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# **Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities**

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**Chair**

**Ms. Raymonde Folco**

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## Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities

Tuesday, February 1, 2005

• (1525)

[Translation]

**The Chair (Ms. Raymonde Folco (Laval—Les Îles, Lib.)):** I'd like to welcome you to the 14th meeting of the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities this Tuesday, February 1.

On today's agenda, pursuant to the Order of Reference of December 7, 2004, is consideration of Bill C-22, An Act to establish the Department of Social Development and to amend and repeal certain related Acts.

The committee would like to thank the Honourable Ken Dryden, Minister of Social Development, for agreeing to come here this afternoon. The invitation was extended to him some time ago. Without further ado, I'd appreciate it if the Minister would introduce the people who will be assisting him with his presentation.

**Ms. Christiane Gagnon (Québec, BQ):** I would like to raise a point of order, Madam Chair.

**The Chair:** Yes, go ahead.

**Ms. Christiane Gagnon:** I would just like to point out that I find today's agenda surprising. We were told that we would be meeting with Mr. Dryden on Friday morning or late Thursday afternoon. Most committee members had voted for a motion stating that as soon as the House came back, the committee's priority would be to study extending the recommendations made by the Subcommittee on Employment Insurance Funds. We are already meeting for the first time this morning.

During our telephone conversation yesterday, you told me that we would not cancel the minister's visit at the last minute. I agree that that would be rather cavalier.

However, I know that Thursday's agenda had not been planned, and it might be time to get back to the motion. We all made that commitment. I would also mention in passing that the previous meetings were delayed a long time. It was difficult to reach agreement on eight of the proposals.

The committee's vice-chair from the Conservative Party and myself were not informed about the situation until the last minute. Please correct me if my information is incorrect, Madam Chair, but apparently we cannot cancel the OECD meeting because some people will be coming from Paris to attend that meeting or to testify before the committee—I do not know which. I do not think this is

how we should go about deciding on the committee's political agenda.

Most committees have a steering committee of which the vice-chairs are members. We agree that this type of situation should not happen again. I would like to see us make some changes for next Thursday, and then begin to focus on our main objective, which was to study the recommendations of the Subcommittee on EI Funds.

Thank you, Madam Chair.

**The Chair:** Before giving Mr. Forseth the floor, I would remind you that the minister is here and cannot stay very long. That is why we agreed to begin at 3:15, rather than 3:30. I will answer your question, but I will first give the floor to Mr. Forseth.

[English]

**Mr. Paul Forseth (New Westminster—Coquitlam, CPC):** Thank you.

When the notice is finally given for this meeting, it does have legal standing. This is a proceeding of record, so we shouldn't be getting into your kind of business at this point. We could discuss that at the end of the meeting, but not now. We are legally bound to proceed with this agenda because it has been published and accepted, and we are a matter of record.

I am suggesting that we will fully hear the discussion, but it's just at the wrong time. We are legally bound to hear the minister at this point, and we can discuss that later.

[Translation]

**The Chair:** Mr. Lessard.

**Mr. Yves Lessard (Chambly—Borduas, BQ):** I would like to say that I disagree completely with Mr. Forseth, because the committee made a decision about giving the subcommittee's work priority. So I think it is quite inappropriate that one or two individuals should change this decision.

Madam Chair, I find my colleague's comments most pertinent and I think you should take them as very serious notice regarding your responsibilities with respect to the commitments made by the committee.

**The Chair:** Thank you, Mr. Lessard. I would like to respond to that. First, if I understood the second part of Ms. Gagnon's comments correctly, I would say to her that item 2 on the agenda reads "Committee Business". There is a proposal, which we will be discussing and on which we may vote this afternoon. That is one of the consequences of the many conversations we have had in recent days. That is my response to the second part of your remarks.

With respect to the first part, I would point out that we agreed as a regular committee meeting on Tuesday, November 30, that on December 7, if Bill C-22, an Act to establish the Department of Social Development and to amend and repeal certain related Acts, was referred to the committee, Minister Dryden and his officials would be invited to appear before us. I do not want to discuss the substance of the issue, I am merely requesting some understanding from all committee members.

The minister has a busy schedule—everyone agrees on that—and he agreed to come this afternoon despite the fact that he had other meetings. In light of the agreement made by our committee members on Tuesday, November 30, we kept our promise to the minister regarding his appearance this afternoon. I would ask for the indulgence of all committee members regarding the minister's visit, given what I have just said.

I will be prepared to discuss the second part of your remarks following the meeting with the officials.

Welcome to the committee, Minister. I would ask you to kindly introduce the people with you.

• (1530)

**Hon. Ken Dryden (Minister of Social Development):** Thank you, Madam Chair.

[*English*]

Thank you, everyone, for inviting me to appear before your committee to discuss the proposed legislation for the new Department of Social Development.

I will introduce the people who are with me. Peter Hicks is assistant deputy minister for policy and strategic direction. Susan Scotti is the assistant deputy minister for income security programs. Johanne Bélisle is director general for corporate planning, horizontal initiatives, and international relations. And Julie Lalonde-Goldenberg is team leader and general counsel.

[*Translation*]

**The Chair:** I am going to interrupt you for a second.

[*English*]

I will simply note for everyone that the minister's text has been distributed in both English and French.

Thank you.

**Hon. Ken Dryden:** I'm aware that Minister Joe Volpe, the former Minister of Human Resources and Skills Development, appeared before your committee on November 30. It's important to point out that the drafting of the Department of Social Development Act followed a process very similar to the one that would have been described to you by Minister Volpe.

Like the legislative proposal of my colleague, the proposed Department of Social Development Act is primarily administrative and reflects the December 12, 2003, Orders in Council. The vast majority of the provisions found in part 1 of the proposed Department of Social Development Act are taken from the former Department of Human Resources Development Act.

There are three areas of interest in our proposed legislation that I wish to speak about briefly: the role and responsibilities—the mandate—of the minister, the shared services with HRSD, and the protection of personal information code. In addition, I have one other area I would like to highlight, namely, the repeal of the Vocational Rehabilitation of Disabled Persons Act.

Under role and responsibilities, the powers, duties, and functions section of part 1, clauses 5 to 7, is the most important part of the new legislation. This section gives to me, as minister, the legal powers and tools to fulfill Social Development Canada's mandate. Additionally, it allows the department to pursue the Prime Minister's commitment of strengthening Canada's social foundations by making the department the focal point for social policy development within the Government of Canada. Our new mandate will allow us to take a holistic approach and work horizontally with other federal partners, other levels of government, community organizations, and others to promote social development in Canada.

As you would have heard from Minister Volpe, as a result of the reorganization, the Department of Social Development and the Department of Human Resources and Skills Development share certain services. Social Development Canada provides corporate services to HRSDC, including financial administration, human resources, and systems services. Additionally, both my department and HRSDC share different elements of program delivery services. For example, my department is responsible for call centres and Internet services for the clients of both departments, and HRSDC is responsible for in-person services such as the human resource centres of Canada network across the country. Therefore, the proposed HRSDC and SDC bills include a clause allowing both departments to provide and receive services from each other.

A protection of personal information code currently exists in both the Canada Pension Plan and the Old Age Security Act. Provisions concerning personal information have existed in these two statutes since their inception, and both were amended with formal modernized codes in 1998 with the support of the Office of the Privacy Commissioner. These codes are in place to provide transparent rules for the protection and disclosure of CPP and OAS personal information.

The new legislation proposes a similar protection of personal information code. Together with the CPP and OAS codes, the department will have a comprehensive regime for managing personal information that will cover all programs and activities of the department, current and future. The code strikes a good balance between permitting disclosure and putting in place sufficient safeguards to protect personal information.

Officials from both Human Resources and Skills Development and Social Development have held joint consultations with the Office of the Privacy Commissioner. Their counterparts in the Office of the Privacy Commissioner have indicated that they are generally comfortable with the proposed approach, as reflected by the Privacy Commissioner's comments during her December 9, 2004, testimony at your hearings on both the Human Resources and Skills Development and the Social Development legislation.

● (1535)

Lastly, I would like to point out that we are using this legislation as the vehicle to repeal the now obsolete 1961 Vocational Rehabilitation of Disabled Persons Act. The repeal of this act is largely a housekeeping function. It will not have any negative effect on persons with disabilities or have an impact on any of our existing agreements with provinces and territories.

The VRDP Act has not been used since 1998. In fact, the current and more modern Multilateral Framework for Labour Market Agreements for Persons with Disabilities has replaced the need for the outdated VRDP agreements.

In conclusion, I believe the proposed legislation largely stays within the December 12, 2003, Orders in Council.

Thank you.

**The Chair:** Thank you very much, Minister.

We will now open the floor for questions. We'll just go along the old system; that is, the opposition will ask the first questions. I remind you that the first round is seven minutes.

Mr. Forseth.

**Mr. Paul Forseth:** Thank you very much.

Welcome, Minister. The reorganization of government departments is done, it's hoped, certainly with the long-term goal of saving money and creating efficiencies and better results for people. However, you know that when you shuffle the chairs, there's a cost with that reorganization. I'm wondering if you could provide a rundown initially of what savings, if any, will occur as a result of creating the department. Talk about some efficiencies, if any, that will be created.

In the finality, has there been a real evaluation framework developed to monitor the impact of the creation of these two departments? I'm looking at the key words, "savings", "efficiencies", and "evaluation framework".

**Hon. Ken Dryden:** What you should know first is that in terms of the creation of the two different departments, there are no new appropriations, no new moneys budgeted, as a result. Any additional costs associated with the split were absorbed within the existing budgets. It is expected that these initiatives, combined with the introduction of advanced technology, will result in significant long-term savings and efficiencies. These long-term benefits will be assessed through the department's evaluation function. Over the next five years, the impact of all key departmental programs and services will be assessed.

**Mr. Paul Forseth:** So we have the same budgets. What about the FTE count, the full-time equivalent positions? Has that count stayed about the same, or has it gone down?

**Hon. Ken Dryden:** It is the same.

● (1540)

**Mr. Paul Forseth:** Then it gets right back to the rationale of why we are doing this. Can you restate this for the record? What's going to really be the payoff?

**Hon. Ken Dryden:** The payoff, as we talked about the last time, is the opportunity for the Government of Canada to put a renewed and particular focus on social development policies in this country. One of the challenges of the previous, larger department was the fact that, given the size of the department and given its many priorities, it was that much harder for certain parts of the department to have as much focus, as much priority, as we would like.

So on the substantive side of it, we believe there is a significant benefit in having the two different departments. On the operational side of it, we aren't paying a price.

**Mr. Paul Forseth:** Okay.

There is some issue around who is really responsible for the social insurance number, given that the Canada Employment Insurance Commission is named in the Employment Insurance Act. I was just wondering if the responsibilities of the Canada Employment Insurance Commission will be affected by this reorganization. There was some historical responsibility for the SIN number, and I think that's changing now. Maybe you can talk about that.

**Hon. Ken Dryden:** On December 12, 2003, the responsibility for modernizing services for Canadians was housed within SDC. Since the SIN operations are critical to the success of the overall integrity enhancement project, it was located with MSC, and therefore within SDC. The responsibilities of the CEIC are not affected by this, as SDC provides this service to them in the performance of our functions.

**Mr. Paul Forseth:** I have just one last question.

Because of the reorganization, are you involved in any appeals, any specific lawsuits, or any particular difficulty around personnel administration? Perhaps someone is in conflict as a public servant and is being laid off. I'm just wondering, on the human resources side, if you have any specific problem case. You may not have that information, but I'm just wondering if you'd at least make a commitment today to ask the question of your ministry and maybe get back to us via a letter.

If there's any specific case that would give us some advice, not only to deal with specific cases but with the case example of what happens to people when we have a major reorganization like this, that would be helpful to Treasury Board people. I'm always concerned about the human factor when we have such a tremendous change as departmental reorganization.

**Hon. Ken Dryden:** We'll try to answer the question today. To the extent that we can't, we will get back to you.

Julie, do you have a response?

**The Chair:** Madame Lalonde.

**Ms. Julie Lalonde-Goldenberg (Team Leader and General Counsel, SDC/HRSDC Legal Services, Department of Justice):** The reorganization and the split of service delivery between two departments is a challenge, but there are no legal cases that are challenging that. We are working hard on ensuring that all of the accountabilities are lined up currently, but I can't tell you about a lawsuit in regard to HR management at this point. All HR issues have been dealt with. We can undertake to inquire for certain about that, but at this point I can't tell you.

**Mr. Paul Forseth:** Thank you very much. I'm done.

**The Chair:** Excuse me, I would just suggest, Madame Lalonde and Mr. Minister, that if you do pursue this and there is anything you want to send to this committee, you should do it through the clerk. Thank you.

[Translation]

Ms. Gagnon.

**Ms. Christiane Gagnon:** Good afternoon, Minister.

I do not understand how this department will operate, because there has been a new division of responsibilities. Could you tell me how many officials will be moved from Human Resources Canada, the former department, and transferred completely to Social Development Canada?

On the one hand, you say that in the past, officials could not focus on specific social development objectives. Moreover, you say that the department will have two components: one for human resources objectives, and the other for other objectives.

How will this be more efficient? I fail to understand some of the documents that come from your department, and the comments made by Minister Volpe in his presentation before the committee. Nor do I understand the fact that 3 per cent of the \$53 billion will go to social development objectives such as the social economy, the New Horizons program and all the programs with more specific objectives.

Are you planning to increase the number of staff in order to do the work of your new department?

• (1545)

[English]

**Hon. Ken Dryden:** What I was trying to suggest earlier was less the fact that individuals who are working with the previous department would have had divided focus than that it would be the department itself that would have a variety of different focuses. By the creation of the two departments, that would offer a significant benefit. The end result of the division is that there will be about 11,000 employees who are part of SDC and about 13,000 who are part of HRSDC.

In terms of what it is, as you were saying, the great majority of our budget is statutory. In terms of social policy, very much what our task is, in part, is to identify, with others, the real social policy priorities in the country. Then it's to find various different instruments to work with people across the federal government, to work with people in the provincial and territorial governments. That is very much our function.

As I was saying earlier about horizontality, it is essentially to focus on individuals and on individual lives, so you have the life of a child, the life of a senior, the life of a person with a disability. As you know, one of the great frustrations is always that in programs that relate in those particular areas, the focus is on the program and not necessarily on the whole person and that person's life. Very much, our task is to identify those social policy priorities in the country and work with others to try to achieve a focus less on individual programs and more on the individual.

[Translation]

**Ms. Christiane Gagnon:** From your mandate and mission statement, we see that you are on slippery ground with respect to Quebec, because in some areas, you are going to encroach on and duplicate what is being done in Quebec in the area of social policy.

Proposed paragraph 6(b) of the bill refers to your intention to cooperate with provincial authorities. How can Quebec feel comfortable regarding this bill in its present form, with respect to its ability to opt out with full compensation, without having to listen to all the discussions going on at the moment on parental leave? And they will probably be repeated as regards your next hobby horse, national standards for day care. For our part, we are not very keen on this idea.

How will this department be any different from any other department with respect to its desire to respect what is being done in Quebec in these areas, given that responsibility for social matters has been given to the provinces? Quebec does an exemplary job in this regard, but we often have to negotiate with the federal government for periods as long as seven years in some cases.

I would like some reassurances in this respect, and I would like to hear that there will be an amendment coming forward to reflect this reality in your bill. I'm referring to areas of provincial jurisdiction and the right to opt out with full compensation.

• (1550)

[English]

**Hon. Ken Dryden:** As I said previously, it is our job to work with other departments within the federal government that have a specific mandate in an area. It is our job to work with provinces and territories in whose jurisdiction a particular area happens to be. That is our function, that is our job. It is to work with them in areas of mutual priority and concern. It is our task to try to help make things better for the citizens within every jurisdiction, while at the same time respecting that jurisdiction and respecting the authority of that jurisdiction.

[Translation]

**Ms. Christiane Gagnon:** Those are mere words. Would you be prepared to include the right to opt out with full compensation in the bill, if the program is not geared to the Quebec reality, while it is to the realities of other provinces?

[English]

**Hon. Ken Dryden:** I think the challenge of this federation is to find those ways of working together, to use those assets that one has, and to help and work with others in particular areas. It can be hard at times, but that's the way the federation works. And the federation does work. There have been lots of wonderful examples of where different parts have been the inspiration for other parts of the country. As we've talked about many times before, that's where things are in terms of early learning and child care in this country. Quebec—

**The Chair:** I'm going to have to cut you off. Thank you.

Mr. Martin, please.

**Mr. Tony Martin (Sault Ste. Marie, NDP):** Thank you very much.

I want to put on the record right up front that I support the bill. I understand where it comes from. The Human Resources Development Canada ministry that was scandal-plagued was too large and had conflicting responsibilities, so we welcome this new ministry.

There are those in the country who take heart at the mention of the term “social development” because they see it differently from what you just shared, the individual. They see it as developing the community in support of the individual. At a time when the new Canadian social transfer of resources to the provinces and territories is also almost completely bereft of definition, we want to talk about this.

For the substantive issues around Canadian social policy, for example, that policy has been disassembled over the past 10 to 20 years. The Canadian social transfer arrangement with the provinces and territories is nearly devoid of understanding of purpose or accountability, and it fails to protect social program funding against erosion into, for example, provincial health care priorities. Those kinds of concerns are of critical importance to us and to the people I speak to out there.

We see a huge weakness in the bill in that it doesn't define “social development”, nor does it lay out the mission of the Department of Social Development. There are some vague references to social development and the social well-being of Canadians, so there are elements of a definition in part in the briefing notes that we received. My question is, why is there no definition of “social development” and the ministry as such per se?

**Hon. Ken Dryden:** I wouldn't see it that way. I would see that what is included there offers a definition of what social development is. In fact, one of the useful things about having a department that is called Social Development Canada is that it's fairly self-explanatory. It's not an acronym. Acronyms require words in behind the initials first, and then you have to try to figure out what the definition happens to be.

I think there's a pretty clear understanding of social development. I think the essential understanding is that, in this country, we as Canadians have certain expectations of ourselves, certain expectations of things for ourselves and for others, and certain standards and things that we are looking to uphold. Part of what the Department of Social Development does is to help remind us of those expectations, those understandings, those values. Also, it's to measure in order to

see how we're doing against them, to make ourselves and others aware of how well we are doing against those standards, and then to work with others to try to do a better job in those areas.

• (1555)

**Mr. Tony Martin:** I understand that. If we had more time, I would actually like to get into that a bit more. But we think it needs to be defined more specifically and that there has to be some very definite mission behind this. If it's loosey-goosey, too vague, it doesn't get done and it deteriorates, as I've said.

As expected, it refers to the well-being of Canadians. Perhaps more interestingly, it refers to the participation of Canadians but doesn't specify in what: society, social discourse, public programs. We fear the answer may be a simple hangover from an era of labour-market-centric social policy—participation in the labour market. Anyway, the mission, in our view, is too open to interpretation.

Also curious is the reference in the preamble to citizen-focused programs, policies, and services. Is this referring to flowthrough programs for individuals, such as EI, CPP, etc., which constitute much of the department's budget? What then about the community development and partnership areas of the department's responsibility, which we're beginning to hear a lot about in our communities? I fear that in the absence of a clear and thoughtful mission, the department's efforts will be as notable for the important work they are not doing as it is for the responsibilities they are carrying out.

The concept of social development is an idea with critical content and numerous descriptors. For instance, many of us have advocated for years, as does the concept of social policy, that the term has to contain things often considered economic in the past, as well as things regarded as social.

As I have no doubt you are aware, failure to develop social policy that recognizes this more holistic reality weakens the usefulness of the policy—to say nothing of doing a disservice to principal stakeholders of social policy—reinforcing the traditional idea that things social are really of the old charitable type, thus secondary in importance and only to be concerned about when the economy has generated surplus resources, etc. Another illustration in the last few years has been growing recognition that social development should be inclusive. Again, it's an evolving recognition, as non-included groups are helping us to see.

My question is, how would you yourself define social development?

**Hon. Ken Dryden:** I think I tried to define it a moment ago in terms of what Canadians expect as citizens living in this country, in terms of the ability to live a full, complex, rewarding life. So much of what we do is trying to enhance the experience of those who have a harder time in it, whether it is the senior's life or that of a person with a disability. It is also, in terms of a child, to try to offer the opportunity of that much better an experience.

Actually, what we would like to do is to make the two words “social development” as understandable to the public as the two words “economic development”. The words “economic development” are used a lot. The definitions are in people’s minds and are fairly clear. Even if you don’t put them down, even if you don’t get out all the words, there’s a kind of nodded understanding—“we think we know what you mean”—about it. I think we need to attempt to do the same thing in terms of social development.

•(1600)

**The Chair:** I’m sorry I have to interrupt you each time.

Madame Bakopanos.

**Hon. Eleni Bakopanos (Ahuntsic, Lib.):** Thank you, Madam Chair.

Minister, welcome again.

Minister, just to reassure Canadians who are listening to us, I think we have to revisit the privacy issue. I think there were a lot of innuendoes raised by certain members of the opposition that, once this legislation goes through, certain information will be provided to other federal agencies and other authorities. I think Canadians want to be reassured that the information will be protected.

The commissioner came before this committee and insisted that the legislation does comply with the privacy provisions that are set out by the Privacy Act and other acts of the House. I just want you to reassure Canadians once more—and perhaps your officials would like to reassure Canadians—that the information will in fact be protected and that the information that is shared will be shared in a form that is not either leaked or sent out to the wrong persons or bodies.

**Ms. Julie Lalonde-Goldenberg:** Thank you, Madam Bakopanos.

The code of personal information contained in the departmental legislation is based largely on codes that are already contained in the Canada Pension Plan and the Old Age Security Act. Those codes have been there since the inception of those pieces of legislation and have been modernized recently, in 1997-98. The code in the departmental legislation is modelled on those codes and picks up all the safeguards that the Office of the Privacy Commissioner allotted at that time.

These codes of personal information work in tandem with the Privacy Act, which is the statute of general application. It applies to all federal institutions, and it governs the way they collect, use, and disclose personal information. The Privacy Act, as you may know, also allows federal institutions to tailor their disclosures to meet the needs of their programs. This is what the code in this bill is all about.

These provisions work in tandem with the Privacy Act, and they set out very clearly and transparently the allowable disclosures of personal information—when this department can share personal information with provinces and with the private sector, and the purposes for which personal information can be disclosed—and it’s very limited to that which is necessary to carry out the programs of the department or to carry out other laudable causes, like administration of provincial programs for benefit delivery and helping in terms of assessing entitlement.

Where we feel this code goes far in safeguarding the personal information that is contained in the department is in little things like restrictions on secondary shares. When we give personal information to other federal institutions or to provinces, for instance, this code says we do it by virtue of an agreement that is transparent. The agreement also says that the recipients of our personal information cannot further share it.

What’s novel in these codes, as is the case with CPP and OAS as well, are offence provisions for recipients or officials of the department who use the information in a way that’s contrary to the very explicit guidelines that the code gives. As you know, we worked very closely with the Office of the Privacy Commissioner, and many of the recommendations of the Privacy Commissioner’s office were entertained and the code was amended to reflect that. One of the areas in which we spent a lot of time to make sure it was right was with shares with other federal institutions. The shares with the other federal institutions are going to be prescribed in the regulations very clearly—what institutions we share with and for what purpose in terms of the secondary share provisions.

We feel it’s a very reasonable code. It’s very circumscribed to disclosures that this department will make of the personal information it holds. I think that’s what I’d say about it.

•(1605)

**Hon. Eleni Bakopanos:** Actually, I’d like to ask a question on another subject, the homeless initiative. There was a decision made that it should remain with Human Resources and Skills Development. I wonder if, in discussions prior to actually drafting Bill S-23 and Bill C-22, there was a particular reason why the homeless initiative was left with Human Resources and Skills Development and was not transferred to Social Development?

**Hon. Ken Dryden:** I can’t say I am aware of the rationale at that particular time and the decisions made on December 12. However, as you know, both SDC and HRSDC work closely with each other in a lot of different areas and continue to share a common, integrated infrastructure for both service and benefits. So the actual location of files is less of a concern, as the two departments work together fully on a number of files.



So in the area of homelessness, we continue to work quite closely with the national secretariat on homelessness on issues of common priority, affordable housing, social inclusion, improving the self-sufficiency of individuals and families, and poverty reduction. As I said before, Social Development's work is complementary. We work across the spectrum of the government and work with other governments in the provinces and the territories. So where homelessness resides is less of a critical issue. What is more important is that we make sure we work with those whose mandate homelessness falls under.

**The Chair:** We will go now to the second round. I remind you that the second round is five minutes.

Mr. Komarnicki.

**Mr. Ed Komarnicki (Souris—Moose Mountain, CPC):** Mr. Minister, I have a few questions.

You start with one department, one administration, one set of human resources, and one system of service delivery. In your paper you indicate that the two departments now provide and receive services from each other. It occurred to me that you should be able to have a department with one or more focuses. For instance, homelessness is an issue that could be in either department. Has a study been done to see if you could achieve your goals within one department without any extra cost, as opposed to having two departments?

Second, if you're going to have an integrated system where both departments provide and receive services from each other in a seamless fashion, as you say, if there's a system failure, which minister is going to be responsible? It seems you've taken a whole range of services and departmentalized them, and yet you've used the same infrastructure.

So there are two questions. Have you done a study to see if you can accomplish what you are setting out to accomplish through one department? And which minister is responsible if there's a system failure in the delivery or the provision of the services?

**Hon. Ken Dryden:** Going back to what I was saying before, I think the point of deciding to split the department into two to a great extent had to do, as Mr. Martin said earlier, with an entity that was very large and in a number of ways hard to focus because of all of that. So the idea was, can we deliver what we deliver better in a substantive sense without paying a price in an operational sense and in the services that are provided to the Canadian public? That was the challenge and the test of it. So what we have, as we've discussed, is two different departments with two different mandates and with more particular focus. We have been able to do that without additional cost. The kind of interlinking on the service side of it has not immensely changed in the way in which the services are provided, as it has not changed in respect of additional cost or additional complication.

When things go wrong, who is responsible? There are areas of particular responsibility for each of the two different ministers when things do go wrong in that way. They follow their path up to either me or the Minister of HRSDC.

• (1610)

**Mr. Ed Komarnicki:** So if you're using the same delivery system, one that's integrated, how do you end up with better delivery by having two departments?

**Hon. Ken Dryden:** What I was trying to get at was that when you have this kind of division, when you decide, for whatever reasons, either on the substantive side of it or on the service operational side of it, that you're looking to make a division, you may gain in particular focus, but you may lose in respect of the cost and the complication for the user, for the citizen. In this case, what we've been able to do is offer the specific focus in the substantive direction of each department and at the same time, operationally, provide a service at no greater cost and with no greater complication in the minds of the public, thinking now there is a whole set of new numbers and places to call because there's another department with its own service function.

**The Chair:** Mr. Komarnicki, you're out of time.

[*Translation*]

Mr. Paradis.

**Hon. Denis Paradis (Brome—Missisquoi, Lib.):** Thank you very much, Madam Chair.

First, Minister, I would like to thank you and congratulate you for coming to visit with seniors in Magog, in my riding, on the weekend.

Second, I would like to ask the following question about the topic we are discussing today. It is stated that the Department of Human Resources and Skills Development would retain its responsibilities with respect to the homeless, insurance programs, and so on. There is also a reference to all the activities involving services offered in person, while the Department of Social Development, as I understand it, would rather offer its services on-line. There is a reference to employment programs for the handicapped and to the volunteer and community sector, which was transferred from the Department of Canadian Heritage to your department.

How will this work, in concrete terms, whether for the handicapped or for programs for the volunteer and community sectors, if, on the one hand, the services offered in person are provided by the Department of Human Resources and Skills Development, and, on the other hand, on-line services are provided by your department?

Did I understand this correctly? Have I made myself clear? I would like to know how you are going to go about separating or juxtaposing the delivery of these programs.

[*English*]

**Mr. Peter Hicks (Assistant Deputy Minister, Policy and Strategic Direction, Assistant Deputy Minister's Office, Department of Social Development):** Thank you very much.

First I have a technical correction. The transfer—I believe you were thinking of people with disabilities—wasn't from the heritage department, it was from HRDC, if I'm correct. The basic point that you're making—

**L'hon. Denis Paradis:** No, it's the other one where I said *bénévole et communautaire*.

•(1615)

**Mr. Peter Hicks:** I beg your pardon.

The point I want to make is fundamentally the same one the minister was making earlier. At the end of the day, the real issue isn't which department delivers. The real issue is the spirit in which delivery takes place and the kind of cooperation and collegiality you have regarding the overall directions. My understanding of the real intent of the department, as the minister was saying earlier, is that if you have an overall social development focus, certainly those things can be in the department or in other departments, but if you have an overall minister responsible in the government for these issues, you're going to have a much stronger and more rational policy focus across the full range.

Undoubtedly, it is important to understand which is in one department and which isn't, but I think the main thing the minister is focusing on is that overall sense of direction that a social department can give that couldn't happen if these programs were separated in different departments around town.

**Hon. Ken Dryden:** Of course, if you call something social development, that area of responsibility cuts across much, if not most, of the government. That's just a fact: people's lives and communities stretch across the responsibilities and the specific mandates of different departments. In our function we very much have to work with Health Canada, and we have to work with HRDC. We have to work in all kinds of different areas, but in ways where we're able to help set some of those social development priorities in the country and also work toward the standards we set for ourselves as Canadians.

Again, no matter how many different responsibilities you put under the head of social development, you're going to have 100 others that are going to be in different departments across the government in any event.

[*Translation*]

**The Chair:** Thank you, Mr. Paradis.

[*English*]

Mr. Minister, I'm aware that you said you'd have to leave at 4:15. However, we do have another question from Mr. Lessard, and I'm wondering if we could possibly get it in.

**Hon. Ken Dryden:** Sure.

**The Chair:** Thank you.

[*Translation*]

Mr. Lessard, please.

**Mr. Yves Lessard:** Thank you, Madam Chair.

Thank you, Minister, for taking the time to answer our questions.

I'm trying to understand how things will not be more difficult for the beneficiaries of the services of one department or the other. You said earlier that the department that existed a year and a half ago had the same relations with different departments. I understand that you are trying to simplify things by sharing responsibilities between the two departments. However, beneficiaries—whether a senior, a disabled person or an EI recipient—will have to use a call centre or an on-line service. These people will go as far as they can, and

perhaps their problem will be solved. However, if it is not solved, the beneficiaries will have to go to a regional service centre of Human Resources and Skills Development, which is the office they dealt with formerly. So one service will be responding and a different one will be taking action. If things are already complicated with a single service, they could become even more complicated if beneficiaries try to straighten things out with a second department.

I do not want to confuse things further, but I think we are making the process more cumbersome, because it is in two parts.

Could you shed some light on this matter?

[*English*]

**Hon. Ken Dryden:** I could see particularly Susan's head nodding here.

Susan, why don't you respond?

**Mrs. Susan Scotti (Assistant Deputy Minister, Income Security Programs, Department of Social Development):** Thank you, Minister.

From the perspective of the client, who is looking for service from our regional offices, there is absolutely no change. The service delivery infrastructure that existed under the old HRDC is still there, even though we are now two departments and different parts of that infrastructure report separately to the two departments. That's why we say that we're client-centred and citizen-centred. From the perspective of the individual, they're receiving the same level of service from the same staff who have access to call centre services, web services, and in-person services.

So it's all working together in an integrated way at the local and regional level. It's at headquarters, I think, where you see more evidence of a split from both the policy and the program perspectives.

•(1620)

[*Translation*]

For clients, however, I do not think there will be any difference.

**The Chair:** I am sorry, Mr. Lessard, but I'm going to have to interrupt you, because we are now on the third round and you have less time left.

There are still two people who would like to ask some questions, Minister. Could you stay a few minutes longer? I have a question I would like to ask, myself as well.

[*English*]

Monsieur Martin, I'm coming to you.

**An hon. member:** And I have a question.

**The Chair:** You have a question as well?

Given that the minister has to leave, I suggest that we make our questions very short, if we can. If not, the minister can go and we can just address our questions to the persons who remain.

I do have a question.

[Translation]

My question follows up on the one asked by my colleague, Ms. Bakopanos, regarding privacy.

A few years ago, Minister, Canadians realized that information was exchanged between the former Department of Human Resources Development and a number of other departments. This snowballed to the extent that all the information had to be consolidated within a single department. In addition, files had to be brought back and handed over physically to the individuals to whom they belonged.

The Privacy Commissioner appeared before us on December 9 and recommended two identical changes to subclauses 30(1) and 30(2) of Bill C-22. The bill states "if the Minister considers it advisable", information may be exchanged. However, the Privacy Commissioner told us she preferred a much more specific, less vague wording, which would read as follows: "If the Minister is satisfied that the information will be used for a purpose consistent with the purpose for which it was collected..." If that were the case, information could be exchanged. The wording is longer and more complicated, but it does seem much more specific to me. It clearly delineates cases where it would be possible to exchange information.

Are you in favour of an amendment of this type?

[English]

**Ms. Johanne Bélisle (Director General, Corporate Planning, Horizontal Initiatives and International Relations, Department of Social Development):** Perhaps I could start by giving you a little bit of background.

The first thing you were referring to was the long file issue in HRDC a few years ago. After that happened, responding to the Privacy Commissioner's complaints, we put in place a very strict protocol that guides the collection of data and information for research and exchange purposes. The code we have included in this legislation basically codifies those rules and regulations in terms of how we collect data from other departments and what we do with it. In that way, we've addressed the concerns of the Privacy Commissioner in that area.

As it relates to her proposal for the amendment to include a more restrictive clause, our legal counsel has looked at it. At this point, we think that our code sufficiently safeguards the protection of personal information as it is, and that we've responded to the Privacy Commissioner's concerns as it relates to the safeguards put in place. In fact, clause 31 is basically the same as what is currently in the Privacy Act in terms of safeguarding the sharing of information with provinces, territories, and, I believe, other governments.

• (1625)

[Translation]

**The Chair:** Thank you.

Would anyone else like to add something to my question? I will give the floor to Mr. Martin.

[English]

**Mr. Tony Martin:** Thank you.

Very briefly, Minister, I'd like to go back to the issue of a definition, or a mission statement. You're aware that there are people

out across the country now who are calling for a public debate or discussion about the social transfer, for example, in the context of social development. We're going to be bringing forward an amendment to the bill to try to put a definition or mission statement in. Would you be willing to work with us on that?

As well, would you be interested in working with us collectively, with me and others, on this discussion that needs to take place out there on exactly what social development means, what this social transfer should be about, and how it should work for communities and individuals out there?

**Hon. Ken Dryden:** Now that there's much more of a history in terms of some of the things you talked about, it's probably easier to define. Oftentimes when you start in with something, you have a pretty good idea of the direction in which you're going to go, but three years later, five years later, you know that much better. You know that much more. You see what's extraneous. You see what's really at the centre. You find more particular words. It's part of the discussion that you and I have every so often in terms of legislation on child care, of how well some of the wording and definitions would be at one time and how much better they might be some years later.

I would certainly be interested in being part of a discussion on this. So much of what I do is going out around the country and listening to people, just as you do. In a number of these areas I think there is enough experience, enough history, for us to see how well we do and how much better we can do.

[Translation]

**The Chair:** Thank you, Minister.

[English]

This will be the last question, I promise.

Please try to make it short, Mr. Forseth.

**Mr. Paul Forseth:** As a follow-up to our chair's question, I want to look at a practical example regarding personal information disclosure and the code of disclosures that was alluded to. For example, what is the ability to apply to a court, or simply apply directly to a ministry or department, to search for the possible location of an individual in order to enforce a court order, such as a court order for a parent to pay child maintenance, to search databases? Often this is a great difficulty. Individuals' locations are known. The material is in the federal databases, but codes and so on, like this one, actually obstruct justice and also obstruct the larger goals that the ministry claims to be promoting. They haven't thought about the intricacies of being able to simply serve a person because they can't get the information...individual parents and/or maybe through their counsel, and/or maybe through the provincial ministry.

So let's just look at the practical example of someone who's trying to get information from the department related to an existing order, not an initial application but an existing order. I think you know what I'm talking about. I'll see what you can say in that regard.

•(1630)

**Ms. Julie Lalonde-Goldenberg:** It's clear that the code and the disclosures that are permissible are primarily for administration of the programs of Social Development Canada. There are some other examples, but with the Canada Pension Plan, old age security, those programs, a lot of personal information is held by this department, and it's foremost in everyone's mind that these databases not be used for fishing expeditions or for obtaining personal information for purposes outside the department's business and the business of the partners of the department. There is a rule against the compelling of officials or documents, through court orders or otherwise, in legal proceedings that are not in relation to the department's business, which we think is good common sense.

Of course, you raise a good point. There may be really good reasons why Canadian citizens want to have access to the data banks held by this department. This code does not per se allow for disclosure of information. However, you may know that the department does have a service whereby people in the case you're speaking of could contact the department and ask for information to locate people for those laudable causes. Instead of disclosing personal information to people who are looking for it, for whatever reason, without the consent of the individual to whom it relates, there is a service provided whereby the department will contact those individuals and see whether they consent to the disclosure of that personal information. That is a service provided by the department to respond to that. The code doesn't address it, it's a separate service, and the reason the code doesn't address it is that it is not a disclosure of information without the consent of the individual. The department does what it can to strike a balance and to help locate a person we know.

**Mr. Paul Forseth:** I see it as a problem when you ask the person for permission and they move, undermining the original intent. It is at cross purposes with many other statements the government does make about family and all the rest of it under family law. I think that's something that has to be looked at.

I'll leave it there at this point.

**The Chair:** Thank you, Mr. Forseth.

Before you go, Mr. Minister—

[*Translation*]

**Ms. Christiane Gagnon:** I thought you had given me the floor.

**The Chair:** No, excuse me, I misunderstood. I thought you wanted to speak after the minister left. I promised the minister...

**Ms. Christiane Gagnon:** You began the third round by giving someone from the Conservative Party the floor once.

**The Chair:** Ms. Gagnon, the minister has to leave. He has told us several times that he had to leave. I have already given Mr. Lessard the floor one extra time. We are wasting time talking about this. The officials will stay after the minister leaves, Ms. Gagnon, and you will have all the time you need to ask your questions.

I apologize, there was a misunderstanding, I thought we were talking about something different.

**Ms. Christiane Gagnon:** I thought the minister was coming to meet with us this afternoon. I did not know that he had a schedule

conflict. We had a different agenda. This annoys me somewhat, Madam Chair.

**The Chair:** I apologize, but I do think there was a misunderstanding.

**Ms. Christiane Gagnon:** Committee meetings last two hours.

[*English*]

**The Chair:** Minister, before you go, I would ask one thing. On that question I asked you concerning paragraphs 31 and 32, I wonder if it would be possible to get a more complete written answer from your department, considering that the part on the privacy is going to be an important part of our discussion when we come to clause-by-clause discussion of your bill. I wonder whether it might be possible, in anticipation, to receive such a paper from you.

Thank you very much. I apologize to all. I know you're in a rush, and so I've kept you much later than you intended. We appreciate very much your coming here.

[*Translation*]

We would ask the officials to stay for a few minutes so that other committee members can ask some questions.

Thank you, Mr. Dryden.

[*English*]

**Hon. Ken Dryden:** Thank you.

•(1635)

[*Translation*]

**The Chair:** So, we will continue our meeting.

[*English*]

We will continue, and we will start a first round all over again. I would suggest a five-minute round, and we could start with the Conservatives. Does anyone from the Conservatives wish to ask a question?

**Mr. Paul Forseth:** We pass.

**The Chair:** That's fine.

[*Translation*]

You may ask your question, Ms. Gagnon.

**Ms. Christiane Gagnon:** You spoke about an amendment to clause 30. I was going to ask the same question. The bill was already drafted when the Privacy Commissioner appeared before us, and she did take into account the minister's discretionary authority to release personal information if he or she considers it advisable. She did express the view that this authority should perhaps be clarified. I do not remember the wording, I closed my file.

**The Chair:** I will give it to you: "Is satisfied that the information will be used for a purpose consistent with the purpose for which it was collected..."

**Ms. Christiane Gagnon:** Thank you, Madam Chair, for reading the proposed wording for me. This recommendation was drafted after the bill was made available. So you are saying that the codes, privacy protection and so on do not present any problem, that this would be in keeping with the commissioner's expectations. However, as I see it, she did feel she had to make this warning.

Do you not think it would be much more desirable to pass an amendment that would somewhat restrict the minister's authority where the bill states "if the minister considers it advisable"?

**The Chair:** Mr. Hicks.

[*English*]

**Mr. Peter Hicks:** I would say a quick word about the context for the discussion. Julie is the correct person to speak from a legal perspective.

I'm giving a particular example; there may be others, and Julie can correct me if I get it quite wrong. We're talking about the extent to which it is reasonable to constrain a future application, particularly with the provinces, based on our current understanding of what the existing acts are.

To make an example up, if a province decided to pass a law that would make the OAS more generous for a selected group of seniors in a way we haven't seen now, the current wording, providing it's a reasonable request, would allow us, in a manner consistent with our original collection of the data, to provide the data to the province to allow them to administer that program. Julie will explain to you in a minute why there's some concern. I think most people would see that as a pretty reasonable kind of application, and you wouldn't want to have that kind of application illegal in the future, but the concern we have centres around something we really wouldn't want to happen and stopping future use in that regard.

Julie.

**The Chair:** Madame Lalonde.

**Ms. Julie Lalonde-Goldenberg:** I can try to provide some context as well.

You're quite right that it was a very collaborative effort with the Privacy Commissioner and officials. In preparing for this committee, the Privacy Commissioner raised this issue of the shares with provinces and foreign states. As you may know, in the way it's written now, the code provides that the department can make information available to provinces and foreign states for the purpose of administering their laws. What the Privacy Commissioner is proposing now would change that, restricting the allowable disclosures to something that reads that the department could only provide information to provinces for a purpose that is consistent with the purpose for which the department collected the information. For instance, if the department collects information for its programs, it can only share that information with a province if that share is for a purpose that's consistent with the purpose for which it was collected.

Right now, the Privacy Act has a provision that applies generally to any department that doesn't have a code. The provision in the Privacy Act is almost identical to that which is proposed here. The Privacy Act now says that any federal institution can share information with the provinces for the administration of provincial programs.

What the Privacy Commissioner is now suggesting is something very different from what exists in the Privacy Act. The reason it's difficult to support this recommendation at this time is that we know the shares that are going on with the provinces, both for Social Development and HRSD, are for the furtherance of provincial programs. If we were to adopt this recommendation, those shares would have to be curtailed, and that would jeopardize the programs the provinces are carrying out.

To us, it makes very little sense if we're only going to share with the provinces for the same reason we collected the information, i.e., to administer our program. We find it in the context of the labour market agreement, for instance, in our sister department, HRDC. Those shares, to effect the labour market agreements, would be curtailed if we had to apply that test of consistent use.

For instance, if we wanted to give Saskatchewan personal information so that province could readily provide benefits to elderly people in a certain income group, then because Saskatchewan uses the proxy that we use for entitlement, we would have to stop that because that's not why Social Development collected that information. We collected it to pay GIS, but now we couldn't give the information to the province to administer its program. That's really what it means, and that's why it's very difficult to accept that proposal at this point. We don't see the benefit of it.

• (1640)

**The Chair:** Thank you very much for that explanation.

[*Translation*]

Would you like to add something, Ms. Gagnon?

**Ms. Christiane Gagnon:** We've not spoken a great deal this morning about the department's intentions with respect to natural caregivers. The briefing note we received on your department and its mission states that this is a tax measure for workers who have to use some of their time to help a family member.

Will this be the extent of it, or will there be other provisions to assist natural caregivers?

[*English*]

**Mr. Peter Hicks:** Yes, that's very much the intent. You're referring to the Department of Finance's tax measures. That's one thing. But the clear intent—and this is the responsibility of the Minister of State, Mr. Ianno—is very much a question of looking at a fuller range of supports that might be given to caregivers. He has already been discussing this with the provinces and stakeholders, and over the course of the coming year he will be looking at the combined federal-provincial supports, particularly to informal family caregivers, not only through the tax system but through measures such as respite care and a number of other measures. It's very much a question of discussing and finding out what is the best contribution the federal government might make to a combined federal-provincial package, and also to working with stakeholders.

It's at the very early stages, but Minister Ianno is very much engaged in these kinds of discussions. This is an area that touches both people with disabilities and seniors. It touches many areas that are very important both federally and provincially, so it's being discussed right now. I don't have a date in mind, but it seems to me that it's about a year's discussion process that the minister is going through with his colleagues in the provinces and in the stakeholder community, and with caregivers themselves.

• (1645)

**The Chair:** Thank you, Mr. Hicks.

[*Translation*]

**Ms. Christiane Gagnon:** There will have to be an agreement with the health department, because homecare will be included in this.

**The Chair:** Did you ask a question? I did not hear it.

**Ms. Christiane Gagnon:** Yes. I asked whether this program will be adapted to homecare programs that come under the health department?

**The Chair:** Mr. Hicks.

[*English*]

**Mr. Peter Hicks:** Yes, I think it's a very important point. At the end of the day, you can't distinguish. There's a whole spectrum of things that apply to caregiving, ranging from informal caregivers in the family, through to home care, through to institutional care. At the same time, it's equally important to understand that you can't really divorce the caregiver from the care receiver in disability-type programs. Minister Ianno is very much focusing the caregiver agenda within that broader context that you've described.

**The Chair:** Thank you.

Are there any other questions from any of the members? No?

I'd like to thank you all for having stayed for such a long time. We look forward to more questions on the privacy part of the bill.

Once again, I thank you for coming.

I will suspend for five minutes, because we're going in camera for the last part of our meeting.

[*Proceedings continue in camera*]

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