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Chair

Mr. Massimo Pacetti

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• (1145)

[English]

The Chair (Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.)): Good morning.

Thank you to the witnesses for taking time out of your day and presenting us with your briefs. I want to get this started so that we can get your briefs on record.

Basically, I'll allow you seven to eight minutes for opening remarks, and then the members will have questions. If you can keep it to seven or eight minutes, I would appreciate it, as I don't want to interrupt you during your briefs.

We're here pursuant to Standing Order 83.1 for pre-budget consultations 2005. I have here a list of the groups in the order they're going to go in.

From the Alberta Association of Colleges and Technical Institutes, I have Mr. MacRae.

Dr. Doug MacRae (Executive Director, Alberta Association of Colleges and Technical Institutes): Good morning, and welcome to Calgary.

First of all, thank you for the opportunity to present and summarize our brief. We welcome the opportunity to engage in a dialogue with the committee. I'm going to give a very brief overview of our association, and Dr. Shaw, the president of NAIT in Edmonton, will speak to you about some of the issues.

The Alberta Association of Colleges and Technical Institutes represents the 17 public colleges and technical institutes in our province. In our institutions we have over 140,000 credit students and an additional 250,000 non-credit students that we serve annually. Revenue for our institutions is about a billion dollars annually, with slightly less than half coming from the provincial government. The rest of the funds come either from students or from enterprise activities our institutions are involved in.

A key factor that should be of interest to the committee is the work that we do with our communities. Our institutions have 168 campuses in 106 Alberta communities—obviously from the far north to the south and from the east to the west in this province. We are very connected with our communities. We know that our business and industry partners are very involved and need us with regard to a skilled workforce. Dr. Shaw will talk about the need for a skilled workforce and the kinds of things our institutions do to meet those needs. Clearly the economy of this province is very dependent upon

our graduates and the work they do in advancing our economy in this province.

With that, I'd like to call upon Dr. Shaw.

• (1150)

Dr. Sam Shaw (President, Northern Alberta Institute of Technology, Alberta Association of Colleges and Technical Institutes): Thank you, Dr. MacRae. I'd like it noted for the record that I'm here as the chair of the Council of Presidents for Alberta.

In our submission, we talk about a number of key areas that I think are germane to looking at finance policy. The very first one we talk about is productivity growth.

Clearly, there have been lots of indicators to show that our productivity gap has been widening with the U.S. One of the key elements with this is looking at innovation and looking at creativity and at efficiency and effectiveness. Part of it will come through support to the colleges and technical institutes to look at innovative ways to get a better price and a more efficient component in respect to what we manufacture, what we produce, and what we ship out.

Again, looking at productivity growth is an important component, and it leads into the question of a well-trained workforce. If you look at some of the stats, you'll find that in fact Canada has slipped drastically in continuing education undertaken by the adult population in comparison with the G-8, and so forth.

We need to do a better job of engaging lifelong learning. If you were to look at the stats in terms of the body that we serve, among students you'll find a very high employment rate within six months of graduation, and you'll find an employer satisfaction second to none. Again, it comes down to supporting employers, in terms of lifelong learning by their employees. This is also critical in looking at applied research. When you think of the asset the government has in community colleges and technical institutes, it is underutilized; we can leverage it to enhance productivity.

Some of the elements around this concern applied research. Certainly we do not enter into curiosity research, as you would in the universities, but applied research dealing with real problems in a timeframe that is current, timely, and so forth.

In terms of entrepreneurial capital, it'll be surprising to note that in fact graduates of colleges and technical institutes start many businesses—restaurants, construction companies, software companies, and the list goes on. Again, here is an underutilized source of entrepreneurial capital.

Also in terms of the human capital, what are we doing to support lifelong learning? How can we encourage more Albertans and Canadians to enter into lifelong learning to get innovation on the front line of businesses. Particularly in terms of small and medium-sized businesses, we need to do more. As you start looking at some of the benefits to taxpayers, there's a 16.4% return on an education at a college or technical institute. To the students themselves, there's a 14% annual return on their investment. So the return on investment, the ROI, for both students and taxpayers is very high. When you look at lifelong learning, it can even be higher if we narrow that productivity gap with the U.S.

The last element, in terms of looking at investments, is that we would encourage the federal government to look at the infrastructure. There were programs in the past that would help post-secondary institutions with their infrastructure needs. I would note that many community colleges are in communities where the swimming pool is a shared resource. So again, infrastructure is a very important investment for the colleges and technical institutes

With that, I'd like to thank the committee for their attention.

The Chair: Thank you, Mr. Shaw.

Next, from the Graduate Students' Association of Canada, we have Mr. Shragge.

Mr. Jeremy E. Shragge (Chairman, Graduate Students' Association of Canada): Good morning, ladies and gentlemen of the committee.

On behalf of the Graduate Students' Association of Canada, which has over 20,000 members, I would like to extend my sincere thanks for this opportunity to address you this morning.

I'll just give you some background. We are a national organization that represents the post-graduate scholars from six different universities from coast to coast. We are the University of British Columbia, the University of Northern British Columbia, the University of Alberta, McMaster University, Dalhousie University, and the University of New Brunswick.

It goes without saying that my organization shares this government's interest in the nation's economic growth. Accordingly, the theme of our submission today is the critical nexus between graduate studies and productivity. In short, it is our concerted belief that Canadians with post-graduate training will play a crucial role in reversing this country's stagnating rate of productivity.

Just yesterday, in its annual report the Conference Board of Canada placed this country 12th overall in economic performance amongst member states of the OECD. In terms of productivity, we were given a bronze rating. This represents a dramatic slide from third place just two years ago and sixth place last year.

Our lagging productivity growth, which is named by the Conference Board as the key structural weakness undermining Canada's economic prospects, has resulted in a per capita GDP deficit of \$8,000 U.S. with the United States. It is no secret that productivity growth is dependent upon innovation. For Canada to be a global economic and social force, it must place in the vanguard a core of highly qualified personnel to lead the charge in innovation.

Where shall this highly qualified personnel be found? It is our belief that they're to be found in the graduate schools of Canada's finest universities. Canada needs a highly skilled, motivated, and creative workforce if it hopes to compete against the awakening giants of India, China, and eastern Europe. The current century is the one that promises to be characterized by technological and scientific advancements that will make *Star Trek* seem quaint.

Graduate students will be the drivers behind these cutting-edge innovations. The knowledge and experience gained during their course of study will contribute immensely to this nation's economic and social growth. As the future leaders in advanced technological development, information sciences, health care research, business management, and literary and artistic excellence, post-graduate scholars will contribute a volume of productivity growth grossly disproportionate to their number. Unfortunately, current levels of support for scholarly research are inadequate for Canada's present, let alone future, highly qualified personnel needs.

Of the 1.4 million additional university graduates expected to be required in the next decade alone, several hundred thousand will be post-graduate scholars. Canadian students at both the undergraduate and graduate levels are increasingly burdened with debt and are taking longer to complete their degrees, should they complete them at all. According to Statistics Canada's recently released survey of earned doctorates, the average PhD graduate in this country requires 70 months, nearly six years, to complete their doctoral work—that's on top of their master's and bachelor's degrees—whilst 44% were forced into debt to finance their graduate studies.

The message of the Graduate Students' Association of Canada would like to send to this committee is a simple one: help us to help you. Take action to make studies at the master's and PhD levels more accessible and affordable for Canadian and foreign students, and we shall provide you with the men and women who will take Canada into a new era of productivity, growth, and innovation.

We feel that the federal government, in order to achieve its productivity targets, must provide students with the proper incentives to (a) enter graduate studies in the first place, (b) choose to do so at a Canadian university, and (c) remain in this country to work upon graduation. To that end, we have three recommendations that we believe will help achieve this goal.

In the first place, create the Canada post-graduate financial assistance program. The financial needs of graduate students, the average age of whom is greater than 30 years, are not being met by the current Canada student loans program, which was designed decades ago for single students in their teens and early twenties.

Significant structural problems exist in the current needs assessment and scholarship and income exemptions that restrict graduate student access to needed financial assistance. These problems are highlighted by the significant number of graduate students who have been forced to turn to private lines of credit during the graduate programs rather than to public loans. The survey of earned doctorates tells us that whilst 43% of graduate students owe money following graduation, only 27% of these report having taken out student loans, the implication of which is that the rest of them had to take out much more expensive loans, either personal loans or bank loans or lines of credit.

Therefore, the Graduate Students' Association of Canada recommends that the federal government create the Canada post-graduate financial assistance program, a completely new student loan scheme designed to meet the unique needs of post-graduate scholars.

●(1155)

We're looking at dedicated funding of graduate students from Bill C-48. Of the \$1.5 billion authorized in Bill C-48 for "supporting training programs and enhancing access to post-secondary education", the Graduate Students' Association of Canada recommends that 20%, or \$300 million, immediately be put towards dedicated programs to recruit and fund top masters and PhD students for the entire length of their course of study in every area of endeavour, both domestically and abroad, and at both the part-time and full-time levels. We feel that the most effective way to disperse these moneys would be through the merit-based scholarships administered by the three federal granting agencies—SSHRC, NSERC, and the CIHR.

Finally, on the taxation of scholarships, scholarships are awarded primarily on the basis of merit and are focused on enabling students to pursue their education. By exempting a portion of the award from taxation, the Government of Canada has recognized that scholarships are designed to help students offset the costs of their education and allow them to focus on achieving excellence in their studies. However, due to ever-rising tuition and ancillary fees, the cost of living, and the indirect cost of research, the current exemption level of \$3,000 has become woefully inadequate. The Graduate Students' Association of Canada recommends, therefore, that the tax exemption be raised immediately to \$10,000.

In summary, Canadian universities and post-graduate scholars must be well supported in their ability to undertake cutting-edge research and technological development. Highly qualified personnel will be the linchpin of any productivity renaissance that this nation hopes to experience. The Graduate Students' Association of Canada asks that this committee simply give us the opportunity to do what we love, to do what we do best: help us to help you.

Thank you very much.

●(1200)

The Chair: Mr. Shragge, we don't seem to have a copy of your brief.

Mr. Jeremy E. Shragge: That's because we haven't had it translated yet. We're a little behind, so—

The Chair: That's our job. You just send it and we get it translated.

Mr. Jeremy E. Shragge: They informed me that if I didn't have it in by a certain date, it was my responsibility to have it translated, so that's why it's not in.

The Chair: That's not necessary. Just send it over and we'll take care of it. Thanks.

Ms. Smith.

Ms. Beverley Smith (As an Individual): Hello. My name is Beverley Smith. I'm associated with five women's groups in Canada: Kids First; Child Care Equity, in Montreal; Advocates for Childcare Choice, in Toronto; Prairie Advocates for Child Care Choice, in Regina; Home By Choice, in Edmonton; and the national organization is Kids First Parent Association of Canada. I am speaking as the editor of *Recent Research on Caregiving*, an international newsletter on caregiving.

I want you to take a look at this room. This is called the Crystal Ballroom. This is one of the oldest hotels in Calgary, and it has a history associated with women. Every year, we have the pink tea here to celebrate women's advances. Recently, a few months ago, David Dodge spoke right there, dedicating the new \$5 bill because of the "Famous Five". We have a statue of the "Famous Five" across the street. You are in the heart bed of women's rights. If you remember this moment, and I hope you do, I am going to give you an opportunity to look at women's rights in this room in a new light.

You have asked us to focus on productivity, and the key concerns are skills development and education, early education. Someone mentioned in a previous session about people who are taken away from the paid labour force due to accidents.

[Translation]

A few minutes ago, Mr. Bouchard spoke about alleviating poverty. I'd like to propose a solution to this problem.

[English]

That is what I'm here to do. These things all blend together in my presentation.

Productivity depends on paid work. That's how you guys all define it. However, someone had to create the paid labour force. Someone had to give birth to these children. Someone had to teach them these skills. Someone had to maintain them when they were sick.

There are people who provide this renewable paid labour force each generation, and they're nearly always forgotten. Those who tend the sick, handicapped, and elderly save the state money because they keep those unable to do paid work from costly institutional care. We don't appear on your radar screen because we are savers of money for you. It is evident that caregiving is part of the economy.

[Translation]

Care provided to others is part of the economy.

[English]

The recognition of caregiving is evolving. At first we ignored it. Women did it at home, unseen, but they did it well. Then when women chose or were nudged to work outside the home, government noticed that they had to leave behind some care roles, and who was going to do them? The state started to help fund the care of children because it was an obstacle to women doing something worthwhile: earning money.

When it was discovered that women were still doing a lot of caregiving in the evenings, the next focus was to get men to pick up the slack. Gender equity studies saw caregiving as a burden, but at least we got men to share it. When mass care of the sick, young, and handicapped was criticized as warehousing, those who provided care reeled in defence, saying, "Oh no, much more is going on", and the focus became early education. Caregiving had a new dignity; its quality mattered. But then the institutions that did it claimed they did it better than individuals back at home, so caregiving was defined as a profession. It was then valued finally by the state, but only if you hired out.

When women were sad to leave their newborns with strangers, the state began to value caregiving itself, and it extended maternity benefits and parental leave, which we're grateful for, but you had to qualify by doing paid labour. This meant unpaid work was valued only through paid work. That wasn't logical. It didn't value unpaid work itself.

My suggestion then is third-wave feminism. In the Crystal Ballroom, please think about this: recognize finally this role women have traditionally overwhelmingly had—the care sector. Set standards, of course, for how strangers perform it, but recognize, trust, and value this care when it's done by a family member—especially the sacrifice they make to do it. Value the care not because it's how much someone earned before they did it, or as an obstacle or burden; value it as a contribution to society. It is illogical to link it to EI, which is based on paid labour. It should be de-linked from paid employment status.

For every person needing attendant care, fund that person. Let them choose where to use the money, and let them pick the caregiver.

Here are some specifics of what would be good:

Raise the spousal deduction to a full personal deduction so at least a caregiver is not seen as half a person. Some provinces have done this already, such as Alberta.

Second, enable unpaid caregivers to be covered by the Canada Pension Plan. I just got back from Ottawa from a caregiving conference. This issue came up again and again. Women are poor for life because they took time to take care of someone. That's just not fair. We are entitled to some pension benefits for this sacrifice.

Third, allow income splitting or income sharing as a tax option to remove tax penalties based on earning style. Sometimes that penalty is 43% now, based just on how you earned the money, not on how much you earned. That's not fair.

Fourth, de-link maternity, parental, and palliative care leave from EI, and administer them because of the caregiving, not based on how much you earned.

Fifth, have a refundable monthly tax allowance or credit for the raising of children, unconditional on any other factor. Parents who use day care would be happy to get the money up front. They could use it for day care. Parents who don't would be happy to get the money to use on other care styles, and to offset some of their costs.

Fund the care of the handicapped, elderly, and dying based on that care itself. Fund the person who needs the care so they can choose their care provider.

Ensure the ministry of caregiving recognizes care in proportion to what is done in this country. This government, sadly, funds the day care lobby. It funds its own lobbyists. We're concerned about that. We're concerned when we, unpaid caregivers, are excluded from meetings about the care of children. We are concerned that at this national caregiving conference yesterday in Gatineau, the major groups invited were the paid-care sector. When my people wanted to come we weren't allowed to, and I was not allowed to present. I'm talking about a bias.

• (1205)

My solution is an equality solution. We would like to ensure productivity, that we will give you a well-educated, well-loved, productive labour force each generation if you let us.

This is the win-win solution. It is not against those people who currently are the favoured few, but it is to value all of us equally.

It's a fair solution for justice. This is an equality rights issue.

It's a fair solution for health, because we will reduce stress and anxiety and loss of productivity in the paid labour force if people are happy with what's happening back home.

It's the best solution for status of women, because finally we'll recognize this third wave of feminism.

It's the best solution for labour, because as Dr. Shaw mentioned, we have a lot of creative people doing things now that the current definition of the economy doesn't look at: telecommuting, work from home, home-based business, self-employment, tag-team parenting, flextime, part-time paid work. This economy is defined, so far, to not adequately recognize those creative solutions to the career-family balance.

Finally, this is the best solution for democracy, because it gives people choices.

The Chair: Thank you, Ms. Smith.

From the Alliance of Sector Councils, Ms. Knight.

Ms. Cheryl Knight (Member, Board of Directors, The Alliance of Sector Councils): Thank you.

I'm here representing the Alliance of Sector Councils. This is a forum or umbrella organization that is an exchange of information and priorities related to the Canadian labour market and the development of human resources for the Canadian economy.

My name is Cheryl Knight. I'm on the board of directors for the Alliance of Sector Councils. As well, I am the executive director and CEO of the Petroleum Human Resources Council of Canada here in Calgary. With me is one of my board members, the president of the Canadian Energy Pipeline Association, David MacInnis.

Sector councils are neutral forums made up of employers, employees, and other stakeholders to address human resources development issues and labour market solutions in the Canadian economy. We improve productivity and performance in the labour market. Some sector councils, as you can see from the list in your package, cover specific sectors in the economy; others are more horizontal in nature. Many of them have been in place for 10 to 15 years. On the whole, we cover about 50% of the labour market in Canada to date. Child care, for example, is one of those sector councils that's new on the horizon.

I'd like to focus on what individual sector councils do. As I mentioned, I'm here representing the board of TASC, The Alliance of Sector Councils, but I'm also the CEO of the Petroleum Human Resources Council of Canada. I'd not only like to tell you what sector councils do but also give you some examples of what the Petroleum Human Resources Council is doing, to provide some tangible evidence.

We act, again, on human resources issues in the Canadian economy. We act to ensure an adequate source of supply of appropriately trained workers in all sectors of the economy. As you can see, the list is very extensive.

In our council we have a project that's involved in the attraction, retention, and workforce development in hard-to-recruit locations, because, as you know, the oil and gas industry operates in remote or frontier types of locations.

The other thing that sector councils do is increase productivity and performance by addressing skills in the workforce. For example, we develop occupational standards for all occupations, and the petroleum industry is no exception. Our focus is on non-regulated safety-sensitive or in-demand occupations.

We focus on the post-secondary education system, which includes educators, colleges, technical institutions, as well as the trades, on more closely aligning their programming with industry's needs. We focus on developing career information and distributing it to all sources of supply to our industries. That includes women, aboriginals, immigrants, mid-career transitions, and youth. For example, the Petroleum HR Council has an outreach strategy in place to develop career information and distribute it effectively to our target audiences.

We develop labour market information and distribute it. That information is used by employers in the sectors and by educational institutions to base programming decisions on, and for employers to understand the longer-term implications of their industry development work. In the petroleum industry, we've developed a report called *The Decade Ahead*. It is a ten-year assessment of the supply and demand in the oil and gas industry. It identifies the gaps in our industry as well as the human resources issues that make up our strategies for the petroleum industry's human resources strategy.

That gives you some examples of the types of things that all sector councils work on, with some specific illustrations for petroleum. A more specific example is the Environment Sector Council, which is also located in Calgary. They develop programs about meaningful environmental careers and provide employers with resources on how to find and keep resources in the environmental sector. They inform educators and governments on the upcoming needs and employment trends of employers in their area so that governments and educators can respond to upcoming demands.

● (1210)

You see in your package, on page 3, a summary of the petroleum council's initiatives, which I won't go through because I've already highlighted them.

Let's look at the Construction Council, another organization that is hugely important to our national economy, as well as the petroleum industry.

The Construction Council focuses on collecting, forecasting, and distributing labour market information; "Technology at Work", a project that will use new technologies to train trades workers—who, as we all know, are in high demand—and improve workforce mobility; career awareness programs, to improve the awareness and the image of construction careers; and, again, developing occupational standards for construction workers.

Those are examples of sector-specific councils that are all members of TASC, the Alliance of Sector Councils. There are also councils that are horizontal in nature, that are cross-sectoral. Two examples of those are the Aboriginal Human Resources Development Council of Canada, which seeks to increase the participation of aboriginals in the Canadian workforce, and the Canadian Technology Human Resources Board, which works with partners in engineering and applied science technology.

Currently, the federal government's spending on the sector council program is \$70 million annually. I feel, from personal experience, that we've achieved a lot as sector councils. We have incredibly huge mandates. Of that \$70 million, about two-thirds goes directly to the sector councils listed in your package. If you do the math, about 30 sector councils with two-thirds of that budget means that \$1 million to \$2 million goes to each sector council in a year. If we take our council as an example, we have an operating budget of \$500,000 annually. That enables me to hire three to four staff to address human resources issues for a Canadian industry, in addition to managing projects, so it tends to be a very broad mandate with limited budgets.

What we're experiencing is that the Government of Canada has a very laudable goal to increase the coverage of the labour market and the number of sector councils from the current 30. As far as I'm aware, there are no current plans to increase the budget from the \$70 million, so if we continue to leave the budget static and increase the number of councils and coverage of the labour markets, there will be increased competition for reducing dollars.

As you can see, we're a victim of our own success, which I think has been tremendous. There are a lot of good-news stories from sector councils. What we'd like to do is increase our resources to focus on more effective promotions of what sector councils do. We need to create better awareness amongst employers—small, medium and large—of what sector councils are doing, and create better awareness to employees in our sectors. We need to improve our focus on regions and local industry; with very limited resources, it's very difficult, again, to serve a national industry. We need to increase our reach to all types of companies within our sectors, to unions, and to employees. We need to work more closely with the post-secondary education system—actually, I'm pleased that we've worked with the representatives at the table in the past. We need to improve our ability to network—not just federally, but with provincial, municipal, and territorial governments. We need to be able to capture data, labour market data, at the local level, and understand its implications nationally and regionally—and, most importantly, we need to be able to respond to the needs of our industry.

We feel that the Government of Canada has played an incredible leadership role to date, and we're pleased about that. We'd like to see an increase in the focus of improving the supply of talented workers to the Canadian workforce, and support for our efforts in doing that, and we look for continued leadership from the Government of Canada in terms of policy direction and continued and increased funding support.

I'd like to turn it over to David MacInnis.

• (1215)

Mr. David MacInnis (President, Canadian Energy Pipeline Association): Thanks, Cheryl.

Mr. Chair, just briefly, I've been asked by the task force—

The Chair: We're way over on the time. I'll allow you a minute, if you want, okay? One minute.

Mr. David MacInnis: That's fine.

I've just been asked to give an example of how the sector councils help employers, and therefore the Canadian economy, in the country.

As the pipeline association, our members ship 95% of the oil and gas produced in the country. We've got \$45 billion of projects on the drawing boards, and the sector council has been helping us get over one of the two biggest hurdles we have: finding skilled people to build these \$45 billion of projects.

An average pipeline project of about 1,000 kilometres in length will create about 13,000 new jobs in Canada. We've got about eight of these, none of which is that small, in the planning stages. We believe the sector council work can help us find new employees and, based on a study just completed for us, avoid the higher energy costs to Canadian consumers that come as a result of not being able to find skilled workers.

Thank you.

• (1220)

The Chair: Thank you, Mr. MacInnis.

Ms. Ambrose, then Mr. Bouchard.

Ms. Rona Ambrose (Edmonton—Spruce Grove, CPC): Thank you, Mr. Chair, and thank you to all of the presenters.

I know we don't have a lot of time, so I'm going to ask a question of Bev Smith, and I have a question for Dr. Shaw and Mr. MacRae as well.

For Ms. Smith, I just want to commend you on raising the issue of women's rights and the equality issue. The debate of unpaid women's work has been going on in the feminist movement for many years. I noted that you said, rightly so, that the caregiving movement has made some strides, particularly around the issues of elder care, but now we're facing this issue of child care and we're not seeing the same equality issue being addressed in the policy the government is putting forward. It's a concern I've had for a long time now.

I wonder if you could just expand a little bit on that. We believe very strongly the investment needs to be made in child care, but we want to see it being made in a way that addresses the diversity and complexity of families. But also, if it doesn't address the equality issue of the unpaid work women do in the home or in many different ways in terms of caregiving, it can't be universal. To embark on a new social program that's not universal or equitable is obviously a problem. Could you address that quickly?

Then to Dr. Shaw and Mr. MacRae, I know that we have right now, from what I understand, upwards of 20,000 vacancies in trade skills. Some of the things we've been talking about in our party are financial mechanisms. I want to know if we're on the right track with the idea of the apprenticeship incentive grants for businesses, tax deductibility for tools for employed or self-employed people in the skills trades, and using tax incentives for businesses to encourage apprenticeship programs.

Ms. Smith.

Ms. Beverley Smith: Sure. Thanks for your question.

I am absolutely in favour of a national program for the care of children, but I am concerned about the way the day care movement has been able to talk to government to define their style of care as the only kind of care that exists. If you want a really universal program, then you fund the child. The money flows with the child. That's the most efficient. That's the fairest. That's the most democratic. That goes with international conventions we've signed. This is the movement we're working on now. And day care people don't lose with that. What concerns me is when the day care people say "No, no, we want it all".

Ms. Rona Ambrose: Thank you.

Dr. Sam Shaw: Thank you for the opportunity on the question. I have just a couple of comments.

Certainly in regard to the incentives, the issue is that it should look at a higher churn rate. What we mean by that is that if the incentives are for the first couple of years, you'll have employers saying yes, we'll take a first year and a second year, but not completion of third or possibly fourth. One of the big issues in this country right now is journey-person status. We need higher completion rates for journey-people.

The second thing is, in terms of the tax for tools at \$500, a lot of the tools are well over that, so the \$500 limit is an issue.

Ms. Rona Ambrose: What would you recommend?

Dr. Sam Shaw: I think at least \$1,000. Again, in some of the areas of automotive, it will be thousands of dollars.

The other element, which you talked a little bit about in the announcement, is the 45 "red seal" trades. Alberta has 50 designated trades. So again, there are some trades that would not be portable across the country, and certainly we're developing new ones. For example, we're in the process of doing the curriculum for rig technician. So we need a mechanism to look at that.

I think the bottom line is that if there were one area in terms of the funding side that we need to take a look at, particularly for first-year apprentices, it would be to waive the EI waiting period on pre-registration. There are a lot of individuals who have mortgages. We just graduated Joyce out of Conklin. She has a trailer and she has the responsibility of three teenage kids. To have a waiting period that would forgo that level of income is a huge issue.

That would be one of the recommendations I would have.

Ms. Rona Ambrose: Thank you very much.

The Chair: Monsieur Bouchard.

[*Translation*]

Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ): Thank you, Mr. Chairman.

First of all, I want to thank all of you for your excellent presentations.

My first question is for the Alberta Association of Colleges and Technical Institutes. You stated that your organization had very close ties communities. I understood you to say that your college graduates were very successful in finding jobs. You also emphasized

the importance of college-related infrastructures such as a pool. I believe you called for programs to be put in place to renovate and build infrastructures to complement college life.

In your opinion, do governments provide sufficient funding to post-secondary education? I imagine that tuition fees are relatively steep, but I'm curious as to whether, in your estimation, people are prepared to invest enough money in their own education and training.

• (1225)

[*English*]

Dr. Sam Shaw: Thank you so much for your question.

Certainly in regard to looking at the infrastructure, the federal government a number of years ago had a number of programs that post-secondary institutions—not just universities, but colleges, CEGEPs, and technical institutes—could take advantage of. Being community-based, there are many facilities that are impacted by the community, and we need to address that as you start looking at your urban-rural strategy.

The other element is in terms of individuals. Accessibility is becoming a key issue, whether you're at the graduate level, the undergraduate level, the apprenticeship level, or the diploma level, in regard to looking at tuition costs. Tuition costs are going up dramatically in this country, and one of the key elements in our association is to look at the concept of affordability. I think that needs to be addressed by all, particularly for the disadvantaged students who will not get into post-secondary. We need to make sure that there are mechanisms. Certainly the millennium scholarships were one component, but we need to go further than that.

Coming back to funding for post-secondary, clearly there has been some good funding for the universities in regard to research. However, I would say to you that there has been no policy by the federal government in terms of looking at supporting applied research or looking at some of the initiatives for colleges and technical institutes across Canada. We talked about HRSD and about some of the training areas, but it's absolutely critical that if we're going to hit the issues of skills shortages—and it's not just in the trades, I would say to you that we have shortages in terms of artists, our culture, and so forth—we need to tackle this in a holistic manner. I think we need to review the funding for post-secondary.

Thank you.

Dr. Doug MacRae: I'll add to that as well.

You talked about infrastructure. While infrastructure is critical, the other area that really impacts our institutions is equipment. It's one thing to build buildings, but it's another thing to ensure that current, up-to-date equipment is available for our students to work with and learn on rather than old equipment and then go out to the workplace and not find what's necessary.

You asked about investing in education and the contributions students make. In Alberta we have a provincial tuition policy that states that students can contribute no more than 30% of the cost of their education. In many of our institutions those numbers are less than 30%. Having said that, Dr. Shaw points out something that is very important. Tuition fees are increasing very, very quickly in this province. I think now—and I'm sure the students will be able to provide additional information—we're about second in the country as far as the cost of post-secondary education for the student. That's as a result of increased costs the institutions are incurring when there are basically two or three sources of revenue: one being government, another being students, and a third one being entrepreneurial activities. So clearly the student contribution has increased rather dramatically. It is becoming a concern for our institutions as well as our students that people are being denied access because of affordability.

There is one thing I would point out, though. Dr. Shaw talked about the millennium scholarship. The term "scholarship" certainly talks in terms of merit-based—I think that was the term you were using—a reflection of prior success and that being acknowledged and rewarded. Another area that is equally of concern, I think, is the whole area of bursaries for people not able to afford to go to school. Their performance perhaps has been fine, but not spectacular, and these are the people in many cases who are left behind. There, I guess, we really look to our business and industry partners and individuals. There are tremendous donations to our institutions.

• (1230)

The Chair: Thank you, Mr. MacRae.

Monsieur Bouchard.

[*Translation*]

Mr. Robert Bouchard: My second question is directed to the Graduate Students' Association of Canada. You mentioned immigrant students and recommended that a financial aid program be established to assist individuals who come to Canada to pursue graduate and post-graduate studies.

Would providing more financial assistance make Canada more competitive internationally in the field of education?

[*English*]

Mr. Jeremy E. Shragge: If we put incentives such as scholarships to bring foreign students into Canada, would that make Canada more competitive? I think the answer is yes, absolutely. I think we all recognize that. There's literature out there supporting this. The number of applications to graduate programs in the United States, our number one competitor, has plummeted since the war in Iraq. A lot of foreign students now couldn't get a U.S. visa even if they tried. Canada is lagging behind countries such as Australia, the EU countries—England, Ireland—in trying to attract these foreign students. So we are definitely already behind our competitors.

The reason we put this recommendation in there is that some of the top minds are coming from especially places like India and China and eastern Europe. We want them to come to Canada to learn at our universities and then stay in Canada and apply the skills and the knowledge that they've learned in our country to help improve Canada. I think that unfortunately a lot of people look at foreign students as being a drag on the economy. As it stands now, foreign

students in Canada pay, at a bare minimum, 100% differential on the tuition that Canadian students do. At the University of Alberta, last year, we had a huge fight to not raise that differential on graduate students.

I think the public and I would recommend that the Government of Canada look at foreign students not as a drag but as a potential. Having lived in a graduate student residence at the University of Alberta, I see the number of foreign students, brilliant foreign students in areas such as engineering, health sciences research, business, who are going to come to Canada. If we don't say to them we want you to stay; we have an immigration shortage as it is, and we want you to stay in Canada, so here are some incentives for you to stay.... I think those are absolutely necessary if we want to compete in a global economy.

The Chair: Thank you.

Merci, Monsieur Bouchard.

Mr. Holland.

Mr. Mark Holland (Ajax—Pickering, Lib.): Thank you.

I have a couple of questions. I'm going to start with Mrs. Smith. I appreciated everybody's presentation, but of course I also appreciated yours, Mrs. Smith.

I have a couple of points. I think we do have to do more for parents, be they male or female, who make the choice to stay home with kids. I have some problem, though, with the notion of simply giving somebody money—here's \$200 or \$300, good luck to you. Ultimately, I see there being two different issues that we have to separately address. One is the very legitimate need to create not a day care system but a national early learning education system where we can prove the education that we're providing to children in their youngest years. We need to provide that across the country and make that available, recognizing there's an important need for that. Recognizing that women, either by choice or by circumstance, are making the decision to work, we need to have a system in place that provides the best opportunity possible for their children to learn and thrive and grow. That is not to say that one is better than the other, but to say that if somebody makes that choice, it's available to them.

On the converse side, my wife stays home with our three children. That was a choice we made. She had a successful business and she put that on hold so that she could stay home with our kids. I'll be honest: for us, it's not a big deal now that there isn't the same level of equity. Fortunately, at this stage in my life and prior to this career, I was paid well enough that I think it was not so much an issue. Where it was a concern is when my wife and I were originally starting out and she had to quit her business and I was doing my work. It was very difficult for us to make ends meet. And frankly, I was very upset, as I think my wife was at that time, that we were essentially punished because of our decision.

However, I think there are two separate issues here, and we have to deal with them in a separate way. I understand your grievance. I'm sympathetic to it, and I think there are things we should do, particularly for those who are either starting out or don't have strong means. But at the same time, we must acknowledge that having a national early learning strategy is important, that it must be developed, it must be available, and it must be strong. But there are two separate things. And frankly, giving a couple of hundred bucks to people and saying good luck I don't think will accomplish that.

•(1235)

Ms. Beverley Smith: Thank you for being honest about your distrust of people's ability to spend their own money.

Mr. Mark Holland: That's not what I said.

Ms. Beverley Smith: I don't have that distrust.

Mr. Mark Holland: That's not what I said, just so that you understand.

Ms. Beverley Smith: No, but I'm reframing it to be obnoxious, I understand. But what you're basically saying is that if you give people money, you're not sure what they'll do with it.

Mr. Mark Holland: No, I'm saying \$200 for a single mother on a limited income will do nothing; it's not going to improve the quality of child care she's receiving, and—

Ms. Beverley Smith: I'm talking about the \$4,000.

Mr. Mark Holland: Well, \$300 was the dollar figure that was mentioned here earlier.

My point is not to be confrontational. It's simply to say.... I think this is the biggest problem of this debate, that there is this immediate confrontation that occurs that's unnecessary, because I think if we could look at it in the same way that having school for children is necessary and having that as something that's important, it's also important to have a national learning strategy. And concurrently to that, I'm not disagreeing with you that we have to do more for those who make the choice to stay home. But I think that trying to pit one against the other isn't helpful.

Ms. Beverley Smith: I am not, but you are. Excuse me, but you're saying it's okay because you want to make everybody have a day care space. That's basically that argument, if I'm understanding it. You want to fund a day care space for every child in the country because that is early education. Isn't that right?

Mr. Mark Holland: No.

Ms. Beverley Smith: And basically, how much is that going to cost?

Mr. Mark Holland: What I'm saying is that instead of day care, we need to have a strong system across the country of an early learning strategy—

Ms. Beverley Smith: But it doesn't matter what you call it.

Mr. Mark Holland: —but for people who make the choice, to ensure that it's the most enriched environment possible.

I'm saying that what I guess would be helpful in this, as we move forward, is to acknowledge on the one hand that having that early learning strategy and having a nurturing strong environment to help those children thrive who go along that path is important and

admirable and something that should be done. And on the other side, address those who make the other choice.

Ms. Beverley Smith: Excuse me. Do you realize what you just said? You're talking about the nurturing, gushy, wonderful educational thing, and you are saying that doesn't happen at home. It happens at home—

Mr. Mark Holland: No, I didn't say that.

Ms. Beverley Smith: But you are saying let's do that thing and possibly something for the mothers back home. My point is I absolutely agree with you. My kids are a doctor, a lawyer, a law student, and a journalist. My kids have eleven post-secondary university degrees. We're deeply in debt. But the point is I am a big pusher for education. I taught my kids to read when they were three. Do you think that is going to happen at your early learning centres? Absolutely not, believe me.

I am saying day care, absolutely. If you want to provide some backup system for emergency care, fine. But don't ever say you have better quality care than we have at home. And don't preferentially fund it.

Mr. Mark Holland: It's absolutely not the case. We made the choice to have our kids stay at home. I didn't do it because I thought it was inferior. I'm saying there are a lot of women who make the choice, either out of necessity or because they feel it's the best thing for their lives, to put their children into an early environment, what you're calling day care, whatever the case may be.

Just to finish the point, I'll say that has to be as strong and as nurturing as possible. It doesn't mean it's better than the other or worse than the other, and I think if we get into an argument of pitting one against the other, that's a bad idea.

Anyway, we're not going to resolve this; we're having it back and forth, but I think it's something we should discuss more. I think there are two separate issues, and I agree about dealing with both ends of it.

I wanted to talk about—and I thought it was a very intriguing idea—the notion, for post-graduate studies, of developing a separate system of borrowing, if you will, such that there are different criteria that are applied to it. I can certainly, in my own experience, reference a lot of people who have great difficulty accessing funds because the criteria really aren't matched to that. Can you give me a little bit on what form you see that taking in terms of its eligibility requirements? Have you given that any thought, or is it just something general at this point?

•(1240)

Mr. Jeremy E. Shragge: Can I give you numbers? No, I can't at the moment. Certainly, it's at the conceptual stage, but I think the important point is that, one, the current Canada student loans program is a bit of a mess, and beyond that it does not meet the needs of graduate students. Rather than tinkering with this program, our suggestion is—it doesn't have to be completely *de novo*, a separate building in Ottawa or anything like that—let's have a separate program, with separate eligibility requirements, that meets the needs of graduate students.

For example, a lot of graduate students have families. We talk about the idea of incentives. If you look at the survey of earned doctorates, you see the average age of graduate students is getting higher and higher. That's not because students are slow and lazy. Myself, I worked for two years in the food industry before coming back to do my master's degree. I had to give up a career and a pension plan, the whole nine yards, because I wanted to do more research. I had to give that up, so there has to be some sort of incentive for students.

To say to students they have to give up a career, they have to give up a job, and they'll only get \$217 a month or whatever it is as living allowance when they have a family and children and perhaps a car they've bought already... For undergraduate students all those things are taken into account when the student loan value is calculated. Essentially it puts some graduate students in the position of saying, well, if I want to go back to graduate school to improve myself, to learn new technology, to become more advanced, I have to sell my car and get rid of my house because all those things are counted against me for my student loan.

We need to have a program that, one, recognizes that there need to be incentives to bring people back into graduate school, and two, takes into account the fact that graduate students aren't 18 years old and still living with mommy and daddy but are adults. We have responsibilities and a lot of us have debts from other areas, so I think we need a separate program that takes those things into account.

The Chair: Thank you, Mr. Holland.

Mr. Penson.

Mr. Charlie Penson (Peace River, CPC): Thank you, Mr. Chairman.

First of all, Mr. Holland puts forward an interesting argument, that people have a choice on whether to go to work or not but they don't have any choice on how they... The child care benefit would go either to the parent who wants to stay home or, to follow that, to an institution. It seems to me that if the argument is good and that choice is good, let the parents decide where they want to have that money go.

Ms. Smith, I support the equality provisions you're talking about, and I wish you luck with that. I think it's going to happen—it's just a matter of time—because it's the right thing to do.

I'd like to turn to Mr. Shaw and Mr. MacRae and talk a little bit about the demographic problem we have coming at us in terms of an aging population. If we think we have labour shortages now, where we're going in the future with this... The problem I see—and I'd just like to hear your thoughts on it—is that because of the declining birth rate in Canada we have a crunch coming down the road. It seems to me we can either do something about it in terms of immigration or we're going to have to be more innovative in order to maintain our standard of living, or maybe both, but isn't immigration going to be part of the solution to this as well?

Mr. Shaw, before you answer, my concern is that western Europe has a big problem too, so aren't we going to be competing for those skilled people needed to fill those jobs? Therefore, wouldn't we be wise to open the doors and allow more people in to increase our population base so we can train some of these people here in Canada

for future generations to supply the workforce we're all going to need to maintain our standard of living?

• (1245)

Dr. Sam Shaw: Thank you so much for the opportunity to answer that question, because it's a bit of a passion with me.

I see a four-pronged approach. Certainly, immigration is one of those pieces, as you referred to, in terms of looking at the demographics, but there's also the retiring workforce.

The second one is women in technology. We have a huge push on in our colleges and technical institutes for women to look at non-traditional careers. Again, the technology in those careers is changing, and we need to have more women engaged in some areas of the technology side.

The third thing is high school students. If you look at the stats, 30% of high school students go on to post-secondary, and the way it splits out, of that 30%, 50% go to universities and 50% go to colleges and technical institutes. Quite frankly, that is not good enough, and we certainly need to do more in terms of encouraging high school students to look at completion.

Then the fourth category, as you may have heard across other jurisdictions, is the aboriginal population. It's the fastest-growing segment in Canada. A third of the population right now is under 15. Looking at shortages for some careers, we have a golden opportunity to engage the aboriginal youth. Again, I will refer to the fact that, looking at artists and so forth, we have some very talented aboriginal students.

So there's a four-pronged approach.

Now, there was your reference to other jurisdictions in terms of competition. Well, I think a lot of our colleges and technical institutes are being deployed around the world, and it's not just in the typical areas like Germany or the U.K. or Australia, where the trades are very good. We now have programs in India and China. Believe it or not, there's a skill shortage in China right now; we're being asked to go over and educate them on efficiency in manufacturing. So we have some capability of dealing with this, but it needs to be a holistic approach; it cannot just be one strategy.

I want to refer to getting graduate students from other countries. We need to have a seamless system in terms of visas. One of the issues is, if we're going to look at immigration... Certainly the foreign worker program is one element, but I think we need to start looking at how our visa system works in terms of attracting the brightest and best.

Mr. Charlie Penson: Mr. Shaw, I hate to interrupt you, but time is short and I want to get in another point.

I think you really identified it, and that is getting a larger participation in the labour force. The aboriginal side is certainly one where we hope that can be improved, but we have programs in Canada that seem to discourage people looking for active employment.

My riding is Peace River. In Grande Prairie there isn't a business that doesn't have a sign up, looking for help, yet we have an unemployment rate of 5% or 6%. So we have people who are not willing to work and we have programs that seem to discourage people from moving from one part of the country to the other where the work is. I'm hopeful that in the future we can overcome that and get a higher participation rate, because it seems ironic that we have people sitting at home right in our own country who can't find work in some area when there's a huge demand in other areas.

Do you have any thoughts on how we can make improvements there to entice people to move to where the work is? Maybe you can tell us a little bit of what your thoughts are.

Dr. Sam Shaw: Good question.

There isn't a silver bullet. One of the groups we work with is Women Building Futures. Basically, there are a number of women out there who are single parents on welfare and so forth. We had 800 applications and Women Building Futures could only handle 60, so you think about the numbers we're hitting and the numbers we're not hitting. We need to be mindful of the fact that there are some barriers to entering in. Certainly the skills side is a barrier. We need to do more pre-employment; we need to do more college and technical institute programs to engage them with a skills set.

Another key element, though—as you hit Grande Prairie—is that business and industry will be more apt to hire someone who hasn't completed high school than to hire someone who has. I think that's one of the issues now, where students can go out and get a \$100,000-a-year job as opposed to completing high school, so there are some other elements to that we need to tackle.

• (1250)

Mr. Charlie Penson: Thank you.

The Chair: Thank you, Mr. Penson.

I just have a few quick questions.

Ms. Smith, I have your presentation. As to raising the spousal deduction to a full personal deduction, there's not much of a difference right now. I think there's only a couple of hundred dollars on the federal side.

Ms. Beverley Smith: I think it's around \$1,000. It's the principle of the thing. Why is it less—

The Chair: They wouldn't give you \$500 just to earn other income; I think that's the reason. But it's a good point.

Ms. Beverley Smith: It's not only less, but it has gone down. In 1957 it was one-third of an average income; now it's about one-seventh. So basically there's an agenda, we think, and we hear it from some women's movement people too, actually—second-wave feminists who tried to have it reduced to zero to pressure women to work outside the home, because they feel that's the only way women can be liberated and not—

The Chair: I'm just looking at the money part, not the social aspect.

Ms. Beverley Smith: But there's an agenda to the money.

The Chair: On point number two, concerning the CPP, what do you think it's going to cost? You're asking the state to pay for the employer and the employee contribution, so you're looking at about

\$1,800, I would imagine, times two; that's \$3,600. I don't know what that will cost.

Ms. Beverley Smith: Let's look at what you made from it, though. You have free labour from some women who could be earning \$40,000 a year and you have their work. So you owe it to us.

The Chair: Do you have any idea what the cost of it would be?

Ms. Beverley Smith: No, but I don't know that you should look at it as only a cost; you are returning a benefit you already—

The Chair: I'm sorry; I'm the finance committee.

In your plan for national day care, is your solution to give the money to the parents directly or through the child tax benefit?

Ms. Beverley Smith: Well, I think those are fairly similar. The money goes to the home, to the child—but actually it would, obviously, go to the legal guardian or the parent, and then they would use it how they want to.

The Chair: Thank you.

Concerning the volunteer sector and the money you're asking for, you're going from \$70 million to \$500 million. How is the \$70 million now being allocated? You said there are about 30 different sectors, so do I imagine it's \$2 million per sector, or does one sector get more money?

Ms. Cheryl Knight: Right now it's not allocated in that way. It's correct that there are 30 sector councils. Each council makes an application for a core budget. I used ours as an example; our core budget is \$500,000. That's generally the maximum you can apply for. In addition, we submit proposals for specific projects; we would have four, five, or six projects going on at a time. That would make up about \$1 million to \$2 million in total. So core budget plus projects through an application process—that's how it's allocated.

The Chair: I'm still having trouble understanding. If we're government and we're going to give money to the petroleum sector, which is already booming, to try to find labourers.... I'm not sure I can understand that.

Ms. Cheryl Knight: We're a not-for-profit corporation that is a partnership of industry and other stakeholders to increase the sources of supply to our industry as a whole. We're a partnership with the federal government and industry; we're actually an initiative of Human Resources and Skills Development Canada to address labour market issues using EI dollars.

The Chair: I understand that, but doesn't not just the petroleum sector but every sector have an association where they're already doing this, developing within their human resource companies...? And they're competing within themselves already. Is it not a sector problem, or...?

Mr. David MacInnis: Mr. Chair, I guess I would just recast your context. I wouldn't look at it as the government—in this case, federal—giving money to any sector. Rather, it's about a partnership between the private and public sector, academia, and other parts of the economy, to each do their respective jobs. With respect to the sector council, the government has identified a role it is rightfully best suited to pursue, and our point is that we're saying the role as defined is correct and the mechanism being used to pursue the goal is the right one, but you're a victim of your own success, and if you want to continue to roll out more sector councils, we would argue, don't do it if you're not going to increase the funding.

• (1255)

The Chair: How is your relationship right now with academia? Are they furnishing you with the skilled or the proper people needed for your trades, or for your sectors?

Ms. Cheryl Knight: You mentioned that companies are in a competitive arena. Oil and gas companies are in the business of finding and producing oil and gas. The effort and time they allocate to working with educational institutions on their programs varies. Larger companies have a greater capacity to do that than certainly smaller employers.

While educational institutions strive to work very closely to meet industry's needs, they often have a great deal of difficulty getting that information. If they do, how useful is labour market information or future demand from one company? What we're trying to do is provide information to the post-secondary education system that forecasts long-term labour demand over, for example, a ten-year period. No one oil and gas company is going to focus on that initiative because that's not their area of business. That's where the federal government plays a role and where we play a role—to bring together individual employers in the sector to work with the post-secondary education system.

The Chair: HRSDC already does those statistics in terms of what the future will hold for certain trades and professions.

Ms. Cheryl Knight: Actually, most of the demand information comes from sector councils themselves through the current HRSDC funding. The only information provided to us from HRSDC tends to be through Stats Canada, which, as you can appreciate, is not that regular and is a very broad, blunt tool.

Mr. David MacInnis: Mr. Chair, if I may, whether it's labour market forecasting or other data and information collection, HRSD, like Natural Resources Canada and other federal departments, has seen that capacity either eliminated outright or reduced dramatically in the 1995 budget program review process.

The Chair: Are the companies reducing their human resource people because you guys are taking up the slack? Is this not being done, or is this being done in conjunction?

Ms. Cheryl Knight: I do see the roles as compatible but also distinct. Human resources people within companies focus on recruitment—finding people to fill vacant jobs within the company—and to some degree work force planning for their companies. We're stepping back and asking, how do we increase the ongoing sources of supply to our industry or other industries? The answer is through attracting immigrants into Canada and into occupations and working on foreign credential recognition, increased participation of aboriginals and women in the workforce, and awareness of careers in

the industry. We don't work with any particular company. What are the careers in the oil and gas industry? How would you access it? If you were a kid, what sort of education would you pursue to enter the industry? And by the way, what are the entry level points?

Companies don't do that work. They recruit for jobs. We are trying to take a long-range, long-term approach to improving the long-term supply to the industry so that Canadians are employed and our industries can—

The Chair: Do you actually have a relationship with the universities and with the community colleges?

Ms. Cheryl Knight: Yes.

The Chair: Okay.

Mr. Shragge, just quickly, with respect to the Bankruptcy Act, can you speak on that? How do the graduate students feel about that?

Mr. Jeremy E. Shragge: I'm assuming you're referring to the changes that were made several years ago.

The Chair: Regarding if you have a large student loan, you can't declare bankruptcy.

Mr. Jeremy E. Shragge: Right. Basically the way it works is any student, graduate or otherwise, is ineligible to declare... Well, they can declare bankruptcy but it won't be applied to any part of their student loan for a minimum of—

The Chair: Five to ten years. But do you have a position on that?

Mr. Jeremy E. Shragge: Yes, we're very much against it. There are a lot of students who essentially are driven further and further into debt because of the low level of non-merit and needs-based funding. There's very little needs-based funding in Canada compared to, say, the U.S. There are many students, graduate or otherwise, who are forced essentially into bankruptcy, but unfortunately they can't do anything about it because they have these massive \$40,000 student debts. So, yes, we are very much against those changes that were made in 1997.

• (1300)

The Chair: I may as well ask the question. Once you come out of university with a graduate degree, is \$40,000 a massive debt?

Mr. Jeremy E. Shragge: A debt of \$40,000 for someone—

The Chair: You go in, and the year after you can get a job for \$200,000 or \$300,000.

Mr. Jeremy E. Shragge: A student with a—

The Chair: A graduate, we're talking graduates now.

Mr. Jeremy E. Shragge: Graduate students can include students with an MFA, a master of fine arts. The vast majority of graduate students in Canada are in the humanities and social sciences. I don't see a lot of signs out there reading "Historian wanted for \$200,000".

For those of us in health sciences or the natural sciences and engineering, yes, you're right; it's not nearly that bad. But we're the minority here. It's the students in the humanities, especially if you look at the statistics from the study of earned doctorates. Those students are taking seven or eight years to finish their graduate studies because they have to work part-time.

For the minority of students, it's not as big a problem, but for the majority of students, the potential of having a \$40,000 debt with an MA is very real.

The Chair: Thank you.

Do you want to ask a question?

Ms. Rona Ambrose: Very quickly, how many years, then, do you recommend?

Right now, it's five to ten years, and there's been debate about it being reduced to six or seven years. Do you guys have a position?

Mr. Jeremy E. Shragge: You're referring to the time after...

Ms. Rona Ambrose: Right.

Mr. Jeremy E. Shragge: Right now, it's not five years, it's ten years.

The Chair: It's five to seven years.

Ms. Rona Ambrose: No, I think it's ten years.

The bill that was discussed was taking it to seven years.

Mr. Jeremy E. Shragge: On student loans, our position basically is that students shouldn't be treated any different from anyone else.

The Chair: Since Ms. Ambrose had a chance....

[*Translation*]

Mr. Bouchard, do you have a quick comment or question?

Mr. Robert Bouchard: I simply have a comment for the Alberta Association of Colleges and Technical Institutes. I understood you to say that in your estimation, the Canada Millennium Scholarship Foundation was a very positive initiative. I wish to point out that Quebec, and my party, were staunchly opposed to the creation of this scholarship program.

Two of the associations that appeared before the committee in the course of these pre-budget consultations told us that the Canada

Millennium Scholarship Foundation failed to meet its targets. The first group critical of this initiative was the Canadian Association of University Teachers that testified in Ottawa. The second association, the Canadian Federation of Students, testified in Vancouver. Students are as indebted today as they were in 1998. The Foundation has thus failed to meet its goals and the program's mandate should not be renewed.

The Chair: Thank you.

[*English*]

I want to thank the group.

It's tough when we have different sectors. It's harder because the questions go from right to left—and I don't mean politically.

Dr. Doug MacRae: I will very quickly answer this, and then, unfortunately, we have another commitment, so we'll have to go.

The Chair: Sorry to keep you.

Dr. Doug MacRae: That's fine.

It's difficult to argue against a program, whether it's a national program or a provincial program, that recognizes excellence. From the colleges and technical institutes, we had some serious concerns, because we felt that the millennium scholarship program was designed with university students in mind, more so than our institutions.

That said, in my remarks I talked about the millennium scholarship, but I also said that, from my perspective, and I think our province's perspective, we are equally concerned about people who are denied access in the institutions as a result of financial barriers and are average students. Where I'm coming from is that I would like to see—I don't much like national programs—programs that are designed to provide bursaries and provide assistance to people who are in financial need, at the same level and the same way we are recognizing excellence.

• (1305)

The Chair: Thank you, Mr. MacRae.

We have to end the meeting there, so thank you again to the groups for your input.

The meeting is adjourned.

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