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—
Chair

The Honourable Hedy Fry

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•(1110)

[English]

The Chair (Hon. Hedy Fry (Vancouver Centre, Lib.)): Good morning, everyone.

I'm sorry that we always seem to be starting our meetings late because the people before us never vacate their meetings until well past their time. With your permission, I will be sending a note suggesting that it would be really nice if people left their meetings on time so that we could begin on time, because we lose a big chunk of our meeting time when we have to do this. It's not the first time. It happens each time, so we'll need to deal with it. I noticed there's no clock in the room, so I guess we can forgive them for not knowing the time.

As you noticed, we have an in camera component from noon to one o'clock, because we need to discuss some aspects of the study that we're doing, witnesses, etc. There are many things we have to discuss. We also have a notice of motion from Ms. Mathysen, as you probably all saw.

What I'd like to do is begin with our witness, Joan Brady, from the National Farmers Union.

Welcome, Ms. Brady.

Ms. Joan Brady (Women's Vice-President, National Farmers Union): Thank you very much.

The Chair: You have ten minutes to give us your presentation, and then there will be a series of questions from various people. We'll be going until about five minutes to twelve.

Please begin.

Ms. Joan Brady: I would like to thank the chairperson and committee members for this opportunity to present the National Farmers Union policy and concerns on the topic of employment insurance and its impact on farm and rural women.

The National Farmers Union is a non-partisan, nationwide, democratic organization made up of thousands of farm families from across Canada who produce a wide variety of commodities, including grains, livestock, fruits, and vegetables. The NFU was founded in 1969 and chartered in 1970 under a special act of Parliament. Our mandate is to work for policies designed to raise net farm incomes from the marketplace; promote a food system that is built on a foundation of financially viable family farms that produce high-quality, healthy, safe food; encourage environmentally sensitive practices that will protect our precious soil, water, and other natural

resources; and promote social and economic justice for food producers and all citizens.

The National Farmers Union is unique among farm organizations because of its constitutional structure, which ensures that women and youth are given equal decision-making power at all levels of policy development, from local meetings to our annual national convention. The NFU ensures that the voice of women is included on the national board of directors through the positions of women's president and women's vice-president. These two elected positions are determined annually at our national convention. Women are also well represented on our national board, and women have served in the offices of NFU president and NFU vice-president.

I felt very privileged to be elected to the position of National Farmers Union women's vice-president at the national convention held in Saskatoon in November 2008. I have a great deal of passion for farming and an appreciation for the good folks who make farming their business. I am also very involved in my community. I work with various Huron County agencies on food security and poverty issues.

I grew up a generation away from the farm, but with guidance and work placements with extended family, I began working and learning on the farm. I went to the University of Guelph for my diploma in agriculture and worked in the agricultural service sector. In 1989 I married, and my husband and I began a small farming operation in Middlesex County while we both worked full-time off the farm.

Following a barn fire, we purchased a larger farm in Huron County, and I became a full-time farmer. For 12 years I worked as a farm manager, while David worked off-farm. In 2006 we sold the farm and exited the hog industry. I rejoined the off-farm workforce. We continue to farm a small acreage and sell produce directly to consumers. We live in Huron County in the Grand Bend area. I might just note that Huron County is in Ontario.

Over the years, EI, or the lack of access to EI, has affected me and my family. Ultimately, every farmer wants to receive their living from the farm. However, as it states in our submitted brief, a large percentage of farm families are unable to do so. They must take on additional farm work.

In our case, David worked off the farm 45 hours a week for nine months of the year. In addition to that off-farm work, he would work many hours on the farm during planting and harvest. He also helped me year-round to maintain the buildings and equipment. We shipped hogs each week, and as a result, David was never eligible for EI. Those hog shipments were recorded as income against his claim.

In 1999 we were receiving \$35 for a hog that cost us \$135 to produce. Our annual income from both farm and off-farm sources was negative \$35,000. Had the EI system acknowledged net income rather than gross income, we would have received at least the benefits that any other full-time worker was entitled to.

In many farm families, it's the woman who works off the farm to shore up farm income and provide for the family's needs. This same policy of reporting gross farm income rather than net income could easily stand in the way of their EI benefits and, quite possibly, maternity benefits.

Following the changes to employment insurance in 1997 that doubled the required hours from the previous system, many women, who are more likely to work part-time, have been ineligible for the benefits, job training, and educational opportunities.

• (1115)

In 2006, when I left full-time farming, I received a job training grant through the then Canadian Agricultural Skills Service. The ability to improve my skills both enabled me to get a job and gave me the confidence to begin to rebuild my future. Many current job training programs are tied directly to employment insurance. If people are not eligible for EI benefits, they will also not be eligible for job training support. This ineligibility could impact their ability to gain employment in the future and could lock them into inescapable poverty.

Focusing on the opportunities for education and improvement of job skills related to the EI program as necessary both for the health of the Canadian economy and for the resilience of the rural community makes me view the \$50 billion in assets in the EI program fund as wasted opportunity and short-sighted savings.

Last week, I travelled with my children to visit family in Nova Scotia. I spent a number of years working on farms in the Annapolis Valley of Nova Scotia. Valley agriculture is currently in crisis as meat-packing plants have been closed and the farmers who had supplied them are being forced out of the industry. My friends, in the industry for 40 years, have gone into receivership and have had to terminate their daughter's employment. There is a possibility that she will not be eligible for EI, as they are required to prove they are dealing with one another at arm's length. They are devastated. They've lost their business, their occupation, and possibly their home, and they have to face the knowledge that one of their employees will not be treated equally by virtue of her relationship with them. Because my friends are self-employed, they are not eligible for benefits or the related job training.

Employment insurance should be seen as a step to re-employment and a necessary support to keep Canada and its workforce productive. Almost all workers and employers contribute to the program, yet only 40% of unemployed workers are eligible for benefit. This inequity must be addressed.

In conclusion, I would like to reiterate the recommendations in the brief submitted to your committee.

The NFU recommends that the federal government follow the recommendations of the parliamentary committee and restore integrity to the Employment Insurance Act by requiring that the cumulative surplus in the EI account be returned to the EI program.

The NFU recommends that substantial changes be made to the EI program to ensure that women workers, particularly those in rural communities, are able to fully access benefits, including job training and other educational programs, and that those benefits be increased.

The NFU also recommends that changes to the EI program be implemented to enable self-employed persons, including farmers, to participate meaningfully in the program.

The NFU further recommends that net farm income rather than gross farm income be one of the criteria that are used in the calculation to determine the eligibility of a farmer's claim for EI.

I respectfully submit this. Thank you.

• (1120)

The Chair: Thank you very much.

Now we will begin our first round, starting with Ms. Neville.

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

Thank you very much for being here today. Your perspective is an important one and often quite singular, so you're most welcome.

I have a number of questions. In looking at your brief, one thing caught my eye, and it's not something you referenced. You say here: "Eliminate the presumption that persons related to each other do not deal with each other at arm's length". Can you speak to that any further?

Ms. Joan Brady: I did speak to it somewhat when I gave the example of my friends—

Hon. Anita Neville: Right.

Ms. Joan Brady: —in the Annapolis Valley who had employed their daughter on the farm. Many farm families employ their children. They're not necessarily partners within the farm. Sometimes it's part of succession planning. It makes sense for them to be employed and to receive a wage for what they're doing. Perhaps they need a job or perhaps they're testing the waters to see if this is something they would like to do.

It needs to be assumed that this is just what they are. They are employees, not partners, and they are not receiving any special consideration from the relationship.

Hon. Anita Neville: You speak to the issue of creating a category under employment insurance for self-employed workers. A couple of years ago, this committee looked at the whole issue of self-employed workers, particularly focusing on maternity and paternity benefits.

What I'm understanding is that you're looking at it for the whole gamut of EI benefits. Has your organization thought about or expanded on how such a program would work for the self-employed?

Ms. Joan Brady: I can't say that I know that. I'm fairly new to the position, so I'm not sure if there has been some talk of that proceeding. I think it is, in particular, the opportunity to start over. I think the farm community is very cognizant that there are a lot of farmers in trouble right now. We lost 10,000 farm families across Canada last year, and those people have to go from that job to find something else. Really, they don't have the support they would have had if they had had the employment insurance benefit.

Hon. Anita Neville: What I'm hearing you saying is that—and correct me if I'm wrong—at a minimum, one thing that could be implemented immediately would be access to training for dislocated farm workers. Would that be fair?

Ms. Joan Brady: Yes. The Canadian Agricultural Skills Service was a federal program that ran from 2005 to January 2009. It was to provide farm families with the opportunities to educate themselves and discover new opportunities. It was great. There is no talk of renewing it.

Speaking from my own perspective, that's what saved us. It gave us some resources to begin again with, for sure.

Hon. Anita Neville: Among the issues you identified as coming out of the private member's bill, what would you prioritize as most important for immediate action, or prioritize for our recommendations to government?

• (1125)

Ms. Joan Brady: I apologize. I just have to catch up with my paperwork here....

Hon. Anita Neville: That's okay. We all have too much paper.

I'm looking at the recommendations on page 10 of your long brief.

Ms. Joan Brady: Yes. I think changing the requirements so that more folks are eligible would be the biggest thing. Especially for farm women, if we're working off the farm, we're coming home to work for our families and we're coming home to work on our farms. Often part-time work is the only thing that is open to us. I would suggest that considering the eligibility for previous programs would make more sense.

Hon. Anita Neville: Do you have any statistics, or does your organization have any statistics, on the number of farm families in which women in particular—I guess, because that's who we're looking at right now—are working off the farm to subsidize the family situation?

Ms. Joan Brady: I would suggest that the statistics are out there somewhere. In my case, I was an exception to the rule in that I was the farm manager and David worked off the farm. In most cases, it's the gentlemen who work on the farm and the women who work off the farm.

Hon. Anita Neville: You don't have any figures?

Ms. Joan Brady: I have none that I know of, but that's quite possibly something I can find.

Hon. Anita Neville: Do I have any more time?

The Chair: Yes, you have one minute.

Hon. Anita Neville: You talked about increasing the rate of weekly benefits to 60% and increasing the maximum yearly

insurable income to \$42,500, and you talked about an indexing formula. Why did you arrive at those figures?

Ms. Joan Brady: I think those figures were suggested by some of the other folks who are looking at the issue. I think the big thing to understand is that these benefits have not increased in many years, and they do not reflect the amount of money that it costs to live today.

Hon. Anita Neville: Thank you.

I'm done.

The Chair: Thank you.

Madame Deschamps.

[*Translation*]

Ms. Johanne Deschamps (Laurentides—Labelle, BQ): Thank you, Madam Chair.

Good day, Madam, and welcome to our committee.

I get the feeling that the committee has heard this tale before. I'm talking about the problems women have with the current EI system. We heard from witnesses when the committee examined the issue of the economic security of women. In the previous Parliament, I tabled a bill, Bill C-269, which called for improvements to the EI program. We visited a number of communities throughout the province to discuss the proposed legislation.

Can you tell me if the National Farmers Union that you represent has members across Canada, including in Quebec?

• (1130)

[*English*]

Ms. Joan Brady: We are in 10 provinces. The National Farmers Union is not in Nova Scotia and we are also not in Quebec.

[*Translation*]

Ms. Johanne Deschamps: Last week, I visited several regions in Quebec to discuss another bill. I was very surprised when farm women told us that it was becoming increasingly difficult to run a regional farm, given high costs and declining farm revenues, not to mention that the situation is compounded by the rural exodus of young people. The future of farming is threatened. Young people cannot obtain the required financing to take on responsibility for a farm. Another problem mentioned was the difficulty farm women have obtaining EI benefits.

The concerns addressed in your submission are not new to the committee. We are seeing tangible signs of this very serious problem. You recommend in your submission that the government bring in several measures which you feel would not require a major effort, but rather some political will on the government's part.

I find it interesting that you mention Bill C-308 at the very end of your presentation. My colleague tabled this bill in the House of Commons this past February. You would like all members to throw their support behind this parliamentary initiative given that it addresses a genuine problem. Do you want the focus to be on some of the priorities listed in the six recommendations set out in the bill, which is currently making its way through the parliamentary process, or on everything that could improve the economic situation of farm women, especially since the existing system puts them at a disadvantage?

[English]

Ms. Joan Brady: When referring to the difficulty young people have in starting in agriculture, we use some statistics: in the last 10 years we have lost 62% of our young farmers, and the present average age of farmers is about 57. We are virtually a dying breed. Part of it is that I'm a relatively young person and am a retired farmer because the future wasn't there for us. We were good at what we did, but the future wasn't there.

If we look at EI and at the job of farming and recognize that we need to have positive returns—and protection as well, because it's a vital service—then including farming in EI programming makes a lot of sense and might entice other folks to accept some of the risks that come along with farming, because then they would have security along with them. Maybe those are the major recommendations.

I'm a very principles-based person. I see that we need to make the program accessible. It's there to help people, to get them restarted. Basically, whether it's making the number of hours worked to be eligible the important thing or whether it is deciding that self-employed people need to be eligible, all in all I think we need to make it work for Canadians. We need to get Canadians back to work. We need to understand the economic climate and also encourage folks to start over. I think that's going to be a reality in the next number of years. It's not just on the farm but in the rural community as well that people need support to start over.

• (1135)

The Chair: Thank you very much, Madame Deschamps.

Ms. McLeod.

Mrs. Cathy McLeod (Kamloops—Thompson—Cariboo, CPC): Thank you, Madam Chair.

Thank you also to the witnesses. I'm sure your organization is doing very important work on behalf of farmers. It's in all our interests that we have a viable industry. I represent the interior of British Columbia, with many ranches in the cattle industry, so I certainly appreciate and have heard the very desperate circumstances that many of the hard-working families find themselves in right now.

There are various pieces I would like to key in on from your presentation. Intuitively you indicated that you would suggest net income rather than gross income. Would that be an easy thing to do? EI asks for it on a month-by-month basis, and you probably don't know net until the end of your time. Would that be a somewhat easy thing to do?

Ms. Joan Brady: It might be if we had an industry standard. I quoted that I was paid \$35 for my hog, which cost me \$135 to produce. The \$135 figure is actually an industry standard. Each and

every farmer is going to fluctuate somewhat from that average. If those things could be negotiated, this could be done and could serve as a guideline.

Mrs. Cathy McLeod: Of course, I expect that at the end of the year when income tax is done you would have accurate figures. That also struck me as something that's hanging there.

Another thing—and I've struggled with this particular piece—is something you talked about: hiring family. I've had some of my constituents flag this to me, even as it relates to such things as summer student employment programs, under which they could have support to hire neighbours' children. They run a family farm and say they're trying to keep the family farm going and don't want to be hiring their neighbours' children; they want to be hiring their own.

The offset of that, of course, is that over many years we have recognized that business hiring and nepotism within government-funded programs in which parents are hiring children is a bit of a struggle. I'd like to explore this, because I think there are some valid points around family farms being perhaps different. How could they not follow that nepotism path that we often struggle with, as a government not wanting to support that tendency?

Do you have any thoughts in that area?

Ms. Joan Brady: Maybe we could look into a formal program, something that folks apply to. Then you could add certain requirements on business planning. So I think that would be a really positive thing. You could hire your kids through a program and they'd be EI-covered and have certain benefits and things like that. If it's fairly formalized, it would be kind of like a job training program. There might be other ways you could add to their skill sets at the same time.

Mrs. Cathy McLeod: In your recommendation, you talked about training that was not available for non-EI recipients or through a lapsed program. Under our new budget, we have the opportunity for non-EI eligible to be eligible for our training program. I think that's a positive thing for the community you represent.

You talked about a program that was there that's no longer there, which was a very positive program. Are there elements within that program that might easily transfer into this new EI program, elements that are specific to agriculture? Do you have some thoughts there?

Ms. Joan Brady: The CASS program was basically something you applied for, and your eligibility was based on farm income. It was aimed at folks who weren't making a lot of money on the farm. It had various purposes and goals. One was to improve your on-farm practices; another was to enable you to find off-farm work.

It was a good program; it was there when I needed it. As with every program, there were a few challenges. But I believe in education and making it accessible. I look around me and I know different folks who were able to take different things, and they've grown by it. They've improved their operations or managed to find off-farm work that's helped them. I would have comments on CASS if they ever brought it back. But you have to try it and work with it. Something like that would be positive.

• (1140)

Mrs. Cathy McLeod: That program was good for the farming community, and it will now probably be available through the EI program. I think that's a good thing. There will be opportunities for women and farms to have that support.

Were you looking at training for general job re-entry, or were you emphasizing technology programs? Or was it optional?

Ms. Joan Brady: I think for me it was optional. I'm a very self-directed learner. I look at the gaps and I try to fill them. In the farm community, there's lots of energy and ingenuity. A lot of folks can do a lot of things if they're supported. So my personal preference would be something that was fairly wide open and self-directed.

The Chair: Ms. Mathysen.

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

And Ms. Brady, it's so good of you to be here. I have to say that in a previous life I was a member of provincial parliament in Middlesex County. I knew many folks in Huron County and have long admired the work of the National Farmers Union. I know what it means to communities and I know that the NFU's work and socially progressive policies are very relevant to the quality of life in rural places.

Are farm and rural women included in government consultations about policies like employment insurance? If not, what more could or should be done to make sure these voices are heard when it comes to formulating policy?

Ms. Joan Brady: We in the NFU really appreciated being called to present here today. It needs to be recognized that we do have women in leadership in agriculture and that we speak on agriculture issues, not just women's issues.

For many years I was involved in women in agriculture in Ontario. There isn't really a group anymore. We always felt that it was important to have that group in order to discuss some of the softer issues, because it's a farm family, it's a place where we live as well as raise our family as well as work. Sometimes in the mainstream when we're working hard to defend our right to make a living, some of those issues get missed.

Presently, I know in Ontario and throughout Canada there's nothing there. I'm not sure on the timeline of things, but at one time there was a Canadian Farm Women's Bureau that we were able to work with on different issues. It has been defunct for a number of years now. That's a resource that could be used for people to connect into.

Ms. Irene Mathysen: Defunct, why or how? What happened?

Ms. Joan Brady: I think the funding was cut.

Ms. Irene Mathysen: Was that federal or provincial funding?

Ms. Joan Brady: I believe it was federal. I'm not entirely sure of the details, but I surely could get that information if you're interested.

Ms. Irene Mathysen: I would appreciate that. Over and over again we are finding that this connection to community—the research and support that parliamentarians receive from the community—is no longer there. It feels very much like we're in a vacuum sometimes.

I was looking at some articles, and I chanced across an article by the Prairie Women's Health Centre of Excellence. A farm woman was quoted in that article, and it reads:

There is very little support in terms of managing off-farm jobs, on-farm jobs and family. [It's] the triple role that women play, the care giver role that they also play for their family, but also their parents, and the whole home care issue where farm women may have to be the ones who are supposed to provide care to others that are very near and dear to them. There's also the issue of respite care. If somebody is coming home early from the hospital, how do you take time off from work to be there? [Another problem is] a lot of kids are left home alone while women are out in the field and they're too young.

That whole issue of rural child care was something I encountered as an MPP. It led me to wonder about farm accidents. That is another reality in terms of trying to juggle all of these things and manage when there are no supports like EI.

I wonder if you could comment on the accurate portrayal. Is this indeed accurate? In terms of when someone is injured on the farm, what happens? Is there some support there, like EI or CPP?

• (1145)

Ms. Joan Brady: I guess I can really speak to that. We had a barn fire in 1995. I was expecting my third child at the time. We moved two weeks after she was born. I was responsible for 90 sows, farrow to finish, which is about 1,000 animals, and David went back to work. Never do that. It was a very trying time.

That was our reality at the time. We moved to a new community and we really didn't have the support. Because my other two children were three and four years old, I was able to get a babysitter after school from four to eight. I needed to do all my work between those hours. Between four and eight I had to do an eight-hour day. My husband worked before work and after work. We got some help on weekends. We worked. That was our reality. It was just a matter of the timing.

I was lucky. I was the farm manager, so I always brought my children to day care. There are many folks who don't have that luxury. Number one is accessible day care. Number two is that the finances are not there. Number three, there is the assumption that we can work and look after them at the same time.

Having said that, my kids, especially my youngest daughter, were quite quick to tell us we were too busy for them. If they expected to spend some time with us, they needed to work with us. I think they have great work ethics today, but at the same time I'm concerned that some of their childhood was not what it could have been.

Certainly those are huge issues on the farm. It is a huge load to carry. In my case, with David working off the farm, if he ever was home I needed him in the barn fixing what I had broken that week. Then the full measure of family responsibility was on my shoulders because I needed him to be elsewhere.

Does that answer your question?

Ms. Irene Mathysen: Yes.

The Chair: You have 20 seconds, Ms. Mathysen.

Ms. Irene Mathysen: I wonder if you could speak to the issue of accidents on the farm as a result of this. What supports are there now in terms of EI or CPP?

Ms. Joan Brady: I don't think there is too much. Many farmers are self-insured for accidents, and that's another expense: they buy insurance. We're self-employed. I'm not 100% sure; we never did.... I was self-insured with a company.

Ms. Irene Mathysen: Thank you.

The Chair: Thank you kindly, Ms. Brady.

I don't think we have time for a second round, because we only have about 10 minutes left in this thing, and I thought maybe you might spend that time getting lunch.

I just wondered if I could ask you a question, Ms. Brady. You said that farmers are considered seasonal workers. In one part of your brief, you mentioned that they are considered seasonal workers. You said that the EI program considers farmers to be employed from April to October. Are you considered a seasonal worker by EI, or are you considered a part-time worker?

• (1150)

Ms. Joan Brady: I think EI considers that farmers will never be unemployed between the months of April and October, so they will never be eligible for EI between the months of April and October.

The Chair: I'm sorry, I just wanted to clarify that, because fisherpersons also fish at certain times of the year. Thank you very much.

I also wanted to ask you another question. It's very interesting that you said that most farmers are reliant upon off-farm income. You talked about small and medium-sized farms being reliant 90%, and of course for large farms it is 52%. However, farms with gross revenues of over \$500,000 annually depend on off-farm income for 25% to 34% of their income. That's an astounding statistic. Is the off-farm income earned by these various farmers eligible for unemployment insurance?

Ms. Joan Brady: It is, but because the farm income is considered income, they are not eligible for EI. They are insurable earnings, but they are not eligible. In our case, we had income on the farm that was taken against it, but it was not necessarily income if the expense level was higher than what we actually received.

The Chair: Thank you very much.

Thank you, Ms. Brady, for taking the time to come.

Ms. Joan Brady: Thank you.

The Chair: It was a very interesting presentation. Thank you.

I thought perhaps we could use the little space of time we have to get ourselves some lunch, then we can move into our in camera part.

Ms. Brady, please feel free to help yourself to some lunch. But we will have to ask you to leave the room at noon so we can start our in camera meeting. I'm sorry.

We will suspend for a few minutes while you get lunch.

[Proceedings continue in camera]

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