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Chair

Mr. Massimo Pacetti

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• (1720)

[English]

The Chair (Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.)): Good afternoon. Let's begin. The sooner we start, the sooner we end.

We're here pursuant to Standing Order 83.1, regarding the 2005 pre-budget consultations.

If we can get started, the way it works is I'll allow you a seven- to eight-minute opening statement or opportunity to present your brief. If we can keep to the seven or eight minutes I would really appreciate it—I don't want to interrupt—because the members are going to want to ask questions afterwards.

[Translation]

We will begin with the Canadian Council of Professional Engineers.

Ms. Lemay.

Mrs. Marie Lemay (Chief Executive Officer, Canadian Council of Professional Engineers): Good afternoon, ladies and gentlemen.

[English]

I would like to thank you for your invitation to appear before the committee again this year.

My name is Marie Lemay, I'm the chief executive officer of the Canadian Council of Professional Engineers, a national organization that represents 12 provincial and territorial regulatory bodies that license over 160,000 engineers across the country.

[Translation]

We were told that the subject of this year's pre-budget discussions would be prosperity and productivity. Knowing that, I would like to take this opportunity to say a few words about two major issues, namely climate change and public infrastructure, as well as the way, in our opinion, the federal government should approach these challenges, in order to increase productivity and improve public security. Other details relating to our views are contained in the written brief we have provided to the committee.

[English]

We've chosen not to include foreign credential recognition in our brief today. The issue is one of crucial importance for the profession, but I believe you all know the work we've been doing to address that issue. We'll spend our time on infrastructure and climate change for today.

Canada's engineering community is deeply concerned that governments in Canada, and that is all orders of government, are not sufficiently prepared to deal with the growing vulnerability of our infrastructure due to climate change. Likewise, we're concerned that governments are moving too slowly to make the needed reinvestments in our increasingly outdated public infrastructure and that this is creating risk that lawmakers cannot ignore.

Climate change, regardless of its cause, profoundly affects the way we live, the way we build our homes, roads, water systems, bridges, and our communities. Moreover, the increased frequency and intensity of weather events in the recent years have exposed Canada's existing and aging infrastructure assets to changing climatic conditions that they were not originally designed to withstand, thereby reducing their serviceable lifespan and exposing them to increasing risks of catastrophic failure.

[Translation]

Since the end of the 1990s, financial losses due to natural catastrophes have increased tenfold throughout the world. These catastrophes are largely due to increasingly frequent and devastating climatic events. Canada may also be hit by this type of catastrophe and should not believe that it will never happen here.

[English]

Now, public infrastructure renewal. In recent years, budgetary pressures and competing priorities have meant that governments have deferred investment in critically necessary upgrades to core areas of public infrastructure. While this is understandable, we are nevertheless concerned that Canadians are being increasingly saddled with a nagging list of deficiencies that will have serious consequences. We acknowledge the efforts by the government to address these issues, but it's not enough. The lack of investment today will result in a transfer of even greater cost to future generations.

We have to change our approach to addressing infrastructure renewal in order to maximize every dollar invested. Canada needs a long-term integrated and sustainable approach to infrastructure.

We have two specific recommendations that I would like to share with the committee: one, set aside adequate funds to complete a comprehensive assessment of the vulnerability of Canada's infrastructure assets to the impact of climate change; and two, provide funding and support for the establishment of a national round table on sustainable infrastructure.

In the short time that I have available, let me provide you a few brief comments on each of these recommendations.

First is climate change adaptation. Although there are ongoing debates over the cause of climate change, there is less debate over the fact that climate change is a reality. Governments therefore need to begin now to identify and assess the vulnerability of our public works to the realities of climate change. Identifying weaknesses in the system is an essential task, given the need to ensure continuity of service, economic growth, and protection of the public.

With funding from the federal government, from Natural Resources Canada, or NRCan, we have already established a national committee called the Public Infrastructure Engineering Vulnerability Committee. We call it PIEVC. This committee serves as a mechanism for the engineering profession to focus attention on the issue of climate change and to bring together all the stakeholders.

• (1725)

[*Translation*]

Financing for the initial phase, that is, the definition of the project, is currently in place, but we still have not received the necessary funding to complete the evaluation.

[*English*]

The challenges and financial costs of completing the assessment study will be extensive. The assessment itself is expected to be in the order of several million dollars, and the PIEVC will prepare a more detailed cost estimate as part of its initial phase.

Let me now return to the proposal of the national round table on sustainable infrastructure.

[*Translation*]

According to a recent report by the Toronto-Dominion Bank, the Canadian government must spend \$60 billion just to bring the country's existing infrastructure up to standard, including roads, bridges and sewers.

[*English*]

The federal government has already allocated significant sums to address the infrastructure gap through such programs as the GST rebate to cities, the redirection of a portion of the gas tax to the municipalities, and other measures. We applaud these measures. Nevertheless, more needs to be done, and failure to address the infrastructure gap threatens to undermine Canada's economic potential and the future livability of our community.

We believe that government needs to rethink the way Canada invests in infrastructure to invest where our dollars will go the furthest. The proposed NRTSI, the national round table on sustainable infrastructure, would work with and advise federal decision-makers on infrastructure spending, design, and construction to bring together an important yet very diverse and complex community to generate greater understanding and synergies. The NRTSI would draw its membership from a wide pool of infrastructure stakeholders. Furthermore, it would develop a national infrastructure action plan, report on the state of infrastructure in Canada, and advise on spending priority for capital investment and maintenance of existing civil works.

I was pleased to see that the various party positions on infrastructure suggest that there's likely a broad political support

for what we and other key infrastructure partners and stakeholders are trying to do.

In conclusion, CCPE believes that allocating funds to the Public Infrastructure Engineering Vulnerability Committee to conduct an assessment of the vulnerability of Canada's infrastructure to climate change, and secondly, dedicated funds for the creation of the national round table on sustainable infrastructure, would benefit productivity and public safety.

It would also constitute innovative public policy, with enormous opportunities for broad stakeholder input and participation.

[*Translation*]

The last message I would like to leave with you today is that the CCPE and its 160,000 engineers are willing to work in close cooperation with committee members, as well as with other members of Parliament, to reach the objectives which have been set. Furthermore, we would be pleased to provide you with a more detailed analysis and other information concerning the work done until today on adapting to climate change and the renewal of infrastructure.

[*English*]

In closing, I would like to thank you again for inviting CCPE to appear before your committee. I would be pleased to respond to any questions you may have.

Thank you.

[*Translation*]

The Chair: Thank you, Ms. Lemay.

We will now hear from the Canadian Dental Hygienists Association.

Ms. Ziebarth.

[*English*]

Ms. Susan Ziebarth (Executive Director, Canadian Dental Hygienists Association): Thank you, and thank you for affording us the opportunity to address concerns about Canada's fiscal priorities and productivity.

Our attention today focuses on two areas of public policy where the federal government can invest and look forward to dividends in the form of improved productivity. These two areas of public policy focus on oral health and tax incentives for continuing education.

CDHA calls on the federal government to invest in Canada's standard of living through improved oral health for Canadians. If a healthy workforce results in increased productivity, and oral health status is an important measure of health, then we should ask ourselves, who accesses oral health services, and who pays for these services? I will walk you through an analysis of who pays for what in the area of oral health.

In the area of public oral health spending, Canada placed far below other OECD countries at 4.6% of total health spending. In comparison, Germany spent 68%, and France 36%. In fact, Canada has the lowest per capita public oral health expenditures of all OECD countries. In addition, Australia, New Zealand, and the United Kingdom all have universal, national, publicly funded programs for children's oral health care. However, Canada lags behind these leaders with provincial-territorial programs that vary in terms of coverage, and in two provinces—Manitoba and New Brunswick—there are no children's programs at all. Furthermore, only three areas in Canada, including Alberta, Prince Edward Island, and the Northwest Territories, have seniors programs.

In the area of private spending, the private insurance industry carries the majority of the burden. However, 58% of individuals have private insurance. The remainder of the spending comes from individual citizens' pockets. However, 26% of Canadians report that they didn't seek needed oral health care due to cost. This analysis paints a picture of two large groups of citizens who do not have access to oral health services: the poor and those without oral health insurance.

The next question we should ask ourselves is what are the consequences of poor oral health for the economy and productivity of the nation? Poor oral health often results in pain, which negatively impacts on daily functioning. About 10% of the adult population experience facial pain as a symptom of untreated oral problems. Loss of productivity from oral diseases and dental visits in the United States account for more than 164 million work hours per year. This is a sizable loss of productivity for the population as a whole.

Tooth decay has not been eradicated. Tooth decay in primary teeth predicts future tooth decay in permanent teeth, so children with tooth decay will grow up to be adults with tooth decay. A new Centers for Disease Control report indicates a 15.2% increase in tooth decay among the nation's youngest children, ages two through five. Canadian children with low socio-economic status suffer twice as much tooth decay as their more affluent peers, and aboriginal children have two to five times the rate of tooth decay as non-aboriginal children.

Periodontal disease, historically considered to be a localized infection, is now considered a potential risk factor in a number of serious health problems such as cardiovascular and respiratory disease, diabetes, and preterm, low birth-weight babies. Fortunately, all of these oral diseases are preventable and can be reduced through health promotion and disease prevention programs. There is strong evidence for the effectiveness of these programs. Preventive health activities are estimated to be between six and 45 times more effective than dealing with health problems after the fact. The cost savings for workplace health promotion programs show that an investment of every U.S. dollar saved \$1.50 to \$2.50 on health care costs and absenteeism.

The use of sealants on teeth can prevent tooth and root decay. The cost of \$15 for a sealant is minimal in comparison to the cost of treating a root canal, at approximately \$1,000. Water fluoridation has net benefits for the payer that are as high as \$5.3 million.

CDHA proposes the following solutions to address poor oral health.

To better prepare children to contribute as future productive citizens, we must focus greater attention on their needs now. We must provide prevention programs, including early and routine prevention, fluoridation, fluoride varnish, fissure sealants, and perinatal parental education. We must shift the focus from invasive tooth surgery to preventive public oral health programs for children.

• (1730)

We are not suggesting the creation of an oral "sick care" system, which treats disease after it arises, but an oral health promotion and disease prevention program. The development of oral health programs is at the discretion of the provinces and territories. Given the provincial-territorial track record to date, it's now time for the federal government to step in and work with them to provide leadership and funding for national oral health programs for low-income Canadians, seniors, and persons with disabilities.

CDHA recommends to the federal government that it work together with the provinces and territories to provide leadership and funding—36% of total oral health spending, or \$2.9 million—for categorical national oral health programs for low-income Canadians, including those receiving social assistance, those working, children, persons with disabilities, and seniors; that it call on the provincial and territorial governments to earmark funding for public oral health activities, including sealant, fluoride, and early screening programs; and that it provide an annual increase of 10.9% for non-insured health benefits program funding.

CDHA also calls on the federal government to invest in human capital through lifelong learning. Lifelong learning and continuing education are important investments in human capital, which directly improve productivity. There are a number of arguments for encouraging continuing education through tax incentives. Continuing education allows professionals to maintain their commitment to quality assurance and standards, standards that so many Canadians have come to depend on.

Recent reports on continuing education identify gaps in infrastructure and the need to enhance access. Continuing education programs such as online courses and conferences address these issues. These programs have a high degree of accessibility and are geared toward the efficient use of time, a feature that is important for busy professionals. Many professionals must meet continuing education requirements of the regulatory bodies. Continuing education allows professionals to keep abreast of constantly changing research, education, and technologies, and the use of new research to inform evidence-based practice.

CDHA also calls on the federal government to improve student loans. Many dental hygiene students are battling the high cost of education, totalling up to \$40,000. The federal government must provide increased support to students through an improved grants program. The CDHA recommends that the federal government expand the definitions in paragraphs 118.6(1)(a) and (c) of the Income Tax Act. Designated educational institutions should include groups such as professional associations that deliver educational programming through conferences and courses, including online courses. Qualifying education programs should include programs that are less than three consecutive weeks' duration, including conferences of two or more days, and online courses consisting of 15 or more hours of study. Certified educational institutions should include professional associations offering conferences and courses.

Extend the first-year grants for low-income students to all other years. Institute a sliding scale based upon student and family income. Furthermore, there must be additional accessibility for funding for under-represented groups such as aboriginal peoples, and those who would be the first in their family to attend college or university.

In closing, if Canada wants to improve productivity, it must make the right investment in the workforce by supporting oral health programs and providing tax incentives for continuing education programs.

Thank you for your attention this afternoon.

• (1735)

The Chair: Thank you, Ms. Ziebarth.

From the Canadian Federation for Promoting Family Values, Mr. Gorman.

[*Translation*]

Mr. Michael Gorman (Founder, Canadian Federation for Promoting Family Values): Thank you, Mr. Chairman.

The Canadian Federation for Promoting Family Values, or CFV, was created 16 years ago. Its mission is to democratically promote and protect the values and interests of families living in Canada and abroad. Our organization is incorporated, apolitical and non-profit. Over the last year, our membership increased to over 2,800. The CFV sustains itself financially through its members.

[*English*]

We're very proud of that, Mr. Chair. We don't take money from governments, we pay our own way.

Who are we? First of all, who am I? My name is Michael Gorman. I founded this organization six years ago. We represent what we like to call the hamburger flippers of the world. We're the farmers, retailers, jobbers, mom and pop operators across the country. We provide our members and, of course, this committee with a five-page report every year. We break it into four sections and simply let you know what high-priority issues are out there, what observations we find, and from that data we come to some conclusions and, naturally, recommendations.

Under observations—that happens to be on the first page—we cover about 20 different issues. First of all, let me say congratulations, particularly, to the development of Services Canada. We know

this will go a long way to improving some of our government accountability.

Under government accountability, CFV's membership believe it is time to seriously review the cost of running our federal government, our health care system and our educational structure. It's time to play hard ball with unions and self-interest groups who oppose fair efficiencies in the interest of all Canadians.

This year, Chair, we've also added something we call personal accountability. Similar to the present CPP individual contribution and benefits report, individual Canadians could be made aware of their personal contributions and benefits in other social programs. The report could include health care, education, employment insurance, and welfare, etc. An all-encompassing individual annual report to every Canadian would, according to our membership, help Canadians understand their individual costs and benefits for each social program as it affects them personally.

Unfortunately, I can't go through everything as I will run out of time. I'd like to move over to some of the conclusions we came to. Again, I can't go into all of them, but I can look at a few.

Health care is the number one priority, followed by debt-surplus and education. As for changes in percentage terms—that's the changes in fluctuation from one year to another as to its importance—health care rose three points, defence fell two, globalization rose four points, and Canadian unity rose three points.

On the second point, under our conclusions, we say the government is to be congratulated for reducing the national debt from about \$580 billion to about \$500 billion during the past decade. We think this is a fabulous accomplishment. Incidentally, debt-surplus was always our number one issue, for ten years. This is the first time that health care has taken it out; not by much, but it did take it out.

Number seven, all our members support a serious focus on low-income families with children, and low-income single seniors.

The eleventh point we would like to highlight at this point is that CFV members want an increasing standard of living for all Canadians, not just the well-off.

Number twelve—and this reverts back to what I mentioned earlier, to personal accountability—some of us feel that maybe it's time people started taking control of their own lives and some of their own responsibilities. In order to help Canadians understand social program costs, each Canadian should receive an annual report outlining his/her individual social program expenditures and benefits. The report could be similar to the present CPP contribution and benefits report.

What I'd like to do in reverse order is go into what our recommendations are.

• (1740)

[Translation]

The second language should be taught in every province at the preschool and primary levels.

[English]

Ladies and gentlemen, we feel very strongly that bilingualism belongs and should start *dans les jardins de nos écoles*. It starts in kindergarten and before that, if we're serious about this.

The gun registration should be suspended due to excessive long-term cost overruns.

10. Immigrants to Canada should be subject to stronger loyalty requirements.

[Translation]

9. Tradespeople should receive bigger tax breaks for the purchase of tools and equipment.

8. Public servants and public sector teachers should work for five years in the private sector before being allowed to work in a senior position in the area of their choice.

[English]

7. The issue is defence. We apologize for the typo there. It should be \$16 billion, not \$16,000, to defence.

Canada needs a more mobile, larger and better equipped military. We suggest a much larger reserve force capable of national and international active duty.

[Translation]

6. Each Canadian should receive a statement indicating how much he or she spent on major social services, and how much was received in return; this statement would resemble the one for the Canada Pension Plan.

[English]

5. Canadian authorities should learn to play hard ball with unions and associations supporting government, education, health care workers and professionals.

[Translation]

4. Low-income seniors living alone should receive a guaranteed annual income of \$15,000, which would increase by \$1,000 per year over the next three years. Eligibility would be based on the net assets and the needs of each individual.

[English]

3. Increase the trend of increasing benefits and eliminating taxes to low-income families with children. The proposed tax-free zone to \$10,000 should be maxed this year and not wait until 2009, with an annual increase of \$1,000 for each of the next three years.

• (1745)

[Translation]

2. The reduction of the national debt should be considered as a fixed expense item. Our objective should be to pay down \$10 billion

in 2006-2007, and we should make the commitment to pay down at least \$8 billion.

[English]

Our number one recommendation: CFV members support a one-tier health care system with user fees and a national pharmacare program with catastrophic drug benefits. Rural members require increased medical attention. Canadians require assurance that their health care system is cost-efficient.

Thank you, Chair.

The Chair: Thank you, Mr. Gorman.

From the Multiple Formats Industry Association, Monsieur Côté.

Ms. Sharlyn Ayotte (Legislative and Regulatory Affairs, Multiple Formats Industry Association): Actually, I will start, please.

Good afternoon. Thank you for the invitation to participate one more time in this round of consultations regarding our pre-budgetary process.

My name is Sharlyn Ayotte, and in the past eight years I've appeared before this committee six times. In all of my other times, I was here as the president and CEO of T-Base Communications. My company and Jacques' company, which is Braille Jymico, have come together with a number of other multiple-format businesses to talk about the impact of government policy on small businesses attempting to do business in this country.

Our business has emerged over the last two decades to fill voids in service delivery. Jacques and I are both blind individuals who started our businesses because the services did not exist through the standard processes and channels. We understood fully there was a huge potential in the marketplace that could be exploited, and we could deliver services equitably and equally to Canadians. After all, we all pay our taxes too.

The reason I'm here today is to talk about productivity enhancements that can improve Canada's score in commercialization of products and services.

In 2003, the government made a very important policy change. It modified the contracting policy of the Government of Canada to ensure that voluntary sector businesses could compete on a level playing field with small businesses. In my books, fair means that if you're going to change the rule, you need to let us know, and if you're going to change the rules, you also need to consult with us to figure out what the impact is going to be.

Paragraph 10.1.2 of the Government of Canada contracting policy was amended to ensure that the voluntary sector, or the charities that serve our needs, could compete with our businesses. Now they're competing with us, and they're competing on a very tilted playing field.

We're not being invited to the table to talk about what measures are taking place that are going to impact our business sector. They get to use volunteer labour, they get tax subsidies, and they get to be at the table where policy decisions are being made that impact our business environment.

The reason I'm here is to say that when change are made that are going to impact on the viability of our businesses, we need to be told. When I talked to the government initially and asked how this could take place without their consultation occurring, I was told the perspectives of small business were being considered in the overall objective of the Government of Canada to support voluntary sector organizations.

I have four recommendations today. The first recommendation is, please, repeal the policy decision that made it fair for us to compete, unless we're going to modify it so it actually is equal. We need to be at the table as well.

Recommendation number two is, if the government is going to consult with the voluntary sector around social policy issues, business needs to be there as well. Those decisions are impacting the commercial areas where we operate.

Number three, do business impact assessments before funding voluntary sector organizations to achieve sustainability. Make sure it's not hurting our small businesses, because businesses are where innovation takes place.

• (1750)

My company, Jacques' company, and many of the other companies in the multiple-format industry are owned and operated by blind entrepreneurs. My company specifically does 80% of its business internationally. We produce financial statements in Braille, large print, audio, and e-text. We do it because we know it's important for personal and private financial information to stay exactly that: intensely private. It's not for charities to produce.

I would like Jacques to make his comments at this time.

[*Translation*]

Mr. Jacques Côté (Associate President, Multiple Formats Industry Association):

Thank you. I will speak in French. My name is Jacques Côté and I am the president of Braille Jymico, a company which operates in the area of transcription into braille, into large letter format, into electronic audio and text formats, especially for educational materials, such as school books for blind children at every educational level, ranging from grade one to the end of university studies.

I am also here in my capacity as president of the MFIA Group, the Multiple Formats Industry Association. This association is comprised of producers of multiple formats — the four mentioned above — across Canada. We produce over 4 million new pages in braille per year, especially in the educational area, which enables blind children from Halifax to Vancouver to become educated, to function within society, and to one day become happy taxpayers because they are working and earning money. We are for profit organizations, and we find it unfair that, when there is a call for tenders, certain non-profit organizations respond and submit significantly lower estimates than ours, simply because there are subsidies. They often do not have to pay any tax, something we still have to do, and often use volunteers who do excellent work, but who are not factored in to any bid.

We are asking that the government realize that there are companies in Canada which are headed by blind persons, such as Sharlyn and myself, amongst others. We hire people. Sharlyn has about 40 employees. I have about 20 in-house employees and 52 contract workers who do production work. We are very involved in research and development, as well as in the production of material. Just imagine what is involved only in the area of graphics: blind children who take math must absolutely be able to see with their fingers all the mathematical and geometric representations in order to complete their courses.

We are simply asking that the government also give voice to very small businesses, such as ours, but which, brought together into our association, produce more than many large organizations well-known throughout the country. We produce more pages in braille and more large-format type pages. Here is the surprising fact, and I will conclude with this: for-profit organizations produce alternative format materials at much lower cost than non-profit organizations.

You simply have to realize that those organizations have their salaries, heating, electricity, telephone, taxes, construction costs and other costs subsidized. But we have to include them in our bids. They don't. That's unfair. We are simply asking to be heard when the government makes its calculations.

• (1755)

The Chair: Thank you, Mr. Côté.

[*English*]

Mr. Benson is next, from Teamsters Canada.

Mr. Phil Benson (Lobbyist, Teamsters Canada): Thank you. Joining us is Mr. Laporte, assistant to the president.

Teamsters Canada is Canada's transportation union—air, railroad, and ports. We also represent workers in many sectors such as retail, motion pictures, breweries, soft drink, construction, dairy, warehouse, fashion, and more. We're affiliated with the International Brotherhood of Teamsters. We're one of the largest unions in North America and the world.

We welcome the opportunity to appear before this committee, and recognize the importance of public consultation and this committee's important contributions over the years. We thank the committee for supporting the tax break for the fashion industry, and government action on that recommendation.

This year our funding request is environmental in focus.

Our September submission dealt with questions asked by the committee. Today we'll be talking about issues of general specific importance to Teamsters Canada and our members.

We welcome the focus on productivity. It's essential to economic growth and lays the foundation for continued funding of our social programs, especially health care. Unfortunately, productivity has become a four-letter word for many workers, who equate it with job cuts, wage cuts, and increased workload. In an economic sense, productivity is about increasing the economic pie through working smarter and better. A larger pie means more resources to help those who have not benefited from increased economic growth. It should be pursued as a win-win strategy, not as a way of shoring up lazy management's solution to economic concerns.

Productivity is not enhanced when a sector can use fear to extract excess prices. Oil and gas are set by the world marketplace, as are many of Canada's natural resources and farm produce. Gas prices over the last few months, however, do not appear to be linked to the properly functioning market. When there are areas of excess profit, legislate. If there's price fixing, prosecute.

However, rolled into the gas price at the till are taxes notionally reserved for road infrastructure. Teamsters Canada is pleased that the federal government is working with the provinces and cities to redirect some of the funds toward their intended purposes. Improving city roads and building rapid transit is to be applauded, and hopefully that will help reach Kyoto commitments. It is a good start; however, every good travels the last mile on the back of a truck. Rapid transit will not deliver food to the local grocer or gas to the local station. We simply cannot afford to not spend funds on infrastructure beyond city limits.

The twinning of highways, building circle routes around cities, and just keeping what we have in current highway stock up to grade is important. However, to expand opportunities in Ontario and Quebec, in fact to keep just what we have today, we have to solve the border crossing issue. Teamsters Canada and the International Brotherhood of Teamsters support the jobs tunnel, the Detroit River tunnel project, because it is the best solution to reducing border delays for the critical Montreal to Windsor corridor. Just as importantly, if Transport Canada will move forward with their proposals on security, we can change the border from a parkway to a pipeline.

Companies that do not use the roadway also pay gas tax. Railways need to maintain their current roadbeds. No one can dispute the need for a large investment to clear the backlog of our western ports. China trade will require large investments to make sure Canada remains a terminal for that ever-growing two-way trade. Teamsters Canada is rail, road, and ports. In all accounts, investment in key infrastructure will pay productivity dividends and jobs for all Canadians.

Green is green. Action on the environment will improve our quality of life and create wealth and jobs. That's why Teamsters Canada is participating in the CEPA, the environmental review, and the Dangerous Goods Act review.

We believe that no group is better placed to discuss what is hauled and how it is hauled than the Teamsters. Government policy affects productivity. One example is the government's decision to expand the surplus in the employment insurance account—\$50 versus a prudent \$15-billion rainy day reserve. We do not subscribe to the notion that payroll taxes equate to job loss. We do believe the EI fund collected from workers and employers should be used for EI purposes. Increased benefits and coverage is a start, but at the very least use the funds for employment purposes and not to shore up general revenue.

Much has been made of corporate tax cuts: the NDP cutting, the Liberals wanting to bring them back. Our suggestion is that perhaps instead of a general tax cut flowing directly into corporate coffers, we have a directed tax cut for those corporations that are players in the training and upgrading field—a productivity tax break. The government uses taxes to support various policy goals, so why

should this area be any different than the treatment of the employment insurance account?

Teamsters Canada is moving forward and leading the discussions on new standards for professional truck drivers and the creation of an apprenticeship-like course of study. More importantly, we'd really appreciate federal government support in this regard, especially as we move forward with the development in Alberta and Ontario dealing with EI funding for training.

● (1800)

Another example is the move to smart regulations. It looks wonderful on paper when properly applied; however, smart regulations are in some cases being used by industry as a means of deregulation. We've seen it in transport on hours of service issues, how dangerous goods are hauled, and on and on. Bureaucrats faced with government demands to save money and cut costs often focus on smart regulations to achieve the goal, discounting their oversight and jurisdictional policies.

The move in the Department of Fisheries to cut the observer program is one example of short-sighted foolishness. Eliminating an independent third party and putting the responsibility for Newfoundland and Labrador's fish stock, where we represent members... the case for all of Canada's fish stock, is like putting foxes in charge of the henhouse. Why this policy? It's good for business and saves government money. Who cares if a sustainable resource is wiped out? Well, we do. We think it's important to all of Canada that these fish stocks are maintained, not just today but well into the future.

We're asking this finance committee to support an increase in the Department of Fisheries budget by a directed amount—it's not a lot—of about \$2 million or \$3 million to maintain the national observer program.

In conclusion, we welcome the opportunity to appear before the committee to expand on our comments in September, and we look forward to any questions you may have.

The Chair: Thank you, Mr. Benson.

Next, from the Society of Obstetricians and Gynaecologists of Canada, is Mr. Helewa.

Dr. Michael Helewa (President, Society of Obstetricians and Gynaecologists of Canada): Good evening, honourable members of the Standing Committee on Finance.

My name is Dr. Michael Helewa, and I'm a practising obstetrician and gynecologist in Winnipeg, a professor in obstetrics and gynecology at the University of Manitoba, and the president of the Society of Obstetricians and Gynaecologists of Canada.

The Society of Obstetricians and Gynaecologists of Canada is a professional association dedicated to the promotion of women's optimal health nationally and internationally. I am here today with my colleague Dr. André Lalonde, the executive vice-president of the society and a world expert on safe motherhood and newborn health.

Before we begin our joint presentation, we would like to thank you for providing us an opportunity to appear before the Standing Committee on Finance to speak about the issue that is very dear to the society's heart. The violation of the basic human right of more than half a million women per year, due to their inability to survive pregnancy and childbirth, dictates an urgent need for Canada to increase its commitment to and investment in women's health as a means by which to fight poverty, inequality, and injustice.

• (1805)

[Translation]

Dr. André Lalonde (Executive Vice-President, Society of Obstetricians and Gynaecologists of Canada):

Canada has recently strengthened its commitment to work towards reducing maternal and neonatal mortality by officially harmonizing the "development cooperation" part of its new international policy statements within the international framework of the objectives contained in the Millennium Development Goals. These goals focus on the health of mothers and children. In its statement, Canada has also committed to concentrating on this issue, to improve child neonatal health, as well as sexual and reproductive health, and to reduce maternal mortality.

[English]

Dr. Michael Helewa: Increase global commitment to the millennium development goals, especially goals four and five related to maternal and child health. It is essential, in light of recent evidence indicating that these specific goals will not be reached unless drastic steps are taken to address major challenges.

It is estimated that every year more than 625,000 women die from complications of pregnancy and childbirth. This translates to one woman dying every minute. Four million infants die in their first month of life, which translates to four infants dying every minute; four million babies are stillborn; and 99% of these maternal and most of these neonatal deaths occur in low-resource countries. In the countries with the highest rates, most maternal and newborn deaths occur because women deliver their babies on their own, without

skilled attendants. Further, when faced with complications, many lack access to emergency obstetrical care. Women also die due to the complications related to unsafe abortions.

Underlying the medical causes of death is a range of socio-economic and cultural factors, including poverty, unequal access to resources, and lack of decision-making power.

[Translation]

Dr. André Lalonde: The key factors leading to a reduction of maternal and neonatal mortality are well-known. They include the presence of a qualified person during the birthing process; access to emergency obstetrical care in case of complications; access to family planning services; access to abortion services in countries where abortion is legal and, at the very least, post-abortion services in countries where abortion is illegal, and finally, access to prevention services and to the treatment of infectious diseases, including HIV-AIDS.

[English]

Dr. Michael Helewa: Investing in women's health, especially women's reproductive health, makes moral and financial sense for the following reasons. Poor health contributes to poverty among women. Women's illnesses reduce their productivity in the workforce and their ability to care for their families. Poor maternal health impacts directly on the chance of survival and health of infants and young children, and the overall well-being of all children, especially girls.

Investing in reproductive health, including safe motherhood and newborn health, which will permit women and their newborns to survive pregnancy and childbirth, meets Canada's main international cooperation development focus of reducing global poverty, inequality and injustice.

In the last decade, Canada has assumed a leadership role in the promotion of sexual and reproductive health and rights, internationally and within its own policies and programs. Canada has also made important financial investments in the field. Despite these important gains, the Society of Obstetricians and Gynaecologists of Canada believes that Canada can work harder to help the world reach the millennium development goals, especially goals four and five, by actively promoting safe motherhood, and newborn and child health globally and within its foreign aid program.

The following are the Society of Obstetricians and Gynaecologists of Canada recommendations on how Canada can make a difference. While Canada has committed to work toward increasing its official development assistance by 8% annually in an effort to double it by 2010, these investments will not be sufficient to meet our share of costs for achieving the millennium development goals. To do so, increased investments are needed.

The Society of Obstetricians and Gynaecologists of Canada recommends that Canada should take the necessary steps to progressively increase its official development assistance to reach the United Nation goal of 0.7% of GNP by 2015 at the latest. Furthermore, Canada could ensure that all new aid resources are targeted specifically to meet the millennium development goals, with specific and definite commitments for safe motherhood and newborn health.

In September 2002, CIDA launched its policy statement on strengthening aid effectiveness. It outlined the agency's new approach to development cooperation, including a commitment to increased focus in Africa and in specific development partner countries. In April 2005, CIDA increased its number of development partners to 25 countries globally.

The Society for Obstetricians and Gynaecologists of Canada recommends that in support of this new approach to its development cooperation program, Canada should launch in 2006 a \$35-million safe motherhood and newborn health program in the countries of focus retained by CIDA. Thereafter, Canada should reinvest \$35 million annually in an effort to reach \$100 million by 2008, and maintain this level of investment beyond 2008. Ensure that investments in the safe motherhood and newborn health program portfolio include attention to the treatment of obstetrical complications, for example fistulas, an area where Canada has invested little to date.

•(1810)

[Translation]

Dr. André Lalonde: Further, within the framework of this same policy, Canada has significantly redefined the way CIDA conducts its activities and, more importantly, the way in which Canadian organizations can contribute to its development efforts, and participate in them. Though this new approach is commendable, it does not recognize the following phenomena: the low priority given by several countries, within the framework of their national poverty reduction strategy, to the issue of risk-free maternity; the significant contribution of Canadian expertise and organizations in the area of risk-free maternity and neonatal health; and, lastly, the difficulty Canadian organizations have in obtaining support from CIDA to intervene in this area.

We recommend: that Canada demand that women's health be recognized as a priority in every poverty reduction strategy regarding countries targeted by CIDA; that Canadian expertise be recognized and supported so that Canadian organizations involved in this area may increase and strengthen their contributions and efforts.

To reach these goals, we recommend: increased Canadian investment in CIDA's bilateral and partnership branches, which usually are the ones that provide Canadian organizations with the necessary support to carry out their development projects; requiring multilateral agencies who receive significant financial support from CIDA to use Canadian expertise as often as possible in their development programs.

The SOGC firmly believes that all Canadians for whom risk-free maternity for all women is important, whether the women live in Canada or in the poorest countries, will support any increase to

development aid to promote women's health and fight the scourge of maternal and infant mortality throughout the world.

Thank you.

[English]

The Chair: I have Mr. Johnson, of the Toronto General & Western Hospital Foundation.

Mr. Donald Johnson (Director, Toronto General & Western Hospital Foundation): First of all, I'd like to thank the chair and members of the committee for giving me an opportunity to appear before you today. My name is Don Johnson, and I serve on the board of the Toronto General & Western Hospital Foundation and five other not-for-profit organizations in each area of the charitable sector.

Our proposal to enhance productivity is one recommendation: for the federal government to eliminate remaining capital gains tax on gifts of listed securities. The case for doing this has been featured in a full-page ad in *The Globe and Mail*, courtesy of the generosity of *The Globe and Mail*, this past Friday. The ad is entitled "Please Act Now to Unlock Greater Private Wealth for Public Good". This proposal would result in substantially increased donations from Canadians who don't necessarily have large cash incomes, but who do have significant assets in the form of listed securities. The beneficiaries would be universities, hospitals, arts and cultural organizations, social service agencies, research institutes, and organizations such as the United Way/Centraide.

The question is why this proposal would be relevant to productivity. The reason is threefold.

First of all, we need to attract the best and the brightest people to this country to enhance our innovation and productivity. Education and research are key factors in improving our productivity. We compete particularly with the United States for the most talented faculty, students, research scientists, medical professionals, and creative and innovative entrepreneurs. All of our not-for-profit organizations—hospitals, universities, arts organizations, etc.—are key to making our communities more attractive places in which to live and to work. That is one factor that determines where people choose to live and work.

Secondly, to attract the best and brightest faculty, students, researchers, and medical professionals, we need to provide competitive compensation, research support, and, for students, scholarships and bursaries. The biggest source of this type of support really comes from endowment funds. The biggest source of endowment funding is really gifts of listed securities.

I'll give you one specific example. Harvard University has an endowment fund of over \$25 billion U.S. The largest university in Canada, the University of Toronto, with 65,000 students, has an endowment fund of \$1 billion. The reason their fund is so much larger than ours in comparable funds really is that the United States has enjoyed a complete capital gains tax exemption on gifts of stock for decades.

Research institutes associated with universities and hospitals, and also independent research institutes, are key to developing technologies that produce new products and services. These new products and services that are developed by research form the basis for creating new companies that are very relevant to enhancing productivity. I'll give you one specific example, Research in Motion, which is a great Canadian success story. The RIM BlackBerry has enhanced productivity not only in Canada but around the world. That organization was founded on very creative research. Also, the founders of Research in Motion are a great demonstration of philanthropy, because they gave \$100 million in Research and Motion stock to create a research institute in Waterloo.

Another example of where these gifts can make a difference—and I believe they also make a difference in taking an organization from good to great—is Seymour Schulich. Seymour Schulich has given \$100 million in shares and stock to four universities—York University, the University of Western Ontario, McGill University, and the University of Calgary. He has created a school of business, of medicine, of music, and engineering for each of those universities. That funding provides a source of support for professors, for endowment, for scholarships and bursaries for students, etc. That's what makes the difference.

●(1815)

This committee has recommended the proposal twice in previous recommendations to the Minister of Finance, and all charities across Canada would be very grateful if your committee recommended this measure in your upcoming report to the Minister of Finance again this year.

Thank you for your attention. I'd be happy to answer any questions.

The Chair: Thank you.

Again, Mr. Johnson, are you here on your behalf?

Mr. Donald Johnson: I'm a volunteer board member of the Toronto General & Western Hospital Foundation.

The Chair: Do they share your views?

Mr. Donald Johnson: They definitely do. This advertisement in *The Globe and Mail* on Friday was signed by 14 national organizations representing every area of the not-for-profit sector. They all endorse the recommendation.

The Chair: If I can, I'll ask the witnesses to stay an extra 10 or 15 minutes, because we're running a little behind, but we're not going to go too much over because we all have things to do.

I just want to remind you that it's five minutes for question and answer. If you keep your answers concise, I think the members will appreciate that.

We'll go to Mr. Solberg, Monsieur Desrochers, and then Mr. McKay.

Mr. Monte Solberg (Medicine Hat, CPC): Thank you very much, Mr. Chairman.

I thank all of you for your presentations. They were excellent.

I'll start by saying to Mr. Johnson, we appreciate your doggedness in pursuing this issue. You're here, and push us very hard on this. As

you know, my party has supported this in the past and we will continue to support it. We think your idea is a great idea and we should be doing more with this. I'm not going to ask you a question now because time is short and there are so many people we need to talk to.

I will say to Ms. Ayotte, I am very concerned about what you've raised as an issue. This strikes me as one of those instances when sometimes government is so ham-fisted that even when they try to do something they think is good they end up doing things that are wrong as a result. I appreciate your bringing this to the attention of the committee. I would personally like to follow up on this, because I see your frustration in this. I can see why it would be of great concern when the government sort of sweeps aside your concerns and says it takes into account these kinds of concerns. Unfortunately, I can't get into the discussion with you right now because time is so short, but I would like to follow up with you, and if I could talk to you afterwards, that would be great.

I would like to talk to all the groups, but I'm afraid I can't.

Let me just put a question to Ms. Lemay with respect to something in your presentation regarding infrastructure. In the document, you say you would like to ensure the deep politicization of infrastructure. I wonder if you would expand on that for me, please, and explain what you mean.

●(1820)

Mrs. Marie Lemay: Thank you.

We believe it's time for this government and all governments and the community of infrastructure to look at ways to maximize every dollar invested. We've all been calling for more money. Yes, there's more money needed, but it is time to now look at how we can best use every dollar. We really believe that it is time to depoliticize the process and get all the stakeholders, all orders of government, at the table to look at this issue and strategize for a long-term approach.

We've been attempting to do that from the community's perspective. We've pulled stakeholders together. We've talked to provincial governments, municipalities, and the federal government. But we're at the point where I believe the only order of government that can really take leadership on this issue and pull all these orders of government and the different stakeholders together is the federal government .

We really need your support in the creation of this national round table to ensure that the infrastructure dollars we're spending are well spent to maximize use and that we can share the innovations from one end of the country to the other. There's a lot of money being invested in every part of the country, but the best practices are not shared, the innovation is not shared, and we need to have that mechanism.

Mr. Monte Solberg: One final point.

Mr. Benson, I heard you talk in your presentation about human capital. Human capital is absolutely critical to having a more productive country, and so we agree on that. It may be very cold comfort to you, but it's good news, and I'm glad we can agree on this.

I want to ask you what you think of a proposal that our party has made with respect to providing a \$1,000 grant to people entering the trades to help them with the purchase of boots, clothes, and that kind of thing; tax incentives to incent businesses to provide positions for apprentices; and also, a tax credit for tools. Do you have a position on that, or are there things that we could and should do? What are your thoughts on that?

Mr. Phil Benson: Thank you very much for the question, Mr. Solberg.

Probably to your surprise, with many of the members from your party whom we talk with, we share a lot of views on many things.

As to apprenticeship, we have apprentice trades in the Teamsters. I think, without a doubt, anything that supports apprenticeship is to be applauded.

Probably more exciting from the Teamsters' perspective is that we finally have two governments moving forward with the professionalization of truck drivers: Alberta is one, and we hope Ontario will be the second in very short order. The questions, of course, are about employment insurance, third-party training, and money and funds being available.

Investing in human capital is probably one of the most important things we can do in the economy. The biggest bang for the buck on a return, time after time, is from education. Anything that helps that is, I think, supportable by all Canadians.

Mr. Monte Solberg: Thank you very much.

Mr. Phil Benson: Thank you.

The Chair: I'm going to go to Mr. McKay, Monsieur Desrochers, and then Ms. Wasylycia-Leis.

Hon. John McKay (Scarborough—Guildwood, Lib.): Thank you.

I want to direct one question to Mr. Benson.

This is with respect to the second-last paragraph in your presentation, where you say public-private partnerships are part of the equation today. That's a surprising kind of statement from a person representing a union, and an interesting follow-up to the Canadian urban transit folks here earlier today, who also say that public-private partnerships are simply a reality.

It seems as if it's a reality in pretty well every country except Canada. Certainly France has embraced public-private partnerships; Australia has embraced public-private partnerships; the United Kingdom has embraced them. But here, the political dialogue seems to be quite immature.

I'm interested in knowing why, in the case of the Teamsters union—I guess we're really covering the entire transportation front today, because the urban public transit people seem to think this is a good

idea—as a union that represents private transportation entities, you are embracing an idea that would normally be considered anathema to your union.

• (1825)

Mr. Phil Benson: I guess we travel in different circles.

We're relating it to transportation. So that the members are aware, we're also in mass transit. The workers at GO Transit and Montreal Transit are represented by Teamsters, or a great many of them.

We're looking at things such as the Detroit River tunnel project. We're looking at projects crossing borders. We're looking at the entire.... Actually, when we wrote our second piece the gateway initiative wasn't there, but clearly from our statement we were talking about it.

We can't expect, in all cases, private enterprise to step up to the plate and hit home runs. The government, through its policy and tax, has decisions to make. For example, we can follow Senator Kenny's advice and say that another bridge would not make good sense for the security of the country; that going across the border, we need a tunnel. I'm paraphrasing his report. Part of that is covered off by public-private partnerships.

In a lot of the transportation going forward, it's the sheer costs involved—the costs involved to CN or CP when they're talking about paying tax fuel on diesel and not getting any cents back to pay for their roadbeds that really need to be improved. These are all issues that deal with public-private partnerships.

I suggest the PPP argument, and there are some areas where we would be probably strongly opposed to PPP. But forever we've had PPP; we've always had public-private partnerships. The railway that built Canada was a public-private partnership.

The Chair: Thank you, Mr. McKay.

Monsieur Desrochers.

[*Translation*]

Mr. Odina Desrochers (Lotbinière—Chutes-de-la-Chaudière, BQ): Thank you, Mr. Chairman. I would like to thank our guests for having shared with us today their expectations as regards the upcoming federal budget. I have a few questions for Ms. Marie Lemay.

You made us aware of climate change and you told us that the Canadian government should invest more in infrastructure to prevent what happened in the Southern United States after the natural disasters struck from happening here.

In your opinion, does Canada focus on prevention, or does it tend to only react after the fact?

Mrs. Marie Lemay: I don't know if you saw the figures for New Orleans; it was said that it would cost \$14 billion to repair the retaining walls. But today, that figure has been increased to \$200 billion, given the scope of the damage caused by the catastrophe. I think that answers your question. It's better to be safe than sorry, as they say.

In our brief, we recommend that a study be done to assess the vulnerability of Canada's infrastructure, so that we know where our weaknesses are, where we should invest first, how to take preventive action and decide on where our money should be invested.

Mr. Odina Desrochers: Does the amount of money currently being spent on infrastructure meet your expectations, or would you like to see even more investments made?

Mrs. Marie Lemay: No. It's obviously not even enough money to catch up, since we are already lagging behind significantly, as we explained to you. Over the last few years, the government had other priorities, but now we really have to make up for the lost time. So the money being spent now is insufficient. It has to be better invested and in a preventive manner.

Mr. Odina Desrochers: How much money should be invested? If I ask you for a timetable, what would that represent?

Mrs. Marie Lemay: We've often mentioned that between \$3 and \$4 billion should be spent by the federal government to bring the country's infrastructure up to standard. It is absolutely essential to invest in the best way possible.

• (1830)

Mr. Odina Desrochers: How big an investment do you feel would be needed for the infrastructure to meet expectations if there was ever a natural disaster?

Mrs. Marie Lemay: We are in the process of defining the scope of the project and we should be able to give you specific figures within six months. We estimate that this study will cost several million dollars. That is just the study to identify shortcomings and investment priorities. It does not include investment in infrastructure on a preventive basis.

Mr. Odina Desrochers: At the federal as well as provincial and municipal levels?

Mrs. Marie Lemay: Yes.

Mr. Odina Desrochers: Thank you very much, Mr. Chairman.

The Chair: You're welcome, Mr. Desrochers.

[English]

Ms. Wasylycia-Leis, and then I've got Ms. Boivin.

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Thank you, Mr. Chairperson, and thanks to everyone here.

It's hard to try to have a dialogue on the different issues that are raised, given the time limitations. I wish John McKay were still here so that I could at least start the debate around private-public partnerships, since I happen to think that the opposition in Canada might not be a sign of immaturity but of maturity, taking account of the fact that we've analyzed carefully the impact of PPPs and, in fact, looked at the mounting evidence showing that private-public partnerships often inflate the costs of supplying the physical infrastructure because of the increased borrowing costs of these entities and the inadequate risk transfer incorporated in PPP contracts. So I think there is a real concern around this whole area that needs to be addressed carefully. I wouldn't mind if anyone would like to comment on that.

But I think the main question I'd like to ask, given the limitations on time, is what advice would you panellists give us committee

members today around broad parameters for budget planning? We've got before us a budget bill that divides any surplus in three ways. We've got, on the other hand, proposals floating around from the Minister of Finance for huge tax cuts right across the board. And we've got some people suggesting that the only way we can have real improvements in productivity is through corporate tax cuts.

I just wondered if anybody here would like to venture some advice on those areas, because they are fundamentally what all of this comes down to.

Mr. Michael Gorman: From the standpoint of the people I'm representing here, we certainly would like to see a bigger change to the way we look at the deficit. First of all, we'd like to see a partial end to breaking it out into three categories—if there's a little bit left over, we'll put it into it. We'd like to see this become a fixed expense in any surplus after that. We would figure that the surplus will be about \$14 billion to \$15 billion this year, and if people want to put a third here, a third there, and a third there, that's fine.

The other area in which we think there's an awful lot of room for improvement is general efficiencies in governments, health care, and education. This is cost-cutting; an awful lot has to do with the cost of labour. We think there are unbelievably expensive labour costs in these areas, which could be cut. There are also a number of efficiencies, particularly in the area of education.

I'd like to leave it there and give a chance to somebody else.

Mrs. Marie Lemay: I'd like to suggest that investment in infrastructure would actually create jobs and reduce health care costs. That should be one of your priorities.

Mr. Phil Benson: On the topic of public-private partnerships, we're into transportation; we're not going to get into health care, simply because our position is quite clearly in opposition to that.

The costs are astronomical. The gateway project is \$600 million. In realistic terms, that might equate to 25 to 30 overpasses. It's nothing. It's a drop in the bucket. It's not that it isn't important or it's not helpful, but in the larger sense, \$100 million for a chunk of highway amounts to two overpasses and a few miles of road, depending on how difficult it is.

When the government or society can key important things for us, like the Detroit River tunnel project, which we think is a very important link to security, and the government can piggyback or partner with a private sector railway, in this case, to create a pipeline situation rather than a roadblock at the border, we think that's a good PPP, a good private partnership to go forward on. It depends on the focus, if we narrowly define what a PPP is versus a broad base.

As to going through the tax, I've been here many times previously and in previous incarnations talking about what to do with the budget. In the long run, taking control of Canada's debt and its responsibilities is important for long-term interest rates and all kinds of important productivity things going into the future.

At the same time, limiting government and its response is probably not appropriate. By that, I mean it makes sense to have a policy that says we're going to do this or that. But locking into it doesn't make sense if we have a real crisis in doing something. Health care is a fine example. We still have a crisis in health care. Do we really want to limit government action? I'd say no.

I think we'd really like to see what the model is and how it's going to work before we'd like to venture an opinion at this time.

•(1835)

The Chair: Thank you, Mr. Benson.

I want to allow Ms. Ziebarth 30 seconds to answer as well.

Ms. Susan Ziebarth: I only wanted to draw your attention to some of the responses that you heard from the witnesses in the section prior to this session. They drew your attention to the importance of youth, our children, and prevention.

I wanted to also echo that. We strongly believe this is where our future is, and we'll make a significant gain by investing in prevention.

The Chair: Thank you, Ms. Wasylycia-Leis.

Ms. Boivin.

[Translation]

Ms. Françoise Boivin (Gatineau, Lib.): Thank you to all of you for being here. We know that it is not easy to come here after a long day of work and we appreciate your willingness to do so. It will certainly help us in our deliberations.

After hearing from the earlier groups about public health, we have now heard from you, Ms. Leamy, about major infrastructure problems. I must admit that I give almost the same priority to both these issues. When we look at what happened in New Orleans, it is clear to me that if we do not wake up we are going to have serious problems.

I am concerned when you say that our national debt with respect to infrastructure is now \$60 billion. In response to a question from Mr. Desrochers, you said that \$3 to \$4 billion a year would be appropriate, and that is just at the federal level. I have the impression that we still have a lot more catching up to do at all levels than we thought.

What are the priority problems? What concerns me a little in your remarks is that people do not seem to know, even today, where exactly the problem lies. However, we are being told that there is a national debt of \$60 billion in this area. So it seems to me that action is urgently required if we do not want to have something happen here like what has happened elsewhere in the world.

What are the priorities in terms of infrastructure? Is it possible to identify them right now?

Mrs. Marie Lemay: There are two parts to your question. The first deals with the study that we want to do on infrastructure vulnerability in order to identify shortcomings and priorities. The study will enable us to do that. Right now, we are not able to say exactly what needs to be done. As a country, we should be able to take our infrastructure capital and set priorities for this investment.

But we have invested in infrastructure for years. As you know, we have invested huge amounts of money in infrastructure, at the federal, provincial and municipal levels alike.

We believe that the round table on infrastructure is so important because we need at this point to bring together the whole infrastructure community, which is extremely diverse. We need to sit down and come up with a national action plan on infrastructure investment.

You know as well as I do that infrastructure programs were initially developed to create jobs, and rightly so, and that we got our money back. Now, however, if we are going to invest, we might as well do so in ways that will maximize our return.

Ms. Françoise Boivin: I'm having trouble understanding how it can be said that the national infrastructure debt is \$60 billion, but yet exactly where the problems lie cannot be identified. That makes our task difficult. We hear things at the local level, about water, among other things, which is something that concerns a lot of people. But what is the problem and how much money are we talking about? If we need to go back to the government and say that such and such a thing needs to be done, it does not help us.

•(1840)

Mrs. Marie Lemay: Ms. Boivin, the problem is that there is so much to do that projects could be undertaken and continued everywhere. When I answered a question earlier on infrastructure investment, I said that we felt that the money would be recovered through job creation, health benefits, environmental benefits and productivity. So where investment is concerned, not only is every dollar used to maximum advantage, but the dollars come back. So it is an investment that makes a great deal of sense.

You are right in saying that there is a lot to do. We need to come up with an action plan.

Ms. Françoise Boivin: Thank you.

In closing, I would simply like to say this to Mr. Côté and Ms. Ayotte:

[English]

I think what you're doing is fantastic. I mean, looking at your models, it's unacceptable, and I agree with you that when we do change things, we should consult before. Believe you me, your message has been heard loud and clear.

The Chair: Merci, Madam Boivin.

Just a quick question, Ms. Ziebarth, on the oral health care. You're asking for an amount of almost \$3 billion. Again, are we not going to get into trouble if we recommend putting money into an oral health care program that's under provincial jurisdiction? How do we balance the two?

Ms. Susan Ziebarth: I think the nature of the problem does not have to be defined within the current health care system. Many of the prevention programs can actually be addressed through school systems, through a public health approach. As we know, and as we heard earlier today, public health is far-reaching and goes in many different sectors. So it's a matter of consultation and assessing the priorities, getting these programs into place.

There are specific programs the federal government can put in place in terms of its own jurisdiction, but in terms of working with the provinces to establish oral health as a priority...because the return on investment is so great in terms of these populations, whether we're looking at fluoridation in water supply or at pit and fissure sealants.

The Chair: Thank you.

We're going to wrap it up now. Thank you to the groups for taking the time to come before us. It's tough, but it's our job to now decipher this information and put it into a report.

This meeting is adjourned.

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