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# Public Policy & Global Affairs Review



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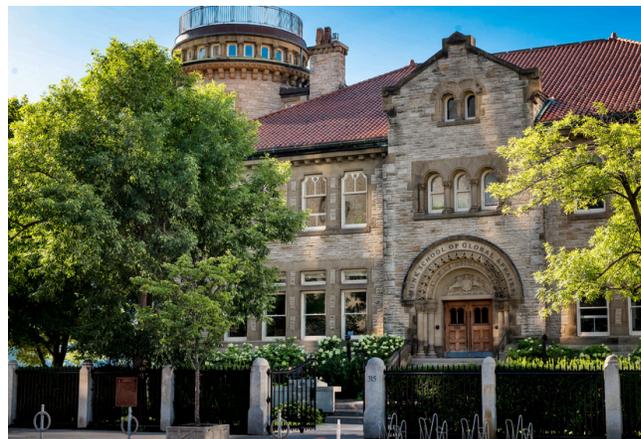
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# Greenland and the Canadian Arctic: The Colonial Logic Behind Arctic Security

BY ABIGAIL JENKINS



# Greenland and the Canadian Arctic: The Colonial Logic Behind Arctic Security

On January 20th, 2026, Canadian Prime Minister Mark Carney delivered a momentous speech at the World Economic Forum in Davos, Switzerland. His warning about the risks of unchecked power, including President Trump's threats to annex Greenland - which has been denounced as an act of colonial power, drew widespread attention. Yet, while Canadians applauded our leader's call for international cooperation and assertion of respect for sovereign nations, Canada's own Arctic policies reveal a striking parallel hidden behind a quiet and rebranded colonial logic.

Federal policy and mainstream rhetoric discussing the Canadian Arctic has been highly focused on strengthening security, asserting Canadian sovereignty over the region, development and infrastructure. A key part of ongoing security planning has been an announced investment of nearly \$420 million to increase Canadian Armed Forces presence in the Arctic, framed as necessary to protect sovereignty and security.

This framing, which justifies new Arctic military measures as necessary for national security, is familiar. Trump has used the rhetoric that the U.S. should take over control of Greenland using the justification of Arctic security, Canada has also increasingly leaned into this rhetoric, framing the Arctic region as a strategic asset for geopolitical security and economic development. In both cases, Inuit and Indigenous people who have lived on and governed Arctic land in Canada and Greenland for generations are sidelined.

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This marginalization of Indigenous peoples is not new in Canada, it is a defining feature of Canada's settler-colonial history. Colonialism has systematically discriminated and inflicted violence against Indigenous people through racist and assimilationist policies, like the Residential School System, Nunavik dog slaughter, and Federal Indian Hospitals. Alongside these policies, Indigenous communities were dispossessed of their land through colonial legislation like the Indian Act of 1876, which entrenched the reserve system and federal control over Indigenous territories. Despite historical and ongoing marginalization, Indigenous peoples have consistently advocated for greater decision-making power and recognition of their authority over their lands and communities.

For example, Inuit representatives from Canada's Arctic region have called for more decision-making power

and a real seat at the table when discussing military and spending in the Arctic. Although Indigenous leaders are consulted through federal engagement strategies, the federal government retains ultimate constitutional control over military and security decisions.

To be clear, I do not wish to equate Canada's Arctic policy with U.S. threats to annex Greenland. Canada importantly recognizes Inuit land claims, funds Indigenous governments, and supports co-development. These are important policies from decades of Indigenous political struggle in Canada. Regardless, Inuit self-determination remains limited in current political structures in Canada. Despite significant differences, both reflect the same underlying colonial logic of asserting control over Indigenous land.

The Arctic and Northern Policy framework, launched by CIRNAC in 2019, did improve on preceding Arctic policies by engaging with Inuit governments and organizations as co-developers. But, as many critics have noted, the extent of Inuit-led involvement has often been limited by power structures that privilege the Government of Canada's authority and decision-making and an imposition of neoliberal values, such as economic development and resource extraction, effectively marginalizing other perspectives.

These limitations have pushed Inuit co-development and engagement with Arctic communities into a very narrow, state-sanitized box, one that uses consultation but suppresses meaningful self-determination and the inclusion of Inuit worldviews. Historically, Inuit communities have faced violent suppression of their knowledge, worldviews, governance systems, and relationships to land by the Canadian government and institutions. Prioritizing Inuit participation in Arctic policy is a step in the right direction, but without a perspective which respects the sovereignty of Inuit peoples and communities, Arctic policy risks perpetuating harmful colonial dynamics.

Canada's current approach to Arctic policy reproduces Western exceptionalism and entrenches neocolonial relationships between Ottawa and Inuit communities, echoing the same logic behind U.S. threats to annex Greenland. In both cases, powerful states assert control over Indigenous homelands in the name of security, economic development, and geopolitical strategy.

The reality is that security risks in the Arctic are real and are exemplified clearly in Trump's threats and the Russian invasion of Ukraine. Canada does need to take Arctic security seriously. But our approach needs a new lens which values genuine Inuit leadership that brings ideas to the table which support self-determination and work in the interests of Inuit communities in Canada. Otherwise, we risk continuously undermining security by failing to represent the interests of constitutional rights-holders.

One way to engage in meaningful policy change is through self-determination for Inuit peoples in Canada's Arctic. In fact, the Inuit Nunangat Policy, protects Inuit rights to pursue self-determination, a principle which refers to the rights of Indigenous peoples to govern their own political, social, and economic affairs, including the right to self-government. Further exploration into how the Inuit Nunangat Policy interacts with the Arctic and Northern Policy framework is important to ensure self-determination is respected in practice.



Importantly, Inuit peoples have already been organizing and communicating their ideas through documents like the Inuit Tapiriit Kanatami's "An Inuit Vision for Arctic Sovereignty, Security and Defence". This Inuit-led proposal calls for investment in healthcare and education in Inuit communities, economic support for Inuit Treaty Organizations, investment in infrastructure which can benefit Inuit and support defence goals, and continuing to strengthen the Inuit-Crown partnership. This proposal demonstrates that self-determination is not merely an abstract principle, but builds on existing, Inuit-led policy visions that mobilize Inuit priorities.

Evaluations from CIRNAC prove that Indigenous self-determination, including self-government, is not just about power, but also has positive effects on increasing quality of life and well-being for Indigenous peoples which were detrimentally impacted by colonialism.

What is missing is not Inuit voices, but a federal government willing to treat Inuit as equal partners in Arctic policy.

If Canada really wants to be a leader in establishing a new world order, as alluded to at Davos, we must begin by dismantling the very colonial logic that still governs the Arctic.



# Wild Rose Country: A Strong and Sovereign Alberta... Within a United Canada

BY LUIS SANCHEZ DIAZ



# Wild Rose Country: A Strong and Sovereign Alberta...Within a United Canada



For decades, Canada has faced unity challenges stemming from provincial assertion of regional influence, protection of cultural identities, and conflicting policy priorities amongst orders of government. These were particularly prevalent in the 1970s with the rise of separatist sentiments in both Québec and Alberta—highlighting the fragility when a region felt Canada no longer served its interests—and back again with the 1980 and 1995 Québec Referenda that almost broke up the Confederation. The country may once again face the dangers of secessionism with an independence referendum in Alberta, which would be unprecedented for Western Canada. A successful secession movement would be the end of Confederation—a rupture with adverse generational consequences for Albertans and Canadians alike. Hence, leaders across orders of government and sectors must move beyond a Laurentian approach to policy making and adopt a pan-Canadian one that promotes multi-actor governance and cooperative federalism.

The Laurentian approach refers to the policy development and implementation process derived from joint consensus amongst the political, social, and economic elites within the St. Lawrence corridor—mainly Toronto, Ottawa, and Montreal—and applied to the rest of the country. In the late 1970s, modern Western alienation emerged as a direct response to this centralised model of governance, especially after Prime Minister Pierre E. Trudeau introduced the National Energy Program (NEP) in 1980, which reconfigured the energy royalty-sharing formula with Ottawa. This policy aimed to achieve oil self-sufficiency and support Central Canada during rising global energy prices through restrictive mechanisms, such as price controls below market levels and new taxes on the oil and gas sector. While the program’s energy sovereignty goal supported national development, Ottawa’s formula change and unilateral governing approach left a lasting economic and political impact on Alberta. Estimates suggest that Alberta contributed more than \$193 billion (2018-chained dollars) between 1973-1985, representing “the largest interregional transfer in Canadian history.” driven by federal regulations, including pre-NEP federal energy policies.

New grievances arose between Western Canada—mainly Alberta and Saskatchewan—and the federal government with the patriation of the British North America Act. Alberta’s then-Premier Peter Lougheed strongly advocated for the “7/50 amending formula” to reduce Central Canada’s power over constitutional issues and fought for control over natural resources taxation and preserving parliamentary supremacy over the Charter of Rights and Freedoms through the Notwithstanding clause. Further, the Constitution Act, 1982 entrenched the Equalization Program—a federal transfer payment measure to ensure comparable public services across provinces relative to their fiscal capacity—that has been at the core of policy debates between federal-provincial political factions given its perceived unfairness toward Alberta. While it is a fact that Alberta as a province does not contribute directly to

equalization, an independent Alberta would hinder the program given the significant fiscal contributions that Albertans make. Estimates suggest that between 2007 to 2022, Albertans fiscal net contributions to Confederation—accounting for federal transfers—was \$244.6 billion, representing more than five times that of those living in B.C. or Ontario.

Western alienation was temporarily overshadowed throughout the 1990s by Québec's secessionist movement under Jacques Parizeau's Parti Quebecois and the consolidation of the Bloc Quebecois. At the time, the Reform Party advocated for institutional changes as a way to channel Western alienation—especially once it became Official Opposition—under the "The West Wants In" banner, which further kept Western secessionist parties on the margins of electoral viability. The alienation sentiments persisted, however, in the minds of Western Canadians, with an IPSOS poll measuring that 49 per cent of citizens considered that their province "does not get its fair share from Confederation" following the 1997 Federal Election. This underscores how region-wide grievances can persist even without institutional expression, and signals a democratic gap, where political actors rarely course-correct policies unless electorally compelled to do so. As a result, policymakers must be vigilant about the long-term ramifications of political inaction that cause lasting disenchantment with civic engagement and trust in democratic institutions.

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Moreover, Western federal-provincial grievances were not resolved years later—they became politically dormant, waiting for the conditions that would bring them back to the national conversation. A series of energy and environmental regulations implemented under Prime Minister Justin Trudeau led to renewed calls for Western secession, especially in Alberta, owing to his government's limited cooperation and unilateral approach to policy development. For instance, his government passed the Impact Assessment Act, 2019—colloquially called the "No More Pipelines Act"—which contained overreaching federal regulatory provisions that encroached on provincial jurisdiction, as confirmed by the Supreme Court of Canada in 2023. Conversely, the Trudeau government enacted the Greenhouse Gas Pollution Pricing Act in 2018, establishing the consumer "carbon tax"—which produced significant political divisions across the country—aimed at shaping consumer behaviour. However, the federal government once again demonstrated its disregard for cooperative policy development by favouring Atlantic Canada—an electorally reliable region to the federal Liberal Party—over the Prairies and Ontario, by introducing exemptions for home heating oil following political backlash from Liberal backbenchers.

The possibility of an independence referendum in Alberta is at a historic high given the institutional mechanisms that enable it. In particular, the United Conservative Party (UCP) under Premier Danielle Smith passed the Sovereignty Act, 2022—a largely symbolic policy framework that allows the provincial government to counter perceived federal overreach by directing provincial entities to not enforce federal initiatives, thereby asserting its already established constitutional authority.



More recently, the government amended legislation to make it easier for citizen-led referendums to proceed. This has enabled two main groups to collect signatures to settle the independence debate by triggering a vote in the Alberta legislature or a civic referendum. The Forever Canadian group seeks to foster "Canadian unity" by reaffirming Alberta's place in Confederation and resisting the American expansionist agenda. In contrast, the Alberta Prosperity Project strives to promote Alberta's "prosperity, self-determination, and independence" by restructuring its relationship with Canada and opposing what it characterises as political, cultural, and economic "persecution" by the federal government and multilateral organisations.

However, this debate creates social and economic uncertainty that is detrimental to Alberta, regardless of where people stand on the issue. For instance, a report from the Alberta Chamber of Commerce found that most of the business community believes separation talks are beginning to have negative ramifications across the economy—with 58 per cent of those affected actively considering relocating or expanding their operations outside the province. In addition, experts argue that Alberta's secession would have negative long-term productivity effects, increasing trade costs with Canadian provinces and threatening the livelihoods of approximately 900,000 Albertans given their trade exposure. Overall, the threat of secession produces economic uncertainty for both domestic and international investors—as observed in Quebec during periods of political instability—and generates national security concerns with foreign actors seeking to destabilise domestic cohesion for their own geopolitical interests. The intelligence community has warned about foreign interference actions taken by political adversaries through the targeting of diaspora communities in Canada and disinformation campaigns on social media, and an independence campaign would not be an outlier.

In the event of a successful secession referendum—one that clear both democratic and constitutional-legal thresholds, including Crown-First Nations treaty obligations—would be a disaster for Alberta and Canada.

The dangers of a geopolitical recalibration of world powers, including that of the United States, underscore the urgency for building a strong, united Confederation built on cooperative federalism that preserves federal-provincial relations. While the recently signed memorandum of understanding (MOU) between Alberta and Ottawa is a sign of this approach to national development, decades-long grievances will not vanish overnight. The federal government must engage with Albertans by offering real solutions to pressing issues through policy options that promote collaboration over confrontation, and must govern within its constitutional boundaries while addressing regional needs. At the same time, the provincial government under the United Conservative Party (UCP) must abandon its ongoing political tactics that undermine provincial-federal partnership—such as those announced by Premier Danielle Smith on greater provincial authority—and denounce harmful separation rhetoric spreading within its caucus and across its political base.

The Wild Rose Country is home to hardworking, empathetic, and visionary people—and their future must not be left to political actors willing to exploit regional grievances for political gain. The rise of modern Western alienation cannot be dismissed any longer, and it is time for political actors in Eastern Canada to recognise that unilateral policy development has contributed to these sentiments. Although the vast majority of Albertans, including First Nations, resoundingly reject the idea of secession, this consensus must not be taken for granted, as public opinion can shift rapidly. This underlines the need for a pan-Canadian approach to policy development and implementation that adapts to regional priorities and concerns to address regional disparities and foster national cohesion. Thus, leaders across orders of government and sectors must rally behind a unity project that promotes a multi-actor, cooperative federalist approach to policy making in place of the Laurentian approach. As a result, federal-provincial divisions must therefore be addressed through existing legal frameworks, allowing Alberta to assert its constitutional authority to protect its interests. This is not a small undertaking—however, a strong and sovereign Alberta within a united Canada is possible—and one that is worth fighting for.



# Turning Protest into Power: Nepal's Gen-Z and the Future of Governance

BY SAISHA SHARMA

Source: Himel Subedi, "Gen Z movement against the government, 23 Bhadra 2082" via [Wikimedia Commons](#), CC BY-SA 1.0.



# Turning Protest into Power: Nepal's Gen-Z and the Future of Governance

On March 5th, 2026, millions of Nepalis headed to the polls in one of the most consequential elections in the country's recent history. The elections followed almost a year of political upheaval triggered by the massive youth-led protests in September of 2025. For many young Nepalis, this election was different, it was not a routine political transition that recycled the same corrupt structures but was a referendum on the country's future. The early results have already shown that this generational shift has translated into political power.

In early September of 2025, Nepal's Gen-Z Protests were triggered when the government imposed a nationwide ban on social media. However, these protests were never just about social media. They reflected the deeper frustrations with political corruption and elites, furthered by the prevalence of "nepo-babies," children of the political elites, who benefit from inherited power rather than earning public trust. For years, many young Nepalis watched the same political leaders cycle through every election, accumulating wealth while the country continues to struggle with high rates of unemployment, stalled infrastructure development, and subpar public services. For instance, in Nepal, the wealthiest 10 percent of the population holds over 26 times the wealth of the poorest 40 percent, a gap that has widened social divides across the country. On top of that, in 2022, 5.7 million Nepalis were abroad in search of employment opportunities, contributing to 22.61% of the country's GDP, showcasing a reality that has deepened resentment among younger generations who feel forced to leave their homes to support their families.

Therefore, the September protests quickly transformed into a nationwide movement against corruption, nepotism, and economic stagnation, driven by a surge of Gen-Z anger that has been building over the years. Thousands of young Nepalis took to the streets, demanding leaders' accountability and better economic opportunities.



Source: Himal Subedi, "Nepal's Gen-Z Protest" via [Wikimedia Commons](#), CC BY-SA 4.0.

Unfortunately, the demonstrations escalated into one of the deadliest the country has faced in years. Clashes between the protestors and security forces resulted in 76 deaths and 2000 injuries. On top of that, multiple public offices were set on fire, and the parliament building was stormed. In the aftermath, Prime Minister K.P Sharma Oli resigned, parliament was dissolved, and an interim government led by former chief justice Sushila Karki, the country's first female leader, was appointed to stabilize the country and prepare for new elections. For many young Nepalis, Oli's resignation felt like a small but meaningful victory after the deadly protests, but whether this shift would hold or be undone in the next election remained uncertain.

## Why Gen Z?

It is important to acknowledge that at the centre of this upheaval and change were Gen-Z youth, the young cohort of Nepalis who have grown up in the country's post-monarchy republic, established in 2008. Unlike the older generations of their parents and grandparents, who were shaped and directly affected by decades of monarchical rule, the Maoist Insurgency and a turbulent transition to democracy, Gen-Z have grown up in a republic that was supposed to promise a new political era. They inherited a system that they believed had already fought their battles, yet the promise of that transformation has felt unfulfilled.

Instead of stability in the political climate and opportunities, they are faced with a system marked by frequent elitist-driven government changes, persistent corruption, and limited economic prospects. This disconnect between what they were told Nepal could be and what they actually experienced became the defining source of Gen-Z frustration, fueling their anger and willingness to confront the political establishment in ways older generations rarely had.

Nepal is a relatively young country, with a median age of 25 in 2023. As a result, social media plays an important role not only for communication, but also for work, networking, and most importantly, activism and mobilization. Platforms such as TikTok, Instagram and X have been key spaces allowing young Nepalis to discuss corruption, criticize political elites, and most importantly, organize protests. These platforms function as a "digital public square," representing a place where political identities are formed and where private frustrations form into collective action. In recent years, a new wave of youth activism has emerged, with many leaders rising from protest movements to advocate for systemic reform, stronger anti-corruption measures, and greater representation for younger citizens. However, not only leaders in the civil and digital space, as the recent elections have shown, this surge of youth activism has paved the way for new leaders in the political space who resonated deeply with Gen-Z demands for accountability and change.

### **Balen Shah: A Youth-Powered Victory**

One of these leaders, however, dates back to before the September protests began, played a key part in the protests themselves, and ultimately emerged as a central figure in the post-election landscape itself: former Mayor of Kathmandu, structural engineer, and rapper Balendra Shah, known popularly as "Balen." Shah rose to prominence after his victory in the 2022 Kathmandu mayoral race as an independent candidate and built a reputation as an anti-establishment figure who had strongly appealed to younger voters' frustration in traditional party politics. Originally gaining popularity through Nepal's hip-hop ("Nep-Hop") scene in 2013, Shah had already been using rhymes and rhythms on his public platform to criticize corruption and the political incompetencies of incumbents.

During his time as mayor, he became well-known for his outspoken style and willingness to challenge bureaucrats, positioning himself as the symbol of generational change in Nepali politics. Now aligning with the reform-voiced Rastriya Swatantra Party ("National Independent" Party), Shah's entry into national politics reflects the growing momentum of youth-driven movements seeking to reshape Nepal's political landscape, further being pushed by his inclusion of several young, reform-minded young popular figures in his new cabinet.



Source: Janak Bhatta, "Balendra Shah (Balen Shah) at Kathmandu Trash Collection Race 2022 program," via [Wikimedia Commons](#), CC BY-SA 4.0.

### **Conclusions and the Future**

Nepal's recent upheaval represents a growing tension between the expectations of its young citizens and the realities of its political system. It reflects the landlocked country's struggle to navigate economic transition, but also a wider generation demand for transparency, dignity, and opportunity. With Shah now entering national leadership, many young Nepalis see this moment as a breakthrough, a sign that their deadly mobilization has reshaped the political landscape. Yet, the situation remains nuanced. Whether this shift leads to lasting institutional reform or simply marks a turbulent time in Nepal's political history will depend on how the new leadership can translate public expectations into governance.

For Nepal's Gen-Z, this election was never just about choosing a leader, it was about redefining the relationship between citizens and the state and redefining the social contract for a new era. The very generation that organized online, marched in the streets, and pushed the country towards accountability now faces the new challenge of translating these dreams into policy. The movement echoes a broader global pattern, from youth-led protests in places like Iran, Bangladesh, and Kenya. Yet, Nepal has stood out for how dramatically its young citizens have altered the political landscape through implementing and supporting a leader who has their direct interests in mind. As the country enters this new chapter, youth around the world will be watching to see whether Nepal's transformation can endure, and whether this moment becomes a model for how a generation can turn a protest into meaningful and lasting change.



Source: <https://www.pexels.com/photo/nepalese-celebration-with-flags-and-crowd-36279811/>

# The Northern Divide: Why is Access to Care a Life-and-Death Issue in Ontario's North?

BY ABDUR REHMAN



# The Northern Divide: Why is Access to Care a Life-and-Death Issue in Ontario's North?

Northern Ontario is currently gripped by a rapidly worsening public health emergency.

While the province often focuses on incremental healthcare improvements, the reality for Northern Ontario residents is an urgent struggle driven by systemic neglect. To address this crisis, the provincial government must look beyond simply hiring more doctors; Ontario must also tackle the social determinants of health that make Northern residents sick in the first place.

## Income Inequality and Travel Barriers

Northern Ontario encompasses nearly 90% of the province's landmass, yet it is home to only 6% of its population. 36 public hospitals and 13 nursing stations serve the communities in Northern Ontario, mostly comprising smaller facilities located in rural and remote areas of the province.

In Northern Ontario, one's bank account is increasingly a predictor of life expectancy. Residents in the North East and North West regions live 2.5 to 3



years less than the provincial average, respectively. This disparity is a direct consequence of how socioeconomic status dictates access to care. [Evidence from the Rural Ontario Institute](#) reveals that the median individual income in rural areas of the province is \$39,200, compared to \$44,400 in urban centers. The gap is even wider for Indigenous communities, where the median income drops to just \$27,000. When the basic costs of living, such as food, shelter, and transportation, are higher in remote areas, these lower incomes translate into profound health risks.

For those living in poverty, the geographic barriers of the North are amplified. Accessing a specialist often requires travelling hundreds of kilometers by land or air. Programs like the Northern Health Travel Grant are intended to provide relief but have become woefully inadequate. The grant's mileage rate has stagnated at 41 cents per kilometer since 2007, despite gas prices rising by over 58% since then. For a family on a fixed income, the out-of-pocket costs for a trip to a specialist in Toronto or Sudbury can be ruinous, forcing many to forgo necessary treatments.

## Healthcare Workforce Crisis

The health-care system itself is struggling to bridge this divide. [Northern hospitals face higher vacancy rates for physicians and nurses than southern regions](#), leading to the prolonged closure of vital services, such as obstetrics. Expectant mothers in towns like Wawa or Red Lake drive hours to deliver their babies. Emergency service closures worsen this crisis. From 2022 to 2023, there were more than 200 unplanned temporary closures of emergency departments.

To keep doors open, many Northern hospitals have been forced to rely on staffing agencies. [Between 2018/19 and 2022/23, use of agency nurses in Northern Ontario hospitals increased 25-fold compared with 2.5-fold in the rest of the province.](#) These hospitals often pay up to three times the hourly rate of a permanent nurse, creating a vicious cycle where precious resources are diverted to temporary fixes rather than long-term stability.

### Infrastructure Gaps and System Pressures

Alternate-level-of-care rates are substantially higher in Northern Ontario (24-35%) compared to elsewhere in the province (10-22%), indicating greater discharge and system flow pressures. Moreover, fewer residents have a regular primary care provider (83.8% - 89.2% vs. 93.8% provincial), and timely appointments are roughly half the provincial rate.

The demand for healthcare in the North is also acute. Residents in Northern Ontario are more likely to report multiple chronic conditions, such as heart disease and respiratory illnesses. The North West region, for instance, has nearly double the rate of potential years of life lost due to avoidable deaths compared to the rest of Ontario. As issues related to income, housing, food security, and access to clean water remain unaddressed, these social determinants of health demonstrate how families are losing loved ones decades too early

Furthermore, the lack of infrastructure, specifically affordable housing and high-speed internet, severely limits the tools that could mitigate these inequities. Without reliable internet, virtual care remains inaccessible for many remote communities. Without affordable housing, hospitals struggle to recruit professionals who might otherwise move to the region.

### Policy Failures

The provincial government has made recent commitments, including a \$50 million investment in a Northern and Rural Health Human Resources Strategy, and a mandate to connect every resident to primary care by 2029. However, as of late 2025, only 20% of the Auditor General's original recommendations for Northern Ontario hospitals had been fully implemented.

Northern Ontario's unique context requires an all-of-government approach to health. Prioritizing only recruiting and retaining healthcare workers hasn't improved outcomes in the past several years for Northern Ontarians. It would be callous to double down on this strategy without considering the other critical factors affecting health in the North.

### Conclusion and Actionable Solutions

Some policy solutions are easy to implement. Immediately updating the Northern Health Travel Grant so the mileage rate is indexed to current fuel prices only requires political will. This ensures travel is not a barrier to life-saving care.

Solutions that tackle infrastructure gaps or the social conditions around food, housing and income in Northern Ontario require more long-term investment and coordinated effort across every Ministry in the provincial government. Policy could look to prioritize high-speed internet expansion in the North, specifically as a healthcare delivery tool to make virtual care a reality. Or shift funding from high-cost staffing agencies toward permanent recruitment incentives and housing subsidies for healthcare workers in the North. Changes like these need to be coordinated through a measurable strategy for healthcare delivery in Northern Ontario.

Until we bridge the gap between the haves and the have-nots in Northern Ontario, the promise of the right care in the right place will remain a hollow one for the people of the North. It is time to treat Northern Ontario's health inequities with the urgency they deserve. We must demand that geography and income are no longer barriers to a long and healthy life.



# Opinion: There is Nothing Political About Being Black

BY HERMELA SAMUEL



# Opinion: There is Nothing Political About Being Black

February has come and gone. Yet again, the Munk School of Global Affairs & Public Policy did not formally acknowledge Black History Month.

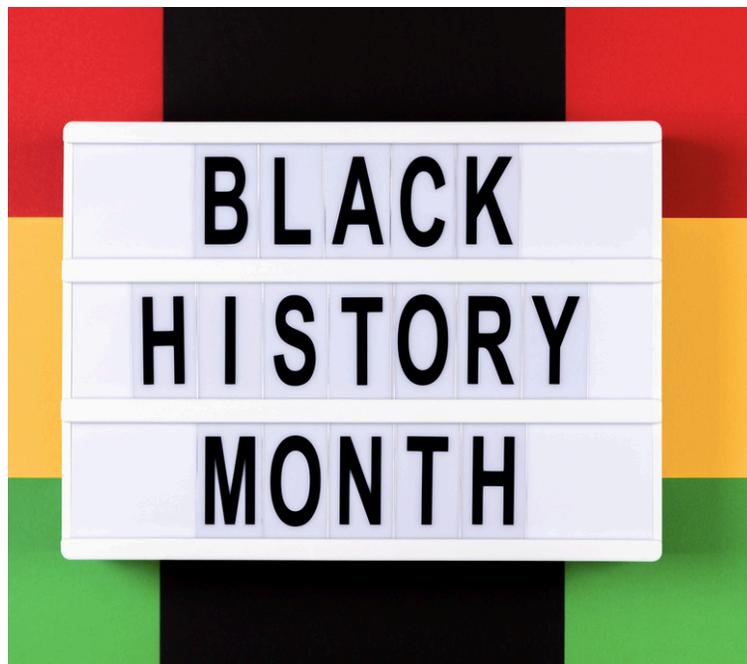
At an institution dedicated to governance, public policy, and global affairs, Munk's silence is not neutral. It sends a message about the gap between institutional commitments to equity and their implementation in practice.

In institutions that shape future policymakers, what is acknowledged reflects what is prioritized in governance, public administration, and institutional accountability.

Black History Month is not only a cultural moment, but also a policy-relevant one. In fields like governance and public administration, it raises questions about representation, institutional accountability, and whose histories are recognized and acknowledged in decision-making settings. Political priorities shape policy, and institutions shape how future policymakers understand issues such as race, inequality, and inclusion.

Black students in the Master of Public Policy and Global Affairs programs are few. Their numbers can be counted on two hands, and in some years, even fewer. Small numbers, however, should not justify institutional absence. If anything, underrepresentation should make acknowledgement more urgent. Recognition should not depend on demographic weight.

The absence of acknowledgment is particularly striking for an institution that prides itself on cultivating emerging leaders. Students here are trained to analyze power structures, inequality, and global systems.



We discuss topics like economic instability, migration crises, and conflict. However, when February arrives, the one month dedicated to recognizing Black history and cultural contributions passes silently and discreetly.

So what explains the silence?

One possible explanation lies in the complicated relationship post-secondary institutions now have with Diversity, Equity, and Inclusion (DEI). Following the global response to the [death of George Floyd](#), many institutions across North America expanded their commitments to DEI. Universities performed everything they deemed sufficient, appropriate, and within their means—releasing statements, creating task forces, and emphasizing diversity and belonging in their public messaging.

The University of Toronto made similar commitments. In 2021, the University released its response to the [Anti-Black Racism Task Force](#), acknowledging systemic barriers faced by Black-identifying students and outlining a series of institutional commitments to improve representation, support, and campus culture.

These commitments are necessary. They matter. They signal that the University recognizes the historical and ongoing challenges and inequities faced by Black students in higher education.

However, commitments on paper do not always translate into everyday practice. While the Task Force outlined [56 recommendations](#) aimed at transforming student experience and institutional culture, the extent of their implementation remains unclear. This highlights the disconnect between policy promises and lived realities.

In smaller academic spaces like graduate programs at Munk, broader commitments are often reflected in subtle ways—through the types of conversations that are encouraged, the guest speakers who are invited, and the events that receive institutional support.

Such dynamics become particularly visible when students attempt to organize events centred on Black policy issues or cultural discussions. Over the course of the 2025-26 academic year, several ideas were proposed by Munk's small population of Black students, ranging from mentoring opportunities, alumni networking events, and discussions on Black policy issues.

Although necessary and demanded by students, these initiatives often raised Munk's concern that explicitly referencing Black identity might be perceived as "too political." As one student described the silence, it was "upsetting," while another noted, "Munk never does anything; maybe they reference it [Black History Month] once in the weekly radar." A third reflected, "We're just part of the diversity project here."

At an institution dedicated to the study of politics and public policy, this reasoning is difficult to justify.

Black History Month was never intended to be a [partisan statement](#). It is meant to be a period of reflection—an opportunity to recognize historical contributions, confront historical exclusions, and create space for "political" conversations that might otherwise be overlooked. Acknowledging Black history is not advocacy; it is recognition.

In today's political climate, discussions about race are often treated with caution. Institutions that once rushed to express commitments to DEI now find themselves [navigating a more polarized environment](#), where even symbolic gestures can feel politically charged. Across Canada, critics of equity initiatives are increasingly vocal, framing DEI practices as unnecessary or politically "radical." Reports have linked [attacks on DEI](#) in the post-secondary sector to rising political pressure and funding threats, warning that treating inclusive policies as controversial undermines institutional commitments to representation and belonging.

The result is institutional hesitation—an impulse to avoid appearing partisan by avoiding the topic altogether.

But education, specifically in fields like public policy, should not shy away from difficult conversations. If anything, public policy institutions should be the very places where questions about history, inequality, and representation are discussed openly and thoroughly.

Future policymakers are trained here. We're expected to understand how institutions shape whose voices are heard and whose experiences are overlooked.

The silence surrounding Black History Month is therefore not only symbolic. It communicates something about whose experiences are considered central to policy conversations. When institutions avoid public acknowledgement of Black identity, they risk signalling that certain [histories and perspectives are optional](#) rather than essential.

While attempts to engage with diversity during orientation signalled an effort to foster conversations on race and leadership, these efforts had their own limitations and cannot fully substitute for sustained institutional commitment. As one Black student who attended the orientation session reflected, "the main message seemed more like one's Blackness was something to ignore or even neglect in favour of assimilating oneself to the existing structure that continually fails to recognize people of colour."

Despite this, we are here. Despite the hesitation, the discomfort, and the missed opportunities, we are here.

Black students are present, contributing, and ready to engage in the very conversations that were too often avoided. What comes next for us? What will the Munk School of Global Affairs & Public Policy actually do?

Acknowledgement alone is not enough. It must be followed by tangible action, with policy-focused panels on Black communities, integration of Black policy issues into the curriculum, partnerships with Black-led organizations, and sustained mentorship and networking opportunities.

Munk has the power to model what inclusive leadership looks like. They can demonstrate that historically marginalized perspectives are central, not peripheral, to public policy.

So the question remains: how will Munk move forward?

Will it continue to treat Black students and their identity as “too political,” or will it embrace the responsibility of shaping future policymakers who are equipped to engage with equity, representation, and justice?

Presence alone does not guarantee institutional change. Recognition must be matched by intention and action.

There is nothing political about being Black. What is political is pretending that it is.

February may have passed quietly, but the need for recognition has not. For the students at Munk today, and for the future policymakers we hope to become tomorrow, acknowledgement must translate into real visibility, real opportunity, and real inclusion. Only then can the promise of DEI move beyond words.



Source: The Canadian Press, Graham Hughes. via. [Canadian Museum for Human Rights](#)

# Op-ed: A Sovereign Canada Starts with a Wealth Tax

BY MAREK BROOKING



# Op-ed: A Sovereign Canada Starts with a Wealth Tax

Real nation-building starts with having the rich pay their fair share.

Canada is entering a period of economic uncertainty. Threats from the United States have weakened investment and economic growth. At the same time, the cost of living, from groceries to gas, is rising. These increasing costs have widened the gap between the high-income Canadians and everyone else.

So far Canada has responded by investing in infrastructure through so-called nation-building projects and by attracting investment to counter this uncertainty. What is missing, however, is a policy program to address Canada's growing income inequality.

Studies show that increased wealth inequality erodes trust in our government, weakening the unity we need to meet the moment. This represents a clear vulnerability that policymakers must address.

Focusing on trade and investment alone is not enough. Canada must guarantee its social cohesion and support system alongside external security if it is to stand united against Donald Trump's economic threats.

A solution to this clear policy gap would be a wealth tax. It helps the average Canadian in a time of economic tensions with the United States that hurt their finances. Addressing income inequality through a wealth tax gives Canada both more unity and extra revenue needed to fight US aggression. Funding better services that all Canadians can access, from healthcare to housing, creates greater cohesion through a strong social safety net.

Canada would not be alone in implementing a wealth tax, as other advanced economies already use them. Norway for example, has a wealth tax for households earning between \$174,000 and \$2 million, accounting for 0.6% of Norway's Gross Domestic Product (GDP). That may seem like a small chunk, but it makes the difference between whether programs are cut or preserved.



Norway also implements an 'exit tax' on the wealthy who decide to leave the country. This is a tax on capital gains, but only for those who choose to leave, contributing to the overall economy.

Spain is another country that uses a wealth tax (called the 'solidarity' tax). It taxes the top 0.5 per cent of households, though it can vary by region. Like Norway, the tax brings in billions in revenue to pay for vital services.

Despite what critics argue, there is no sign that wealth taxes are hurting the economy. Spain was the world's fastest-growing advanced economy in 2024, while Norway has the 10th-highest GDP per capita in the world. Limited evidence suggests that countries with wealth taxes are failing economies, and if anything, it is the other way around.

Taken together, these examples show that wealth taxes can create revenue while also keeping the economy strong.

This result would be no different in Canada. Taxing households earning above \$10 million for example - 0.6 per cent of Canadians - would raise \$40 billion in the first year alone. Within a decade, a wealth tax could raise roughly half a trillion in new revenue.

The revenue generated would be enough to cover major projects needed to ensure Canada's sovereignty. For example, the Canada Health Transfer, the Federal government's primary healthcare funding source, provided \$57 billion to provinces in 2025. This demonstrates that a wealth tax is capable of covering most of the expenses for large-scale federal commitments.

A wealth tax would give Canada the resources to maintain programs that people rely on while simultaneously investing in the nation's future. It means stronger public healthcare, services, and nation-building projects being funded. Maintaining health transfers or expanding Pharmacare helps keep healthcare accessible and affordable for the average Canadian. Beyond healthcare, the funds could also be for new programs that Canada needs, such as financing the construction of non-market housing, which can also be funded by a wealth tax.

Increased program funding would be a welcome alternative to cutting valuable programs and 40,000 jobs - from healthcare to housing - in the federal public service. Stronger public services, in this case secure both investments and jobs.

Critics, however, argue that a wealth tax would create an exodus of the very wealthy, who will move to other jurisdictions with lower taxes. As a result, it negatively impacts Canada's attractiveness for investment.

Declining investment means a weaker position against the United States' continued economic threats.

The bad news is that the rich are already leaving - even without a wealth tax. A Financial Post survey found that Canadian Millionaires were 28 per cent more likely to leave Canada compared to 2021. Additionally, Canada recorded only 1,000 wealthy migrants in 2025, the lowest on record. Although taxes were a motivation,

respondents also said that quality of life and a poor economic outlook were common reasons for leaving.

The survey shows that, like most people, taxes alone are not what drive the rich away. It is instead declining living standards that continue to weaken Canada as a world-class destination for everyone. It is living standards that determine whether the rich stay.

A wealth tax would help pay for the services that make Canada envied on the world stage. Whether it be our universal healthcare system, social safety net, or even childcare, a wealth tax means these programs remain strong.

Strengthening healthcare, major projects, and other programs demonstrates that Canada is willing to invest in itself despite the pressure. Scaling back these programs sends another message - vulnerability in a time of needing to show strength.

With this in mind, Canada needs all the help it can get. A wealth tax is not a punishment for hard work but instead an investment. Our public services and projects are what will keep this country united.

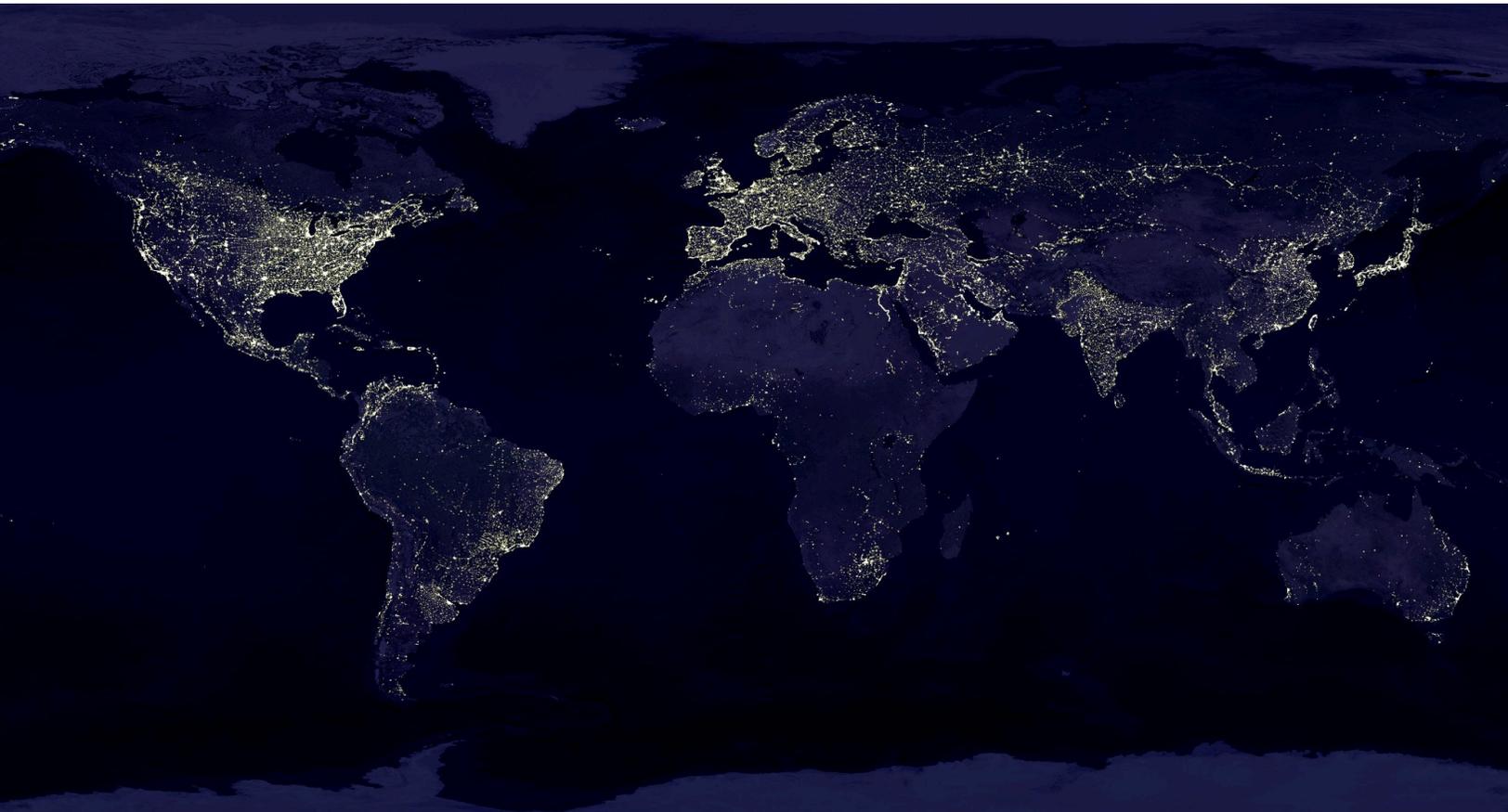
So whether you are a CEO or a factory worker, everyone has a part to play in defending Canadian sovereignty.

Most Canadians can accept that paying a little more is needed to defend Canadian sovereignty. Are the rich also willing to meet the moment?



# Friends or Foes?

BY SAMUEL SANDS



# Friends or Foes?

The relationship between the United States (US) and Russia appears to have warmed over the past year. In August 2025, the US welcomed Russian President Vladimir Putin to Alaska to negotiate a peace deal for the ongoing war in Ukraine, his first time on US soil in ten years. No deal was reached to end the war, but many viewed the event as a win for Russia, lending legitimacy to their now four-year-long invasion. Just months later, the US announced the 2025 National Security Strategy, laying out an “America First” approach for the next three years, which Russia said corresponds in many ways to their own vision for the world. These developments seem to paint the US and Russia partnership as growing closer.

US actions abroad, however, paint a different picture, one of a deeper competition and misalignment between the two great powers. Recent American involvement in the Caucasus, the Sahel region, Latin America, and the Middle East constitute an encroachment on Russian allies. This article will examine the actions of the US, Russia, and local actors in each of these locales, drawing together a series of seemingly disparate events in an effort to uncover whether they are part of a larger, indirect US effort against Russia.



Recently, the US has taken steps to advance its interests in Russia’s own backyard, the Caucasus. In August, the US played a role in brokering a peace deal between Armenia and Azerbaijan over the Nagorno-Karabakh region. The two countries have long contested the area, but tempers flared again in 2023 when Russian peacekeepers and a Russian-brokered peace deal failed to prevent Azerbaijan from taking back full control. Upset with the lack of protection from their long-time ally and looking for support against a threatening Azerbaijan, Armenia has pivoted away from Russia and towards the US. In the years since, Armenia has announced they will withdraw from a Moscow-led security pact and has even begun military exercises with the US. Most recently, the US visited Armenia to sign a civil nuclear agreement, furthering the displacement of Russian influence in the region.

The US has also begun to encroach on and compete with Russian interests on the African continent, specifically in the Sahel. Following a series of coups in Mali, Niger, and Burkina Faso, the three countries decided to leave the Economic Community of West African States (ECOWAS) and form their own alliance, the Alliance of Sahel States (AES). This departure from ECOWAS also involved a rejection of French ties, including military connections. In the place of the French, Russia seized the opportunity to strengthen its presence with the newly formed alliance through resources and troops, such as the Wagner Group. The actors in the region now appear to be shuffling again, with the US aiming to gain a foothold. Recently, these Sahel states have brokered deals allowing US access to natural resources in exchange for healthcare and defence. The US, again, comes across as taking advantage of Russia’s focus on Ukraine to swing global support away from Russia.

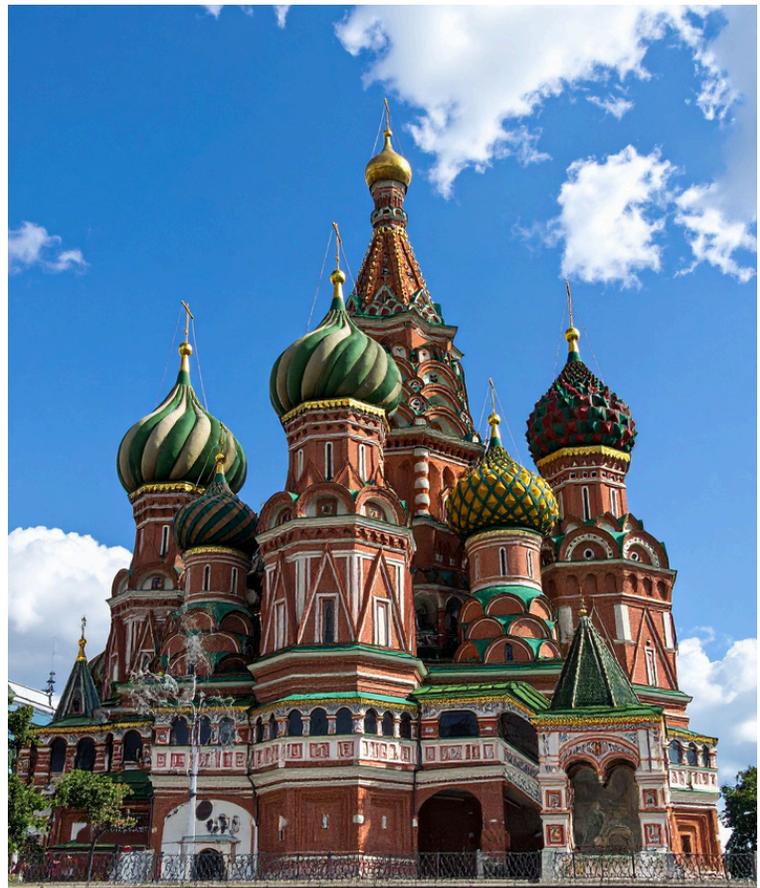
US involvement in Latin America, specifically Venezuela and Cuba, has been front and center on the world stage in previous months. In Venezuela, US actions grew from strikes on alleged drug-carrying vessels in the Atlantic and Pacific, to the seizure of oil tankers

carrying Venezuelan oil, to the eventual capture and arrest of Venezuela's former President, Nicolás Maduro. Russia may have pledged "full support" for their long-time ally in their time of crisis, but the US faced little resistance to its efforts. It is also clear now that the operations in Venezuela were part of a larger strategy, likely at the directive of US Secretary of State Marco Rubio, to pressure the Cuban government. Three months on, the US blockade of oil and threats continue as the humanitarian situation worsens. Although Russia recently hosted Cuba's Foreign Minister in Moscow, their condemnation of US actions in the Western Hemisphere has done little to counter American plans to topple or cripple Russian allies in the region.

In Iran, US attacks continue to weaken Russia's strongest partner in the Middle East. The US first initiated strikes on the Iranian Republic in June, aiming to destroy Iran's alleged nuclear capabilities. Despite damaging Iranian facilities at the time, the US has once again decided to strike its adversary in the Middle East with little to no provocation. About a month into the war, the US has targeted Iranian leadership and infrastructure, while Iran has retaliated against US assets and allies in the region. Recent news has highlighted that, in this case, Russia might be aiding its ally, providing intelligence that could help guide Iranian attacks on US military targets. While the Russian support directly counters US ambitions, it may fall short of the "security cooperation" Iran expected from the 2025 strategic partnership between the two countries. Though the future of the war remains uncertain, the US actions taken against a Russian ally are undeniable.

This brief article does not seek to justify previous or future actions of the US in any way; it merely questions whether the events unfolding are part of a larger pattern. If they are an attempt to weaken Russia indirectly by targeting its partnerships, the strategy may not be going according to plan. The US' response to rising oil prices as a result of the war in the Middle East points to this possibility. With the Strait of Hormuz closed, the US has lifted sanctions on Russian oil at a time when oil prices for producing states, such as Russia, have greatly increased. This is a move that helps Russia proceed with its war in Ukraine. Perhaps there is another possibility, then, for interpreting the US-Russia

relationship in the face of such contradictory evidence. Classifying the two as "friends" or "foes" may be too simplistic. Rather, much like the broader pattern of recent US foreign relations, the connection may be transactional. State friendships are often forged when needed, but evolve into hostility when interests diverge. Despite an apparent warming of the US to Russia, these US actions against Russian allies point to the conclusion that Russia is functioning purely as a partner of convenience to the US.



# How to Tackle Wealth Inequality in Canada? Start by Going Global

BY JOLSON LIM



# How to Tackle Wealth Inequality in Canada? Start by Going Global

Most Canadians see wealth inequality as a serious problem worthy of action, so why haven't governments done much about it?

Consider recent polling in Canada and the United States. Almost half of Canadians think the federal government should enact "strong policies" to reduce income inequality, with very few disagreeing, according to recent 2025 [Environics Institute](#) polling. The same poll shows a plurality of Americans agree, with fewer people opposing action than ever before.

While redistributive transfers such as the Canada Child Benefit exist, there are no wealth or inheritance taxes on the rich in Canada or in many other advanced economies. Personal tax rates in Canada are higher for the top 1 percent, but effectively lower than what the middle class pays, and lower than rates seen in the 1970s.

What gives? It seems the wealthy are now increasingly difficult to tax. They're so entrenched in the Canadian economy—with the 1 percent now holding almost a quarter of national wealth, according to 2025 [Parliamentary Budget Officer](#) estimates—that taxing some of their holdings could dampen investment and competition, economists have argued.

That'd be bad news for Bay Street, but also for Main Street. Capital scarcity depresses investment, leading to slower growth, fewer jobs and weaker global competitiveness for Canada.

These arguments aren't fringe libertarian uber-free-market ideas. [Prime Minister Mark Carney](#) cited competitiveness in his decision to end the increase in taxable capital gains for the wealthiest Canadians last March. Given the current hyper-competitive global economy made even more transactional by Trump, these concerns have merit.



The problem, then, is less about winning a clash with the titans of wealth and more about how to get around this macroeconomic dilemma. One way forward is by treating wealth inequality as a global problem requiring global solutions—namely, minimum international standards for wealth taxation.

The primary benefit of international alignment is addressing the problem of capital flight—the shifting of wealth by the rich to lower-tax jurisdictions. No country wants to decrease its domestic supply of potential capital from the wealthy, a factor of competitiveness, while other countries maintain or grow theirs through lower tax rates.

Tax havens—low- and no-tax jurisdictions such as the Cayman Islands where profitable companies and the rich often park their wealth—have driven a global race to the bottom with respect to taxation that has made addressing inequality more challenging.

Stopping tax avoidance and disincentivizing governments from lowering taxes would spread the negative economic burden from wealth taxation more evenly and equitably between jurisdictions and render moot concerns that such levies hurt competition. At the same time, reducing global effects would make domestic efforts to tax wealth more effective by allowing more revenue to be collected.

These issues have hamstrung previous national efforts to reduce inequality. Various European countries tried an array of wealth taxes in the 1990s and 2000s but never decisively addressed concerns around fleeing capital and up-front administrative costs associated with defining wealth. Few continue to tax wealth.

Interjurisdictional standards through consistent definitions for taxable wealth so that no countries have an advantage—including for unregulated emerging digital assets such as cryptocurrency—could reset conditions for success. Revenues, if used wisely, can also supercharge inclusive growth and tackle international problems such as climate change.

Global wealth taxation is not an international socialist conspiracy against the world's elite, despite what the ultra-wealthy say. In fact, top capitalist economies have done something identical at the Organisation of Economic Co-operation and Development (OECD), far from an eat-the-rich institution.

Under the “[global minimum tax](#)” regime, 150 countries, including Canada have set a minimum effective corporate tax rate to stop capital outflows to tax havens. Governments are instructed to collect “top-up” taxes if the effective rate in a country falls below 15 percent. After years of work, the OECD reached a final deal in January 2026, despite powerful opposition from multinational corporations.

While it's true that the Trump administration was successful in securing a modest carve-out for U.S. multinationals, the architecture of the minimum tax regime remains intact, argues European think tank [Bruegel](#). Biden-era Treasury Secretary Janet Yellen originally spearheaded efforts instituting a global minimum, and getting the U.S. fully onboard is possible if Republicans lose the White House in 2028.

What may surprise some in today's day and age is that efforts are already underway to promote a global wealth tax regime. At the 2025 United Nations' International Conference on Financing for Development, Spain and Brazil [proposed](#) a global ultra-wealthy registry as part of a campaign to grow international momentum on taxing the rich. Carney should join them if he wants Canada to be a global leader in middle-power multilateralism, as he stated in his [much-lauded speech](#) at the World Economic Forum. Renowned economists such as [Gabriel Zucman](#) are also calling for a 2 percent global tax on billionaires.

Addressing wealth taxation in a global forum would enable Canadians to have a more astute conversation about what taxes on the rich work most effectively. In theory, a one-time tax on wealth would work better if capital flight is addressed, but Canada should advocate for a progressive inheritance tax limited to top earners. It's likely simpler to administer because of existing probate courts. It's also more politically feasible—the public probably cares less if rich inheriting children have a portion of mom or dad's money taxed for the greater good.

An inheritance tax would also address the growing gap in wealth between older and younger cohorts, balancing out the contributions overburdened younger people are making towards their elders' rising health and senior care demands.

Getting the ball rolling on action is further underscored by economic inequality's troubling link with democratic backsliding. Declining economic prospects for many ordinary workers in recent decades contrast sharply with the wealth accumulated by top earners. This gap has [fueled](#) much of the populist resentment that helped elect Trump twice. Addressing this gap may help reclaim people's belief in the system in advanced economies.

Domestic policy often considers international factors only at the last step in implementation. But by doing the last step first, Canada and other countries could finally open the path to addressing one of the 21st century's grossest ills.

# Inequality is no longer about poverty. It's about exclusion from ownership.

BY HANISHA MISTRY



# Inequality is no longer about poverty. It's about exclusion from ownership.



A full-time job used to be enough to build a life. Today, it barely maintains one, not because people work less, but because wealth now grows faster than wages. Search “how to make more money,” and you’ll find endless tips on side hustles, budgeting apps, and personal discipline - as if the problem is individual effort rather than today’s economic rules.

We keep treating inequality as a wage problem, but it isn’t. The real divide in today’s economy is between those who own assets and those who don’t. Inequality is no longer just about income. It’s about ownership.

According to [Statistics Canada](#), the top 20% of Canadians hold about 65% of the country’s total wealth, while the bottom 40% hold just 3%. Wealth includes homes, investments, and savings – assets that grow even when you’re not working. In the second quarter of 2025, the wealth gap between the top 20% and the bottom 40% reached 61.5 percentage points, a stark measure of how unequal asset ownership has become.

Wealth isn’t just concentrated at the top, but grows even faster there. In 2024, [two-thirds of all income](#) generated from assets such as dividends, capital gains, rent, and investment returns went to the richest 20% of households. Meanwhile, [labour’s share of national income](#) has steadily declined, meaning a shrinking portion of economic growth flows to wages. This gap widens because assets appreciate quicker than paycheques and because Canada’s tax system treats capital income better than employment income. Preferential capital-gains treatment boosts returns to ownership over work.

Research from the [Institute for Research on Public Policy](#) shows that this long-term decline in labour’s share has shifted more of the economy’s gains toward profits, investments, and property rather than wages. The economy continues to grow, but the benefits increasingly accrue to those who already own assets. That’s why many Canadians feel stuck even as national indicators improve. This becomes even clearer when you look at how little households can realistically allocate toward assets. In 2023, Canadian households spent about [64% of their total consumption](#) on shelter, food, and transportation, the three largest and least flexible categories, leaving little room for saving or investment. If this trend continues, the divide between asset owners and everyone else will harden into a permanent class boundary.

Housing is the clearest and most consequential example of the ownership divide because it is the primary, and often only, wealth-building asset available to middle-income Canadians. Two people can live in the same city, earn similar salaries, and still end up in entirely different financial universes depending on whether they rent or own. Renters pay a monthly bill, and the money disappears. Homeowners, by contrast, can build hundreds of thousands of dollars in equity as property values rise. Over the past decade, many homeowners have [gained more from rising home prices than they earned from their jobs](#). Yet the opportunity to become a homeowner is increasingly unequal. High prices and steep mortgage costs put ownership out of reach for

many, reinforcing a system where those who already have assets gain more, while those without them fall further behind.

Some argue that part of the problem is cultural—that Canada treats homeownership as the primary marker of financial success. There is truth to this. But even if cultural expectations shifted, the structural reality would remain: wealth in Canada grows through assets, and access to those assets is deeply unequal. Cultural change alone cannot substitute for policies that broaden who gets to own wealth-building assets in the first place.

The same divide appears in the stock market. Investing requires disposable income – money you can afford to set aside and potentially lose in the short term. Those with higher incomes or existing wealth can take these risks, buying stocks, bonds, or ETFs that grow over time. Those without surplus income are shut out entirely. This divide shows up not only in housing, but also in access to financial assets such as stocks, bonds, and private investments – assets that grow far faster than wages.

Some argue that anyone can save and invest, that building wealth is simply a matter of discipline. But this ignores the reality facing many households. When most of your income goes toward rent, food, transportation, and debt, there is little or nothing left to invest. Capital investment requires surplus income – money beyond what is needed for basic living. Those who already have enough to cover essentials can put extra money into stocks, real estate, or other assets, compounding their wealth over time. For those without this cushion, participation in wealth accumulation is blocked. Inequality prevents many from ever gaining the advantages of ownership.

We cannot expect someone relying solely on wages to build wealth the way someone with access to capital assets can. This two-tiered system of wealth creation perpetuates inequality. Addressing it requires policies that expand access to ownership, not just higher wages.

Closing the ownership gap requires policies that don't just raise wages but expand access to assets themselves. Taxing wealth more effectively is one place to start.

Because wages are spent on basic needs while capital compounds over time, taxing capital gains at lower rates than employment income widens the divide. Taxing wealth more effectively means reducing the preferential treatment of capital income. Increasing the capital-gains inclusion rate, closing loopholes that allow high-income households to shelter investment income, and exploring modest annual wealth taxes—similar to what is implemented in [Spain](#) with a progressive tax ranging from 0.2 to 2.5 percent on wealth stocks above \$775,000—would narrow the gap between returns to labour and returns to capital. This would bring the tax treatment of asset income closer to that of labour, narrowing the advantage enjoyed by those who already hold significant wealth.

But taxation alone won't bridge the gap. Canada also needs public tools that help people without inherited or accumulated assets begin building wealth of their own. Other jurisdictions have also shown what inclusive asset-building can look like. The [United Kingdom's former Child Trust Fund](#) and the U.S. "baby bonds" proposals demonstrate that even small amounts of publicly seeded capital can significantly improve long-term financial outcomes for low-income children. These initiatives don't punish success, but they broaden who gets to participate in it. By giving more Canadians a foothold in asset ownership, they ensure that economic growth benefits people who work for a living, not only those who own the economy's most valuable assets.





Recent federal and provincial initiatives, such as first-time homebuyer incentives, tax-free savings accounts for home purchases, and expanded RRSP withdrawal limits, aim to help Canadians enter the housing market. But these programs largely benefit those who already have savings to leverage. Without policies that directly address unequal access to capital, these measures risk reinforcing the ownership divide rather than reducing it. None of these measures alone will erase the ownership gap. Wealth inequality is the product of decades of policy choices, market dynamics, and cultural expectations. But acknowledging these limitations makes it clearer why targeted, structural interventions, not just individual financial discipline, are necessary.

Until we confront the ownership gap directly—through policies that broaden access to assets rather than simply rewarding those who already have them—no amount of hard work will close the distance between Canadians who build wealth and those who can only chase it.

# Diversifying Trade: Shifting Canada's Reliance Away from the United States

BY NATALYA NELSON



# Diversifying Trade: Shifting Canada's Reliance Away from the United States

## The Case for Diversification: From Concentration to Resilience

For a country that depends heavily on international commerce, Canada's trade relationships reveal a structural vulnerability: an extraordinary reliance on a single partner. Trade accounts for a significant share of Canada's GDP, however, its international trade relationships have historically been highly concentrated, first with Great Britain and, for the past century, with the United States. While other countries maintain close bilateral ties, Canada's degree of reliance on a single market is unusually pronounced.

The Canada-United States-Mexico Agreement (CUSMA), which entered into force in July 2020, reinforced North America as the largest free trade region. Additionally, CUSMA has generated economic growth and helped raise living standards across member states. Furthermore, decades of deep integration with the United States offered stability, scale, and predictable growth. Canadian exports to the U.S. have historically demonstrated relatively minimal uncertainty and strong performance therefore, regional diversification within the American market has mitigated some risk.



However, structural dependence carries strategic vulnerabilities. Policymakers, scholars and analysts have long warned against Canada "putting all eggs in one basket." Danielle Goldfarb once noted that calls for geographic diversification are often politically motivated, but they also reflect economic prudence. Recent tariff disputes, sovereignty tensions, and industrial policy shifts in Washington show that over-reliance on a single partner can expose Canada to policy shocks beyond its control.

In response, Canada has pursued deliberate diversification. Through 15 free trade agreements covering 49 countries, including CETA with the European Union and CPTPP across the Indo-Pacific, Canada has expanded its formal trade architecture. The Export Diversification Strategy aims to increase overseas exports by 50 percent, supported by 36 foreign investment promotion and protection agreements.

Prime Minister Mark Carney's February-March 2026 visit to India, Australia, and Japan signals renewed urgency. In India, discussions with Prime Minister Narendra Modi are expected to advance cooperation in energy, artificial intelligence, and defence, including a potential long-term uranium supply agreement. In Australia, talks focus on critical minerals, maritime security, and advanced technologies. In Japan, meetings aim to strengthen clean energy, manufacturing, and food security partnerships while reinforcing a free and open Indo-Pacific.

## China as a Strategic Partner

China's status as one of the world's largest markets places it at the center of Canada's trade diversification strategy. In 2024, China was Canada's second-largest single-country trading partner, with two-way merchandise and services trade exceeding \$130 billion. Confronted with the global realignment of trade networks and the challenge of reducing over-dependence on the United States, Ottawa has taken substantive steps to recalibrate its economic relationship with Beijing.

This policy adjustment comes after a period of depleted bilateral trade that intensified in 2024. That year, Canada introduced a 100 per cent tariff on Chinese electric vehicles in response to concerns over state subsidies and potential market distortions, aligning its approach with similar actions taken by the United States. In elaborating on the decision, Deputy Prime Minister Chrystia Freeland emphasized that national security considerations were integral to the policy, including cybersecurity risks.

Amid changing global market dynamics, Canada and China reached a Preliminary Joint Arrangement on January 16, 2026, aimed at addressing bilateral economic and trade issues and marking a shift toward more structured engagement. Arrangement to address bilateral economic and trade issues, signalling a shift toward managed engagement. Under this arrangement, Canada will provide an initial country-specific quota of up to 49,000 Chinese EVs per year at a most-favoured-nation tariff rate of 6.1 per cent, which is substantially lower than previous tariff levels, while ensuring vehicles meet Canadian safety standards. This is the reopening of the catalyzing joint-venture investment and strengthening Canada's domestic EV supply chain within predictable import parameters.

The arrangement also secures improved access for Canadian exporters. By March 1, 2026, China is expected to lower tariffs on Canadian canola seed significantly and suspend discriminatory tariffs on key agricultural products, including canola meal, lobsters, peas, and crabs. These measures aim to rebuild Canadian agricultural exports that were hampered by prior retaliatory duties.

This policy pivot illustrates the dual priorities inherent in Canada's trade diversification strategy: expanding market access beyond the United States while managing economic risk and geopolitical sensitivity. Engagement with China offers tangible opportunities to broaden export markets and reduce concentration risk. At the same time, domestic debate, particularly regarding security risks associated with high-technology imports, reflects ongoing concerns about how economic openness intersects with national interests in an era of strategic competition.

### ASEAN as a Cornerstone of Canada's Indo-Pacific Diversification Strategy

The Indo-Pacific Strategy emphasizes the region's central role in global economic dynamism, noting that it encompasses some of the world's fastest-growing economies and represents significant opportunities for Canadian exporters and investors. Trade data further illustrates ASEAN's growing relevance to Canada: two-way merchandise trade between Canada and the ASEAN bloc reached approximately USD 23.5 billion in 2024, with Canadian foreign direct investment into ASEAN totalling about USD 4.9 billion, positioning Canada as a meaningful economic partner in the region.

Canada's formal engagement with ASEAN reflects decades of evolving cooperation. A Strategic Partnership and initiatives like the ASEAN-Canada Joint Declaration on Trade and Investment provide platforms for dialogue on economic integration and commercial opportunities.

Canada and ASEAN have also undertaken negotiations toward a Canada-ASEAN Free Trade Agreement (ACAFTA), which was aimed at enhancing market access, supporting predictable trade and investment environments, and deepening commercial ties across Southeast Asia. In 2025, Prime Minister Mark Carney reinforced these efforts on the world stage. At the ASEAN Summit in Kuala Lumpur, Canada accelerated negotiations on a Canada-ASEAN free trade agreement, intending to unlock access to a regional market of nearly 700 million consumers and an economy valued at over US \$5 trillion.

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A significant milestone in Canada's engagement with Southeast Asia came with the Canada-Indonesia Comprehensive Economic Partnership Agreement (CEPA), which was the first bilateral trade agreement between Canada and an ASEAN member state. Announced in September 2025 and set to enter into force in 2026, this agreement will eliminate or reduce tariffs on over 95 per cent of Canadian exports to Indonesia, improving competitiveness for sectors such as agriculture, clean technology, critical minerals, infrastructure, and financial services.

### Recalibrating Canada's Trade Strategy for Strategic Autonomy

Canada's trade architecture is undergoing a structural recalibration. For decades, economic integration with the United States delivered stability and efficiency. CUSMA remains foundational to Canadian economic prosperity, and the U.S. will continue to be Canada's most important trading partner. However, the geopolitical and economic realities of the current era, marked by tariff disputes, industrial policy shifts, supply chain vulnerabilities, and strategic competition, have emphasized the risks inherent in excessive concentration.

Diversification is therefore not a rejection of North American integration, but a strategy of resilience against shifting global dynamics. Therefore, Canada's engagement with China, advancing trade negotiations with ASEAN, and strengthening bilateral agreements such as the Canada-Indonesia CEPA, Canada is expanding its commercial footprint while preserving appropriate regulatory protections. Collectively, these initiatives demonstrate a conscious effort to reconcile growth opportunities with national security priorities, particularly in strategically significant sectors including electric vehicles, critical minerals, clean technologies, and advanced manufacturing.



# Op-Ed: Canada's Trade Negotiators Need Their "Phone-a-Friend" Back

BY ARTJOM GAVRYSHEV



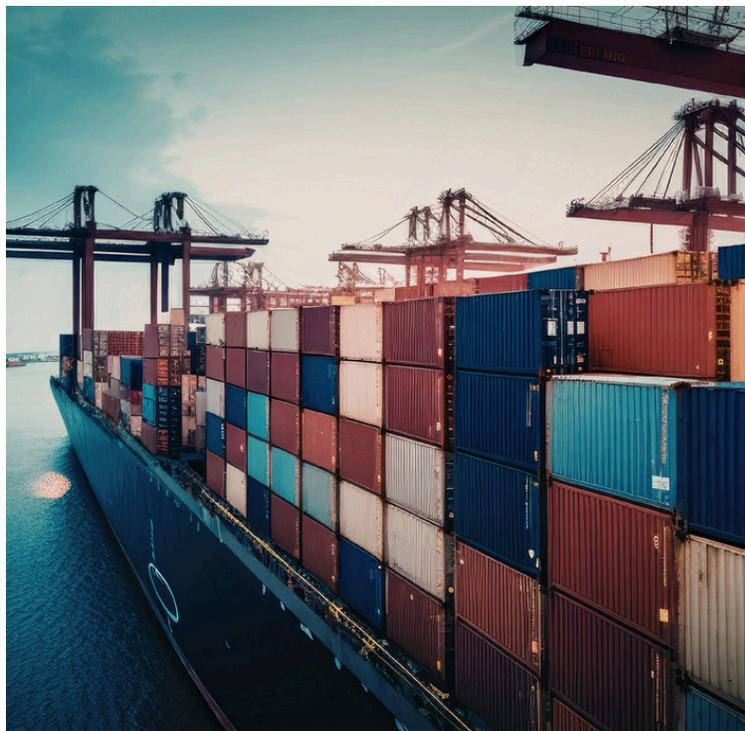
# Op-Ed: Canada's Trade Negotiators Need Their "Phone-a-Friend" Back

Recent geopolitical shifts between Canada and the United States have made economic forecasting and policy advice more conditional than confident. The next test of the durability of North America's economic architecture will arrive on July 1, 2026. On this date, Canada, the United States and Mexico will conduct the first formal joint review of the Canada-United States-Mexico Agreement (CUSMA), since it entered into force in 2020.

The [Bank of Canada](#) currently treats the upcoming CUSMA review as a material risk to the economic outlook, outlining scenarios that range from extension with modest changes to renegotiation that could increase effective trade costs and prolong policy uncertainty.

[Federal consultations](#) conducted in 2024 and 2025, drawing on more than 5,000 stakeholder submissions, emphasized the need to preserve tariff-free access while enhancing Canada's resilience to geopolitical and supply-chain shocks. However, achieving this objective requires more than diversifying markets; it requires diversifying institutions.

For Canada to strengthen its negotiating position and build a more shock-resilient export portfolio, it must arm itself with 'savoir-faire' sectoral expertise within the policymaking process. Canada's trade negotiators once had something like this: a built-in "phone-a-friend" system, consisting of a network of sectoral advisors who could quickly provide industry expertise during negotiations. For Canada to strengthen its current industry intelligence necessary for scoring better CUSMA outcomes, it must bring this connection back and revitalize the Sectoral Advisory Groups on International Trade (SAGITs), a proven legacy advisory system Canada relied on during the [Canada-U.S. Free Trade Agreement](#) and [NAFTA](#) negotiations to create a structured two-way flow of information between industry and government.



## SAGITs: A Useful Tool That Sunset Too Early

The Sectoral Advisory Groups on International Trade (SAGITs) were a relatively simple yet highly effective institutional innovation in Canadian trade policy. Established in 1986 by James Kelleher (Minister for International Trade 1984-1986), SAGITs functioned as a form of government knowledge infrastructure: structured advisory committees composed of industry leaders, executives and technical experts, tasked with providing sector-specific intelligence to trade negotiations.

At their peak, SAGITs represented one of the most sophisticated trade advisory architectures among advanced economies. The system included more than 300 chief executives and subject-matter experts across fifteen sectors of the Canadian economy, operating through a two-tier structure: an apex private-sector advisory committee paired with fifteen sectoral groups.

Metaphorically, SAGITs served as a close-at-hand "phone-a-friend" lifeline for Canadian negotiators, embedding sectoral expertise into the negotiation process, a capability especially valuable in today's uncertain geopolitical climate.

The model proved especially useful during the negotiation of the Canada-United States Free Trade Agreement in the late 1980s, when Minister Kelleher established a 40-member trade advisory committee alongside fifteen SAGIT sector bodies to support Canada's negotiating team. The same structure was later mobilized during the NAFTA negotiations of the early 1990s, where SAGITs helped negotiators rapidly evaluate proposals and identify risks to Canadian industries integrated into North American supply chains.

Despite their effectiveness, the SAGIT system gradually eroded in the decades following NAFTA. In 2016 testimony before the Senate Standing Committee on Foreign Affairs and International Trade, former senior trade official Matthew Kronby argued that Canada needed to "deepen and institutionalize" consultation with businesses during trade negotiations, underscoring the institutional gap left by the erosion of SAGITs.

### Why SAGITs Matter Again

Canada's current approach relies largely on episodic consultations, stakeholder roundtables, and public submissions, mechanisms that capture a broad range of perspectives but struggle to provide the continuous sector-specific intelligence required during fast-moving trade negotiations. Under confidentiality constraints, these consultations rarely operate in real time.

While Canada gradually moved away from institutionalized advisory mechanisms, the United States moved in the opposite direction. Established under the Trade Act of 1974, the U.S. trade advisory committee system now includes 26 committees and roughly 700 cleared private-sector advisors. 16 Sectoral Industry Trade Advisory Committees (ITACs) and other advisory bodies work closely with the Office of the U.S. Trade Representative, providing continuous technical input during trade negotiations.

Former Canadian trade negotiator Gordon Ritchie has argued that SAGITs were critical in navigating disputes under U.S. trade laws and ensuring Canada entered negotiations with a clear understanding of its industrial interests. In today's more volatile trade environment, rebuilding that capacity may again prove essential.

### The Economic Case for Bringing SAGITs Back

Reviving SAGITs constitutes a strategic institutional response to the risks inherent in Canada's highly concentrated trade profile. With roughly one-third of Canada's GDP linked to international trade, the country remains one of the most trade-dependent economies in the G7. Yet this openness is paired with a significant degree of concentration: Statistics Canada reports that 75.9 percent of Canadian merchandise exports are destined for the United States, amounting to roughly \$721.1 billion in 2024. Such concentration leaves Canada disproportionately exposed to policy volatility south of the border.

A recent Monetary Policy Report suggests trade restrictions between Canada and the U.S. could permanently reduce the level of Canadian GDP, eliminate up to 140,000 jobs, and disrupt integrated supply chains in sectors such as automobiles and manufacturing. These are the industries where SAGITs once provided negotiators with critical sectoral expertise.

At the same time, Canada's trade diversification potential remains underutilized. Despite preferential access to more than 50 international markets through agreements such as CETA and CPTPP, only 61% of eligible exporters currently use available tariff-free preferences. This gap reflects the absence of structured, sector-specific intelligence that helps firms navigate regulatory environments, supply chains, and market conditions.

Consequences are particularly visible among small and medium-sized enterprises (SMEs). SMEs account for 99.8% of Canadian businesses, employ 63.7% of the private sector workforce, and generate roughly 41% of private-sector GDP. Yet, despite having important economic outcomes, SMEs remain structurally underrepresented in trade policy discussions and disproportionately vulnerable to external shocks. Statistics Canada data reveal that of the 48,036 goods-exporting firms recorded in 2024, 97.4% are SMEs, and 65.9 percent export exclusively to the United States, the highest share since 2003.

Although only 12% of Canadian SMEs export, more than 70% of those exporters rely solely on the U.S. market, reinforcing Canada's overall trade concentration. Impacted by the current trade climate, 72% of goods exporters plan to enter new markets. Yet, 62% of exporting SMEs reported supply chain breakdowns, and 31% indicated they have no resources to pursue market diversification on their own. In this context, institutional mechanisms that reduce uncertainty and improve the flow of sector-specific intelligence become economically valuable. By embedding industry expertise directly into the policymaking process, SAGITs can help close information gaps between government and industry. Doing so will allow Canada's trade policy to respond more quickly to emerging risks and opportunities in an increasingly complex global trading system.

### **Building a Modern SAGIT System with Existing Resources**

Reviving SAGITs can leverage existing institutional spiderwebs. Canada already operates within a dense trade governance architecture. Under CUSMA alone, 24 trilateral committees and working groups oversee the implementation of the agreement and manage sector-specific issues ranging from regulatory cooperation to supply chains.

Re-introduction of SAGITs can create a positive domino effect and nudge SMEs to strengthen participation in international trade. Existing programs already provide many of the tools firms need to navigate cross-border commerce. The Trade Commissioner Service, for example, offers detailed guidance on CUSMA compliance and export procedures. Regional initiatives such as the Toronto Region Board of Trade's CUSMA Compliance Series, supported by a \$500,000 investment from the Federal Economic Development Agency for Southern Ontario, provide practical training and advisory support for firms entering North American markets. Programs like the Ontario Together Trade Fund, which allocates roughly \$5 million to help SMEs respond to U.S. tariff pressures, similarly demonstrate how targeted support can strengthen export resilience.

A modernized SAGIT structure could complement these initiatives by ensuring that sector-specific intelligence flows in both directions: from industry to government during trade negotiations, and from policymakers back to firms navigating complex regulatory environments. In practice, this would allow negotiators to identify emerging supply chain risks, regulatory barriers, or certification challenges before their escalation.

Importantly, structured advisory mechanisms also help address concerns raised during recent CUSMA consultations, where many SMEs highlighted the burden of complicated border procedures and rules-of-origin certification. Businesses called for practical solutions such as simplified documentation requirements, more consistent customs procedures, and restoration of higher de minimis thresholds for low-value shipments entering the United States.

Of course, institutionalized advisory systems are not without risks. Advisory committees can be vulnerable to sectoral lobbying or elite capture, particularly if membership becomes dominated by a narrow set of large firms. Earlier iterations of SAGITs occasionally faced similar criticisms, particularly the absence of labour groups and civil society, which allowed businesses to dominate over other SAGIT members and discourse, holding 70% the membership vs. 4% for labour. A modern revival would therefore need to incorporate broader representation to ensure that sectoral intelligence reflects the full diversity of Canada's trade-exposed economy.

### **Looking Forward**

Factoring in the volatility shaping the economic and political rationale underpinning U.S.-Canada trade relations, Canada should pursue feasible, short-run, administratively practical solutions to strengthen its negotiating position and expertise. Reviving the Sectoral Advisory Groups on International Trade would restore sectoral expertise and help ensure that Canada approaches future trade negotiations with the information, foresight, and strategic clarity required in an increasingly complex global economy. In parallel, strengthening SME participation in international trade must move in tandem, ensuring that smaller firms have a more accessible pathway to cross-border commerce.

# Different Poverty Measures are Needed for Today's Policy

BY ANNELISA SHERRY



# Different Poverty Measures are Needed for Today's Policy

Chrystia Freeland struck a nerve with Canadians when she described the disconnect between macroeconomic indicators and lived economic experiences as a “vibes session”. While this backlash was partially rooted in discontent with the late-Trudeau administration, it highlights a real and ongoing phenomenon. Canada’s official poverty rate has fallen by 32% since 2015, yet economic precarity has intensified. Nearly half of Canadians struggle to meet daily needs, and food bank usage has tripled since 2019. Material indicators of poverty are becoming more dispersed across income brackets. Looking beyond the headline poverty statistics towards the Material Deprivation Index can guide the Carney government towards policies that meet the moment.

Canada’s official poverty strategy, Opportunity for All, understands poverty through the Market Basket Measure (MBM). The MBM defines poverty as the income threshold required to achieve a “modest, basic” standard of living. Calculations are based on local purchasing power and include some variables such as homeownership, striking a balance between administrative quantification and “real” terms for Statistics Canada. Income can misrepresent material circumstances in many ways not accounted for by the MBM. Two individuals making \$80,000 a year will have vastly different lives if one, for instance, has a high debt-service cost.

The Material Deprivation Index (MDI) differs in its consumption-based approach. It identifies a set of item categories that, while not strictly necessary for survival, individuals would suffer without. Item categories included in MDIs are robustly tested for a population-level consensus on importance, associations with other poverty indicators (e.g. food insecurity), and compounding life challenges as the number of item deprivations increases. Examples from an MDI developed by Food Banks Canada include the ability to

buy meat regularly, cover unexpected expenses, and access stable internet. Poverty is then measured by the number of item categories that survey respondents report as inaccessible. According to the 2023 MDI report, 25% of Canadians experienced material deprivation in two or more areas, representing a 7% increase from 2013 estimates. While a rise in real median incomes since 2013 has helped reduce the MBM poverty rate, persistent inflation in essential sectors (e.g. food, housing) and interest rate hikes have amplified material hardship.

Using the MDI as an official poverty statistic has been criticized, and government agencies need not necessarily adopt it. As a survey-based measure, it is subject to reporting biases and greater administrative challenges than income-based data. Its deprivation estimates also vary depending on which items are included in the index and the thresholds used to define deprivation. Because it extends beyond basic necessities, the MDI has been labelled overly normative. Despite these limitations, governments cannot ignore the MDI’s insights, nor the large and growing share of Canadians who fall between the MBM and MDI measures of poverty.



Herein, the MDI offers a more comprehensive understanding of what is at stake and why. Groups at higher risk of income poverty face higher risks of being materially deprived, even when they are not classified as income-poor. This includes racialized groups, but also broader demographic categories, such as young people. The official MBM poverty rate for 18-30-year-olds was 15.3% in 2023; MDI figures from the same year show a deprivation rate near 30% for this age bracket. The MBM, therefore, understates socioeconomic inequalities and their policy implications. In the case of youth poverty, a widespread inability among young people to access near-essential goods and services threatens social mobility and may hamper long-term economic growth. While poverty has become less of a political priority since the launch of Opportunity for All, the MDI better underscores how poverty reduction strategies align with other political goals, such as future-proofing the Canadian economy or advancing equity.

Interpreting poverty through the MDI also broadens the range of policies that can meaningfully reduce poverty. Poverty strategies traditionally emphasize direct income transfers because they directly and quickly address material constraints – key initial initiatives under Opportunity for All included the new Canada Child Benefit, and expanding the Guaranteed Income Supplement. Income transfers are undoubtedly vital in improving recipients' well-being, especially at the lowest ends of the income distribution. Nonetheless, the widespread and growing nature of material deprivation demands an expanded toolbox. Simultaneously, growing fiscal deficits and new costly government focuses also mean transfer options are less politically feasible than they once were. Many item categories Canadians identified as essential in the MDI, such as access to the internet and nutritious food, are unusually expensive in Canada. Addressing these costs more directly would substantially improve lived experiences at a lower long-term fiscal cost.

Material poverty reduction strategies could involve closing some of the long-standing infrastructural gaps that raise costs in rural communities.

Investments into road connectivity or broadband infrastructure come at a high upfront cost but would generate long-term economic returns. The Carney government is already planning “generational” investments into projects intended to support priorities, including northern defence or economic connectivity. Various projects can also be leveraged to reduce living costs. For instance, a highway leading to a new economic centre can be diverted through underserved communities, or more military infrastructure can be made dual-use.

For Canada at large, investments in social infrastructure can offer more sustained and cost-effective material relief. Introducing government-run grocery stores would cost Canada around \$291 million annually, whereas continually issuing stop-gap grocery rebates results in annual costs upwards of \$2.5 billion. The government can also double down on the “tangible” projects it has already expressly linked to improving material circumstances, such as affordable childcare and school food programs. In 2022, the Parliamentary Budget Office stated that an annual funding gap of \$1 billion exists to make affordable childcare truly accessible. While funding shortfalls have certainly grown since, investing now to close this gap would likely be less costly over time than expanding the Canada Child Benefit; this already costs \$23.6 billion annually and is estimated to have lower GDP (\$1.96 vs. \$2.80) and tax revenue returns per \$1 invested (\$0.55 vs. \$1.49). Building out a more robust and expanded school food program would save two-child families between \$2,580 and \$3,780 per year. The total costs of expanding this program are highly variable and depend on its scope. However, compared to equivalent income transfers, returns would be more concentrated in local economic activity and children's health and educational outcomes. Better market regulation in certain sectors is a further avenue to address high cost burdens, without placing undue strain on public finances.

In an era of trade-offs, insights from the MDI help governments tailor and prioritize policy options to maximize their impact on the lived experiences of poverty. Recall that constructing the MDI involves identifying near-essential categories, ranking them on publicly perceived importance, and measuring the share of Canadians experiencing deprivation in each.



For instance, dental care was ranked 6th in importance, while nearly 20% of Canadians are unable to afford it without government support. Policy could therefore prioritize expanding the Canadian Dental Care Plan over improving accessible transit, which was ranked 8th in importance, and only 3.6% of Canadians report affordability challenges.

Metrics matter in government decision-making, and what they convey shapes policy approaches. The MDI's interpretation of poverty reveals that poverty is more widespread and consequential than Canada's official MBM statistics suggest – reflecting observed trends and public sentiment. Today, Canada faces many new challenges, competing policy priorities and greater fiscal constraints. Poverty and socioeconomic inequality do not need to, and should not, be pushed aside. While poverty policy is traditionally thought of as an income-based response, the MDI highlights the value of materially rooted policies that decrease hardship through reducing cost burdens. Such strategies can come at a lower fiscal cost, serve as additions to prior commitments, and effectively target how poverty is experienced. If they hope to sustain public favour, the Carney government must seriously consider poverty and socioeconomic policy influenced by the MDI.

# From Basket Weaving to Burnout: How OSAP Austerity Undermines Healthy and Accessible Spaces on Campus

BY THEA BAINES



# From Basket Weaving to Burnout: How OSAP Austerity Undermines Healthy and Accessible Spaces on Campus



On February 26th, a group of MPP and MGA students joined the Multifaith Centre for a workshop on Healthy and Accessible Spaces. At the event, we participated in a mindfulness workshop, a beginner yoga class, a teach-in on mental health resources, and a multicultural meal.

This Healthy and Accessible Spaces event wasn't just about stress relief; it was a diagnostic. In a brief survey, 67% of students reported that campus spaces support their physical and mental well-being only sometimes, 13% reported rarely, and 13% reported that they are well supported. Students were specific about what would help: sexual violence prevention and response training; dedicated supports for neurodivergent students; less academic and job-market pressure; and more relaxation and prayer spaces. These are tangible baseline conditions for equitable learning spaces. Safety, sensory-friendly design, predictable workloads, and spaces for rest and spiritual life could all be easily implemented. As students voice their needs, the Ontario government is enacting a funding model that will destroy the infrastructure necessary for student well-being.

If we take equity seriously, we must treat health and accessible spaces as a core infrastructure, not a discretionary program. For racialized, disabled, queer and trans, religiously observant, first-generation, and low-income students, spaces of belonging and wellbeing are essential. Turning OSAP into a debt engine will deter the very students that equity commitments are meant to support, attract, and retain.

In February 2026, the conservative provincial government announced a fundamental shift to OSAP, alongside ending the multi-year tuition freeze. Beginning in Fall of 2026, the maximum grant portion will drop from 85% to 25%, with loans comprising the remaining 75%. To make matters worse, with the end of the multi-year tuition freeze, colleges and universities can raise tuition by 2% annually for the next three years. These changes are part of the latest four-year funding plan that the government hopes will stabilize institutions after years of low provincial funding, frozen tuition since the COVID-19 pandemic, and a sharp decline in international enrollment revenue from shifting immigration regulations.

Through these shifts, the government is effectively displacing the burden of austerity onto students. Since Premier Doug Ford assumed office in 2018, Ontario's postsecondary sector has been underfunded by \$6.3 billion.

Through tuition increases and the conversion of grants into loans, the cost shift is explicit. Employment among youth in Canada fell by 47,000 in February 2026. As more students experience unemployment, alongside rising housing and food insecurity, the shift from grants to loans will multiply stress and debt. These cuts will disproportionately hurt the more marginalized students, including rural, first-generation, returning, part-time, and poor students -- further limiting their chances to obtain higher education and thrive in post-secondary institutions. Student and trade unions have been clear: this policy package will push low-income and working-class students to borrow more or opt out of their degrees.

In response to widespread student concern over OSAP cuts, Premier Doug Ford told reporters that students should “not pick basket-weaving courses,” and instead pursue “in-demand jobs” in STEM, trades, and healthcare -- framing the program choice as the solution to affordability and employability. Effectively shifting the blame from 8 years of austerity policy and budget mismanagement to individual students, Ford suggests that students could avoid debt by choosing better programs. This out-of-touch claim overlooks that the Ford government has not only gutted Ontario’s education system but also its healthcare system, meaning even if students choose so-called in-demand jobs, they will still face challenges in finding work and repaying their loans.

Additionally, many “in-demand” professional programs (such as engineering, medicine, law, public policy and global affairs, or business) have deregulated tuition, meaning they already carry higher tuition. Moreover, Canada’s arts and culture sector is a meaningful economic engine with strong job multipliers that sustains civic life. Research by the Canadian Chamber of Commerce indicates that Canada’s arts and culture sector contributed \$131 billion to the Canadian economy in 2024. Singling out basket-weaving as emblematic of irresponsible course selection also carries racist and colonial undertones - as craft practices, including basket-making, sustain viable careers and preserve Indigenous knowledge systems.

When rhetoric disparages entire disciplines, it legitimizes austerity that cuts staffed infrastructures of care -- sexual violence prevention and response, neurodivergent supports, counselling and career advice, prayer/relaxation rooms -- that our survey respondents say they need to stay well enough to succeed. These roles are often filled by equity-seeking workers who are disproportionately impacted by casualization and cuts. Students need grants, not guilt, and structural funding, not soundbites, to thrive.

All of this requires stable funding and specialized people who run these services (counsellors, sexual violence coordinators, cultural staff, career advisors). Under austerity, these roles are frozen, casualized,

and cut. Ontario’s universities and colleges have already been trimming programs and staff to balance budgets, with the Ontario Public Service Employees Union recording over 10,000 job losses and the cancellation or suspension of over 600 programs. Further budget cuts have also led to increased class sizes and online learning, leaving students with limited mental health resources and access to student services.

While aid shifts from grants to loans and tuition increases, the cost of living remains high, and students will need to work more hours and borrow more to make ends meet. Pressed by the same new funding regime, institutions are scaling back student services. Waitlists and eligibility requirements will be tightened, and fewer students will have access to the services our survey respondents said they need to succeed.

The Canadian Centre for Policy Alternatives confirmed in a 2025 report that per-student provincial funding has trailed other provinces since the Ford government first came to power in 2018, lagging behind the Canadian average by \$6,510 per full-time domestic university student annually. In practice, this has led to operational triage: tighter staffing, fewer specialized services, waitlists for counselling, and deferred maintenance (inaccessible buildings and broken elevators). As students prepare to graduate with more debt and stress, they are not prepared to succeed in our fluctuating economy.



Campus well-being is often framed as programs - yoga classes, peer circles, mindfulness apps. But accessibility and health are properties of systems and spaces. When students call for sexual violence prevention and response training, they are asking for trauma-informed safety to be embedded across the institution. When neurodivergent students ask for support and quiet rooms, they're asking for sensory-considerate design and pathways to navigate services. When students ask for less academic pressure and more mental health services, they're naming workload and assessment as determinants of health. When students ask for prayer and relaxation spaces, they are asking for culturally-sensitive learning communities.

Students told us what they need: safety, support, rest, and belonging. The current policy path moves in the opposite direction. Fewer grants, more loans, and higher tuition will amplify stress while hollowing out the services and spaces that support health and accessibility. We can't basket-weave or meditate our way around a structural problem. If Ontario wants graduates ready for the "jobs of the future," it must fund spaces today where students can successfully learn, heal, and thrive.

