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and Social Development and the Status of
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Mr. Dean Allison

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Tuesday, May 5, 2009

• (1110)

[English]

The Chair (Mr. Dean Allison (Niagara West—Glanbrook, CPC)): Pursuant to Standing Order 81(4), on main estimates 2009-2010, I would like to welcome here today the Minister of HRSDC, Ms. Finley; and Rona Ambrose, the Minister of Labour. Thank you for being here. We haven't seen you in front of our committee before, so it's great that you're both here with us, and of course your respective deputy ministers.

I'll start with you, Minister Finley. I know you have an opening statement of about ten minutes. Then I'll move to Minister Ambrose for an opening statement of ten minutes or so.

As is the tradition, the first round of questioning is for seven minutes, followed by subsequent rounds of five minutes each for questions and answers.

Thank you once again for taking time out of what I know is your very busy schedule to be here to talk about the estimates.

Ms. Finley, the floor is yours.

Hon. Diane Finley (Minister of Human Resources and Skills Development): Thank you very much, Mr. Chair.

I am pleased to be here before you today alongside my colleague, the Minister of Labour. We're here to answer questions on the 2009-10 main estimates for Human Resources and Skills Development Canada, and the Canada Mortgage and Housing Corporation. We'll also talk about the report on plans and priorities for HRSDC.

[Translation]

This report presents the department's key priorities to support Canadians in these difficult economic times.

[English]

The global economic situation has deteriorated further and faster than anyone predicted. While Canada continues to fare better than many other countries, Canadians are feeling the effects of the global recession, and frankly, they're worried.

[Translation]

Canadians are worried about losing their jobs, their homes, even their businesses.

[English]

Our government understands that Canadians are worried about putting food on the table and finding work to keep their homes and provide for their families. That's why we've taken unprecedented steps to support the unemployed, preserve jobs, and retrain workers for the jobs of the future. Many of the programs we deliver were introduced or enhanced in direct response to the economic pressures now facing Canadians.

[Translation]

But before I address some of the measures that we introduced in our Economic Action Plan, I would like to address a few things about this year's main estimates.

[English]

I wish to remind the committee that the main estimates do not reflect announcements made in this January's budget. Those spending initiatives will show up in the supplementary estimates later in the year. You may have also noticed, if you compare the main estimates figures from last year to this year, there is a decrease in some areas.

[Translation]

I want to be clear that these decreases are not cuts to the existing program.

[English]

I want to be clear that these decreases are not cuts to existing programs. These figures simply reflect a better alignment between planned and actual spending.

For fiscal year 2009-10, the Department of Human Resources and Skills Development has planned expenditures of more than \$94.7 billion. Of that amount, Canadians directly benefit from \$89.5 billion through statutory transfer payment programs such as employment insurance, Canada Pension Plan, old age security, and the universal child care benefit. In addition, the Canada Mortgage and Housing Corporation—you may know it better as CMHC—has planned expenditures in 2009-10 of \$3.1 billion. Of this amount, \$2 billion is dedicated to housing programs, as outlined in the main estimates.

[Translation]

With respect to our Economic Action Plan, let me begin by emphasizing that our government is always concerned when a Canadian loses his or her job.

[English]

We understand the pressures faced by Canadian families, and we're well aware of the challenges that many Canadians are facing in these uncertain economic times, particularly as unemployment rises. To address these challenges, our government is making record investments to stimulate the economy, support the unemployed, preserve jobs, and retrain workers for the jobs of the future.

With the cooperation of our provincial and territorial partners, the federal government's economic action plan will inject almost \$52 billion into the Canadian economy over the next two years. We know that jobs are the key to economic recovery, and that's why our economic action plan is built on three pillars: creating jobs, preserving jobs, and preparing Canadians for the jobs of the future.

The economic action plan will provide \$7.8 billion to build housing, encourage home ownership, and promote home energy efficiency. This is in addition to the \$1.9 billion over five years that was announced last September for the renewal of housing and homelessness programs. This includes the homelessness partnering strategy, and programs such as the affordable housing initiative, and the residential rehabilitation assistance program.

[Translation]

Under our Economic Action Plan, we are making good progress.

[English]

We're now accepting applications from municipalities for up to \$2 billion in direct low-cost loans for housing-related infrastructure projects. These loans are for ready-to-go projects. As well, we're investing \$2 billion over two years to build new social housing and to renovate existing social housing stock. The provinces and territories will soon start to deliver funding on a 50-50 cost-shared basis for new affordable housing projects.

• (1115)

[Translation]

These investments help Canadian families in need of access to safe and affordable housing. They also help maintain and create jobs in communities across Canada.

[English]

We're also taking significant actions to preserve jobs. Through the federal work-sharing program, companies facing a temporary slowdown can avoid laying off staff by offering EI to employees willing to work a reduced work week while their companies recover. Through this program employees can continue to work and keep their skills up to date. And when the economy revives, the employers will not have to face rehiring and training costs.

To further improve upon this program, our economic action plan extended the duration of work-sharing agreements to a maximum of 52 weeks. We've also streamlined the process for employers.

[Translation]

These improvements have been very warmly received by stakeholders, and have led to more and more companies and their employees benefiting from the program.

[English]

Currently, there are more than 2,500 work-sharing agreements across Canada, and I'm very pleased to say that more than 93,000 jobs have been preserved.

Mr. Chair, we're also investing in skills and training to prepare Canadians for the jobs of tomorrow. Over the next two years the government's economic action plan will invest an unprecedented \$8.3 billion in the Canada skills and transition strategy.

[Translation]

The goal of this strategy is to help Canadians weather today's economic storm while providing them with the necessary training to prosper in tomorrow's economy.

[English]

This two-pronged approach will strengthen benefits and give workers more time to find the right jobs. It will also help them to gain skills and emerge ready to respond once the economy recovers.

In the area of training and skills development, we work closely with the provinces and territories, as they have a better grasp of local conditions and are better placed to deliver training. Our government will transfer \$1.5 billion over the next two years to provinces and territories to help workers retrain, so that they have the skills needed for the jobs of tomorrow.

[Translation]

This money is being directed to communities and sectors hardest hit by the downturn.

[English]

We expect that up to 150,000 Canadians will take advantage of these training opportunities.

[Translation]

And for people who lose their jobs through no fault of their own, we want to ensure that they can continue to make ends meet, while they search for another job.

[English]

We're doing so by nationally providing the advantages of an extra five weeks of regular benefits, currently offered as part of a pilot project that until now has only been provided in specific regions of high unemployment. In addition, the maximum duration of regular EI benefits available under the EI program has been increased by five weeks, from 45 to 50 weeks. It's estimated that this extension will benefit 400,000 Canadians in the first year alone.

I'm well aware that some members want us to waive the two-week waiting period.

[Translation]

We are doing better than that.

[English]

What we're doing is providing five extra weeks of EI regular benefits at the end of the eligibility period, which is when Canadians across the country told us they needed it most. We believe this measure is a better option than removing the two-week waiting period because it would help those most in need of additional benefits and do so when they most need it.

While removing the two-week waiting period would result in an additional payment of two weeks for claimants who do not use their full entitlement, it would not provide assistance to workers who exhaust their EI benefits. Eliminating the two-week waiting period means benefits would start two weeks earlier, but would also end two weeks earlier.

Our additional weeks of EI benefits provide regular EI clients with the assurance of financial support, should they require it, for a longer period of time, while they pursue their job searches.

• (1120)

[Translation]

Exhaustion of EI benefits is a tough prospect to face. Providing additional support to unemployed Canadians who would otherwise have exhausted their benefits helps those who need help the most.

[English]

Mr. Chair, given the economy, we're doing everything we can to process the increasing number of claims as efficiently and as quickly as possible. We're responding to the evolving economic circumstances. In fact, we've invested more than \$60 million to increase and expand our operations.

[Translation]

Among other things, this investment has allowed us to hire additional staff, as well as extend the hours of service at our EI call centres.

[English]

As I said before, our government is well aware of the challenges that many Canadians are facing in these uncertain economic times, particularly as unemployment rises. That's why our government has already taken unprecedented steps to help Canadians by extending regular EI benefits for an extra five weeks, increasing the maximum regular benefit period to 50 weeks, and expanding the work-sharing program, for example.

[Translation]

We are also providing significant funds to help meet the different training and support needs of not only those who are eligible for EI, but those who are not eligible as well.

[English]

This will include those who have been out of work for a prolonged period of time. Our plan also takes into consideration the needs of long-tenured workers who have been laid off. To help these long-tenured workers change occupations or sectors, we're introducing a pilot project that will extend EI benefits to them so that they can pursue longer-term training. We're also proposing that workers with severance or other separation payments be eligible for earlier access

to EI benefits if they use some or all of these payments to purchase skills upgrading or training.

In conclusion, Mr. Chair, in spite of our unprecedented investments, I wish to assure all honourable members and Canadians that we will continue to monitor the effectiveness of these measures and our existing programs.

[Translation]

We want to make sure that they are working and responding effectively to the ever-changing economic circumstances.

[English]

We want to make sure that they're working and responding effectively to the ever-changing economic circumstances.

Thank you, Mr. Chair. I'll now turn it over to my colleague, the Minister of Labour.

The Chair: Thank you, Minister Finley.

Now we'll move to Minister Ambrose.

Hon. Rona Ambrose (Minister of Labour): Thank you, Mr. Chair.

It's an honour to be joining the members of the committee. I'd like to recognize, in particular, Mr. Desnoyers and Ms. Minna, who are my labour critics and work very well with me on a number of issues. It's a great opportunity to be here with all of you to address the labour programs component of HRSD's report on plans and priorities.

[Translation]

As Minister of Labour, I recognize that my portfolio is one that new Canadians turn to for assistance and service excellence—particularly in challenging economic times.

I would like to begin by emphasizing the importance of the workplace—where Canadian creativity and innovation thrives.

Our government recognizes that our nation's economic wealth is generated by millions of Canadians in many workplaces, both large and small, that comprise Canada's economy. A well-functioning workplace is one in which workers are safe and treated fairly, where productivity is high, and where employers and employees cooperate in a spirit of mutual respect.

By building and sustaining such workplaces, the economy as a whole benefits and Canada's prosperity is enhanced.

[English]

Given the importance of the workplace to the economy and the economic challenges facing us today, it is more important than ever to ensure that businesses and workers have the tools they need to succeed in the current economy and enjoy renewed prosperity in the years to come.

As you know, the mandate of the Minister of Labour is to foster safe, fair, and productive workplaces and cooperative workplace relations. This mandate is discharged directly in those sectors over which the federal government has jurisdiction as well as nationally and internationally through collaboration with the provinces and territories and with other countries and multilateral organizations.

It is in each of these areas that we are working to deliver on our mandate and meeting our goals. I'd like to describe for you now some of the labour program's recent achievements and demonstrate how these investments in programs and services support hard-working Canadians and contribute to a more prosperous Canada.

First and foremost, our government supports Canadian workers, and we are providing new financial safeguards for workers in these uncertain economic times. Our government's wage earner protection program provides compensation for owed wages when an employer is declared bankrupt or subject to receivership. The WEPP provides workers with guaranteed and timely payment of eligible wages, which include salaries, commissions, and vacation pay. Now with our economic action plan, the program is enhanced to include termination pay and also severance pay.

• (1125)

[Translation]

We recognize that hard-working Canadians face very real challenges when their employers go bankrupt, and through this program our government is ensuring that we provide assistance to Canadian workers facing financial pressure due to job loss during this difficult time.

Secondly, as Canadians would expect, we are taking additional steps to ensure that workplaces are safe, secure and fair for workers. Canada is built on a promise of opportunity and hard work. Inclusive workplaces are central to a productive economy and a cohesive society. Workplaces should reflect the increasing diversity of Canada, in order to ensure that the talents of all workers can be fully developed.

Our government is committed to working towards workplaces that are fair, safe and productive so that all workers can contribute to our shared prosperity. Individuals should be able to get jobs and promotions based on their abilities, free from discrimination.

That is why our government is implementing the Racism-Free Workplace Strategy, which is a key component of the government's *A Canada for All: Canada's Action Plan Against Racism*. This strategy ensures that Canadian workers are treated with the dignity and respect they deserve in a productive and inclusive workplace.

[English]

A third area of important activity is our role in supporting cooperative workplace relations. The labour program offers an extensive range of preventive mediation and grievance mediation services aimed at resolving workplace differences and improving industrial relations. Today, nine out of ten collective bargaining disputes in federally regulated workplaces are settled without a work stoppage, often with some kind of conciliation or mediation help.

So far I've shared with you an overview of some of the labour program's key activities to support our future economic growth. I would also like to highlight for you a couple of new initiatives we will be undertaking over the coming year. As you may know, one of my priorities is modernizing part III of the Canada Labour Code, which establishes labour standards in the federal jurisdiction. In fact, consultations are now currently under way. We are facing challenging economic circumstances and now, more than ever, it is important that labour standards remain relevant and effective. Given

the profound changes that have occurred in the labour market since 1965, the year part III of the Labour Code was first enacted, we want to ensure that federal-jurisdiction employers are supported in their efforts to run efficient businesses and effectively deploy workforces in rapidly changing market conditions. Equally important is ensuring that federal-jurisdiction employees have supportive work environments and can engage in productive work while still balancing their family lives and civic responsibilities.

It is in all our interests to ensure we have modern and flexible labour standards that can support economic prosperity for Canadians now and in the future.

[Translation]

I will turn now to another area of activity for the coming year that I would like to highlight for you—our international efforts. International labour agreements help level the playing field for Canadian enterprises and open up trade and investment opportunities.

Labour cooperation agreements, negotiated alongside free trade agreements, help protect employers and employees from unfair competition. They also help us make sure that fundamental labour standards are respected so economic growth can be achieved in a fair and sustainable manner.

• (1130)

[English]

Last year Canada concluded labour cooperation agreements with the governments of Peru, Colombia, and Jordan. These agreements are the most comprehensive agreements linking trade and labour ever negotiated by Canada, and have raised the bar with respect to the rights and obligations that the parties have undertaken. These agreements have also provided a template for future negotiations.

In concluding my remarks, let me state again the importance of the workplace to Canada's prosperity. This is where our nation's wealth is generated. It's also where many working-age Canadians spend a significant part of their lives.

I will continue to explore ways in which my portfolio can provide support to Canadians. We are fully committed to ensuring that Canadian workplaces are safe, healthy, and productive; that Canadian businesses remain competitive and strong; and that employees and employers are able to succeed in these challenging economic times.

Thank you, Mr. Chair. I look forward to questions.

The Chair: Thank you, Minister.

I thought I should maybe introduce the officials with you. I didn't do that at the beginning, and I apologize for that.

Hélène Gosselin, deputy minister of labour, welcome, and thank you for being here today.

We also have Janice Charette, deputy minister of HRSDC. Thank you, and welcome back again. I know most of you have been here before.

Also with us is Karen Kinsley, president of the Canada Mortgage and Housing Corporation. Thank you for being here.

And last but not least, we have Linda Lizotte-MacPherson, senior associate deputy minister and chief operating officer, Service Canada.

Thank you to the officials for being here today, and welcome back.

We're going to start with our first round over here on the opposition side.

Mr. Savage, I know you are going to split your time, so we'll give you four minutes and then let you know when those are up, so you can split your time. The floor is yours.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Thank you very much.

Thank you, ministers, for attending, and all of your officials as well.

I want to start off with the enabling accessibility fund.

Minister, does it seem reasonable to you that 94% of that funding should be going to Conservative ridings?

Hon. Diane Finley: First of all, let me say that the fund consists of two very large grants and several smaller ones. So wherever the two large ones go is going to skew those numbers.

That being said, the enabling accessibility fund is something we're very proud of, because it is designed to help communities in large and small ways to make facilities more readily available to those who are disabled. We are talking about projects, everything from making large recreation centres completely accessible to helping people build ramps into churches.

Mr. Michael Savage: But 100% of that major funding went to Conservative ridings, this after the fund was announced last year and there was speculation that it was set up specifically to go to one of those in Mr. Flaherty's riding. The press reports indicated that. When the fund was announced, the opening of proposals was set as April 1 and the closing as April 30—an extraordinarily tight timeline.

So I ask you again, does it seem reasonable to you that 94% of the total funding would go to Conservative ridings—100% of the large fund and two-thirds of the smaller fund?

Hon. Diane Finley: Let's clarify a few things. A lot of the small—

Mr. Michael Savage: Chair, in the interests of time, I know what the program is about. I just want an answer.

In your personal view, does it seem reasonable to you that 94% of the funding would go to Conservative ridings?

Hon. Diane Finley: To understand the answer, it would help to have some context. A lot of the projects are in small communities, as the smaller awards are specifically aimed at small communities. That happens right across the country.

The program was oversubscribed. The evaluation criteria were treated by a panel of experts—outside third-party experts—who did the evaluation and made the recommendations, and we relied heavily on those recommendations.

Mr. Michael Savage: But does it seem reasonable to you that 94% of any program funding for a national program would go to Conservative-held ridings only?

Hon. Diane Finley: I think part of the response to that, if you listen, is that a lot of it was in rural areas, and it depends on who applies. The program was oversubscribed. We relied very heavily on the advice of third-party experts here.

Mr. Michael Savage: Can I ask you to give us a list of those who applied for the funding?

• (1135)

Hon. Diane Finley: I don't think we have that, do we?

Mr. Michael Savage: I can get that later.

Hon. Diane Finley: We certainly do not have that with us. It's a very long list.

Mr. Michael Savage: I'd like to get that in a reasonable timeframe if I could.

I want to ask you about the Canadian Council on Learning. When you appeared here the last time, you indicated their funding had been extended. Two days later your officials indicated it actually had been reprofiled, which is bureaucratic language for no more funding but they can continue to exist. Has the funding for CCL been extended past this year?

Hon. Diane Finley: First of all, when we say reprofiling, that is actually a term for making moneys that weren't spent in one year available in the next so that they do not expire. So I'd just like to correct the record on that.

Mr. Michael Savage: So the funding was not extended, and there was no more funding put into CCL?

Hon. Diane Finley: We do have an independent body, and it is free to decide how it uses its resources. Last year the government extended the funding to March 2010.

Mr. Michael Savage: So there was extra funding put in for 2009-2010? That's what I'm asking.

Hon. Diane Finley: The funding agreement was extended.

Mr. Michael Savage: So there's no more money?

Hon. Diane Finley: The funding agreement was extended until March 2010.

Mr. Michael Savage: That was with the money that existed for the previous period of time?

Hon. Diane Finley: That's correct.

Mr. Michael Savage: I want to ask about EI eligibility. Everybody seems to suggest that we should be extending that. The Canadian Centre for Policy Alternatives, the Canadian Labour Congress, anti-poverty groups, the Canadian Chamber of Commerce, which has indicated so in their pre-budget, the TD Bank, the C.D. Howe Institute, the Minister of Finance's wife, and most of the provinces have all indicated that EI eligibility should be extended.

What would it take for this government to extend access to employment insurance?

Hon. Diane Finley: We already have increased access to employment insurance, and we've extended the benefits rather considerably.

Some 32 of the 58 EI regions have seen improvements, increases in eligibility and accessibility. They've also seen increases in benefits of anywhere up to 13 weeks improvement, and that is in response to the changes in the economic circumstances.

As part of our economic action plan we added, as Canadians asked for, an additional five weeks of regular benefits, up to a maximum of 50 weeks at the end. So we have done exactly what you're asking for.

Mr. Michael Savage: No, you have not done anything of what I or most Canadians are asking for.

I'll pass it over to Ms. Minna.

The Chair: Ms. Minna, you have two minutes.

Hon. Maria Minna (Beaches—East York, Lib.): Thank you, Mr. Chair. I will be very quick.

To the two ministers, to pick up on what my colleague was just saying, access means people being able to access EI at the front end, because if you can't get it, you can't benefit from any of the other programs, and that's just in terms of the hours.

I want to go to Minister Ambrose if I may. In the estimates, for the Canadian Artists and Producers Professional Relations Tribunal, the chair says that she feels compelled to note at this point that however optimistic she is with respect to the board's hard work, because they cannot form a quorum they have a problem doing their job. Could the minister tell us why this board, which looks after a tremendously large number of our artist industries, is looking at operating problems because they can't get a quorum, because they don't have enough members on the board? Why are there no members?

Hon. Rona Ambrose: At this point the president had resigned, so we're looking for a replacement.

Hon. Maria Minna: This is not an issue of quorum, I'm sorry.

Hon. Rona Ambrose: And we have applications that we're reviewing right now.

Hon. Maria Minna: Okay. It's just that it sounds as though this has been going on for some time.

Just quickly, there are one or two other things. I'll ask both questions so you can answer quickly. One has to do with the wage earner protection program. I wonder, given the environment and the economic situation, if you could give us an idea of how many workers in fact have benefited from this plan thus far and how well it's working.

The other question has to do with worker replacement. Given the fact that Telus had problems and was bringing in workers from the U.S. and all over the place when they had a lockout, could you tell us if this program has had a review recently and whether workers have been used to undermine trade unions' capacity to engage in bargaining and represent their members?

The Chair: That's all the time we have, but I'm going to ask for a short response to the question.

Hon. Rona Ambrose: I'll give you some updated information. As you know, the wage earner protection program, WEP, was launched in July 2008. In budget 2009 we expanded the coverage to severance and termination pay in the economic action plan. To date we've received 7,069 applications, and as of May 3 we have paid out approximately \$4.7 million, if that's helpful.

● (1140)

The Chair: Thank you very much.

We're now going to move over to our next questioner. We have Mr. Lessard for seven minutes, please.

[*Translation*]

Mr. Yves Lessard (Chambly—Borduas, BQ): Thank you, Mr. Chair.

[*English*]

The Chair: Hold on just a second, please.

Hon. Maria Minna: I apologize.

Maybe the minister can answer my other question, on worker replacement, when she comes back to someone else.

The Chair: Sure, we can work it in.

Mr. Lessard, the floor is yours, sir.

[*Translation*]

Mr. Yves Lessard: Thank you, Mr. Chair.

My question is for Ms. Finley.

Ms. Finley, last year, the House passed Bill C-50, and it received royal assent on June 18, 2008.

That royal assent authorized the establishment of the Canada Employment Insurance Financing Board. It was a new organization that was supposed to be able to set up a separate employment insurance fund.

Furthermore, the act confirmed that the Canada Employment Insurance Commission was being maintained. Its role is to make recommendations on the EI program, and the board's role is to manage the premiums.

In the last budget, which was sanctioned and approved by the Liberals, you froze the EI premium rate at its lowest level since 1982; you also decided which EI measures would be enhanced.

Two years ago, representatives of the organizations spoke up and said that the two establishments, especially the board, would only serve to ensure that the Conservatives retained control over the fund. Are we to understand that those concerns are founded?

[English]

Hon. Diane Finley: Mr. Chair, I'm very sorry, but my translation channel doesn't seem to be working.

[Translation]

Mr. Yves Lessard: Mr. Chair, please do not deduct that from my speaking time.

[English]

Hon. Diane Finley: I apologize; I think I have it going now.

Could you just repeat the last part of the question, please?

[Translation]

Mr. Yves Lessard: I want to point out that you put forward the Canada Employment Insurance Financing Board, on top of the existing Canada Employment Insurance Commission. One makes recommendations on the EI program, and the other manages the premiums in order to determine the premium rate—providing a balance.

This bill was passed by the House and received royal assent on June 18, 2008.

To everyone's surprise, in the last budget, you set the premium rate at its lowest level since 1982 and decided which EI measures would be enhanced.

Does that not confirm the concerns of the organizations that spoke up and said that they would just become two puppet organizations? They added that this would allow you to make the decisions in the place of those whose job it was to do so, and that the organization in question could not do anything for another two years.

Hon. Diane Finley: I will give my answer in two parts.

Yes, we established the commission to avoid situations that had existed previously, where the premiums were not consistent with the expenditures, which created a large surplus.

Mr. Yves Lessard: For those listening to us today, that means that you did not consult the commission or the board before making your decision.

Hon. Diane Finley: In this global economic climate, it was very important that we not impose job-killing payroll rates.

Mr. Yves Lessard: If I may, basically, the answer is they were not consulted. The decision was made at your level.

[English]

Ms. Janice Charette (Deputy Minister, Department of Human Resources and Skills Development): Perhaps I could help respond to Mr. Lessard's question.

[Translation]

Mr. Yves Lessard: If you do not mind, I would like the minister to answer, as it was a political decision.

Hon. Diane Finley: That woman is the chairperson of the commission, which makes her the expert in this area.

Mr. Yves Lessard: It was you who made the decision, not, as you say, that woman.

Hon. Diane Finley: I did not make the decision. It would not have been possible.

Mr. Yves Lessard: When I say you, I mean that it was your government that made the decision.

• (1145)

Hon. Diane Finley: We are trying to....

[English]

What we wanted to do was to prevent job-killing payroll taxes from going up. The freezing of the EI premiums is estimated to be a \$4.5 billion injection into our economy, so that we can keep people working in these tough times. The rates are frozen, so that—

[Translation]

Mr. Yves Lessard: Fine.

If I may, my intention was not for you to justify the decision, but rather to establish that it was made at your level—meaning that the government made the decision and that it was not on the recommendation of the two competent bodies.

When Bill C-50 was passed and received royal assent in June 2008, a decision was made to set up a \$2 billion fund. Can you tell me where that \$2 billion came from?

[English]

Hon. Diane Finley: There were several questions there. What I'd like to point out is that the CEIFB was proposed by the government, it was voted on and passed by Parliament, and we're moving to put the board in place. We expect they will set the rates from 2011 going forward.

That was part of your question.

[Translation]

Mr. Yves Lessard: My question had to do with the role of the Canada Employment Insurance Financing Board. So the board is not set up. The commission was not taken into account. I would now like to hear about the initial \$2 billion that was used to set up the fund.

Is it true that the money came from the public purse and that it was set up because we had run surpluses in the past, as your predecessor said?

[English]

Hon. Diane Finley: In any insurance type of program—CMHC has them, EI has one—there needs to be a buffer. If they're going to stand as independent accounts, they need to have some flexibility for times such as now, when claims may go higher than anticipated. This way, they'll be able to pay them out. The \$2 billion is being established as a buffer, as would be normal practice.

[Translation]

Mr. Yves Lessard: I understand. Since the board is still not in place, you are using the same system as before.

Where is the \$2 billion right now? Is it earning interest?

[English]

Hon. Diane Finley: It has not been transferred yet, no. We're still in the process of setting up the board and hope to have them in place to set the premium rates by 2011. They will be doing so, as they set them, in such a way that the account remains in a break-even position over time.

The Chair: Thank you very much. That's all the time we have.

We're now going to move to Mr. Martin, who has seven minutes.

Mr. Tony Martin (Sault Ste. Marie, NDP): Thank you very much, Chair, and thanks to the ministers and their staff for being here this morning.

My first question is on EI. We have a 31% increase in people receiving EI in my own community. When you consider the statistics we're seeing now, that 99% of the jobless in Newfoundland and Labrador are eligible for EI, while 31% are eligible in Ontario, do you and your government think there should be one EI system for all Canadians, given that we're all citizens paying into the system and should expect that those services would be available to us wherever we live when we need them? Is it yes or no?

Hon. Diane Finley: First of all, those numbers—the 31% in Ontario who are eligible—are not an accurate reflection at all. Right across the country, more than 82% of Canadians who pay into EI and who don't quit their jobs voluntarily or go back to school—those who lose their jobs for reasons that aren't their own fault—are eligible, across the country.

It's important to recognize that the country is set up in 58 different EI regions. Each one of those regions is evaluated monthly, based on the local economic circumstances, and adjustments are made to accessibility. The worse the economy gets locally, the easier it is for people to collect EI there, and they can collect those benefits for a longer period of time. Already we have seen, in 32 of the 58 regions since October, an increase in the accessibility, which is good news for those who need it. And those people are able to draw benefits in some cases for up to 13 weeks longer, which is good for them to help their families in these tough times.

• (1150)

Mr. Tony Martin: I hear you, and I've heard you say that over and over again in the House. But the folks out there who are analyzing this and working with people on the front lines who are trying to get EI so they can pay their rent and feed their families are saying differently. The Canadian Centre for Policy Alternatives, for example, was here last week suggesting we have a huge crisis that could be stopped. It seems to me that as Canadian citizens we should have the right to timely access to programs like EI when we need them. We obviously differ on statistics.

It's interesting that this morning I read in the paper that one of your own, Ms. Elliott, who is running for the leadership of the Conservative Party in Ontario, agrees with our position on this. She thinks Ontario is being discriminated against where this is concerned.

You talked about an investment in skills and training of \$8.3 billion. In the Sault, we've had an increase of 31% in people collecting EI. We have a number of factories that have not stopped work completely but are slowing down. They would like to take you up on the training and skills development. They'd like to train their people, so that when they come out of this recession they'll be ready to go. But so far we've not been able to determine how we access that money, through the province or the federal government. It's not clear where the money is to come from or when it might be available. Maybe you could enlighten us.

Hon. Diane Finley: In our economic action plan, we tried to make sure that we could get these programs flowing quickly, so we structured them through existing programs. We have an agreement with the Province of Ontario to provide this kind of training, and we're expanding it. It requires negotiating and signing new agreements with them. We have signed several with the different provinces. We're in the process of signing more, quickly.

Mr. Tony Martin: So there's no agreement with Ontario today?

Hon. Diane Finley: There is an existing agreement. We're going to be expanding it for the additional funds. My cousin is taking advantage of this program right now. She's been home with young children for a number of years. She's gone back to school to become a patient support worker. This is in Ontario and it exists already.

Mr. Tony Martin: We have a number of important industries in Sault Ste. Marie. I've gone and spoken to some of them, and one of the first things they'll say to me is, "Tony, how can we get our hands on some of that training money?" I've tried to help them, but we can't seem to find it. We don't know where it is or how they could access that money. They'd dearly love to get going and start training and retraining some of their people, so they wouldn't have to lay them off and see them leave town to look for work someplace else.

Hon. Diane Finley: I'm glad to hear that they're trying to do that, because that's what we're trying to do too. Actually, Service Canada is working with companies like that. They're happy to work with them to develop work-sharing programs, to advise on the training options. If there is a layoff coming, Service Canada has been excellent about moving in quickly, working with the employer, the unions, the employees, to make those information sessions available to them.

Mr. Tony Martin: I wanted to ask a question about the new social housing program you talked about this morning. I heard you earlier in the month talk about this being a loan program. I have to say to you that none of the not-for-profits out there who are ready to go on new affordable housing are able to afford a loan. It's just not a route that they're willing to take. As for the 50-50, with tapped-out municipalities trying to access the infrastructure money, and some of them not even able to do that, where's the 50%? Where do you anticipate the 50% will come from to go with the other 50%?

I have two or three not-for-profit organizations in the Sault ready to go with projects that are developed and shovel-ready, but I know the 50-50 isn't going to work for them.

Hon. Diane Finley: I should clarify a few points. First of all, the loan program is totally separate from this. The loan program is \$2 billion available to municipalities for housing-related infrastructure such as roads, sewers, or lighting for new subdivisions or existing property. The social housing program operates in partnership with the provinces, because in many cases they deliver the services. There are a number of parts to it.

Karen, would you like to expand a little bit further on this?

• (1155)

Ms. Karen Kinsley (President, Canada Mortgage and Housing Corporation, Department of Human Resources and Skills Development): Thank you.

There is a further \$2 billion for social housing, over and above the \$2 billion that the minister spoke of for municipal housing-related infrastructure. Of the \$2 billion for social housing, approximately \$1 billion is for retrofit of the existing housing stock, and \$400 million is for new construction for housing for low-income seniors. There is \$75 million for housing for persons with disabilities. There is \$200 million for housing in the north, and the balance is for on-reserve housing.

This is all grant money, not loan money.

The Chair: Thank you very much.

It's all the time you have, Tony. We'll have to see what we can get you later.

Mr. Komarnicki, you have seven minutes, sir.

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Thank you, Mr. Chair.

I'd like to thank each of the ministers for their presentations and the excellent work their ministries are doing in the departments during somewhat trying times, given our global economy.

I have been lobbied over the years by workers, and unions in particular, on protecting workers' wages and vacation pay, especially in the event of bankruptcy. I'm looking at page 25 of the plans and priorities. It indicates that the wage earner protection program payments to eligible applicants owed wages and vacation pay from employers that are either bankrupt or in receivership, as well as payments to trustees and receivers who will provide the necessary information to determine eligibility, was \$31.2 million.

Minister Ambrose, can you indicate how much we spent in this program in 2008-09, and in that year and this year, the average payment per worker?

Hon. Rona Ambrose: I'd be happy to do that.

If you don't mind, Ed, I'll quickly answer Ms. Minna's question on replacement workers.

Your question was on whether companies are using replacement workers to undermine unions. As you know, the Canada Labour Code prohibits the use of replacement workers to break unions specifically. If unions think companies are doing this, they should lodge a complaint to the Canada Industrial Relations Board. We think at this point the code strikes a good balance.

Just to give you some statistics, since the code provisions on replacement workers came into force in 1999, the Canada Industrial Relations Board has received 23 complaints on this issue: 18 were withdrawn, four have been dismissed, and one is pending. So at this point we don't see a problem with that, from the evidence before the Canada Industrial Relations Board.

Mr. Komarnicki, you are correct that under our economic action plan we recently expanded the coverage of the wage earner protection program to cover severance and termination pay. On your specific question about how much was spent on the program in 2008-09, \$3.6 million was paid out. About 3,549 workers have received wage payments under the program to date. So far this year we've received 7,069 applications since the launch of the program, and we've paid out approximately \$4.7 million. Those are the updated numbers for you.

Mr. Ed Komarnicki: What impact do you see the recession having on this program at this time?

Hon. Rona Ambrose: We definitely expect more demand, for obvious reasons. Average weekly claims have already increased significantly since January 27 this year, when the program was expanded to include termination and severance pay.

The number of claims per week has roughly doubled since that date, and that is due to a combination of expanded eligibility—which people are taking advantage of, for good reasons—and an increase in the number of bankruptcies.

Mr. Ed Komarnicki: It's rather interesting. When I was being lobbied by various people about payment of vacation pay and wages that were due, the other aspect was to see if the severance and termination pay could be included in that. I see that is proposed for 2009-10. Has that program already commenced, and are people expecting to receive payments under severance and termination?

• (1200)

Hon. Rona Ambrose: Yes, it has already commenced.

Mr. Ed Komarnicki: Can you explain what severance and termination pay is? We can understand that wages are those that are due at the point of bankruptcy or receivership. They are earned and need to be paid, and vacation pay is earned, but what is severance and termination pay, and what period does it relate to?

Hon. Rona Ambrose: It would obviously involve any severance or termination that's owed under the law to those employees. The Government of Canada would be acting on behalf of those employees.

Mr. Ed Komarnicki: In addition to the payment of wages and vacation pay being ensured, the fact that they will be without work and looking for work over the next period of time would mean, I'm sure, that some of them would be eligible for employment insurance at some point, but there would be a payment in the first week or two weeks, I would take it, with respect to a severance amount.

Do you know what those amounts would be, or what periods they would cover?

Hon. Rona Ambrose: The program is there and has been expanded, particularly because of our concerns. We were looking ahead in the economic action plan, and previous to that we had concerns about the number of bankruptcies that we're seeing across the country, so this is just another way that we can help Canadians who are going through a rough time.

Mr. Ed Komarnicki: From what I've heard from others, I'm certain that this measure will be well received by employees in particular, and unions.

Given the fixed amount of the allocation, \$31.2 million, what are the administrative costs of the wage earner protection program itself? Can you give us some idea of that?

Hon. Rona Ambrose: In terms of what we've allocated for salary costs and employee benefits and non-salary costs in terms of operation and maintenance of the program, it's a total of \$5.9 million. That includes the development costs as well.

Mr. Ed Komarnicki: Thank you, Minister. This is a program that many are most anxious to see in full operation, particularly given the state of the economy and what's happening at the present time.

Thank you.

The Chair: Thank you, Mr. Komarnicki.

We're going to move now to the second round. This is going to be five minutes for questions and answers. Madame Folco will lead off.

[*Translation*]

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Thank you, Mr. Chair.

Welcome to the two ministers who are with us today.

My first question is for the human resources minister and has to do with the plans and priorities set out in the estimates. According to those plans and priorities, there is a large gap in your department's forecasts for 2009-2010, in terms of the plan's administrative costs. These forecasts drop by 5.7% and 5.4% as compared with the forecasts for the two previous fiscal years, 2007-2008 and 2008-2009.

How do you explain the gap between the forecasts for 2009-2010 and those for 2007-2008 and 2008-2009? I should point out that this is only for the administrative costs of the plan.

Hon. Diane Finley: Which plans do you mean? I did not hear the names of the plans you are referring to.

Ms. Raymonde Folco: I am talking about the plans and priorities, more commonly known as the estimates.

Hon. Diane Finley: For the entire department, is that right?

Ms. Raymonde Folco: Yes.

Ms. Janice Charette: Allow me to answer Ms. Folco's question.

The difference between last year's main estimates and this year's has to do with the end of the former homelessness program. The committee members will see the payments for this program, which the government renewed, in the supplementary estimates this September.

[*English*]

The difference exists because the program expired, and those are not shown now in the mains for this year. You will see that come back in supplementary estimates later in the year.

Ms. Raymonde Folco: Unless I don't understand it,

[*Translation*]

Ms. Charette and Minister, in that case, I would have thought that the administrative costs would be higher. Since your department's overall costs and expenditures for the homelessness program are supposed to increase, I would have thought that the administrative costs would increase, as well. Am I wrong?

● (1205)

[*English*]

Ms. Janice Charette: It really is a timing issue, insofar as by the time the decision was made to renew the programs, basically the expenditure profiles, which are the foundation for the main estimates, had been closed. So parliamentarians, members of the committee, will see the funding associated with the renewal of the program in supplementary estimates later in the year. It's merely a timing issue, Madame Folco.

Ms. Raymonde Folco: If it is a timing issue, then what would it mean in terms of the total amount of money that is being spent for people without homes,

[*Translation*]

the homeless, in previous years as compared with what you plan to spend in the next budget. Can you give us an idea of that amount?

Because, if you split it between the fiscal years, we no longer have a sense of what is going on; we no longer know how much money is really being spent.

Ms. Janice Charette: In terms of the amounts for this year, the government renewed the program in September 2008, as I mentioned. The strategy was extended for two years, from April 1, 2009 to March 31, 2011. Funding for the program will continue at the same level, that is, \$134.8 million this year and next.

Ms. Raymonde Folco: Thank you.

I will come back to that question later. I would like to ask another question that has to do with Service Canada.

I know that you have broadened the scope of Service Canada's activities, which is a good idea. I have heard good things about that. Nevertheless, last week, a member of my staff met with representatives from agencies and NGOs who work with foreign caregivers.

We learned that, in December 2007, your offices were transferred from Montreal to Toronto. The transfer, in itself, is problematic, but there is another problem: we learned that the people who work in the Toronto office are not properly trained, courteous or prepared. We have received complaints about this.

You do not have to answer right now, but I strongly urge the minister to examine what is currently happening in the Toronto office, as a result of the transfer of services from Montreal to Toronto.

[English]

The Chair: Thank you, Madame Folco. That's all the time we have.

Did you want a quick response?

Hon. Diane Finley: Obviously our goal with Service Canada is to provide service. That's how we define it. We take any sort of constructive criticism very seriously. We will obviously be working, now that we are centralizing processing, to make sure that office is doing the job it's supposed to do in the way we believe Canadians deserve to get it done.

The Chair: Thank you, Madame Folco and Minister.

We're now going to move to Mr. Cannan. You have five minutes, sir.

Mr. Ron Cannan (Kelowna—Lake Country, CPC): Thank you, Mr. Chair.

Thank you to our witnesses. Specifically I want to thank our ministers and your staff for your dedication during these challenging economic times, unprecedented for all of us around the room. I believe we all hear from our constituents that we need to work together during these difficult economic times to do what's best for our country, and I applaud you both, ministers, for your efforts and also your staff. Compliments to my Service Canada staff members in the riding, Kelowna—Lake Country, which I represent. I have the chance to work very closely with them, and my staff do as well, and they've been very responsive and receptive. I know the situations are not 100%, but they work overtime, weekends, and are very accessible, so I'd like to pass along to them, as well, my compliments on their continued efforts. They're going through this challenging time as well. They're on the front line.

One other area of interest—there are so many different areas of concern—is good labour relations. I've had the chance to be in management in a unionized sales force. I've been in a unionized sales force for five years. I was on strike. It's not a good time for anybody. I've had my own business. I've had the chance to see all sides of the fence. Madam Ambrose, one area I know you're looking at within your portfolio is trying to strengthen union-management and employer-employee relationships, not only to better working conditions, but because you know safe, stable working conditions also help improve productivity. So I wonder, Minister Ambrose, if you could specifically elaborate a little bit more on what you and your staff are doing to help promote stronger, more constructive union-management relationships in regard to federally regulated workplaces and how much you anticipate to be spending to achieve this objective.

• (1210)

Hon. Rona Ambrose: We have a number of initiatives under way. I would speak specifically to what we do in the labour program to promote constructive union-management relations in our federally regulated workplaces.

We have the federal mediation and conciliation service, which obviously is active. It will continue to provide dispute resolution and dispute prevention services, both to trade unions and employers, under the jurisdiction of the Canada Labour Code. We've had excellent results and excellent feedback from unions, employers, and

employees on this issue. This includes, of course, the opportunity for conciliation and mediation services for parties that are engaged in collective bargaining.

The FMCS is also currently undertaking a review of our preventative mediation services. We hope they will then help improve ongoing relationships, outside of just when disputes happen, and keep open those lines of communications between employers and unions.

One of the things we administer under the labour program is the labour-management partnership program. This is specifically aimed to encourage effective labour relations, which is incredibly important, especially right now in this global economic crisis. The program provides funding assistance to support efforts by employers and unions to explore new ways to communicate with one another. It sounds very simple, but it's incredibly important in this day and age.

Subsequent and further to that, we are also engaging to modernize part III of the Canada Labour Code. I've launched consultations. Part III actually hasn't been updated since before I was born, so we think it's timely to do that. We think employers and unions have a lot to say. We're engaging our stakeholders and other parties in Parliament as well to come up with some consensus amendments and consensus ideas on ways to modernize part III of the Labour Code and modernize our labour standards in Canada.

Mr. Ron Cannan: Thank you. Sometimes the simple is the obvious—namely, increasing communication. I applaud you on those efforts.

One other area that you commented on in your introduction was international labour agreements. One of the other committees that Mr. Chair and I have the honour of sitting on is our international trade committee. Just prior to this committee meeting this morning, we had an update on the Canada-Peru trade agreement. We're trying to expand our global trading partners.

One of the interesting aspects is that it's basically a historic labour agreement. It's a side agreement that we've signed with Peru. Colombia is moving through the house their trade agreement as well. It has similar elements.

Could you explain in a little more detail for our committee and viewers what the labour cooperation agreement entails when Canada negotiates with other countries?

Hon. Rona Ambrose: Absolutely.

The labour cooperation agreements, you're correct, are historic, and they're incredibly important so that we can level the playing field for our domestic labour laws. They embody the right to freedom of association, the right to collective bargaining, the abolition of child labour, the elimination of forced or compulsory labour, and the elimination of discrimination.

They also have a mechanism through which the public can raise concerns. There are also enforceable obligations to enforce labour laws and independent third party reviews as a means of dispute resolution, including remedies to encourage fulfilment of obligations as a conclusion to dispute resolutions.

All of these things are in our labour cooperation agreements to continue to make sure that we, as we engage internationally, carry the banner of Canada as a country that believes in free trade but also believes strongly in labour rights and human rights.

The Chair: Thank you very much.

Monsieur Desnoyers, welcome to the committee. You have five minutes, sir.

[*Translation*]

Mr. Luc Desnoyers (Rivière-des-Mille-Îles, BQ): Thank you, Mr. Chair.

Ms. Finley, Ms. Ambrose, most of my questions are for Ms. Ambrose.

As the first phase, you have undertaken consultations on part III of the Canada Labour Code. I would like to see the list of people and organizations that have been consulted. I did some checking around, and people have not heard much about the consultations. That being said, I do not need the list right now, but as soon as it is available, I would like a copy, if possible.

My second question has to do with the numbers for the Wage Earner Protection Program. You have received 7,069 applications.

How many people have received payments? What is the turnaround time for workers to receive their payments?

•(1215)

[*English*]

Hon. Rona Ambrose: Thank you, Mr. Desnoyers.

On your specific question about part III consultations, we have launched the consultations. I have met with some groups. We are incredibly committed to having very open consultations, including with you and your party as we move forward. I'm happy to provide you with a list of those who have been consulted. Again, the consultations continue.

In terms of the wage-earner protection program, of course, you have the numbers from the estimates, but I wanted to bring forward, as well, the updated numbers for you today. To date, we've received 7,069 applications, as of May 3. As I said, we've paid out approximately \$4.7 million. The average payout is around \$1,200, \$1,300 per individual. Our service standard at this point is 28 days.

[*Translation*]

Mr. Luc Desnoyers: In terms of that same act, very few sections have been enacted. Can the minister tell us when that will happen? The act has been in force for a while now, so we should be able to enact those sections.

In my view, one of the most important sections in the act is section 67, which provides for some protection of pension plans. We know that when businesses go bankrupt in today's economic crisis, a lot of workers lose a lot of money. Whole communities are affected. So we have a real opportunity here to enact this section, because, unfortunately, it is not in force.

First, I want to know why that section was not in force when the law was enacted. Second, I want to know what the minister is waiting for to enact it. I think that we have a perfect opportunity to

do it now, even though the needs are much greater than what is provided for in the act, in terms of private pension plans.

[*English*]

Hon. Rona Ambrose: What section, in particular?

[*Translation*]

Mr. Luc Desnoyers: Section 67 provides for protection. Section 39 imposes obligations on the employer. Under those obligations, when the employer declares bankruptcy, it has to protect its pension commitments. And section 67 ensures that protection.

[*English*]

Hon. Rona Ambrose: I'll have to get back to you on that. As you know, the issue related to pensions is obviously a very complicated, very difficult issue that we're looking at right now. The Minister of Finance has been tasked with his parliamentary secretary in consulting across Canada on this particular issue and in working closely with labour program officials and me.

Again, in terms of the part III consultations, in particular, we'll continue to consult with stakeholders, including you and the party, as we move forward. But of course, as you recognized, it's been around since 1965. I think I might keep this law around; it makes me feel young.

I think you might be confusing part III with the CCA. Is that correct?

[*Translation*]

Mr. Luc Desnoyers: No, it is in the Wage Earner Protection Program Act, in the event of bankruptcy. These sections are in the act but are not yet in force.

Basically, my question is this: When will the minister enact these sections of the act, which received royal assent a while ago now?

[*English*]

Hon. Rona Ambrose: I think you're speaking of the CCA, which is actually under the purview of the Minister of Industry, and about particular amendments that were made quite some time ago and have not received royal assent. I think you're confusing the two different laws.

Having said that, we can get that information for you.

•(1220)

[*Translation*]

Mr. Luc Desnoyers: I am not confusing the two acts.

Bill C-55 received royal assent on November 25, 2005. Then, in 2008, certain sections of the act came into force. The act, by the way, was passed in late 2005, under a Liberal government.

The Conservatives have enacted some sections, but I think that the section on pensions has been forgotten—a section that is awfully important given today's economic climate.

[English]

Hon. Rona Ambrose: I do recognize that. As I said, CCA falls under the purview of the Minister of Industry. You're correct in that it is an issue for us, as well. I will be happy to get some of that information back to you. I recognize those amendments have not received royal assent. Again, that is under the purview of the Minister of Industry, but we can provide you with some further information.

The Chair: Thank you, Minister.

We're now going to move to Mr. Vellacott for five minutes.

Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC): Thank you, Mr. Chair.

Thank you, Minister Finley and Minister Ambrose, for being here today.

I want to direct a few questions just as a follow-up to some of my colleagues here with respect to the labour program activity and the consultations with the stakeholders on some concrete ways for modernizing part III. If you'd take some notes, Minister, I have four questions.

First, do you know or have some rounded figure in terms of how much has been spent on that initiative so far in terms of the consultation with stakeholders for modernizing part III?

Second, what would be your sense or your department's sense in terms of the key challenges in modernizing federal labour standards—first, a dollar amount, then what has been spent thus far, then the key challenges?

Third, is non-compliance with and non-enforcement of part III of the Canada Labour Code a major issue? If that's the case, what will be done in the year ahead to ensure a greater compliance under that part of the code?

Fourth, we've talked in terms of the moves, the concrete action for updating part III, but do you have some precise dates in terms of when you anticipate that would be completed?

Hon. Rona Ambrose: Thank you very much.

A commission reported in mid-October of 2006, and that commission itself had a total cost of \$4.4 million. In terms of the public consultations we've been doing to date, we've incurred costs of \$21,000, and those are merely due to translation and printing costs.

In terms of the key challenges to modernizing the federal labour standards, you can imagine there have been profound changes to labour markets since 1965, so a number of stakeholders would like to make amendments and see some changes. I think what we want to focus on most, though, is to make sure that any amendments we do introduce will really help our federal employees in their efforts to run efficient businesses and effectively deploy workforces in these changing market conditions. We need to make sure our labour standards support flexible workplaces. They reflect contemporary labour markets, of course, the structures and the positions companies are in to compete in what is now a globalized economy, as opposed to that of 1965.

We also want to continue to make sure our employees in the federal jurisdiction have good work environments and can engage in productive paid work. At the same time, we have to think about how their lives have changed as well, balancing family and civic responsibilities.

So there are a number of key challenges, but we also have a number of willing stakeholders who have thought about this issue for a very long time and are working with us on amendments.

In terms of non-compliance with the Canada Labour Code and whether or not that's a major issue, it's really difficult to quantify how serious the problem of non-compliance is, because for every case of non-compliance that's reported by a worker, we also identify those within our own inspection efforts. So based on our experience so far in the field, we feel that generally speaking federal labour standards are well respected, but I believe we can do more, specifically in the area of education to make employers and employees aware of their responsibilities and rights. Often that's really what it gets down to. Employees may not know what their rights are and employers may not understand their obligations under the Canada Labour Code.

What we've been trying to do more than anything is to have proactive educational efforts to balance against this need to also investigate labour standards complaints.

• (1225)

Mr. Maurice Vellacott: Do you have any sense in terms of when this action would be taken and brought to completion in terms of part III of the Canada Labour Code? Do you have some anticipated dates?

Hon. Rona Ambrose: We talk about 1965. It's been 40 years since this has been updated, so clearly in my view stakeholders should have thought about it quite a bit in that time.

We've launched public consultations. While they are a little bit shorter than normal public consultations, I think the stakeholders we've spoken to understand that most of the amendments they're seeking they've been looking at for quite some time. My hope is we'll have this completed by summer.

The Chair: Thank you very much.

We're almost out of time, but I have one question from Mr. Savage and one question from Ms. Minna, and that will wrap up our time here today.

Hon. Maria Minna: Thank you, Mr. Chair. I'll be very quick.

I just want to get back to Minister Ambrose very quickly on the question of the artists, producers, professionals, and the board. I don't think it's a question, Minister, of the chair, because it says very clearly here that the tribunal's ability to meet its commitment depends on a sufficient number of members being appointed to ensure quorum to hear cases. It continues to talk about the board doing its best, but that it will be hampered by not having a quorum.

So it's not an issue of a chair; it's an issue of not having enough members.

Hon. Rona Ambrose: At this point, I believe, there's an acting chair—

Hon. Maria Minna: Yes, and it's the acting chair who is saying this.

Hon. Rona Ambrose: —who is also a board member. But you're correct that they need three board members to have quorum.

I believe at this point they have one case in front of them. We are looking at CVs right now, to replace those vacancies. It's a question of quorum at this point, but I believe there is one case in front of them.

Hon. Maria Minna: I understand that.

Are there only three members on the board?

Hon. Rona Ambrose: I believe they need three board members to have a quorum. I can get that information for you. But we are aware of the vacancies and we are taking CVs to fill those vacancies.

The Chair: Thank you.

Mr. Savage.

Mr. Michael Savage: Thank you, Chair.

Minister Finley, your government seemed to be caught off guard by the increased number of claimants for EI. This is an issue I raised in the House on November 27, and I sent you a letter on December 19.

A couple of months later you announced that \$60 million was going to be allocated to make sure that people had their EI claims processed. Maybe you can give us some information, if not here, then later, on the status of that \$60 million—how you're hiring people, the process for hiring them. Does that need Treasury Board approval, has that been given, when was that given? Can we get some information on that?

The estimates seemed to indicate that EI administration costs are going to go down, and then the \$60 million came in after the fact. I wonder if you could give us some information on that \$60 million.

Hon. Diane Finley: You're right. There has been a significant increase in the number of EI applications that we've been receiving, unfortunately. In fact, in the first three months of this calendar year—January, February, March—we saw an increase of almost 50% in the number of applications we had to process.

That's why we took action early to try to staff up. We brought people back from other departments. We engaged new people. So far we've brought on 900 additional personnel to deal with this significant increase in demand. We are also in the process of hiring another 400 people. We're streamlining processes. We're working with companies to do electronic filing, because that's much faster and much more accurate.

We want to make sure that those who are unfortunate and lose their jobs do get the benefits that they deserve, get the options to which they're entitled explained to them, in a very timely manner.

This is a really appropriate opportunity to thank those people who have been working on expanding the EI program from a policy point of view, and those who have been working on the front lines. We've expanded the hours of our service call centres to include weekends

and hours later in the day. There are a lot of individuals working for HRSD through Service Canada who really are going the extra mile right now to help Canadians in their time of need, and I personally would like to say thank you to them. They've been maintaining their accuracy standards and they've kept us pretty much on track with our delivery standards, which we're also increasing so that we can meet the needs of Canadians.

• (1230)

The Chair: Thank you.

I want to thank both Minister Finley and Minister Ambrose for being here today, and of course your departmental people.

We're going to suspend for a couple of minutes so the witnesses can depart, and we'll resume in two to three minutes.

• _____ (Pause) _____

•

• (1235)

The Chair: Members, perhaps you would come back to the table now. We have a couple of things to take care of.

First, we need to vote on the main estimates.

HUMAN RESOURCES AND SKILLS DEVELOPMENT

Department

Vote 1—Operating expenditures.....\$586,927,000

The Chair: Shall vote 1, less the amount voted in interim supply, carry?

(Vote 1 agreed to)

Vote 5—Grants and contributions.....\$1,443,460,000

Canada Industrial Relations Board

Vote 10—Program expenditures.....\$11,122,000

Canada Mortgage and Housing Corporation

Vote 15—To reimburse Canada Mortgage and Housing Corporation for the amounts of loans forgiven, grants, contributions and expenditures made, and losses, costs and expenses incurred under the provisions of the *National Housing Act* or in respect of the exercise of powers or the carrying out of duties or functions conferred on the Corporation pursuant to the authority of any Act of Parliament of Canada other than the *National Housing Act*, in accordance with the Corporation's authority under the *Canada Mortgage and Housing Corporation Act*.....\$2,044,709,000

Canadian Artists and Producers Professional Relations Tribunal

Vote 20—Program expenditures.....\$1,840,000

Canadian Centre for Occupational Health and Safety

Vote 25—Program expenditures.....\$3,828,000

The Chair: Shall votes 5, 10, 15, 20, and 25, less the amounts voted in interim supply, carry?

(Votes 5 to 25 inclusive agreed to)

The Chair: Shall I report the main estimates of 2009-2010 to the House?

Some hon. members: Agreed.

The Chair: Thank you very much. That takes care of the issue of estimates.

I have a couple of things on the list that we want to talk about. The first one has to do with travel. We had approval for up to six members to travel to Calgary. I just want to confirm the list so that the appropriate travel arrangements can be made.

I'm assuming, Mr. Martin, that of course you're going.

Mr. Savage, I know you're going.

I know I'm going.

Mr. Lessard, are you going, or someone from your party, to the Calgary conference, the CCSD conference?

[*Translation*]

Mr. Yves Lessard: Yes, Mr. Chair.

I might not be able to go because of a previous engagement. If so, I will let you know whether someone else will be going in my place. I should be able to tell you in the next few days.

• (1240)

[*English*]

The Chair: Thank you very much.

So then my next question becomes, since we got approval for up to six from the committee, are there any other members who may like to attend?

Ms. Minna? Okay. Let's talk to the clerk afterwards, and then you're more than welcome to attend.

As we've said, we had approval for up to six, and certainly if we can send up to six that would be great. I'll also extend the same offer to anyone else. We can talk offline afterwards.

The reason for asking is that the clerk is now booking the hotel and doing registration. I'll just remind everyone that we're flying on our points, but hotel and registration will be covered by the committee. You will need to book your own flights.

Mike, and then Tony.

Mr. Michael Savage: I just want to ask if you've had any further discussion, or members have had further discussion, with CCSD about our panel. I know that I talked to Peggy Taillon from CCSD, but I just wondered if there was any more formal communication on that.

The Chair: Yes, I was contacted by Peggy as well, who had indicated that we were going to have a place there. There will be sort of an open forum discussion, with a chance for us to also comment and of course to recognize the fact that our committee's doing work on the poverty issue right now. Of course, another panel will be there as well.

I think the set-up looks good. I don't think there'll be a lot that we have to do, but I think we'll probably be consulted from time to time. I feel comfortable with what they've suggested.

Tony.

Mr. Tony Martin: I just wanted to let the clerk know that I've registered and also booked my accommodation.

Will I just submit that to you afterwards? Is that appropriate?

The Chair: Yes, definitely. Thanks, Tony.

The other thing is Toronto. Although we don't need to have the list today, perhaps people could think about that. I know that I've asked Madame Folco to chair the meeting for me. She'll be chairing the Toronto portion, so we just need to know who is going to be able to come. It's June 1 and 2, the Monday and Tuesday.

Perhaps we could get those names. If we don't know who they are now, that's fine.

We still need to have one Liberal; I think, Ms. Minna, you were planning on coming.

Tony, is it going to be you?

Mr. Lessard, we just need to know who from your party will attend, whether it's going to be you or Madame Beaudin.

[*Translation*]

Mr. Yves Lessard: It will be Ms. Beaudin.

[*English*]

The Chair: Thank you very much.

And to the Conservatives, do we know who is planning on attending? If you don't know, that's okay, but we need to get that information. If we don't have it today, try to forward that to the clerk so that they can book rooms and make the necessary arrangements.

I have one more thing, and then we're going to talk about witnesses.

Mike, do you want to talk again about what's happening on Thursday, just to give us an update?

Mr. Michael Savage: On Thursday, our committee is hearing from people in the disabilities community about poverty and disability. It's also the day that CPA and other organizations have designated as the day that there are going to be some MPs in wheelchairs. I did this last year. I had the honour of chairing the committee last year. Other MPs have been asked.

I've submitted some names from this committee, including that of the chair. I'm not sure why that hasn't been arranged. I'll be in a wheelchair and we'll be dealing with some of this. There's a wonderful magazine that's come out from the CPA, with Steven Fletcher and me on the cover, and it's generating an awful lot of excitement.

The Chair: Thanks, Mike.

There's one last thing we have to cover.

Tony, I know that you wanted to talk a bit about witnesses for Halifax. Go ahead. The floor is yours.

Mr. Tony Martin: How are we doing this? How many are we hearing in each city? Who have we asked and who are we perhaps not hearing from? How much time will each witness have to present?

Are we doing video conferencing? We've talked about booking Newfoundland in given that we decided not to go there. Are we hooking in northern New Brunswick from Moncton, for example?

I know that in Moncton we're doing a site visit to a food bank. Are we doing site visits in other communities that we're going to?

The Chair: Okay. Thanks, Tony. By the way, thank you very much for that suggestion on the food bank. It's great that we're going to be able to work that into the schedule.

I've just right now asked the clerk to hand out the witness list. As I said, all the people on this list have been contacted. Not all of them have been confirmed, but all of them have been contacted based on the lists that we have taken from the members here.

On video conferencing, I'm not sure. There isn't any at this point, but we have certainly offered to pay any expenses for people coming in.

This is the list we have right now, with all the names you've submitted. We're just waiting to hear back from some of them at this point. This list is a good example; we're hearing four to five people per panel. We have a pretty rigorous schedule here, as I see it. As far as I know, we're probably going to give them seven or eight minutes to present. Certainly, as you can see here, I believe the panels are going to run for an hour and a half. Everyone probably will have the chance to ask more than one round of questions.

We'll talk about it a little more informally as it gets closer, Tony. If we want to make sure that enough people get a chance to go twice, maybe we can go for five minutes each. We'll certainly be able to work it out amongst yourselves. There are only six members here. That will give a lot of people a chance to ask questions.

Mike.

• (1245)

Mr. Michael Savage: I'm intrigued by the fact that we're going to a food bank in Moncton. Is that true?

A voice: Yes.

Mr. Michael Savage: I know that in Halifax it's a busy schedule, but is it possible that we might do something like that in Halifax? What I'm thinking of is the Metro Turning Point Shelter, perhaps, as I see that Michael Poworoznyk is scheduled to appear, or Phoenix Youth Programs. I'm sure there are a number of people who would be delighted to....

The Metro Turning Point Shelter might be ideal. It's where homeless men spend the night. There's usually a lineup. For people who haven't seen a shelter, it's an interesting experience.

The Chair: Why don't you talk off-line with the clerk? We'd be happy to try to book that in.

Just remember that for anything we book—and I think it's great, and we should be—we'll just delay our departure from one city to the next. These are going to be full days. I think that's the point of what we're doing. All suggestions are certainly welcome.

Thanks, Mike. You guys can talk afterwards.

All right. Are there any other comments?

Tony.

Mr. Tony Martin: Are there any folks who applied who didn't get on the list?

The Chair: At this point, no, that has not been the case. No one's been turned away.

All right, and thanks again. Thanks for today's meeting and for working through all of that. That's all the business I have to cover for now. We look forward to seeing everyone on Thursday. We have a lot of witnesses on Thursday as well.

Tony.

Mr. Tony Martin: On the western swing, have we done anything further or have we heard anything further?

The Chair: I have not heard anything back. As soon as we get the letter, we'll forward it to everybody. The clerk will make sure it all gets set up.

Mr. Tony Martin: I will just highlight again my concern that it not conflict with the travel we were looking at in northern Canada, rural Canada, and aboriginal communities.

The Chair: We'll ask. We're going to get some clarification. As a matter of fact, I have a liaison meeting right after this, and one of the things on the agenda is my letter that was sent out and that's going to be sent to all the clerks. We're going to be discussing that today.

Thanks very much, everybody.

With that, the meeting is adjourned.

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