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Chair

Ms. Raymonde Folco

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•(1105)

[Translation]

The Chair (Ms. Raymonde Folco (Laval—Les Îles, Lib.)): I call to order this 30th meeting of the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities. It is Tuesday, April 19, 2005.

We have two items on the agenda. First, we will study the new human resources and skills development Canada call for proposals criteria for funding community programs. We will then deal with the main estimates 2005-2006: votes 1, 5 and 15 under Department of Human Resources and Skills Development.

I would like to begin by welcoming to the committee Ministers Robillard and Bradshaw, and the people with them.

Ms. Bakopanos.

Hon. Eleni Bakopanos (Ahuntsic, Lib.): Before we begin, I have a question, Madam Chair. Is this the right time, or would you prefer to continue?

The Chair: It's up to you. Normally, we discuss our business after the witnesses have gone. If you prefer to do so now, go ahead.

Hon. Eleni Bakopanos: I'd like to raise the issue now, because in my opinion, it's going to have a direct effect on what happens today. On Thursday evening, I received a letter, which I have already given to the clerk. I believe it's in English only. That's why the other members of the committee don't have a copy of it. In the letter, it says... In fact, there are two or three letters.

The Chair: There are a number of them. That's why I would ask that you specify who the letter is from.

Hon. Eleni Bakopanos: It's the letter from the Learning Enrichment Foundation. That organization has already appeared before the committee. Without revealing what we said in camera, I can say that committee members have already talked about this. In the letter—the clerk has the only copy and I don't have it in front of me right now—they say that they received a copy of our report. To my knowledge, Madam Chair, this committee has not yet made a report. However, there is a working document that we discussed Thursday in camera. That document is not public and should not be circulated before the committee makes a decision.

We know that a number of organizations have received that working document, which is not actually a report. They concluded that it was a report. In the letter, they refer to the committee report. We have not yet made a report. We have a document. Apparently,

that document has made the rounds of most NGOs, including those that appeared before this committee. We know that some members claimed that there was a direct link between the evidence before this committee and the decision that the officials made to reduce funding. They may also have read a working document.

If I'm not mistaken, Madam Chair, normally, all documents distributed to committee members are confidential and should not be provided to organizations before committee members have seen them. One of those organizations—ONESTeP, if I'm not mistaken—said that the document was sent by a member of this committee. I don't know who that is.

Normally...

•(1110)

Ms. Christiane Gagnon (Québec, BQ): A male or female member of the committee?

The Chair: Ms. Gagnon, it is an unspecified member of the committee.

Hon. Eleni Bakopanos: I can't say who it is.

Ms. France Bonsant (Compton—Stanstead, BQ): That's okay.

Hon. Eleni Bakopanos: Should we have a debate?

The Chair: Continue, Ms. Bakopanos.

Hon. Eleni Bakopanos: Thank you.

The committee rules state clearly that a document must remain confidential until it has been made public. Someone hasn't followed the rule. I don't know whether that person did so on purpose or not, but I think this deserves to be examined or investigated. Normally, the Committee on Procedure and House Affairs does the investigation. I would like to know who let NGOs get a copy of a document that we had neither approved nor even drafted, if I'm not mistaken. The final version of the document had not even been written yet. It was a working document containing recommendations that we discussed on Thursday. I would really like something to be done. You have the power to request an investigation to find out who sent a working document to the NGOs and perhaps to establish a connection between this incident and the allegations that were made before this committee.

Thank you, Madam Chair.

The Chair: Thank you, Ms. Bakopanos.

Mr. Adams.

[*English*]

Hon. Peter Adams (Peterborough, Lib.): Madam Chair, my colleague referred to a letter that is not translated. She was cc'd with that letter, so she has read it, but I, and I assume all members of the committee, received another letter from the clerk. This is a letter the clerk wrote to me, and I think to all member of the committee, so we've all received it:

Please find included, letter received from Mr. Paul Hubert, from the Pathways Skill Development & Placement Centre, who appeared before the Committee on April 5th, 2005, regarding the New HRSDC Call for Proposals Criteria....

That letter is translated, or is available in English and French. If members don't have it, I think we should circulate it now. It, too, indicates quite clearly that this organization has a copy of our pre-report. Not only is there no report, but also there is no draft report, because there were essentially only instructions for the writing of a report. If members don't have it—because I can see that some members are looking a bit bewildered here—I would suggest that the letter sent by the clerk to all us, of which I have a copy in English and French, be circulated now, so that members can see it and judge for themselves what Eleni Bakopanos is saying here.

I do believe, Madam Chair, this is a very serious matter. Not only do we all know that reports prepared in camera are confidential, but in fact, as I recall, I think you also reminded us at the end of the meeting that the thing was—

An hon. member: That's right.

The Chair: I'm sorry, but I was away that day, and it was Madame Gagnon who presided over the meeting.

Hon. Peter Adams: Excuse me, it was our excellent chair from the Bloc, Christiane, who did remind us at the end of that meeting that this was a confidential report.

The Chair: Thank you.

I'll reserve my comments until everyone has spoken.

Madame Gagnon.

[*Translation*]

Ms. Christiane Gagnon: When the cat's away, the mice will play.

Toward the end of the meetings, it was repeatedly pointed out that the report was confidential and not to be distributed. It's a shame. I don't know how this happened. I can tell you that I didn't even give the report to the research branch of the Bloc Québécois. I know this file well and was waiting for the second version of the report. I don't know what you are going to decide, but it's a shame that this report wound up in the hands of some organizations. I think there will have to be a little investigation.

Thank you.

•(1115)

The Chair: Thank you, Ms. Gagnon. I will come back to that.

Mr. D'Amours.

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Thank you, Madam Chair.

Last week, at our last meeting, when our colleague from the Bloc Québécois was chairing, I made a comment at the end of the meeting. People were talking about certain things and saying that certain things might be distributed. I said quite clearly that whatever had been said throughout the entire duration of the in camera part of the meeting was to remain confidential, regardless of the topic. I clearly mentioned that that had to be respected.

Madam Chair, I too would appreciate an investigation into this, because I feel that my rights as the member for the constituency of Madawaska—Restigouche have been violated and that I have not been shown proper respect. When we are asked to respect the rules, we expect all colleagues, regardless of their political stripes, to treat us the same way and respect our work and our opinions. We have to wait until the document is public before stating opinions or discussing it with the media or anyone else. Above all, we must not release documents that are incomplete. It's a matter of respect.

In order to avoid this happening again in the future, and in order for us to be able to work in a better frame of mind, I would ask the chair to take the necessary steps to find out what happened. That way, our rights, as representatives of our citizens, will be respected when we sit on our committees.

The Chair: Thank you, Mr. D'Amours.

[*English*]

Mr. Martin, you have the floor.

Mr. Tony Martin (Sault Ste. Marie, NDP): I don't think you're going to have to do a whole lot of inquiring, because it was me who shared the research that was presented for this committee to do its work.

As Mr. Adams said, there was no report. There was no pre-pre-report. There was no report that came before this committee. There was no report that came out of this committee.

We're working on a document. We were given research by the researchers to prepare ourselves to participate in this committee.

In doing the due diligence that I do in my work, I shared that document with the folks I happen to be working with on this issue to see what they thought in terms of some of the information that was gathered, and to see what they would suggest would be good recommendations that would help them in trying to understand this new call-for-proposal regime that has obviously, in some instances, completely demolished some of these organizations, has taken away from them the ability to do work they've done, sometimes for 20 or 30 years, because they're no longer qualifying for these contracts.

This whole exercise, from my perspective, was about accountability and transparency, making sure those people out there who are working very hard on behalf of the government have all the information they need to continue to do that work.

They came to us, they came to me, they came to members of all parties suggesting there was a problem. All of a sudden, after February 16, a significant number of them began to lose their contracts, having had no indication that they were doing anything other than what they had committed to do in the contracts they had signed. There was no analysis, in any instance I've seen, that suggested their work wasn't of the best quality and in compliance with what HRSD was asking of them.

Their livelihood is on the line here. The future of their organizations is on the line here. They want to be part of this exercise as we, members of government, struggle with how we suggest to the ministry that it make changes in order to better serve them and their clients.

The information I shared with them was simply information that we received from research. In preparing for that meeting of last week, I felt I would be better prepared to participate in that discussion at this table if I had input from those organizations. There was no report. There was no pre-pre-report. Any report that will come out of this, and actually any discussion that happened in last week's meeting and any agreement that we come to out of last week's and subsequent meetings, is information that I believe is confidential and should be kept confidential.

But there is at this point, as Mr. Adams says, no report, no pre-pre-report. There was research done. That research was shared so that I could be better prepared to participate in the discussion around this table.

• (1120)

The Chair: Thank you, Mr. Martin.

I have Mr. Adams, Mr. Forseth, and Madame Gagnon.

Mr. Adams.

Hon. Peter Adams: Madam Chair, this is the most extraordinary hair-splitting I have ever heard. Committee reports do not exist until they're tabled in the House of Commons. This is a well-known fact. Also, by the way, this breach of confidentiality shows a lack of appreciation for the reason for the Standing Orders.

There's a purpose for in camera meetings when we're discussing reports, and that is to provide the occasion, in a very partisan environment, for us to come together and debate in private, perhaps come to compromises, or change decisions. Different parties can decide to make minority reports, so that the public work of the

committee is affected. That's the reason for this rule. It's not a rule to hide things from the public.

Any member of Parliament knows you need some in camera time for the preparation of the report, otherwise, by the way, we're in the hands of the staff. I have no objection to our staff, but we're simply in the hands of the staff. Staff write a report. We discuss it again in public. We have our partisan arguments about it, and Parliament simply does not work. So this is absolutely hair-splitting, particularly when the chair, on this occasion, had reminded us of this ancient—and it is ancient—Standing Order.

Now, Madam Chair, I was chair of procedure and House affairs for a number of years, and my colleague, I know, mentioned procedure and House affairs. I think this is a serious matter. It's not a matter of committee to committee. I think what we're dealing with here is a breach of the Standing Orders of the House of Commons.

I think it is your duty, Madam Chair, to report this—with the text of today's meeting and any other commentary you would care to add—directly to the Speaker. I think it's up to the Speaker and the House of Commons to rule on this breach, an open breach. We're not talking about an accidental leak or something, but a deliberate leak of committee information, which we had all agreed as we walked out of the door was going to be confidential. Madam Chair, I would strongly urge that the committee decide to report this, not to procedure and House affairs, but to the Speaker and the House of Commons, and let the House of Commons decide what this involves.

The Chair: Thank you, Mr. Adams.

Mr. Forseth, go ahead, please.

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

I do have to agree with the seriousness of the matter and the comments made from the Liberal side.

Perhaps Mr. Martin, after hearing the comments, might have a different opinion as he gains experience and hears various arguments, and understands and comprehends a little bit more the situation, or the territory that he has ventured into, perhaps well-intentioned, but well-intentioned still does not diminish the offence, and it is a serious offence.

I think I would like to not have any ruling right now. I would like to just discuss it a little bit further, if we could put this business to the end of today's meeting, not let it go today—we will deal with it today—but I would like to get on with hearing the minister right now.

[*Translation*]

The Chair: I'm going to give you the floor, Ms. Gagnon, and then I will say a few words.

Ms. Gagnon.

●(1125)

Ms. Christiane Gagnon: I was chairing that meeting and I am sure that if you reread the blues, you will see that the rules were quite clear. I referred to them repeatedly at the very end, when everyone was there. There was some concern about leaks, so there was a reminder that the draft was confidential. It is not a report, it is a collection of ideas and strategies.

I feel cheated this morning. I would have liked to be as productive as my colleague, but that was impossible for me because I followed the ground rules: the document had to remain confidential. Whether you call it a document or a report, there were still discussions. We know full well what a report is and what an in camera discussion is. Confidentiality was requested, and I think that everyone clearly understood. I am a bit disappointed this morning.

I understand that the NDP member wanted to do his job and be more productive, but he was still required to respect confidentiality, which was very clearly stated. I too could have gone and seen my groups. We all want to be productive, but I fully understand that when we are developing ideas or reports, that must not be discussed with the groups we have consulted. I feel cheated this morning, because the ground rules were not followed.

Thank you.

The Chair: Before giving the floor to Mr. Martin and then to Ms. Bakopanos, I must remind you that two ministers are here with us. I suggest that we hear the ministers first and then come back to this matter later today to decide what we are going to do. I will give you time to think about it.

[English]

Mr. Martin, I understand the gravity of the situation. However, considering the fact that two ministers are here, I will give you a chance to come back at the end of the meeting. I'll ask that your remarks, as well as Madame Bakopanos', be brief right now.

Mr. Tony Martin: I won't comment any further on that.

But I also brought before the committee, through you, Madam Chair, a letter regarding another issue that I thought was equally important to this process we're going through and to ask for a review of the fact that a group came before us, we assured them there would be no repercussions for them if they came before us—

The Chair: I'm sorry, I'm going to interrupt you, Mr. Martin. I don't think this is relevant to what we're talking about at this moment.

Mr. Tony Martin: It isn't. I'm saying that I would like it addressed as well at this committee.

The Chair: I will—

Mr. Tony Martin: Has that letter been circulated?

The Chair: It is going to be circulated. It is just being translated. I understand from the clerk that she is having it distributed right now. There are two letters in fact, but you're referring to one letter, specifically dated April 15. We will discuss this. I have my own comments to make.

Madame Bakopanos.

Hon. Eleni Bakopanos: I will save my remarks. I think most have been said.

The Chair: Mr. Adams, please be very brief.

Hon. Peter Adams: My understanding is that at the end of regular time we will return to this matter.

The Chair: Definitely.

Hon. Peter Adams: Thank you.

Hon. Eleni Bakopanos: Thank you.

The Chair: Thank you very much, colleagues. We will come back to our regular business.

[Translation]

Ms. Robillard and Ms. Bradshaw, sorry for the inconvenience.

I would ask that you first introduce the people with you and then proceed with your presentations. The meeting will be divided into two parts, part 1, on the call for proposals and funding criteria, and part 2, on the main estimates.

Ms. Robillard.

Hon. Lucienne Robillard (Minister of Human Resources and Skills Development): Madam Chair, we have with us this morning the deputy minister of Human Resources and Skills Development, Mr. Alan Nymark, and the comptroller for the Department, Mr. Terry Hearn, who will be able to answer all questions about departmental spending.

Madam Chair, committee members, first of all, allow me to thank you for giving us the opportunity to talk about the 2004-2005 Supplementary Estimates, the 2005-2006 Main Estimates and the 2005-2006 Report on Plans and Priorities.

I am going to present the department's agenda, and Ms. Bradshaw will talk about literacy initiatives, our support to official language minority communities, and programs that support aboriginal Canadians.

As the Minister of Human Resources and Skills Development, I realize that achieving our agenda depends on collaboration on many fronts.

●(1130)

[English]

I value a close working relationship with members of the standing committee on issues affecting my department, including your recent review of departmental legislation and the employment insurance program. I will be responding to your recommendations in due course.

Our mission at Human Resources and Skills Development Canada is to improve the standard of living and quality of life of all Canadians by promoting a highly skilled and mobile labour force and an efficient and inclusive labour market.

HRSDC is a major provider of direct services to Canadians and represents the face of the Government of Canada for many Canadians across the country.

[*Translation*]

To deliver these programs and services, HRSDC has \$20.8 billion in total planned spending for 2005-2006, an increase of \$654 million over 2004-2005. Our department also has 14,000 employees across Canada.

This year, we expect to spend about \$13.5 billion in EI benefits for approximately 2.5 million Canadians. We have introduced the new Canada Learning Bond and we will spend more than \$85 million this year. We have also enhanced the Canada Education Savings Grant by an additional \$80 million.

Budget 2005 announced new funds for investment in Canadian citizens including an additional \$125 million over the next three years to work with stakeholders in moving forward on the Workplace Skills Strategy, and \$30 million over three years to the National Literacy Secretariat for the development of a comprehensive strategy in support of literacy and essential skills.

The Report on Plans and Priorities for 2005-2006 sets out our priorities for policy, for service to Canadians and for leadership.

Policy is our top priority. In the policy area, we need to ensure an effective employment insurance program that remains well suited to the needs of Canada's workforce. This includes providing temporary income support and active employment measures to a range of Canadians—youth, aboriginals, the recently unemployed—to promote an efficient and inclusive labour market.

In areas of high unemployment, we announced new measures aimed at enhancing the employment insurance program that will benefit more than 220,000 Canadian workers annually.

I am also proud that the Government of Canada has signed an agreement with Quebec on the establishment of its own parental benefits program. This shows how cooperation between different levels of governments is in the best interest of citizens.

[*English*]

The Government of Canada has also been working with business, unions, learning institutions, the provinces and territories, and sector councils to develop a workplace skills strategy. The strategy is intended to bolster Canadian economic competitiveness by fostering productive workplaces that encourage workers to acquire and develop their skills.

[*Translation*]

In advancing the skills agenda, the Government of Canada is but one player. Cooperation across the labour market with employers, unions and educators is critical to improving the strength of our economy through more skilled human resources.

Our second priority is service to Canadians. While Canadians have high and rising expectations about the speed and quality of service delivered to them, HRSDC faces increasing volumes of client inquiries and transactions with a growing number of them being electronically based.

We are responding to Canadians by moving forward with the Service Canada Initiative that will provide one stop, easy access to all federal programs and services for individuals across multiple

channels—online, on the phone, by mail, and at 320 Service Canada offices in communities across the country.

● (1135)

[*English*]

Our third priority is to demonstrate the highest standards of accountability and financial stewardship. Canadians want to know that resources are used for the purposes intended, and they want to know that we are efficient in providing quality services to clients. In this regard, I would like to point out to the committee that our report on plans and priorities highlights the significant advances that have been made in our performance measurement framework.

[*Translation*]

And we will continue to ensure clear objectives for the department, solid performance expectations, and results reported in a credible and balanced manner.

Madam Chair, committee members, I know that the committee has called witnesses who have raised questions about the call for proposals process. First, let me underline my great regard for the voluntary sector and its work. I am well aware of the collaborative nature of our relationship with the voluntary sector—we need each other to provide quality services to Canadians.

The Department of Human Resources and Skills Development carried out some \$2.5 billion in business in the last fiscal year with the voluntary sector and stakeholders in delivering employment programs and services to Canadians.

[*English*]

Following the Auditor General's report on grants and contributions, the department took steps to promote accountability to Canadians and a more transparent and open process when selecting service providers for high-dollar-value projects.

So the department launched the call-for-proposals process last year. Having a call-for-proposal process establishes a level playing field, allowing any service provider to apply. It also sets the requirements upfront, advertises well in advance, and allows for a fair and consistent assessment.

[*Translation*]

However, as with any new initiative, it is prudent to review progress and determine if adjustments are in order.

I believe the government needs to allow a reasonable transition period when major changes are made to a funded activity already underway. Likewise, I fully support the department's recent efforts to strengthen consultation and communication with community stakeholders and to consider certain enhancements that will make the process more transparent and accessible. Madam Chair, I also await the recommendations of this committee on this problem with a very open mind.

In conclusion, only by working together can we address the challenges of today's economy while setting the foundation for an even stronger Canada.

So I would welcome the committee's input and suggestions on challenges of this nature. However, I would like my colleague, Ms. Bradshaw, to give you a summary of the challenges she is dealing with in three areas of responsibility within our department.

The Chair: Thank you, Minister.

Ms. Bradshaw.

Hon. Claudette Bradshaw (Minister of State (Human Resources Development)): Thank you, Madam Chair.

[English]

As Madame Robillard told you, I will be highlighting the work and support that our department provides in three areas: literacy initiatives, aboriginal skills and employment development, and the development of official language minority communities.

[Translation]

As the committee may be aware, an estimated eight million working age Canadians lack the literacy skills needed to succeed in our knowledge-based economy.

This is why we will be working with provinces, territories and stakeholders on developing a comprehensive strategy in support of literacy and essential skills development. As an initial step, budget 2005 is investing \$30 million over three years to enhance the capacity of the National Literacy Secretariat to further develop partnerships with the provinces and territories, businesses, unions and other stakeholders. These investments will help foster awareness and involvement in literacy issues and promote learning in the workplace.

• (1140)

[English]

In all my work on literacy issues I will be guided by the recommendations of the report on literacy that the Standing Committee on Human Resources and Skills Development completed in 2003. The standing committee's work on this report was both thorough and extremely insightful. I will be using its findings to help map out the direction I want to take on Canada's literacy challenges.

I have to tell you, Madame la présidente, that everywhere I have travelled, everybody has talked to me about the work you've done as a committee.

[Translation]

On behalf of all of the homeless people in Canada, I can congratulate you: you have done an extraordinary job.

[English]

To achieve the best possible results, we want to continue fostering close partnerships with community-based literacy groups and organizations across the country. Partnerships are also crucial to our work in developing labour market and skills training programs that will lead to greater employment parity between aboriginal and non-aboriginal Canadians.

The unemployment rate for aboriginal people continues to be three times higher than the overall national rate. The first of our aboriginal labour market programs, the aboriginal human resources development strategy, AHRDS, was launched in 1999. Under the strategy, aboriginal agreement holders design and implement labour market programs exactly fitted to the needs of the community and individual clients. The aboriginal communities and organizations holding the agreements have achieved significant results, including helping more than 80,000 aboriginal people prepare for and find good jobs. Based on this success, the renewal of the AHRDS was approved in 2003 for another five years.

Our newest aboriginal labour market program is the aboriginal skills and employment partnership program, ASEP, a five-year \$85 million multi-year funding initiative that was launched in October 2003. ASEP is specifically designed to help aboriginal people get the skills they need to participate in larger-scale economic development projects in or near their communities. To ensure aboriginal people get maximum benefits from training and job opportunities in these projects, ASEP works in partnership with aboriginal communities, federal, provincial, and territorial governments, the private sector, labour, and educational institutions. There are now nine ASEP projects throughout the country: in the forestry sector in New Brunswick; the hydroelectric development in northern Manitoba; the oil and gas sector in northern Alberta; the construction industry in Alberta; the Baffin fishing industry; the oil and gas and diamond mining sectors in the Northwest Territories; and the construction industry in the lower mainland of British Columbia.

[Translation]

My other major priority as Minister of State will be to reinforce our efforts to help support the economic development of official language minority communities across the country.

A major advance in our work with linguistic minority communities occurred on March 23 with the announcement of \$36 million in funding over three years to set up an enabling fund.

On March 30, for example, the Réseau de développement économique et d'employabilité of British Columbia received approximately \$500,000 under the enabling fund to support human resources and economic development of francophone minority communities in the province.

Working through the new partnership initiative, we want to ensure that official language minority communities, throughout Canada, have the tools they need to help their communities grow and prosper.
[*English*]

Partnership is the team that unites all the initiatives I have highlighted today. HRSDC is very proud to work with the many dedicated organizations that are helping us enhance Canadians' literacy skills, create skills and employment opportunities for aboriginal Canadians, and build capacity in the official languages community.

• (1145)

[*Translation*]

The Chair: Thank you, Minister. On behalf of the committee, I would like to thank you for your kind words about the past work of the committee under chairs Mr. Peter Adams and Ms. Longfield.

Ms. Robillard, Ms. Bradshaw, we are now going to go to question period. To begin, we will have seven minutes each for questions and answers.

Mr. Devolin.

[*English*]

Mr. Barry Devolin (Haliburton—Kawartha Lakes—Brock, CPC): Thank you, Madam Chair.

Thank you to the ministers and their staff for being here today. I sense that the translation didn't bring all the colour of Minister Bradshaw's comments through—more reason for me to improve my French.

Hon. Claudette Bradshaw: You're right.

Mr. Barry Devolin: I'd like to ask Minister Robillard about EI. I have two or three questions I would like to put forward.

I notice in the estimates reference to the income for the EI fund this year that part of it is interest on the notional surplus. As you know, there has been much discussion about the notional surplus at EI, whether it will ever be repaid and where the money is. Is it just a bunch of IOUs in a cup somewhere? But those dollars are there.

We have been discussing setting up a separate fund for EI. So my first question is, if there is a separate fund set up for EI, does the government intend to put the surplus into that account? Does it intend to put it in as a lump sum, or does it intend to repay it over a series of years? I'm curious about what the government's plan is and how it intends to repay that surplus into the fund, which benefits employees and employers. That's my first question.

My second question is regarding the setting of the EI rate. Many people believe the EI rate is something that should come before Parliament and is not something that should be established by order in council. I would like to hear from the minister why the government opposes that issue coming before Parliament and why it intends to deal with it internally as an order in council.

The Chair: Thank you, Mr. Devolin.

Madame Robillard.

[*Translation*]

Hon. Lucienne Robillard: Thank you, Madam Chair.

[*English*]

First of all, let's deal with the question about the surplus and that "notional" term that you're speaking about. Perhaps the comptroller could add something to my first remark.

The surplus, as you know, as we all know, is a virtual account right now. This is not a separate fund where you will find the surplus accumulated over the years. This is a virtual account. To be more direct, there is no cash money in a separate account where you find money identified for the EI. You know all that. We have had that debate in Parliament for many years. It's clear to me that it doesn't really exist. That's an accounting method that was used to have that in the public accounts.

Two, I think it was very clear that the government did not choose to have separate accounts. You've seen the decision in the budget to give more responsibility to the EI Commission, to give the legislative authority back to the EI Commission to fix the rate themselves, and to do that in a more transparent manner. To do that, we made it clear that the chief actuary will report directly to the commission to make a recommendation about the EI rate, in a transparent way, after having consulted the experts in the field. The commission will consult both sides, the employers and the unions, and will fix the rate; it will have the legislative power to do it. They should do it in a manner that you don't have a surplus or a deficit, so the rate should correspond to the expenses you have for EI.

That was the decision the government took. If the government wants to change the decision of the commission, the onus will be on the shoulders of the government to prove to all Canadians that it shouldn't be the case.

• (1150)

Mr. Barry Devolin: I apologize if I didn't make myself clear. I understand that the surplus is virtual or is notional. If there is a separate account created, will that virtual surplus disappear? Does it stop being a virtual surplus in the consolidated revenue fund? Does it just disappear off the books, or does the money get added, or does the IOU get transferred over to this new separate account?

Hon. Lucienne Robillard: I don't have the answer to that. Perhaps the comptroller has. The finance department, I'm sure, has an answer.

Terry.

The Chair: Mr. Hearn.

Mr. Terry Hearn (Comptroller, Department of Human Resources and Skills Development): I can provide some insight into how it works. As the minister has said, it's actually the Department of Finance's fiscal policy that would establish this.

Going back slightly, our government has for many years worked on a modified cash basis in its public accounts. The word “modified” implies that certain areas such as physical assets and the EI account are actually accounted for on an accrual basis. So fundamentally speaking, you were seeing a surplus account because of the requirement to present in public accounts, on an accrual basis, the amount of surplus that one would see, as the minister has implied, in a virtual account.

It has always been represented in public accounts because of our duty to present the financial information on a modified cash basis. If there were a separate account, the implications would be the same. There would be a duty to respond on an accrual basis with respect to the EI accounts and the interest associated with it, but it would remain in a virtual perspective.

Mr. Barry Devolin: There's a suspicion that the surplus isn't there, that it never was there, that the references to the surplus are notional in an accounting sense. It's like me saying I owe my wife money or she owes me money. It doesn't really exist; it's just a number.

What you're saying is that the surplus doesn't exist anywhere; it only exists on paper for accounting purposes. The money, effectively, has been transferred from the EI account to other government programs over the past several years.

Hon. Lucienne Robillard: Correct.

The Chair: Madame Gagnon.

[Translation]

Ms. Christiane Gagnon: Good morning, Ministers.

My question is to the Minister of Human Resources and Skills Development. On page 3 of your presentation, you put forward a commendable objective. You talk about accountability with respect to organizations who get money from the government to administer programs. You would like “a more transparent and open process when selecting service providers.”

However, when I tried to find out how the new call for proposals system worked, and how the program was administered in Quebec, I discovered that this was a very well-kept secret. It was very difficult to find answers on the website. Calls had to be made to find out who had received these grants and to obtain information about the call for proposals. It took several attempts before we were able to get a few answers to our questions.

In addition, I wanted to know what a \$500,000 call for proposals involved. I thought this meant that an organization was receiving \$500,000. After a number of enquiries, with the help of my research staff, I found out there were seven organizations in Quebec who had received grants ranging from \$89,000 to \$150,000, for a total of \$900,000. This was a regional fund, and it was a call for proposals process.

So we need to understand what is meant by “call for proposals.” I was very surprised to see that it involved small grants of between \$89,000 and \$150,000.

The second thing I found out is that of these seven organizations, three were located in your riding. I have nothing against that. However, I would like to look a little closer at this matter of

transparency in the selection of service providers. The fact that these organizations are located in your riding is one thing. We might perhaps challenge that. But I would like to pursue this further. Is the reason that these organizations are more concentrated in your riding? Perhaps they have more capabilities or are better able to meet the eligibility criteria, or perhaps there are no other organizations located elsewhere.

Perhaps you cannot answer my next question this morning, but you could send me a reply in writing. The \$900,000 is a regional envelope which is administered in Montreal. I had a second question after I met with organizations in the national capital region [Quebec city]. In the past, these groups had \$400,000 to help post-secondary students with labour market integration programs. There are three organizations in your riding, but there are others elsewhere, such as in the Lower St. Lawrence, in Francheville and in Blainville. You may not have the answer this morning, but I would like to know what the total figure is for these grants. Are regions losing out? The program is administered out of Montreal, not in the regions.

I spoke with the director of Human Resources and Skills Development Canada in my riding, and he told me that he had nothing to do with that and that this was for the Career Focus Program.

If we compare the current amounts with the amounts that were distributed before, under a different program name, are these organizations losing money now that this is a regional fund?

In addition, Minister, the criteria are the same for a grant of \$89,000 as for a grant of \$500,000. The organizations told us that there was often too much administrative pressure for them to respond to the calls for proposals.

• (1155)

Hon. Lucienne Robillard: You have a great many questions

Ms. Christiane Gagnon: I want to inform you of certain things, because I do not think people in Quebec understand what is meant by a call for proposals.

Hon. Lucienne Robillard: I would like to start by clarifying a couple of things. Michael Saucier will complete my reply, specifically with respect to regional projects.

First of all, if you discover there were some grants and contributions in my riding, Ms. Gagnon, I would say straightaway that this is not very significant. As you know, my riding is located in downtown Montreal. The two ridings that received the most grants and contributions from all departments of the Canadian government are Westmount—Ville-Marie and Laurier—Sainte-Marie, because they are located downtown and that is where the organizations are located and they provide services throughout the province.

Second, it is not surprising that you had difficulty tracking the entire process in Quebec and seeing how the call for proposals works. You mentioned some examples, particularly in Ontario, but we could also mention some examples in Vancouver.

You must remember that an agreement on manpower development was signed with Quebec and this led to the transfer of some programs. We have agreements throughout the country, except Ontario. So it is as though we were managing Emploi Québec in Ontario. There are far more grants and contributions in Ontario, because the program is run by the federal government, not by the Ontario government. Moreover, we use the call for proposals process for contributions over \$500,000.

When I analyze all of the grants and contributions paid by Human Resources and Skills Development Canada, I see that they total \$2.7 billion a year. That is huge. For their part, calls for proposals represent \$226 million or 8 per cent of the total. The method used to allocate the remaining funds is different from the call for proposals process. Perhaps that is why there was some confusion.

You spoke about a regional fund in Quebec for other types of programs. That was one of the questions asked.

Can you provide some clarification for committee members on this matter, Mr. Saucier?

• (1200)

Mr. Michael Saucier (Director General, Labour Market and Official Language Minority Communities, Department of Human Resources and Skills Development): Thank you for your question, Ms. Gagnon.

We used the call for proposals once in Quebec, and that was really an exception. That was a process to allocate a budget for the Career Focus Program, and that was really very different from the process used in Ontario and British Columbia, where almost all the calls for proposals occurred.

You are right, there was an amount of \$900,000 available for seven groups. The amounts were under \$500,000. We used this process for allocating the funds, but this was an exception to the rule regarding contributions of \$500,000 or more.

The Chair: I apologize, Ms. Gagnon, for interrupting here, but you have gone over your time. There will be an opportunity to come back to this important matter in the second round.

You have the floor, Mr. Martin.

[English]

Mr. Tony Martin: Thank you very much, and thanks for being here today. We've been looking forward to your attendance at the committee.

As you know, we've been having hearings over the last few weeks with organizations who either are or were previously contracted by your ministry to deliver services in their communities. We've heard a number of rather compelling arguments that the new regime for requests for proposals isn't working out very well for them. There was actually an admission by your ministry that it was maybe done in haste, that perhaps there should have been more thought given to how this rolled out, with perhaps more time taken.

I wrote you a letter back on March 11 of this year, asking you to put a moratorium on any further funding cuts or on ending contracts so that the already existing organizations would have the benefit of these hearings and the recommendations and the new approach by

the ministry. But it turns out that in Ontario, anyway, the ministry is just moving ahead quickly. There are a number of organizations that have been around for a long time delivering these programs who no longer have their contracts. Their contracts have been given to somebody else, and they haven't been given the benefit of the information we've gathered here.

As a matter of fact, in some instances there was reference, particularly at the first meeting of the committee, to there being intimidation and harassment. That was downplayed by some around the table who suggested it was an overstatement and it wasn't happening, but if it did happen, they would deal with it. Then there was the suggestion that if anybody who came before the committee was too critical, they might suffer further repercussion. We were assured several times by the Liberal members of the committee and by the chair that it wouldn't happen, but now we know some organizations have lost their contracts without the benefit of this hearing or any recommendation or the changes the ministry has now suggested it's going to undertake.

We heard last week there was an organization that actually came before the committee, Learning Enrichment Foundation, represented by Eunice Grayson, who was promised by the ministry that even if they lost their contract, they certainly would be given an extension to deal with the interim period, and that whatever recommendations came out of this hearing would be considered in their case. They lost their contract as of last Thursday, I believe, so I can't help but make the connection that they came before the committee, they were quite critical of the process—although I have to say they weren't the most critical and Ms. Grayson was actually quite balanced and good in her approach—and her organization has now lost its funding.

The question is, why no moratorium? Why are we continuing to take contracts away from some of these long-serving, very good organizations who have never been criticized or had anything in their file to indicate they weren't delivering good services? Why are these organizations feeling harassed and intimidated, and why did Learning Enrichment Foundation—

• (1205)

Hon. Peter Adams: I have a point of order, Madam Chair. In the preamble it didn't worry me but in the question it does. My understanding was that we were going to deal with this matter of the threatening of witnesses at the end of regular time today. I don't think it's appropriate; you ruled it out of order, and I believe it is out of order.

Mr. Tony Martin: I don't think that's a point of order, but if I might, Madam Chair—

Hon. Peter Adams: Madam Chair, I think it was a point of order. If we'd like to debate that, I'd be glad to debate it.

The Chair: It is a point of order because it is relevant to what we were saying earlier on.

I have my own point of order, and I'm waiting for the minister to answer your question before I even bring out my own point of order.

Mr. Martin, you're on the preamble. Please go to your question, because in any case you're not going to get an answer to your question unless you get to your question.

Mr. Tony Martin: I was getting to my question when I was rudely cut off by Mr. Adams.

The Chair: I stopped the clock.

Hon. Peter Adams: Madam Chair, I'm on a point of privilege then. I'm entirely entitled to call a point of order when a point of order is merited. It has nothing to do with rudeness. I have a job here. My colleague has a job—

Mr. Tony Martin: It's just that it's a pattern, Mr. Adams.

The Chair: Excuse me, Mr. Martin. Mr. Adams has the floor. You have to let him finish.

Mr. Martin, I don't want to be patronizing. I will repeat what I said at another meeting and what I understand Madame Gagnon said when she sat on this chair at the last meeting. It is that there are rules and regulations as to how to conduct this meeting, that the chair is doing her best, and that the members should do their best. I would ask you to, as much as possible, respect the rules and regulations we try to administer here at this meeting.

Now, I'm starting the clock again so you can continue the questioning you have for the ministers.

Mr. Tony Martin: Thank you very much.

My question was—and I was just about finished when the point of order was raised—why didn't you respond to the request for a moratorium and stop the ending of some of these contracts so the people could take advantage of the hearings and the report and also the changes the ministry is now implementing? Why this aura of intimidation and harassment that has been spoken of so eloquently by—

Hon. Peter Adams: Madam Chair, I have the same point of order. I realize you were in conversation. My colleague is repeating the same point. We agreed we would consider this question of intimidation after regular time today.

The Chair: Mr. Martin.

Mr. Tony Martin: I didn't think we were to be talking about intimidation at all after the regular thing today. We were going to talk about the fact that there's a feeling among some people that I breached confidentiality. That had nothing to do with intimidation.

Intimidation came up over and over again from witnesses who came forward during the hearings. I just want to ask the minister about this because it was following that meeting where the intimidation and harassment were mentioned again on a number of occasions that we decided we would have the minister come before the committee to actually respond to and answer those questions. If I can't ask the questions now, I wonder why we asked the minister to come here in the first place.

I don't know what Mr. Adams is on about here, but certainly intimidation and harassment were raised during the hearings by the witnesses who came here. I think we should be able to ask the minister what her thoughts are on that and if, having listened to some of the testimony—hopefully it was reported to her—she might have done some investigation.

I also wanted to know if she could speak to me most directly, though, about what happened to Learning Enrichment Foundation

and Eunice Grayson, who appeared before the committee and then subsequently lost her contract.

The Chair: I'm sorry, I have to cut you off there, Mr. Martin, because there is a point of order coming from Mr. Adams.

Hon. Peter Adams: Madam Chair, I'll explain very slowly what I'm at. This question of intimidation, which we've discussed as a committee matter, is a committee matter, a serious committee matter. If committees of the House of Commons cannot in fact protect their witnesses, it is a serious, serious, matter. We've agreed to that and that's why you ruled it out of order.

It has to do—and I'll say it slowly—with the separation between the House of Commons and its committees and the government, and we have to have the power to protect our witnesses. It has nothing to do with our ministers; it has to do with the committees. That's why, Madam Chair, I assumed we would discuss this later and not at this time, and I assumed you had ruled that line of questioning out of order.

● (1210)

The Chair: I would like to come back to this.

I understood, Mr. Martin, that we were inviting the minister to come and talk about two things. One was, of course, the estimates, and the other one was on the criteria for funding community programs.

Now, the criteria are one thing. The fact that you and some other people say there is prejudice against these other witnesses we've received is a totally different matter, and I would like to discuss that.

There are a lot of things that I would like to discuss in the time we've reserved after the ministers are finished, time we've reserved in committee, in camera. There are a number of questions that I have to ask and a number of things that we need to discuss together.

I don't want to say they don't concern the minister; they concern the minister, ultimately, because she's minister of that department. But at this point in time it's the business of this committee. I have ruled in the past, Mr. Martin, that according to the rules and regulations—and I will come back on this—in administering any committee meeting, the witnesses were protected.

Just to come back on that point, you've just said, Mr. Martin, that we were advised by Liberal members and the chair that any intimidation would not happen. I would like to remind you, Mr. Martin, that the entire committee was in agreement with the ruling of the chair at that particular time. I ruled on this twice, and both times the entire committee—perhaps not you, but the rest of the committee—was in agreement.

So I would really ask you to please not politicize this. It is not a matter of the Liberal members and the chair saying one thing and the rest of the committee members saying another. It was a decision by the entire committee, with the exception of yourself, on this.

So I would ask you to please be very careful when you talk about the decisions of this committee.

Mr. Tony Martin: Can I just put my question?

The Chair: You can address the question. Within the limits legislated, your question can be addressed to the minister, of course.

I'll start the clock once again.

Mr. Tony Martin: I can repeat my questions if you like. They're very clear.

The Chair: Please do.

Mr. Tony Martin: It was asking for a moratorium, and why that didn't happen for some organizations when perhaps it did for others; the question of intimidation and harassment; and the question of the Learning Enrichment Foundation losing their contract after they came before the committee.

The Chair: I would like you to answer the first part of this question, Madam—

Mr. Tony Martin: I disagree, Madam Chair.

I have a right as a member of this House of Parliament sent here by my constituents to participate in the committee activity, and I did. When the witnesses came before this committee I was led to believe that we were bringing the minister here to this committee solely, actually, to answer questions that flowed out of that investigation. As a matter of fact, it was Mr. Forseth—I ran into him in the House after an in camera session after a meeting—who said that the minister was coming to answer questions. I raised it again at the next meeting, if the minister was coming. You said, yes, she's coming.

Then all of a sudden she said that—

Some hon. members: Oh, oh.

The Chair: Order, please.

Mr. Tony Martin: If the Liberal members think my serious inquisition here is funny, then perhaps they should go someplace else.

This is very serious business. There are people out there in our communities who no longer have work. There are agencies that no longer have contracts. There are people who are no longer getting services by this ministry because of the behaviour...the new requirements that were put on by the ministry, and I want to just get some answers for those folks.

If the Liberals think this is funny, well, that's fine. I don't. I'm very serious about it. I want some answers, that's all. And I think I have a right, as a member of this committee, to ask my questions without interference or intervention from the Liberals.

The Chair: Mr. Martin, the question that you—

Mr. Tony Martin: Or why would I bother coming here in the first place?

The Chair: Excuse me, Mr. Martin. May I have the right to speak?

I'm sorry. I let you finish what you had to say. I would ask that you respect that the chair has something to say on this, please.

You have two parts to your question, as I understand it.

• (1215)

Mr. Tony Martin: Three parts.

The Chair: Three parts.

What I'm asking you to do is to discuss with the minister, ask the minister any questions that are relevant to the call-for-proposals criteria for funding community programs.

Now, we know we have reserved time at the end of this meeting, when the ministers will be gone, to discuss amongst ourselves, amongst the committee members, what seem to be some new developments that you've brought to my attention through a number of letters, which I've received from other people as well. I told you at the beginning of this meeting that we would discuss this.

We're not trying to hide anything here, Mr. Martin.

Mr. Tony Martin: Why don't you let the minister answer the question—

The Chair: I asked the minister—

Mr. Tony Martin: —if you're not trying to hide anything?

The Chair: We're not trying to hide anything.

Mr. Martin, the chair has the right to rule on which questions are relevant to the agenda, which questions are not, and what is relevant to this agenda. This is not the first time I am sitting in a committee either, but I ask you to respect the decision of the chair.

In spite of the decision, you can appeal the decision of the chair. We've gone through this discussion many times. You can appeal the decision of the chair and it is your right to do so, but in committee there's a decision of the chair and you must abide by it.

Mr. Tony Martin: I guess I don't understand the ruling of the chair. This information on harassment and intimidation was clearly presented by the witnesses who came before the committee. I only wanted the minister to comment on that.

Hon. Eleni Bakopanos: I have a point of order, Madam Chair.

The Chair: Yes, Madam Bakopanos.

Hon. Eleni Bakopanos: As a committee, we have asked for evidence of those types of allegations. There is no such evidence. In fact, I spoke to the Learning Enrichment Foundation after they made me aware that the honourable member had leaked a document and had admitted it. I asked them where the evidence was, empirical evidence and not allegations, that there was intimidation. No such evidence has been presented before the committee.

I would ask Mr. Martin very politely, first of all, not to bring forth something that we're going to discuss later, and when he makes those types of allegations, to bring forth evidence before this committee.

I think he's trying to make a point that he has been trying to make from the very beginning when we've had these hearings, which is totally inappropriate and which we have said we will deal with as a committee. I don't think this is the place to be making allegations and allusions to motives on the part of the Liberal members because of the work we're trying to do as a committee. We are here as a committee, not as partisan politicians.

If his concern is about those organizations, let's have the minister answer the part you have ruled in order. The other part we will deal with as a committee, and we have already said we will deal with it as a committee. There is certainly no evidence that has been brought forward in terms of allegations that have been made by Mr. Martin.

The Chair: I have Mr. Van Loan and then Mr. Martin.

Mr. Peter Van Loan (York—Simcoe, CPC): To remind everyone where we were, there was a time when there was a suggestion that the minister would come here to answer questions on what I call the contracting process. My concern was that I didn't want to not have that happen and lose the opportunity for the minister on estimates. Then we were assured that the minister would come on both separate topics.

Obviously, that has not happened. We're having only one appearance, not two separate appearances on the two separate topics.

In those circumstances, as much as it may not be my cup of tea or the issues I want to chase, I think some latitude has to be given to Mr. Martin to ask the questions. I'm sure this minister is quite capable of responding to them.

The Chair: Well, then I think I have to ask the members of the committee how they want to proceed. That is the only choice left to me.

I'm sorry, yes.

Hon. Eleni Bakopanos: I have a little clarification for Mr. Van Loan. The minister is here to answer all questions. After being members for twelve years, we know that any question can be asked during estimates. No one is trying to make that point.

I think there has been a pattern of non-respect for the rules of this committee. Again, when the chair rules, we need to have a motion to override the chair's decision, which is appropriate, in my opinion, though it may not be in your opinion. If Mr. Martin wants to challenge the chair, he very much has that right, but the chair has ruled. Either we're going to show respect or we're not going to show respect for the rules of this committee.

So far I don't think it is all the members on this side who have shown no respect for the rules, Mr. Van Loan.

• (1220)

The Chair: Mr. Martin.

Mr. Tony Martin: I would like to challenge the chair on that ruling.

The Chair: Thank you, Mr. Martin.

The question before us is on whether the members of this committee can ask the ministers questions concerning the supposed—I will say “supposed” because nothing has been proven—intimidation of civil servants of HRSDC toward certain NGOs.

Is that satisfactory, Mr. Martin, as I've put it?

Mr. Tony Martin: Yes.

The Chair: That is the question before the members of this committee. Those in favour?

Are you voting now or are you asking a question?

[Translation]

Ms. Christiane Gagnon: I would like to clarify something.

The Chair: Please proceed.

Ms. Christiane Gagnon: When I chaired the committee last week, I thought we had reached an agreement. I would like my colleagues to tell me whether I understood correctly. We decided that

a letter would be sent to the minister, calling for an inquiry or a thorough investigation of the whole matter that you raised regarding the fact that some witnesses were reportedly suspended and others intimidated. I thought that at the end of last week's meeting, we had decided that the organizations would send a letter to the minister calling for a clarification of all this within her department. Is it true that some officials were suspended for reasons having to do with the calls for proposals? I thought we had an agreement on that. Is that correct?

The Chair: Here is the answer to your question. I received two letters from Mr. Martin dated Friday, April 15. You now have a copy of them in both official languages. In one of the letters, he did talk about immunity, and in the other, he asked that some points be added to the text that was presented to the committee on April 14, the day you were chairing the committee, Ms. Gagnon. These two letters were sent to me, and you have copies of them now.

I also received a letter signed by Ms. Grayson, the Executive Director of the Learning Enrichment Foundation. We will come back to the vote. For the time being, I am answering Ms. Gagnon's question. This letter dated April 14 was sent to the Honourable John Godfrey, Minister of State, Infrastructure and Communities, by the Learning Enrichment Foundation. I also received a letter in both official languages signed by Mr. Paul Hubert, the executive director, dated April 14. In his letter, Mr. Hubert makes a number of recommendations.

These are the letters I have received and that you have as well. These letters, which you will be able to reread, in no way asked me to get in touch with the minister on any matter having to do with the immunity of witnesses who appeared before this committee.

[English]

Do you want to say something, Mr. Martin? I'd like to call the vote on this.

Mr. Tony Martin: I would just like to respond to Madame Gagnon, to say that the question I'm asking here really has nothing to do with last week's meeting; it has everything to do with the witnesses and the evidence they brought forward, and to ask the minister what she thinks. The witnesses talked of intimidation and harassment. I'm not ready to call them liars—

The Chair: Nobody is, Mr. Martin.

Mr. Tony Martin: Okay. I just want to find out from the minister if she's investigated that, if she's looked into it, and what her take on it is. I'd like her to answer that question, and then perhaps, if she's done any investigation into the Learning Enrichment Foundation situation, tell us what happened there. That's all I'm asking.

Also, just on another point of order—

The Chair: I'm sorry, we're going to a vote here. Let's finish the vote first and then you can bring another point of order later on.

We have a vote before us. I won't repeat the question. I think we all know what we're doing.

Those in favour of maintaining the chair's decision not to have Mr. Martin ask the minister a certain type of question—I won't go into the details—would you please raise your hand? Those in favour of maintaining the chair's decision, raise your hand, please. Those against?

I'm sorry, Mr. Martin, it has been defeated, and my decision has been sustained.

We will now—

• (1225)

Mr. Tony Martin: Maybe we can have a conversation outside of this meeting and we can talk some more about it then.

The Chair: Mr. Martin, I stopped the clock another time so you could ask your questions that were allowed. You've asked them.

You have two minutes to reply, Madam Minister.

[*Translation*]

Hon. Lucienne Robillard: I am wondering which question I should answer, but it doesn't matter.

[*English*]

Following the question of our colleague Mr. Martin about the concern he had with the call for proposal and the reaction of the volunteer community, I have to say, Madam Chair, that when the change was brought out last year to have this process for calls for proposals—and again, that's for all the grants and contributions over \$500,000, not for all the grants and contributions of the department, because we have \$2.7 billion in grants and contributions—it was a new process. It was a drastic change for the whole community and for volunteer sector organizations that were used to working with us at HRSDC.

When I started to hear some concerns from members of Parliament about it, I sat down with my officials to look at what happened and at how the new approach had been implemented. I found out exactly what my officials told you at the last hearing, that, first of all, because it was a major change, it was very difficult for the sector to adapt to the new approach. I think the implementation was rushed for the sector, which made it very difficult for it, instead of doing it step by step, but that was the decision made at the time, for good reason. I'm not questioning it, but that was one of the difficulties.

The second difficulty is that perhaps we didn't prepare the sector enough to be able to face this new process.

Having said that, Madam Chair, I did not hear from the sector that it is questioning the principle behind the call for proposals here. Everybody agrees that for contracts over \$500,000—that's a lot of money—we have to be sure we have value for money and that we have the best services for the citizens. Don't forget that all this money is for unemployed people; it's not for the organization. The organization is there to deliver the services. I think everybody agrees with the principle.

The difficulty is with how we have implemented it and with how the sector has adapted to this new process. That's why I've said that it's very clear to me, and I don't question the principle here, but I

question how to fix the process so that it will be done in the right way with the sector.

I have to say, Madam Chair, in other provinces where we have transferred the labour market programs, some of the provinces already use the call for proposal with the volunteer sector. The volunteer sector is able to compete in this model too, but it needed time to adapt to that. It needed time to be accompanied by our department to have a fair process and everything. That's why I didn't want to put a moratorium on this, because in the end, we have to give services to Canadians. So I don't want any discontinuity in the delivery of services, but I want to fix the problem.

With the recommendations that you will bring forward, and with the recommendations of the sector too...I have asked my officials to sit down with the major organizations and look at how we can improve that process. We have already brought in some improvements in the last two weeks, but we may even change the directive we have to be sure that the sector agrees it is the right way to proceed.

I'm here. Let me say, if I may, that when I heard about those concerns from members of Parliament, including the member from Toronto, Davenport, I told my department to slow down the process. If you want someone to blame because the organizations didn't receive their answers instantly, it's because the minister said slow down the process. I want you to be sure. I want analysis here of what's going on, what will happen, and how we can improve the system.

• (1230)

But I have to say, Madam Chair, looking at different files, I think the right processes were followed, which is not to say that the processes cannot be improved here. I hope the members of the committee will even look at the selection grid and how we evaluate it. I don't know if you will have some recommendations to give to the minister on this, but I would appreciate them.

The Chair: Thank you very much, Madam Minister.

Monsieur Jean-Claude D'Amours.

[*Translation*]

Mr. Jean-Claude D'Amours: Thank you, Madam Chair.

Thank you very much for being with us this afternoon, Ministers.

Earlier, Ms. Bradshaw raised the issue of official language minorities. We understand each other on this, because we are both from the same province. I would like to talk more about the Enabling Fund, to find out which initiatives it implements, as well as its objectives and its market. It seems to be for official language minority communities, which is a very good thing. I would like to know what this new initiative is expected to achieve.

The Chair: Ms. Bradshaw.

Hon. Claudette Bradshaw: Thank you for your question. Yes, I do have a little trouble pronouncing the word "*habilitation*", but Ms. Robillard will help me practise this afternoon.

First of all, the program is working very well in Madawaska—Restigouche, in the Acadian Peninsula and throughout New Brunswick, because it is a bilingual province.

As regards the economic development, the RDEEs have done an outstanding job and have produced many partnerships. Our rural communities in New Brunswick have done a wonderful job, because they opened the doors to Industry Canada, to the former HRDC, where people did not know that doors could be opened in this location, and they certainly opened doors in ACOA. Many small and medium-sized businesses in our area did not know how to get into the system. We provided information through our minority communities.

Let me give you the example of Vancouver, where people do not realize that there are francophones. I will not take an example from our area, because there are many small minority communities there. In Vancouver, our francophone groups worked very closely with the province. They produced a tourist brochure in French, which is now available in France. Because of that, the number of francophones who are now visiting BC, increased by 17 per cent last year. That is hard to believe.

In addition, as a result of Olympic Games, the province wants to work with francophones in Mallardville, a small town in BC. When the Olympic Games are held, there will be special events in Mallardville.

[English]

Is that your riding, Paul?

•(1235)

Mr. Paul Forseth: It's the community of Maillardville, and it's directly in my constituency of New Westminster.

Hon. Claudette Bradshaw: Well, they spoke very highly of you, by the way, and said you were working closely with them. They like their MP, so if it's you, that's good.

[Translation]

To answer your question, the idea is to have francophones go to Mallardville when they come to BC before and during the Olympics, because there will be a lot of activities in French there. There was also a young artist who was having difficulty getting her work known, but who was lucky. So this is what they have done.

The important thing for us is to be able to work with minority communities to help them out economically, and that the RDEEs and the CDICs in Quebec—there are 11 in Quebec working with the English-speaking minority communities—open doors to economic development and open the doors of all federal government departments to these groups. They do an amazing job. The more I find out about this issue, the more we visit... The President of the RDEEs is a francophone from Saskatchewan. The Enabling Fund made it possible for them to do an outstanding job on economic matters.

Mr. Jean-Claude D'Amours: If I understand correctly, the objective is to provide tools to our official language communities to enable them to develop. You spoke about a 17 per cent increase in the number of tourists from France. That is substantial. This potential market did not exist before in this region. In the end, this is beneficial not only to the regions where the official language minority communities live, it is beneficial to everyone. Many people are benefiting from these spin-offs throughout the country.

I think this is a very fine initiative. I have discussed the READY program for hours with the people involved in it, and I can say that it is a necessity and will remain so.

Hon. Claudette Bradshaw: The beauty of it is that under the CDIC and the READY program, we work with the three levels of government. We've been able to open the door for them. British Columbia really likes the work done through the fund. In New Brunswick, with the READY program, we are working in close cooperation with the province, but particularly with small municipalities. The mayors and town councillors are very keen on the program, which does open doors for them. Sometimes that is difficult to do with the Government of Canada and the provinces when people are not familiar with the programs. Because we can group programs and identify them, things work very well.

Mr. Jean-Claude D'Amours: If I remember correctly, Minister, you spoke about an investment of \$36 million. Ultimately, while investments of hundreds of millions of dollars may be very profitable, they are not always the ones that produce the most significant results.

Hon. Claudette Bradshaw: I can even tell you that at one time we had to meet with the directors of CDIC and the READY program, because one of the groups wanted a little more funding. The directors insisted on working with us to try to accommodate this group. That is something that does not happen very often in the context of partnerships. This is really an outstanding group that is working throughout the country in close cooperation with the community, but particularly with the three levels of government.

Mr. Jean-Claude D'Amours: Thank you, Minister.

The Chair: Thank you, Mr. D'Amours.

[English]

Mr. Van Loan.

We're now into the second round of five minutes.

Mr. Peter Van Loan: Thank you very much.

Minister, in this heated Ontario environment that some desperate folks were in, your predecessor minister met with the Ontario treasurer and came out of the meeting announcing that there was a labour market development agreement with Ontario. And then the Ontario treasurer came out and said no, that wasn't in fact the case.

I'm looking at this estimates report and it looks to me like the Ontario treasurer was right. I want to know from you whether there is a labour market development agreement with Ontario, yes or no.

Hon. Lucienne Robillard: No.

Mr. Peter Van Loan: There is not. Okay.

Is there going to be one?

Hon. Lucienne Robillard: We've been working with the Ontario government now for a few months to have an agreement with them on labour markets, but I would say it's a different agreement from what we have with the other provinces. We already signed an MOU with the Ontario government in different fields, on how to have more collaboration between the two orders of government. That is to say—

•(1240)

Mr. Peter Van Loan: A co-management type of agreement?

Hon. Lucienne Robillard: Not a co-management agreement. It's more.

Mr. Peter Van Loan: A transfer agreement, or something entirely different?

Hon. Lucienne Robillard: As an example, we have some labour market programs at the federal level; they have some labour market programs. So how could we plan these different programs together? How can we better serve the citizens? Perhaps even, in some instances, we could co-locate in the same building so that the citizens could have access to the programs, to both governments at the same time.

Mr. Peter Van Loan: Will it involve any transfer of dollars to the province?

Hon. Lucienne Robillard: It's under discussion right now, but this—

Mr. Peter Van Loan: Would it be more or less than the number I see on page 114, representing the part II numbers?

Hon. Lucienne Robillard: Page 114 of what document? We have three documents.

Mr. Peter Van Loan: It's in part III, the report on plans and priorities, in the estimates where you lay out the part II EI numbers by province.

It's the amount that's set aside under part II of the EI for training.

Hon. Lucienne Robillard: With Ontario? With Ontario, what you have are the programs under the responsibility of the federal government, given in Ontario.

Mr. Peter Van Loan: That's great.

Hon. Lucienne Robillard: What we are discussing with Ontario right now is how to work in a more collaborative way. Perhaps we will have to add some money to do it in a collaborative manner. There's no discussion about transferring that \$525 million box to Ontario right now.

Madam Chair, my deputy minister is involved in the talks with Ontario and he would like to say something.

The Chair : Mr. Nymark, please go ahead.

Mr. Peter Van Loan: All I need to know is—

The Chair: You don't want to pursue the question, Mr. Van Loan?

Mr. Peter Van Loan: I've only got five minutes.

I have an answer to my questions. I wanted to know if you know anything about the \$35 million that's identified as having gone to the Toronto waterfront revitalization initiative. What was it spent on? More particularly, what percentage of that spending went to tangible clean-ups and development and what percentage went to consultants?

Hon. Lucienne Robillard: Madam Chair, I will be obliged to ask the comptroller to answer that question. Since I was appointed minister of HRDC, the responsibility of that file was given by order in council to the Minister of Citizenship and Immigration. I did not get involved in the file, so I will ask the comptroller to answer the question.

Mr. Terry Hearn: As the minister has pointed out, the Toronto waterfront file was transferred in February. Obviously, we were spending and coordinating with Toronto waterfront agencies before that transfer occurred. The \$35 million is roughly broken out between 70% related to activity in the Toronto waterfront area and about 30% with respect to studies and research.

Mr. Peter Van Loan: Could you name one tangible thing that was done with that 70%?

Mr. Terry Hearn: I can't actually give you an example. We could follow up later with you.

Mr. Peter Van Loan: I don't think anybody in Toronto could point to one tangible thing that was done with that \$35 million.

Mr. Terry Hearn: I would have to respond later, Mr. Van Loan.

The Chair: I'll ask you, Mr. Hearn, to send a letter to the clerk of our committee. We'll make sure that all the members get your reply.

Madam Ratansi has the floor now.

Ms. Yasmin Ratansi (Don Valley East, Lib.): Thank you.

My question is to Minister Bradshaw.

Minister Bradshaw, I couldn't help but feel the passion you have. Canadians recognize that there has been an employment gap between the aboriginal and the non-aboriginal community.

Can you elaborate on HRDC's aboriginal labour market program that you make reference to in your presentation? What are your expectations of this program and the development strategy? What are the expectations of the aboriginal skills and employment partnership?

•(1245)

Hon. Claudette Bradshaw: Thank you very much.

Having come from the homelessness file, this file is very close to me, because it's all about putting people to work. Again, when you travel, you get a different sense; when you're in Ottawa, you get these new programs, but then you travel and visit the communities.

I have to tell you about one community I visited, which will put this in perspective for you. It had a big mill five kilometres from the reserve. The mill has been there 40 to 50 years. In the history of the mill they had hired two aboriginal people. In that same community, where I was speaking to the chief and council and to the school principal, or to different people, there's a major store, a service industry company, that was built there. So it was a big thing for this community. Twenty aboriginal people applied, but they hired zilch, none.

The program we have has two components. One of the programs is the AHRDA program. In that program the funding is given directly to the aboriginal community, and they look at their community to see what companies are there and how they can skill train their people within their community. So there's an area in northern Alberta—and I'm in the process now of mapping those areas to see what companies are there. Right now, they're working with big companies, like Lakota Drilling and EnCana Corporation, the oil drilling company. They are working with them to skill train. They are working with the thrift food store to skill train. I want to go to them in the next while and look at other companies within their communities, and maybe look more at small and medium-sized companies, because we can't forget them.

This program has put 80,000 people back to work, and 19,000 people have gone to school. So we've been able to open up community colleges and universities to them. That's the AHRDS program; that's the big, big program.

The other program that is really interesting... When I started working at the Boys and Girls Club, a wise person said to me "Little girl"—because I was very small then—"in order to work with the poor you must hang around with the rich". The ASEP program has that concept. It's an \$86 million program that gives money to companies; it's a private sector partnership we have with these companies.

In New Brunswick, I attended a meeting of the New Brunswick Forest Products Association. I wanted to see how one of those meetings worked. It was absolutely amazing to see these big rich people or companies sitting at the table with our aboriginal communities, and they were running the program in partnership with all of them, plus they had UNB at that meeting and the Wood Buffalo Partners in Aboriginal Training Association.

I was in Vancouver, where we did the VanASEP program. Whenever I've made announcements, I've always seen the Government of Canada putting in more money than anybody else. What was interesting with the VanASEP program was that the private sector was putting in more money than the Government of Canada, which was a new thing to me, plus the aboriginal communities had put money in. They've involved the Vancouver Trade and Convention Centre, PCL Construction, the Vancouver Regional Construction Association, the Road Builders' Association, and the Vancouver Port Corporation. All of these companies put money in, and they're going to train 800 aboriginal people, not for jobs—not for jobs—but for careers, which is something else.

So when you look at these two programs, they are all about skills training and putting people to work. So when I return to that small community of 1,200 aboriginal people... Do you know how many people work in that community? Twelve work outside of that community—twelve. So in my next visit to that community I'm going to go speak to the chamber of commerce, I'm going to go speak to the rotary clubs, and I'm going to go speak to the manager of that new store, and we're going to discuss what we can do with this community so that they will hire them.

● (1250)

In my trips now I'm not going to visit these programs so they can show me how great they are. When I go to visit these committees I'm

going to visit the chamber of commerce, the rotary club, and the major companies, to see how can we get more aboriginal people in the workforce, because that's really what they want.

The Chair: Thank you very much.

[*Translation*]

You have five minutes, Ms. Gagnon.

Ms. Christiane Gagnon: I will give my colleague, Ms. Bonsant, an opportunity to ask some questions.

The Chair: Please go ahead, Ms. Bonsant.

Ms. France Bonsant: Good afternoon, Ministers.

I would like to talk to you about Youth Employment Centres. There are three of them in my riding. They work a great deal with young people between ages 16 and 35. The centres do a very good job. We are working very hard to keep them or to bring them back to the region, even in rural areas.

I have heard about the issue involving case management. I would like to know what you intend to do in this regard. Employees cannot afford to continue tracking these cases. They cannot afford to continue tracking these young people once they have finished the seven or eight weeks or the three weekends of training. They lose track of them, and no one knows where they go.

I would like to know what the department intends to do regarding the management of these cases to help youth employment centres continue to track new arrivals.

Ms. Christiane Gagnon: I would like to add that under the agreement signed between Quebec and Canada, they are not paid, because this is already included in the agreement. I wanted to clarify that to make the issue clear.

Ms. France Bonsant: I'm trying to hurry because it is almost 1 p. m.

The Chair: You have the floor, Minister.

Hon. Lucienne Robillard: It is true that there are some very good Youth Employment Centres in Quebec that help find jobs for our young people. Sometimes these centres receive assistance from the federal government, through various programs, and from the Quebec government, through other programs.

It is true that there have been some discussions between the two levels of government, because they have a different interpretation of the agreement that was signed. Part of the work must be done by us, and the other part by Quebec, because of the money we transferred to the province.

I think this situation has been clarified throughout Quebec, with the exception of Montreal. We need to clarify this situation for three Youth Employment Centres in the city. I think that it has been decided that Quebec is responsible for the centres elsewhere.

I would not like to say something incorrect: we will check into this carefully. I am not sure whether my officials would like to add something.

Could you identify yourself please?

Ms. Joanne Lamothe (Director General, Aboriginal and Youth Programs, Department of Human Resources and Skills Development): My name is Joanne Lamothe.

The Chair: Could you please give us your title, Ms. Lamothe? I think that would be useful.

Ms. Joanne Lamothe: I am the Director General of the Aboriginal and Youth Programs at the Department of Human Resources and Skills Development.

The Chair: Thank you. Please continue.

Ms. Joanne Lamothe: As the minister said, we are studying the situation at the moment. We are comparing the federal government's position with that of the provincial government.

It will take a few months to complete our review and to ensure that there is no duplication of services. We are studying the situation, which means that we have to speak with the people who run these Youth Employment Centres and continue the work on case management until we have reached a sufficiently clear agreement with our colleagues from Quebec.

The Chair: Thank you.

You have some time left, Ms. Bonsant.

Ms. France Bonsant: I will not be using it.

The Chair: That is fine.

You have the floor, Ms. Gagnon.

Ms. Christiane Gagnon: I would like to come back to the issue of calls for proposals. The President of the Canadian Coalition of Community-Based Training, Ms. Galerneau, wrote to you on February 21 to inform you of her complaints about the introduction of this process. She was concerned about the way this was being done, particularly since many of the services had to close down or were about to disappear because of a switch to other companies. Her letter was forwarded to you. I would like to know whether you have replied to it.

• (1255)

Hon. Lucienne Robillard: I have no idea. We will check into that. I receive hundreds of letters, you know.

Ms. Christiane Gagnon: This is important. At the last meeting, two weeks ago, there had been no reply to that letter.

Hon. Lucienne Robillard: Very well, Ms. Gagnon, I will follow up on this. I can tell you now that I do understand very well the concerns that were raised.

As I was explaining earlier, these organizations were partners with the Department of Human Resources for years, when there was no call for proposals process in place. So, from year to year, the contracts were renewed regularly, without anyone looking elsewhere to see whether there might be better services that could be offered to people. The introduction of the new process was a brutal shock for these organizations; they were not accustomed to responding to calls for proposals. It must be said that this was not something they were used to, unless they had done this in the past.

Many of these organizations, if they did not “win”, if they did not come in first in the review of the call for proposals, had to reduce their activities and lay staff off. It was very painful for them.

Let us assume that the voluntary and community sector is not calling into question the principle of calls for proposals, but that it would like the process implemented differently, so that it can have some assistance with the process. So how can we deal with the situation without calling into question the underlying principle? How can we improve the process and help this sector? I am sure the recommendations you will be making to me will be of assistance, but we are also in direct contact with the organizations at the moment to see how the entire call for proposals process can be improved.

[English]

The Chair: Mr. Adams.

Hon. Peter Adams: Thank you, Madam Chair.

I think one of our colleagues from the official opposition—I don't know if it was in committee or in the House—commented on the G-8 meetings, which he attended with the minister. This is an aspect of our work. We work away here on Parliament Hill, we do what we can, and so on and so forth, and I don't think we think much about how our work fits into the G-8. So I wonder if Minister Robillard could comment on that in the light of what....

When was it, Peter, that I heard you? It was in the House.

Madame Robillard, I wonder if you could describe this.

Hon. Lucienne Robillard: This is an amazing situation, Madame Chair. Maybe Peter Van Loan could also answer that question, because he attended the meeting with me.

It was an interesting meeting. The theme of the meeting was the demographic changes we all face. Perhaps in Canada and the United States it's less serious than the European states, and Japan in particular. That is to say, we all know our population is aging, more and more, and that the baby boomers in Canada will, in a few years from now, perhaps retire.

So we have an aging population, and on the other side of it, the birth rate in our country is very low. When we look at the future, what will happen?

I think it's more serious in Europe right now. There are skill shortages in private companies everywhere. People are looking at how to solve that problem. What do we do?

Some countries were very drastic in their proposals. For example, as you know, in Canada, we don't have in most of the provinces—and this is according to provinces—a mandatory age of retirement. Some of the countries, I think it was Germany, said they want to go further. They want to oblige people to work until the age of 69, for example—I'm giving you a number because I don't remember exactly what it was, but perhaps Peter does—because they need people.

The fact of the matter is, how do we keep people in the workplace? That dream to retire at the age of 55 will remain a dream for most of the people. So how do we adapt our workplaces to people over 55, for example, who still want to contribute but the workplace is not adapted to these people?

It was really interesting, but at the end I asked Peter, “Are there some ideas around the table that you think we could apply in Canada?” The answer was, “I don't think so.”

• (1300)

Hon. Peter Adams: Madam Chair, I would be quite glad if Peter Van Loan took some of my time. It's not the minister's time; it's my time. Feel free.

Mr. Peter Van Loan: On the key demographic issues, which was the subject there, I think we are fairly well along the curve. There are undoubtedly significant issues for us to look at in terms of competitiveness and productivity of our economy, because that is really going to be the big problem. Even under our preferred position vis-à-vis the demographics elsewhere, we're still going to face very significant problems.

Hon. Lucienne Robillard: The question is, how do you increase the productivity on the human resources side? One challenge we have in Canada is that there are parts of the population who don't participate in the workforce. Aboriginal people are one part and handicapped people are another. How do we bring in the people who don't participate in the workplace more? Also, how can we make sure that the ones who are in the workplace are more skilled?

What we discovered according to our data is quite troubling. The companies that invest in training their people in the workplace invest in the most educated people in their workplace, and not the ones who need literacy, for example. It would be better to look at that very closely and to have a strategy with the employers and the unions on it.

The Chair: Thank you.

On this last part I will give Mr. Martin and then Mr. Komarnicki a very short two minutes. I apologize, but we are at the end of this part of the meeting. We have another part coming up.

Hon. Peter Adams: Madam Chair, can I just say that I just heard that we have a new Pope, but I don't know who it is.

The Chair: We have a new Pope.

Mr. Martin.

Mr. Tony Martin: Be still my heart.

I'm going to go back to the call for proposals issue again. I want to remind you that in question period, in an answer to my colleague from Timmins—James Bay, you said that the best agency with the best application wins the CFP process. I'm not sure you realize how inaccurate that answer is.

That is the problem with what's going on in HRSDC these days. It's not the best agency that wins. It's not the best agency with the best program, or the best experience, or the best expertise. It's the best agency with the best application process. We've heard that experience counts for only 4% in the application process. We've also heard that there is no weight given to an agency's expertise in delivering specialized services such as gender equity programs or those for the deaf and hard of hearing, such as the Canadian Hearing Society in my own community of Sault Ste. Marie, which lost a contract. The March of Dimes were asked to apply for it, but said they couldn't; they didn't have the expertise or the background to do

that. Still your ministry continues to try to fit that square peg into that round hole.

Will you commit today to change the process to ensure that experience and expertise in the delivery of employment assistance services and youth employment strategy programs become significant criteria in the decision on who gets contracts?

The Chair: Madam Minister.

Hon. Lucienne Robillard: I would say, Madam Chair, that the expertise and experience is already evaluated—

• (1305)

Mr. Tony Martin: Four per cent.

Hon. Lucienne Robillard: —in the selection criteria.

If the committee wants to look at how many points we give to any criteria and to make some recommendations, I'm very open to look at them.

Could you identify any yourself, Mr. Jensen?

Mr. Phil Jensen (Assistant Deputy Minister, Employment Programs Branch, Department of Human Resources Development (Social Development)): Just to follow up on what the minister said and what was said earlier, we are continually looking at improving our programs. We would look at advice we can receive from the community and advice we can receive from the committee as to the rankings and their relevance.

Frankly, it's always a judgment call about what importance you give. Let's pick the one you put out, Mr. Martin. If you give 80% or 90% to experience, then you obviously don't get any new blood or any new ideas.

Mr. Tony Martin: Four per cent.

Mr. Phil Jensen: We can debate the numbers.

What our experience has shown in the greater Toronto area is that we kept approximately the same number of NGOs, non-governmental organizations, as we had before, which would seem to me that we weren't that far off the mark as to where we should be. We ran a very large number of calls for proposals. At the end of it, if we got roughly the same mix as we had before, our criteria are probably reasonable.

That said, we are open to evidence and views from the stakeholders and also from this committee for the rankings and what we should look at.

The Chair: Thank you.

Mr. Komarnicki, you also have two minutes.

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): I have two unrelated questions. First, in the context of the proposals, do you have a technical person who could assist those who are making bids to help them along? I had the sense that this was a new program and that they were somewhat unsure of themselves. Did the department have people in place to help with the proposals or submissions?

Mr. Phil Jensen: Yes, we did. In fact, even though the department has admitted up front that the process was a little rushed at the start, we still held information sessions for everybody in the areas.

Perhaps one lesson we learned from that time is... We didn't require people to go to those information sessions; we made them open. A large number of people did come. Frankly, because the process is new, as the minister said, when you go through it the first time, you learn things. But we did have officers available. We will pick up on the things we learned and make sure that the procedures that perhaps require a little bit more in-depth explanation are covered in more detail next time.

Hon. Lucienne Robillard: Again, also, we will give them more time to apply. Second, they were not aware of the criteria we were evaluating. Starting two weeks ago, they will have received the selection grid and will be aware of what the evaluation of their application will be based upon.

The Chair: You have a little time left, Mr. Komarnicki. Go ahead.

Mr. Ed Komarnicki: I have an unrelated question in the labour area, and I'm not sure if this minister can answer or not. I notice in the main estimates for 2005-06 that \$1 million is allocated for grants to international labour institutions for addressing the labour dimensions of globalization, and it hadn't been allocated in 2004-05. Similarly, grants to international organizations for technical assistance are another \$900,000. What's the new program, or what are you attempting to achieve in that area?

Hon. Lucienne Robillard: Madam Chair, it will be possible to answer on the financial side, but I have to say that the substance of the questions should be addressed to the Minister of Labour, Joe Fontana. I think he was in front of your committee.

The Chair: He's coming, yes.

We're expecting him on May 12, so can you reserve your question? So you'll reserve your question, Mr. Komarnicki, for Mr. Fontana when he does appear before the committee.

No more questions?

Mr. Ed Komarnicki: No more questions.

The Chair: Mr. Forseth, do you have a question?

This will be the last question, ladies and gentlemen.

Mr. Paul Forseth: I'm just quoting from a document that was brought today. It's page 15-11. It talks about quality of housing and it says:

Research on this theme develops energy and environmental solutions for residential buildings, explores ways to control moisture and improve the indoor environment, and addresses the durability performance of residential buildings. Research is undertaken to reduce residential water use and ensure water quality, and reduce the impact of disasters.

This is under the section, I guess, of CMHC. Of course, in British Columbia, we had a big leaky condo problem. In the past, the government did fail to directly help the thousands of victims with leaky condos over the years, but that was a historical issue. It goes back several Parliaments.

I'm wondering now whether the government is funding any actual research to produce a better product, to advance building science. Are we partnering with any universities or whatever to improve the building stock and perhaps adjust building codes to put to rest this leaky condo problem? These kinds of comments show up repeatedly in financial documents and you wonder if it's kind of executive bumph. Is there any real substance to back up some of these phrases I see year after year?

• (1310)

The Chair: Madam Minister.

Hon. Lucienne Robillard: Madam Chair, I think it's a very good question. I would love to be able to answer that question, but again, I think the question has to be addressed directly to Joe Fontana. He is in charge of that program.

The Chair: He's also the minister responsible for housing.

Hon. Lucienne Robillard: Yes.

The Chair: Thank you very much.

Madame Robillard, Madame Bradshaw, on behalf of the committee, let me thank you and the people who accompanied you for having answered our questions. We look forward to receiving some of the other ministers. Thank you so much.

I will suspend for one minute or two. We want to go directly into the next part of our meeting, which will be held in camera. So I ask everyone except the members to leave the room, please.

[*Proceedings continue in camera*]

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