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Chair

Ms. Yasmin Ratansi

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•(1535)

[English]

The Chair (Ms. Yasmin Ratansi (Don Valley East, Lib.)): Committee members, we continue our study on the economic security of women.

We have today the last witnesses. I would like to thank the Certified General Accountants Association of Canada for coming at the last minute to do a presentation from the perspective of businesswomen and some of the barriers that businesswomen face in security.

I understand you have a presentation, Ms. Presseault, and that it is in English only. If anyone who wants to pick it up, it's at the back table. Ms. Presseault will be sending her presentation to the clerk so that it can be translated, and we will send it off.

Ms. Presseault, are you going to share your time, or are you doing a ten-minute presentation?

Ms. Carole Presseault (Vice-President, Government and Regulatory Affairs, Certified General Accountants Association of Canada): It is just five minutes.

The Chair: We have to prepare drafting instructions as well. We would like to try to finish by 4:15.

Thank you.

Ms. Carole Presseault: Thank you, Madam Chair.

[Translation]

We would like to thank committee members for accommodating us in the last few hours of this study.

[English]

We really appreciate the gesture. We understand you're moving on later today to the task of drafting your report. We're really pleased to participate in the process.

I should mention as we start that the Certified General Accountants Association of Canada has 68,000 members and students across Canada and internationally. We're particularly interested in the topic you're studying because women form the largest growing number of CGAs in Canada.

In Quebec, in fact, Madame Deschamps, it's very interesting to learn

[Translation]

that last year in Quebec, 60% of our new members were women.

[English]

In fact, in British Columbia two-thirds of our student population is female. So there is enormous growth in that area.

Your committee is examining an issue of fundamental importance for the well-being of Canada. As you know, and as you've learned across the weeks and weeks of hearings, many factors influence the economic security of women. In a country as prosperous as Canada, there are still far too many women living in poverty. The statistics—you've heard them through your study—are staggering. We commend you for seeking to find solutions to help resolve this very real problem.

The flip side, and the one, perhaps, we're looking at, and the one we're going to talk to you about today, is the fact that more and more women are joining the ranks of Canada's entrepreneurs. The number of women entrepreneurs has doubled in the last 15 years, and the number is growing at a pace 60% faster than that of their male counterparts.

The number is surprising. These women are amazing women. They are redefining work and redefining workplaces. They're creating jobs and they're creating prosperity. So when we talk about the SME sector in Canada being the engine of economic growth, we know that the majority behind making those engines run are women.

I have invited Louise Nesterenko, a fellow certified general accountant, a former chair of the board of CGA-Canada, and a woman entrepreneur in her own right. Louise is from Alberta. I'm speaking for her now, but she will speak for herself very shortly. At last count, she ran three businesses that employed 65 people plus an estimated 25 to 30 volunteers. I think it's the type of business that Louise runs that makes the difference. I guess she is an expert with an interest in turning a profit, but she's also interested in giving back to the community. One of the businesses she's set up, which she calls Books Between Friends, sells used books and miscellaneous items and returns all profits to local charities. This year, Books Between Friends will give in excess of \$60,000 to local charities in Alberta.

There are a lot of Louises in Canada. Admittedly, perhaps not all are as successful as she is, but all of them aspire to be.

Given that Canada's economy, as I mentioned, and its continuing prosperity depend on small and medium-sized businesses, I think policy-makers, and you as a committee, need to pay attention to women like Louise. In preparing for today, we asked ourselves what these women would need to succeed. What would they need to make them more successful, and how can this House of Commons Standing Committee on the Status of Women make a difference by bringing forth recommendations?

We looked at four aspects of it. This is not the first time we've looked at this. We looked at this a few years back when there was a Liberal caucus task force on women's entrepreneurship, and we looked at some of the issues.

The first one we looked at was access to funding, or access to capital. It still remains an issue for women entrepreneurs, but I'm told anecdotally that this side is improving, and Louise can speak to that point later on. There has always been sort of a stigma, a disadvantage for women, when building a credit rating. More importantly, I think, is that we need to help our daughters understand the importance of building good credit and of having sound financial management skills. I'll talk a bit about how the tax system can help in a minute.

The second point we'd like to leave with you today is that we need to provide women with access to education and training. Of course, education is the key to Canada's productivity. When I look at the paper released today by the Prime Minister and the Minister of Industry and the Minister of Finance on the new science and technology strategy, I see a lot of words here on education. I think there's a lot of inspiration here. In terms of women and supporting women's entrepreneurship, I think we need to target financial entrepreneurial education to women early on in their careers to allow them to acquire the knowledge and tools needed to build successful businesses.

We need to target the learning, and I think we need to target the learning around networks and women's networks. In that respect, the federal government has a good track record of creating centres of excellence. One of the proposals we want to leave with you today is the creation of centres of excellence on women's entrepreneurship.

A big point—again, Louise will speak to that a bit more later—is the issue of employment insurance and allowing women entrepreneurs to access employment insurance. They really face this sort of unique dilemma. As employers, they contribute financially to the EI program. But as individuals, as we know, they're unable to access the program. As the program expands beyond maternity benefits into issues like compassionate leave, women entrepreneurs are more and more disadvantaged.

Women are still primary caregivers. The numbers don't lie on that. We think that expanding the EI program is a necessary policy direction that we need.

• (1540)

On the issue of taxation, I think there has been some positive movement on the issue of small business generally, on the issue, for example, of increasing the small business threshold. But we think the tax system should be more supportive of entrepreneurship in many ways.

One of issues we'd like to leave with you as well is allowing increasing RRSP contribution limits and pensions. You've heard throughout your hearings that this is an important issue for women, especially as we all age. Also, the idea of accessing RRSP funds to serve as collateral for qualifying private ventures are strategies we think would make a difference. Add to that the idea of tax credits for supporting start-ups in innovative areas or tax credits for businesses that hire, train, and retrain women. Women are running these small and medium enterprises, they are creating jobs, they have an opportunity to hire, train, or retrain other women.

These are some of the issues we think the federal government can resolve. We think they're simple, but I think they're attainable.

We would be pleased to answer your questions.

Thank you.

The Chair: Thank you very much.

Committee members, as I mentioned, we will be reviewing the guidelines for preparing our report, so we may go into one round and maybe a very short second round, so use your time wisely.

Ms. Minna, for seven minutes.

Hon. Maria Minna (Beaches—East York, Lib.): Thank you, Madam Chair.

Thank you for your presentation.

We've gone through this information before. There was the Prime Minister's task force on business, as you know, not too long ago, so some of the recommendations are similar to what you've made today with respect to employment insurance, for instance. One of the recommendations was to allow for voluntary opting in, and I think you were suggesting the same thing today.

At that time, when we discussed it, the actuarial officials said it was not feasible to do that. Given that kind of information, would you be open to mandatory participation for entrepreneurs with respect to EI? Or would you only look at the voluntary opting in or out?

The reason I'm asking is that the officials, when they appeared in front of the committee on a previous study on maternity benefits for self-employed workers in 2005, said it would not be feasible to allow people to opt into EI for special benefits.

Ms. Carole Presseault: I think there are some precedents on the ability to opt in. I know in Alberta, entrepreneurs have the opportunity to opt into the workers' compensation program, so I think there's some history there, there are some precedents.

One-stop shopping or one solution won't help. You have a very diverse and very varied workforce, a different entrepreneurship cadre, at very different places in their lifespan, so I think you have to look at flexible policies, and opting in would provide the most flexibility.

There are opting-in provisions in the EI program already, for example, for family members or closely related members in terms of family-owned enterprises.

Hon. Maria Minna: That's true.

Would you be open to the mandatory if that were not possible? I'm trying to look at the spectrum.

Ms. Carole Presseault: Mandatory versus opting, I think both could be debated. For now, our position is really opting in or opting out.

The Chair: Ms. Nesterenko, would you like to—

• (1545)

Ms. Louise Nesterenko (Fellow Certified General Accountant, Certified General Accountants Association of Canada): I wanted to add, if I could, about the EI, that I think opting in is a good solution. I think there's another avenue with EI we could possibly look at, and it's to do with employed relatives. Right now, at ACC for example, seven members of my family work at ACC, who under the EI rules can be deemed as non-arm's-length. I think that you or someone could look at expanding the opportunity that allows employed relatives to also collect EI. Right now, they have to have a special ruling from the CRA. So if we could take EI and do it in two steps, look at opting in and look at the feasibility of allowing employees' relatives to collect EI.

Hon. Maria Minna: To go for a second to the pension and retirement aspect of things, you made reference to increasing the contribution to the RSP. I'm not sure—I was on the finance committee for quite some time, and for a while we looked at the usage of the RSP, and the upper level was increased not too long ago.

This was only a couple of years ago, and the problem was that the average Canadian only puts in maybe \$2,000 to \$3,000 a year. So raising the upper level doesn't necessarily help Canadians with pensions. I'm not sure whether, to what extent, and how many of these are self-employed women who in fact it would help, or whether it would only be those who have a higher income, as opposed to those in the median.

I'm not sure that this is a solution. At the time, I was not supportive of increasing it, because only about 10% of Canadians actually benefit and are able to use the full space.

In addition to the RSP, you looked at some other options, other designs, such as changing CPP, widening it in some way beyond that. I don't find it to be responsive enough to the needs of most women.

Ms. Carole Presseault: Thank you.

I'll start on the RSP, and I'll turn to Louise on the CPP aspects.

You're correct regarding the RSP. But when it comes to RSP season, we read on every page—and it coincides with the time the federal budget comes out, so we're always reading the business pages of newspapers—that we're not putting enough money in the RSPs. But as you point out, we don't know who's not putting money in it.

There's still a knowledge or an information gap that would be worthwhile to see in terms of a policy. It would give the kind of effect we're looking for.

The second aspect of that is the ability to use RSP capital or funds to invest in certain kinds of enterprises. That would approach resolving some of the problems regarding access to capital.

The pension or CPP aspect of it is another dimension of the problem, and Louise has examined that.

Ms. Louise Nesterenko: Yes, but can I go back to the RSP for a second?

When I try to develop something on my own, such as when we talked about EI, there's already a precedent set using WCB out in Alberta.

When I look at the RSPs and talk about helping business women access their RSPs to help start up, and help them for research and development, I was referring to being able right now to take out \$20,000 to buy a house, which isn't taxed, and you pay it off over the next 20 years.

My vision for women is if they had an RSP and had access to it, this would help them invest in their companies and pay it back over time, or give an actual grace period. That's what I was referring to.

Can I talk about CPP?

Hon. Maria Minna: Sure, please.

Ms. Louise Nesterenko: I'm sorry if I appear nervous; I've never done this before, so I have a banging headache.

I've gone through your past sessions regarding CPP. When you look at CPP and what can we do as a Canadian government to help foster, grow, and help our, as you say, elderly, I believe that CPP— If we could look at when you're married and your spouse dies, right now you're entitled to what's called a survivor's pension.

What I think would be a good solution or a vision for the future would be to look at removing the cap and allowing the spouse—We all know that women live longer than men. I can't give you the stats; I know I'm supposed to, but I can't. If we could look collectively at removing that cap and allowing the women to collect what their spouses made through their CPP, then that would alleviate them being the number one contributors to poverty. It would also help them live.

Again, we only had a week. I interviewed 20 women over the age of 65. I asked them all, why have you returned to work, and why are you working part-time? All 20 answered, number one, my pension does not cover my cost of living, so I have to supplement my income by working part-time.

In my mind, if they were married, and they only get their survivor's pension, if we could remove the cap and allow them access to that money, then they would be able to live a little easier, and it might decrease the poverty line.

• (1550)

The Chair: Thank you.

[Translation]

Ms. Demers, you have seven minutes.

Ms. Nicole Demers (Laval, BQ): Thank you very much, Madam Chair.

I would like to thank our witnesses for coming today. I am very pleased to see you and particularly to hear what you have to say. I have a great deal of respect for all women whose mathematical skills are better than mine, which is not that difficult.

I read very carefully some of your publications, such as, "Growing Up: The Social and Economic Implications of an Aging Population". I also read a press release you put out on March 19, 2007 after the Conservative budget was tabled. In it, you seem to be satisfied with this budget.

Could you be a little more specific about the benefits of this budget for women entrepreneurs and for women generally, because I see nothing in the budget, as you were saying earlier, about employment insurance, maternity leave, bereavement leave, the pension plan and pay equity. So I am really wondering whether the budget was drafted without taking women into account. I'm having a little trouble understanding.

In the document entitled "Growing Up: The Social and Economic Implications of an Aging Population", you say that the objective must be an effective harmonization of personal or private programs with public programs. How do you think this would be possible, in light of the difficulty some women have reconciling work and family life, and who very often have precarious or seasonal employment because of this problem? I want to understand better, and I'm sure you will be able to help me.

Ms. Carole Presseault: Thank you for your question, Ms. Demers. It definitely touches on a number of rather complex areas. I must say that I would have liked to invite my colleague who wrote the report on pensions to join us, and I will not go into a great deal of detail about the conclusions of the report, because they are complicated and that is not really my area of expertise.

However, I would like to talk to you about the federal budget. It is true that when we looked at it, we saw that, like all budgets, it was a statement of the federal government's policies at a particular point in time. We are therefore looking at it on the basis of this point in time and the positions put forward then.

We were in favour of the budget, and gave it a passing mark, because we thought at that time there were a number of measures that could meet the needs of a large percentage of the population. Without being partisan in any way, I would say that this was a conservative budget.

When we looked at the budget at the time, we said that the measures it introduced for small businesses and families were acceptable. We had no criticism of the budget. This was all done in the context of reasonable and responsible financial policies. If there is a responsible financial context, investment is possible.

When we look at the issue today, we would be prepared to put forward some more specific measures in the next round of pre-budget consultations to assist women entrepreneurs, because you

were quite right when you spoke about the precarious nature of women's jobs.

In my brief presentation, a number of points slipped in. Perhaps I could take one specific aspect. For example, the figures show that women are almost the drivers of small and medium-sized business, and that small business creates jobs. Let us look at what steps could be taken to help these women employers hire other women and help them at least deal with the issue of precarious employment, particularly for immigrant women or women returning to the labour market for all sorts of reasons. At the same time, let us look at what could be done in the area of employment insurance, for example, to help women entrepreneurs who also have to look after aging parents or children.

So, in six months, when we are preparing our next pre-budget presentation, we could look at a broader aspect of the problem. With this in mind, the committee's recommendations will definitely help us develop our positions.

• (1555)

Ms. Nicole Demers: Thank you very much.

In "Growing Up: The Social and Economic Implications of an Aging Population", another idea is mentioned which I think is excellent. Once again, I'm no expert, but I am going to read the passage, because I think it is important we take into account the differences that exist in aging, particularly for women. The document states:

[Translation] The introduction of phased retirement reforms or adjustments to pension plans and other programs based on full-time employment or that contain disincentives to working beyond a certain age. If phased retirement became a reality or a significant option, the Income Tax Act would also have to be amended, because it does not allow wage earners to contribute to employer plans and receive benefits under the plans at the same time.

Do you think there are some specific changes that could be made that would help women in particular, have a better retirement?

Ms. Carole Presseault: Yes, definitely. I think one of the measures announced in the federal budget increased to 71 the age to which people can contribute to RRSPs. This would make a phased retirement possible or allow people to contribute longer.

This touches on the problem referred to by my colleagues about these women to whom she has been speaking in recent weeks who have to return to the labour market. This would be a way for them to have a phased retirement. These are things that could be done. We need to look more specifically at measures in light of current economic data in order to...

Thank you for reading this recommendation.

Ms. Nicole Demers: I think it is important and I think the work you do is also very important.

Do I have any time left, Madam Chair?

The Chair: Ten seconds.

Ms. Nicole Demers: I would like to thank all those witnesses.

[English]

The Chair: Merci.

Ms. Smith, for seven minutes.

Mrs. Joy Smith (Kildonan—St. Paul, CPC): Thank you very much.

Again, I want to thank you for your contribution here today and your insightful comments. It's very good to hear from you.

There are two things. I was very interested, when we were talking about women, in this woman who went back to work, who was a widow. Of the 20 women who you talked to, Louise, all of them said it's because they needed to enhance their cost of living.

With the CPP, I was very interested in what you said, and I want you to expand on it briefly. Taking the cap off would allow them to live much better. Our CPP fund has money in it.

Could you expand on that a little bit, about the merits of why that would be good?

Ms. Louise Nesterenko: Yes. Thank you.

Right now, the way it's set up, it is designed on the premise that two people can live as cheaply as one. But if you remove that one salary, that person now is only living on one salary, which is greatly reduced. Let's not kid ourselves, we all know it's greatly reduced.

What do I think is the benefit there? If we can look at removing that cap—and let's say for argument's sake it's \$600 a month—I don't know the exact figures—but if you can remove that cap and the woman then applies, and that CPP moves to the woman, that \$600 then becomes her income until she dies. I will use that as an example. Now, that \$600—two live as cheaply as one—but that woman is still living, probably, in the same house. Or she has to find another method of care. She still has to have transportation. She still has to eat. She still has to get around. She still has to take care of her family. So that money would allow her to live in the same lifestyle that she, I guess, sort of enjoyed when she was living with her husband, without having the pressures of going back to work.

There's the other side of that, Ms. Smith. It's very hard being 65, going out and getting a job, because people look at you and they think that you're at a dead end. But it's not true. It really is fulfilling to work at 65. I'm only 57. We know that, don't we?

• (1600)

Mrs. Joy Smith: Of course we do. All around the table we know that.

Having said that, I really like the problem solving kinds of ideas that you have. I've run a business myself and this makes a lot of sense.

Anyway, the second part of my question—I'll direct it to Carole, if I could. I'm very interested in what you said in your presentation about young women with a lack of education and lack of credit ratings. Sometimes they get married and sometimes they don't, but often it's much more difficult for them, if they want to buy a house, to qualify for that house.

Could you give us some suggestions of things we could do as a federal government to make sure these young women have the kind of wherewithal they need to get this information and to be looked on favourably when they go into a financial institution?

Ms. Carole Presseault: Absolutely. A few years ago we convened a round table of women entrepreneurs who were certified

general accountants and we looked around the table and talked about the problem today, but we also talked about how we would do it for tomorrow. How do we make sure that young women...? I think you have to bring it into the education program. It goes back to education.

There are a lot of things that need to start with education. The federal government needs to make sure there is money there for education. That's the first thing in terms of post-secondary education. But it starts much earlier than post-secondary education. Parents need to have the tools to teach their children. I know the banks have been loudly criticized but if you go to their websites—and I have because I have three children, two daughters—they have the right kinds of tools. It has to be part of what you do in bringing up your children. There has to be a supportive atmosphere to be creating that. And I think education, tools, and training is what the federal government could do.

Mrs. Joy Smith: How much time do I have, Madam Chair?

The Chair: You have about two and a half minutes.

Mrs. Joy Smith: What about atmospheres where we have families that don't have the support? There has to be another venue to deal with that because a large part of our young population does not have that support.

Perhaps working with young entrepreneurs, you might have some ideas as to how we can put that information out there or allow that to happen.

Ms. Carole Presseault: You're going to talk about mentoring, I hope, Louise.

Ms. Louise Nesterenko: Yes, I was just going to say, if I could talk about my vision of what the government can do to help young women or people who are trying to access capital, it is called mentoring. It's called networking.

I think what the government can do is set up these centres of excellence. I know the United States has them. I know they're in Europe. These centres of excellence will be like a one-stop shop where women, or anyone, can go to access information, meet someone, talk with them, and understand what they can do. And that mentor actually guides and helps that person along.

I can say that I have probably been a mentor to 25 to 30 young people, helping them get loans but only because I'm an entrepreneur and they have that trust factor. I'm not the only one. According to statistics, by the year 2010, there will be one million women who are running small businesses. So by the year 2010, there will be one million of us. Look at that pool you have. You have such an opportunity, using that pool—one million women who can mentor and foster other women—bang, bang.

Mrs. Joy Smith: It's nice to listen to you. It truly is. It's very exciting because this really impacts on young women, senior women, and you talk about the real world. This is great.

Carole, do you have any comments on this, as well? Anything else you would—

Ms. Carole Presseault: I was going to say, I hoped Louise was going to talk about mentoring and she's done a really good job because she's there and she's on the ground and she knows how it works.

I think you can use business organizations and professional organizations, but there have to be facilitating mechanisms and that's why the federal government is there, to create the right conditions for this to happen.

•(1605)

Mrs. Joy Smith: Like the centres of excellence that you're talking about.

Ms. Carole Presseault: Yes, like the centres of excellence or getting the right information out.

Mrs. Joy Smith: Do you mean like the Women's Enterprise Centre and things like that, those initiatives? Yes, because it's very successful in Winnipeg.

I think my time is running out, so I'll have to thank you.

The Chair: Thank you very much.

I just want to add to what Ms. Smith said. CGAs, CAs, and I think the CMAs if there are now no longer CMAs, do work with the Junior Achievement and do a lot of mentoring, so I think the professional bodies are helping out. And I think there is a lot more to be done.

With that, we go to Ms. Mathysen.

Mrs. Irene Mathysen (London—Fanshawe, NDP): Thank you, Madam Chair.

Thank you very much. This has been very, very instructive.

You talked about your association and you talked about mentoring and how women need access to capital. I want to switch gears a little bit. I wonder about these round tables and if at any point you talked about the work-life balance, because that's another reality in terms of women's economic security—achieving that balance between having to worry about child care at one end and perhaps providing caregiving to elderly or sick relatives at the other end and all of the demands on a woman that many of us face.

I'm wondering if you could discuss that in terms of our need for an affordable regulated child care system, affordable housing, and support from government for that caregiving element in many women's lives—long-term care, home care—and how governments can help make sure that women meet those incredible demands.

Ms. Carole Presseault: I'll take a stab at it.

Ms. Louise Nesterenko: Then I'll go next.

Ms. Carole Presseault: Yes, we're quite balanced. You can talk to us about work-life balance.

The first thing I want to do is dispel a myth and state that these one million women entrepreneurs who will be around in 2010 are not becoming women entrepreneurs because it's the easy way out. They work as hard starting at their businesses—and I don't know who I'm saying this to, but you know this as much as I do—as they are doing any other things.

They are like Louise, starting up different kinds of businesses, but putting in as many hours and the hundreds and hundreds of hours a week if there's that need to do it.

On the issue of child care, we don't have a position on what form that would take, but absolutely, to succeed, women need access to

affordable, quality day care. There's no doubt in that; it's the statement.

Louise, did you want to comment?

Ms. Louise Nesterenko: Can I expand just a little bit, if that's okay? Again, I'm not speaking on behalf of CGA when I talk about that day care. As she just said, they don't have a position.

It is very difficult today for us to balance our work life. One of the problems we have is a day care problem. There are very few day cares. It's hard to get your child into day care now because it's not accessible any more like it used to be, or maybe because those day care workers have gone out to work themselves, to meet the demand of the economic situation.

Some women ought to stay at home, because day care is very expensive. No disrespect to anyone, but a child tax credit or whatever it is—have six grandchildren—that \$1,200 that a family gets per child and you can't put a child in day care for \$100 a month. So if you use that on economics of scale, a woman goes out to work and—let's just keep it simple—she makes \$12 an hour, but she puts her child in day care, and that's costing her \$7 an hour. So her net return is only \$5, because day care is no longer affordable.

What happens is that it is cheaper most of the time for a working woman or a woman who's chosen to work to stay at home, but then that creates other problems. So you are correct that our vision should be that we should be looking at affordable day care and what the government can do to help facilitate that.

What's going to happen is, if you look at us aging baby boomers, we're going to leave the market, so that means down the road, let's say in 2030, only four women are going to be in my sector. So what you have to deal with, as a government, is that you are going to have stress and pressure on our young. How are they going to sustain our economy? We need to look at that sooner rather than later, which is affordable day care. We need to provide or find spaces.

So you can approach it through individual taxation, and I'm not going to say I'm a tax expert, or you can have incentives to help people set up day cares that are affordable.

Does that help you?

•(1610)

Mrs. Irene Mathysen: That's wonderful.

At the other end, the caregiving for elderly parents or relatives, the long-term care, the home care.

Ms. Louise Nesterenko: To me, it's one and the same. It's very hard when you have a parent who is sick and elderly. Even as an owner, I now have to take a minimum of ten hours off a week to take care of someone who has Alzheimer's.

Again, I haven't studied that far, but if we could parallel it, we could parallel it like child care and do the same thing for the elderly. You could have one program that can fit both.

Ms. Carole Presseault: I just really like it when Louise gets excited. When Louise chaired the board, there were just such amazing times.

Also, to add to the point in terms of elder care or caregiving, one of the new measures of course is the EI measure that some of us are benefiting from. But I think we need to look at it also from an employer perspective. I think employers need to take into account—We're off the topic of small entrepreneurs, and that might not be as easy, but large employers need to take account of caregiving leave, and I think some of them are. I know at CGA Canada they've instituted a caregiving or family responsibility leave, because it's more than—

Our children are getting older and moving on to university, but our parents are needing our care.

Mrs. Irene Mathysen: Would a flexible work week make sense? One of the things I've been talking about is allowing women to create their own working environment, for example, flex time. Is this something that fits into this picture in a positive way?

Ms. Carole Presseault: It fits in for large employee organizations. I don't know how well it fits in for organizations like Louise's. I don't know what accommodations you would take away from your enterprise to accommodate people and creating caring environments. That's where the government can come in and provide incentives for employers to allow that, whether it is EI contribution breaks or holidays to allow that flex time. I think there has to be some really creative stuff happening to recognize that that is a problem.

Looking at the EI system, it's already supporting how the employer gets the EI contribution break to be able to support, because the real cost of having employees on the payroll is still covered.

Ms. Louise Nesterenko: At ACC, we allow flex time. For example, if you need to take care of an aging parent or you have to go, we allow everyone, not just women, to work four ten-hour days, and then they can take the Friday off. But they are empowered to determine what hours they need to work, all 65 employees. It doesn't matter if they're in manufacturing or whatever, they are empowered to pick their own time. They dictate what their hours are. Some of them have chosen to work part-time.

I'm sorry, I'm talking a lot.

The Chair: It's an exciting topic. I said 4:15, but there's some also very critical information that we have to take in camera, an issue that has come up. So I have only one last question, and then Louise and Carole, you can wrap up. When you wrap up, before I forget, you've talked about the CPP fund. We're very visual people, so if you could give us something on that CPP fund as to how you think it would work, the mechanism, it would be beneficial to us all. That's the way you have come up with, and if you could just give us some diagrammatic form, that helps us. Thank you.

Ms. Neville, for five minutes.

Hon. Anita Neville (Winnipeg South Centre, Lib.): Thank you, Madam Chair.

Thank you very much for coming here today and for your enthusiasm.

Ms. Nesterenko, you talked about unleashing this CPP fund, which works well for married couples or partnered. Do you have any suggestions for single women, women who have never been married

or who are divorced? Many of our meetings have indicated that they are the most disadvantaged in later years.

Ms. Louise Nesterenko: I have thought about it. I think the rules should be the same, whether they were married or not, based on income. In my opinion, I think we should allow women who were never married to have access to some portion of, or the same portion, equality for all. So, yes, when I talk about death benefits, I was actually talking to people who were suffering. But if a person was never married and they don't have access right now, they should be entitled to the same benefits as someone who was married. I guess you could argue that.

• (1615)

Hon. Anita Neville: How do you work that?

Ms. Louise Nesterenko: I need more time to think about it, if I could. I'm willing to get back to you on that, because you have opened up another problem.

You have to remember, we were the cause of it. CPP was not formed until 1966. Back in the 1950s and 1960s, women did not work. If they worked, they were supplementing their husband's income. So what happened is there was that 20-year gap where women weren't working. So whether they were married or not, they did not have access to CPP. I'm sorry, it's not available to them because they didn't work at that particular time.

So I feel we are the root cause, because it wasn't done. So if you would allow me to come back to you, I will give you or let Carole give you something. I will do it, but I'll ask Carole to present it. I'm willing to give you something that would work for single women too.

Hon. Anita Neville: Thank you.

Do I have time for one more?

The Chair: Yes, you have.

Hon. Anita Neville: My understanding, and it's come about through a number of situations that have come into my office, is that when a senior is employed in the workplace, whatever the job, they pay their EI benefits, but they can't draw on their EI once they are over 65. Any comments, any thoughts?

Ms. Louise Nesterenko: Again, that goes back to how I say we should be revamping the EI program, which is they should have the right to opt out, just the same as if it was employer relative, and not be charged that fee because they can't collect it anyway.

Hon. Anita Neville: Thank you. That's fine, Madam Chair.

The Chair: Ms. Minna, you said you wanted to ask one quick question.

Hon. Maria Minna: No, actually I think Ms. Neville asked it for me.

The Chair: I have two minutes to spare. Shall I give it to one of you guys?

Go ahead, Miss Davidson.

Mrs. Patricia Davidson (Sarnia—Lambton, CPC): Thank you. I have one and then I am going to give it to Mrs. Grewal.

The Chair: You have two minutes. Be quick.

Mrs. Patricia Davidson: We talked about EI benefits and about “mandatory” versus “opting in”. What is your opinion on whether or not a young entrepreneur in the early 20s would be thinking about economic security to be a caregiver, or having to opt out for some of these things? When you think about that, is mandatory better than just the option of opting in?

Ms. Carole Presseault: In the discussions we've had in preparation for this, we've debated both sides. I think we're coming down on the side that opting in would be the best. Again, I think we need flexibility in the system. Opting in would be the best.

Mrs. Nina Grewal (Fleetwood—Port Kells, CPC): Thank you. Are Canadians doing enough to save for their retirements, and if they are not, what could this mean for seniors?

Ms. Carole Presseault: I'm not qualified to answer that question, but as we mentioned earlier, we get bombarded that we're not saving enough for our retirement and then we get bombarded that we're richer than we think, to use the slogan. So I don't know what the answer to that is, but it's an area of study that, if it hasn't been done, the Status of Women Secretariat should look at: whether or not the economic security in that sense—What is the real prosperity gap? What are those numbers?

But I'm sorry; I can't even attempt to look at that.

The Chair: Would you have an idea what the poverty level should be, what the cutoff is for poverty? I think we are all grasping at straws, asking what poverty is, what income level poverty occurs at.

Ms. Louise Nesterenko: Right now, isn't the government saying it's \$14,000? I read somewhere that it said \$14,000, because I was—

The Chair: I think where you read it was in the budget plan, if you have it before you. If you go to “Working Income Tax Benefit”, it says \$14,400 for a family and \$9,500 for a single person. That is really not poverty, because it wouldn't cover—But I guess that's what we are going to grapple with when we talk about the economic security of women: what is poverty; at what level do we call it poverty?

Ms. Carole Presseault: It would be interesting to look at an analysis of what different scenarios are out there—what people are saying about what poverty is, and what poverty levels are—to come up with some kind of scale. I don't think you could hit it on the head; you'd have to take a snapshot. But there would be a scale, and I'm sure there is an organization that specializes in this kind of thing. We're not one of those.

The Chair: Thank you. You have a minute each to give your closing—

We had said 4:15. I'm sorry about that; we need to get into two important issues. So Louise, would you take a minute, if you'd like, to wrap up?

• (1620)

Ms. Louise Nesterenko: Okay.

In summary, the message I would like to leave is that we need to work on our vision for EI, which includes opting in not just for maternity. I get so tired of hearing just “maternity”. I want maternity, I want paternity, and I want compassionate care benefits.

The next thing I would like us to do under EI is look at employed relatives and see whether we can't change that, which means the government needs to revisit the consistency of employing relatives.

The second message or vision I would like us to look at is CPP, concerning which I already promised that I would get back to you on how to deal with married women.

The third one is training. It's very important that we train our youth and bring them up through centres of excellence, and if it has to be through employers, I'd really like to see tax incentives to help employers further the education of women.

The Chair: Thank you.

Ms. Carole Presseault: I would like to thank you for your time this afternoon and wish you best of luck and safe travels as you undertake the writing of your report. Thank you for having us.

The Chair: Thank you very much. Thank you both for being here at such short notice and giving us a really different perspective. We're looking forward to your little diagram.

I have to go in camera. You can ask them a question privately.

[*Translation*]

Ms. Johanne Deschamps (Laurentides—Labelle, BQ): I would just like to make a comment Ms. Nesterenko may yet get what she is hoping for with regard to employment insurance. A bill including both of your recommendations is currently on this Parliament's legislative agenda. We are just waiting for the government's response. If it assents, the bill will provide for an optional plan for self-employed workers and small businesses. We are also asking for the removal of the arm's-length family relationship clause.

[*English*]

The Chair: We will be going in camera, so if you are not part of this group you will have to leave.

[*Proceedings continue in camera*]

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