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Press Release

**Out of Step with Canadian Values? International Priorities in Budget 2011**  
**Stronger Action Needed on Aid and Climate Change, Not Military Spending**

March 17, 2011

Canadian civil society organizations today raised serious concerns about expected international spending priorities for Budget 2011, due on March 22. Current Government directions project a freeze on foreign aid and limited action on financing adaptation to climate change, while continuing to increase military spending.

"The 2011 federal budget will speak volumes about the Canadian Government's global priorities," notes Steve Staples, of the Rideau Institute, a defense policy research group. "The growth area is military spending, which is higher now than at any time since the end of the Second World War. And this trend continues going forward, with the Government's controversial plan to purchase a fleet of new F-35 fighter jets."

A recent report from the Parliamentary Budget Officer, Kevin Page, projects the jets will cost about \$29 billion, almost double what the government has accounted for. The Canadian Council for International Co-operation (CCIC) has calculated that the money spent on the fighter jets alone would cover two thirds of the cost of reaching the 0.7% of GNI goal for Canadian aid by 2020.

Budget 2011 will mark the beginning of a deep freeze for foreign aid at approximately \$5.44 billion or .32% of Canadian GNI. Despite recent modest increases, Canada has sunk already to 18<sup>th</sup> among 23 donor countries. With the freeze in effect, by 2014 Canada's ODA performance ratio is expected to be .28% of GNI, among the lowest of all official donors.

"The Canadian economy is growing faster than expected, and has the most robust recovery of all industrial nations," said Gerry Barr, President-CEO of CCIC. "Yet Canada is abdicating its role as a donor state while others with greater economic challenges such as the UK honour commitments for aid increases."

Organizations will also be looking for this budget to confirm \$400 million a year in 2011 and 2012 in funding to allow developing countries to tackle global warming. "In 2010, Canada's climate financing contribution gave short shrift to adaptation, devoting just 11% of the total to that priority," said Barr. "In 2011, it's important that climate financing doesn't 'rob Peter to pay Paul.' Dedicated support for climate action is essential for the world's poor, but these funds must be new and additional, not be pulled from Canada's 'frozen' aid budget."

"Canadian citizens are concerned about the economy," said Staples. "But they also want effective action to address global poverty, climate change and promote peace. This budget risks being drastically out of step with Canadians' values and their vision for Canada's role in the world."

CCIC called for the Government to use next week's Budget to announce a 10-year commitment to grow aid to the 0.7% UN target, and to re-allocate military spending, including F-35 jet spending, towards this goal and to contribute to increases in climate financing after 2012.

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