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## Standing Committee on Finance

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EVIDENCE

**Tuesday, October 20, 2009**

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**Chair**

**Mr. James Rajotte**



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• (0900)

[English]

**The Chair (Mr. James Rajotte (Edmonton—Leduc, CPC)):** I call the 52nd meeting of the Standing Committee on Finance to order. We have with us here today seven organizations for the first panel and a number of organizations for the second panel.

The finance committee is completing its pre-budget consultations across Canada. This is our eighth out of nine cities across the country. We finish in Toronto tomorrow or the next day.

We're very pleased to be here in Winnipeg today. This morning we have with us the Winnipeg Airports Authority Inc., the Association of Manitoba Municipalities, the University of Manitoba, the Rural Municipality of Alexander, the Social Planning Council of Winnipeg, the Canadian Nurses Association, and Genome Prairie.

I thank you all for being with us here this morning.

Each panel will be an hour and a half in length. We'll have each organization present their brief for up to five minutes in an opening statement in the order that I outlined. Then we'll proceed to questions from the members of the committee.

We'll start with the Winnipeg Airports Authority, please.

**Ms. Catherine Kloepfer (Senior Vice-President of Corporate Services and Chief Financial Officer, Winnipeg Airports Authority Inc.):** Good morning. Thank you for allowing us the opportunity this morning to elaborate on the position put forward in our submission.

The Winnipeg Airports Authority put forward two requests: the creation of foreign trade zones in Canada and the elimination or reduction in airport rents.

With respect to the first point, we would like to acknowledge the recent advancements of this cause by Minister Day on October 8, when he announced here in Winnipeg the creation of the task force to study the implementation of foreign trade zone-type programs. We would like to recommend that this task force, the federal bureaucrats, be supplemented with industry expertise with respect to value-added activities, such as adding a representative from the Canadian Manufacturers and Exporters Association. What Canada really needs is to be competitive with the other G20 countries with the implementation of true foreign trade zones.

With respect to the second point, the payment of rent by Canadian airports to the federal government directly impedes airports' ability to compete, not only globally but in particular with the United States. In Canada, airports are paying rent to an absentee landlord while the

airports are required to raise funds in the capital markets to fund infrastructure improvements. In contrast, the United States federal government contributes to infrastructure improvements while at the same time the airports are allowed to raise funds through tax advantaged municipal bonds. This has led to higher costs in Canada for airlines, which in turn results in higher air fares for travellers. This has caused a tremendous leakage of passengers to airports located just across the border from Canada. In addition, the revenue-based calculation of this rent is based on a formula that does not follow Canadian generally accepted accounting principles, and as such increases the burden to the host community.

For background information, you've all received copies of the press release from Minister Day regarding the task force, as well as article 4 of the Canadian airport leases that shows the rent calculation and the associated definitions.

Thank you.

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

We will now go to the Association of Manitoba Municipalities please.

**Mr. Doug Dobrowolski (President, Association of Manitoba Municipalities):** Good morning, and thank you for letting us present today. We have a written submission, and there are three points I would like to highlight.

The first is on the innovation strategy to meet our infrastructure challenges. As we know, there is a \$123 billion infrastructure deficit across Canada, and that's just to fix the existing infrastructure; it's not for new construction. In Manitoba it's \$11 billion, which equates to about \$10,000 per Manitoban.

We need to look at programs like the GST rebate, of which municipalities get 100%. We need to look at programs like the gas tax agreement, which is a really good program. It doesn't matter what size the municipality is; you have access to funds.

Building Canada is a great program, but unfortunately it's ad hoc and short term. It's not good for long-term planning and sustainable funding. We need these programs to help municipalities with long-term planning and funding and to give them some predictability when they're doing their budgets.

The prairie grain roads program was excellent and was taken up right across Canada. It was well-received, well-used, and a good use of money.

The one thing about this strategy is that it needs to involve the municipalities. Our association was not allowed to provide any input to the Building Canada fund. For other infrastructure programs we did have a seat at the table and were able to input and bring a municipal lens to the table to show what municipalities need. We were very disappointed this time around that municipalities were not allowed at the table and decisions were made at the federal and provincial levels.

The second point I'd like to make is to stop the offloading of responsibilities to municipalities. Right now municipalities are doing non-traditional municipal work like policing, health care, and housing—things that municipalities never had responsibility for. These things are now on our table, and that's preventing municipalities from doing what they normally do, like streets and all those other things. We need to stop this downloading.

There are always regulations and things coming down, but new money never comes with them. You expect municipalities to comply with these regulations, yet no money comes. The pile keeps getting higher and higher. Municipalities are now at the point where they're willing to turn water treatment plants back to the province because they can no longer pay for these requirements.

The third thing I would like to mention is that a rural champion is needed to stimulate the rural economy of Manitoba. We need someone at the cabinet table who has rural experience. We need someone who understands rural Canada, small-town Canada, small-town Manitoba. We need that person there for their input so that when these policies are being made in Ottawa they are looked at with a rural and municipal lens.

The rural champion should understand rural Canada. I think that's very important, because with all of these programs that come down, it seems there's no thought given to rural Canada. When these programs come down it's very hard for small municipalities, towns, and villages to figure them out, because the people who design these programs just don't understand rural life. A lot of these programs are very cumbersome. We need a streamlined process. So we feel that if we had a rural champion at the cabinet table it would make things a lot better.

Thank you.

● (0905)

**The Chair:** Thank you very much for your presentation.

We'll now go to the university, please.

**Dr. David Barnard (President and Vice-Chancellor, University of Manitoba):** Thank you very much.

On behalf of the university, I'd first like to thank you for the contributions the federal government has been making to a number of programs that have supported universities in recent years—the knowledge infrastructure program, the Vanier Canada scholarships, and the Canada excellence research chairs program, which I think is a very creative stimulus for research in this country. Universities, especially research-intensive universities, contribute to social,

economic, and cultural growth in the country through their threefold mission of teaching, research, and public service, and we appreciate the support for those various things.

Our written submission focuses on three issues, and I'll touch on each of them briefly.

First is the need for continuing investment in the direct and indirect costs of research. The university system has consistently identified direct costs, indirect costs, infrastructure, and people as the components the federal government can help with and has indeed been helping with. But in the current circumstances, we think the balance needs to shift a little bit towards the direct and indirect costs of university-sponsored research, especially now in Canada, and especially with the stimulus that we expect to see in the United States as a result of a number of things that President Obama has said, and our expectations that this will increase the competition for seeking first-class researchers and trying to keep them in Canada. So we would like to see an increase in support to the three major research-granting councils and increased funding for the indirect costs of research.

The second issue we raised in our written brief was increased focus on aboriginal education. It's true in this province and in other parts of Canada that there need to be more aboriginal students in universities to be representative of their distribution in the overall population, and that more of those who come to universities need help to succeed in achieving the educational aspirations they have. The dropout rates in universities for aboriginal students are high because of the cultural adjustments that are necessary. Finally, those aboriginal students who do come confine their interest generally to a relatively small number of our programs. We have very few, for example, aboriginal people in math and science, and relatively more in nursing, education, and social work.

Our intention, as an institution working in collaboration with others in the city, is to try to address each of those three issues. I know that other universities across the country are doing so as well. We ask that you increase support for aboriginal education by investing in university programs and services that support aboriginal students.

The third thing we mentioned is specific to the University of Manitoba, and that's the establishment of the Canadian centre for excellence for grain crops. One of the things we've identified in our own strategic planning framework is focusing work on safe, secure, sustainable food and bioproducts, which matters locally for the economy here, of course, and matters nationally and globally in terms of supply and safety of food. This is a project that's been discussed at length with various government officials and departments, and we think it is an important component of the research infrastructure for the country. It will provide the opportunity for the academic, government, and industrial folks to work together, and we would ask you to include funding for the Canadian centre for grain crops in next year's budget.

Thank you for seeking our input.

• (0910)

**The Chair:** Thank you very much for your presentation.

We'll now go to the Social Planning Council of Winnipeg.

**Mr. Donald Benham (Senior Associate, Social Planning Council of Winnipeg):** Thank you very much, Mr. Chairperson, and welcome to all members of the committee.

We have submitted our written brief in advance, as the other organizations have.

Our three principal recommendations are, first, that immigration fees should be forgiven for recent newcomers to Canada. By "recent" we mean within the last five years. We are very fortunate in Winnipeg to have a large number of newcomers coming into the province. This is a result of both federal policies and much reinforced provincial policies. Many immigrants in the economic class and many refugees are coming to Winnipeg. But unlike in the past, when the experience was generally a positive one, when immigrants came in and began to earn income, we are now finding many, many recent immigrants—and thus their children—ending up in poverty. We are just about to release a report at the Social Planning Council of Winnipeg detailing this with Statistics Canada figures, mostly from the census.

In our brief we say that 31.9% of children in families in Manitoba with at least one parent as a recent immigrant—that is, within the last five years—fall below the after-tax low-income cut-off. The low-income cut-off, of course, is a statistical construct from StatsCan. It is not perfect, but as a measure of poverty it's not bad—and there is also a before-tax low-income cut-off. Now, if you look at that figure for Canada, it's actually even worse. Again, quoting from Statistics Canada, the Canadian figure shows that 35.9% of children of recent immigrants live in poverty, if one uses the after-tax low-income cut-off. Using the before-tax low-income cut-off, it's almost another 10%, at 44.2%.

These figures are not included in the brief, but because they give the national picture, I want to make sure we get them on the record. So the figures for Canada as a whole are worse than the figures for Manitoba, and these figures show that essentially one in three children of recent immigrants live in poverty.

Removing the newcomer fee is not a panacea. It's not a silver bullet or the end of all problems for newcomers to Canada, but it would remove this head tax, if you will. That's essentially what it is

—we've reintroduced a head tax. It was cut in half fairly recently, but let's cut it to zero. Is it a significant source of income at \$121 million? Of course, every penny counts when you're putting together the budget, but we think it's a measure that could easily be foregone. We think most Canadians aren't even aware there is this head tax. Most Canadians who are already here aren't paying it off. So we would say that a good investment in the future of these families, so they can do well in Canada, would be to remove this additional burden from them.

Our second recommendation is on employment insurance. I realize it's a bit controversial around the table as to what should happen to the employment insurance program, but we believe and know that the regional variations in this program were undertaken in good faith to recognize that some Canadians needed more help than others. Obviously, we believe that. We believe that given our diversity, both regionally and by income levels, we sometimes need to do that, but we don't think this particularly is the program where it should be done. So we would like to see a national 360-hour qualifying period of work for employment insurance. The honourable members are certainly aware of the number of Canadians who pay into the system, which is then not there for them when they want it. We say in our brief that they amount to 150,000 Canadians.

Am I out of time?

• (0915)

**The Chair:** You have one minute.

**Mr. Donald Benham:** One minute. Sorry, but as a part-time teacher I sometimes fill up three hours without even knowing it.

I've just checked the figures today and they remain about the same.

Next is the national child benefit supplement. Again, we believe this should be \$5,200 per child per year. We believe that would really help a lot of families who are struggling. At the Social Planning Council, we put a lot of emphasis on child poverty and supporting families. Also, there are still some provinces that claw back the child benefit if the recipient is on welfare or social assistance. That practice has been ended in Manitoba, and we would like to see it end in all provinces. Obviously you could only recommend that to provincial governments, but we believe it should be changed.

Thank you very much, Mr. Chairperson.

**The Chair:** Thank you very much for your presentation.

We'll now go to the Canadian Nurses Association, please.

**Ms. Kaaren Neufeld (President, Canadian Nurses Association):** Good morning, and thank you so much.

My name is Kaaren Neufeld, and I am president of the Canadian Nurses Association. I represent registered nurses from across the country. Thank you for the opportunity to present nurses' solutions for maintaining the sustainability of Canada's health system, and that's helping to ensure that each one of us can contribute fully to a productive economy.

Our analysis of the health care system reveals that Canada urgently needs to invest in three priorities: a national pharmacare strategy, advancing health through nursing science and innovation, and a pan-Canadian health human resources institute.

Let me address our first priority, which is a national pharmacare strategy. For many Canadians, this year has been indeed a very difficult time. Thousands of Canadians have lost their jobs, and in losing their jobs, they've lost their insured drug benefits. Also, according to a Canadian Health Coalition report, 42% of Canadian workers do not have a drug plan. That's almost half of Canadian workers, who are just one illness away from a very serious financial hardship. The Canadian Cancer Society reports that the price tag of \$65,000 is the average cost of treatment with newer cancer drugs, and we all know that exceeds the annual income of millions and millions of Canadian households.

CNA believes prescription treatment for serious illness must not cripple Canadians financially. What good is a universally accessible medical diagnosis if you cannot afford the treatment? Some Canadians who need expensive drug therapy are not only fighting for their lives, but they are fighting to put food on their table and to keep their home. Canada's first ministers agreed in 2004 that all Canadians must have access to catastrophic drug coverage. They also agreed that Canadians should have safe, effective, and accessible drug coverage. That was five years ago. Therefore, CNA recommends that the federal government fulfill their commitment to implement a national pharmaceutical strategy.

Our second priority is advancing health through nursing science and innovation. The government knows the importance of science and innovation, as it has identified this as a priority within *Mobilizing Science and Technology to Canada's Advantage*. Now more than ever, we find innovative, effective, fiscally responsible ways of improving the health of Canadians in the health care system that serves us all.

Registered nurses are the largest group of health care providers in this country. We are more than a quarter million strong. We have the strongest potential to bring about health system reform. By leading and applying research innovations, registered nurses contribute to improvement and innovations in health service delivery, better quality care, and reduced health care costs. What I should actually say is, we were making unprecedented contributions. The funding that made this research possible has ended, and despite our best efforts to keep up the momentum, our requests for new research dollars have gone unanswered. The nursing research fund expired in March of 2009, and renewal of this funding is urgently needed so

that we can continue to innovate. I invite you to read our brief, which outlines concrete examples of where nursing research has led to significant cost savings, reduced wait times, and fewer adverse patient outcomes that lead to expensive hospital stays. Therefore, CNA recommends that the federal government invest \$55 million over 10 years in nursing research.

Finally, our third priority that I would like to raise is the need for a pan-Canadian health human resources institute. Canada will be short almost 60,000 full-time equivalent registered nurses by 2022. All of us will be 13 years older by then, and more likely in need of the care that nurses provide, and the nurses will not be there to provide that care because we have not planned ahead. Our aging population will have growing health care needs. We need to build our capacity to respond to those basic needs, not to mention the stresses that sudden crises like flu pandemics cause to our system. Governments acknowledged this impending crisis in the 2004 health accord, when they committed to accelerate work on health human resources action plans and initiatives to ensure that we have enough of the appropriate mix of health professionals to meet our needs. The time has come for concerted action on this issue. CNA recommends that the federal government invest \$10 million in an institute to promote and facilitate pan-Canadian health human resources planning.

So to recap, Canadian nurses are pressing for three priorities. We are calling for a national pharmacare strategy, advancing health through nursing science and innovation, and a pan-Canadian health human resources institute. The return on these investments can be calculated not only in terms of dollars and cents, but much more importantly on leveraging the effects of a healthy nation for our future prosperity.

Thank you for your attention.

● (0920)

**The Chair:** Thank you very much for your presentation.

We will finish with Genome Prairie.

Dr. Naimark, please.

**Dr. Arnold Naimark (Chairman of the Board, University of Manitoba, Faculty of Medicine, Director of the Centre for the Advancement of Medicine, Genome Prairie):** Thank you very much.

I'm here representing Genome Prairie, which coordinates and oversees research and development projects that are led by researchers and developers based here in Manitoba and in Saskatchewan, but also includes collaborators throughout Canada and in several other countries.

I want to touch on five main topics that are covered in our brief submission.

The first is that revolutionary scientific and technological advances have given us the ability to determine the genetic makeup, what we call the genome, of plants and animals and to understand how that leads to the physical and biochemical characteristics of individual plants and animals. These discoveries have already led to huge social and economic benefits in human and animal health, in agriculture, forestry, fisheries, energy, and the environment. The pace of development in this area, and our practical application of results, is accelerating very rapidly, and competition to reap the benefits of these advances is intensifying. The first point is that if we want to share fully in those benefits, we need to do more, we need to do better, and we need to do them soon.

The second point is this. Until a decade ago, Canada was largely a bystander in the world of genomic sciences. With the advent of genome centres such as Genome Prairie and a variety of other initiatives, Canada is now a recognized player in genomics research, but we're not realizing our full potential in applying discovery to the development of products and services of social and economic value. We see the goal for policy-makers as twofold. We need to keep the genomics research engine adequately fueled, and we need to effectively link the output of that engine to industrial innovation and thereby to economic growth and social benefit. We have to pursue both of those goals together or we will achieve neither.

The strategies for successfully achieving that dual objective are pretty clear to us. They are, first of all, the need to create or reinforce incentives and also to remove or ameliorate barriers.

On the incentive front—it's my third point—we are fortunate in Canada. We do have some experience and policy tools already in place to build on. We're good at building networks and coordinating agencies that bring essential elements together to foster synergy among governments, academia, and industry. However, these networks and agencies need significantly more funding capacity to initiate and sustain internationally competitive, large-scale projects in genomics-based research, in development, and in commercialization, and to attract correspondingly enhanced investment and commitment by industry.

Fourth, on the element of creating incentives, certain not-for-profit organizations support activities focused directly on the critical challenge of taking discoveries out of the laboratory through the early stages of the development to commercialization. However, these organizations are disadvantaged by being excluded from government initiatives designed to foster research and development, such as Canada's program of scientific research and experimental

development credits, so-called SR and ED credits. If refundable SR and ED credits were made available to these not-for-profit organizations, the bench-to-shelf phase—going from the bench to a prototype and to a product that can be marketed—will be significantly strengthened.

Fifth, when it comes to removing or ameliorating barriers, the list of challenges is long. It includes regulatory complexity, market barriers, and scarcity of venture capital. An example drawn from agriculture is the unwillingness of some producers and investors to pursue the potential to enhance certain crop varieties because of the high cost they face in navigating the complex and time-consuming regulatory process. We believe there are clear opportunities to simplify or streamline the regulatory process without in any way compromising quality or safety, so it becomes cost effective for producers and investors to develop new marketable products in these areas.

Let me conclude by saying that we at Genome Prairie are passionate about the mission of fostering the use of genomic tools to address regional, national, and global challenges related to energy shortage, climate change, environmental sustainability, and of course to build and sustain a competitive advantage for Canada in genomics-based industrial innovation in selected fields of agriculture, health, energy, and the environment.

• (0925)

To succeed, we and other similar organizations need responsive, evidence-based public policy backed by increased strategic government investment and the use of the convening power of government to force strong competitive intersectoral partnerships, that is, between academia, government, and industry.

Thank you for your attention.

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

**Dr. Arnold Naimark:** By the way, I know you're starved for reading material, so we have the annual report of Genome Prairie. We've put it all in colour for you.

**The Chair:** Thank you.

Thank you very much for all your presentations.

We will now go to questions from members. We'll start with Mr. McKay, for seven minutes.

**Hon. John McKay (Scarborough—Guildwood, Lib.):** Thank you, Chair.

Thank you, witnesses.

There are so many good presentations and so little time to talk to people. I'm going to focus on three.

The first question has to do with the presentation from the airport authority and your recommendation for a foreign trade zone. The issue, as I've always understood it, has been that you set up the zone and within that zone things get processed and moved around free of duty and import—things of that nature. The problem is for those who are outside of the zone. It creates its own level of distortions, because if you're processing something outside of the zone, you attract some form of tax, and if you're processing inside the zone, you don't. How are you going to ameliorate that almost inevitable inequity?

**Ms. Catherine Kloepfer:** I'm not sure that as the airport authority we can help with that particular issue, but I think from the experience seen around the world—I think there are 500 foreign trade zones around the world—it attracts a lot more investment than is lost. Enterprises that are already in those areas benefit as well from increased activities, and the community as a whole benefits. I think it depends on the specific industry that is located in or out of the zone.

I think this is something the task force needs to delve into a little deeper, because we haven't really had this type of zone in Canada yet. The committee has quite a broad range of different departmental input, from Finance to Customs, etc., so I think they can probably help to address that. That is why we were suggesting that you probably need someone from industry as part of the committee, because right now it's all different government departments.

**Hon. John McKay:** Yes, I think you're right about that, but it also needs input from those who will not qualify to be inside the zone.

I thank you for that answer, but it does generate some concerns that I hope will be addressed.

The second question I have is to Mr. Benham, and that has to do with employment insurance reform. Obviously your second recommendation was part of the Liberal Party's presentation over the course of the summer. The government spent literally hundreds of thousands of dollars on a misinformation campaign, including saying that it was a \$4 billion program rather than a \$1 billion program and that these various zones were perfectly fine.

In Ottawa, if you are a waiter in the Parliamentary Restaurant and you're laid off during the summer, which most of them are, and you happen to live in Ottawa, you don't qualify for EI, but if you live in Gatineau, you do qualify. This is exactly the same person, exactly the same job. There's this whole huge distortion.

I'd be interested in your comments about the way in which the system currently works, particularly in Manitoba, where I'm assuming there is an overlay of a variety of zones that gives ridiculous distortions to various employee groups.

• (0930)

**Mr. Donald Benham:** Yes. Thank you very much for the question.

Of course, the example you're using of Ottawa and Gatineau, where you're on a provincial boundary and it's very easy to cross, doesn't exist for most people in Winnipeg. Even in rural Manitoba, very few people would cross into other provinces.

My principal concern here is that.... As I say, I think everybody can understand why Quebec got a different level than other provinces, and perhaps it made sense in terms of a chronic level

of unemployment over a period of time. So I don't think there should be any attacks on anybody for having that system, but I think the time for that has ended, and it is time for a uniform employment insurance qualification across the country.

In my previous role as a journalist here in Winnipeg, I had an open-line program that went right across Manitoba, so we were talking to Manitobans from all parts of the province at that point. A woman came forward who had appealed her unemployment insurance case, her disqualification from employment insurance. The issue in that case was that these rules are unfair to anybody who is in and out of the economy, and that particularly affects women.

I think that's another issue I would put before members of the committee, that having these various rates across the country and setting them fairly high generally makes it difficult for people who are in and out of the economy. That would be some of the people we represent at the Social Planning Council—women, immigrants and newcomers, and people with lower levels of education—who have less of an attachment to the workforce.

Drawing on my experience, I'm also a public education coordinator at Winnipeg Harvest, which is a food bank in town that supplies 300 local food banks around Winnipeg and across Manitoba, and we are definitely noticing a real problem with people who have exhausted their employment insurance benefits.

**Hon. John McKay:** The government has ridiculed your idea to say that effectively all that's required will be nine weeks' worth of work and then you're on EI and it's a happy little thing.

Do you think that is going to happen with your proposal?

**Mr. Donald Benham:** Do I think the government will implement this proposal?

**Hon. John McKay:** No, I know they won't implement it—that's a given—but they've ridiculed your proposal from one end of the country to the other by saying that 360 hours, nine weeks, big deal, you're in; all you have to do is get nine weeks' worth of work and suddenly you're off to EI heaven.

**Mr. Donald Benham:** I think certainly for the people we see at Winnipeg Harvest, the people we represent at the Social Planning Council, who have more of a marginal attachment to the workforce, it is important that they be given every possible break, and I think that's what Canadians would like to see.

My concern is the people who pay into the system and then don't have it there for them when they need it, and there are a lot of people who come into that situation.

**Hon. John McKay:** I'm losing time here.



My final question is to Kaaren Neufeld, and it has to do with the three recommendations you make: the pharmaceutical strategy; the \$55 million for nursing research over 10 years; and the \$10 million, which was essentially taken from the previous government's proposals in their last platform.

Why would you think this government would be at all interested in a national pharmacare strategy?

• (0935)

**The Chair:** Ms. Neufeld, if you could answer that very briefly, please go ahead.

**Ms. Kaaren Neufeld:** Certainly. I think it behooves all of us to be looking at the fact that these are critical issues to Canadians, and the Canadian Nurses Association will continue to put them forward because they do have a significant impact on the quality of life of Canadians and families as well as their ability to produce economically for the country.

They are issues, and we will continue to move them forward.

**The Chair:** Thank you.

We'll go to Monsieur Laforest.

[*Translation*]

**Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ):** Thank you, Mr. Chair.

Good morning to all our witnesses. I am pleased to be here in Winnipeg.

My first question is for Mr. Barnard from the University of Manitoba.

In one of your recommendations, you call on the federal government to invest in university programs and services which support aboriginal students. Would it not be preferable to increase funding for primary and secondary education for aboriginals? With better primary and secondary education, more of them will want to attend university. Is this not like putting the cart before the horse?

[*English*]

**Dr. David Barnard:** I think that's a very good question. Certainly in this province the likelihood of an aboriginal person who has completed high school going on to university is higher than the likelihood of a non-aboriginal person who has completed high school going on to university. So we're relatively successful in attracting those who have completed primary and secondary school into the university system. That said, they're still not attending university in representative numbers.

If we wanted to start with primary and secondary school, we would have a long time before we saw a difference at the university level. Our feeling is, as I believe most of our colleagues across the country would agree, that we need to work at all levels at the same time. We would certainly see investments in university programs being targeted, at least in part, to cooperative programs between universities and secondary schools to increase the graduation rate. I think you've put your finger on a very important point, but starting and waiting a decade until we increase the flow out of the system I think will lose us a large number of young people in this country who we should not lose.

[*Translation*]

**Mr. Jean-Yves Laforest:** I think that the same is true for all groups of citizens, whether aboriginal or non-aboriginal. If young people, regardless of their backgrounds, have a better education system to support them early on, then more of them will attend university and, consequently, the graduation rate will increase. However, I also understand that there is agreement among a number of your colleagues that substantial investments should be made at all levels to improve the quality of education for aboriginals.

My second question is for Mr. Dobrowolski, representing the Association of Manitoba Municipalities. You are recommending that the federal government establish a department of rural affairs, which currently does not exist. Would that not rather be a matter of provincial jurisdiction? I know that the Quebec government has programs to deal with rural issues. By creating a federal department of rural affairs, the government might encroach on each province's jurisdiction.

[*English*]

**Mr. Doug Dobrowolski:** From what we're seeing of the programming, especially what municipalities are seeing from the federal government, it's just that the rural Canada voice doesn't seem to be at the cabinet table. Programs and policies are designed, it seems, more from an urban setting than from a rural Canada setting. A one-size-fits-all program does not work in Canada. It does not work in Manitoba. We need to have the appropriate people at the table who understand the issues, who understand rural Canada in particular, who understand what goes on in rural Canada and in rural parts of each of the provinces, to help develop these policies, so that when things come out, they're streamlined, people understand them, they're clear, the processes are clear. It's not going back and asking 100 questions on how to figure out this program.

If we had a rural champion at the table who understands rural Canada, I think it would go a long way to help with processing some of these policies and programs the government tries to initiate.

• (0940)

[*Translation*]

**Mr. Jean-Yves Laforest:** Are there not already elected members from rural areas who lobby the various orders of government? This, to me, would be like creating an overlapping structure, at least with respect to provinces. I thank you for your answer.

My last question is for Ms. Neufeld. Your third recommendation deals with the creation of a health human resources institute. Here again, are you not recommending that the government create an infrastructure that, in my view, would constitute a form of duplication? We already have Health Canada. Couldn't that mandate be assigned to Health Canada or isn't it already assuming part of those responsibilities?

[*English*]

**Ms. Kaaren Neufeld:** Thank you.

We are talking about a pan-Canadian health human resources institute that we would like to see established so that we see federal leadership on coordinating a response to our health human resources crisis in this country. This isn't just about nursing; this is about the right mix of health providers across the country from province to province. Health care workers are highly mobile these days, and we are seeing that we need a national approach to this whole issue, because health care workers can shift from province to province, which is just shifting the problem around. We are asking for federal leadership similar to the federal leadership we are currently seeing around H1N1 planning and implementation. We would like to see that in terms of health human resources by the setting up of an institute where we can collaboratively work together with other health professionals to work on this issue as a nation, rather than individually as provinces or individually as professionals.

[*Translation*]

**Mr. Jean-Yves Laforest:** Basically, this brings us back to the question I asked earlier. Do the provinces not already have mechanisms in place to ensure information sharing, professional development, skills transfers and labour force mobility? I would think that labour force mobility is an issue of provincial jurisdiction, is that not so?

[*English*]

**The Chair:** Be very brief, Ms. Neufeld.

**Ms. Kaaren Neufeld:** I see the real importance of federal leadership on this particular question. As we have an increasing number of agreements, such as agreements on internal trade, and as we are seeing increased mobility, this is actually a critical question at a national level, not just at a provincial level.

**The Chair:** Thank you. *Merci*.

We'll go to Mr. Wallace, please.

**Mr. Mike Wallace (Burlington, CPC):** Thank you, Mr. Chair.

I want to thank the guests for coming this morning.

I have seven minutes, so I'm going to go fairly quickly and try to hit virtually everybody, if I can.

This is on the airport issue. I'm from Ontario, and I'm relatively close to Pearson, so I hear about the rent issue quite often. As a percentage of your total costs, what is your rent?

**Ms. Catherine Kloepfer:** It's \$5 million out of about \$40 million.

**Mr. Mike Wallace:** It's relatively significant.

**Ms. Catherine Kloepfer:** Yes, it's a big number for us.

**Mr. Mike Wallace:** That agreement to pay rent was signed when and with whom?

**Ms. Catherine Kloepfer:** In 1996 it was signed between Transport Canada and the airport authorities. And then it was amended in 2005 to change the formula to be similar across the country as a percentage of rent.

**Mr. Mike Wallace:** You've been at it for a number of years. Okay, thank you for that.

This is for the organization of municipalities. One thing I would challenge you to look at are the ridings in which members of cabinet actually reside before you determine that there is not a rural voice.

Prior to the previous election, there were many fewer urban voices at the table, to be perfectly frank with you.

On the gas tax—I used to be a municipal councillor for 13 years, and we got no money from the federal government at that time—did you want all the money spent through the Building Canada fund converted to gas tax uses, without the leverage those other programs provide us with the provinces? Would you be satisfied that it would be up to the municipalities to chase the provinces for the balance?

● (0945)

**Mr. Doug Dobrowolski:** What was good about the gas tax model was that it was on a per capita basis. It wasn't application-based, so at least everyone got some money.

**Mr. Mike Wallace:** They got something.

**Mr. Doug Dobrowolski:** They got something. No matter what size of community or municipality you were, you had access to some dollars. We're very appreciative of the money we've received under the Building Canada fund, but it's an application-based program. It's basically like a lottery: if you got picked, you got picked, and if not.... The needs are all there. With a gas tax, it is long term, predictable funding, and it also allows long-term planning for municipalities.

**Mr. Mike Wallace:** That was my question. Would you like to see all that money converted to gas tax money?

**Mr. Doug Dobrowolski:** Yes, and FCM got that in as well.

**Mr. Mike Wallace:** You understand that some of those other programs we have allow us to leverage one-third from the province. That would not happen under the gas tax. You understand that.

**Mr. Doug Dobrowolski:** Yes, but if I may answer, that was my response in my presentation. We weren't at the table, yet we're a one-third funding partner of the Building Canada fund. We didn't, as municipalities in Manitoba, have a seat at the table. So we were a little upset about that.

**Mr. Mike Wallace:** Okay, I appreciate that.

I have a question for the University of Manitoba on the 40% of overhead you want covered. You're not the first, obviously. It's a theme.

Do you want that over time? Do you want that immediately? If there were going to be a change, would you expect it to be happening overnight, or would you have it happen over a timeframe?

**Dr. David Barnard:** The recommendation in our written submission says specifically that we should set a goal to reach a minimum indirect level of 40% of direct costs.

**Mr. Mike Wallace:** Yes, but it doesn't say when or how long. Is that a 10-year plan?

**Dr. David Barnard:** Well, 10 years is long, but we're not expecting to see it in one year.

**Mr. Mike Wallace:** Okay. I have one other question for you, because I'm a University of Guelph graduate.

**Dr. David Barnard:** That's all right.

**Mr. Mike Wallace:** You have a specific issue in terms of grain. Is the University of Winnipeg an agricultural school? Does it have a big agricultural department, or is that a science degree?

**Dr. David Barnard:** The University of Winnipeg isn't, but the University of Manitoba is.

**Mr. Mike Wallace:** Oh, I'm sorry, it is the University of Manitoba.

**Dr. David Barnard:** The University of Manitoba does have a large agricultural faculty and a long and venerable track record in agricultural research.

**Mr. Mike Wallace:** Thanks. I did not know that.

I'm not going to get into an argument; I'm not as super-critical as the folks across the way. But in your presentation you referred to a 360-hour qualifying requirement and a one-year extension of benefits. So if you did qualify, if you did the 360 hours, you would get a year's worth of benefits. Is that correct?

**Mr. Donald Benham:** Yes.

**Mr. Mike Wallace:** To the nurses' association....

**An hon. member:** [*Inaudible—Editor*]

**Mr. Mike Wallace:** You guys didn't even vote for the extension recently of EI, so who are you talking with? Give me a break.

Can you be a nurse in Ontario, move to Saskatchewan, and automatically practise nursing? Or do you have to redo another board or sign up to do some more...?

**Ms. Kaaren Neufeld:** I have to obtain a licence in Saskatchewan. The nursing practice is regulated at a provincial level, so if I moved from Manitoba to Saskatchewan, I would have to apply to the Saskatchewan Registered Nurses' Association to get a licence to practise in Saskatchewan. We have a unified exam, with the exception of Quebec, so when a nurse first enters the workforce in Canada, with the exception of Quebec, she or he writes the same entrance exam.

**Mr. Mike Wallace:** So everyone writes the same entrance exam. And is it onerous to apply for the licence? Does it cost you money?

**Ms. Kaaren Neufeld:** It costs.

**Mr. Mike Wallace:** It costs you personally, or does the hospital pay? How does it work?

**Ms. Kaaren Neufeld:** It's personal.

**Mr. Mike Wallace:** As a nursing association, would you like to see that removed?

**Ms. Kaaren Neufeld:** We would like to see more coordination in the regulation of nursing practice across the country. But what we'd really like to see is an institute for health human resources, a collaborative institute that would help us to plan for the need nationally.

**Mr. Mike Wallace:** So that would be nurses, doctors, hospital administrations? It would be an all-inclusive group?

**Ms. Kaaren Neufeld:** That's correct. It would be pan-Canadian and collaborative. We're not going to solve this one profession at a time.

**Mr. Mike Wallace:** When the health accord was signed a few years ago, or whenever, did we get push-back from the provinces? They're the deliverers of health care. We sign the cheque every year to the provinces, except in public health. Are there not concerns at the provincial level that we're interfering in their planning? I think you had this in your presentation.

● (0950)

**Ms. Kaaren Neufeld:** We always have that federal-provincial tension. The federal government is the fifth largest employer of health care workers in this country, and a lot of those health care workers are in rural and remote areas. So there is a great opportunity to show leadership here that can be applied across the country.

**Mr. Mike Wallace:** I appreciate that.

Thank you.

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

Mr. Martin.

**Mr. Pat Martin (Winnipeg Centre, NDP):** Thank you, Mr. Chairman, and my thanks to all the presenters.

I'm going to focus on three things very quickly. First, I don't think many Manitobans realize what an advantage our airport is—a 24-hour international airport in the heart of the continent. The idea that we can build a great inland port, an intermodal port, with a trade zone to value-add materials and then distribute products throughout the rest of North America is going to play a huge role in the economic development of the province.

I would like the airport authority to answer some of the questions that John put to you about the nature of the economic trade zone. It's not supposed to be a tax-free trade zone so much as a... [*Technical difficulty—Editor*]

**The Chair:** We're having trouble with the mike.

**Mr. Pat Martin:** Am I cutting in and out? How's that?

**The Chair:** Okay.

**Mr. Pat Martin:** Is there anything you could add, Catherine?

**Ms. Catherine Kloepfer:** With respect to the airport, we're quite anxious to get this up and running. It is a huge economic driver. The foreign trade zone would allow development to happen much faster. We need the foreign trade zone program to be a true foreign trade zone. Right now, two programs exist. But they haven't been taken up by industry, so that would say to an outsider that they aren't effective. This is evident in Minister Day's creation of a task force to look at these zones; they obviously need some improvement. But you can't do whatever you want in those zones. There will still be tax rules and customs rules. That's part of the task force's agenda.

**Mr. Pat Martin:** These have been some of the criticisms of the costs that have popped up around the world, as if labour rights wouldn't apply within those zones, environmental laws.... They were truly "do whatever you want" free trade zones. I don't think anybody is contemplating that in this province.

**Ms. Catherine Kloepfer:** That's not my understanding here.

**Mr. Pat Martin:** Donald, on the EI, thank you for raising some of those issues. In the mid-1990s, when the federal government of the day gutted the EI program, it cost \$20 million a year, in my riding alone, of federal money that used to flow in that no longer came. All those people were then pushed onto the welfare rolls. That was just Winnipeg Centre. The same was true in Judy's riding in Winnipeg North—another \$28 million per year. That's like losing two Palliser furnitures right out of the heart of your riding, in that one neighbourhood. So you're wise, I think, to target EI. Plus the federal government shouldn't scream too much; it's not their money. They don't put a penny into the EI program; it's simply an insurance program.

There are statistics I want to ask you about. The number we have used from the social planning council in my riding—I'd ask you to verify this—is that 52% of all the children live below the poverty line in my riding of Winnipeg Centre. In half of those families, at least one of the parents works full time, so we have a child poverty crisis here.

The question I throw to you is, briefly, has the Social Planning Council studied other countries, western developed nations, and looked at their incidence of child poverty, whether it's western Europe or the Scandinavian countries?

**Mr. Donald Benham:** I don't have those figures in front of me right now, Mr. Martin, so I apologize. I don't have any comparative basis, but it is quite true that your riding, of course, is very high in poverty.

We will be releasing a report on child and family poverty in November. It will show a significant increase, and it will show a significant number of Manitoba children still living in poverty. Again, if I may borrow from my experience of Winnipeg Harvest, Winnipeg Harvest feeds 40,000 Manitobans a month. Almost half of them are children.

• (0955)

**Mr. Pat Martin:** Thank you.

The last point, if I have time, concerns the nurses. Given that we're going into a period of massive deficits—that's the reality, meritorious and virtuous as all of the proposals are—there's going to have to be a business case for everything we ask for, let's face it. We're going to have to show where there's an economic benefit to these proposals. With nurses, the advanced role of nurses in the health care system, or expanding the role the nurses can play in the health care system, has the research to date shown that there's a material cost benefit to expanding and enhancing what tasks and duties nurses play within our system?

**Ms. Kaaren Neufeld:** Thank you for that question.

Yes, in terms of nursing research, we have been able to demonstrate the effectiveness of having nurse practitioners working, not only in primary care settings but also within institutions, and

their ability to be able to facilitate keeping individuals out of hospitals and in their homes and managing their chronic conditions. One of the things that we would be looking for, in terms of advanced practice for nurses who have that designation from their college or their association, would be their ability to prescribe. We need to see some legislative changes in order for them to be able to prescribe limited narcotics and other drugs, so we are working on that as well. If you open that gateway, we would be able to more efficiently and effectively provide health care to Canadians.

**Mr. Pat Martin:** To the University of Manitoba, I was very interested to hear you say there was an interest in expanding the grain research. The rest of the country should know that we already are a centre of excellence to some degree with the Canadian Wheat Board, the Canadian Grain Commission, the Canadian Grain Institute, all based in a cluster in a campus in downtown Winnipeg.

Would you see this complementing and expanding our international role as an international centre of excellence for the research to expand our agricultural base?

**Dr. David Barnard:** Most definitely, and that's been the motivation I think from the inception of the conversations, which include local industry and the existing federal labs that are here, and the university's research thrust in safe and sustainable food and bioproducts. This already is an area with considerable momentum. In fact, Dr. Naimark, in a study, recommended some rearrangement of responsibilities in this area more generally across the country, not only in grains but in these kinds of collaborative things, with the intention for this to be one of the pilot projects.

**Mr. Pat Martin:** So you could argue that you get a better bang for your buck in grain research invested when it complements the good work that's already happening in this area.

**Dr. David Barnard:** Right, and I think the expectation on both sides, both in government and in the larger community, is that there would be quite a bit of leverage from this. There has been strong support for the project; we're just asking for it to be actually completed.

**Mr. Pat Martin:** Great. Thank you.

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

We'll go to Mr. Pacetti, please.

**Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.):** Thank you, Mr. Chairman. Thank you to the witnesses for appearing. It's always interesting to have a panel from different spectrums of the bar. But it's tough for us to ask questions when we have limited time.

I'm just going to ask a quick question to the airport authority. In the press release that was announced, you state there are two pilot projects...or three? One is going to be here in Winnipeg. Where would the other one be?

**Ms. Catherine Kloepfer:** You are speaking of the press release from Minister Day?

**Mr. Massimo Pacetti:** Yes.

**Ms. Catherine Kloepfer:** There were several projects listed. There was CentrePort Canada Way, Port of Churchill, Hudson's Bay Railway rehabilitation, Emerson Highway 75—there is a whole bunch of them—the Trans-Canada Highway and Yellowhead Highway interchange, and then as well there was this task force.

**Mr. Massimo Pacetti:** So is there one here for Winnipeg?

**Ms. Catherine Kloepfer:** Yes, CentrePort Canada Way is the road connecting it.

**Mr. Massimo Pacetti:** It's going to be in Winnipeg?

**Ms. Catherine Kloepfer:** Yes. Then as well there's the—

**Mr. Massimo Pacetti:** But that doesn't guarantee it's going to be a foreign trade zone.

**Ms. Catherine Kloepfer:** Correct. There's a task force that has been established with a number of representatives from CRA, Transport Canada, etc.—

**Mr. Massimo Pacetti:** Where would the favoured area be? Probably Winnipeg?

**Ms. Catherine Kloepfer:** Yes. My understanding is that this particular task force is focusing on setting up a free trade foreign trade zone for CentrePort Canada.

• (1000)

**Mr. Massimo Pacetti:** Great. Thank you.

Mr. Dobrowolski, in terms of the new stimulus program and your membership, how has the money been flowing? Has your membership been able to get money from the new stimulus fund?

**Mr. Doug Dobrowolski:** Yes. There has been quite a bit out, but there's still a concern about some of the rules. There was a delay in getting some of the okays to get started. As you know, there is the March 31, 2011, deadline, so there's concern about the completion of these projects, but the money is getting out.

**Mr. Massimo Pacetti:** In terms of the number of projects requesting funding, how many would have been approved?

**Mr. Doug Dobrowolski:** There were 300-and-some projects that went in from Manitoba and 52 were approved.

**Mr. Massimo Pacetti:** Of the 52, how many would have started?

**Mr. Doug Dobrowolski:** I would say 60%. I'm guessing.

**Mr. Massimo Pacetti:** Which projects are ready to go?

**Mr. Doug Dobrowolski:** There are water and sewer projects, some street repairs have been done, and there are some other recreation facilities that are starting to go.

**Mr. Massimo Pacetti:** Why would 240-odd not be accepted? Lack of funding?

**Mr. Doug Dobrowolski:** We do not have a seat at the table. We weren't privy to any of the applications, as we were in previous infrastructure programs, so I can't answer that.

**Mr. Massimo Pacetti:** Thank you.

From the nurses' association, Ms. Neufeld, I think in your second recommendation you're asking for money for nursing science research.

We had the medical people in yesterday and they sort of requested a similar amount also for research and innovation. Would you be

against working with the medical association? How does that work? Would there be two separate funds, one doing research for nurses exclusively and one doing research for doctors?

**Ms. Kaaren Neufeld:** We are requesting a specific fund for nursing research. It is important for us to be able to build up the capacity within our universities across this country to conduct nursing research. There is an important point in building programs of research that can then move forward and show that nursing innovation contributes to efficiencies and effectiveness within the system as well. We certainly work collaboratively with physicians, but it is a different type of research, and I think it's important—

**Mr. Massimo Pacetti:** So there wouldn't be any duplication, then?

**Ms. Kaaren Neufeld:** No, I believe it is two separate funds and two separate streams.

**Mr. Massimo Pacetti:** So how would the research work? Would it be an institution or would it be your association that would conduct that research?

**Ms. Kaaren Neufeld:** No, this would be nurse researchers from across the country who are located in our universities across this country who would be conducting the research. They would be leading it.

The moneys would be earmarked, though, particularly for nursing research. If I can give you an example, a recent project that was done—not only in terms of nurse practitioners—would be on sexual health behaviours of Canadian youth. That was very instructional in terms of HPV vaccination and the requirements and timing of that. So that would be an example of something that nursing would be researching and innovating.

**Mr. Massimo Pacetti:** That's a good example. Thank you.

Just quickly for Genome Prairie, Mr. Naimark, in your brief there is no dollar amount in terms of how much funding you are requesting or if there is any funding that you are requesting. What I found unclear is that you are asking for a lot of the new moneys to be invested through the western economic diversification program. You don't get money from them, do you?

**Dr. Arnold Naimark:** First, to clarify, we didn't put any dollar figures on it, not because we don't think the funding is important, but to make sure that it's organized and directed in the right strategic ways in order to solve the problems. Of course, we recognize the financial pressures the country is under and that we have to pay attention to what we can do with what we have, and we talk about removing barriers and creating incentives and so on.

Western diversification, economic diversification, provides funding for that kind of grouping to come together throughout the western region. So we, along with other organizations, can put forward projects to western economic diversification for help in supporting developments. What we've done through them in the west is to develop interprovincial networks related to genomics that are really able to pool all of the talents in western Canada together to try to solve some critical problems in agriculture and so on.

So, yes, we're eligible, but they do not fund specific institutions. They respond to partnerships, primarily.

• (1005)

**The Chair:** Thank you, and thank you, Mr. Pacetti. Unfortunately, we're out of time.

We'll go to Mr. Laforest.

[Translation]

**Mr. Jean-Yves Laforest:** Thank you, Mr. Chair.

I have a single question for Mr. Naimark of Genome Prairie.

You have come to talk to us about genomics research. You would like the federal government to increase funding to support your research. Could you give us an idea of the latest developments, the latest breakthroughs that have been made by your organization? What research paths are you developing? Could you give us a concrete example of what you are working on?

[English]

**Dr. Arnold Naimark:** If you have an opportunity to read this...but I'll give you one example. As you know, for such things as mad cow disease, working out the genetic composition of normal beef cattle and cows and so on is a tremendous advance in allowing us to make rapid diagnosis of the presence of mad cow disease, rather than having to wait months while it goes through laboratories working on brain samples and so on. If you had a test based on genetics that would come through a blood sample, you'd have rapid diagnosis.

In the area of other infectious diseases in humans, the genomic centres in western Canada played a critical role in determining the nature of the SARS virus, the virus that was responsible for the SARS epidemic, and have been major contributors to figuring out the genetic composition of the H1N1 flu virus. That allows vaccine development to proceed more quickly.

We also have dozens of projects in the agriculture area with respect to changing the genetic composition of crops to make them more resistant to plant diseases, to make them more weather resistant. Those are the sorts of things we do.

[Translation]

**Mr. Jean-Yves Laforest:** With regard to genomics and mad cow disease, you say that you have been able to improve a number of livestock production practices. I suppose that there is a very direct link between that example and the marketing considerations of cattle producers, who account for a sizeable share of the region's economy. Ultimately, the interesting fact that needs to be highlighted is that the research work that you do, when it is properly supported, provides significant commercial benefits to cattle producers, among others.

[English]

**Dr. Arnold Naimark:** Exactly.

For example, we now have two projects that are working on using genetically modified bacteria to clean up oil spills in the environment. We have projects using bacterial populations and other micro-organisms in the process of being able to release oil supplies that are trapped in inaccessible locations.

So there are projects going from environment to energy, to human and animal health, biofuels, all of these things, that have their basis in genomics and related sciences, and we see that Canada has built up a platform in the last decade or so. What we now need to do is to make sure we keep that strong and develop it further and especially focus on commercialization of the discoveries we make so that the economic benefits to Canada can flow.

We see most of that happening by working more effectively together in order to use our resources better and to remove barriers. The intellectual property regimes in Canada have been made up of reform related to biotechnology for years. There are process barriers. We've had reports on smart regulation and all the rest of it. None of that has yet produced the kind of streamlining that is absolutely essential.

We think we can compete. What we want is the ability to compete, and that doesn't just mean more investment, although that's critically important. It also means using it more effectively.

• (1010)

[Translation]

**The Chair:** You have 30 seconds remaining.

**Mr. Jean-Yves Laforest:** That is fine. Thank you.

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

Mr. Dechert, please.

[English]

**Mr. Bob Dechert (Mississauga—Erindale, CPC):** Thank you, Mr. Chair.

Good morning, ladies and gentlemen, and thank you for your presentations. It's good to be here in the heartland of Canada.

I have some questions for Mr. Benham.

I appreciate your recommendation regarding the landing fee. I've always been troubled by that landing fee. We invite people to come to our country. They bring their families, and of course they have the costs of getting here and the costs of establishing a home and looking for work, and the first thing we do is tax them at, previously, \$1,000 per head.

Do you remember when that landing fee of \$1,000 a head was imposed?

**Mr. Donald Benham:** I'm sorry, I don't know that.

**Mr. Bob Dechert:** Well, I'll help you out. It was in the mid-1990s, I think, when Mr. McKay was in the government. Of course, I was always quite surprised that we would do that, because it's a significant tax: \$1,000 per person.

As you know, we immediately cut it in half, in 2006, which I hope was helpful, and I'd like to see it go further, because I believe new Canadians contribute greatly to our economy and we need to help them get established—and obviously there are other costs that we fund through the government to help people settle.

That said, I take your recommendation and I think it's a good one, and I personally will pass it along. I believe it will be well received in Ottawa.

What other kind of settlement funding do you think is required to help new Canadians establish themselves in Canada? What other things would you recommend in that regard?

**Mr. Donald Benham:** There is a lot of progress being made on that. There are a number of organizations. The Social Planning Council of Winnipeg is, in essence, a coalition of different organizations, and I would feel more comfortable with some of our members here. For instance, we have the Immigrant and Refugee Community Organization of Manitoba, which has already opened some transitional housing. In fact, it happens that our office is right across from their transitional housing in downtown Winnipeg, not far from here. They're just about to begin building a second phase of transitional housing, and that will have federal money in it as well as provincial money. So we are delighted to see that. We think that is transitional, not a permanent solution, but it's transitional housing for people and that can be very useful.

At the Social Planning Council we've initiated a project that we're calling the African immigrant centre for action, because a young African man with some experience, a war-affected person, came forward to us and said an awful lot of African young people he was speaking to were simply unaware of the range of social services. It's not that there weren't services available for them; it's that they had no way of connecting up with them.

**Mr. Bob Dechert:** They need to be better promoted.

**Mr. Donald Benham:** We hear this a lot, so we believe there could be a role to play. We're currently studying and talking with the community about opening an African immigrant centre for action that would concentrate on putting young people into the right hands and connecting them with the right services.

Quite frankly, without those services, we're very concerned about young people entering gangs. There's a problem with aboriginal youth gangs, and there's definitely a problem with some young men entering gangs and partaking in criminal activity, so we would like to counteract that.

**Mr. Bob Dechert:** Thank you for those suggestions and for the good work you do.

You talked about EI, and I take some of your points there. I didn't hear you say much about skills training. Of course, one of the major problems we have with the current recession is older workers who have been working primarily in manufacturing being laid off after many years of work. As you know, our government has extended significantly the time period for EI benefits for older workers and offered them up to two years of benefits while they take skills retraining.

Is that helpful? If so, what more needs to be done to help older workers train to transition into new kinds of work?

**Mr. Donald Benham:** We too are big believers in education as a very important factor in getting people out of poverty, for all groups. I would say you might look at that two-year period. The provincial government used to have very strict limits on people on welfare getting training to get out of welfare. They've recently relaxed those to the point where they are now talking about people on welfare getting actual university degrees, talking about whether that would be acceptable. I don't see why that wouldn't be acceptable to the federal government as well—a three- and four-year educational period instead of just the one and two years. That could result in a much better base of education.

**Mr. Bob Dechert:** I have a quick question for Mr. Barnard.

We've heard from a lot of universities and colleges across Canada about the need for further support for research. My question to you and to all universities and colleges is this. Should we have a national strategy and concentrate our efforts in certain specific niche areas?

You've mentioned establishing a centre for grain research. Is that the sort of thing we should do, or should we just be allowing the universities to go off in any direction?

• (1015)

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

Dr. Barnard, could you give just a brief response to that?

**Dr. David Barnard:** Universities typically have plans that focus their activities. We know the federal government already has in place some statements in, for example, the science and technology policy that focus in areas. I think it makes sense to focus, and we agree with you.

**The Chair:** Thank you.

We'll go to Mr. McKay please.

**Hon. John McKay:** Mr. Dobrowolski, in your presentation you talk about what you essentially like in terms of your relationship with the federal government and what you don't like. You appear to like the continuation of the gas tax. Presumably you'd prefer even an enhancement of the gas tax. You certainly liked the previous government's forgiveness of the GST...[*Technical difficulty—Editor*]

**The Chair:** Start again.

**Hon. John McKay:** Okay.

The first point is that you appreciated the forgiveness of the GST on municipal services. That was done and it continues. You appreciated the previous government's gas tax; you appreciate that continuing, and presumably you want it enhanced.

If you had a choice between the enhancement of the gas tax and these continuous announcements—what another witness described as a lottery—of whether you qualified for a particular program or not, what would be your choice?

**Mr. Doug Dobrowolski:** One thing about the gas tax model, as I said, is that it's accessible to everyone. It's on a per capita basis. At least we'll receive some money. It provides a long-term planning tool for municipalities to plan their infrastructure. You know every year under the current gas tax formula you're going to get a certain amount. So it helps plan those infrastructure activities and other things.

The trouble with the ad hoc programs is that they're here today and gone tomorrow. There's not a real chance for planning and there's no real chance to focus on deficits. That's why the gas tax model and similar models to that, over a longer period of time, help municipalities better plan their infrastructure and make better decisions at the council table.

**Hon. John McKay:** So if it came to an either/or, you would go with an enhanced gas tax over these hit-and-miss models.

**Mr. Doug Dobrowolski:** I think you need all of them. You need a combination. I keep saying gas tax, but I think you need a combination of Building Canada and gas tax. You have to look at all of them, but the key here is the long-term predictable funding source for municipalities. Whatever program you come up with, that's the key: long-term predictable funding, so that there's proper planning and proper spending of the dollars so that things can be run a lot more efficiently.

**Hon. John McKay:** Thank you for that.

Mr. Benham, I'm pleased to hear that Mr. Dechert has shown some enthusiasm for forgiving immigration fees, and certainly we would support that. I'm glad, after four years, that it's going to happen.

He seemed to be somewhat less enthusiastic about your recommendation with the employment insurance reform or in increasing the national child benefit level. The national child benefit level is a \$5 billion item. That's a pretty significant amount of money, and a pretty significant amount of money in the current context.

Is there an argument as to why you would prefer the national child benefit level as opposed to, say, a child care program, which would cost a similar amount of money?

**Mr. Donald Benham:** Certainly we would make no argument against a child care program. That isn't included in our brief, but we believe this would certainly help the children in the working poor families, for people to earn additional income and so on. As Mr. Martin mentioned a few minutes ago, we find there are many children living in poverty even though their parents work full time, at full-year-equivalent jobs. So child care is an important part of that, but we believe it should start with the national child benefit.

Yes, \$5 billion is a lot of money in anybody's books, but what we point out here is that every study, every piece of research that is

done, shows that living in poverty, even for a year, can have a serious, long-term damaging effect on a child's prospects. We would consider this an investment in the future, an investment against long-term poverty and people slipping into the poverty cycle, and of course other long-term harmful effects that come from that, including involvement in crime and so on.

• (1020)

**Hon. John McKay:** Thank you.

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

We'll go to Ms. Block, please.

**Mrs. Kelly Block (Saskatoon—Rosetown—Biggar, CPC):** Thank you very much, Mr. Chair.

Thank you very much for your presentations. I've read through your briefs.

I have some questions for the Canadian Nurses Association as well as the Association of Manitoba Municipalities.

First of all, I am a little surprised at the assertion that the Canadian Nurses Association or nurses across Canada need to do a study on health human resources in isolation of other disciplines. In Saskatchewan we have a primary care model that you reference in terms of needing to establish the right mix of providers, and you talked about the primary care model. We also heard from the Canadian Medical Association, as was referenced by my colleague. They too are requesting that the federal government consider the need for a health human resources strategy on a national level.

How closely do you work with other health care providers when bringing forward recommendations for a health human resources strategy for the country? You also referenced the great work that we've done with H1N1. It is unfortunate that sometimes we don't do what we should do until we have to.

How closely do you work with other health care providers across the country?



**Ms. Kaaren Neufeld:** I believe that Canadian nurses and Canadian health care professionals work relatively closely together. In the study, we're talking about a health human resources institute where we would have an organization or an infrastructure for us to come together and look, not only as professionals but also with policy-makers and administrators, at what the needs are for Canadians for health human resources. That recommendation actually comes out of federally funded health sector studies, where we worked with nursing divisions, pharmacy sectors, and others looking at what the needs were. That study included provincial representatives as well.

There are a number of organizations and associations coming together to say the time has come for this type of federal leadership. Health human resources is a national resource, and we need to be investing in it as such and working collaboratively to move that agenda forward.

**Mrs. Kelly Block:** Thank you.

For the Association of Manitoba Municipalities, in your presentation you made the statement that municipalities should not be responsible for the provision of health care services. I need you to help me understand the system that you have here in Manitoba. I was the mayor of a small community in Saskatchewan for two terms and was on council for three terms, and we weren't required to be responsible for the provision of health care in our municipality. That was taken out of our hands back in the early 1990s. Could you help me understand the system or the structures that you have in place there?

**Mr. Doug Dobrowolski:** Health care is not a municipal responsibility, it's a provincial responsibility. Yet over the years we've been constantly downloaded. In Manitoba you have to pay 10% toward capital cost if you have a hospital or clinic in your area. We've gone to the RHA system, which is inefficient in Manitoba. It seems more and more things, including programming, are being pushed onto municipalities, which have to come up with money. Municipalities are being asked to help fund beds and things in the hospitals in their towns and villages. It's very unfair for municipalities in that it's really not part of our mandate. Health care is a provincial and federal responsibility. This is only one part of the puzzle.

The number of dollars that different municipalities are putting into these health care facilities and health care programs is taking away from the things they should be doing—repairing roads, fixing streets, water, sewer, and those types of things. I think there has to be a clarification of the roles and responsibilities in regard to what is a municipal responsibility, what is a provincial responsibility, and what is a federal responsibility. The dollars are very limited, and we have to make the best use of those dollars. If we could stick to doing municipal work, that would be great.

• (1025)

**Mrs. Kelly Block:** Thank you.

**The Chair:** Thank you, Ms. Block.

We'll go to Mr. McKay, please.

**Hon. John McKay:** Very quickly, to the folks from Genome, you make a recommendation that increased funding go to western economic development. I assume that's in order to have a co-fund

with you. It's a bit of a curious recommendation. Why would you suggest that?

**Dr. Arnold Naimark:** Largely because there is a lot of interaction amongst the genome centres in western Canada—Genome Prairie, Genome Alberta, and Genome B.C. We see a lot of the linkages that each of us wants to build with industry and so on to deal with moving stuff from the lab to commercialization as requiring the convening facility that programs like western economic diversification allow. They provide some funding that allows for the interaction costs, bringing people together and so on for working out programs and projects. They're not the major funders of the research projects themselves; they're the facilitators that bring the various parties—the industrial people, the universities, the not-for-profits—together to develop joint programs. That's been very helpful. It's not a huge amount of money compared to the actual projects that are done, but support for those projects rarely includes support for that kind of facilitation or interaction.

**Hon. John McKay:** It's just a curious recommendation, given that I hadn't heard it from Genome B.C., and I don't think Genome Ontario or Genome Quebec would see things unfolding....

**Dr. Arnold Naimark:** Some of us are just more creative and imaginative.

**Voices:** Oh, oh!

**Hon. John McKay:** There is no western economic diversification in Ontario. That may have something to do with it as well.

**Dr. Arnold Naimark:** I think when you're in a single province there's a different construct than when you're trying to bridge provinces.

**Mr. Massimo Pacetti:** To the airport people, in your second recommendation you talk about eliminating airport rent. Is that a reasonable request? I know there are different rates across Canada; airports are paying different amounts. But is it reasonable to eliminate airport rents?

**Ms. Catherine Kloepfer:** Starting in 2010, we'll all be using the same formula to pay rent, so it will be relative to your revenue generation. I think the inequity is that we're being asked to create the infrastructure to deal with the doubling in traffic that's happened over the last decade, yet we're also paying rent to a landlord that does not do anything for us in terms of assisting with any of that infrastructure. It's kind of double-dipping, because as we raise the money to pay for that infrastructure, we're paying rent on that money we're raising.

**Mr. Massimo Pacetti:** But shouldn't there at least be a minimum amount because you are renting a facility?

**Ms. Catherine Kloefer:** I don't agree that it's fair to tie it to revenue, because the revenue formula as it's written is not revenue as the rest of us would calculate revenue.

**Mr. Massimo Pacetti:** Then maybe just reduce the amount, but it should be tied into something. In the past we've had arguments that its being based on square footage or whatever was negotiated wasn't fair. If it's linked to revenues, then perhaps the amount is too high, but I think there should be an amount levied for rent. The question is, what is the right amount?

In regard to your argument that you're competing against other airports, do people in Winnipeg have choices other than going to Winnipeg airport to take a flight?

**Ms. Catherine Kloefer:** Across the country, including Winnipeg, we estimate we've lost 2.5 million passengers this past year to cross-border traffic. They will drive to North Dakota from here to save money.

**Mr. Massimo Pacetti:** Thank you.

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

As chair, I just want to clarify three issues.

First of all, for the Association of Manitoba Municipalities, you talked about not having a seat at the table. I believe you mentioned that a number of times. In my province of Alberta, the municipalities very much did have a seat at the table in terms of determining where the funding would go, so can you clarify? Did the federal government not provide a seat at the table? Or was it the provincial government that did not allow the municipalities a seat at the table?

**Mr. Doug Dobrowolski:** Well, Mr. Chairman, I think we were the only province that didn't have a seat at the table. I talk to my counterparts in Alberta and Saskatchewan constantly, but we don't know. We go to the federal government and they say it's the province. We go to the province and they say it's the federal government.

We kind of got the runaround on that one, and that's why we were very disappointed, because being a one-third partner in past infrastructure programs, we sat at the table, we saw the applications, and we made the decisions. As an association, we took a lot of heat for making those decisions—which we should because we made the decisions—and we're more than willing to sit at the table to help make those decisions.

• (1030)

**The Chair:** Okay. But you're not clear as to why you didn't have a seat?

**Mr. Doug Dobrowolski:** No.

**The Chair:** But in every other province, it seems, the municipalities did.

**Mr. Doug Dobrowolski:** Yes.

**The Chair:** Secondly, for the University of Manitoba, I certainly appreciate your recommendations, and I also appreciate your comments about the knowledge infrastructure program, the Canada excellence research chairs, and the Vanier Canada graduate scholarships. I'm glad the universities are getting that message out, because I think these are very good programs that we should be very proud of, and we should be very proud of the people across this country

who are receiving these awards, and not only receiving them but competing for them.

I wondered if you would like to talk about the knowledge infrastructure program in terms of what it has done at your institution. We had the privilege of visiting there with the last committee last time, which was appreciated, but could you highlight some of the initiatives for us?

**Dr. David Barnard:** We very much appreciate support for that program. We've had \$32 million in funding and we have seven projects that were approved. Five of them are already under way and two of them will be under way shortly.

They range from projects on the Bannatyne campus downtown, where we are providing some space and infrastructure for advanced medical research, through to a range of things on the campus that you visited when you were here last time at Fort Garry. That includes investment in continued expansion of the research and development park called Smartpark, which leverages the investment to continue collaboration between the university and the community.

I know we're running out of time. Mr. Alho and I would be happy to speak at length about all of the projects, but we appreciate the range of them and the leverage they'll have.

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

Dr. Naimark, I hesitate to question your recommendations since you're such a distinguished Canadian, but I have to follow up on this recommendation for western economic diversification, because when we're funding research, if we look at the whole spectrum of research from idea to implementation, which you know very well, we're funding certainly on the human resource side through the granting councils and the Canada research chairs. Also, we fund infrastructure through CFI and the knowledge infrastructure program.

On commercialization, I'll just take the University of Alberta as an example. The University of Alberta asked for federal and provincial funding for TEC Edmonton, which is located at the downtown facility.

Then we have the SR and ED tax credit and programs like IRAP, which received increased funding.

But it seems that this is just sort of another thing we're going to fund. My concern, I guess, is that we're diluting it too much and funding in too many places, and we'll lose our effectiveness. It's just an honest, genuine concern. I have great respect for WD, but since the University of Alberta itself asked for funding of that commercialization institute, it just seems to make more sense to fund something like that rather than funding through WD, or to fund Genome Prairie directly rather than funding WD.

**Dr. Arnold Naimark:** I don't dispute anything you've said; it's absolutely correct. As I said earlier, the kind of funding we're talking about needs to come for the projects and the heavy lifting. But the role for existing federal entities is to help with this interaction, convening and bringing groups together.

In our report you'll see four examples of really important networks that have been developed among the western provinces, with some support from western economic diversification. That's a layer that helps us with part of the interaction. It's not the biggest thing, but it brings people together.

There are many examples where existing structures, as you've described, have been set up and are doing excellent work. I think our thrust nationally should be to make sure we don't create ever newer structures to do bits and pieces. We need to ask how we can adapt the programs we have to allow them to deal with new challenges and opportunities. That means streamlining our intellectual property regime. That means looking at our incentive programs like SR and ED and asking whether making some changes there would have a positive effect and attract more investment from the private sector.

Our thrust is really to say that we in Genome Prairie have seen the benefit of making the existing programs work together as a really important way to go.

•(1035)

**The Chair:** Thank you. I appreciate that.

I'd love to continue these discussions, but unfortunately we are out of time for this panel.

Thank you all for your presentations here this morning and for your responses to our questions.

We will suspend for a few minutes.

• \_\_\_\_\_ (Pause) \_\_\_\_\_

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•(1040)

**The Chair:** Let's find our seats, please, and begin with the second panel.

With us here are six organizations for the second hour-and-a-half panel, and I'll read them in order of presentation: the Canadian Meteorological and Oceanographic Society, the Manitoba Child Care Association, the City of Selkirk, the Athabasca University, the Canadian Federation of Students (Manitoba), and the University College of the North.

Each organization will have up to five minutes to make an opening presentation, and then we'll go to questions from members.

We'll start, Mr. Crawford, with your presentation, please.

**Mr. William Crawford (President, Canadian Meteorological and Oceanographic Society):** Good morning, Mr. Chair.

I represent the Canadian Meteorological and Oceanographic Society. It's an independent society of scientists in these two disciplines.

Canada and other G8 nations, in their accountability report this year, recognized the broad scientific view that global warming

should not exceed two degrees Celsius. Evidence from the Intergovernmental Panel on Climate Change, and from recent research, suggests that any delays in reducing greenhouse gas emissions will bring us uncomfortably, or even dangerously, close to this two-degree increase. So our society recommends the introduction of measures to reduce greenhouse gas emissions rapidly, to ensure prosperity for Canadians of future generations. These measurements will complement present plans to reduce emissions by target years of 2020 and 2050, and we hope will accelerate these reductions.

Canada has opportunities at the United Nations Climate Change Conference in Copenhagen in December to coordinate these measures with other nations, so that we are not acting alone and our industries and businesses are not subject to undue and unfair competition from other nations. Many of these projects are cost efficient and will allow Canadian industry to compete globally.

We also recommend that the federal government invest funds in science-based climate information. Everyone, from farmers to fishers to the oil and gas industries, and workers in this hotel, need this type of information. Climate covers everything from the next season to the next century. What will happen to permafrost in the north? Will it affect communities and operations? Will we see more or fewer floods on the Red River? What will be the future water supply for Manitoba Hydro? Will tropical diseases spread into Canada? These are the types of issues we already know, and there are many surprises that will develop.

This type of information requires the federal government to maintain funding for the climate-, ocean-, and weather-observing network, and especially to expand it into the north where impacts will hit the hardest. It requires research and development to coordinate federal labs and universities; government climate programs and forecast models can be linked to university research. It requires communication to give public and business the information they need on climate issues. Examples of provincial programs are Ouranos in Quebec and the Pacific Institute for Climate Solutions in British Columbia. A federal program can unify and expand these efforts all across the country and into the north.

Previous economic crises have demonstrated that companies and nations that maintain and increase their investments in research and development during bad times emerge stronger and more competitive when the recovery begins. We recommend renewed funds to independent granting councils that can assess air, water, and climate research proposals on their scientific merit. Proposals are ranked by relevance, excellence, and innovation, to balance the curiosity and relevance. Other nations and Canada have all found this is the most effective way for scientific discovery and ways to cash in on these discoveries.

The Natural Sciences and Engineering Research Council of Canada provides such funding across all subjects. The Canadian Foundation for Climate and Atmospheric Sciences awards funding through the same processes with a specific mandate in climate and atmospheric studies, and impacts on air, ocean, water, and ice. This foundation requires renewed funding in its next budget to continue its research. Its funds for new research proposals have recently run out, and this funding ended as the International Polar Year also completed, ending many arctic programs and leaving a big hole in Canada's research, as well as the danger of a brain-drain of scientists engaged in this field. About half the funding for the Canadian Foundation for Climate and Atmospheric Sciences goes directly to students and post-doctoral fellows, to support them while they are doing their research.

We recommend renewal of financial support for these types of funding agencies to engage in oceanography, meteorology, climate, and ice science. These are the Natural Sciences and Engineering Research Council of Canada and the Canadian Foundation for Climate and Atmospheric Sciences.

Thank you, Mr. Chairman.

• (1045)

**The Chair:** Thank you very much for your presentation.

We'll go now to the Manitoba Child Care Association, please.

**Mrs. Michele Henderson (President, Manitoba Child Care Association):** Good morning, Mr. Chairman.

Canadian parents need early learning and child care services to work. Child care yields high social and economic returns by promoting economic stimulus through job creation, facilitating Canada's labour force participation, and increasing government revenues from employment taxes. It's the most healthy child development, and it ensures fathers and mothers can participate in education, job training, and can enter and stay in the workforce. It moves families out of poverty and it builds strong local economies.

In 2006 the House of Commons Standing Committee on Finance recommended that the government, in conjunction with the provincial and territorial governments, fund a national, accessible, affordable, high-quality, publicly regulated child care system. This system should respect any provincial-territorial child care programs already in effect, recognizing the leadership of the Province of Quebec.

That same year, the Government of Canada terminated the funding agreements on early learning and child care and flipped most of the money intended to build a national child care program into a universal child care benefit, a monthly taxable allowance of up

to \$100 given to parents of each child under age six. A review of the federal government's own website boasts that the flipped money is used by some parents to subsidize child care expenses but is used by others for vacations, RESPs, clothing, diapers, and recreational activities.

The majority of the \$5.9 billion Canada currently spends on early learning and child care is primarily tax measures and unaccountable transfers, not the creation of new and desperately needed services. The consequence? In 2007 there were 3.1 million children aged zero to 12 years of age with a mother in the paid labour force in Canada but barely 857,194 regulated child care spaces. To Canada's shame, the United Nations education fund published a study in December 2008 that rated Canada's provision of early childhood education and child care at the very bottom of 25 developed countries.

UNICEF, the Canadian Paediatric Society, the Organization for Economic Cooperation and Development, and the Canadian Labour Congress are just some of the many well-established organizations currently calling on government to take strong leadership in creating a national child care strategy to build accessible, affordable, quality early learning and child care services. In April 2009 the Senate Standing Committee on Social Affairs, Science and Technology released a report called "Early Childhood Education and Care: Next Steps" that calls upon Canada to be a champion for the families of the 21st century and makes four recommendations to make that happen, all of which are supported by the Manitoba Child Care Association.

In addition, the Manitoba Child Care Association recommends that the Government of Canada use its constitutional powers to get back on track and lead the provinces and territories in the development of a system of high-quality, not-for-profit, accessible, affordable, and inclusive early learning and child care services. By 2020, federal support for early learning and child care services should reach 1% of GDP through scheduled increases in annual increments to provinces. Funds should be sustainable, increased annually, and targeted to the provinces and territories that are committed to the development of high-quality early learning and child care services.

The Government of Canada should transfer funds to the provinces and territories that are earmarked for early learning and child care and attach conditions to ensure quality and accountability. In return the provinces must agree to establish high-quality standards, provide direct operating grant funding to not-for-profit services, provide a level of funding that supports competitive wages to the child care workforce, and provide a level of funding that keeps parents' fees affordable. For example, the OECD recommends a 40-40-20 cost sharing: the federal and provincial governments should provide at least 40% each, with a maximum overall contribution from parents of 20%.

Quality early learning and child care programs have been recognized by countries around the world as essential services to support the ongoing learning and healthy development of children and to ensure access to training and labour force attachment of parents. Educated and employed parents can enjoy a stable income, economic security, and the potential for a positive future.

Canada's stagnant birth rate, combined with an aging population, is a land mine that no responsible government should ignore. Business struggles about labour shortages in many sectors now are not likely getting better as long as Canadian birth rates remain below that required for a country to support itself.

• (1050)

In good and bad economic times, Canada needs child care to work. Child care yields high social and economic returns by promoting economic stimulus through job creation, facilitating parents' labour force participation, and increasing government revenues from employment taxes. It promotes healthy child development. It moves families out of poverty. It builds strong local economies. Canada can't work without quality child care.

Thank you, Mr. Chairman.

**The Chair:** Thank you for your presentation.

We'll now go to the City of Selkirk, please.

Mr. Bell.

**Mr. David Bell (Mayor, City of Selkirk):** Good morning, Mr. Chairman and members of the panel.

The City of Selkirk is pleased to have the opportunity to make a presentation to the committee. I wish to thank the government for allowing us this input into the 2010 budget considerations.

While there are many items of importance in this great country, the City of Selkirk wishes to focus on three main topics: public transportation, the municipal infrastructure deficit, and affordable housing and homelessness. All of these topics form the foundation of a municipal government's responsibility of creating a quality of place within its community. Therefore, it is important that all levels of government work together to ensure that Canada's economic engines retain their competitive edge through the proper investments in transportation, infrastructure, and housing.

Although there are many other opportunities to invest in the quality of life of every Canadian, these three components will touch all. As stated by FCM past president Jean Perrault, "Every day, as mayors and councillors, we see what needs to be done in our

communities, but too often we do not have the resources to do it. We also know this is not just a problem for our individual community; it is a national problem."

Municipalities receive only 8¢ from each tax dollar collected. With this, each municipality must deal with responsibilities—for example, roads, water and waste water infrastructures, solid waste management, recreation, and protective services, both police and fire—and are faced with affordable housing issues. Municipalities are depended upon to deliver the basic services that our communities rely on every day. They provide the public infrastructure that supports economic activity and job creation, and they deliver front-line services to meet continuous new and growing challenges.

Due to receiving just 8¢ out of every tax dollar collected, municipalities struggle to supply these services because they lack the resources needed to succeed, therefore forcing them to rely on the property taxpayer for the new responsibilities and our ever-growing needs.

In addition to supplying these services, municipalities have taken the lead role in the federal government's stimulus plan. As municipalities are required to balance their budgets each year, unlike federal and provincial governments, the cost of participating in the stimulus program must be paid immediately, either by raising taxes, cutting spending or services, or borrowing.

To that end, the City of Selkirk is requesting your government to take action on the following priority items.

Number one is public transportation. Safe and reliable public transportation is the only universally acceptable form of transport that provides economic, social, and environmental benefits. Canadian transit riders pay a higher percentage of total costs required to build, maintain, and operate transit than do riders in almost all other western countries.

Almost every transit system in the world requires financial support to offset the shortfall of expenses and revenues raised from fares. Canada's transit systems require more than \$40 billion in investment to cover the next five years of operation alone, which will cause rehabilitation, replacement, and expansion projects, thus increasing numbers of riders.

Local governments, which already make up the majority of Canada's transit investments, do not have the revenue source to meet the current and future demands. Canada needs a long-term federally funded national transit strategy. As a first step, the federal government must review and extend dedicated transit funding set to expire in the year 2009.

The next item is the municipal infrastructure deficit. Given the estimated \$123 billion municipal infrastructure deficit and a very limited source of revenues, municipal governments need help to deliver services that the nation's economy, quality of life, and environmental sustainability rely on. Recent federal government initiatives for municipal infrastructure funding are very important, very much appreciated, and must be sustained, but we need to concentrate on longer-term predictable commitments from all levels of government.

With the cooperation of all three levels of government, the federal government has to produce a plan of action to reduce or eliminate the infrastructure deficit within 20 years. As well, the federal gas tax fund should be indexed to protect its purchasing power against inflation, population growth, and economic expansion.

Finally, on housing and homelessness, with thousands of Canadians struggling to find affordable places to live, the federal government needs a renewed funding commitment and a national housing plan. In this age, too many Canadians are forced to decide between food or rent, necessities for their children or making the mortgage payment. A well-housed population with affordable shelter costs enables individuals to participate more productively in the economy.

This comes from the FCM 2008 national action plan on housing and homelessness:

The CREA has estimated that every existing home sold stimulates on average \$32,000 in spending and income. This includes transaction fees...moving costs and spending on new furnishings and renovations. This spending is recycled into the economy and subject to taxation. This impact may be somewhat moderated in the recommended assisted ownership option as this targets lower priced homes. However, it will still likely generate at least half (\$16,000 per unit) of this estimated impact.

• (1055)

The federal government should immediately adopt the recommendations of the FCM 2008 national plan on homelessness and housing—

**The Chair:** We're pretty much out of time, so perhaps you can just quickly conclude.

**Mr. David Bell:** Yes, sure.

The City of Selkirk recognizes the efforts of the federal government and supports its commitment to maintain the federal program spending during this global economic crisis.

The City of Selkirk recommends that the Government of Canada support the Federation of Canadian Municipalities to restore recently expired federal transit investments, lead a national strategy in cooperation with provinces, territories, and municipalities in terms of the \$123 billion infrastructure deficit, and put existing investments into affordable housing on a long-term track with partners, with provinces, territories, and municipalities.

Thank you.

**The Chair:** Thank you.

I will now go to Athabasca University, please.

**Ms. Lori Van Rooijen (Vice-President, Advancement, Athabasca University):** Good morning, Mr. Chairman and committee members. Thank you very much for the opportunity to speak to you today about what we think is an important component of Canadian culture, and that is the importance of a national information technology or an ICT vision.

I also want to thank you—and it is relevant to our discussion today—for the knowledge infrastructure program and the funding we received as a university, which actually for the first time, we think, recognized technology as capital. That is an important step in really seeing the ICT vision happen.

Canada's national English language open and distance university, Athabasca University, is uniquely placed to address the key elements of our nation's future financial and social success, which is our economy. This distinct perspective has evolved as a result of our mandate to remove barriers that restrict access to and success in the university-level studies by providing the opportunity for interested adults to take university courses and programs anywhere and at any time of the day or year. Our perspective has also been informed by 81% of our students who work while they study, who engage directly in lifelong learning while immersed in the emergent knowledge economy. Currently we have 38,000 students who are doing this across the country, enrolled in our courses and programs.

As outlined in our briefing to you today, we believe strongly that Canada needs a national information and communication technology vision and that the federal government has a significant role to play in both the development and implementation of the ICT vision.

The most developed progressive and economically stable countries in the world are those that are technologically advanced. While recent technological advances have brought major social and economic shifts in Canada that have helped shape our nation's economic and social visions and some of our decision processes, more needs to be done.

Consider this. One-half of the current jobs are in the knowledge sector, and this is growing. Companies spend more on tangible assets—that is, people, software, and design—than on tangible resources such as building and equipment. The vast majority of the workforce, now 90%, request formal job qualifications, which is up from 40% in 1970. In short, ICT is changing the face of the economy in much the same way as the Industrial Revolution did several centuries ago. To put it simply, Canada is not keeping up.

Previous governments and this government have introduced the idea of a national ICT plan. We believe, as a university, this is the right direction, and we're here to support the initiatives that we've heard in the past and also with this current government.

Our national challenge is to work together to develop a vision to make this happen. The federal government—for that matter all levels of government—needs to ensure that this vision is a priority when developing legislation, regulations, policies, and funding priorities. Post-secondary institutions, Athabasca University in particular, and industry are looking for Parliament for leadership.

We have three concrete recommendations that we make in the briefing as we move collectively towards our increasingly technologically based future.

First, as a country we need to develop and support research into the new knowledge economy, with a goal to increase Canada's potential for global strength and leadership. The impact of Canada's low investment in ICT research and development is clear: loss of opportunities, loss of revenue, and loss of the kind of people, quite frankly, who are attracted to innovative environments and who will go on to shape our own global future. If our national research and development spending is improved and if the needed infrastructure is strengthened, we believe we will be able to keep and attract knowledge workers and begin to realize the economic and social benefits that will bring.

There are three elements that we outline, and I won't go into detail because my colleagues from the University of Manitoba this morning actually went through some of them, but we need to grow Canada's R and D expenditures in a coordinated way. We need to create R and D incentives into all aspects of ICT, and we need to research learning in a virtual environment.

The area that I really want to focus on is the second recommendation in our proposal, and that is that we need to ensure that all Canadians can engage in the digital environment, and in doing so we need to develop and support a framework for engagement in the emergent e-world in ways that will benefit them personally, socially, and economically.

It's a different world out there, and we have to really change the way we think about education if we're going to create the new knowledge economy.

So there are three things. We need to address the digital divide—that is one of the biggest things. We need to improve digital infrastructure, increase comfort with the learning of new technologies, and improve access, most importantly for underrepresented groups, indigenous groups, rural areas, and for those who maybe do not have access to the Internet for whatever reason. We need to encourage lifelong learning, and we need to encourage a national virtual learning environment. New learning environments include wikis, blogs, podcasts, and three-dimensional simulations, and together they represent a significant shift from face-to-face to text-based learning. They need to be accessible.

• (1100)

My final point is that the federal government, and in fact all levels of government, need to review and support stimulus measures and policy and regulatory environments that consistently advance both of

the two objectives I've just mentioned. This government must have a vision and lead by example to ensure that Canada has consistently friendly policies toward the knowledge economy and a regulatory framework in these areas.

Thank you very much for your time today.

**The Chair:** Thank you very much for your presentation.

We'll now go to the Canadian Federation of Students.

**Mrs. Alana Makinson (Women's Commissioner, University of Manitoba Student's Union, Canadian Federation of Students (Manitoba)):** Good morning, Mr. Chair.

We'd like to thank the Standing Committee on Finance for hearing our presentations today.

The Canadian Federation of Students represents nearly half a million students across Canada, including over 42,000 students here in Manitoba.

Today, due to limited time, we would like to touch on two key issues affecting students in Manitoba: the funding and access of aboriginal students. More specifically, we would like to touch on dedicated federal funding transfers to provinces and changes to the post-secondary student support program of the Department of Indian and Northern Affairs.

• (1105)

**Mr. David Jacks (Resource Coordinator, Canadian Federation of Students (Manitoba)):** As many of you know, in the midst of a global economic recession, affordable and high-quality post-secondary education and training is key to ensuring that Canada remains a sustainable, liberal, just, and competitive society. With an aging and retiring workforce and growing young immigrant and aboriginal populations, access to post-secondary education will be key to maintaining Canada's success in weathering the economic crisis.

With the implementation of the Canada student grants program this year—Canada's first broad-based national system of means-tested grants—and the infusion of campus infrastructure funding from the federal stimulus package, the federal government has shown leadership in post-secondary education.

The growing consensus in Manitoba and around the country is that the federal government must take a leadership role in establishing and funding national standards for post-secondary education in Canada. To do this, the government must create a dedicated post-secondary education cash transfer guided by federal legislation.

In 2007, the federal budget included the largest funding increase to core transfer payments for post-secondary education in 15 years, but it still left universities and colleges close to \$1 billion short of 1992 levels, when accounting for inflation and population growth. These funding increases lack binding agreements or legislated guidelines, leaving no accountability measures to ensure that the provincial governments are actually spending the money as intended.

Manitoba has set a precedent throughout a decade-long tuition fee freeze, with universities and colleges in Manitoba experiencing enrolment increases of over 31% and an aboriginal enrolment increase of 44%. During that same period from 1999 to 2008, our post-secondary institutions saw consistent increases in provincial operating grants, funded in part by these federal transfer payments. Overall funding for post-secondary institutions in Manitoba rose by over 60%. However, to use the University of Manitoba as an example—and Dr. Barnard from the University of Manitoba may have touched on this—the loss of endowment funding and the continued accumulated federal funding shortfall inherited from years of federal funding cuts in the 1980s and the 1990s mean that the pressure on the system is not something the Manitoba provincial government can address alone. This is where you come in.

Therefore, the Canadian Federation of Students recommends that the federal government, in cooperation with the provinces, create a post-secondary education cash transfer payment for the purpose of fostering operating budgets; reducing tuition fees; and improving teaching, learning, and research infrastructure at universities and colleges. This transfer should be guided by principles set out in a federal post-secondary education act.

**Mrs. Alana Makinson:** Access to education is integral to breaking the cycle of poverty that plagues Canada's aboriginal communities. Aboriginal people make up over 15% of the population of Manitoba, yet the poverty rate is 29%. Manitoba's aboriginal children under six years of age experience a poverty rate at 56% compared to 19% of non-aboriginal children.

Despite the worsening situation of Canada's aboriginal people, support for first nations education, a federal responsibility and treaty right, has stagnated over the last several decades.

The Assembly of First Nations estimates that over 10,000 eligible status first nations students remain on waiting lists to access federal funding transferred to band councils for the post-secondary student support program. Manitoba is home to 15% of Canada's aboriginal population and the Assembly of Manitoba Chiefs estimates that 10% of first nations students on waiting lists live in Manitoba.

The sixth report of the Standing Committee on Aboriginal Affairs and Northern Development entitled “No Higher Priority: Aboriginal Post-Secondary Education in Canada”, outlined a set of recommendations for aboriginal post-secondary education in Canada. Central among them was eliminating the 2% funding cap on the post-secondary student support program, the federal government's mechanism for funding first nations and Inuit post-secondary education. This funding cap prohibits the allocation of adequate funding for prospective aboriginal students, and it does not meet the needs of the growing student demographic.

Research by the First Nations Education Council suggests that an increase to the post-secondary student support program of 149%, or

\$481 million, is needed to address the current funding deficit. Only 5% of aboriginal people have post-secondary degrees or diplomas, and the fact that the funding allocated through the Department of Indian and Northern Affairs fails to reach non-status aboriginal students, Métis, or first nations students living off reserve only slows down progress.

Additional federal support must be allocated towards the success of aboriginal students. The federal government should eliminate the 2% funding cap on the post-secondary student support program and ensure that the federal funding for this program rises with the rate of growth in the young aboriginal population, calculated region by region.

Thank you.

• (1110)

**The Chair:** Thank you very much for your presentation.

We'll now go University College of the North, please.

**Dr. Denise Henning (President and Vice-Chancellor, University College of the North):** Good morning. *Wado. Tansi. Boujou. Bonjour.*

My name is Denise Henning and I'm president and vice-chancellor of the University College of the North.

I first want to speak about the KIP dollars, the knowledge infrastructure program, where \$8 million was allocated to University College of the North. I want to point out, however, that 70% of the dollars.... We are the only institution that is advocating for and putting those dollars into first nations communities, thereby expanding our regional centre model of directly impacting the communities of the students, not only meeting them where they are academically, but also meeting them where they are demographically, and therefore keeping them within their communities to get the support from family and community.

In regard to the lack of increase in funding through federal dollars to the provincial governments to provide for infrastructure, maintenance, support, and upgrading, I am concerned about the impact this will have on a deficit for deferred maintenance in terms of the dollars that are being put into building versus the dollars that are there to maintain.



The second point I'd like to make, which was referred to by my previous colleagues, is about the 2% cap of INAC's student success program dollars. This directly impacts University College of the North. In the region we serve, the northern Manitoba area, 72% of our population is aboriginal. Eighty-nine percent of our student population are aboriginal people, and those dollars have a direct impact on them. With the highest birth rate and the fastest growing population being in the aboriginal communities, this particularly impacts Manitoba as a province, but also Canada, in that we are trying to meet the needs of those students directly to provide a healthy, talented, and skilled labour force as well as increasing the capacity for other students like me who are first nations and have met with different impacts from our lived experience.

It's very important that we understand that those wait lists translate to a decreased labour force, as well as impacting the ability for students to go to school, which leads to the third point that I want to talk about, which is the CCL dollars and the Millennium Foundation dollars.

With the Millennium Foundation dollars there was an ability for most post-secondary educational institutions to provide funding for students who were falling through the gaps because of those wait lists that were in regard to the INAC dollars. The funding for community colleges, polytechnicals, and university colleges and the debate between the universities' share of the pie for research dollars has an impact on the University College of the North in relation to providing northern solutions to northern issues.

Many times, as you are probably aware, decisions are made at the table by people who have no understanding or knowledge of what life is like in the north and the expensive living environment that we have. As a result, the decrease in the foundation dollars through these two programs has impacted us in real ways.

UCN is providing solutions through programs like our Kenanow bachelor of education program, where we are the only institution that I'm aware of... We had 200 applications in the first week of advertising our program, and we've had 100% retention from the first year to the second year, thus subsequently providing for the needs of education in the north, the Northwest Territories, and far northern areas of Canada.

Secondly, the research dollars impact on our ability to deliver in the crisis in health care and the health care needs in northern Manitoba, where 84% of our graduates in our health studies area are staying in the north and providing for the deficit in doctors.

Our law enforcement programs understand how they're impacting on and reducing the gang intervention, the gang violence that's going on amongst the aboriginal population.

Also, 39% of the applied research that is going on in colleges comes directly from industry, and that allows us to have a greater impact on the economic development of smaller communities.

I thank you very much for allowing us to come to speak with you today.

• (1115)

**The Chair:** Thank you very much for your presentation.

I thank all of you for presenting to us here today.

We're going to start with Mr. McKay for questions from members, for seven minutes.

**Hon. John McKay:** I'd like to start with Mr. Stewart from the meteorological group.

Your third recommendation is on renewed financial support for research. It seems to me that the government is trying to assert sovereignty in the north, which I think is a good thing. But your observation that funding will cease for some if not all research programs in the north seems to be inconsistent with the notion of asserting sovereignty. I wonder if you could comment on that.

**Mr. William Crawford:** Are you directing that question to me?

**Hon. John McKay:** I'm not sure. It's to whomever made the presentation.

**Mr. William Crawford:** Our society believes that a wonderful way to assert sovereignty is through scientific studies. We note that almost a century ago there was concern about whether Canada or Norway owned the north, because the mapping was done by Norwegians. It wasn't based on military presence. Through these research efforts Canadian scientists have gone into the north. The International Polar Year put scientists in northern communities, and both groups were rewarded greatly by that.

A colleague of mine has written a paper on how traditional native knowledge in the north has helped their research and provided insight into climate change. So the collaboration of scientists with native communities and the presence of scientists in the north is a great bonus.

I remember years ago we had a special research program specifically to put scientists on Ellesmere Island for much of the year. It was actually aimed at sovereignty in that area.

**Hon. John McKay:** So what is actually expiring, with no replacement program?

**Mr. William Crawford:** The International Polar Year was a one-time fund. It was an international program, and Canada's contribution was considerable. We are not asking for a renewal of that.

The continuing effort is the Canadian Foundation for Climate and Atmospheric Sciences. It has been in existence since the early part of this century. It has received two endowments from the government and is asking for an additional one to continue its operations. It has awarded all its money to more than 150 research programs.

It's the only Canadian funding agency that has supported a network for drought research on the prairies. There's no other way to fund this. The funding for this agency has run out. In its final year of funding it is cleaning up a few administrative programs, making sure the research is completed. It is also sponsoring public information.

**Hon. John McKay:** What will happen to the researchers?

**Mr. William Crawford:** They'll find other fields. They'll go somewhere else. They'll be unemployed. We don't know.

**Hon. John McKay:** Thank you.

My second question is to Ms. Henderson.

This committee recommended at one point that the government, in conjunction with the provincial-territorial governments, fund a national, accessible, affordable, high-quality, publicly regulated child care system. Mr. Mulroney apparently recommended it back in 1984. The Liberal Party made it part of its platform and actually funded it, but the government was defeated.

The government's position is: "Here's \$100. Parents know better than anybody else, so do whatever you want with it."

What's your reaction to the government's position on this?

**Mrs. Michele Henderson:** When fees for child care in a non-profit centre here in Manitoba go from \$560 for infant care to \$376 every four weeks for care of a preschooler, then \$100 hardly covers any of the child care fees. It's so important for the parents to be able to go to work and have a place for their children to go that is safe.

There's also an educational component to it. It's very important for children. I've listened to all our colleagues at the table here, and it's lifelong learning. It's learning to help our aboriginal community, and learning for poverty. If we can instill in children at a very young age the love of learning and provide that foundation for them, then all the other pieces will fall into place.

• (1120)

**Ms. Pat Wege (Executive Director, Manitoba Child Care Association):** I just want to add that it doesn't happen with a hundred bucks a month that can be spent on anything. You need to leave Manitoba knowing that wait lists for child care are about two to three years across all age groups right now, and it's not being accessible is a barrier to parents who want to enter the workforce or go into job training programs.

I've been involved in child care for 30 years—Michele probably for about the same time—and no parent in all that time ever called me when I was the operator of a child care program and said, "What I really need is a hundred bucks a month." Not one parent in all those 30 years ever called me and said that. However, on a daily basis, in all of the almost 600 child care programs and 500 family child care homes in Manitoba, those operators are getting calls from parents looking for child care services. So that's the biggest gap here in Manitoba.

**Hon. John McKay:** Can I assume that child care spaces are down, flat, or up in Manitoba?

**Ms. Pat Wege:** The development of new services has been increasing by a few hundred every year. However, there are enough services for less than 20% of the kids who may potentially need it. So the growth is pitifully slow, and what we're sure the data really emphasizes is that the Government of Manitoba could do far better if it had the participation of the Government of Canada contributing to the cost.

**Hon. John McKay:** My final quick question is to Mr. Bell.

You recommend the restoration of recently expired federal transit investments and develop a fully funded.... What transit investments have expired?

**Mr. David Bell:** Our understanding is that they're set to expire in the year 2009. I have to defer to my colleague here, because he wrote the report.

**Hon. John McKay:** Mr. Luellman.

**Mr. Chris Luellman (Chief Administrative Officer, City of Selkirk):** Basically, from my understanding of the FCM papers that I've been investigating, the federally funded transit plan is expiring in 2009, and we believe it's being offset with the gas tax allotments for us to be using—

**Hon. John McKay:** Is this the transit passes?

**Mr. Chris Luellman:** Correct.

**Hon. John McKay:** The transit passes are about to expire?

**Mr. Chris Luellman:** Correct.

**Hon. John McKay:** That's actually a good thing.

Thank you.

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

*Monsieur Laforest, s'il vous plaît.*

[Translation]

**Mr. Jean-Yves Laforest:** Good morning to all our witnesses.

In his presentation, the president of the University of Manitoba said that he would like to see an increase in funding to promote post-secondary education for aboriginals. Ms. Makinson and Mr. Jacks, you have also addressed that issue.

My first question is for Ms. Henning, since she has said that she is aboriginal. This is basically the same question that I put earlier to the representative of the University of Manitoba.

You would like that the federal government increase funding to promote post-secondary education among aboriginal students. Is that because you find that the high school graduation rate among aboriginals in general is sufficient? Should we not begin by increasing the funding for the primary and secondary education of aboriginal students, who could then simply pursue their post-secondary studies and obtain a college or university degree?

What are your views on that, Ms. Henning?

[English]

**Dr. Denise Henning:** Thank you very much. I appreciate the question.

I am going to say that, yes, there needs to be an increase across the board in K through 12, as well as post-secondary college and university. I say that by talking about equity and inclusion. Equity and inclusion means that everyone has a level playing field. Right now, aboriginal people across the board, regardless of where they are in their lifelong learning process, do not experience equity and inclusion.

So when we talk about northern Manitoba, for example, I respectfully say that the mean accomplishment area is grade 7, but mature student programs are directed towards grade 9. That's a huge impact. So for people who are right now in the workforce and trying to make an impact and to provide for their families and for their communities, they're at a deficit to be able to do that.

What we are advocating is that all aboriginal people should have inclusion and equity in education across the board. This includes early childhood education as well, where we have had a 300% increase in early childhood education training in the north, where we suffer a thousand-seat deficit for early childhood education in early childhood facilities. So it's about equity and inclusion and our students having the same access to the same amenities that southern institutions and K-through-12 programs offer.

• (1125)

[Translation]

**Mr. Jean-Yves Laforest:** Thank you.

Your reference to early childhood education brings to mind a question for Ms. Henderson.

You have raised the example of Quebec with regard to the quality of its early childhood services and day care program. We have heard similar things from various groups. Whether in Vancouver, Edmonton or elsewhere, people are calling for a similar national program or a transfer of funds toward the various provincial legislatures in order to establish such a program. However, there is something I find missing from your presentation. You say that quality early learning services benefit employers and families, but you do not specifically mention women. That is an area that has been given much attention. The other witnesses who have made similar requests say that single-parent women would often benefit the most from a high-quality, effective day care program.

Is that because Manitoba has fewer women or single-parent families than elsewhere?

[English]

**Mrs. Michele Henderson:** I don't think so. I think in our brief we mentioned Canadian "parents". That could be a two-parent family or a one-parent family.

It's absolutely crucial for early learning and child care for a one-parent family. I can speak to that personally, that without that kind of care I have no idea how I would have managed to support my family.

It was just that we lumped it all together as "parents", be it two-parent families or single-parent families.

[Translation]

**Mr. Jean-Yves Laforest:** Mr. Bell, I do not know the size of your municipality's budget, but if the federal government were to give you an additional 10% of that budget, would you invest that amount in public transit, municipal infrastructure or affordable housing? People often answer that they would invest equally in all three priorities. Simply put, what is your priority?

[English]

**Mr. David Bell:** That's a great question. I think I would have to say that, at this point in time, although we have a huge municipal

infrastructure deficit and requirements, I would have to put the social aspects as a priority. We have spent significant amounts of time with the provincial government, working to try to bring appropriate, affordable housing into our community.

The city of Selkirk is home to the Selkirk Mental Health Centre, which of course has been there since 1876. I work there full time as a psychiatric nurse and see first-hand how homelessness affects not just the working poor, not just young people starting out, but individuals who maybe don't have all the resources that many of us are so fortunate to have. So I see very much a broad-based need for social housing. I think it's really important that we recognize that there is a component of homelessness, not just in Selkirk but certainly throughout Manitoba, and throughout Canada, of course. I don't think that, in the 21st century, people should ever have to be sleeping in the streets or young families should have to be concerned about where they're going to raise their children.

So given the opportunity, and in terms of our budget, if you were to hand me cheque today, I would be walking down to the provincial government, to Minister Mackintosh, saying "Let's get started, pal." That's where it would go.

• (1130)

[Translation]

**Mr. Jean-Yves Laforest:** Thank you.

[English]

**The Chair:** *Merci, monsieur Laforest.*

Mr. Dechert, please.

**Mr. Bob Dechert:** Thank you, Mr. Chair.

Thank you, ladies and gentlemen, for your presentations. I find them all quite informative.

I'd like to start with Athabasca University and Ms. Van Rooijen.

I was interested to hear about your university and the courses you provide online and by distance.

As you know, our government, in Budget 2009, provided a significant amount of money—I think it was over \$250 million—to build rural broadband networks across Canada. Is that helpful to your university and your students in reaching out to students in rural and remote areas?

**Ms. Lori Van Rooijen:** Absolutely, and that's critical as a foundation for any kind of ICT vision that the country develops. I can only speak to the education component. We reach a significant population in our rural and northern areas, mostly in Alberta right now, because that's where we've been focusing. But I was happy to hear of some of the work my colleagues are doing in northern Manitoba.

We find that there is still a large number of students or potential students who cannot access online material because they do not have things like broadband in rural areas. They're still on dial-up. It is problematic that in some aboriginal communities and reserves there is nothing. They're using satellite now, which is sometimes not as consistent. From our perspective, that is fundamental to education.

We also believe very strongly in our universities that people should not have to leave their communities to attend school. That's a barrier. When people leave rural communities, they tend not to go back. This is an economic drawback in our rural areas.

**Mr. Bob Dechert:** That's a significant point. I will ask Ms. Henning to comment on that.

Three weeks ago, this committee was in the Northwest Territories and we met with a number of communities and educational organizations. They made the case that there are a lot of jobs available in mining and other resource operations but that aboriginal students are not being trained for those skilled jobs. Should we be concentrating on those kinds of jobs so they can remain in their communities in the far north and take some of those better-paying jobs?

**Dr. Denise Henning:** Thank you for asking that direct question. Yes, we should be doing that. It contributes to the economic base of the first nations and Métis communities of northern Manitoba. However, we need to be providing things beyond social services, social work programs, and education programs. We need to be cultivating scientists.

My colleagues talked about northern meteorology and climate change studies, which is one of the development programs we have for our Bachelor of Science. We rely on our elders to talk about what they have been teaching us for the past 100 years about climate change. It's been coming. But they have been ignored because they are seen as illiterate. They are seen as not as good, because difference translates to lesser. We need to be providing for the whole spectrum in our northern communities, because it makes for a better Canada.

**Mr. Bob Dechert:** Fair enough.

Ms. Van Rooijen, you mentioned in your submission that Canada is falling behind in the research and development required to advance in the digital economy. In your opinion, what country is leading in that area, and what does the government of that country do to assist and promote R and D in this area?

•(1135)

**Ms. Lori Van Rooijen:** That's a good question. There are a couple we mention in our brief that are leading the way. Some of the northern countries like Denmark and Norway are focusing on ICT development. It's in a broad range of areas, not just about research and development. A lot of that information is available, but we're not using it in the implementation of any kind of learning strategy or e-learning strategy.

One of the areas we are focusing on in our university, which is what we call our mission-critical research, is in mobile learning. Most people have a cellphone, but not everybody has a computer. Being able to look at how mobile learning will be the equalizer for education is critical for us. A lot of those countries are looking at

mobile strategies. It has an industry component, too. In Canada, we are falling behind in our cellphone ability and—

**Mr. Bob Dechert:** How does the government address that?

**Ms. Lori Van Rooijen:** There are lots of policies and processes the government can look at. Consider how we allow our cellphone rates to be regulated in different ways. The United States is working on this; so is Europe. They have policies in place. It's not just one area; it is across the board. Policies in a particular department of government need to coincide with policies in another area of government. That's why the implementation of a comprehensive ICT vision has not happened. It is difficult, but that doesn't mean we shouldn't do it.

**Mr. Bob Dechert:** Thank you for that.

I'm a bit short of time, so I want to quickly go to Mayor Bell.

I was interested in your comments on social housing. As you know, in Budget 2009 our government provided over \$2 billion for retrofit and new social housing and assisted accessible housing. Was your community able to access any of that money? Has it been helpful?

**Mr. David Bell:** It has, though probably to a very minor degree. We've seen some of the social housing receive some retrofit—not a tremendous amount and certainly not all.

**Mr. Bob Dechert:** Hopefully, that has freed up some funds for other development areas. In my region, in Peel region in Ontario, there is some significant grant money for retrofit of some existing social housing. The Co-operative Housing Federation of Canada said it was the largest amount that a government in Canadian history has provided in that area of social need. I take it that it is helping. Hopefully, we can do more.

**Mr. David Bell:** That would be wonderful.

**Mr. Bob Dechert:** Thanks for your comments.

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

We'll go to Mr. Martin, please.

**Mr. Pat Martin:** Thank you, witnesses.

There are many issues I would love to jump into, but I'll use the bulk of my time asking our friends from the meteorological society a question.

There is a bill currently in Parliament, Bill C-311 on climate change, on a cap and trade system. It is coming to a vote tomorrow. We all have to run back for this vote. The vote is to delay—essentially it's a hoist motion, because the enemies of the bill seek to stall it and drag their feet on it so that we go to Copenhagen with nothing to say. We are one of the world's leading democracies with no opinion, one of the great climate change greenhouse gas producers with no opinion on what the world needs to do.

Has your organization been following the development of this bill? Do you have any opinion on the merits of it, or any direction you might give Parliament as to whether or not Canada should go to Copenhagen with some position on climate change?

**Mr. William Crawford:** We've discussed this issue. I discussed it with my colleague, Professor Stewart. We are scientists, and we wish to convey the urgency of doing something on climate change. We believe any measure that is effective in the short and long term is very needed, but whether we go to cap and trade and the politics of posturing for Copenhagen is not something we feel competent to deal with, nor do we think we should, as scientists. We simply wish to convey to people that this is a very urgent issue and that Canada should take rapid measures to reduce greenhouse gas emissions by any and all methods that will be effective.

**Mr. Pat Martin:** Fair enough. Thank you.

We have a child care crisis in Canada, and in this province certainly. We were the first province to sign the federal-provincial agreement with Minister Dryden when he came to Manitoba. I was there when Minister Melnick and Minister Dryden signed that accord. Since then, I can't tell you the number of people who have come to our office saying they are in a crisis situation with their families.

My question to you is, are you tracking in any meaningful way the substandard situations that people are forced into in terms of babysitting in private homes as opposed to structured early childhood development and child care? Is the extent of the problem documented in that light?

• (1140)

**Ms. Pat Wege:** Unfortunately, it is not. The majority of parents who can't access regulated care are using underground care. The fact of the matter is it is a different world out there. I'm quoting my colleague from Athabasca University, who did say that this is the 21st century and most families have two parents in the workforce. Single parents obviously need early learning and child care for their kids, and most are in some form of underground child care—the lady down the street.

I want to make a point about that, because none of us would tolerate having to look for elder care on the bulletin board at Safeway. But somehow we are okay, as a society, with having parents look for child care on a bulletin board at Safeway.

The other point I want to make is that we've heard a lot of good presentations today. I've learned a lot from the other presenters, but the Government of Canada would never ever consider giving scientists \$100 a month for climate change. The Government of Canada would never consider giving homeless people \$100 a month for affordable housing. The Government of Canada would probably never try to substitute a national ICT vision with \$100 to Canadians for a cellphone, yet for some reason, the Government of Canada thinks giving parents \$100 a month for child care is a good substitute for a national child care program. We are here today to leave a message that that is not acceptable.

**Mr. Pat Martin:** Is that \$100 a month taxable?

**Ms. Pat Wege:** Yes, it is.

**Mr. Pat Martin:** So they don't get a hundred bucks a month.

**Ms. Pat Wege:** No, they don't.

**Mr. Pat Martin:** Mayor Bell, I want to thank you for raising housing as an issue. I was president of a housing co-op when the last federal housing program died. We used to build 2,800 to 3,000 units a year in Manitoba—that was our share of the national affordable housing initiative—up until 1993, when the Liberals killed the very last semblance of any affordable housing program. If you were to take 3,000 units a year for the last 16 years, that would have been 48,000 units of affordable housing in Manitoba built in that period of time, had we carried on.

Really, I suppose, all our work should be toward a national poverty reduction strategy. Can you speak further on the importance of this in even a relatively small community like Selkirk?

**Mr. David Bell:** Because we are a relatively small community, we're very intimate with so many of the people we see living in these types of environments. As I mentioned, my career as a psychiatric nurse certainly allows me to see another end of society that really doesn't get the advocacy it truly needs. We see that many of our people are retained in hospitals simply because of a lack of resources that should be out there. As the mayor of a city that has a mental health centre as its third-largest contributor to our economic engine, I would be remiss if I didn't take the time to say, "Gentle people, we have to come together with some kind of strategy that offers affordable housing at such a broad-based level."

I have a young nephew who has three young children and is working in a \$12 or \$14-an-hour job. What kind of home is he going to be able to buy? What are some of the impacts for him in terms of his life? If you want to talk about child care, I can talk child care intimately with you here. If you want to talk about a university education.... I'm telling him to go to school. He's asking how to do it. It really is a crisis.

I know the aboriginal piece well, too; I'm part aboriginal, as are my young nephews. We're living this whole piece. We're coming to you saying that affordable housing is a huge piece that needs to be addressed. You're absolutely correct. If the gentleman next to you were to offer me \$2 million or \$3 million, you can bet that's the first place we'd be heading, to put some more affordable housing....

Are you going to do it?

It would be to put it into our community, along with retrofitting what is already there. Only in the last couple of years have we seen some of the senior complexes starting to get new windows, new doors, and new appropriate retrofits—as you say, those kinds of things that keep the cold out.

• (1145)

**Mr. Pat Martin:** That isn't putting new units in the field.

**Mr. David Bell:** No, it is not. It's upgrading.

**Mr. Pat Martin:** The only national housing strategy seems to be to build more prisons. That seems to be the solution from our colleagues across the way.

Am I finished?

**The Chair:** You have a very brief time, if you want.

**Mr. Pat Martin:** We've said this before, but we all take note that there's a shocking overrepresentation of aboriginal people in our criminal justice and prison system and underrepresentation in our post-secondary education system. Our goal has to be to reverse those statistics, we would hope.

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

We'll go to Mr. Pacetti, please.

**Mr. Massimo Pacetti:** Thank you, Mr. Chairman.

Thank you to the witnesses for great presentations. It's tough for us to ask questions in the limited time we have, but I'll try to the best of my ability.

We've had various presenters from federations of students, and they've given good presentations. One of the things I'd like to clarify or would like to see—you state it in your brief, but it's not necessarily a recommendation, and I don't understand why it isn't—is you asking that the government, and I'm going to read this right from your brief, “create a dedicated post-secondary education cash transfer guided by federal legislation”.

Shouldn't the post-secondary transfer payment be separated from the social transfer payment before we talk about increasing post-secondary transfer payments?

**Mr. David Jacks:** Yes, it certainly should, and part of the federal post-secondary act is taking that part from the Canada health and social transfer and rolling it into its own dedicated funding transfer.

**Mr. Massimo Pacetti:** We've rather lost that message.

I don't mean to interrupt; it's just that I have only five minutes.

We've lost that message. Before we can say there have been more or fewer moneys transferred for post-secondary, we have to have the real amounts. Different amounts have been transferred for the funding, the granting councils, for scholarships, for student loans, and we don't have an accurate amount. So a couple of years ago, all the student federations were asking for the post-secondary transfer payment to be separated, and we're not seeing it.

I'm wondering why this is not a major recommendation.

**Mr. David Jacks:** To see this separated out of the Canada health and social transfer still is part of our overall recommendations.

**Mr. Massimo Pacetti:** Okay.

My next question would be about dealing with the provinces. Has that made any headway? Have the provinces requested that it be a dedicated transfer?

**Mr. David Jacks:** The Province of Manitoba has looked into that exact recommendation. We always hear, when we talk to members of Parliament, that there are jurisdictional issues involving federal funding for post-secondary education and the transfers to the provinces, and we hear about how the provinces want to have control over the federal funding that is there. But what we're concerned with, with the federal funding transfers, is that the province won't be spending it on post-secondary education, or they'll be substituting their own provincial responsibilities to fund post-secondary education in the provinces.

One of the things we hear quite often about federal-provincial jurisdiction is that we have to make it clear that the provinces are part of the federation that makes up this country, and that we can't be debating whether or not or when funding should be allocated to post-secondary; we should first of all be ensuring that the funding is there and then making sure the funding is allocated in the most accountable ways to the provinces, and that's through something like a post-secondary pact.

**Mr. Massimo Pacetti:** Thank you.

I'll turn just quickly to the Manitoba Child Care Association. You have a good brief, and I think you don't have to preach to the converted. Is there a way we can change the message, so that instead of calling it child care—because the government views \$100 a month as being child care—we can now change the term “child care” as we see it to, maybe, “early childhood development” and not call it child care? The government seems to think “child care” is \$100 a month. I'm wondering what your comment would be on that.

**Ms. Pat Wege:** We can do whatever it takes.

**Mr. Massimo Pacetti:** Thank you.

Turning to Athabasca University, Ms. Rooijen, your brief was slightly different from those of all the other universities, because you were specific in talking about the knowledge industry and specific in asking for ICT, information communication technology.

Is that going to benefit your university directly? Do you have a concentration in that?

**Ms. Lori Van Rooijen:** Absolutely, it will, because we are an online university; we're an open university. Being able to reach out across Canada and provide an ICT framework will help.

But it goes beyond our university, and that's what's important about the whole vision for the nation. If you just look at our preparedness for an ICT vision to be implemented, we rank pretty low when it comes to things such as digital content availability or bandwidth or infrastructure development. Other things, like—

● (1150)

**Mr. Massimo Pacetti:** There's a whole list of them; I agree with you.

**Ms. Lori Van Rooijen:** It goes beyond our university, but yes, ultimately, we would benefit from it. We are a different university, which is why you see something completely different in our submission.

**Mr. Massimo Pacetti:** We saw yesterday in Weyburn that they were able to maintain their workforce but were able to increase their capacity because of technology. There's technology being used in all sectors. So I can't disagree.

Thank you for your presentation.

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

We'll go to Mr. Wallace, please.

**Mr. Mike Wallace:** Thank you, Mr. Chair.

I want to thank you for coming today to talk to us.

Mr. Bell—Your Worship—concerning the transit issue you brought forward.... I am from Burlington, Ontario, which is just outside Toronto. We have what is called the Go Train out our way, and in addition the municipality has its own transit system.

What does Selkirk have? I want to understand. Mr. Chong and I have been working to convince the government on a national strategy overall, working with our friends from FCM. Part of the argument, to be frank with you, is that it's really a “big urban” issue, but we think it's wider than that.

What are Selkirk's transit issues? Can you tell me about the community itself?

**Mr. David Bell:** Currently, Selkirk doesn't have transit.

**Mr. Mike Wallace:** You don't have it at all?

**Mr. David Bell:** We have something called a “handy transit”, which is really for more senior people, to get them to appointments, to help them maintain their independence in their own homes.

**Mr. Mike Wallace:** How big is Selkirk, if you don't mind my asking?

**Mr. David Bell:** It has approximately 10,000 people. We're working very diligently and actually have money put aside, from gas tax investment, to get some rolling stock happening as quickly as the next budget.

**Mr. Mike Wallace:** Just so that you know, and maybe you do already, the federal government south of the border, in the United States, has had a federal transit plan since 1963—which was a great year, by the way—

**An hon. member:** Is that when you were born?

**Mr. Mike Wallace:** Yes.

There's a little bit of operating money in it, but it's not really for operating; it's for capital.

Is that the kind of support you'd be looking for: on the capital side, not the operating side?

**Mr. David Bell:** You know, we're looking for support in any way we can get it. We really see this as striking so many chords, in terms of affordability for individuals to be able to get around. We see it as being a big proponent of the environment. Even with vehicle manufacturers offering reduced prices on vehicles, there are still a lot of people who simply cannot afford vehicles. There are a lot of people who downsized their homes and are basically getting rid of one or both of their vehicles. We really see public transportation for Selkirk as, again, a broad-based thing. It's good for the environment; it's good for the economy; it's good in terms of operation dollars, absolutely. If there's something that can be brought forward for us to offset those operating costs, because we all know it's a losing proposition, but it's nonetheless necessary....

**Mr. Mike Wallace:** I want to be clear with you that from our perspective it is a capital issue, that others will have to pay the operating side if we can make it happen. I just wanted to let you know that.

To be clear, we have seen the Canadian Federation of Students'... your proposal today, or your request, is just more specifically to do with what's happening in Manitoba; you still don't have any issues

with the overall plan that your organization that you belong to has presented at previous meetings. Is that correct?

**Mr. David Jacks:** We're just bringing this to the Manitoba context so that you can see.... The Canadian Federation of Students national office submitted a brief as well, so we're bringing the perspective from the Manitoba component and where we fit in with the overall—

**Mr. Mike Wallace:** I'm going to follow up on Massimo a little bit, and it's just that there's really two sets of.... There's the health transfer and the social service transfer. I'm doing this off the top of my head. It's about \$24 billion for health at a 6% accelerated rate every year. It's about 3% at \$15 billion or \$16 billion for the social services piece. The problem would be.... And I appreciate your position, that you'd like a silo that says this is for post-secondary education. So it is for the housing folks, and, if it ever happened, the child care folks—if it was just transferred to the province, to make sure it's spent on that. It makes it very difficult. I know you mentioned it in your response, but we can't just ignore constitutionally who's responsible for what. We just can't do that. I hear you and we'll certainly make that point.

I have one really quick question for our child care advocates who are here. I think it's a provincial responsibility, but that's my own personal opinion. The social planning group that was here earlier suggested that the national child benefit be increased. Would that satisfy you? I know you've had—let's be honest, the Liberals were here for 13 years and promised in every frigging election they had that they were going to have child care, and it didn't happen.

**An hon. member:** [*Inaudible—Editor*]

**Mr. Mike Wallace:** “Frigging” is a word.

I was interested in what the social planning witness said about an increase in the child benefit supplement. Do you have a comment on that?

• (1155)

**The Chair:** Very briefly, if you could.

**Ms. Pat Wege:** The truth is that it is an income support program, and although we're not opposed to that, what we're looking for is a federal contribution to the provinces that can be used by the provinces to develop child care services.

**Mr. Mike Wallace:** I appreciate that. Thank you.

**The Chair:** Thank you.

I'm just wondering how the interpreter has translated “frigging”.

**Mr. Mike Wallace:** Just say it in English.

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

We'll go to Mr. Pacetti again, please.

**Mr. Massimo Pacetti:** Thank you, Mr. Chair.

Just quickly, Mr. Bell, in terms of your municipality's applying for any of the new stimulus money, how has your municipality fared in the latest escapade?

**Mr. David Bell:** Very well, thank you very much.

**Mr. Massimo Pacetti:** Very well. How many projects?

**Mr. David Bell:** We were able to do 15 of 44, in terms of a water treatment retrofit.

**Mr. Massimo Pacetti:** You say 15 of 44. Your small municipality of 10,000 submitted for 44 projects and got accepted for 15.

**Mr. David Bell:** The one retrofit project was an incredibly large, many-component project, and we were able to do 15 of those 44 required pieces to upgrade our water utility.

**Mr. Massimo Pacetti:** That has already been approved and ready to go?

**Mr. David Bell:** We're working on that as we speak.

**Mr. Massimo Pacetti:** Great. Thank you.

**Mr. David Bell:** That doesn't preclude us still coming and asking, so we're very clear on that.

**Mr. Massimo Pacetti:** I just wanted to make sure it's working.

**Hon. John McKay:** It's interesting what you learn in this business, including that "frigging" is now a parliamentary word.

**Mr. Massimo Pacetti:** And bilingual.

**Hon. John McKay:** And it's bilingual, yes.

My question is to Lori Van Rooijen, and it's with respect to the growth of Canada's R and D expenditures. In the previous government, there was a substantial increase in public funding of R and D. Canada went from a pretty dismal position to a number one position in public R and D. What didn't follow was private R and D. Canada seems to be a bit of a laggard in that, and continues to be a laggard. With the bankruptcy of Nortel, it's going to be even more dismal for private R and D here.

I'm interested in your observations with respect to public R and D and whether in fact it has increased lately or has flatlined or is reducing.

You have a bunch of scientists who are about to be laid off. With respect to private R and D, presumably, if your largest R and D researcher is now in the hands of the bankruptcy court, it can't really look good for R and D in this country.

**Ms. Lori Van Rooijen:** I can't speak to the increase in R and D, because I don't know that area. I do know that our university, in particular, has in recent years been a recipient of more R and D funding from federal government sources. For that we're grateful. But I can't speak to it overall. I'm just not sure of the figures, and I wouldn't want to suggest that I would know that.

What I can say, though, is that I agree with you that industry has not stepped up to potentially increase R and D funding from federal government sources. I think that's a very complex question, because it has a lot to do with a whole bunch of different areas. What I can tell you is that when we speak to corporations about funding a particular project that our university is undertaking, one of the things they ask first is whether the government is funding it. They will not come in unless the government has already given funds or has committed funds for that particular project. I know there is a mindset in this industry that government is an integral part of funding for ICT R and D.

That's about as far as I can speak to that.

● (1200)

**Hon. John McKay:** It's kind of curious that you should say that industry won't look after itself unless the taxpayer of Canada ponies up dough first. In some respects, it speaks to the cultural difficulties of our industry and the cultural difficulties of surviving as a nation with a manufacturing base. If industry thinks it can put the taxpayer on the hook first, then why should we have an R and D lab, and so on?

I'm curious as to how your specific university handles that issue. How do you handle, for instance, patents that are developed at your university? Who gets to own those?

**Ms. Lori Van Rooijen:** In our university, we own them. That is not the case in all universities. We're very different in that instance. So our faculty members do not own the IP for a particular thing.

What I can tell you is that companies like Nortel were good examples of companies that wanted government funding in there first. There are other companies, however, such as Xerox, that are not part of that component. They spend a significant amount of money on R and D and have come to us. We have a partnership with Xerox. We are looking with them at mobile learning, in particular. We have their support, and now we're going to government, and government has been very supportive of it.

It's not all corporations, but there are some, particularly ones that have been around a long time, that are looking for that component of government.

**Hon. John McKay:** It's curious that Nortel is a Canadian company and Xerox is an American company.

Thank you.

**Ms. Lori Van Rooijen:** You're welcome.

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

I'm just going to take the final round and follow up on a couple of issues, first, with the Canadian Federation of Students, Manitoba division. In your first recommendation, you say that the federal government should, in cooperation with the provinces.... You know that this is a very loaded phrase in Canadian federalism.

The issue is that the students outside the province of Quebec have a fairly uniform message, which is similar to yours. The students inside Quebec have a completely different message, in my view, and have made a strong argument that the federal government ought to stick to areas under its own jurisdiction and should leave the areas under provincial jurisdiction to the provinces. So we have two markedly different views within the student population of Canada. It's not just the difference between students and the government.

I want you to argue with them. Their argument is that we're further away from the people as a federal government. It's not our area of expertise. It's a rather paternalistic attitude for us to be attaching and for us, as a federal government, to say that a transfer is unaccountable. They would argue that provincial governments are closer to the people and are thus more accountable to the people. That's not necessarily my argument, but that's the argument they've made.

How do you counter that argument?



**Mr. David Jacks:** Certainly, if post-secondary education was simply a provincial issue, then the \$800 million transfer from 2007-08 would not have been imposed; neither would the federal stimulus of \$2 billion. The federal government does have a really important role to play, and has been playing that role, especially in most recent years, in ensuring that our institutions have the funding they need to operate.

That funding has been going to Quebec as well. It's just a matter of working with the provinces. I know the relationship might be a little bit difficult for some people to be able to discuss with their counterparts within the provincial governments, but post-secondary education is not a game to be played on political whims. It's something that needs to be funded. We need to make sure our institutions remain of quality and affordable, and that no students are left falling through the cracks.

As I mentioned in the presentation, the federal government recently has been funding and has been stepping up to the plate in terms of that funding. Now, just like with other countries around the world, we'd like to see that enshrined in some form of legislation within the federal government so that this funding is being allocated effectively and efficiently with cooperation from the provinces.

**The Chair:** Okay. I want to thank you for that.

The second issue I want to follow up on is with the Manitoba Child Care Association. I think it's a valid public debate in Canada as to what level of government you fund it through. I'm in agreement with Mr. Wallace, but that's a valid debate, and I recognize that.

Can you just give me some information in terms of the Province of Manitoba and how much funding it devotes to child care each year? How many children currently receive child care in Manitoba, and how many are not but would receive it if there were funding for that? What's the gap in funding provincially? Could you give us more information? I know you have some in your brief, but could you answer that?

• (1205)

**Ms. Pat Wege:** Unfortunately, we're not with the Government of Manitoba, but I can tell you there are about 28,000 licensed child care spaces that are probably used by more than that number of children. Some attend on a part-time basis, in which case one child might be sharing a space with a couple of others.

The provincial budget is probably a little over.... That number is escaping me right now.

**The Chair:** So approximately 30,000 are using it. How many would use it if there were the funding?

**Ms. Pat Wege:** Again, we don't have a mechanism for tracking that provincially. It would be up to the Government of Manitoba as part of their five-year agenda. They have included a plan to develop a centralized wait list. Right now each of the almost one thousand child care facilities keep their own wait list, so there really is no way of knowing. I do know, from our organization's perspective, having done some surveys, that the wait times being reported by the programs are two to three years long. That gives you an idea. We would never tolerate wait times of two to three years for a hip or knee replacement, but somehow for child care that seems okay.

There's a lot we don't know about our field right now, you're right, and if we had those numbers, we'd be better able to develop a system.

**The Chair:** In my riding, a lot of child care spaces are provided through groups like the YMCA on the south side of Edmonton. Would you recommend that option in terms of funding spaces there? There is a debate as to whether you fund through organizations, whether you set them up separately, or whether they're fully publicly administered and publicly funded.

**Ms. Pat Wege:** We could talk about this all day. A lot of spaces are provided by the Ys in Winnipeg as well, but they have been unable to provide enough spaces to reduce the two- to three-year wait times. A big problem for development of new services is the capital it costs—millions of dollars to go from ground to child care programs.

**The Chair:** That's why they argue with me that we should fund through them because they have the capital infrastructure.

**Ms. Pat Wege:** Yes. That's certainly an option. One of the ways the Government of Canada could be involved is through the funding of infrastructure for child care programs. I know it happens in other areas, and that would be something to look at for the development of services too.

**The Chair:** Okay. I cut everyone else off, so my time is up. I wish we could continue this discussion. If you want to provide the committee with any more information, please do so. It certainly applies to any organization or witnesses here.

We want to thank you for your presentations and your responses to our questions.

We will adjourn the meeting.





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