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# **Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities**

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**Chair**

**Mr. Phil McColeman**



## Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities

Tuesday, June 3, 2014

•(0845)

[English]

**The Chair (Mr. Phil McColeman (Brant, CPC)):** Let's come to order, please.

Good morning, ladies and gentlemen. Welcome to the 27th meeting of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities. Today is Tuesday, June 3, 2014, and we're here to continue our study on the renewal of labour market development agreements, also known as LMDAs, which you'll hear quite a bit about.

For the first hour, we will have a panel of witnesses. We are pleased to have with us, from the Canadian Home Builders' Association, Mr. Bard Golightly, president, along with Mr. Kevin Lee, chief executive officer. We're also joined by Mr. Sean Reid, vice-president, federal and Ontario, for the Progressive Contractors Association of Canada. Finally, from the Canadian Welding Bureau, we have Mr. Craig Martin, vice-president of public safety.

Welcome, witnesses. We will give each of your organizations up to 10 minutes in presentation time. Following that, we'll have rounds of questions from members.

Let's start with the Canadian Home Builders' Association.

Kevin, are you going first?

**Mr. Kevin Lee (Chief Executive Officer, Canadian Home Builders' Association):** I am, thank you.

It's a pleasure to be here today. Thank you for the invitation.

My name is Kevin Lee. I'm the chief executive officer of the Canadian Home Builders' Association. Here with me today, as the chair has pointed out, is our national president, Bard Golightly. Bard is chief operating officer for the Christenson Group in Edmonton, Alberta.

I'd like to start off by saying we're pleased to see the federal government working constructively with the provinces in aligning labour market programming with market demand. As you may know, CHBA has supported the introduction of the employer-directed Canada job grant, and we are pleased to see special consideration being assured for small employers, which was something CHBA was calling for, with many of our members falling into this category.

At the outset, I should say that the association has long-standing policy positions regarding employment insurance that relate to LMDA funding, training, and support programs. We believe that EI premiums should be reduced or maintained at levels appropriate to sustain the program, and the funds in the EI account should be dedicated to the purposes intended. The industry believes the design of the EI program should be dictated by policy and must be the outcome of evidence-based analysis. So we're pleased to see the work going on here to further that exercise.

Given the association's goal of helping connect our members with labour market programming as part of our human resources strategy, the association has carried out research on LMDA funding, training, and support programs in the past. Our goal was, and is, to support our provincial associations in providing input on labour market programs to provincial governments so that such programs can best serve industry and worker needs. As well, many of our members have limited human resources capacity in their own shops, being small and medium-sized firms, and rely upon information provided by the association to help them understand changes in programs and changes in regulations.

What we found in the past was that it could be very challenging to determine what specific LMDA-funded programs are available in each province, and how our members in local provincial associations could best engage with these programs. There are, of course, some exceptions and very positive examples, but from a national perspective it has been a challenge to gain a good understanding of all of the various LMDA-funded programs available in each province and the results of those programs.

So for these reasons, CHBA has supported the expansion of reporting requirements for LMDA-funded programming. We're pleased to see things headed in this direction. Additional information on specific programs at the provincial level would allow industry at large to better engage in program development and participation at the provincial level on a collective basis.

I want to be clear, though, that we are not suggesting more reporting just for the sake of reporting. That's not a wise investment of EI ratepayer dollars or tax dollars. What we are asking for is that we see the information on the specific programs being delivered by the provinces with the LMDA funding, and that we see the results and the data. Further, CHBA can see great value in expanding the stated objectives and accountability framework now being applied to the revised labour market agreements and moving those on to labour market development agreements.

We'd be pleased to provide the results of our research carried out on publicly available information on the LMDA-funded programs at the provincial level, although I should note that our research predates the recently published information in the "EI Monitoring and Assessment Report 2012/13" on medium-term impacts of employment benefits and support measures on EI claimants. We are certainly interested in learning how these research results that have come out more recently will be considered as part of the LMDA transformation process.

I should also add that although it hasn't been an issue yet with LMDA funding programs, we must emphasize the importance of recognizing all apprenticeable trades under any federally supported programs. As I emphasized in our last appearance before this committee, and I'm hoping we don't have a vote called today—that would be nice—the residential construction industry comprises Red Seal trades but also many other apprenticeable, provincially designated non-Red Seal trades. These other trades are equally deserving of federal support, and programs that limit funding to only the Red Seal trades are not in line with the government's current directions in its attempt to connect Canadians with jobs.

I'd also add that it has been suggested by some that this would cause administrative complications, but our position is that it would in fact not do so. All apprenticeable trades are designated by the provinces, and information on each trade is very readily available. The system is therefore already in place to easily and more fairly accommodate this additional collection of trades, particularly in the residential construction industry.

• (0850)

With that, I'd like to pass the mike over to our president, Bard Golightly, who will close with his comments and some recommendations.

**Mr. Bard Golightly (President, Canadian Home Builders' Association):** Thanks, Kevin. Those were good comments.

It's a pleasure to be here today. Thank you, Mr. Chair, for the opportunity to speak.

I had the opportunity on April 29 in Edmonton to participate in a labour market development agreement round table. It was a great session, I thought. From a national perspective, it's interesting that while our country may not indicate it has a labour shortage, if one considers the employment rate, we find that in the residential construction industry we're having a great deal of trouble finding the right people with the right skills at the right time. As well, with the demographic trends moving along—we all know about those—labour shortages of skilled people are predicted to get much worse.

When I travel across the country in my role on the CHBA executive, it's eminently clear to me how different the employment situations are in different regions, and how important it is that our system accommodate and account for those regional differences.

For background, we are a 900,000-job industry generating over \$120 billion in economic activity. However, in the next decade we will see approximately 100,000 job vacancies to fill. That means our industry and government need these LMDA dollars to be as effective as possible in getting Canadians employed, and perhaps more importantly, though, not just into jobs but into careers.

Today we offer the following recommendations for your consideration.

Make information on all LMDA-funded programs, provincial and federal, and the results of these programs easily accessible for review and sharing by employers, allowing for as much flexibility as possible in labour market development agreements in order to accommodate the regional and sector-specific needs and opportunities. This is something that I think came up in Edmonton as well.

Second, ensure that all training and support programs are available to trades and occupations working or seeking work in the residential construction industry. This would include promotional efforts funded through LMDAs.

Third, ensure that residential trades and occupations are included in the labour market information being used by those designing the LMDA-funded programs. Where apprentices are concerned, this includes, as Kevin mentioned, not only the Red Seal but all provincially designated trades as well.

In addition, it should be noted that our industry employs many people in non-apprenticeable jobs, many of which serve as entry-level positions into the industry and offer long-term career opportunities. In fact, my son is just going through that now. He has now moved into the apprentice program, but he started off in a non-apprenticeable trade and he's building a career out of this.

I'd also like to add that in our Nova Scotia consultation, a common theme stressed around the table was the need to reduce bureaucracy and reduce the barriers that stop individuals from accessing training. For example, a person having to wait six to eight weeks for employment insurance benefits is a barrier to training. A solution could be to bridge that six-to-eight-week gap that apprentices must wait for EI by having the grant dollars assignable to the employer. This would allow the employer to pay the apprentice during regular pay periods since they know the money is coming.

With those goals set out and the information on LMDA-funded programs in hand, we trust that our sector can play a greater role in helping to direct LMDA-funded programming, as well as connecting employers in our sector with various opportunities to help employ even more underemployed and unemployed Canadians. This in turn will help address the pending shortage of skilled workers in our industry.

Thank you.

• (0855)

**The Chair:** Thank you.

Now we'll move on to Mr. Reid from the Progressive Contractors.

**Mr. Sean Reid (Vice-President, Federal and Ontario, Progressive Contractors Association of Canada):** Thank you, Mr. Chair.

Good morning, everyone.

It's my pleasure to be here on behalf of the Progressive Contractors Association of Canada to share our perspective on Canada's labour market development agreements.

PCA represents and supports progressive, unionized employers in Canada's construction industry. Our member companies employ approximately 30,000 skilled tradespeople, unionized primarily by the Christian Labour Association of Canada. PCA's goal as an association is to ensure that Canada has a fair and open construction industry; cooperative labour relations; and a robust, inclusive, and highly capable workforce.

Our members account for over 40% of all energy and resource sector construction in Alberta and British Columbia, and they are leaders in infrastructure construction across the country. Our members also lead the industry in the recruitment of under-represented communities into the trades, including women, first nations, new Canadians, and young Canadians.

In western Canada, where provincial regulations best support the hiring and training of skilled trades workers, registered apprentices comprise over 35% of the total PCA workforce. Despite our leadership in the recruitment and development of skilled trades talent, PCA member companies, like most companies in Canada's construction industry, continue to struggle to find enough workers to meet growing demand. This is particularly pronounced in B.C., Alberta, and Saskatchewan.

Given this context, PCA is pleased to have the opportunity to offer our perspective on the development of the new LMDAs and the role they can play in addressing Canada's skills challenge.

From our perspective, the purpose of labour market development agreements—or more precisely, of the programs they fund—is quite simple. They are designed to provide unemployed workers the necessary skills training so they can quickly rejoin the workforce. This is a worthy objective. If we wish to find made-in-Canada solutions to our skills shortage, we should start by moving more Canadian workers from low opportunity and no opportunity career paths onto high opportunity career paths such as the skilled trades.

So what can be done to ensure that the next round of LMDAs delivers on that promise? PCA is pleased to offer a few of our thoughts.

First and foremost, we believe there is a need, as the home builders echoed, for greater transparency, performance measurement, and public accountability for the programs funded by the LMDAs.

Further, we believe the federal government should adopt the following guiding principles for the new LMDAs. Specifically, the new LMDAs should be employer-driven, market-oriented, and competitive. They should promote labour mobility as much as possible and promote a more dynamic and responsive labour market across Canada.

Let's take a look at each of these principles one at a time.

Employer-driven—similar to the case for the Canada job grant, future LMDA funding should be directed towards programs that incorporate strong employer engagement to ensure that federal training dollars lead to real results. We believe that having employers and employer groups actively participate in the process will lead to more targeted skills training and better matching of talent to tasks.

Market-oriented and competitive—LMDA-funded programs should promote a competitive, market-driven training system. In other words, LMDA programs should allow for competition between training providers as much as possible. A worker should not be forced to use one specific training provider but should have the option to choose a provider that best meets his or her training needs, whether that's through public training, private training, or a union training centre.

Labour mobility—as much as possible LMDAs should promote, or at a minimum not discourage, labour mobility. Workers from areas of underemployment should have the opportunity to move to regions of high employment to get the training they need to ensure they are able to rejoin the workforce. If workers are unable to find opportunities in their home regions, then we owe it to them to provide every possible means to move to a region where they will find an opportunity for meaningful employment. This will optimize their chances of finding a new job after their training is complete.

Related to this, we have some ideas for how labour mobility can be better facilitated by the government. One solution we believe the federal government should take a closer look at is the creation of a work travel grant or a lump-sum training and mobility grant, which would be accessible through the EI system.

● (0900)

Mobility grants allow a person who is unemployed in one area of the country to utilize future unemployment insurance benefits in the form of a lump sum payment in order to relocate to another area of the country where workers are needed. The funds advanced from EI payments would then be used to fund job search, training, and/or relocation costs.

Our final principle is that LMDAs should help promote a more dynamic and responsive labour market. For example, funding earmarked for research and innovation within the new LMDAs, we believe, should be directed as much as possible toward the promotion of labour market information and needs, i.e., in our case promoting the skilled trades. More research, we believe, is also needed on how to better facilitate mobility within the labour market.

As always, PCA is ready to be a strong partner with the federal government and its provincial counterparts in the further development and implementation of the LMDAs.

We thank you for the opportunity to provide our input today, and I will be pleased to answer any questions.

**The Chair:** Thank you, Mr. Reid. I appreciate those comments and for you being as on time as you are.

Now Mr. Martin from the Canadian Welding Bureau.

**Mr. J. Craig Martin (Vice President, Public Safety, Canadian Welding Bureau):** Thank you, Mr. Chair.

Thank you all very much for the opportunity to speak with you today.

I serve as the vice-president of public safety with the Canadian Welding Bureau, known more commonly as the CWB. The CWB is an independent, not-for-profit organization funded solely from the industry that we serve. Since 1947, our certification programs have expanded beyond the welding of steel, and we now offer programs for aluminum welding, resistance welding, welding electrodes, and welding inspectors, to name but a few. In all cases, our programs are based on standards produced by the Canadian Standards Association.

With offices in Alberta, Manitoba, Ontario, Quebec, and Nova Scotia, the CWB's team of 160 staff provide services right across the country. The majority of our services are provided on the shop floor, providing guidance and oversight to multiple industry sectors involved in welding. The CWB is accredited by the Standards Council of Canada as a certification body, and is the only national organization with a primary focus on welding.

Today, the CWB has over 7,000 welding fabrication companies certified across Canada and the world. Our primary mission is to help protect the safety of Canadians. To support this mission, the CWB provides its services not only to Canadian organizations but also to organizations around the world that supply welded structures and products to Canada.

Each year the CWB witnesses the welding of over 90,000 test plates completed by welders, and trains thousands of welding supervisors, welding inspectors, and welding engineers. In addition, CWB staff provide an independent review of over 30,000 welding procedures to ensure compliance with national standards. It's this combination of qualified welders, qualified welding supervisors and engineers, and qualified procedures that will help ensure a high-quality and a safe weld. If one of these elements is missing, the risk of weld quality issues and failure greatly increases.

The welding industry contributes over \$5 billion to the Canadian economy, and employs over 300,000 individuals. Through our membership and advocacy arm, the Canadian Welding Association, we are actively involved in working with our over 45,000 members to ensure the industry in Canada remains healthy.

One of the biggest issues facing Canadian welding is that this sector is in the midst of a skills shortage. With an aging demographic and a strong demand for welding professionals in several industries, including mining and natural resources, an active effort must be made to attract young people to the industry, and ensure that we have

the trained labour force required to meet the needs of the industry, both today and into the future. To put the issue of demographics in context, the average age for most skilled welding positions is fast approaching 60.

In our most recent member survey, conducted earlier this year, two-thirds of our industry still quotes skilled trade shortage as the number one issue facing their business. The current skills shortage in the welding sector not only creates difficulties in finding skilled tradespersons, but it introduces the risk that those who are doing the work may not have the level of skill that we have relied on in the past. We are working with our members in government to ensure that there is a pool of skilled workers for both short-term and long-term needs around several issues including the Canada job grant, worker mobility, and immigration.

The CWB welcomed the federal government's intention to address training initiatives in budget 2013, and we are pleased that agreements were reached with the provinces on these initiatives earlier this year. The CWB also welcomes the Canada apprentice loan program announced in budget 2014.

However, the CWB believes that there are several other actions that must be taken to address the skills shortage in welding.

First, the creation of a national training curriculum for welders would provide colleges and other training institutions with a current and comprehensive approach to creating a first-class generation of skilled trades. Government, industry, and training organizations must work together to meet the needs of the future. We must also work to tap into specific demographics—such as women and aboriginals—to seek this next generation of skilled workers.

Secondly, we must also work to improve the ease of labour mobility from province to province to ensure that skilled tradespersons can go where they are needed.

Thirdly, in addition to training Canadians, a key part of this solution is ensuring that when skilled foreign workers are needed, they must meet the needs of Canadian industry from a skills perspective. We believe the federal government's recent changes to the federal skilled trade program is a positive step forward, and CWB is already working throughout the world to ensure that potential immigrants to Canada are trained to Canadian standards and requirements, so that they are job-ready when they arrive.

I look forward to answering your questions related to the renewal of the LMDA agreements, and how government, industry, and training organizations can work together to ensure that Canada has access to the skilled tradespeople needed to meet our infrastructure, energy, and economic needs.

● (0905)

While we realize that LMDAs will not provide solutions to all of the labour and skills issues our industry faces, they certainly are our key tool in working towards solutions.

Thank you.

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

Now we'll move on to questioning from members and they are five-minute rounds.

The first questioner is Madam Sims.

**Ms. Jinny Jogindera Sims (Newton—North Delta, NDP):** Thank you very much.

I want to thank all of you for your presentations.

As you all know, we have a very short five minutes so I'm going to try to get through a series of questions.

My first question is for Mr. Golightly. You mentioned making data more accessible. Can you elaborate? Specifically, I would like to know what data you propose should be more accessible, to whom, and in what format, an online tool, monthly newsletters? How would it best be conveyed?

**Mr. Bard Golightly:** Thanks for the question.

There are probably multiple answers to that, unfortunately. Part of it is that we often find the data, particularly from various provinces, is simply not available. It's not so much a question of access to the data; it's simply not published. Your online comment is a good one. Maybe that's the way to do it. It is difficult to coalesce and collect the data from a number of provinces. We have studied that and we can provide information on which provinces provide which types of data, if that's helpful.

**Ms. Jinny Jogindera Sims:** Thank you.

My next question is for Mr. Reid.

You talk about employer-directed programming and how that's a step in the right direction. The Canada job grant, actually, was meant to be that right at the beginning, as you know. There was a huge backlash. How is what you suggest any different than the original formatting of the Canada job grant?

**Mr. Sean Reid:** Respectfully, I'm not sure that my impression of the backlash was related to the employer engagement aspect of the job grant. Quite the contrary, I participated in a number of those consultations and there is pretty strong support, I understand—certainly that was my impression—from employers about the nature of that design. I think there were some—

**Ms. Jinny Jogindera Sims:** It's not the employers who had the backlash; I'm talking about everybody else.

**Mr. Sean Reid:** I think there were some rollout issues. Here's our perspective. If you don't have employers engaged in these programs, then you're training without a reliable prediction of an outcome. That's simply not going to suffice if you want to actually address the specific, and frequently changing, needs of skills in the industry.

Our view is to be more proactive and deliberate, as the Canada job grant is, in terms of bringing in employers who are at the front end to identify what the skills needs are so that the training is directly coherent with the need.

• (0910)

**Ms. Jinny Jogindera Sims:** Nobody is suggesting the employer shouldn't be involved; it's the key push for the employer to be the

driving force. Here, what would competition between employers look like and why do you suggest that's beneficial?

**Mr. Sean Reid:** I think you're referring to the competition within the training system.

**Ms. Jinny Jogindera Sims:** Yes.

**Mr. Sean Reid:** We believe competition is good in every industry. It drives innovation. It creates responsiveness in terms of market needs. A level playing field between private, public, and union training centres, we believe, will ensure that the training system is as responsive as possible to the changing industry needs.

**Ms. Jinny Jogindera Sims:** Thank you very much.

How am I doing for time?

**The Chair:** You have one and a half minutes.

**Ms. Jinny Jogindera Sims:** That's good.

Are there any changes you would recommend to the delivery of employment services under the LMDAs? Which, if any, of these recommendations could also be included in a revised framework for federal, provincial, territorial agreements that would guide the new generation of LMDAs?

Let's go to Mr. Martin.

**Mr. J. Craig Martin:** Thank you.

We would support the same approach as we need to improve employer engagement. As Mr. Reid said, if we want to make sure that when the training is completed, it's relevant to the jobs at hand, we need the employers to be engaged.

We work with colleges, both private and public, with unions, and some of the best training programs we see are the ones that engage the local employment base and they ask what they are looking for and what skills are missing in the graduates that we have. We do the same thing at the federal level.

**Ms. Jinny Jogindera Sims:** Thank you.

Mr. Lee, do you have a quick comment?

**Mr. Kevin Lee:** I would concur. I think that really getting employers engaged early to make sure that there are jobs available at the back end is absolutely critical. As Mr. Reid mentioned, the more mobility aspects we can work into the system, the better, because as our president, Mr. Golightly, pointed out, if you look at raw numbers, you might say there's no skills shortage, but when you look on a regional basis, we're not matching up employment opportunities with people, so mobility is a big part that we could build in.

**The Chair:** Thank you.

We go on to Mr. Mayes for five minutes.

**Mr. Colin Mayes (Okanagan—Shuswap, CPC):** Thank you, Mr. Chair.

Thank you to the witnesses today.

Most of you have said just what we've heard before, and it all makes sense: the expansion of monitoring and the focus of funding away from what I call personal skills training to actual employment skills training. There was a time when they were teaching people how to make resumés and even going to the extent of how to set alarm clocks to make sure that they knew they had to get up in the morning to go to work, and that type of thing. We're saying we want to focus on actual skills training.

So the Red Seal trades, developing them, and the interprovincial mobility of the trades.... Those silos were built but not by governments, I don't think. I think they were built by the trades, and all of a sudden we're hearing that we need better mobility of those skills interprovincially.

Why have we come to this point we're talking about now? Why wasn't it done earlier? Have the LMDAs been focused in the wrong area? What are your recommendations as far as what we can do better to make sure that we see these things remedied so we can address some of those regional deficiencies in skills? I'll open it up to all the panel.

Mr. Martin.

**Mr. J. Craig Martin:** I can speak to what's changed, at least from the welding industry. What's changed is that 25 years ago the issues around worker mobility were not on the radar because they weren't required. We've shifted. Our economy has shifted. The nature of our work has shifted, and now where we see the strongest demand for welders are large-scale projects, mining and natural resources, which require the movement of workers. That simply wasn't the case before, so in our particular industry, that issue of worker mobility is now high on the radar.

When you go to northern Alberta, you see people from all over the country. But even when you go to places on the two coasts with the NSPS, the shipbuilding procurement program, we're starting to see workers trickle in from other places as well, so that's what's changed.

I don't think the trades created the system to be separate, but what's happened is, as the systems in each province have evolved slightly differently to meet the unique demands of their local industry, whether it be manufacturing in southern Ontario or oil and gas in the western provinces, when workers do move under the Red Seal program, the skills that they have are sometimes very different.

That's why I mentioned earlier that we're looking for a national curriculum, a national approach on training that could be supported by LMDAs, and then that makes it easier for the workers to move. What we see now are barriers under Red Seal programs where the number of hours, the topics that are taught, etc., don't match up. So the provinces say, "Sorry, you're a welder there, but you're not a welder here".

So that's kind of what we've seen change in our industry as an evolution over the past 25 years.

● (0915)

**Mr. Colin Mayes:** I want to give the other witnesses a chance but I also.... So what you're saying is that it isn't just the skills training as far as, let's say, welding is concerned, but it's almost a regional focus where the welding courses have to be adjusted to make sure that they are adapted to those jobs that are in demand in that region. Whether

it's the oil and gas sector..., we should be not only demanding more welding courses but specific welding courses to address this.

**Mr. J. Craig Martin:** The key is also looking to the future. What are the projects that are coming? Are we ready for the Ring of Fire in northern Ontario, as an example? Do we have the skills? Do the workers who we've identified for this project have the skills? How do we work with colleges and industry to make sure that the next generation is trained appropriately?

**Mr. Colin Mayes:** Mr. Reid, you mentioned mobility, relocation, and maybe using EI for relocation and that. I guess the challenge with those kinds of things is monitoring, making sure that the funds are used properly and that there aren't any games played with the opportunity of, like you say, cashing in some of your EI benefits so that you can move to another location.

How do you see that rollout? I'm totally in agreement with the statement about six to eight weeks of the waiting period for skills training that Mr. Golightly made. We've heard that before, and I know that the minister has heard it also. That is something that, through my experience, I feel is very important too.

Regarding that mobility, how do you think the employers and employees are going to feel about their premiums being spent to help relocate people?

**The Chair:** Mr. Reid, you will have to hold your answer to that question. We're over time on Mr. Mayes' questioning. You're welcome to answer at your pleasure on a future round.

Mr. Cuzner, you have five minutes.

**Mr. Rodger Cuzner (Cape Breton—Canso, Lib.):** Regarding mobility, it's been something we've heard again and again.

Mr. Reid, I'm sort of taking your approach as more relocation versus mobility. I want you to expand on that and just clarify for me because in Nova Scotia, really Atlantic Canada, we've been sort of that pool of mobile labour for so many years.

My brother's in the construction industry. I know in the last year and a half he's been on a project in northern B.C. He's worked out of Vancouver, he's done Fort McMurray, and now he's outside of Regina. It's not a relocation. It's being able to address those.

If you could just clarify your comments because I took it as more relocation as opposed to mobility.

**Mr. Sean Reid:** It's maybe both. I'm sure many of your neighbours are probably working for our member companies doing that back and forth, and that's really what we're sort of zeroing in on because we do use that tool quite a bit.



Often, for example, the first plane ticket out, that first venture out, is the one, because it has more risk associated with it for the employer and that sort of thing—or perhaps the training. If there's no training provided in Nova Scotia for that specific trade or that specific aspect of a trade, but there is in northern B.C. or in northern Alberta where the work is actually being done, we want to pay them for that training out in the region, so that they are able to move out there and get that job. That's what we're talking about.

This is really about being able to either move people back and forth more, or relocate as required.

• (0920)

**Mr. Rodger Cuzner:** Because there's a tax benefit to the companies that are able to...and I would think it's more beneficial for the larger companies that are able to do the rotations—

**Mr. Sean Reid:** Yes.

**Mr. Rodger Cuzner:** —of two weeks in, a week home, or whatever.

Should there not be an extension of that to the individuals that are going out to work for the smaller contractors that have projects where they want to do a... Should there not be some kind of tax forgiveness for the worker that doesn't have access to those types of travel moneys, travel supports?

**Mr. Sean Reid:** What we're proposing is directed at the worker. It's accessed by the worker. The worker would reach forward into his EI benefits, take a lump sum, and use that to either move for that first venture out west, for example, or to get the training they require, whatever it might be. Again, it could be a permanent relocation or it could be temporary.

**Mr. Rodger Cuzner:** I sort of share a similar concern as Mr. Mayes does about the administration and the oversight on that. I don't know if you other guys would want to comment.

**Mr. Kevin Lee:** What we're really talking about here, especially with LMDA-type programming, is getting somebody into that first job in a trade. As Mr. Reid was saying, it's that first move. Once you're moving from job to job, then you're set, right? It's really getting somebody into that position.

There are all kinds of ways to administer this kind of thing. Receipt-based programs are pretty straightforward. If you're moving with a legitimate job offer and you have moving expenses to claim, you can create a package pretty quickly that would support that.

**Mr. Rodger Cuzner:** With regard to literacy and numeracy concerns, we talk about mobility as a barrier. Are we seeing literacy and numeracy as a—

**Mr. Sean Reid:** Can I just piggyback on what Mr. Mayes also referenced?

I agree, maybe not the resumé building but the essential skills around literacy and numeracy is still a core issue, especially when we're talking about completion rates. I realize I'm getting a little bit off topic here.

There are basic literacy barriers that are preventing people from completing and challenging their exam effectively. We can't lose sight of those.

**Mr. J. Craig Martin:** I agree. We said, specifically, in the welding industry that one of the largest barriers we have to people completing the training is the inability to read the documentation, to apply basic math skills. In some cases, we see training organizations putting people through those courses first and assessing that ability to actually be successful on the technical side.

I can't speak to what's happening at the secondary level in terms of improvements needed there, but certainly as people move into a trades training program, literacy and numeracy skills are critical.

**The Chair:** Mr. Cuzner, that's the end of five minutes.

You're over. Thank you for the questioning.

It goes fast, doesn't it?

Now we move on to Mr. Butt.

**Mr. Brad Butt (Mississauga—Streetsville, CPC):** Thank you very much, Mr. Chair.

Gentlemen, thank you all for being here.

Let me follow up on both Mr. Cuzner's line of questioning and Mr. Mayes as well.

One of the things with the LMDA that we struggle with in our partnership with the provinces is whether we set tough, rigorous, federal or national standards, or we allow maximum flexibility in these agreements as we sign them with each province. Depending on who our witnesses have been, there's been a bit of both. I'd like your take on it.

As an example, you talked about this issue of mobility of training, where you train in one province but it may not be recognized, or you may not be able to take that skill set and apply it in another province where the work is available. So does the federal government set strong, rigorous, national standards in the LMDA that require provinces to recognize that training and those skill sets, or do we err on the side of maximum flexibility in these agreements with provinces, recognizing that there are vast regional differences both in the labour market and the jobs that are available, depending on what province you're in.

I'd like each of your perspectives on strong, rigorous, national standards, or maximum flexibility, as we sign these agreements with individual provinces. I'd be interested in each of your organization's perspectives on where you balance that out.

• (0925)

**The Chair:** Go ahead, Home Builders' Association.

**Mr. Kevin Lee:** I think in the typical Canadian way, it's somewhere in between. We have the desire for national standards and consistency in areas where the jurisdiction happens to be provincial, which is kind of what comes up in the skilled trades area. A step like the internal trade agreement, where we're trying to facilitate mobility, is the right piece.

I would suggest that we need to have flexibility to recognize the different regional needs, but award those programs that are going to also encourage mobility. When you look at LMDA systems and you put together criteria for something like the LMDA programming, you say that you're looking for systems and programs that are going to not only address regional needs, but also create the opportunity for mobility. As the proposals come in from the provinces, you can score things, or make that part of the criteria to encourage different ways to help people move around the country.

Also, by the way, I should comment that we see concern in a lot of cases about people going from one place, say eastern Canada and moving to the west. We all know that in many cases they end up coming back later in life. As they start families, they come back home. They're trained up and they're ready to work as the economy changes in different parts of the country.

**Mr. Sean Reid:** I would say that we need a strong and rigorous commitment to flexibility.

What I mean by that is that the flexibility should be at the user level, not at the provincial government level. The provincial government should have a fairly strong requirement to ensure flexibility and competition in the delivery of their programs, not that there's leeway for government to do whatever it wants to do.

**Mr. J. Craig Martin:** Following that, I'll sit on the fence as well, with apologies.

There is a need, and I mentioned it in my opening statement, to have a national approach for training. That's a base approach, so that you have some basic skills which are repeatable and transferable right across the country. But we also have to recognize that flexibility. Based on the industry that the person is working in, and it sometimes varies by province, there should be the ability for provinces to upgrade specific skills related to what they need. I think it's a combination of both, but we can avoid and prevent some of the mobility issues if we have a core bit of training.

We hear stories of students who go from one province to another, and their first year of training is not recognized in the other province, but it is the same trade. That's a problem. The student is confused; the industry is confused.

We met last month with educators from right across the country in the welding trade, and that was the strongest message we heard. They don't want to protect their own interests in their own provinces; they want to have a national approach. Then they can customize it based on their feedback from local industry, but they want a national approach.

If you made me choose, I would lean towards more control at a national level, but we have to recognize that flexibility is critical with our varied economy across the country.

**The Chair:** Thank you for that answer.

Your time is up.

We'll move on to the second round.

Mr. Boulerice, welcome to our committee.

[*Translation*]

**Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP):** Thank you, Mr. Chair.

My thanks to all our guests for joining us today.

I believe that everyone agrees on the need for our workers to be trained, especially the younger ones.

Mr. Lee, I would like your opinion. Do you find that the federal government is doing enough in terms of training for workers? If not, what more should we do?

**Mr. Kevin Lee:** More can always be done.

I feel that we are on the right track. We are happy with the existing programs and we just want to improve some aspects of them a little.

We really like the direction that the Canada Job Grant is going in. As we have already said, it focuses on participation by employers. If we could add that to the labour market development agreements, it would help us a lot. In general, I think we are on the right track.

● (0930)

**Mr. Alexandre Boulerice:** I think we have to understand that a lot of things that have been announced do not actually exist. They may talk the talk, but they are not walking the walk, if I may put it that way.

[*English*]

You can talk the talk, but you have to walk the walk.

[*Translation*]

If you look at the Public Accounts of Canada 2012-2013, you will see that the Conservative government sat on \$138 million intended for skills support and job creation. These are amounts that have not been transferred to the provinces. It also decided not to transfer to the provinces \$24 million that were supposed to help the under-represented and lower-skilled groups that Mr. Martin was telling us about earlier.

The government has kept in its coffers \$60 million from the budget for labour market support under social partnerships and \$8 million to support productivity and competitiveness. In addition, it has invested only 4% of the initial budget in the grant for adult learning and essential skills for cities, aboriginal communities and provinces. That means that an amount equivalent to 96% of the \$3.2 million budget has not been spent. Making announcements and listing investments in budgets is all well and good, but the money still needs to actually be spent.

Mr. Golightly, have you noticed that difference between the amount on paper and the amount that has actually been spent and transferred to cities, municipalities and the provinces in order to train workers? At the moment, the numbers do not add up. The government is sitting on the money so that it can achieve a balanced budget.

[*English*]

**Mr. Bard Golightly:** No.

I can't say that we were feeling that directly. We don't necessarily see the flow of those funds in a direct route. We do see the inconsistencies and the issues we've talked about today. That could be the result of funding not transferring and not, as you say, walking the walk. That's possible. I don't know that. We don't know that.

What we do see are the mobility issues. We do see that there's clearly an issue of getting the right trades in the right place at the right time. It's a big issue all across the country and not just in the west where everybody thinks it is.

But I couldn't speak to the flow of funding and how it falls into these programs.

[Translation]

**Mr. Alexandre Boulerice:** In recent years, we have seen an explosion in the number of temporary foreign workers in the country. Do you feel that this is an easy way to avoid training our own Canadian workers?

[English]

**Mr. Bard Golightly:** I don't think there's a simple answer to that question.

Clearly, particularly in the west, there's a strong demand, as I'm sure you are aware, for temporary foreign workers. There is a job shortage in many areas. It's complicated by the higher-paying jobs in some industries, particularly the oil and gas industry. Therefore, the temporary foreign workers are often finding their way into other positions that simply will not be filled by those attracted to the higher-paying jobs.

[Translation]

**Mr. Alexandre Boulerice:** I understand that, when there is a genuine shortage, when there are no qualified workers, then someone has to come to do the work. The work has to be done and commitments have to be respected. But there are also a number of cases of abuse with temporary foreign workers working in Tim Hortons or McDonalds. So we are not talking about the same thing. We have also seen excesses with HD Mining International Limited, which is asking workers to be able to read or speak Chinese so that they can use the equipment in the mine.

At the same time, it is not the case that there are 10 jobs open for every unemployed person. The figure is about 1 for every 6. That means that, for every job that goes unfilled because of a labour shortage, six people are looking for work. What do we have to do to train those people so that they are able to get a job, and also to create new jobs? Even if every unemployed person started working at jobs for which there is a shortage, five out of six workers would still be without jobs.

[English]

**The Chair:** You're way over time, Mr. Boulerice, so I'd ask the witnesses to hold those responses. If you'd care to respond in another round, that's your prerogative.

We will go on to Mr. Maguire.

**Mr. Larry Maguire (Brandon—Souris, CPC):** Thank you, Mr. Chairman.

Thank you to the panellists for your presentations.

I was most interested in one of your comments, Mr. Golightly, in regard to you having difficulty getting the right people in the right skills at the right times. Certainly, I think you just outlined the difference in regional differences in employment needs across the country.

I'd like to ask all three or four of the panellists this question. You've outlined some, but what are your most significant changes that you'd like to see in the manner that we can transform the LMDAs between the federal government and the provinces? How can we work with your organizations and how can you work with other levels of government?

● (0935)

**Mr. Bard Golightly:** I could start with more of an overarching comment. We really need to keep in mind the potential for career development. While we talk about mobility and the right skills in the right place at the right time, all of which are critical, what we want to do, and it was touched on earlier, is to get these people started. If they can get into career development, they can then take themselves down their own personal career path, and the growth of their families.

I wanted to make that overarching comment and I'm sure my colleagues will hopefully fill in some of the gaps.

**Mr. Sean Reid:** I'll just say that the main two points for us would be to tie the employer as much as possible to this, and at a minimum, don't let this be a barrier to mobility. If we can find ways to facilitate mobility, we should do it. PCA is ready to play an intermediary role between the provincial and the federal government on this issue as we have done before on the job grant. So we'll partner with you as we can.

**Mr. J. Craig Martin:** I would echo those comments. Employer engagement and mobility are two big issues that need to be addressed.

One of the things around mobility that is important is to recognize that people may start their training in one province and finish in another. They may be halfway through a program and they need to move because they need to become an apprentice, and the agreement should recognize that. Right now, there is a tendency that you have to do everything in the province that you started in, your training, your apprenticeship, and your first job. If we could figure out ways to engage industry, the training institutions, and the unions to figure out how to best make that work, I think that's critical to seeing more success and more value for the dollars that are invested in these programs.

**Mr. Larry Maguire:** Mr. Martin, I think you referred to the national curriculum as part of setting up a new means of.... Would that add to the mobility as well?

I'd also like further comments, because I'm really interested in the whole area of this mobility to get people to where the jobs are. If you had your way, quickly, what would your suggestion be as to how to set that mobility agreement up?

**Mr. J. Craig Martin:** I think when it comes to a national curriculum, we recognize that the provinces have jurisdiction over training. But at a federal level, the federal government can encourage and set requirements for provinces to work together on certain basic...what I'll call creating a level playing field for training. Let the provinces, as I mentioned, have flexibility to deal with unique issues in their local industry, but set a criteria, which means that if all trades are working to a national criteria, then that sets the basis for mobility. You can still say, if you come to my province, we're looking for specific skills, but at least that basic trade certification or qualification is recognized.

That can set an environment where mobility becomes less of an issue, where if you want to have someone start in one province and finish in another, there would be no questions either from the EI level, from the college level, or from the employer level in terms of knowing what we're getting. That's why we would strongly encourage that national baseline of curriculum for each trade. In welding, that's what our industry wants and we're really pushing it. We're actually working with educators to create that.

**Mr. Sean Reid:** I'll add that I think the standards are important. The Canadian Home Builders' Association mentioned looking beyond simply Red Seal to non-Red Seal trades as being another issue. I think the steps the government is taking right now on apprenticeship harmonization is an important issue.

The internal trade discussions that are starting to happen at the federal and provincial levels will probably be a very useful vehicle for rooting out some of the more hidden barriers to mobility and certification recognition that exist in those provinces. We're on the right track here when it comes to regulatory barriers, we just need to keep at it. If we can find new initiatives like these grants we've been talking about today to facilitate further, that'd be great.

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

That's the end of that round. I'm going to end the first hour here at this point, committee members, for two reasons. Number one, we have a motion to deal with at the end of the meeting, so we'll be adjourning the second half of the meeting a little early to deal with that motion, perhaps 10 minutes early. I want to do it for that reason.

I also want to just take a moment, myself, to thank our witnesses for being here, for taking your time, for serving your industries.

There was one comment I wrote down that you made, Mr. Reid, and I thought on many different levels it really hit home for me. It's a simple phrase, and you called it "matching of talent to tasks". As a former employer myself, contractor, there's magic that happens in the workplace when you find an individual who has talent and you give them the right task. I think that's what we're driving at here. We're trying to do more uncovering of the talents of individual Canadians, wherever they may be in this country, to match them with the tasks that are out there for them. I appreciate that comment on many different levels. It surely resonates.

Thank you, witnesses, for being here.

We'll suspend for five minutes and resume.

● (0940)

\_\_\_\_\_ (Pause) \_\_\_\_\_

● (0945)

**The Chair:** Welcome back, ladies and gentlemen. We're continuing this hour with our study of the renewal of the LMDAs.

Joining us now from the Department of Employment and Social Development, we have Ms. Mary-Lou Donnelly, the commissioner for workers, from the Canada Employment Insurance Commission. Welcome. We also have from ESDC, Ms. Nancy Amyot, policy adviser for the Office of the Commissioner for Workers, from the Canada EI Commission. Welcome. Joining us by way of video conference from Regina, Saskatchewan, we have Mr. Carlo Bizzarri, the program manager with Ignite Adult Learning Corporation, along with Lindsay Manko, the assistant manager of Ignite. Welcome to you.

Witnesses, as some of you may know, being here in the earlier session or listening in, you have up to 10 minutes for your presentation.

So why don't we begin with Ms. Donnelly?

● (0950)

**Ms. Mary-Lou Donnelly (Commissioner for Workers, Canada Employment Insurance Commission, Department of Employment and Social Development):** Thank you, Chair.

[*Translation*]

Good morning, Mr. Chair and members of the committee.

It is a pleasure to be here today to provide you with some views from the stakeholders who represent workers in Canada.

[*English*]

It is indeed an honour and a pleasure to be here with you today before the committee in regard to the labour market development agreements. As commissioner of the Canada Employment Insurance Commission, representing all employees across the country, both unionized and non-unionized, one of my responsibilities is to bring forth the view of my stakeholders to government, that is, to identify the opinions and concerns of workers as government develops policies and delivers programs related to employment insurance and the labour market. It is in that context that I am with you here today.

I'm pleased to see that the committee has undertaken to study the transformation of the LMDAs at this time, and that round table sessions are also currently taking place around the country regarding the LMDAs. Much has changed in the Canadian labour market since the introduction of the LMDAs in 1996, and it is our responsibility to ensure that these agreements remain relevant to the reality of workers and employers.

I have the opportunity in my role as commissioner to meet regularly with my stakeholders across the country on a variety of issues pertaining to EI, and I can assure you that workers, unions, and advocacy groups are very interested in these consultations.

I think the key word here is consultation. People like to be part of the decision-making. They like to have their voices heard, and it's important to note, and I believe the committee members are fully aware—I'm sure everybody has told you but it doesn't hurt to repeat this—that the moneys that fund all EI programs come not from the taxpayers, that is, not from general government revenues, but rather from the EI premium payers, workers and employers only. So this is not taxpayer money; this is EI premium payers' money. That being said, it is crucial that the people paying into the fund have a say in how these funds are rolled out and managed.

In discussion with labour stakeholders, it is clear that consultation is key. To that end, the labour side feels very strongly that labour market partners forums be established in all jurisdictions, with representation from government, labour, employers, education training providers, and community organizations. In my former life, I was an educator in the public school system and I was very involved with education and with teacher unions. We called our stakeholders “partners in education”, and that was everyone from government to school boards to unions to communities to parents, and to the students themselves.

We recognized the importance of hearing everyone's voice, and that is what a labour market partners forum would accomplish, listening to each other, understanding each other, and from that, making the best decisions possible. These types of forums need to be ongoing, of course, especially since our market can change very rapidly. We always have to be listening and establishing these forums in each province and territory, which is one way of doing that.

Now, we do recognize in this vast country of ours that provinces and territories are unique, and as a result of that uniqueness, it isn't one size fits all. But we can learn from each other and we must be provided the opportunity to work together so that we can take advantage of best practices and identify our similarities and our differences, as well as our individual and national needs.

I'd like to comment as well on the collection of labour market information. We have to do a better job of collecting solid information concerning general skills and labour shortages. I have met with several groups who have expressed to me that there are plenty of skilled workers in Canada, yet they need to have the relevant information to inform them. We need to correctly identify the skills gaps in regions and industry, and we need to have reliable information provided to all concerned. When Stats Canada is telling us there are 6.7 unemployed workers for every vacant job, we need accurate, detailed, and solid information on the job market.

One question that is presented at the round tables is around the expansion of eligibility for LMDAs. Keeping in mind who funds the EI account, it is important that LMDA programs benefit those who have paid into it. Currently, eligibility to LMDA programs requires a certain number of insurable hours, which vary according to the region in which one lives, based on the unemployment rate in that region. Many of my stakeholders have indicated that they are in

support of expanding this eligibility to EI premium payers. This would qualify more EI claimants to take advantage of the LMDA programs and supports.

So I will reiterate what the CLC and Unifor propose, that eligibility for LMDA programs be extended to a national eligibility program of 360 insurable hours for unemployed or underemployed workers to access training. This would help address the gap for many part-time workers who are not currently eligible for EI, yet who do pay EI premiums.

As well, we are recommending that the EI part I benefits be extended to the full duration of the LMDA training program.

This brings me to another expansion of the program, and that is increased funding to the LMDAs. Currently, upwards of \$2 billion are committed to the LMDAs annually. Yes, that is a significant amount of money, and yes, government has committed to a balanced EI account by 2017. Certainly, as commissioner, I support a balanced EI account, with transparent accountability so we can avoid finding ourselves in a deficit situation.

However, government is projecting surpluses of the EI account over the next several years, so I think we need to ask ourselves this question. Would this money be better spent supporting LMDAs, and thus expanding the program? Labour stakeholders are in support of increasing the funds for the LMDAs. The EI Act allows for up to 0.8% of total insurable earnings, which translates roughly as \$4.4 billion, to be spent on LMDA funding, yet we are currently only using \$1.9 billion. Because there hasn't been an increase of this amount since the inception of the LMDAs, the same amount of dollars in 2014 does not go as far as they did in 1996.

Investment in training has very positive spin-offs, resulting in long-term attachment to the labour force, a goal on which we can all most likely agree.

The last point that I will highlight is the issue of labour mobility, or apprenticeship harmonization. This is an issue that is constantly presented to me by my stakeholders, and I understand this issue as it was certainly an issue in my other life, in the education world, which resulted finally, after many years, in a labour mobility agreement within provinces and territories that enabled teachers to be qualified to teach across Canada, regardless of where their training occurred.

We need the same in a broader trades occupation, not just those within the Red Seal program. Currently, as I understand it, the Atlantic provinces and the western provinces have an apprenticeship harmonization agreement that does enable mobility for tradesworkers if they choose to relocate. But this needs to be a national harmonization so that our labour market is ready and able to respond to labour market needs across the country, not just locally or regionally.

[*Translation*]

Thank you.

[*English*]

I look forward to your questions.

• (0955)

**The Chair:** We now move on to Ms. Amyot.

You're not going to speak, I'm sorry.

On to Ignite, and I'm not sure which of the witnesses is going to present, but please proceed.

**Ms. Lindsay Manko (Assistant Manager, Ignite Adult Learning Corporation):** Thank you very much.

First of all, I'd like to thank you for inviting us to this committee to present our views. I'd like to reiterate a little bit of what the last speaker said, the sentiment that we are glad that this is becoming a national conversation. However, the information we are presenting today is coming as more of a case study. We understand that we are a small, localized organization in Saskatchewan. Nonetheless we do feel that our 20 years of experience within the labour market industry will help provide you with a better picture of the overarching localized issues that some areas are facing in the provinces.

I'd like to introduce myself. My name is Lindsay Manko. I am the assistant manager at Ignite Adult Learning Corporation. I'm here with Carlo Bizzarri. We are a small yet mighty organization here in Regina, Saskatchewan.

The demographic that we work with is generally categorized as the vulnerable populations within our society. We work with youth at risk who would be categorized as more or less unemployable. They have few or no skills appropriate for our current job market in Regina, due to a number of personal setbacks and issues. Accessing the system in the first place to take advantage of the EI funding is an issue.

Specifically we have over 20 years of experience working with this demographic here in Saskatchewan. Our model is predicated on the marriage between business and not-for-profit. Our model essentially means that if you're coming to work in Ignite, you're getting paid to attend classes to gain and garner that training. You're being paid; however, we are a not-for-profit model, so we understand

that in order to gain skills that make you employable, specifically soft and hard skills, you need to practice those skills and we provide that setting.

I'd like to talk a little bit about what we've seen as creating long-term success within our program in Saskatchewan. We have over 500 graduates who have come from a number of demographics, but essentially have not been—I want to really highlight this—successful in accessing meaningful, tangible, long-term employment within our community. So they went through our training process and then have garnered long-term, tangible experience within our employment sectors.

Our program actually runs for a seven-month period. Long term is long term. It takes a long time to make tangible change within your life. A lot of issues that we see—addictions, housing, child care—are not something that's going to change overnight. Going through a program that is short-term, we haven't had the success rates that we would expect for somebody going through a long-term program of about seven months. That's something we'd like to highlight.

Also, we want to talk about this marriage between soft skills and hard skills. It was quoted before. You were talking about making sure that you tie talent to task. If you've never had a chance to garner talents or had an opportunity to really realize what you're good at, because you've been involved in the youth justice system or you've been involved in the foster system, which has effectively not delivered what you necessarily need to become an able-bodied, working young adult, it's hard to access the system.

Really what we're here to talk about is being the advocate on behalf of that vulnerable population and how they access the LMDAs if they don't have the skills to get the job in the first place.

I know that there are portions within the current suggested scenarios that state that if you lack essential skills or have a low level of literacy you can still garner help from this program. But what we have experienced is that a number of the individuals who come into our program actually have undiagnosed learning disabilities and because they don't have the basic essential skills to access a formal system, it's harder for them to gain the employment to get access to these different things.

Again, I'm just speaking from our personal experience. I'm in the classroom every day from Monday to Friday working with individuals, and I'm not speaking for every organization, but this has been our experience.

Also, more in-house training for employees—we've talked about how we're going to be transferring the Canada job grant funding directly to employers, but if our employees can't access the employment in the first place, how are they going to access these funds directly for training in specific areas? Ultimately, our goal is to help individuals who are undervalued and don't necessarily have the soft skills—reliability, accountability, dependability, independence—that you need to work in this Canadian job market. They're essentially just going to become a continual debt load in the future for us. So, yes, we commend you guys for doing long-term planning and considering these different areas, but we just want to advocate on behalf of the vulnerable populace that we work with directly.

• (1000)

**The Chair:** Thank you very much. You still have time left. Do you care to say anything further, or is that your presentation?

**Ms. Lindsay Manko:** I'll pass it to my colleague, Carlo Bizzarri.

Would you like to add anything?

**Mr. Carlo Bizzarri (Program Manager, Ignite Adult Learning Corporation):** Yes, I want to add to what Lindsay said that we think of these individuals as employees. The habit of being accountable is something they have to pick up—showing up, being responsible, and doing work. That's how our program is set up.

In other words, they learn the life skills not by listening to a lecture but actually by doing. When they don't show up at eight o'clock in the morning for work, they are being penalized; there are consequences. They have to punch a clock in the morning. If the clock says that they have come in at 8:30, that means that their allowance or their wage has been deducted accordingly.

The important step is to bring these young men and women to a point at which they become independent and self-supporting. The process of doing that is not an easy one.

• (1005)

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

Now we'll proceed to our first round of questioning, with interventions of five minutes.

Madam Sims.

**Ms. Jinny Jogindera Sims:** Thanks to both of the presenters for coming before us.

Recently there have been many reports about high unemployment and also the high number of temporary foreign workers. I'm sure that's not news to anybody. But the alarming figure that came out was that 39% of Canadians looking for work were giving up on ever finding a job. So there is that malaise and the danger that comes with it, when you have a large number of people withdrawing from even entering the job market.

Yet we know that there are quite a few restrictions on how funds can be used for skills development. At this time, we have an historic low for EI access. All kinds of restrictions have been put on it. We don't have time to discuss that here, but fewer than four in 10 of the unemployed are actually eligible to collect EI. Because of this, access to training becomes really restrictive. Can you comment on this?

Also, can you comment—and this is directed to you, Mary-Lou—on the consequences of such limited access especially for Canadians seeking longer-term employment opportunities? How do you think access could be improved?

**Ms. Mary-Lou Donnelly:** Thank you very much, Jinny.

I'll tell you that the facts you have cited are certainly correct. My stakeholders are well aware of that, and we have conversations around those issues consistently.

This is one reason that labour feels very strongly that access to EI has to be relaxed. It's so different across the country, depending on where you live, but the fact remains that if you lose your job in Toronto, you have still lost your job. If you lose your job in Port Elgin, you've still lost your job; you're still without a job as well.

The other thing is that many of the people who lose their jobs are part-time people. It's very difficult for part-time people, and they are often—not always, but often—some of the most vulnerable people, as our other guest this morning just pointed out. They don't have access to EI, so they don't have access to the training programs; yet they are still paying into the fund.

We feel very strongly that there should be a relaxation or more flexibility. We have an opinion on EI overall, but I'll just stick to the LMDA part for today. Especially for the LMDA training, there must be some flexibility so that more people can take advantage.

This is not to make the LMDAs a be-all and a catch-all for every problem out there, but this is the reality. They need to have training. They get into a vicious cycle such that they go from one part-time job to another part-time job and can never get out of that cycle. They can never collect enough hours.

**Ms. Jinny Jogindera Sims:** Thank you very much.

You pointed out the need for labour market forums. We seem to be tilting the field, so to speak. We hear a lot of talk about employers who pay into EI, but we very rarely hear about the workers, who are also paying into EI, and the exclusion of workers, it seems, in determining how these funds should be used in regard to also getting their input, and there's also how labour has been shut out of a lot of these conversations.

But the fact that really fascinated me was that I know that up to 0.8% of the EI surplus can be used to expand LMDAs. What was the dollar amount you said? How long has it been since that dollar amount has been the same?

**Ms. Mary-Lou Donnelly:** That 0.8% translates roughly into \$4.4 billion annually, but we're only using \$1.9 billion. That has been in effect since 1996.

When we did a little research the other day on how much \$1.9 billion in 2014 translates into from 1996 dollars, it was much less than the \$1.9 billion—

• (1010)

**Ms. Jinny Jogindera Sims:** Thank you.

That really brings home the point that for the last 15 years we've kept the dollar amount static. Maybe that's why Canadians who are looking for assistance are hurting so much. It may also explain why this government runs so quickly to bring in temporary foreign workers instead of investing in growing the skill sets at home.

I also agree with you that we need real data. What kind of data do you think would help to inform programming?

**The Chair:** I think we'll have to hold your answer on this. We've exceeded the five minutes, so we'll move on to our second questioner, and that's Mr. Armstrong.

**Mr. Scott Armstrong (Cumberland—Colchester—Musquodoboit Valley, CPC):** Thank you, Mr. Chair.

I want to thank our witnesses for being here.

Mary-Lou, you talked a bit about labour market information. You've attended the round tables that we've done so far across the country, and this is something that always comes up. Can you talk from the employee's perspective about how difficult it is as an employee to get appropriate labour market information in order to make proper career decisions?

**Ms. Mary-Lou Donnelly:** It is very difficult.

If you're living in Nova Scotia and you're training for something, you don't necessarily have that solid, hard, accurate information on what is available in other areas or even what is available within your own province. We really need to have that really strong information.

The labour stakeholders feel that Stats Canada is one very important respected entity and that the information that comes from Stats Canada is very good; it's reliable. We would like to see more detail come out so that we know what's happening in Nova Scotia in the job market, so that we know where the vacancies are and what types of workers they need, and so that we know in Saskatchewan what they need. That is exactly what we need to know so that when young men and women are going into these trades for this training and they're looking for jobs, they can have a really good pan-Canadian view of what's going on and make decisions there.

I think there's a danger in forcing people to pick up their bags, their families, their homes, and everything else and just plopping them into a community where they think there may be jobs. Before making such an important life decision, which affects their families as well as themselves, I think people must have really clear and accurate information across the country so that they can make the best decision for them, as well as for their economic status and the country.

**Mr. Scott Armstrong:** You also touched on labour mobility. We also hear a lot about that from the employees' perspective. We heard in the last panel that the government should be looking at doing some things to make it easier for employees to travel, such as travel grants or using some tax policy, and there are probably some other opportunities that government has.

When you spoke about it, you spoke about aligning curricula so that you would be certified in more areas in the province, and you called for a national certification program. We're seeing the start of that with what's going on in Atlantic Canada and what's going on in the west. Can you bridge those two in terms of what we can do for

the individual employees and also what we can do to try and align some of the strengths?

**Ms. Mary-Lou Donnelly:** Just for clarification, I spoke of a national harmonization program, so I'm not sure if I'm the one to say the curriculum should be the same all across the country. As an educator, we know that different areas have specific things that they want to relay, that they want to teach, and that they want to educate their people on.

I think that the two can be bridged. I think that there can be a real balance there.

First of all, we're a very large country, but we're talking about labour mobility across the country. The reality is that people move from one end of the country to another, so in order to do that, they need to know that they're going to be qualified when they get out west, if they've made that life-altering decision to pick up their families and move.

With that in mind, I feel very strongly that when the partners come together, they can figure out what that national strategy looks like and how much influence the national curriculum, as you say, has. At the same time, keep it unique to the provinces and let the provinces, of course, have the say that they also need.

So I think there's a real balance there, but I think that the information has to be good for people. It has to be solid, and I think that at the end of the day, they should be able to pick up and move. If you're a welder in Nova Scotia, you should be able to be a welder in Alberta.

• (1015)

**Mr. Scott Armstrong:** How much time do I have left?

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

**Mr. Scott Armstrong:** Just really quickly, there's also mobility for older workers, workers who have been established and may lose their jobs in their thirties or forties—we've seen that in the last few years since the recession. One of the challenges a lot of them face in labour mobility if they're actually going to relocate, is transferring pensions. Those have been a challenge for many workers. Can you comment on that? Have you heard that from your stakeholders?

**Ms. Mary-Lou Donnelly:** I haven't heard that specifically, but I'm fully aware about pensions, having worked a lot with pensions at the Nova Scotia Teachers Union. I don't have that information to share with you only because it hasn't really come up in my conversations.

**Mr. Scott Armstrong:** Thank you.

You talked about the labour market partners forums. Can you quickly discuss what type of structure you'd be looking at there and how those would be useful?

**Ms. Mary-Lou Donnelly:** I think they'd be useful because it's all about consultation. As I said, people want to have their voices heard, especially if they have a vested interest in what's going on. I think it's very important that these forums be established. I don't have the number one model in the world, but I know that there is a model in Quebec; there is a model in Newfoundland. Those are two models. That's a *point de départ* right there.



We can start there. We can build on it. I think what's important is that they include all the partners in this; that they include all levels of government, employers, and employees; that it's consistent; that it's not just a one-off; and that these forums meet on a regular basis. Those details can be determined by the people who come together to set them up. I think it's really important, number one, to be listening to each other so that we can make the decisions that we need to make.

**The Chair:** Mr. Cuzner, you have five minutes.

**Mr. Rodger Cuzner:** Thanks very much, Mr. Chair.

I'm going to start off in Regina, if I could, the home of the CFL champion Roughriders. Go, Riders.

Just to acknowledge, first, that the community that you folks work with, your organization works with, I would suggest, is probably one of the toughest. The number of barriers and the types of challenges that your clients deal with, and you made a comment on this in your remarks, that the short period of time really doesn't have as much impact and they'd have to come back again and again, and the extended period of time.... A lot of these clients would have had little structure, little direction early on in life, so you're trying to impact on that.

Give me an indication about some of the skills that they come to you with. Reflect on their life skills or lack of, their numeracy, literacy. There's been some talk about the concern that support for types of programs here have been lost in the LMAs. Should they be addressed in the LMDAs or whatever? Just some comments on that....

**Ms. Lindsay Manko:** I think, essentially, when it comes to numeracy and literacy, it mostly comes down to a confidence issue, and in order to build that confidence, it does take time. I think you could talk a little bit better about how we could transfer that into....

**Mr. Carlo Bizzarri:** Yes, we often get young men and women who are between the ages of 19 and 30 who can barely do math, yet they officially have grade 9 and 10. Likewise in literacy, we have these young men and women who officially have grades 9 and 10—some have grade 12—who can't write a paragraph.

Now in the marketplace, communication is extremely important in writing, reading, computer skills, and all of that, so we are trying to bring them up to that level. However, the big problem we are facing is that the environment where they come from is our enemy. Just to give you an example, on Monday we bring them in. They come to work on Monday, and it's a difficult day on Monday because they come from struggles on Friday and Saturday—

• (1020)

**Mr. Rodger Cuzner:** It's a difficult day here on Monday.

**Mr. Carlo Bizzarri:** —then we start bringing them up to speed, and lo and behold, we send them back to the same damned environment, and on Monday we have to start all over again. To us, it is very clear that these people need skills and they need also to be helped in terms of this home environment. What they come with is a desire. They are sick and tired of being poor, so they come to our place and say, "Look, I want to make it", and often, as we go through these seven months, it is challenging. Nonetheless, we would not make it less challenging because the reality of work is what it is. We

can't deny to them that they have to show up on time every day and you have to be working. So we are the organization that allows them to pick up all of this over time.

But I also want to underscore the fact that we have to do something about the environment where they come from. I also want to say in conclusion that this is a very sizable pool of potential labour and we can't discard it or just not pay attention. Otherwise the cost of carrying these people around, in our estimation, is four times or five times what we would need to train them.

**Mr. Rodger Cuzner:** Do I have time for a quick one for Ms. Donnelly?

**The Chair:** You do.

**Mr. Rodger Cuzner:** It has been suggested that training opportunities, funds for training, should be decoupled from EI benefits. It has been suggested by a number of witnesses that you shouldn't have to be receiving EI benefits in order to draw support funds for training. Do you want to comment on that?

Then the other thing, and I know it has been commented on by the government members, is that the current situation with the fund for EI is in pretty good shape right now, but you have to look at it over five years and average it over five years. Should the trend continue with the pool being increased, do you think it's more pertinent to reduce the premiums that employers and employees pay, or to use that money to help train those on EI?

**The Chair:** You will actually have to hold that answer, I'm sorry. Mr. Cuzner spent quite a bit of time there with the preamble.

**Mr. Rodger Cuzner:** It was a great question.

**The Chair:** I'm not taking that away from you, sir. I'm just saying you took a lot of time there.

**Ms. Jinny Jogindera Sims:** Chair, could I seek unanimous agreement so that we could have a response to this question?

**The Chair:** Do I see...? No, I do not see that.

**Ms. Jinny Jogindera Sims:** What's fair should be fair. Come on, guys. Last week....

**The Chair:** Actually, just for the record, you were at five minutes and 40 seconds because you took quite a bit of time there presenting that.

You can respond at your pleasure on future rounds of questioning.

I didn't mean for that to be controversial, by the way.

**Some hon. members:** Oh, oh!

**The Chair:** Mrs. McLeod.

**Mrs. Cathy McLeod (Kamloops—Thompson—Cariboo, CPC):** The first path I actually want to head down is this. We've heard from almost every witness consistently around the issue of data and how we really need better labour market information. We've also heard different suggestions from different people around, basically, the structure to gather better data.

We've had some people talk about what Stats Canada does, but we've never really had good data in terms of labour market information because of course it's a provincial issue.

We had one or two witnesses—I can't recall how many—who suggested that we actually have a CIHI kind of report. Of course, that's the Canadian Institute for Health Information, and of course where that is.... It's a not-for-profit. It's funded by the federal and provincial governments and the work gets guided by the board of directors and its core functions are health information needs and priorities, standards, databases and registries, analysis.

If you were going to say how we should move forward, what structure do you think would be a good structure? Is it this one because the delivery of health care is provincial, and this is a structure where they have the partnerships in terms of that data collection? Or do you see Stats Canada as being the better route to go?

• (1025)

**Ms. Mary-Lou Donnelly:** I think that Stats Canada is a very important route to go. I think that Canadians have a lot of faith in Stats Canada and what they produce, but it doesn't mean that it's the only thing that we can do.

The provinces should have a lot of input into this as well. It's one of the reasons why we need to be working together on it. We need to invest money in it. It's not just going to happen overnight. It absolutely needs some sort of investment.

In terms of the research and how that plays out, I don't know. That's certainly not my area, but what I do know is that we need to have more detail and one of the ways in which to do that is to invest more in Stats Canada so that they can produce.

**Mrs. Cathy McLeod:** Have you been familiar with CIHI over time or not really?

**Ms. Mary-Lou Donnelly:** Not particularly....

**Mrs. Cathy McLeod:** So I guess in terms of doing that comparison it's tough for you.

**Ms. Mary-Lou Donnelly:** Yes, but in looking at that I think it sounds very interesting and I'd like to look more into it.

**Mrs. Cathy McLeod:** Good. So my next question and I don't know if we have the information and maybe you do. Anecdotally, I've had people who have come in who are EI eligible. We're talking about expanding EI eligibility and they've come to me, and this is in British Columbia, and they've said, "Listen, I've been laid off work. I've been interested in a program that should qualify, but the providers of the program have said they've run out of money for the year".

Have you got any sense of whether that is happening across Canada? Was it a unique situation during the recession? Is there any information on that particular piece? Is the money actually covering the people who are currently eligible?

**Ms. Mary-Lou Donnelly:** It's covering some of the people who are eligible. Some of them are not taking advantage of it because they just don't have the information. It's another one of our issues that we really see when we talk to people about LMDAs; they don't know that the money's there. They don't know it exists. Employers don't know about it. Employees don't know about it.

One of our recommendations in another presentation was also to have better information out there for people so that they are aware of

these programs. Certainly, I'm hearing that around the country as I go on these consultations.

I think if you look in the MAR, the monitoring and assessment report, there's a lot of information in there and it tells you how the moneys are spent. It gives some more details provincially and territorially on the LMDAs. I believe that not all of the money is spent. It differs from region to region, from province to province, so while they may have run out in British Columbia, it doesn't mean they've run out in another province.

**Mrs. Cathy McLeod:** So to me that's a bit of an issue. I think it's something we need to know about. If the current people who are eligible are trying to access and they're being turned away because there are no funds left, and then there's a pot left somewhere else, that seems like a bit of an issue.

**Ms. Mary-Lou Donnelly:** You're right and it's a communication issue as well. I know I've had many young people present their case to me where they thought that they heard that they could get this money and go take this training. So they've done that, but the piece that they didn't do was that they didn't get approval from the province. So they find themselves in a situation where they want to go and have this training and they've enrolled, but there is no support for them because it must be approved by the province.

Those rules and regulations from province to province, territory to territory, are different. So that's one of the reasons why we need to better inform people of the LMDAs and what to do, how to access it, things like that.

**Mrs. Cathy McLeod:** If I have some time I would go back to—

**The Chair:** You don't have any.

**Mrs. Cathy McLeod:** I was going to go to Roger's question. Could we have unanimous consent? No?

**Some hon. members:** Oh, oh!

**The Chair:** You're out of time. I've been somewhat strict on time, but there's a reason for that and that's in fairness to all members, to have a chance to ask questions.

For the sake of time, that's the end of the first round. We're going to end the questioning at this point so we can suspend for a few moments while the witnesses exit.

First, before we do that, I want to thank the witnesses for taking your time today to come to this committee—

Yes, sir.

[*Translation*]

**Mr. Alexandre Boulerice:** Mr. Chair, I think that our work is supposed to wrap up in 15 minutes. Could you add a few minutes so that we can ask the witnesses questions?

[*English*]

**The Chair:** I'm allowing up to four to five minutes for the exiting of the witnesses and for us to make the transition to our committee business, which typically is in camera. I'm expecting that might happen, and I'm anticipating that. My ruling is that we have finished the first round. We will not move into the second round.

So thank you very much for being here. Thank you for taking your time coming in and sharing your thoughts with us on this very important subject matter. You will be able to obviously submit more, if you wish, post-meeting today in written submissions to the committee, and we look forward to writing a very comprehensive report on the LMDAs. Thank you so much for being here.

We'll suspend for up to five minutes.

•(1030) \_\_\_\_\_ (Pause) \_\_\_\_\_

•(1030)

**The Chair:** Members, let's resume our committee meeting and go to the motion that's in front of you from Ms. Sims.

Mr. Armstrong has moved a motion to go in camera.

(Motion agreed to [See *Minutes of Proceedings*])

[*Proceedings continue in camera*]

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