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Ms. Raymonde Folco

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•(1110)

[Translation]

The Chair (Ms. Raymonde Folco (Laval—Les Îles, Lib.)): Good morning, everyone. Today, from 11:00 a.m. to 1:00 p.m., we'll be studying the government response to the report entitled "An Examination of New Directives Governing Contribution Agreements for Selected Programs Delivered on Behalf of Human Resources and Skills Development Canada". We've invited the Honourable Belinda Stronach to appear, and she has accepted.

[English]

Welcome, Minister.

I'd like to welcome also the Honourable Claudette Bradshaw.

[Translation]

In the second part of her presentation, Ms. Stronach will present the Supplementary Estimates (A) for the fiscal year ending March 31, 2006. Then Ms. Bradshaw will present her part of the Supplementary Estimates.

As we agreed at the last meeting, first we'll hear from the Honourable Belinda Stronach, who will be followed by the Honourable Claudette Bradshaw. We'll only be able to ask questions and make comments at the end of the presentations. That's a procedural change that we adopted because we thought it would give committee members a lot more flexibility.

Ms. Christiane Gagnon (Québec, BQ): We'll be doing the calls for proposals second.

The Chair: We're doing everything together. In fact, Ms. Gagnon, Ms. Stronach will be addressing us on the first two points on the agenda, then Ms. Bradshaw will immediately take the floor to present the second point on the agenda. Then you may ask them questions on either subject.

[English]

Again, Ministers, thank you for accepting our invitation.

I first want to do a bit of business, colleagues. You already will have received in your offices the response from Ms. Donna Achimov, acting assistant deputy minister, to the request from Mr. Barry Devolin and Mr. Ed Komarnicki. A lot of the response is included here. They have said that they need additional time on the constituency level analysis. We're hoping to get that later...? You've also received, of course, the speaking notes. And that's all I'll say for the time being.

Minister Stronach, would you introduce the persons who accompany you, please.

Hon. Belinda Stronach (Minister of Human Resources and Skills Development): Thank you, Madam Chair.

With me today is the Deputy Minister of Human Resources, Alan Nymark; the Associate Deputy Minister and the executive head responsible for Service Canada, Maryantonett Flumian; the CFO of Service Canada, Sylvie Lafontaine; Donna Achimov, ADM for citizen and community service as it relates to Service Canada; and Sherry Harrison, the comptroller for HRSD. Obviously, Minister Bradshaw needs no introduction.

The Chair: Thank you very much, and welcome to you all.

We'll start with your presentation, Minister Stronach. As I said, there will not be a question until both you and Minister Bradshaw have made your full presentations.

Hon. Belinda Stronach: Thank you, Madam Chair.

[Translation]

I'm very pleased to be here today.

[English]

Thank you for the chance to outline my department's investments that will help create opportunities for Canadians while building a more productive and competitive economy.

As committee members are well aware, the economic landscape has changed dramatically over the past decade. We are shifting rapidly from an economy based on land and resources to one based on ideas and resourcefulness. Knowledge is the currency of this new economy.

Business is now fuelled by brain power, which demands workers with even higher skills and higher levels of education. This poses a challenge, both for some 40% of working-age adults in this country who lack the literacy and other essential skills needed to excel in this fast-changing environment and for Canadian firms that need to boost their productivity to remain competitive in an aggressive global marketplace.

An additional challenge is our aging workforce. Productivity and labour force growth are the basis for increases in our standard of living. It is the labour force growth that has carried Canada for the past 40 years. However, we can no longer count on it to underwrite our future.

We know that in the future two-thirds of new jobs will require post-secondary education. Less than 5% of new jobs will be open to those who have not graduated from high school. Investing in post-secondary education and lifelong learning so that every Canadian has the opportunity to meet his or her potential and contribute to our prosperity makes good sense. In addition to the lifelong learning imperative and the impact of our aging population, Canada is also adjusting to the emergence of economic giants that were, until recently, considered to be developing countries, not competitors.

Today's realities demand new thinking, new responses and new partnerships—the very core of the policy and program work we do at HRSDC and the heart of the Government of Canada's plan to promote long-term prosperity. Recognizing that investing in people is key to Canada's success in the 21st century, the finance minister's recent economic and fiscal update outlined our strategy to create opportunities for Canadians.

Over the next six years, the Government of Canada proposes to increase its already significant investments in post-secondary education in Canada by \$4.1 billion—we currently spend close to \$10 billion annually in support of post-secondary education—and to work collaboratively with its partners to improve access and affordability. The lion's share of these funds, \$3.1 billion, will go directly into the pockets of Canadian students. Almost \$2.2 billion would be made available for student financial assistance to make post-secondary studies more affordable for lower- and middle-income Canadians. In addition, I'm especially proud of our commitment to provide \$550 million to extend the Canada access grant for students from low-income families. This will put a degree within reach of all students who qualify for this grant.

Education is central to opening our minds to the international community. To continue enhancing Canada's place in the world requires a global outlook. To that end, \$150 million would be invested in scholarships for Canadian students in short-term studies abroad and to attract foreign students to study in Canada. This funding would also support international partnerships among faculty, researchers, and students. To support Canadian students in advanced study, \$210 million will be added to the Canada graduate scholarships program to support students pursuing master's and doctoral degrees in any discipline.

A further \$1 billion has been proposed in 2005-06 for the post-secondary education innovation fund to support the capacity of Canada's colleges and universities to provide high-quality post-secondary education. The provinces and territories would be able to draw on this fund on a per capita basis.

We are also ready to invest heavily in workplace skills development to address six joint federal-provincial-territorial priorities. We have proposed to spend \$3.5 billion over this year and the following five years to support investments in the following areas: workplace skills development; apprenticeship, including pre-apprenticeship programs; recent immigrants, aboriginal Canadians, and others who likewise face specific workforce barriers; and Canadians who need literacy and essential skills upgrading.

• (1115)

Recognizing that labour market priorities differ across this country, we will be negotiating new labour market partnership

agreements with the provinces and the territories. To increase the efficiency of the labour market, we are also proposing measures worth \$65 million over six years that would enhance labour market information and reduce barriers to mobility across the country.

All of this work would be carried out in close partnership with the provinces, territories, employers, unions, and other stakeholders to ensure Canadian workers and local labour markets gain the best results from these investments.

These proposals represent an overall investment of \$7.7 billion in opportunities for Canadians to participate in Canada's world-class workforce. This is the largest single investment in skills and learning in Canadians' future in over a decade.

While the foregoing remarks have focused on the future for HRSD, let's now turn our attention to the supplementary estimates before you today, reflecting items totalling \$389 million for the department.

It's important to note that \$329 million, or almost 85%, is for statutory payment, which is shown for information because Parliament approved the purpose of these expenditures and the terms and conditions under which they were made through other legislation. These statutory items are for increased expenditures.

There is \$189.8 million for Canada student loans disbursed due to changes indicated in budget 2004, which increased the loan limit and reduced the parental contribution in the needs assessment.

The next item is \$75 million for increased expenditures for the Canada education savings grant, due to the higher numbers of grants requested and additional grants available, as indicated in budget 2004.

There is \$55.1 million for increased expenditures for the Canada student loans program, due to the introduction of two Canada access grants for students with permanent disabilities and students from low-income families, and due to the enhancement to existing debt measurement measures.

There is \$9 million for increased expenditures for the introduction of the Canada learning bond.

Through supplementary estimates, we are seeking approval for the incremental funding of \$59.9 million. This represents an increase of 5.4% over the main-estimates-voted appropriations. It is made up of \$168.5 million, which is offset by transfers with other departments of \$108.6 million.

This funding is in support of the department's central role in improving the standard of living and quality of life of all Canadians by promoting a highly skilled and mobile workplace and an efficient and inclusive labour market. Some examples include \$36 million for alleviating and preventing homelessness; \$25 million for supporting a range of employment programs delivered by aboriginal organizations; \$17.7 million for supporting partnership-based pilot projects that test and evaluate innovative approaches to skills development for employed Canadians; \$17 million for encouraging Canadians to save for the post-secondary education of children and to support access for children from low-income families; \$13.6 million for supporting community capacity-building, the development of human resources, and economic growth and job creation in official language communities; and \$9.9 million for a pilot project involving contributions to unions and employers' consortia for new and upgraded training equipment.

The funding requested in supplementary estimates will translate into tangible benefits for individual Canadians and their employers and will strengthen Canada's ability to compete and prosper in this global economy.

Madam Chair, one final issue I want to address is the Government of Canada's response to your committee's report regarding my department's call for a proposal process. I want to thank the committee for your efforts to help improve this process.

As our response makes clear, we are committed to strengthening our relationships with the voluntary sector organizations that are delivering grant and contribution-funded programs and services. I am very pleased to confirm that Service Canada is leading the process to strengthen these relationships. The new organization has already undertaken this role for the joint Service Canada/voluntary sector working group.

• (1120)

At my request, the joint working group was established in September 2005 to review the policy context to develop streamlined administrative processes for agreements between community organizations and Service Canada. It is made up of representatives from Service Canada and an array of voluntary sector organizations.

On November 15, the working group presented me with its final report, which provides recommendations on ways to eliminate unnecessary steps or requirements and to improve consistency and simplicity of administrative requirements while maintaining a framework of accountability.

I thank the working group for their work on this important initiative. These changes have been a key priority of our voluntary sector service delivery partners. I have accepted the recommendations of this report, which include the creation of an office of fairness adviser to serve as a key point of contact to enable dialogue and feedback on issues of fairness, integrity, and respect for the rules and to recommend solutions in a timely manner; and the establishment of

a permanent voluntary sector advisory committee to facilitate ongoing communications and information exchange between the voluntary sector and Service Canada in the future.

I understand the interim voluntary group, supported by Service Canada employees, will continue to meet monthly to move forward on setting up the voluntary sector advisory committee and ensure sustained momentum. The next meeting is slated for December 7.

I would be happy to discuss this or any other aspect of the supplementary estimates and look forward to your comments and questions.

Thank you.

The Chair: Thank you, Madam Minister.

[*Translation*]

We'll continue with the presentation by the Honourable Claudette Bradshaw, Minister of State for Human Resources Development.

• (1125)

Hon. Claudette Bradshaw (Minister of State (Human Resources Development)): Thank you, Madam Chair. Committee members, thank you for providing me with this opportunity to discuss some Human Resources and Skills Development initiatives. These initiatives are an investment in people that help them to upgrade their skills to make their future and Canada's brighter.

Literacy and other essential skills are the foundations for lifelong learning, and enable full participation in the workplace and society.

[*English*]

Increased skills levels even have an immediate impact on reducing costs for health care, as well as other social programs. The Government of Canada recognizes the importance of literacy and other foundation skills to the prosperity and well-being of Canadians. It recognizes, too, that many people—Canada's aboriginal people among them—are lacking the requisite literacy and essential skills.

[*Translation*]

As observed in the Minister of Finance's Economic and Fiscal Update: "Although the gaps are closing, significant improvements in Aboriginal Canadians' participation in higher education and readiness for the labour market would help them participate fully in the economy." The objective is to create those much needed opportunities for Canada's First Nations, Inuit and Metis people.

[English]

That is why, under Budget 2005, the Government of Canada committed an additional \$30 million over three years for the National Literacy Secretariat, to work with provinces, territories, and stakeholders to develop a comprehensive strategy on literacy and other essential skills. It is also why the government has renewed, until 2009, the \$1.6 billion aboriginal human resources development strategy and devoted an additional \$85 million to aboriginal skills and employment partnership.

Both of these labour market programs are aimed at strengthening the employment outcomes of first nations, Inuit, and Métis people. Ensuring literacy and essential skills is an integral part of that effort.

To further the government's literacy and essential skills agenda, I undertook an engagement tour across Canada this summer to listen to communities' views and priorities, with the aim of developing a comprehensive strategy.

[Translation]

I convened and chaired 20 round tables in communities across the country on literacy and essential skills and an additional series of round tables on Aboriginal employment—and looked at how partnership links to community employers can be more strongly forged.

I met with close to 500 people, representing community groups, labour, business leaders and private sector employers, literacy and Aboriginal groups, education, as well as provincial and municipal governments. I asked people to think about the future of literacy and about what they themselves could do to enhance the literacy skills of Canadians.

[English]

During both sets of round tables I asked how the Government of Canada could support their endeavours. This feedback, coupled with the round table reports, is helping to inform the development of a comprehensive strategy.

We will continue to work with provinces, territories, and stakeholders to ensure that Canadians develop the skills they need for work and learning, where literacy and foundational skills are essential to the prosperity and success of Canada on the world stage. Canada's linguistic duality is central to our identity. For this reason, I am pleased that HRSDC has established a partnership initiative for community economic development in official languages minority communities with an enabling fund of \$36 million disbursed over three years.

I am proud that this horizontal initiative is directly linked to PCO's horizontal results-based management and accountability framework as it relates to the action plan for official languages.

[Translation]

These investments, support for literacy, Aboriginal peoples' employment, and minority communities, clearly address the Government's commitment in the Speech from the Throne to build an inclusive workforce—one where we all can play our part in contributing to this nation's productivity and prosperity.

Thank you for your time and interest in these important issues.

● (1130)

The Chair: Thank you, Madam Minister.

We heard the two presentations that were on the agenda. You may now ask questions and make comments. The first round will, of course, last seven minutes.

Mr. Van Loan, you may begin.

[English]

Mr. Peter Van Loan (York—Simcoe, CPC): Thank you very much. My questions are for Minister Stronach.

I continue to be concerned, as I'm sure you are, about the apparent ineffectiveness of the employment programs of the department. When you look at last year's estimates, and I guess we'll look at this year's—we're talking about page 25 of the performance report—we're talking about the numbers of employment program clients served and then of course about how many end up employed or self-employed after an intervention.

In last year's performance standards we saw that the objective was 406,000 to be served, 232,000 to be employed afterwards. It was a projected 57% success rate. The actual success rate turned out to be 49.98% ending up in jobs, instead of 57%, so you fell short that year.

This year we dropped the standard down, hoping to achieve a 46.5% success rate, which would have been below what was actually achieved last year—the 49.8%. You did a little better than that, but you're still below it.

Why do these programs do so poorly, and why do half the people who go through these government programs end up unemployed?

Hon. Belinda Stronach: First of all, let me say our aim is to continuously evaluate and look at the programs so that they serve the need they are intended to serve. We report on this progress annually in a very transparent way, so that the outcomes can be measured.

Having said that, most of these programs are delivered by the provinces.

Mr. Peter Van Loan: When we looked at it this spring, and I think I took it up with you, in fact, the success rate of the provinces was considerably higher than the federal government. I can't tell from the estimates here now. You haven't distinguished them, so I can't go down that line of questioning with you because that information is not available here.

Why was the standard lowered? Why was the objective lowered in terms of percentage success from last year to this year? And why was it below last year's actual success rate?

Mr. Alan Nymark (Deputy Minister, Department of Human Resources and Skills Development): Thank you very much. The issue of the performance of these expenditures is a very high priority for discussion on a federal-provincial relation basis.

We too would like to improve the performance. It is a group in society where it is difficult. The performance varies across the provinces and the territories. We have a process under way to look at best practice in a variety of jurisdictions and to learn from that.

As we are discussing with provincial governments now under the labour market partnership agreements, as announced in the update, we are also agreeing to discuss with the provinces how we can improve our performance in this area.

Mr. Peter Van Loan: Most of the provinces would be delivering the bulk of the programs. Ontario wasn't, and that's where the federal government was doing most of its work, where the economy was better and yet the success rates were worse than the rest of the country.

Last spring, on the eve of an election, Minister Volpe told us at committee that we had a labour market development agreement. You were good enough to acknowledge that there wasn't one. I gather we're very, very close to one. This spring we were told its contents would be a lot more bare than what existed with the other provinces. It would really amount to sharing space and so on.

What can we expect in the labour market development agreement in Ontario? Will it be comparable to the other provinces, or will it be one of these stripped-down versions that you told us about in the spring?

Hon. Belinda Stronach: As you correctly stated, we are in discussions still with Ontario. I'm very optimistic that we will reach an agreement soon. Obviously, the agreement will be in line with that of other provinces and will be consistent with other labour market development agreements. Over and above that, as announced in our economic update, \$3.5 billion is planned for improvements to workplace skills development.

Given that envelope of proposals of funding, I think you will see a greater flexibility, a more coherent partnership between the federal government and the provincial government in terms of the delivery of the labour market programs that are centred around the six priorities. The six priorities are workplace skills development; apprenticeships; getting recent immigrants into the workforce much quicker, recognizing their foreign credentials; aboriginal Canadians; literacy and essential skills; and dealing with others who face barriers to entry into the workforce, including persons with disabilities or older workers.

So that's the framework against which you'll see those investments. I think you will see a much more collaborative, coherent approach in terms of delivering the services.

• (1135)

Mr. Peter Van Loan: So those interventions will be delivered by the Province of Ontario rather than by the federal government, correct? Is that what you're saying?

Hon. Belinda Stronach: There are two parts to it. One will be delivered by the Province of Ontario, and that's consistent with other labour market development agreements in terms of the new investments. There is a collaborative, more coherent approach in terms of delivering those investments, and it depends on what capabilities or delivery mechanisms are in place as to which of those

priorities will be dealt with, either by the federal government or the provincial government.

The Chair: You still have some time, Mr. Van Loan. Do you want to share it with someone?

Mr. Forseth.

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

Minister Bradshaw, you said today that:

The Government of Canada recognizes the importance of literacy and other foundation skills to the prosperity and well-being of Canadians. It recognizes, too, that many people—Canada's aboriginal people among them—are lacking the requisite literacy and essential skills.

As you know, the federal government has one area under its complete responsibility, and that's federal jails. It's a nerve centre, a pressure point where literacy programs could be provided with the most significant benefit. As you know, aboriginals are disproportionately represented in federal jails.

Given that unique opportunity, maybe we could talk about the future. What further can be done in federal jails to concentrate efforts on the broad government agenda of a literacy strategy?

The Chair: I'd ask for a short answer, Minister, please. I'm sorry.

Hon. Claudette Bradshaw: First of all, as you know, we've formed a group of 19 people across Canada to represent every literacy group across Canada. We're working with the provincial governments and territories. We've also sent a letter to every minister, including the minister for Correctional Services, with regard to wanting to meet with corrections officials and to work with them on literacy in the workforce.

When I travelled, I met with some people who work in the correctional system who spoke to us about literacy. One of the major points we need to add to literacy, I believe, is the factor of fetal alcohol syndrome and fetal alcohol effect. We need to put a good training component into our prisons, with the staff in our prisons, to talk about FAS/FAE and what it is, to ask how far we can go with literacy with FAS/FAE, to ask what essential skills we can give to people with FAS/FAE in our prisons. That way, when they come out of prison, finally they've gotten to a place where people understand what fetal alcohol syndrome is, what fetal alcohol effect is, and when they come out of prison they're prepared to get into the workforce. Very often we don't understand what it is, and we're not well trained as to what it is.

So when you talk about literacy, there's a lot we can do within our country but also within Correctional Services. I could not agree with you more that it's an area under our jurisdiction. It's an area we talked about with the RCMP, for example, when I was with homelessness. We will continue to work with the different departments in terms of what they are doing and how we at HRSDC can help them in the prison system.

The Chair: Thank you, Minister.

[Translation]

Ms. Gagnon.

Ms. Christiane Gagnon: Good morning, ministers. I'm happy to see you here today. We'll be getting a little more clarification.

First, I'd like to have an answer from Ms. Bradshaw. I agree with you that literacy is a major issue and that people who are illiterate must be supported. However, I agree less with your way of doing things, and with the \$3.2 billion figure. You know this causes frustration in Quebec because this is a provincial jurisdiction.

I don't know how you can justify creating programs to assist certain communities. In Quebec, some Aboriginal leaders refuse to take part in this. So there's no consensus on this in Quebec. Education is underfunded under the Canada Social Transfer. There are programs in Quebec, and some people have thought about appropriate strategies for their communities. It's quite disappointing to see that even the Minister of Finance wasn't at all aware of this. He said he was surprised.

Instead of attacking the fiscal imbalance, attacking areas that are already there to hand money over to the provinces, particularly under the Canada Social Transfer, the decision is being made to encroach on provincial areas of jurisdiction. You know we have to wait an enormous amount of time before anything is signed. Sometimes we have to wait one or two years before signing. We don't agree, and there are irritants in the way you're going to proceed.

I'd like to know how you are going to agree with your partners, the provinces, as you say, in this issue where one might think there will be irritants.

• (1140)

Hon. Claudette Bradshaw: The government has given us \$30 million for a comprehensive strategy. We have to work with the various departments. In our jurisdiction, there are seven national groups currently working under the direction of the National Literacy Secretariat. We don't want an overall strategy involving only seven national groups. That makes no sense. If a major problem arises, we have to be able to work with all the groups responsible.

When we toured across the country, the provinces and territories were invited to all our round tables. They're part of the comprehensive strategy that's in place. It's not yet completed. We'll definitely be having a lot more meetings with Aboriginal Groups and provincial and territorial groups.

As for the final decision on literacy in the provinces, we can't work on that with just seven national groups. We have to work on it with the various ministers, provinces and territories, particularly if we want to have tangible results.

Adult literacy, like homelessness, is an issue that everyone has to work on in partnership. That's very important. The provinces were at all the round tables we attended during those three weeks. We have a very good relationship with them through the National Literacy Secretariat. The two groups are doing outstanding work, and the issue of areas of jurisdiction was never raised in connection with the national literacy group.

Ms. Christiane Gagnon: So, the Quebec Minister of Finance may have had no reason to be surprised or to feel a bit rushed by the way the federal government is proceeding. That's a comment, and you don't have to answer it if you don't want to.

You referred to the homeless. Fifty-six million dollars is on hold to extend this program. The government hasn't yet expressed its intention to restart it. One hundred million dollars is even being sought. The government hasn't expressed its intention with regard to that \$100 million requested by the various organizations in the homelessness network. Are you considering extending that \$56 million program that you set up? After three years, are you going to say goodbye to it and not meet the expectations that are currently being expressed?

The Chair: Ms. Gagnon, is your question for Ms. Stronach?

• (1145)

Ms. Christiane Gagnon: Yes.

[English]

Hon. Belinda Stronach: Thank you.

Minister Fontana will be addressing the issue you just pointed out with respect to homelessness, and I believe he will be appearing before the committee next week.

[Translation]

Ms. Christiane Gagnon: In your presentation, you said that \$36 million had been added to the Estimates, specifically for the homeless.

[English]

Hon. Belinda Stronach: Minister Fontana will be presenting that next week.

[Translation]

Ms. Christiane Gagnon: I saw that you referred to it. That's why I wonder who really wears the hat. I noted in the Estimates presentation that there was \$36 million for the homeless. I wanted to know what that amount was related to. I'll try to find it.

On page 4 of your notes in English, you note: "alleviating and preventing homelessness (\$36.4 million)". So you can't tell me that Mr. Fontana will be coming to tell us that.

The Chair: Ms. Gagnon, I have before me a news release that was issued this morning and that states: "National Renovation and Homelessness Programs Extended." It's signed by the Honourable Joe Fontana, Minister of Labour and Housing. I've just received it and I'm telling you about it.

So you don't have to ask the minister the question. I'm going to circulate this release and that will give you part of the answer. You may have the opportunity to come back to it, if this doesn't satisfy you.

Ms. Christiane Gagnon: I was just asking what the words "alleviating and preventing homelessness (\$36.4 million)" meant in Minister Stronach's presentation.

This appears in your notes from this morning, Minister. What does that expression refer to? Is it a new program or something already in existence?

[English]

Mr. Alan Nymark: May I answer that question? Perhaps the comptroller could speak to the detail of it, but it's simply a matter of re-profiling existing funds from one year to the other.

Madam Chair, on the issue you raised in terms of Mr. Fontana, as you know, he's responsible for both homelessness and labour. It is in our estimates, and it is a re-profiling, not a new funding issue.

[Translation]

The Chair: I turn the floor over to Mr. Martin.

[English]

Mr. Tony Martin (Sault Ste. Marie, NDP): Do you mind explaining re-profiling to me?

Ms. Sherry Harrison (Comptroller, Department of Human Resources and Skills Development): The original approval was \$405 million over three years. As lapsing funds occur from one year to the other, they are brought forward to the subsequent fiscal year, so that item in supplementary estimates, which is \$36.4 million, is being carried forward or re-profiled from the prior fiscal year.

Mr. Tony Martin: So it's already committed; it's not new money.

Ms. Sherry Harrison: That's right.

Mr. Tony Martin: Okay.

I want to start out with some questions on the study and the report we did on the request for proposals. Minister, how many calls for proposal have now been issued?

Hon. Belinda Stronach: I believe since February of this year, since we suspended the process, none have been issued.

Mr. Tony Martin: No new ones.

Hon. Belinda Stronach: Yes, no new ones.

Mr. Tony Martin: Okay.

Could I ask then, out of those 52, how many went to JVS and Vocational Pathways?

Hon. Belinda Stronach: Please give us a moment while Donna Achimov tries to find that detail.

[Translation]

The Chair: Are you going to answer, Ms. Flumian?

[English]

Perhaps you could ask another question, Mr. Martin, while she finds this information.

Mr. Tony Martin: My next question follows up on that question. I can actually give you the answer if you like. There were 10 of the first 52 requests that went to those two agencies. That's 20% of the overall request for proposals. I was wondering if you might explain to me why that would be. What was in those proposals that merited their getting 20%, as opposed to the others?

• (1150)

Ms. Donna Achimov (Acting Assistant Deputy Minister, Citizen and Community Service Branch, Service Canada): Thank you. Part of the response was about those organizations' ability to develop the appropriate responses and to be able to submit proposals that met the requirement in the areas they competed in.

Part of having the call-for-proposal process was to have certain skills, certain requirements, put out for the community to respond to competitively, and these organizations did so for those requirements.

Mr. Tony Martin: Okay. Well, the fact that those organizations got the proposals was part of the whole scenario that presented and then was found to be wanting, to be flawed. So are you continuing down that path with those agencies delivering that amount of service in the Toronto area?

Ms. Donna Achimov: As part of the recommendation goes forward...we've looked at a number of significant administrative changes that are reducing the burden and that are streamlining the call-for-proposal process.

Part of our commitment is to have the engagement and to be working with the voluntary sector members to look at what worked well, what we could improve on, and before we issue any additional calls for proposal, we are going to have a series of recommendations in place as accepted by the minister in terms of the report we just tabled.

Mr. Tony Martin: Okay. Just a little feedback for you from the folks I'm in contact with within the Toronto area in terms of the service delivered, particularly by Vocational Pathways Incorporated: they are not delivering the same quality and level of service. First of all, the youth themselves can't find them. A lot of the money they're getting from your ministry is actually being spent on very expensive glossy advertising in subways, as opposed to the kinds of outreach and personal contact that was being done with the previous delivery agencies who knew those populations and because of that were able to deliver those services more readily and more adequately.

The concern we have now is that because Vocational Pathways is a private sector operator, a lot of the money that should be going into actually delivering service is now going into their profit margin.

Hon. Belinda Stronach: Maybe I can just make a few general comments on where we're at. First of all, you all know the reasons the call-for-proposal process was put in place. We're managing large amounts of taxpayers' money and we want to make sure that it's done in a very transparent, open, and ultimately a fair way. With any changes in process there are sometimes hiccups and the process needs to be refined.

I can certainly tell you that as a new minister back in May I heard a lot about this. I worked with the department and we put together this joint Service Canada/voluntary sector working group because we want to see that the process is improved and that it ultimately is fair and perceived to be fair.

The group has met on a number of occasions. I commend the group for the hard work it has done and how it has included the voluntary sector in that process toward ongoing improvement in the process. I think there are two important initiatives coming out of that, aside from reducing the administrative burden—improving the assessment grid to better evaluate the history and also the experience that the volunteer aspects bring. Those are some of the features.

I think the important thing to note is that we want to continue to improve this process. That's why this working group is going to be set up in a more formal way, in an ongoing way, so we can continuously look at how we make the process fairer, better, and stronger to rebuild that relationship.

The second thing, because there will always be interpretations of fairness from time to time, we've created the Office of the Fairness Advisor, so that organizations like the one you mentioned will have a vehicle to be able to have a fair hearing, so that it can be addressed appropriately.

Before I run out of time I'd like to ask M.F. to talk to specific details of those organizations, because we are trying to address some of the gaps that may have been left during this call-for-proposal process, the initial one, the gaps between the period when we do make all the new changes that are required.

• (1155)

The Chair: We don't have time for this, but perhaps on another round. If that doesn't happen, then perhaps we'll find another way of getting the information to the members.

I'm now moving on to Mr. D'Amours.

[*Translation*]

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

First, I'd like to thank the two ministers appearing here today on the Estimates submitted for study by the committee. I'd also like to thank them for their presentations. I'm going to make a few comments to which you'll probably have the opportunity to react. I'm going to proceed in chronological order. In the presentations we heard this morning, I underlined a few really important points. The first is literacy.

Ms. Bradshaw, the work of the National Literacy Secretariat is clearly producing results. It's possible the public doesn't clearly understand the situation in the country. People tend to think that, in the regions, in the rural regions among others, illiterates are simply people who don't know how to read or write. The essential thing is to ensure that these people are given the tools to enable them to access the labour market. This could also facilitate matters for them in the present situation, which is constantly changing. The work being done in this regard is outstanding.

As I recently pointed out in my riding, it's not necessarily the big amounts that produce the most significant results. It's often the small things that make it possible to help the citizens of our country, of our province, and, even more so, our ridings. As regards literacy, it's important to keep on working very hard to provide Canadian citizens with better opportunities for success.

The following comment is for Ms. Stronach. I'm really very pleased to see that the amount of the subsidies granted for education savings is higher than anticipated. Minister, I remember not long ago that some people doubted it would be possible to achieve clear and specific objectives. However, the results set out in your presentation are outstanding. They probably don't coincide exactly with what the Canadian public wanted. Education savings is a benefit that the entire Canadian population can enjoy. We must keep up our efforts in this area so that the children of today and tomorrow are able to study at the postsecondary level. That's no doubt one of the best starting points there is.

We often tend to put off these kinds of projects until later. In this case, taking a proactive approach and setting amounts aside, whether

it be every month or in another way, enables families to make it easier for their children to access postsecondary education. Last week, the government announced that funding would be allocated to enable children to gain easier access to postsecondary education programs. In my view, education should be increasingly accessible, not to a limited population class, but to the entire Canadian public. This funding will enable students who in many cases come from disadvantaged backgrounds to avoid having to stop their education as a result of financial constraints. They'll be able to realize that this kind of program enables them to advance in Canadian society and in life in general. Minister, I think we're sending a clear signal in that regard.

• (1200)

Lastly, I'd like to address the issue of investment in training. We obviously offer our workers continuing training. They have the necessary tools to do that. Whether it's around this table or in the House of Commons, I believe everyone agrees that we must continue working in this direction. In that way, we can ensure that employees receive better training and that Canadian businesses increase their productivity. Everyone comes out ahead as a result. We're in an era of globalization. That's increasingly perceptible. So we must take the necessary steps to achieve better results. Investing in worker training is definitely one way to do that. This will enable us to be more globally competitive.

I don't know whether I have much time left, Madam Chair.

The Chair: There are 50 seconds left. That was a very good speech, Mr. D'Amours.

Mr. Jean-Claude D'Amours: I'm nevertheless going to give the two ministers an opportunity to comment on the four points I brought up.

Feel free to do so or not. Whatever the case may be, it would be a pleasure for me to hear from you.

Hon. Claudette Bradshaw: Mr. D'Amours, I'd like to thank you for the comments you made on the National Literacy Secretariat. In all provinces and territories, and all the more so within all the groups, I was told that kind of thing during my travels across the country. People rarely have the opportunity to congratulate those who work for them in the public service. Thank you.

The Chair: Now we'll go to the second round. The allotted period of time is five minutes.

I turn the floor over to Mr. Van Loan. If I've understood correctly, he's going to share his time with Mr. Devolin.

[*English*]

Mr. Peter Van Loan: Thank you.

I know the minister has a great interest in transparency. One of the things that's difficult from year to year on the performance standards is that the department seems to rearrange what's reported on the form in which it's reported, how envelopes are calculated, so transparency and accountability are very difficult to achieve, except in a few areas. One of those areas was the one I was talking about before, on the results of people employed after an intervention, and I demonstrated how you're falling short of the targets and the targets keep being lowered. Aggregate numbers, just straightforward numbers: in 2002-03, 248,000 ended up employed; last year that dropped to 246,000; this year that's dropped almost 10% to 225,000. A 10% drop is a pretty dramatic drop in one year. So my question, again, is, what does this say about the performance of the department that these numbers are so poor and are continuing to get worse, not better?

Mr. Alan Nymark: There's no question that with performance indicators in public policy it is difficult to be precise and to reflect the reality over a period of time. We have noticed, as has the Treasury Board Secretariat, that a number of our performance indicators that we include in our departmental report have in fact a cyclical element to them. So when you have the economy improving and the number of unemployed going down, some of our performance indicators would suggest that we're doing poorer as a result of that, by not getting as many people back to work. That is obviously contrary to one's intuition, so we have engaged, with the Treasury Board Secretariat, to ensure that the kinds of performance indicators out there do not mislead the positive results that we are in fact getting.

I responded to you earlier. We're still not happy with our performance results. This is a difficult area, and we have all of the employment measure, part 2, EI, under review with the provinces, doing evaluations with each province and territory, looking at our own federal expenditures. We intend to report on that, as well as have more appropriate indicators to present in our next performance report, I believe.

• (1205)

Mr. Peter Van Loan: If we applied the logic of your answer, Mr. Deputy, that would mean that Ontario has the worst economy in the country. I don't think that's the case, but at this point I'll pass it over to Mr. Devolin.

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

I have a couple of questions for Minister Stronach specifically regarding Service Canada.

First, I want to say I support the concept of Service Canada. I think a one-window approach is a good idea, where citizens can go to one place and get services in a variety of programs. As I'm sure you know, we have this in Ontario; we have government information centres where people can go and get help regardless of which department they are working with. I understand there are lots of logistical problems with implementing this, but I think the concept is good.

I have two questions, and the first has to do with co-location. In Ontario we already have this kind of office, and it's my understanding that here in Ottawa there is a place where actually the federal Service Canada office, the provincial office, and possibly the

municipal office are in the same place. I've raised the issue that I believe in my own riding, in the Kawartha Lakes in the town of Lindsay, there is an opportunity for a co-location. There's a provincial office, there's a similar municipal office, and there's a federal office coming in.

My specific question is, in your program are there any incentives for those kinds of co-locations and/or will there be any kind of pilot project, not only in a large community like Ottawa but in a smaller community like Lindsay?

My second question has to do with the need for outreach. In a large community where there's a Service Canada office and people live close by, it's convenient to them. I expect that in more remote areas like those in northern Ontario there will be some provision for the staff to travel from community to community if they're far apart. My concern is actually about what's in between, and again I come back to my own riding, where my concern is that the outreach will only be there for communities that are several hundred kilometres or a couple of hundred kilometres away.

Now, in rural parts of Canada that are not remote, you must have some sort of resource allocation model to determine how much the office in Peterborough is going to get versus how much the office in Lindsay is going to get. My question is, is there a provision in that funding formula for outreach services whereby the staff could travel to other communities in that area and actually bring the service even closer to the citizens?

Hon. Belinda Stronach: Thank you.

First of all, I appreciate your support for the concept and principle and your constructive questions and comments about it.

As you pointed out, Service Canada attempts to provide one-stop integrated service delivery that, hopefully, one day will be across all levels of government. As you can appreciate, that has to be negotiated on a province-by-province basis any time we're co-locating with the province or in some cases even with the municipalities. It's really undetermined where there will be co-locations by province and by region. That has to be negotiated depending on that situation and also the capacity that exists in that particular area.

It is our goal within the next 18 months to move from 320 points of service to 1,600 points of service. We do have some pilot projects already in place and some offices where there is the co-location of municipal, provincial, and federal, and you pointed out that city hall is one such example.

We are also looking at a pilot project in Windsor to be able to achieve that.

Mr. Barry Devolin: All I'm saying is maybe your staff could look at Lindsay, because I actually think it would be another. It's a smaller community, but it might be a good place to try a pilot project.

Hon. Belinda Stronach: I'll ask—

The Chair: I'm going to have to stop you right there. I'm sorry. I was going to ask for Laval, but I think it's unlikely.

Some hon. members: Oh, oh!

The Chair: We'll now move to the Liberals. Mr. Russell, you have five minutes.

Mr. Todd Norman Russell (Labrador, Lib.): Good morning, Barry. I'm sure I can come up with a site as well where we can put a pilot in. There's no doubt about that.

I want to welcome Minister Stronach and Minister Bradshaw, who both have some familiarity with Labrador—in the warm season, which happens for one week in July. You're welcome at any time of the year, during all three or four of our seasons—or five, as some people say.

I have to say, thinking about the programs that are offered by the respective departments—and I say this with all sincerity—they're vital to the people I represent in Labrador, as I'm sure they're vital to the people across Canada. But I think there's a special affinity to HRSDC now and to Service Canada, particularly for people in the north and for aboriginal people, who require the types of interventions that are provided by your particular departments.

I reflect on my younger days, when I availed myself of programs as a student—when I was an outreach officer, when I dealt with the TAGS program, the Atlantic groundfish strategy, and then as an aboriginal president, when we had an ARDA agreement. There has been tremendous involvement from all segments of our lives in many regards.

I guess that's a sort of vertical way of looking at things, in terms of my own experience, but there's also a horizontal interaction between the various groups and interests in my communities. We have a high seasonal unemployment rate in Labrador, and we have a large aboriginal population and a low literacy rate. Some could point and say, "Oh, my gosh, where has HRSDC programming been?" But I can tell you honestly that without it, things would be worse, far worse, and the impact upon individuals and on communities would be much more pronounced. I can hardly think of a community or of a non-profit organization that doesn't avail itself of some type of HRSDC programming and hasn't for some time.

We also want to talk a little bit about where we go in the future; we have to look at the past, learn from those particular lessons, and see where we go in the future. Of course my goal or vision for that particular area, as I guess it is for other representatives across Canada, is to provide opportunity for our aboriginal young people and aboriginal adults in the area of post-secondary student support for skills interventions for people, particularly for women, for instance—I just met with the mining sector, where women only represent 13% of the jobs in the sector—and those types of interventions.

With the great fiscal update that was provided by Minister Goodale just a few days ago and some of the new announcements that are contained within it, what do you see in it that will help fill some of the gaps that exist—in my particular constituency, but I believe this appeals to all Canadians?

● (1210)

The Chair: Minister Stronach.

Hon. Belinda Stronach: Thank you.

First of all, you've touched on a whole bunch of things. You started out with access to government services. That's something Service Canada is attempting to address and will address over the next couple of years, so that individuals don't have to go to a variety of different places to access government services. It's going to be much more convenient, especially for people in remote communities where the service will travel out to them. Or we have the 1-800-O-Canada line, the website—everything to access those government services is much more convenient. That addresses one of your first points.

In your second point you've really, in a broad way, touched upon education and learning opportunities. In Minister Goodale's economic update, we made the largest proposed investment—\$7.7 billion—towards education and lifelong learning in over a decade. Of that \$7.7 billion, \$3.5 billion is dedicated towards developing workplace skills or skills towards a better job or employment.

You touched on literacy and aboriginal concerns as two issues that are important ones needing to be addressed. The labour market partnership agreements we are exploring with various provinces will I think make great strides towards addressing these, because within the six priorities negotiated with Newfoundland and Labrador, we will be able to jointly determine where that new money, that investment, will go.

If jointly we determine that literacy and aboriginal issues are at the top of the list, that's where that investment can go. It allows much more flexibility for these investments to address the real problems in your province. So—

The Chair: I'm going to have to cut you short there. Thank you.

We're now on our third round, which will also be a five-minute round.

[*Translation*]

Ms. Gagnon.

Ms. Christiane Gagnon: I'd like to have the details on the \$36.4 million cited in the Estimates. That money, which is intended to prevent homelessness, was not spent under the last budget. I'd like to know how that amount will be spent and what it's intended for. We still don't know why it wasn't spent. It's going to be carried forward to a second budget, more specifically in the Estimates, subject to the vote this morning. I'd like to know whether it will enhance the homelessness assistance program.

•(1215)

[English]

Hon. Belinda Stronach: As the deputy minister, Alan Nymark, pointed out in the first go-round, this isn't new money. It's a question of pulling money forward or pushing money forward that wasn't spent. In terms of what was approved, based on the homelessness program priorities, that has not changed. Minister Fontana will provide greater details next week.

[Translation]

Ms. Christiane Gagnon: I'd like to know what this amount was intended for. It's part of your presentation, and I'd like to know more about it. If I made commitments in a speech, with figures attached to them, I'd like to be able to defend my position.

[English]

Hon. Belinda Stronach: As pointed out, it's for existing projects. It was voted on last year; that has not changed.

[Translation]

Ms. Christiane Gagnon: If you can't answer this morning, we'll look into the issue more and try to get some answers from Minister Fontana.

I'd like to go back to your response to the report on calls for proposals. You gave your approval to certain recommendations. However, some of them leave us a bit non-plussed. We're somewhat disappointed by your weak answers. In some cases, you say you're trying to develop solutions to facilitate transactions with the community organizations. You're trying to address their concerns, to find solutions.

However, you seem to be relying a lot on Service Canada for this purpose. Unlike my Conservative Party colleague, this idea makes me fear that certain powers will be centralized. In this kind of situation, you might not be able to answer our questions. The topics addressed might no longer be your department's responsibility. The department was divided in two in order to provide a more appropriate response to requests concerning both employment insurance and social development. Now you're talking about a superstructure designed to manage other departments with regard to standards and services offered to a highly diversified clientele. I doubt the efficiency of this new Service Canada concept. Moreover, I don't know how the organizations received your responses to their recommendations. We'll be contacting them during the holidays.

It was mentioned in Recommendation 20, which was very important, that, depending on the organization, the people they dealt with were never the same from one time to the next as a result of high staff turnover. They often had to make a lot of effort in order to speak to the appropriate person.

I think that what you're proposing with regard to Service Canada implies that you've decided not to address the problems raised by the community organizations. Once again, you're relying on Service Canada. I'm disappointed in the position you've adopted toward the community organizations seeking more follow-up to their requests for proposal.

[English]

Hon. Belinda Stronach: Let me begin by saying that in terms of responsibility, I'm the minister responsible for human resources. I'm also the minister responsible for Service Canada. So there is no pushing off of responsibility to Service Canada, because I'm pushing it off to myself. I am the minister responsible for both. As well, there is a subcommittee of Treasury Board that has 16 different ministers on it, because Service Canada coordinates service delivery for 12 different departments. So we're doing it in a much more coordinated and integrated way.

To address your point about the volunteer organizations, it's our intention to strengthen the relationship with the voluntary organizations. That's why we created the joint working group. That group is meeting frequently and is going to be there on an ongoing basis, along with a fairness adviser, to facilitate ongoing improvements and make sure there is a way for those organizations to address issues when they feel they haven't been treated fairly.

Now, in terms of better coordination, Madame Flumian—

•(1220)

The Chair: Madam Flumian, I'm sorry, but I have to cut you off.

Madam Bakopanos.

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

Ministers, welcome again.

I want to pick up on what Madam Gagnon was alluding to. I have worked in the volunteer sector for a very long time, Madam Minister, and I think the process you put in place is the process that should have been there a long time ago, in my opinion, where there is consultation with the stakeholders and through the stakeholders have the appropriate measures in place to avoid coming to the situation we did with the call for proposals. I also want to commend you for putting together a permanent advisory committee. I think that will help us move forward and improve the system. Secondly, I also want to commend you on the fairness issue. I know that will contribute to making the system more fair.

I want to go back to something I've been a champion of for a long time: multi-year funding. It seems we are very averse to multi-year funding in the federal government. I won't say it was any different when I was in provincial politics, but I think for any organization to be able to move forward, we must have assurances of a certain amount of money in order to build on that and to go on to present new projects and new programs. It is alluded to in your report, and I'd like you to elaborate a little on how you see multi-year funding.

Hon. Belinda Stronach: Thank you.

First, I'm also in favour of multi-year agreements because, with all due respect to the volunteer organizations, they have to plan for the future, they have leases to sign, and it's very difficult to do those things on a cost-efficient basis with short-term principles to rely on.

With respect to multi-year agreements, I received the report from the joint working committee on November 15. The committee had that recommendation in it is meeting again on December 7 and is charged with the task of now figuring out how to implement those multi-year agreements. That's the direction in which we are moving.

Hon. Eleni Bakopanos: I look forward to hearing how they want to implement it.

My other question is addressed to Minister Bradshaw. I also want to give my compliments to my colleagues in the secretariat. I have two literacy groups in my own constituency, and I know they're very pleased with the way we have moved forward in terms of ensuring that some of the challenges that a lot of them face on the ground are met by the secretariat.

I know you have a vision that is more long term, Madam Bradshaw. I was wondering if you would like to give us a long-term vision on where you want to go in terms of literacy, without giving any secrets away.

Hon. Claudette Bradshaw: After travelling across Canada this summer and meeting with the provinces, territories, national groups, and community groups, the question that you just asked Minister Stronach on core funding hits very well with the literacy groups. They said the problem with literacy is we've never had a long-term plan and we need to have a long-term plan.

As a result, we put together 19 groups that represent every literacy group across Canada, and they just finished a ten-year plan last Friday. We now have an economist putting a price on that ten-year plan who will eventually meet with our comptrollers at HRSDC. On literacy, whether it's in Corrections Canada, in our communities, or whether it's essential skills, what we heard on the aboriginal front from the big companies this summer is that they hire aboriginal people and teach them essential skills but don't keep them. There are two reasons why that is: one is racism and the other is literacy.

We need to sit down and think seriously if we really believe in productivity, if we really believe we want to make a difference in this country, especially on the international front. With 56% of people not having a level 1 or level 2 across Canada, that is a pretty serious number. It is a serious issue. We do now have a ten-year plan; it was presented to me last Friday, and we have an economist pricing it. We hope soon to be able to sit with our comptrollers to put on the finishing touches so we can present it to you as parliamentarians.

• (1225)

The Chair: Mr. Martin.

Mr. Tony Martin: Thank you very much.

To get back to the request for proposals and the report, there was recommendation 12 in the area of services to those with disabilities. You received or were sent a letter on November 3 by the Canadian Hearing Society that made some suggestion that it still isn't really working for them. There were proposals in Sault Ste. Marie and in Ottawa, for example, that didn't get covered. There was also some concern from the CNIB that some of their services weren't being covered either.

The suggestion was that those services go to organizations that have the sensitivity, particular skill, and understanding to actually deliver them more appropriately and effectively. In Sault Ste. Marie,

for example, they took the contract from CHS and gave it to the March of Dimes, who in turn contracted back to CHS to actually deliver that program.

I'm wondering what you propose to do to respond to that recommendation.

Ms. Maryantonett Flumian (Associate Deputy Minister, Department of Human Resources and Skills Development): Thank you, Minister. I will talk quickly in case I get cut off. Thank you for the opportunity to speak.

In reference to a couple of the issues that have come up, we were mindful that in the way the CFP process was run—and some of the winners and some of those who were not successful—there would be an issue about losing important capacity to the voluntary sector.

One of the issues that's been identified in the joint report—signed off by the voluntary sector by Mr. Adams and others—that we've been working on over the course of the summer and fall is that we would look at what we're calling transition issues.

Some of those who have not been successful in the CFP process do represent significant capacity that we don't want to lose—in the area of disability, in the area of how we do immigrant integration and some of the groups that we're working with, and other groups that are highly targeted and really at risk.

We have gone back to some of those groups that were not successful and have been holding discussions with them. Some we've terminated, in terms of contracts, and some others we're still holding discussions with, as we are with the Hearing Society, CNIB, and others, about what particular group they would serve that is currently not being served by the CFPs that have been awarded. We're very conscious of that; therefore, we're having discussions.

In the whole area of disability, I'm going to ask Ms. Achimov to say a few words, because it's an area to which we are going to pay particular attention, given Service Canada's mandate. Part of it is through CFPs and part of it is just through the kinds of services that we will offer disabled Canadians as well.

Ms. Donna Achimov: Thank you.

The key issue here is obviously identifying those Canadians who are most in need of the support services. Organizations such as the Hearing Society and other organizations deal very specifically with and have experience in those areas. Part of what Service Canada is trying to do is tap into those experiences.

As the deputy minister indicated, the call for proposal is only one of a number of opportunities, and we are having very active considerations and discussions with these organizations in particular. We run major call centres; we have TTY lines, special lines for the hearing impaired. We are looking at service offerings and training our staff with a great deal of sensitivity to join up with services that we and other levels of government offer to support persons with disabilities.

We are very actively engaged in those discussions to train our staff to use the expertise of those organizations to build the services that target very much the supports to the disabled community.

For the future, we are certainly gearing our services and our supports and the requirements in the community to take advantage of those types of capacities.

Mr. Tony Martin: If I might, I want to shift to a different topic.

To the minister, with all due respect, the only way that Minister Fontana is going to show up here next week is if the Liberals have a change of heart and decide to move this election into the new year, accept our very reasonable compromise and get us past Christmas.

With that in mind, I just wanted to ask a question with regard to the estimates. You suggested that 85% of the number that's in the estimate is for statutory payment, because it's already been approved. Then, of the \$59.9 million that is still in supplementary estimates, you said that at least \$36.4 million is money that was already approved and is going to be spent anyway.

So what's left in terms of supplementary estimates to be approved?

If they don't get approved, are you aware of the Governor General's special warrants, that just in case the election does get called next Monday or Tuesday, you can in fact go ahead, and if you need that money, you can actually spend it to meet the needs of some of these—in some instances—at-risk individuals in the country?

• (1230)

Mr. Alan Nymark: On the issue of what's left in terms of the supplementary requests, I believe the minister in her opening statement listed about eight of them. I could go through the full list if you like.

On your second question, are we aware of warrants, yes. If the writ were to fall and we were to use warrants, then we have the capacity to use warrants for normal operational matters. Each warrant, I believe, if I recall the procedure correctly, requires a ministerial signature, and requires the President of the Treasury Board to look at it and the Treasury Board to approve it.

Warrants would not be used for new measures or major launching or changes to existing measures. They are there to cover the kinds of situations, I believe, that you're referring to.

The Chair: Thank you.

Mr. Martin, I will add that contrary to what you think, if the NDP were to vote against what probably will be the motion of the Conservative Party, we probably wouldn't need a warrant by that time.

Some hon. members: Oh, oh!

The Chair: Thank you.

We'll now go on to Mr. Adams.

Hon. Peter Adams (Peterborough, Lib.): Ministers, thank you for being here.

For Minister Stronach, I've been a strong supporter of the Canada student loan program improvements, Minister, that we've made right to the present time. I've been an even stronger supporter of the grants and scholarships programs, and I'm very pleased to see we've continued to move along the path of more scholarships, and in particular more grants.

My colleague from New Brunswick mentioned the grants associated with the RESPs. There are access grants already for disabled and low-income students in the first year. Now there is a proposal to extend them to each undergraduate, right? I strongly support those.

Also, I strongly support the Canada learning bond, which seemingly extends the concept of grants and RESPs to the very lowest income people—to infants who are in care, and so on.

Minister, I'd be grateful if you could give us an update. I realize it's a small sum of money compared to some of the others we've mentioned here, but what is the current status of the Canada learning bond? What sort of uptake has there been from the provinces?

Hon. Belinda Stronach: I'm going to ask Alan to respond to the details. But I want to commend my colleague, the honourable member, for all of the work you did on the joint voluntary sector, the working group. I know you put in many hours, and you are still committed to seeing that we make improvements to the process. I want to take this opportunity to commend you on the very good work you've done.

Some hon. members: Hear, hear!

Hon. Belinda Stronach: I am also very happy to hear about your comments with respect to the investment in education, of extending the new Canada access grants. I think this is going to do great things for students. We're extending it to years two, three, and four for low-income families, aboriginals, and persons with disabilities. I think it's going to make a big difference in the lives of those people, combined with the improved debt measures.

On the learning bond, perhaps we've run out of time, but Alan Nymark can give a specific update.

Mr. Alan Nymark: As you know, the Canada learning bond is available for children born after 2003. It became effective this past August. We are encouraging institutions to participate to make sure we maximize the uptake. We are planning outreach in advertising to make sure that since it's a statutory program, people who are entitled to it use the maximum they can. I believe that since it just started, we'll be making great progress over the year and people will be taking it up.

• (1235)

Hon. Peter Adams: Madam Chair, on the question of the provinces, I understand one province has established a similar... There's a provision in the legislation for provinces to match for whatever.

Mr. Alan Nymark: Yes, I'm just looking at Marie-Josée Thivierge.

I believe Alberta has agreed to do this, and we have offered to administer it.

Hon. Peter Adams: Thank you.

Do I have more time?

Ms. Bradshaw, I commend you and the Literacy Secretariat, like the others. I think the Literacy Secretariat is a classic example of what the federal government can do in lifelong learning. This you've indicated. It reaches from the very young to the very old, from the newest Canadians to the oldest, established Canadians.

I wonder if you could comment a bit, because it seems to me its success has to do with how it's able to reach not just the provinces but the municipalities in some way—then also to these institutions and groups with which HRSDC works all the time. Can you just describe how it works?

Hon. Claudette Bradshaw: First of all, please let me correct the file. I misinformed you on the last question. Fifty-six percent of low-skill literacy is for New Brunswick, my home province, and 42% is national.

The National Literacy Secretariat—and that's what I was saying a while ago to Madame Gagnon—works with seven national organizations. It's unbelievable the work that these organizations do. For example, a lot of you would know Frontier College and the work they do with university students.

Laubach Literacy of Canada has a tremendous number of volunteers going one on one. We spoke about that a while ago. There's training in essential literacy skills. There are also people—if you don't go into their own home and deal with them one on one, you're not going to get them to go into any organizations. They're afraid of them; they're scared, and for a lot of them it's from their experience in the school system. They're afraid to go back to an organization for literacy skills. Laubach is all volunteerism, and it's amazing what they do with so little money.

[*Translation*]

The Fédération canadienne pour l'alphabétisation en français — I'm sure you know it well, Ms. Gagnon — represents Francophone groups in the workplace across the country and in Quebec. The amount of work this association does with very little in the way of resources is incredible.

[*English*]

They have a whole range of literacy programs across this country, and if there's one area in which one size doesn't fit all, it's certainly in literacy. When you look at the seven national organizations—and I'm happy Minister Stronach is getting the report from the volunteer sector, because so many people work on literacy—they are part of the volunteer sector that Minister Stronach is listening to.

Again, thank you for letting me correct my error. I just have New Brunswick in my head all the time.

Hon. Peter Adams: I did forget to mention that Mr. Devolin made a mistake. He was talking about Peterborough, not Lindsay.

The Chair: That gives a chance to Mr. Devolin.

You have three minutes on this round, Mr. Devolin.

Mr. Barry Devolin: I do have a concern with many rural communities in Peterborough County, like Apsley and Millbrook, as well as places like Havelock, when we talk about things like this. I want to go back to my question about outreach, and it's really not so much a question as it is a suggestion that I'm trying to get your views on.

We're going to have Service Canada offices in communities. In my riding—and I'm using my riding not to be parochial, but simply because it's a good example and it's something I'm familiar with—we'll have an office in Lindsay. There are other communities that may only be 30 or 40 or 50 kilometres away, like Fenelon Falls or Bobcaygeon, which have large populations of seniors, many of whom do not own a car and don't drive any more, and there's no public transit. So my suggestion is really on two levels.

From a program design point of view, I am suggesting that when you work through Service Canada, an outreach component should be there not only in remote areas but even just in what I'll call normal rural areas in the southern parts of the country, so that the way the staff is structured, the way the organization is structured, the people can travel maybe one day a month or two days a month. Because I've spoken to city councillors in Kawartha Lakes, I know they're saying they'll gladly make space available for free if this can be done. So I think it's a good idea and I think it should be part of program design.

The second half of this has to do with your, as I say, resource allocation model on an office-by-office basis. That model will have area, population, and things like that, but I think there should be a component in it to specifically make resources available for the mileage and things like that for outreach.

So I think there should be outreach capacity for each of these offices. I think it should exist even in southern parts of Canada, in rural communities, and not just in the north. I ask for your views on that.

● (1240)

Hon. Belinda Stronach: Thank you, Mr. Devolin.

Outreach is extremely important to us. I'm going to ask the deputy minister to speak on the details.

Ms. Maryantonett Flumian: I think we're on the same wavelength with the service model that you suggest. In addition to having our permanent fixed-office locations, all of our growth in terms of points of service will come at urban outreach, where it's just as important, as you say, for seniors not only in Lindsay or outlying communities, but also seniors who are shut-ins in urban Canada. That also goes for disabled Canadians who need help and service in their homes or in the places where they live.

We are looking certainly at remote Canada, as you say, but we're also looking deeply into rural Canada, and if you look at the plans we currently have on the books, we're looking to double our points of service by next year. We will be reaching an additional 1.25 million Canadians, mostly in rural Canada, but some in remote, because there are fewer Canadians in remote Canada.

In terms of our allocation model, we are very much looking to morph to a world where we will have a hub-and-spoke model. Any office, be it one in Peterborough or Lindsay or downtown Ottawa, will actually be assessed on its basis to not only take intake in its own office, but will require some of the staff to do that outreach into those communities in some remote capability.

In terms of the costs that we are actually awarding for what is a very efficient delivery model of outreach, we have had discussions and negotiations with lots of communities across the country already, be it at the band council level, be it with the city halls, be it with the Legion, or be it with the chamber of commerce, where they will make free space available to us and we will come through there on a regular outreach cycle. Depending on what the traffic bears, sometimes that will be two days a week, sometimes it will be half a day a week, because as we are going between Lindsay and Havelock there might be some places in between where we can stop for half a day. It won't be required all the time, but we are having those discussions.

As we are putting this model in place, we are learning more and more about where Canadians would like us to go and provide those services for them. The model is evolving as we speak, but we are clearly putting our new investment efforts into the outreach that gets us deeper into those communities that are now not being served at all.

The Chair: Thank you very much.

[Translation]

Mr. Lessard, you have three minutes.

Mr. Yves Lessard (Chambly—Borduas, BQ): Madam Chair, I'd like to ask two questions.

The first concerns Service Canada. We're currently seeing an increased inability to answer certain questions, particularly regarding employment insurance. Officials are either overworked or not very informed about information that should be given and direct citizens to unemployed worker support committees. This situation is quite annoying. I don't know whether this is what you mean when you say you want Service Canada to operate like a wheel: a request concerning employment insurance goes through Service Canada to be directed to the unemployed workers committees. I wanted to make you aware of that situation.

My second question concerns what appears near the top of page 4 of the presentation. It states: "A pilot project involving contributions to union and employers consortia...". I don't know whether this is a poor choice of words or whether it really exists.

[English]

Hon. Peter Adams: Madam Chair, I have a point of order.

I'm not sure, Yves, which document you're referring to.

[Translation]

Mr. Yves Lessard: That's Ms. Stronach's presentation. Thank you for getting me to clarify that.

My question is for Ms. Stronach. You talk about financing a pilot project involving contributions to union and employers consortia. I'd like to know whether that's a poor choice of words or whether union and employers consortia actually exist. It also states here: "[...] for new and upgraded training equipment [...]". So my question has two parts. The first is this: does any consortium of this kind really exist? If it does, I believe it does for the purpose of providing joint training. I'd like to know where this type of program exists and what kind of equipment is being referred to here.

●(1245)

[English]

Hon. Belinda Stronach: Your first question touched on Service Canada and committees, and I probably agree with you that we're all overworked and feel that way. But committees are important and pilot projects are important, because any time we're looking at making a major change, you want to make sure that that change is the right one. Committees allow us to bring the various stakeholders together, including the opposition parties, to be able to develop and evolve a program such as the older worker program, the strategy of which, I know, is very important to you.

In the second one we talked about consortia, and there are a number of—

[Translation]

Mr. Yves Lessard: Madam Chair, with your permission, I'd like to point out that I'm not talking about our committee. I'm talking about the unemployment worker assistance committees in the regions, the organizations...

The Chair: ...you were with yesterday morning, during your conference.

Mr. Yves Lessard: That's correct. The officials forward cases they can't solve to unemployed worker assistance organizations.

[English]

Hon. Belinda Stronach: I think you're going to have to clarify what committee you're speaking about. Maybe we'll come back to that.

You also talked about consortia. Look, we want to make sure we don't operate in a vacuum; we want to make sure we bring together the very stakeholders of the sector when we're looking at the human resource needs of that sector. That's why, for example, sector councils are very effective and important. We now have sector councils in place that represent almost 50% of the labour market.

We talked about the training centre infrastructure fund and a PSE innovation fund that will allow for the upgrading of training equipment to the most modern equipment. You referred to something in my speech, and that's what we were referring to. It's where stakeholders come together to address future needs and create future plans.

The training infrastructure fund is about unions; it will allow union facilities to tap into those funds to make sure they have modern equipment and machinery on which their apprentices can work. The second one, the PSE innovation fund, applies to colleges and universities, where the provinces can draw down on those funds on a per capita basis to upgrade the machinery and the equipment so that again, students can learn on the most modern machinery and equipment to upgrade their skills.

The Chair: Thank you.

We'll now move on. There are two more people on my list, Mr. Martin and then Mr. D'Amours, and we will close the meeting.

Mr. Tony Martin: I just wanted to ask you about the website that is being proposed for the calls for proposal and to ask, given that 52 proposals have already been given out, why aren't they up yet? When you do start in February, what will the turnaround be? How long will people have to wait before they actually have the information they need to be able to participate effectively in the committees you are setting up, to make sure everything is being done correctly and above board and in a manner that's fair?

Ms. Donna Achimov: We've made the commitment—and actually that was one of our early recommendations—to have a usable website where we have transparent information, where we post, as soon as the review is final, who the winners are so that we do have that type of transparency.

We do acknowledge that there has been a gap in terms of how long it's taking in terms of being able to negotiate with the final group who is the successful organization. But we do have a commitment to post on the web, and Treasury Board has asked not just us but all other organizations that are doing grants and contributions to have timely posting on the Internet site. That comes into effect early January of this coming year, but we've made the commitment to post as soon as we have the recognized verification in place where we do have successful winners.

Mr. Tony Martin: Could I just suggest that Sault Ste. Marie be added to that special list that's being developed here this morning for special consideration?

And I will let you know that just yesterday we made an announcement in the Soo that actually a passport desk is going to be part of the Service Canada offering in that office. We're really pleased about that and we thank you very much for it.

• (1250)

The Chair: Thank you.

Mr. D'Amours, you're the last speaker.

[*Translation*]

Mr. Jean-Claude D'Amours: Thank you, Madam Chair. I'll try to take half as much time as I used a little earlier, in order to afford the opportunity...

The Chair: You have three minutes in any case.

Mr. Jean-Claude D'Amours: Thank you, I'll watch out.

I'd like to talk about two subjects. We could discuss so many aspects, but I want to mention two.

First, I want to talk about the work done by Service Canada and the possibility of integrating services. We're on the right track for ensuring services offered on site and to enable people living in small communities far from Service Canada's main offices to obtain service as good as that offered in the larger centres. Service Canada is clearly on the right track in that regard.

However, there's a second factor. Ms. Stronach, in your presentation, you said you wanted to support a range of employment programs that could be administered by Aboriginal organizations. Often the importance of that is not emphasized enough. There are two Aboriginal communities in my riding: Madawaska Maliseet First Nation and Eel River Bar First Nation. These two groups want to enable their community to move forward.

As you know, Minister, the House of Commons is currently considering Bill C-71, which concerns economic development aid for Aboriginal communities across the country. We see that the Government of Canada, through your department, is providing its assistance and studying potential employment programs that could be administered by Aboriginal organizations. It's important to take that into account because we must increasingly enable those various nations, those various groups, to exercise their leadership and to show us how they can do it. They're capable of administering things well, but we have to provide them with the necessary tools. In that way, we'll be able to help Aboriginal communities develop better. In addition, if they can develop, other communities across the country will also be in a better position to develop. One former premier of New Brunswick established the Equal Opportunity Program a number of decades ago. That clearly illustrates this aspect.

The final point I wanted to address concerns strengthening community capabilities. Here too, it's increasingly difficult to recruit volunteers in our communities. It's increasingly difficult because we often haven't been able to tell our volunteers how pleased and proud we were of their contribution to our various communities.

I referred to three factors. Madam Chair, are there a few seconds left so that I can have an answer?

The Chair: Yes, you have five seconds left.

[*English*]

Hon. Belinda Stronach: I appreciate your positive comments with respect to Service Canada. We did look at best-practice models around the world. Centrelink, for example, in Australia, was able to double their points of service and increase their service offerings. There were no layoffs among employees.

Key to that is training and making sure we invest in training the Service Canada employees, that they have the opportunity to make that adjustment from the back office to the front office and deliver the best possible service. We've trained over 10,000 people to do that, but that's an ongoing process.

Second is your very important point about this government's priority with respect to the aboriginal community. I think, first of all, the commitment to make a great transformational change at the FMM is an overarching signal of how serious an issue this is to this government. Some of the investments we have made and are proposing to support that.... First of all, you talked about the link between the aboriginal community and employment in the workplace or the start-up of businesses. The workplace skills strategy looks at innovative partnerships between business and the community, and that's an opportunity for aboriginal groups as well.

We have funding for artists, the human resources development agreement, and the ASEP program. Also, the economic update proposed \$3.5 million for the labour market partnership agreements with the provinces, which have aboriginal communities and literacy as one of their six top priorities.

So as we move forward and look to making arrangements with each of the provinces, there is an opportunity to really put aboriginal concerns at the forefront.

• (1255)

The Chair: Thank you, Minister.

Before we end the meeting, there are two thanks I'd like to make. First, I'd like to thank the Hon. Peter Adams and Madame Flumian

for the report they have sent us on the joint Service Canada/voluntary sector working group. We have received the report and it's very interesting. I'd like to thank you both, as well as, of course, Madame McGregor, who is absent today. Thank you very much for that report.

The second thing I would like to bring to everyone's attention is that this is very likely to be Madame Bradshaw's last visit to this committee. She has made clear her intention not to run for election again. Although this is partisan, and I'm supposed to be non-partisan as chair of this committee, Madame Bradshaw, let me say, to begin with, on a personal note, how much we're going to miss you. On a more political note, I think Canadians are going to miss you and are going to miss the work you have done and that you were going to do. Thank you very much for having done all that work.

Some hon. members: Hear, hear!

The Chair: Finally, Minister Stronach and Minister Bradshaw, thank you once again for having come here with your officials.

We will now suspend, but we will suspend for just a couple of minutes before we go on in camera for the next part of our meeting. Thank you.

[Proceedings continue in camera]

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