC) is the national coalition of Canadian civil society organizations working globally to achieve sustainable human development. CCIC joined forces with other organizations in the lead-up to Budget 2014 in a campaign [asking for the aid budget to be protected](#). The campaign got more than 20,000 signatures from concerned Canadians in the ten days prior to the budget announcement.