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Chair: The Honourable Wayne Easter



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• (1530)

[English]

The Chair (Hon. Wayne Easter (Malpeque, Lib.)): I call the meeting to order.

Welcome, all, to meeting number 38 of the House of Commons Standing Committee on Finance. Pursuant to the committee's motion adopted on Friday, February 5, 2021, the committee is meeting to study all aspects of COVID-19 spending, programs and related monetary policy.

Today's meeting is taking place in a hybrid format, pursuant to the House order of January 25, 2021, and therefore members are attending in person in the room and remotely using the Zoom application. The proceedings will be made available via the House of Commons website. So that witnesses are aware, the person speaking rather than the entirety of the committee will be shown on screen. As per the rules of Parliament, we ask that no screenshots or photos of the screen be taken.

I'm getting a little air in my ear. I don't know if anybody else is. Mr. Clerk, are you hearing it there?

I see some other heads shaking. It's just like a sea breeze.

Ms. Annie Koutrakis (Vimy, Lib.): It's like static.

Mr. Ted Falk (Provencher, CPC): Wayne, it sounds like you've got your bedroom window open there.

The Chair: I'm in the office.

The Clerk of the Committee (Mr. Alexandre Roger): IT is advised and they are looking into it right now.

The Chair: We'll wait on the first witness.

It sounds good now, Clerk. We will start.

If witnesses could hold their opening remarks to about five minutes, that would give us more time for questions.

We'll start with Mr. Cameron, who's a member of ACORN Canada.

Blaine, welcome. It's good to have you here. The floor is yours.

Mr. Blaine Cameron (Member, ACORN Canada): Thank you, honourable member.

My name is Blaine Cameron. I am the chair of the Ottawa Centre chapter of ACORN Canada. We're a national independent membership-based organization of low- and moderate-income people. We're a community union with 140,000 members in nine cities across the country—

The Chair: I don't want to interrupt you, Blaine, and we'll not take time away from you, but we're back into that sound. I see some others pointing to their ears as well.

Mr. Blaine Cameron: Okay.

The Chair: It's the new world we live in.

The Clerk: My apologies, Mr. Chair. We're still looking into it. The ITs are looking into it.

The problem appears to be on our end. They're muting and unmuting the room to see if solves the problem or not. They're still working on it. They're going to give me a heads-up as soon as we can start.

• (1535)

The Chair: Okay, thanks.

The Clerk: As an update, I don't know how long this is going to take.

The Chair: We'll have to wait. Do we have a hard stop at 6:00?

The Clerk: I can double-check and get back to you shortly.

The Chair: Double-check on that. It's 5:30 Ottawa time and 6:30 my time.

Our apologies, folks.

Mr. Peter Julian (New Westminster—Burnaby, NDP): Wayne, should I be giving the B.C. flower update while we're waiting?

The Chair: You might as well. You're coming through loud and clear.

Mr. Peter Julian: The cherry blossoms, forsythia, apple blossoms and rhododendrons are now coming up in the front yard. I just wanted to pass that on to my colleagues.

Hon. Ed Fast (Abbotsford, CPC): Don't forget the dogwoods.

Mr. Peter Julian: Maybe there are some in Abbotsford, but not here.

Hon. Ed Fast: Oh, yes, the dogwood is in full bloom.

The Chair: Sometimes we love you, Peter, and sometime we don't.

The Clerk: Mr. Chair, let's see if we can continue. Let me know if we get more issues.

The Chair: Maybe the problem was that we were on the system until two minutes before 3:00 in the morning my time last night for those votes.

Okay, Mr. Cameron, the floor is yours again. Hopefully the third time is a charm. Go ahead.

Mr. Blaine Cameron: Thank you very much.

I'm Blaine Cameron, chair of the Ottawa Centre chapter of ACORN Canada. We're a national independent membership-based organization of low- and moderate-income people. We are a community union of 140,000 members in nine cities across Canada. Thank you very much for giving us the opportunity to speak today.

ACORN would like to bring to the committee's attention the following issues.

First, access to affordable high-speed Internet is a lifeline, and with the pandemic the need is greater than ever, but still far too many low-income Canadians don't have access to it. ACORN did a survey of 600 low- and moderate-income community members in 2019. Out of the respondents with household incomes under \$30,000, 80% had home Internet, but 65% of the people filling out the survey had to sacrifice things like food, medication and so on to afford their home Internet.

The current federal voluntary opt-in program called the connecting families program needs to be made mandatory and expanded. Currently it targets only families with children, leaving out seniors and many other families. The speed of the Internet is too slow with multiple children in the household, and the uptake of the program is as low as 5%.

Government should immediately create a \$50 monthly Canadian broadband benefit retroactive to January 1, 2021, to six months after the pandemic ends. The benefit should be for all low-income Canadians, fixed-income seniors and those Canadians with job or income loss due to COVID-19.

In the long term, affordable high-speed Internet access should be provided through the expansion of the connecting families program and provision to all low-income Canadians and fixed-income seniors of \$10-per-month high-speed Internet. The speed of the Internet should be 50/10, which I believe is 50 download and 10 upload.

Second is the need for fair and inclusive banking. We're happy to see that the recent budget mentions addressing predatory lending by doing a consultation focused on lowering the criminal rate of interest noted in the Criminal Code of Canada. ACORN's latest study, released in February 2021, shows a massive growth in the use of instalment loans. When we did a study back in 2016, 11% of people had taken instalment loans. That number has now jumped to 45%. On top of that, payday lenders continue to charge an exorbitant interest rate—around 400% to 500% [*Technical difficulty—Editor*]

Payday lending should be added back under section 347, and exception 347.1 should be removed. No other exceptions should be allowed, such as for instalment loans or others. A fair credit benefit should be introduced, funded by the government and administered by the banks. Fees for insufficient funds should be lowered from \$48 to \$10.

Third is the need for affordable housing. The government must bring a rent relief program for tenants who have lost their jobs and who are on the verge of eviction. Predatory lenders, such as real estate investment trusts, otherwise known as REITs, should be stopped from destroying affordable housing. This should be done by having the tax loopholes in the Income Tax Act, which give huge exemptions to REITs, closed. The Canada Mortgage and Housing Corporation aids and abets the process of financialization of housing by offering its insured mortgage products to assist REITs to secure the financing needed to buy new buildings. The bottom line is that REITs business models and acquisition strategies are dependent on CMHC backing, meaning that CMHC has a significant amount of leverage over REITs to ensure that affordable housing in Canada is preserved.

● (1540)

This predatory lending must stop, and any CMHC-backed financing should ensure that it has clear no-displacement conditions. We ask for the creation of a national non-profit acquisition strategy, funded as part of the national housing strategy. This strategy should fund and give the right of first refusal to non-profit, co-op and land trust organizations to purchase rental buildings when they come on the market. Ban REITs from owning certain types of multi-family residential buildings that are best suited for permanent and true affordable housing through non-profits.

Fourth, and finally, is the need to modernize employment income. We welcome some of the changes that the government has made to the EI system. However, most of these changes are temporary. Moreover, the system is still inaccessible, and the benefit inadequate, for low-wage workers.

The government should undertake a quick and comprehensive review of EI. Make EI accessible for all workers by lowering the hours requirement consistently across the country to 300 hours, or 12 weeks of insurable work, whichever is better for the worker. Denmark makes it harder for working people who have paid into the system to use it.

Raise the benefit rates for all workers to 75% of earnings, and raise benefits to 100% of earnings for low-wage workers.

Thank you once again for having ACORN here.

● (1545)

The Chair: Thank you very much, Mr. Cameron.

We will turn to Mike Reimer, owner and operator, Churchill Wild.

Mr. Mike Reimer (Owner and Operator, Churchill Wild):
Good afternoon, everybody.

It's Mike here, with Churchill Wild. I'm the owner-operator of a small business based out of Churchill, Manitoba. We're family owned and we're involved in remote, high-end polar bear eco-tourism on the western Hudson Bay coast. This year, 2021, marks our 40th year in tourism in Manitoba, and in 2019, our last full season of pre-pandemic operations, we employed 10 full-time and up to 60 full-time seasonal staff.

Our base of operations is in the remote community of Churchill, Manitoba, which, like us, depends entirely on tourism for revenue. We are considered a bucket list destination for a global clientele eager to encounter Canada's spectacular wildlife, and in particular our fabulous polar bears.

Churchill Wild is part of a greater \$108-billion tourism industry in Canada employing 1.8 million people. We are representative of a typical multi-generational business in Canada that is being devastated by the current travel lockdowns due to COVID. Most of us have had zero income for the past 15 months and likely will not survive many more months of this. Assistance from both federal and provincial governments has been well intentioned but at best has delayed the inevitable bankruptcies that are facing many of us this year, and our experience with that help has been as follows.

Federally, the CEWS program, the Canada emergency wage subsidy, is a helpful program, but for a business such as ours with zero income, it only limits the losses while trying to keep our staff engaged for, hopefully, a future reopening. A wage subsidy is a subsidy against wages paid to staff, so if we qualify at the highest rate, as an example, for every \$100 spent, we get \$75 back. We still end up spending more to lose more.

Last summer we attempted to employ our highly specialized seasonal staff, as it's crucial we don't lose them for the future reopening. That means we took on additional losses. We spent thousands of dollars only to get less back so that we could keep good staff involved to some degree. We created make-work projects and had the most experienced bear guides in the world sanding walls in the hope that we would be able to retain them the following year, an experiment we could ill afford and are very hesitant to repeat this year.

Due to the way CEWS works, if we had no revenue in off-season months—which is typical for us—and happen to sell one of our \$25 cookbooks, this revenue change percentage disqualifies us from CEWS for that time period, so an \$8-million business essentially is disqualified from thousands of dollars of support due to some strange loophole or rule that says that if we sell anything at all, we don't qualify. As a result, we are in fact discouraged from selling the few trinkets we might be able to sell—not that they really affect the big picture.

Regarding the CERS, the rent subsidy, we do have an office just south of Winnipeg and we do use it for that, but all our lodges and facilities are up north and remote and carry horrendous insurance rates with them. Rent subsidies really do nothing for us there.

As for the CEBA, the Canada emergency business account, we use that as well, but again it doesn't help when we don't take in any

money. It's as if I told you to go on living your life, but you won't be paid any more; however, if you need help, I'll give you a loan. It's pretty tough to make loan payments without income.

On HASCAP, we would currently need to change over our banking because local credit unions can't access it, but again it's to get a 4% interest rate loan. Without income, how do you make the payments, especially with interest?

Provincially, we had an opportunity for a bridge grant, which we used, but for an \$8-million revenue business such as ours, a \$15,000 bridge grant is just a nice way to have a barbecue. As an example, the guy we use to run the dog team program for us takes in about \$20,000 annually and qualifies for the same \$15,000 bridge grant as our company.

Beyond the crippling financial losses our industry is enduring, it is also the great unknown that is tearing the guts out of us. After 15 months of no income, we still have no indication of when and if we will ever open our doors again. Every few weeks the rules and regulations change. We sway in the wind, waiting, wondering, spending and losing money.

● (1550)

We are unable to give our staff any assurances of what their lives will look like more than three weeks from today, if we're lucky. We have no opportunity to give them something to plan towards. When will they be able to work, and can we give them any work this summer? Will we incur even greater losses simply to try to keep them employed so that we can actually hang on to them until we get back to work?

Those of us in tourism have ended up feeling rather abandoned by government. We are facing 100% income losses while other businesses appear to be not only surviving, but, oddly, actually thriving in COVID. The glaring disparity is numbingly depressing for us. We listen to reports and we actually see colleagues in other industries experiencing record-breaking profits in housing, construction, real estate, equipment maintenance and road work. Everything else around us seems to be off-the-charts profitable, while tourism is collapsing.

It further makes no sense that businesses with zero revenue and those that are profiting are still utilizing the same programs. Our first choice would be to be allowed to operate—safely, of course—and showcase this wonderful province to our country and the world. If that is taken from us, then at least allow some specialized help for businesses such as ours.

Canadian tourism destinations such as ours showcase Canada to the world. It is imperative that we reignite that excitement in global travellers once again. Canada cannot afford to fall behind in what is a very competitive marketplace. We're seeing even now that some of our long-time tour operators that have brought us guests over the years from around the globe are starting to shift operations to different destinations. As an example, Alaska is opening up this summer. Some of our tour operators are taking their groups to Alaska because they perceive Canada as unwelcoming and an unsafe destination. That will have long-term side effects for us as well .

There's a growing concern that we'll miss the upcoming reopening surge in travellers eager to be on the move again. There's a real urgency out there, I think. There's a sense that once there's some safe way to travel, they will be coming in droves. We need to be part of that.

I'll ask you guys this: If your employer were to ask you to take a pay cut for the greater good of the country, how much would you be able to afford or be willing to take? Would it be 10%, 20% or 50%? We were not asked; we were told. It was a 100% pay cut.

We gamely struggled through 2020 living on hope for the coming promised vaccines that might put all of our lives back to some semblance of normalcy. We entirely understood the need to protect our loved ones from COVID and did not for one minute begrudge the necessary lockdowns while trying to beat back this common enemy, but we are now facing a very real potential of a second year of no income—not a reduced income, but zero—while Canada struggles to get vaccine programs under way. This is simply unacceptable.

We are an enormously valuable industry. We must be allowed to survive so that Canada's world-class tourism destinations will be around to welcome travellers in the coming reopening.

Thank you.

• (1555)

The Chair: Thank you very much, Mr. Reimer.

We do appreciate you calling it as you see it on the ground. We want to hear the facts from your perspective.

We'll turn now to the Frontier Duty Free Association. We have Mr. Bachand, board member and land border duty-free store owner, and Ms. Lee, who is also a board member and store owner.

The floor is yours.

Ms. Tania Lee (Board Member and Land Border Duty Free Store Owner, Frontier Duty Free Association): Thank you, and good afternoon. My name is Tania Lee. I'm an owner-operator of a small land border duty-free store in Sarnia, Ontario. We service travellers crossing into Port Huron, Michigan. With me today is Philippe Bachand, a store owner-operator in Philipsburg, Quebec. He is a fellow member of the FDFA board of directors.

Our Canadian land border association is made up of 33 stores across the Canadian border. Our businesses were effectively shut down over a year ago when the border closed in March 2020. We are an export business that can no longer export. We are the hardest-hit businesses in this country. Unlike other businesses, our

stores cannot pivot to other business models. By regulation, all of our duty-free sales are export sales. We cannot sell online to domestic travellers unless they are physically crossing the border to the U.S.A. We cannot sell our inventory into the Canadian domestic market. Other tourism businesses, such as local B and Bs that have lost their U.S. visitors, can turn to domestic Canadian tourists. Local restaurants can turn to curbside pickup. Duty-free stores have no option but to wait for a fully open border.

We have been very supportive of government actions to protect the health of Canadians, but our industry is now sustaining year-over-year decreases of over 94%. We need help to survive and to recover. We have been able to access some federal programs, such as the wage and rent subsidies. However, due to our unique position on the border, some of these programs do not apply to us.

This is an industry that employs upward of 2,500 people in very small border communities. After a year of very significant losses to our industry, the long-term viability of our industry is at risk. We have two solutions that we ask you to support and to champion.

First, in budget 2021 a \$500-million tourism relief fund was announced. We are asking your support to channel some of this fund into a duty-free relief fund to help us stay alive and to recover, and to allow grants of up to \$200,000 per store, with a total maximum budget allocation of \$6.6 million.

[*Translation*]

Mr. Philippe Bachand (Board Member and Land Border Duty Free Store Owner, Frontier Duty Free Association): Thank you, Ms. Lee.

[*English*]

Secondly, members of the committee, we need an export designation to recover long term.

[*Translation*]

Also important is long-term support. Our internal projections indicate that the industry will need two or three years to fully recover from the current crisis, even if the Canada-United States border reopens in the next few months.

[English]

All products sold at duty-free stores are for export only and are immediately exported to the United States. However, due to an unclear federal designation, the products sold at Canadian duty-free stores are erroneously subject to domestic policies that put the stores at a massive competitive disadvantage with U.S. duty-free stores and retailers, which ultimately results in significant revenue loss here in Canada.

We are asking this committee and the federal government to create special overarching legislation that will allow our stores to come out of this crisis with an export sector designation with all the rights and privileges to facilitate our recovery post-crisis and level the playing field with American counterparts, our only competitors. This small but powerful legislative initiative should have paramountcy and be instructive over other legislation that encumbers our ability to compete as an export market. We have submitted the full plan for duty-free export designation to each committee member and to the committee.

We would like to thank you for your time. We are ready to welcome any questions afterwards.

Thank you.

• (1600)

The Chair: Thank you very much, Mr. Bachand.

We'll turn now to Hebdos Québec. We have Mr. Poisson, general director, and Mr. Chartier, editor and chair of the board.

Mr. Benoît Chartier (Editor, Chair of the Board, Hebdos Québec): Thank you very much, Mr. Easter. We say Hebdos Québec, like weeklies.

[Translation]

Allow me to introduce myself. My name is Benoît Chartier, and I am the chair of the board of directors of Hebdos Québec. Joining me is Sylvain Poisson, the general director of Hebdos Québec.

He will now take over.

Mr. Sylvain Poisson (General Director, Hebdos Québec): Thank you for inviting us.

Established in 1932, Hebdos Québec is a not-for-profit organization that brings together the vast majority of independent publishers of local and regional weekly newspapers around the province. Hebdos Québec represents, defends and promotes the interests of the local and regional press, supporting its development and outreach, while coordinating efforts across the sector.

These weeklies have come through changing times and crises. Their owners, true entrepreneurs, have transformed and reinvented their news media services over the decades, in an industry that is nearly 170 years old. These publishers are proud entrepreneurs, Mr. Chartier among them. He owns five weeklies, including the oldest weekly French newspaper in North America, *Le Courrier de Saint-Hyacinthe*.

[English]

Mrs. Cathay Wagantall (Yorkton—Melville, CPC): Chair, am I the only one not hearing what he's saying?

[Translation]

Mr. Sylvain Poisson: Committed to the principles of equality, freedom and pluralism, weekly newspapers led society, governments, institutions and organizations to foster a more just society. They helped bring about important social change and significant progress in a number of areas, ranging from education and health to culture and the economy. A true bastion of democracy, the local and regional press has a duty to the public and is committed to providing citizens with high-quality news in accordance with journalistic standards. As a source of news, oversight and careful thought, these weekly newspapers are vital to social cohesion.

Already hard hit by the media crisis, which they are struggling to recover from, weekly newspapers are also facing the challenges of the digital transformation. They are missing out on tremendous digital revenues owing to the virtual stranglehold of the Google-Facebook duopoly. The two companies have cornered nearly 80% of the online advertising market in Canada. That is besides the fact that they use and distribute content created by our journalists, without having to pay for the production of that content.

We are advocating for a regulatory regime that is largely modelled on the law recently passed in Australia, because we believe that may be the only way to restore the current market imbalance and ensure the longevity of our news media. We are putting all of our trust in Canada's parliamentarians from all parties, beginning with the Minister of Canadian Heritage. He has understood the magnitude of the problem, and there are encouraging signs that efforts will lead to similar legislation here.

What's more, we are having to face these numerous challenges in the midst of a global pandemic, which is having a devastating impact on local and regional business, community life, working conditions and human resources, and countless other sectors.

Mr. Benoît Chartier: Despite all the obstacles, it is our duty to safeguard our democracy, protect the public's right to information and ensure the survival of our weekly newspapers. Through local and regional news coverage, weekly newspapers reflect their communities, conveying a wealth of actions, events and reactions in every field of human endeavour.

Without these local voices, there is no coverage of regional achievements, municipal news, community organizations or public debate around projects or citizen-led initiatives; no platform for provincial and federal representatives or community figures; and no visibility for cultural organizations, sports groups or business associations.

At the same time, we wish to thank the House of Commons Standing Committee on Finance for inviting us to participate in this forum, as part of its study on COVID-19 spending and programs.

The federal budget delivered by the Minister of Finance nearly two weeks ago contains no new funding specifically for our industry. We are, of course, eagerly awaiting measures to reduce the power of the web giants, as previously mentioned, and we believe the federal government can and must play a vital role in levelling the playing field.

We welcome the introduction of a 3% tax on revenue from digital services that rely on data and content contributed by Canadian users. We are, however, anxious for the details of the \$300 million over two years in pandemic recovery funding for the Department of Canadian Heritage, and we hope the money will support community newspapers trying to find their way out of the crisis. The same is true of the proposed funding to potentially help more than 160,000 businesses cover the costs of the new technologies they need to compete with Facebook, Google and the other web giants.

Lastly, the extension of the Canada emergency wage subsidy to September 25, 2021 is absolutely vital, in our view, although the subsidy rates would gradually be phased out starting on July 4, 2021, under the budget.

In conclusion, we believe that the \$96 million over five years to enhance the competition bureau's enforcement capacity is very much needed. It is important to point out that, in 2018 and 2019, Ottawa spent \$52 million to place ads with Google, Facebook, Twitter and other digital giants. During that same period, the federal government spent \$11.6 million on online advertising with other, mostly Canadian, platforms. In those years alone, the federal government's online ad buys totalled more than \$24 million on Google and nearly \$16.5 million on Facebook. Without spending a cent more, the government could have easily allocated some of that money to regional media, directly contributing to their future.

A 2020 survey by the Centre d'études sur les médias revealed that the number of newspaper titles in our industry went from 200 to 113, as a result of mergers, closures and shifts to semi-monthly or monthly publication. In short, the pandemic has hurt revenues, which have dropped by 30% to 40%, and workforces, which have shrunk by at least 20% since 2016. The recent budget offers up a few lifelines, but we are waiting for the real support to materialize.

• (1605)

[English]

Thank you. Sylvain and I will be available to reply to your questions, especially about the war that we want to fight against Facebook and Google.

The Chair: Thank you very much to you both.

We'll turn to the National Association of Friendship Centres. We have Mr. Sheppard, who is the president, and Ms. Formsma, who is the executive director.

Go ahead, Mr. Sheppard.

Mr. Christopher Sheppard (President, National Association of Friendship Centres): Thank you.

Atheihai, Christopher Sheppard, *uvanga*.

Good afternoon, committee. My name is Christopher Sheppard. I'm the president of the National Association of Friendship Centres. I want to recognize that I am joining you today from Saskatoon, which is Treaty 6 and the homeland of the Métis. I'm joined by Jocelyn Formsma, who is our executive director of the national association. We thank you today for the opportunity to appear before you.

The indigenous population in Canada is young, growing and largely urban-based. Our network is an indigenous self-determined response to the symptoms of urbanization experienced by indigenous people in Canada. Nationally, approximately 61% of all indigenous people are living in urban settings.

Friendship centres are known within urban indigenous communities for creating much-needed support structures that are not available anywhere else. There are extensive culturally relevant supports programs and services, and we create safer and welcoming spaces for indigenous people in urban settings. These services span a range of areas, including health, housing, education, recreation, language, justice, employment, economic development, culture and community wellness. As a result, indigenous people build their socio-economic status and feel a greater connection to the urban indigenous communities that they call home and reside in or visit.

Friendship centres also do outreach and partnership development with the broader public, community organizations, municipalities and governments to foster better understanding of indigenous history and circumstances. This work fosters greater anti-racist understanding and acceptance of indigenous people in urban settings.

How we're presenting our work today is around the budget that was just presented and some of the peripheral COVID-19 pieces that we've seen in the past. We're pleased with some of the commitments made for first nations, Inuit and Métis people; however, the 2021 federal budget falls short with respect to urban indigenous people, communities and organizations.

While we recognize the historic investment in indigenous communities, we believe the federal government missed an opportunity to announce investments specifically for urban indigenous people. The 2021 budget was tabled as the country navigates out of over a year of uncertainty and worry, in which indigenous communities have been disproportionately affected.

The NAFC actively sought a response from the federal government that factors in the unique challenges indigenous people face in urban areas.

This year's budget included the expansion of aboriginal head start, the indigenous community support fund and indigenous early learning, as well as funding for anti-racism initiatives, health navigators and Jordan's principle workers. While we are encouraged to see the investments for indigenous communities and organizations in expanding aboriginal head start, employment and training, and justice, we're disappointed that there were few specific investments for urban indigenous people. As the largest network serving the largest percentage of indigenous people in Canada, we were hoping for some recognition of the importance of this community and their critical work.

The Government of Canada has adopted a distinctions-based approach to its federal policy-making and decision-making. “Distinctions-based” means the three federally recognized indigenous groupings in Canada: first nations, Métis and Inuit. While commendable, and the distinctions-based approach was intended to remedy the previous pan-indigenous, pan-aboriginal or one-size-fits-all approach to indigenous policy-making and decision-making, our experience has been that it also excludes urban-based and two-spirit LGBTQ+ people.

We advocate for urban service delivery. There needs to be an inclusive and balanced approach that also ensures that diversities are recognized and that the diverse needs of urban indigenous community members and 2SLGBTQ+ community members are met.

We welcome the budget's inclusion of the community services recovery fund and the continuation of the indigenous community support fund and the investment readiness program. These funds will be essential to building resilience in our network and among many other indigenous and non-indigenous charitable and non-profit service providers and social enterprises on the front lines of the pandemic and beyond.

The friendship centre movement stands ready to engage and to remain a strong national partner with the federal government to ensure urban indigenous people have access to every benefit for indigenous people announced in the 2021 budget.

While there is no direct mention of friendship centres and little mention of urban indigenous, there are numerous areas outlined in the budget proposals for which funds have been announced.

● (1610)

These include work regarding anti-violence and MMIWG, addressing anti-indigenous racism in health care, indigenous-led health care, children's programming, youth engagement, food security, social finance, access to justice, consultations on the United Nations Declaration on the Rights of Indigenous Peoples, infrastructure, and housing and homelessness. The NAFC will continue its work to ensure that the largest and fastest-growing demographic of indigenous people in Canada, urban indigenous people, will benefit from every opportunity presented in the budget.

We thank you for your time and consideration. As always, we really look forward to your questions.

The Chair: Thank you very much.

Before I go to the last witness, we have authorization to go to about 5:45 or 5:50 Ottawa time, so we can stick with our regular time frame on questions. The first one to raise questions will be Mr. Falk, followed by Ms. Dzerowicz.

We'll turn now to Ottawa Special Events.

Mr. Wood, welcome again. The floor is yours.

● (1615)

Mr. Michael Wood (Partner, Ottawa Special Events): Thank you, Chair. It's nice to see you again. It's nice to see MP Dzerowicz and MP Fraser. I'd also like to thank MP Kelly for asking me to join today to address the federal response to the COVID-19 crisis in small businesses across Canada.

I'm very fortunate that I've met over 35 ministers, MPs and MPPs from across all party lines during a global crisis while hosting round tables with other small business owners who are not sure where to turn.

The last 13 months have been incredibly difficult. My business is down 97% in gross revenue, which corresponds to revenue losses of more than \$3 million. I'm not alone. Many of these small businesses are in sectors that you and your families have supported over the years: the arts, travel, restaurants, hospitality, tourism and more. We're not expected to return to a normal balance for up to five years, yet support is expected to be reduced starting in July.

In March of 2020, I had to lay off my entire staff, some of whom had been with me for more than eight years. I've yet to be able to rehire one of them part time, let alone full time. Not only did they lose their jobs; they also lost their full benefits paid for by a small business.

Although you can empathize with what I'm saying, I think it would be hard for you to understand what so many Canadians continue to endure until you found yourself in this position.

Today, I'm going to discuss five critical issues facing Canadians who own and work for small businesses.

First, small business owners took out loans before COVID-19. These loans have personal guarantees. Minister Freeland's office directed me to Minister Champagne to discuss my idea of no-fault bankruptcy; he has yet to reply to any of my multiple outreaches. I've done the same with Minister Lametti and his parliamentary secretary. Again, I have not heard back.

This should be of utmost importance. Canadians should not lose their businesses, their homes and all of their assets through something they did not create. Stop and imagine for a second that you and your family lost everything through no fault of your own but because of government decisions. How does that thought even make you feel right now?

Second, the Canadian emergency response benefit has been greatly appreciated, but it's not enough. In Ontario, \$450 a week represents almost 20% less than the minimum wage. Small businesses have had to put their lives and livelihoods on hold and are not being fairly compensated for their sacrifice. I live in a simple 1,600-square-foot home. My mortgage, alone with property taxes, is \$1,800 a month. I have been on the program for a year. Again, I did not put myself in this position.

Third, the HASCAP program needs to be reassessed. I met with Jeffrey Valois from the PMO and Zachary Nixon from Minister Ng's office, along with half a dozen other small-business owners, about this. There has to be a contingency for extremely affected sectors. There is a huge discrepancy between a decline of 50% in gross revenue and a decline of 90% or more in gross revenue. Small businesses cannot continue to borrow our way out of this.

Fourth, while the government made changes to the rent program to no longer allow landlords to dictate whether or not they would participate, there are still gaps. For many companies, there is not enough revenue to cover the 35% hole left in rent coverage. The sliding scale it is currently on needs to be reassessed, and we must raise that maximum coverage of 65% to something more meaningful for Canadian small business owners.

It is of the utmost importance to note as well that commercial leases also contain personal guarantees. Tenants across Canada have had their assets confiscated by landlords as they have limited revenues coming in through their doors. The Canadian wage subsidy is expected to be reduced in July. Many industries will not even have a chance to recover or resume any form of normal operations before it is reduced. Right now, small businesses are at risk, while more than 340 Shoppers Drug Mart locations have accessed the program in its full capacity and haven't lost a dime. Many industries can't even fill the 25% gap, which continues to keep employees laid off. According to the Canadian Federation of Independent Business, the CFIB, about 20% of Canadian small business owners are contemplating closing their business, which would equate to 2.4 million jobs at risk across Canada.

- (1620)

To survive this, small business owners need CEBA debt forgiveness as well as HST forgiveness, especially for those who are hardest hit.

I've developed relationships at all levels of government, across all party lines, by providing productive, balanced, non-partisan solutions. The uncertainty caused by delays in program development, the risk of people losing everything they've worked for, and insufficient definite direction have led to a parallel pandemic in our country: a mental health pandemic. Let small business and the government finally work together to develop tangible solutions to not only save Canadian jobs but lives as well.

Thank you so much. I look forward to your questions.

The Chair: Thank you, Mr. Wood, and thank you all for your presentations today.

We'll turn to a six-minute round first. We'll begin with Mr. Falk, followed by Ms. Dzerowicz.

Mr. Ted Falk: Thank you, Mr. Chair.

I want to thank all of the witnesses at committee today. You've had some very interesting and heart-wrenching stories.

Mr. Reimer, I'd like to start with you.

You're a constituent of mine. You live in my riding, but you operate your business in northern Manitoba. For those folks who are not familiar with Churchill Wild, I invite you to Google that sometime,

churchillwild.com. It has a phenomenal website. It will certainly whet your appetite to do some northern Manitoba tour excursions.

You failed to mention in your opening comments that you have built this business from the ground, together with your wife and your family members, and that you bought the business early on from your in-laws, who had started a very small lodge business. Your company employs many indigenous folks from the communities around Churchill, and they provide the necessary support that you need to run your four different lodges in northern Manitoba.

You indicated that you've had zero income for 15 months and that you don't expect any this coming season. How do you keep your business afloat?

The Chair: Mike, before you start, can you raise your mike a little? You're on mute too.

Mr. Mike Reimer: Sorry; how's that?

The Chair: There we go. We're all dandy now.

Mr. Mike Reimer: Thank you.

We are barely surviving, and what we are surviving on is probably similar to many other tourism entities. We're essentially living on money we have borrowed from our clientele. We were quick to retain our deposits that we had collected at the end of 2019, doubting that this would be a quick recovery. At some risk, we took a lot of hard hits on social media. We actually had some lawsuits coming our way, because people demanded their money back when the borders were closed and it was obvious they would not be coming on our trips in 2020. We essentially are living on that money.

We have a small pool of cash reserves remaining in the bank. It's not our money; it's money that we owe to our clients. We owe them the trip that they have reserved, that they will now hopefully be taking in 2022. I shudder to say that word.

That's what's happened. We are living on those funds. When they run out, and they are running out and will run out shortly, we will be out of money. We will still owe our clients that money. We will owe them that trip. That's what's going on.

Unfortunately, what's going to happen is that if we do run out of money, if we do fold, as many businesses will, Canada and the rest of us will all get a very big black eye in tourism in general, worldwide. It's a huge trust issue that's at stake right now.

If global clients perceive Canada as a place where they left their money to be frittered away, so to speak, or lost, they will be very hesitant to commit funds to new trips to Canada in the future. That's what's going to happen. We're going to get severely hammered on social media if our businesses start to fold and we are unable to provide those trips that people have sunk their earnings into.

That's what we're up against. We need to figure out a way to prevent that from happening, because Canada cannot afford to lose that edge.

• (1625)

Mr. Ted Falk: You mentioned in your presentation the various government programs that you've explored, and as fully as you're able to, you've taken advantage of those programs. However, you've also indicated that you actually need revenue, and revenue is what's missing. Your business losses are a direct result of government decisions to curb COVID, which you have indicated you don't begrudge. You recognize the necessity of the decisions made, but they've basically taken away your lifeline. Now you need help.

I was on your website. I notice there's a section on your website about all the philanthropy that your organization has been involved with over the years and how you've given back to community and you've supported the local indigenous people there with good employment. Now it's time for the government to help you. Now it's your turn to get some help.

Are there any particular suggestions you would have that this committee could forward on to government, to the finance minister, that would help businesses such as yours?

Mr. Mike Reimer: Well, there are two. One is perhaps a smaller one. It's in reference to the CEWS program. If we don't have any income and we're paying out to our staff, obviously we're going backwards. If we could reboot that or reshuffle that for businesses such as ours—and there were others mentioned on the panel—and it could be rejigged, so to speak, to offer a 100% wage subsidy for businesses that have 90%-plus revenue losses year after year here, that would certainly be a help, absolutely. Then we could engage with our employees, who are critical to the reopening.

It's actually almost one of our biggest fears: Where will our employees be when we get a chance to start again? We're totally dependent on good staff, as are all of us in business. I don't know the metrics of it, but I would think there's a way to simply rejig this or realign this so that it works for people like us, businesses like ours that are suffering such huge losses.

The other thing would be if there's a potential to expedite a safe reopening of tourism destinations such as ours right now. Is there a way to do that?

Just backing up a bit, there was much-needed priority given to vaccines for exactly our northern communities and our first nations communities, so most of these people have now been vaccinated and essentially are safe, so to speak. If we could ensure rapid-testing points at departures, airports, gateway cities, key travel points along the way, we should be able to safely move visitors along that pipeline into remote communities that have all been vaccinated and essentially provide that service that they are more than willing to pay for and have paid deposits on.

Just briefly, I would like to pass on to Mr. McLeod, who is from the NWT, that I've just recently heard that the Northwest Territories is allowing for remote tourism activities under certain guidelines. I'm not sure if that's correct, but we are hearing that. That would be one way to do it. Give us an opportunity to create some sort of avenue so that visitors can come once again.

Mr. Ted Falk: Thank you. I think I'm out of time.

The Chair: Yes. You're quite a bit over time, but that's fine. It was very good.

Mr. Reimer, thank you for the suggestions there.

We'll turn to Ms. Dzerowicz, who I believe is splitting time with Ms. Koutrakis.

Ms. Julie Dzerowicz (Davenport, Lib.): Thanks so much, Mr. Chair; and thank you to everyone for the very thorough and thoughtful presentations. There was a lot of very important information for us to be hearing today.

I have questions for all of you, but I have less than three minutes to ask.

Mr. Reimer, I'm going to start with you as well.

I hear you. You're right. There's an unevenness in the recovery. We get your point that the support we're providing needs to be targeted, and I think we're very much trying to do that with our programs in terms of eligibility.

As you know, through our budget we're approaching \$1.2 trillion in debt. We know our companies are still struggling across this country, particularly in our tourism sector. I don't think there's any expectation that our federal government is going to swoop in and give every single company everything they need.

Therefore, what's fair? You've provided some ideas, but what is fair in terms of what the government needs to provide more of and what we should be expecting from companies in terms of being able to step up? Is it that within the tourism industry, where people have completely lost all their lifelines, we need to do even more, irrespective of what businesses are able to contribute?

What's fair in terms of government stepping up, versus a company? How would you respond to that?

• (1630)

Mr. Mike Reimer: I think we have always been built by entrepreneurs and people who understand there's no money left in the pot. We get that. We actually don't want it. We want to engage our people, our staff. We want to open and do business. The biggest help would be if government could create what I just mentioned, these unique avenues perhaps—and I don't know how difficult that would be—for visitors to begin coming to Canada again. That would be our greatest gift, our greatest ask. It's to back away a little from this response of locking the doors every time there's another COVID event, and to perhaps rethink this whole strategy and come up with a plan by which we can safely move people back and forth, in and out of Canada, without impacting our general population. I don't know if that's possible or how that would work.

Ms. Julie Dzerowicz: Thanks so much.

I'll ask one more quick question then pass it over to my colleague.

ACORN Canada, I know you're very focused on low-income and middle-class families and Canadians. We have announced in our budget we're increasing the Canada workers benefit quite substantially, investing \$8.9 billion, which is going to top up one million low-income Canadians. Can you tell me whether or not you believe this is going to be supportive of low-income Canadians, particularly the ones you represent?

Mr. Blaine Cameron: Yes. A lot of our members are low-income workers and a lot of them are frontline workers, so anything that benefits or helps them make ends meet is going to be quite beneficial, as they're in a really precarious place where lost income immediately affects their material well-being and their health. If someone is trying to afford their rent and they can't go to work because of the pandemic, as I mentioned in my presentation, they're going to have to start compromising what they buy at the grocery store, and the cheap stuff you can buy is detrimental to your health.

Ms. Julie Dzerowicz: Thank you, Mr. Cameron.

The Chair: Okay.

Annie, you'll be followed by Mr. Ste-Marie. You've got about two minutes, Annie.

Ms. Annie Koutrakis: Thank you, Mr. Chair.

[Translation]

My question is for the Hebdos Québec representatives.

Last year, the government announced the special measures for journalism component of the Canada periodical fund, which is designed to provide short-term emergency financial relief to community newspapers and magazines affected by the COVID-19 crisis.

Have your members accessed funding under that component of the Canada periodical fund? If so, how has it helped them keep their publications going?

Mr. Benoit Chartier: Thank you for your question.

Yes, last summer, weekly newspapers across the country received support from the federal government through the Canada periodical fund to help them cope with the COVID-19 pandemic. There was also a full-page ad and various amounts of funding that were handed out. The assistance was certainly welcome. We have about a hundred weekly newspapers in Quebec, so the support made a difference for us. That said, what we are currently getting from the federal government is somewhat less than what the CAQ government in Quebec is providing. It's actually tough to compare the two, because the Quebec government is a lot more generous with COVID-19 support than the federal government.

As I said in my opening remarks, we are expecting to receive further assistance, given that the newspaper industry is being battered by two storms. Not only has the COVID-19 crisis resulted in a significant drop in revenues, but we are also engaged in an internal war against Google and Facebook, one that is undermining newspapers across the country. Daily and weekly newspapers, big and small, are all affected, ranging from the Globe and Mail and the Toronto Star to Le Courrier de Saint-Hyacinthe. With the American global giants shamelessly and unapologetically stealing royalties and advertising revenue from us, we are all struggling.

• (1635)

[English]

The Chair: Thank you all.

We're turning, then, to Mr. Ste-Marie, followed by Mr. Julian.

You have six minutes, Gabriel.

[Translation]

Mr. Gabriel Ste-Marie (Joliette, BQ): Thank you, Mr. Chair.

Good afternoon.

Thank you to all the witnesses for their participation and opening remarks. We certainly appreciate it.

I, too, have questions for the Hebdos Québec representatives.

As you pointed out, you are simultaneously being battered by two storms, or crises. In the face of competition from Facebook, Google and other web giants, weekly newspapers are suffering. On top of that, their revenues are declining because of the COVID-19 pandemic.

Something you said struck me—the number of newspaper titles has dropped from 200 to just 113 in the past few years. That's almost half. The ones that remain have had to tighten their belts, cutting staff by 20%. Nevertheless, you clearly provide communities with an essential service. Access to high-quality local news is crucial.

You pointed to a number of issues, including the fact that the government buys more ads from web giants than it does from your members' online services. You said the federal government had introduced support measures, but they obviously aren't cutting it.

As far as any new legislation is concerned, you brought up the model adopted by Australia. Can you tell us more about it? What does Ottawa need to do to ensure the continuity of the essential service you provide?

Mr. Benoit Chartier: You're right, Mr. Ste-Marie, the service we provide is essential. Newspapers are a cornerstone of Canadian democracy. Without newspapers, there can be no democracy, no Parliament, no elected representatives, no elections. That is unmistakable—we agree.

The federal government could do two things right away.

First, it could stop outright placing ads on Facebook, Twitter and Google. Millions of dollars in advertising spending are flowing out of Canada to the United States; meanwhile, hardly any advertising dollars are going to Canadian newspapers. The consequences are disastrous. For nearly four or five years, we have been urging the Canadian government to advertise in Canadian newspapers to help uphold democracy. It's a matter not just of newspapers' survival, but also of Canadian democracy. That's the first thing the federal government should do immediately.

Second, it should pass stringent laws to counter the impact of Facebook and Google in Canada. On that count, we are waiting for the Minister of Canadian Heritage, Mr. Guilbeault, to bring forward his bill, which we hope will impose strict conditions and force Facebook and Google to stop undermining Canadian media. We hope the bill will be introduced as soon as possible and receive unanimous support from the members of every party currently represented in the House of Commons, whether it be the Conservative Party, the NDP, the Bloc Québécois or the Liberal Party. Obviously, the bill is desperately needed.

We are calling on the government to model the bill on the Australian law. We would actually like the government to more or less replicate what Australia has done. If the government does impose restrictions on the web giants, it must be ready for them to fight back, because they will not sit idly by—to be sure. They want Canada's advertising dollars and they want to undermine Canadian media. That is their goal.

In a nutshell, Canada should follow in Australia's footsteps. I urge Mr. Guilbeault and the members of every party to look to Australia's law, which will be very effective against Facebook and Google in that country. We hope to see the same in Canada.

● (1640)

Mr. Gabriel Ste-Marie: Thank you, Mr. Chartier. Your answer was crystal clear.

Mr. Poisson, did you have anything to add?

Mr. Sylvain Poisson: Thank you, Mr. Ste-Marie.

I do have one quick thing to add to what Mr. Chartier said. Not only must the government do something, but it must do something right away. It mustn't wait months, let alone a year. The government needs to act now.

We realize that the legislative process can be long and complicated, all the more reason to act as soon as possible. Otherwise, the future of media in this country will be in jeopardy. The government needs to act swiftly.

Thank you.

Mr. Gabriel Ste-Marie: Thank you.

In the budget, the government announced that web giants would finally have to pay royalties, but we don't know when. Are you expecting the government to pass on the money it collects to you, in the form of direct support? After all, the web giants are stealing your content and profiting from it.

Mr. Benoit Chartier: I gather the royalty you're referring to is the 3% tax on digital services. Yes, we are hoping to get a bit of the money from the tax that Facebook, Google and similar digital media services will have to pay. However, what we are most looking forward to, Mr. Ste-Marie, is tough legislation to counter the effects of Facebook and Google. That goes to the heart of the problem. The only way to slay the monster immediately is to aim for the head. Recognizing that is imperative.

We all saw the controversy that broke out in Australia. Facebook had no qualms about removing all links to government websites and major Australian news media from its platform. That shows

how Facebook and Google react when they are backed into a corner.

Mr. Gabriel Ste-Marie: Thank you.

Mr. Chair, do I have time for another question?

[English]

The Chair: You have time for a very short one.

[Translation]

Mr. Gabriel Ste-Marie: Great.

We have less than two months before the summer recess. At the moment, work on Bill C-10, introduced by the Minister of Canadian Heritage to amend the Broadcasting Act, is not very advanced. In addition, the minister wants to propose a bill against hateful content online. And that's not counting the bill on the web giants that he promised you this spring. That's a lot of work to do in less than two months.

Furthermore, we know that an election will be called this summer. Are you concerned that the bill meant to support you will not be introduced until after the election, unfortunately?

Mr. Benoit Chartier: Yes, that's our concern.

We would like to see the priority given to the bill to support the media. In our opinion, it is even more urgent than Bill C-10 and the bill against hateful content online. It is a matter of survival. Not just the weekly newspapers are in trouble; every newspaper in Canada, from the smallest to the largest, is in a state of crisis.

Mr. Sylvain Poisson: It would also be possible to combine the three into one huge bill, but that may well complicate things.

Mr. Benoit Chartier: It would be a mammoth bill.

Mr. Sylvain Poisson: Yes, absolutely.

Thank you.

Mr. Gabriel Ste-Marie: Thank you.

[English]

The Chair: Thank you all.

We're turning to Mr. Julian, followed by Mr. Kelly.

Mr. Peter Julian: Thank you very much, Mr. Chair.

I just want to quickly check with the clerk. My screen is flickering. I don't know if you hear me well. I don't know if the screen is flickering for other members as well.

The Chair: It's flickering a little bit, Peter, but your sound is coming through well.

Mr. Peter Julian: Okay, great.

Thank you very much to all of our witnesses. You bring very important testimony. Hopefully, over the next hour, I'll have a chance to ask you more questions on what you've raised.

I'd like to start with Mr. Cameron and ACORN.

ACORN has endorsed my bill, Bill C-274, to end predatory lending in this country. I'll give you an example, Mr. Cameron, before I ask you to give us back some other examples.

A constituent who borrowed \$700 about nine years ago has paid \$11,000 in interest and still owes the original \$700. These are low-income Canadians who, particularly during a pandemic, are having to go to payday lenders and are being charged absolutely appalling amounts because it's legal to do so. My bill would seek to end the loopholes that allow for interest rates of 500% or 600%.

Can you tell us other examples of low-income Canadians being subject to predatory lending and losing everything because of the extraordinary interest rates that are legally charged?

• (1645)

Mr. Blaine Cameron: Thank you very much for bringing that up.

The story of people getting trapped in these debt cycles is not uncommon. They can't get services through a regular bank and they're forced to turn to these predatory lenders. We used to have postal banking that served low-income communities. That was eliminated.

I know of a member here in Ottawa, from our Vanier chapter. He had gotten trapped in a debt cycle like that of getting another loan to pay off the one he took out before and still needed it to pay his rent. He was unable to find work or the work that he had wasn't enough to cover his expenses. He had family he could turn to, but he had his pride. It was quite a stressful event for him. When family and money get involved, it can really strain relationships. It really puts people in a bind.

Yes, we need to support that bill to end the ability of these lenders to be such predators.

Mr. Peter Julian: Thank you very much for that. I appreciate the support of ACORN and the work that you do right across the country.

Mr. Sheppard and Ms. Formsma, thank you very much for being here today. You raised an important issue about the budget simply forgetting urban indigenous peoples. We've seen, over the past year, \$750 billion given to the banking industry in liquidity supports. The Parliamentary Budget Officer tells us that \$25 billion in tax money every year goes to offshore tax havens, benefiting ultra-rich people and profitable corporations. The absence of a wealth tax means that \$10 billion every year is lost to make investments for all people in this country. There's not even a pandemic profits tax, and the PBO estimates that \$8 billion is the shortfall there. That again would make a huge difference.

How important is it for the government to ensure that resources are available to urban indigenous people here in Canada, and how important is it to have indigenous-led housing? You'll recall the NDP brought forward a motion on that to Parliament. The Liberal government voted against it. How important is it to have indigenous-led housing initiatives in urban centres across Canada?

Ms. Jocelyn Formsma (Executive Director, National Association of Friendship Centres): I think we need to look at the numbers, right? Urban indigenous people, regardless of why they're in the urban settings, are the majority right now, and while we certainly would encourage and support first nations, Métis, Inuit governments and other organizations in being able to support their folks, the reality is that urban indigenous organizations like friendship centres have been doing it for decades. We're on our 50th year na-

tionally, and some of our local friendship centres are on their 60th or almost 70th year. We've done a pretty good job of supporting and advocating for our community members, and those are first nations, Métis and Inuit, regardless of their residency or going back and forth.

We were extremely disappointed. We have a partnership with and support the Canadian Housing and Renewal Association, and their indigenous caucus has developed an excellent for-indigenous, by-indigenous urban indigenous housing strategy, and in the announcements that were made for infrastructure around housing and support for homelessness.... While some of our centres access the Reaching Home program and some of the other housing initiatives, there still is the gap for urban indigenous-owned and operated housing initiatives, and I'll just give this short example.

We have friendship centres that provide housing, and the tenants also have access to the wraparound support services that the housing provides, so it's not just a place to live. You get all of the benefits of the support services and the friendship centre.

We've had people who have lost their jobs. We've had people who have had difficulty feeding their families, and the friendship centre has been able not just to provide food and supply delivery to those tenants, but also has been very understanding and has been working with the tenants who are unable to pay their rent instead of evicting them. Even some of the subsidies that have been available.... Because of the additional support of the friendship centre, it's just a much more supportive way to get people into housing that's wraparound.

• (1650)

The Chair: Okay, we are—

Mr. Peter Julian: How much—just a quick question—money would be required for that initiative?

Ms. Jocelyn Formsma: Off the top of my head, I couldn't tell you. We haven't costed out the plan, but I know the CHRA indigenous caucus has done a lot of work in that area, and a lot of times it's just making sure that the wording of these programs is open enough to ensure that the urban indigenous are included.

The Chair: Okay, we are going to have to move on.

We have Mr. Kelly, followed by Mr. McLeod, for five-minute rounds.

Mr. Pat Kelly (Calgary Rocky Ridge, CPC): Thank you, Wayne.

I'm going to put my first question or opportunity to comment here to Mr. Wood.

As a committee, we have heard some tremendously distressing stories from a variety of individual small businesses, including today at this meeting. Mr. Wood, you commented a bit about what it is to be a small business owner who has to sign personal guarantees on long-term leases. The bank requires personal guarantees any time you borrow money. There are no social supports, and all kinds of things that go along with employment income don't apply to the self-employed. Can you comment on what the small business community is going through now in experiencing these catastrophic collapses in revenue and how this really works with a family whose income is rooted in small business?

Mr. Michael Wood: Thank you very much for your question, Mr. Kelly, and thank you for the invitation today.

With regard to owning a small business, I think a lot of people think that we do it as something that we're passionate about, which is true, but we also do it to make a living. When I heard Mr. Reimer speak today before I did, I felt a little bit of relief from the sense that somebody is in, virtually, the same position I'm in, and neither one of us put ourselves in this position. We put ourselves in the position to employ people in our community, to give back to our community.

Ottawa gets cold. There was one year—for everybody in Ottawa, all the MPs—I was on the Queensway, and I got off at Bronson east. If you've done this before too, you know that there are people who are homeless there and are asking for something. From that, as a small business person, I created something called Keep Ottawa Warm. For three years prior to the pandemic, we brought in 2,500 pieces of winter clothing that we delivered to the shelters firsthand. We didn't go through any other third party. We went straight to the shelters with the clothes. This is why we have a small business.

When I signed up for a small business and started it from the ground up, my intention wasn't to be a millionaire. I am not a millionaire, and 98% of small business owners are not millionaires. We make a living. I have no problem—I have friends watching this right now—and I will tell you that I make \$80,000 a year as a small business owner. I didn't start it to get rich. I started it to be able to provide for myself and my family.

Right now, through no fault of my own, I am personally at risk of losing everything. BDC has personal guarantees on loans. My bank has personal guarantees on loans. My lease with my landlord has a personal guarantee. Yes, I take risks as a small business owner, but I never anticipated that through no fault of my own, I would be in this position.

• (1655)

Mr. Pat Kelly: Thanks.

I just want to bring in a couple of our other witnesses, perhaps either Frontier Duty Free Association or Mr. Reimer—or actually you, Mr. Wood. Maybe I'll get all three of you to quickly comment on what a difference it would or will make if we get to and achieve vaccination rates that will allow you to have your summer seasons. As the opposition, we've been talking since last October about how that the current government is not on pace to allow Canadians to get back and regain a summer season. Your summer seasons are at stake with current vaccination rates.

Do you have any comment on just getting your customers back, as opposed to just having more debt heaped on through support measures?

The Chair: Could we start with Mr. Wood and then Ms. Lee, and then go over to Mr. Reimer?

Mr. Michael Wood: Thank you. I'll be very brief.

It's more than getting vaccinations rolled out; it's getting back consumers' confidence that they can go to live events, can go to restaurants, can take in tourism. I think we need all levels of government to stop pointing fingers at each other, whether it's Ontario or the federal government. We have to get the vaccines rolled out and build consumer confidence so that we can all return to normal life as quickly as possible.

Ms. Tania Lee: My comments are similar to Michael's. We are solely dependent on the border being open. We need vaccines. We need the border to open so that tourism can flow, because we are 100% dependent on a fully opened border. We make all of our money in the summer. It enables us to stay open in the winter months. If we miss a summer, that is going to be critical for our industry.

Mr. Mike Reimer: Yes, it's likewise for us. We are pretty much at the tipping point. It's essentially too late for us. Most of our clientele book 12 to 24 months in advance. We likely won't see any of them this summer. Even if, by some miracle, borders were suddenly opened, we wouldn't see anybody this year.

The Chair: Thank you all.

We'll go on to Mr. McLeod, who will be followed on a short round by Mr. Ste-Marie.

Mr. Michael McLeod (Northwest Territories, Lib.): Thank you, Mr. Chair.

Thank you to everybody for their presentations today, which were very interesting.

I want to start by responding to Mike Reimer from Churchill Wild.

In the Northwest Territories, we are opening up some of the tourism operations under some very strict guidelines. It's not going to cover everybody, but it's going to cover quite a few operators, so there's a lot of excitement about that.

We'd like to see the national parks consider doing the same. We're having some discussions on that front. In the Northwest Territories we are probably going to be at an 85% vaccination rate by the end of June. We have some flexibility. We're putting some very strict conditions on it. We're hoping we're going to save some of the operators, some of their businesses, and get things at least partially running.

My question, though, is to the National Association of Friendship Centres. It's around the comment that Chris made, I think, on distinctions-based funding impacts. I know that the new model of funding national organizations doesn't take in the urban indigenous, but it doesn't take in the northern indigenous either. It is an issue in the Northwest Territories. The reality is, however, that indigenous governments want to see funding flowing directly to them. In the Northwest Territories it doesn't matter which way the money flows, as long as it flows to us in the Northwest Territories. I want to ask how serious that impact is. Will it threaten the operations of the friendship centres on an ongoing basis?

I want to also point out that I am a founding member of the friendship centre in my community. I was so happy to see somebody come knocking on my door to see if I was all right. They wanted to know if I needed anything. They wanted to encourage me to get my vaccine, which I had already done.

Friendship centres do a lot of good work. I'm concerned that this issue of distinctions-based funding may impact the operations.

• (1700)

Ms. Jocelyn Formsma: Chris, do you want to go ahead?

Mr. Christopher Sheppard: I'll take the first portion around how serious it is.

For me, the longer the conversation only happens around distinctions-based approaches, the less Inuit I feel. I don't know how to explain it in any more serious a way than that. I sometimes feel the erosion of my identity in many conversations, when budgets are presented or when programs are designed and we're not included in that conversation. We've done some work to look at...

UNDRIP doesn't say that this is how your self-determination happens as an indigenous person. It doesn't say that these are the structures through which this should happen. They're individualized rights. I should be thought of and looked to or asked for advice regardless of where I live. I think we, and I as an individual, sometimes look at resource distribution and think there is no way that 61% of resources for indigenous Canadians are going to urban people or urban organizations.

We are very practical in our thought process. Indigenous people, regardless of where they live, are not a brand new mentality or reality. Urban migration is the reason we exist and why we're 60, 70 years old as an organization, and our relationship with Canada is extremely long.

Mr. Michael McLeod: While we're talking about a shift on how money has flowed, I want to point to one of the pillars of the friendship centres. Friendship centres run independent of political organizations. That was the beauty. It's what attracted me as an individual to work with the friendship centres, to try to set up an operation in a community that focused on people rather than on whether they're Inuit or Indian or Métis.

If the money is run through one of the national organizations, then you fall under their guidelines or under that umbrella, and it moves away from the intention of friendship centres to run independently, outside political organizations, political bodies. How would that affect the friendship centres?

I could see it in some of the communities, where the chief or the Métis president would then be in charge of the friendship centres and steer money. It would go towards their membership, not necessarily towards the people who need it or the people who come into the community who don't belong to a band or a Métis council or an Inuit organization.

Ms. Jocelyn Formsma: I might just jump in really quickly.

We have some friendship centres that are serving people from about 50 or more first nations, and Inuit and Métis who are outside their homeland, as well as Inuit who either are not beneficiaries of an Inuit land claim agreement or are just living in the south. It's important that we cannot run sustainable, reliable and effective community-driven urban organizations just agreement by agreement, hoping to get something from a first nations, Métis or Inuit government or from multiple first nations, Métis or Inuit governments.

It's really important to recognize that there is a community within the urban setting. In some cities, such as Winnipeg, Toronto, Edmonton and Vancouver, we're three or four generations in. These aren't people who are just coming from the reserve anymore; these aren't just people visiting. These are very well-ingrained communities.

It's really important to ensure that if something is available to an indigenous person somewhere, it should be available to an indigenous person anywhere. Our rights are portable. They are rooted in who we are as people. That's what we're trying to go to. For some organizations, it just makes sense for indigenous peoples across distinctions to come together to provide supports for that community.

• (1705)

The Chair: We are going to have to move on.

I'll just give you where we're at. We have ample time.

We'll go to two and a half minutes with Mr. Ste-Marie and two and a half for Mr. Julian. Then we'll go to Ms. Wagantall, who I believe wants in. It will be a five-minute round each for Ms. Wagantall and Mr. Fragiskatos. Then we'll have room for two more questions after that, if somebody wants to give me a signal when we get there.

Mr. Ste-Marie, you have two and a half minutes.

[Translation]

Mr. Gabriel Ste-Marie: Thank you, Mr. Chair.

My question is for Mr. Bachand.

Among the stimulus measures you are asking for is the reinstatement of the GST visitor rebate program and the federal duty-free export designation.

Can you explain this in more detail, please?

Mr. Philippe Bachand: Thank you very much for your question, Mr. Ste-Marie.

The visitor rebate program was intended for all tourists visiting Canada. For example, American or European tourists who made purchases or booked hotel rooms in Canada could be reimbursed for the federal tax, the GST, that they had paid. We—the Canadian duty-free stores at the U.S. border—provided the tax rebate service right in our stores. It was a very popular program with the Americans.

Unfortunately, this program was abolished in 2007, for reasons that seem somewhat obscure to us. The program was actually working very well. I can tell you that, even 10 years later, Americans were still coming to our stores, receipts in hand, asking for the tax rebate. They had come to Canada 10 years earlier and, after other trips around the world, when they were back in Canada, they came back to our store to get the tax rebate because they remembered our good service. We are the only OECD country that does not refund its federal tax to visitors. It would help all the tourism businesses in Canada, such as hotels. So it's a very important program.

In terms of the export designation, it is important to note that duty-free stores around the world, including those in Canada, must purchase their products directly from the manufacturers. In order for visitors leaving the country to take advantage of this market, the products are absolutely tax free, except in Canada. In Canada, the federal government collects an excise tax on all export tobacco products. For example, an American who comes to Canada and wants to buy a carton of cigarettes before returning home will have to pay an excise tax on Canadian-made cigarettes.

In addition, provincial governments mark up the prices of alcohol through the various liquor boards, such as the SAQ in Quebec and the LCBO in Ontario. We are forced to purchase alcohol from these monopolies, and they, as wholesalers, apply outrageous markup rates that are not in line with the intent of the trade laws.

We are therefore asking for legislation that would govern Canadian duty-free stores, especially border stores. At the very least, we're asking that certain Canadian laws not apply to these stores, so that we can compete with the American duty-free stores that are 200 metres south of us. They sell to those entering Canada products that they have purchased directly from the manufacturers without paying tax, which we cannot do in Canada. For these reasons, we are requesting an export sector designation.

Thank you very much.

Mr. Gabriel Ste-Marie: No, no, thank you.

[English]

The Chair: Thank you. We are a little over time.

Before I go to Mr. Julian, I have a question to the Frontier Duty Free Association.

I met with one of your people the other day. I know your situation now is that your inventory is running past its best-before date. I think I have this right. I was informed that if you now donate, say, chocolates or whatever, it might be with a best-before date. I know

that for good Scotch, there's no best-before date—it's just better—but if you donate that material, you still have to pay the duty. Am I correct on that?

• (1710)

Ms. Tania Lee: With respect to inventory donations, because we are an export market, we cannot donate goods and inventory. We cannot sell to the Canadian domestic market.

I can speak for my store. We have been giving all of our inventory away, free, to our essential truck drivers crossing the border. We've given away hundreds of thousands of dollars' worth of confectionery. I'm currently giving away water, which has an expiration date on it, because our goods are destined only for an export market. We can sell only to people crossing into the U.S.A., so this is an issue. Because of our status, our goods are for export, and we cannot donate them to the domestic market.

The Chair: Do you still have to pay duty on that when you give it away, or not? If you gave it away locally, you would have to.

Ms. Tania Lee: We cannot give it in locally. As for the goods that I've given away in my store, I do not have to pay tax and duty on them because I'm giving them away free to a truck driver crossing into the U.S.

The Chair: Okay. It has to go that way.

[Translation]

Mr. Philippe Bachand: Personally, I applied to give away my chocolates. The border closed in March 2020. Since our season starts in March, we were fully stocked. So I applied to be able to give my chocolates to the health care workers at the hospital near me. I paid 25% duty and taxes on those chocolates so that I could bring them back to Canada and give them away. When you have no income, it is very difficult.

[English]

The Chair: Okay, I thought that was the case.

We will turn to Mr. Julian for two and half minutes, followed by Ms. Wagantall.

[Translation]

Mr. Peter Julian: Thank you very much, Mr. Chair.

My next question is for Mr. Poisson and Mr. Chartier.

Right now, we are seeing unfair competition. The numbers you just gave us are quite shocking. Half of the titles have been eliminated in recent years. Facebook, which pays no taxes, can cancel all the publications, weekly and otherwise, for our communities.

Where will it end? Should the government act in the next six months, as we believe is needed? If we do nothing in the next few years, what will be the results in Quebec and elsewhere in Canada?

Mr. Benoit Chartier: The results will be the same in Quebec and elsewhere in Canada. The issue is national, not provincial.

As mentioned earlier, the government must provide legislation right away. It could introduce a mammoth bill that would encompass Bill C-10, the anti-smear bill, and the bill against Facebook and Google to help Canadian newspapers. Whatever happens, it needs to happen as soon as possible.

In terms of the media, the equivalent of the Australian legislation that was passed this winter needs to be implemented in Canada. I am speaking on behalf of 100 weeklies in Quebec, but I also include all the newspapers associated with News Media Canada, of which *Hebdo Quebec* is a part. It includes all the weeklies and community newspapers across Canada. They are in every riding. All of the members of Parliament here on the Standing Committee on Finance have a special relationship with the newspapers in their ridings: they know the editors and the reporters, and the reporters know the members of Parliament, their press secretaries and political staffers.

Newspapers across Canada are under great strain right now, and the COVID-19 pandemic is not helping.

We cannot wait a few years, or even six months. Legislation must be introduced by the end of this parliamentary session in Ottawa, before the summer recess, so that there is some hope for the summer, and before an election is called. If an election is called, the process will take even longer, because we will have to wait to find out whether there will be a majority or minority government, which ministers will form the new cabinet, and so on. I think the Minister of Canadian Heritage needs to speed up the process and introduce legislation as soon as possible.

• (1715)

[English]

The Chair: Okay. Thank you all.

I hear this election talk. You know when the election is scheduled? It's October 2023. Who wants the election? It's the media. That's all we hear. That's my point of view.

We'll go to Ms. Wagantall, followed by Mr. Fragiskatos.

Mr. Benoit Chartier: All right. We'll write it down tomorrow in our newspaper.

The Chair: That's my view.

Ms. Wagantall, sorry. You have five minutes.

Mrs. Cathay Wagantall: Thank you, Chair. Every committee has its own feel. It's quite interesting.

I would like to ask a couple of questions of Mr. Reimer. I took some notes as you were speaking, and it just reflects so much of what I see and hear in my own riding as well in Saskatchewan.

You cannot live on oxygen for long when that oxygen is not of high quality. You cannot compete with other countries when they're moving forward and you're not. You talked of housing, construction

and roadwork. All of these are areas where they are making profits, and yet tourism, lodging and travel have collapsed. As a business person, I can't help but think that we saw right from the very beginning that there just wasn't the help that was needed in this particular sector.

You talk about operating safely as your very first option, as what you would want to see happen. I struggle with where we are today as a country economically. If you were to go out and purchase a product like a vaccine that was purchased by another country for \$2 and you're finding yourself purchasing it at \$8, clearly that's not a healthy market.

What would it take, do you feel, to be able to operate safely? We're hearing all these words on our news media—24-7 COVID—but I'm not hearing the real things that I need to hear about what is truly needed to be safe in Canada to be able to operate our businesses. We cannot afford another shutdown and we need to get moving. What would you say are the most important things you need to see from this government to be able to open your doors and get back to work?

Mr. Mike Reimer: I think the only way we can expedite that is to establish some sort of rapid testing system that allows travellers to enter the country safely, travel to their destination safely, experience whatever it is they're doing and return down that same pipeline back to their various countries, such as the States, Europe—we get a lot of Europeans—or wherever they're from, thereby not interacting or having contact with members of the general public, who are obviously still quite fearful, and rightly so, of the effects of COVID.

I think that's a very viable option.

Mrs. Cathay Wagantall: Right, and the right rapid testing has not been available. People have had to isolate, possibly because of the COVID virus, for 14 days when that puts them out of work and puts your whole employment group in jeopardy.

Mr. Wood, I missed a lot of this because of Internet issues, but I know that small businesses carry a great deal of weight, not only for the fact that you only take from your business what you need to but also because you employ people who depend on you, and mental health is a huge issue. My own staff in my office, who have their jobs, are in tears over trying to cope with people who know that they're losing the business that they've worked so hard for or because they cannot keep their staff. What kind of experience has that been for you?

Mr. Michael Wood: It has been a difficult experience. What I ended up having to do in Ottawa was hold an info session with provincial minister Prabmeet Sarkaria and provincial minister Tibollo, as well as with the Royal Ottawa Hospital and Ottawa Public Health. We put together an info session for business owners on how to access mental health resources, because for small business owners it's not white and black, day and night, as to how they can access these resources. So many people are struggling right now because of the potential risk of losing everything that I felt, as a member of my community, that I had no choice but to put together this info session in order to help. There are a lot of people struggling, not only in Ottawa and not only in Ontario, but across our great country.

• (1720)

Mrs. Cathay Wagantall: Absolutely. Thank you so much.

Mr. Fast, did you have a question you wanted to ask? I'm more than pleased to share my time.

Hon. Ed Fast: Thank you, Mrs. Wagantall.

Mr. Reimer, I appreciated the fact that what you're asking for in the first place is not money and it's not support; you're asking for the economy to be safely reopened so that your business can go back to doing what it does best, which is create jobs and serve the public.

The government did come up in its budget with a \$500-million tourism fund. When you look at that spread across the country, across the different regional development agencies, that certainly doesn't leave a lot for Manitoba. Then when we look at some of the conditions that have been attached for how that money could be applied, again, I'm not sure it's going to serve your needs.

You have suggested that the government has not provided specific, targeted industry support for your industry. Perhaps you can comment on whether that fund is actually going to achieve what it was intended to achieve, which is to support businesses like yours, which were the first to close and will be the last to reopen.

Mr. Mike Reimer: Thank you for that, Mr. Fast.

I don't see it as really being a solution. I still insist that the only solution that will save us is to let us get back to work, let us re-employ and get our people back on the job and move forward with, as you said, what we do best. We would appreciate extra help, extra money, and extra programs, but in the long term, those are not going to save us. We need our doors open and we need to get back to work.

The Chair: Thank you all.

Before I go to Mr. Fragiskatos, we have time for a round from one more Conservative and one more Liberal. If somebody wants to signal me on that, they can.

Mr. Fragiskatos, go ahead for five minutes.

Mr. Peter Fragiskatos (London North Centre, Lib.): Thank you, Chair.

Thank you to the witnesses. I want to ask Mr. Cameron and Mr. Reimer questions, but rapid tests have come up here in the meeting, and I think that's a good thing. Rapid tests are an important tool in

the tool kit, so to speak, and are recognized as a way forward in some sense. They're not as accurate as PCR tests, certainly, but they need to be looked at more.

The federal government, if we look at the government's own website, makes it clear that close to 41.8 million rapid tests have been sent by the federal government to the various provinces. Unfortunately, only 1.7 million have been used. Something is wrong in the distribution. I'm not quite sure where things are off. The federal government has lived up to its commitment to support provinces in this way, again with almost 42 million rapid tests sent by the government to the various provinces, but not even two million have been used. I think that poses some real questions.

I've said this before at this committee, Chair. Provinces have a difficult responsibility right now. They are squarely in charge of health care, and things are not easy, but something is wrong in the distribution, and I think that needs to be put on record.

Mr. Reimer, your testimony is certainly moving. You've built up your business. I respect that. I am the son of the owner of a small business, although not in the tourism sector. My father was in the restaurant business for decades, and I saw how hard he worked and I respect that he was an entrepreneur.

I want to ask you a few questions. I'm sure you have clients who have come from the U.S. and other countries, but what percentage of your customers are from Canada, and within that, how many fly in from different parts of the country?

• (1725)

Mr. Mike Reimer: Probably about 10% of our clientele are from Canada, while 20% to 30% are from the States, and then the balance are from places like Europe and Asia. Australia also figures pretty heavily in our numbers. We are entirely fly-in, of course. That is one of the things we ran into.

Actually, this year we attempted to do a domestic tour in March, one of our winter adventures, and we finally had found some Canadian clientele who were in our demographics— i.e., who had the financial wherewithal to spend the sort of money it takes to do a trip like ours—only three weeks before the borders closed, and that—

Mr. Peter Fragiskatos: Thank you very much. I don't mean to cut you off. My time is limited, though.

The reason I'm asking is that when I look at a country like Australia, I see that for various reasons the Australians have been able to keep infection rates quite low, and as a result, their economy is more open.

Now, we do see in Canada that vaccines administered are moving apace in impressive ways. We're second in the G20 on a regular basis, or perhaps third today. It fluctuates between second and third, second and third on a daily basis in the G7, and by the end of June it's quite likely that we will see the vast majority of Canadians, all those Canadians who want a vaccine, being given at least one dose, and that will provide plenty of protection, a great deal of protection.

Of course, by the end of the summer, all Canadians who want to be fully vaccinated will be fully vaccinated. Deliveries continue. We see two million doses arriving this week.

With all that in mind, when you look at what the Australians have done to boost their tourism sector, you see that the government recently provided 800,000 airline tickets at half price, and the result is that we already see Australian citizens taking advantage and trying to buy tickets to go to various destinations. I know you're saying 10% of your customer base is domestic, but still, is an outside-the-box approach like that something that could be considered to help tourist-based businesses such as yours?

Mr. Mike Reimer: Yes, definitely, that would be a two-prong relief or help, not only for us but also for our airlines, the local airlines that serve our industry and bring that clientele north—in our case, north of Winnipeg—up into remote communities.

They operate on a very tight budget as well, and of course their expenses are horrendously high compared to east-west routes. They would be able to fly more people to us at a reduced rate, which would certainly open the pipeline further for us.

Mr. Peter Fragiskatos: I'm thinking long term here, and that is useful.

I will have to come back to Mr. Cameron at another time.

The Chair: We're out of time. I'm not sure we'll go back to the first of the rotation.

Ted, do you have a couple of questions here, or Pat Kelly?

Mr. Ted Falk: Yes. Thanks again, Mr. Chair.

Mr. Reimer, my office was recently in touch with Senator Tina Smith's office. We're dealing with an issue with the Northwest Angle.

They informed us that Canada is on a do-not-travel list. We're in the company of countries such as Iran, Iraq and Afghanistan. Whereas countries such as China are a level 3, we are a level 4. That has to impact your business. Other countries around the world, globally, see us as not a safe destination.

We hear the opposite in the media. We hear how terrible things are south of the border, but in reality, when they look at us, they find us to be in a very troubling situation when it comes to our response to the pandemic and how we've dealt with it. We know that lockdowns and restrictions don't come.

Recently our House debated a motion calling on the government to produce a data-driven plan for reopening the economy. In the recent budget that was presented, the Liberals say they have a plan for the safe reopening of our borders, but they don't provide any details. There aren't any schedules in there, or benchmarks or markers, or as our chair likes to call it, there are no "hard stops" as to when this economy will reopen or what the things are that need to happen.

How important to you is a plan that has transparency so that you know when you can restart your business?

• (1730)

Mr. Mike Reimer: It is absolutely critical to have that plan. As I've said before, we tried to do something in March. Just before opening, we were told that the Manitoba border was closed. We can't bring anything to our staff as far as a plan goes. One day it's this and one day it's that. We hear "yes", "maybe", "no", "partly", "almost". We have nothing to go on, nothing solid that we can plan our business recovery on and use to provide some help and stability to our staff.

Mr. Ted Falk: I think, too, it's important that the government establish some very important benchmarks like vaccination, penetration, infection rates, hospitalization rates and ICU occupancy. What are going to be the benchmarks to open our economy?

I'm asking that from my provincial counterparts, but I'm also asking that from the federal government. Give us a plan. Give us some real hard stops, some real benchmarks we can use to plan our businesses and kick-start the economy, businesses like yours that need to plan well in advance and need to maintain employees.

Thanks, Mr. Chair.

The Chair: We'll move on. The last questions will go to Ms. Dzerowicz, and then we'll have to close off.

Ms. Julie Dzerowicz: Thank you so much, Mr. Chair.

How many minutes do I have?

The Chair: You have five.

Ms. Julie Dzerowicz: Perfect.

Thank you for that, and thanks to everyone for this really great conversation on a multitude of issues.

I will start off with ACORN Canada.

One of the things in my great riding of Davenport, which is a downtown west Toronto community and a very working-class community, is they put these little signs on their lawns and they've been asking me for years, "Julie, when is the federal government going to increase the minimum wage to \$15?" They've been very much lobbying for it. I know that they've been delighted to see that it's been introduced into budget 2021. Can you talk to how our announced \$15 federal minimum wage can help low-income Canadians?

Mr. Blaine Cameron: That's going to be of great benefit to them. It means that they can afford to eat better, to live better, to provide for their families. You kind of cut out there, so I didn't get what was introduced federally.

Ms. Julie Dzerowicz: I just talked about what we introduced, which was the \$15 minimum wage in our federal budget, and I wanted to get your thoughts about how you think it's going to be helpful to low-income Canadians.

Mr. Blaine Cameron: I'm not versed on the subject in terms of who exactly will benefit from that, since it's federal and not provincial legislation. I would have to refer you to our head office to answer that particular question. I apologize.

Ms. Julie Dzerowicz: That's okay, Mr. Cameron.

Mr. Blaine Cameron: I think if they're setting that standard federally, it definitely puts pressure on the provincial governments to follow suit.

Ms. Julie Dzerowicz: That's great.

Mr. Cameron, it's interesting, because I was going to say exactly that. I think it's beyond just that people were happy that the federal minimum wage has gone to \$15; there's also the example that it's going to set for the provinces, and I think that was just as important for my residents as well.

The other thing is that there's a lot of changeover happening in my riding, where 43% of the population were born in another country. As they're getting older, they're moving out, moving back with their families. We have a lot of young families who have moved in. As part of our budget, we have introduced a national child care program. We call it the early learning and child care plan. Can you talk about how a program like this serves to help low-income Canadians like single mothers, new Canadians and young families?

• (1735)

Mr. Blaine Cameron: It's hard for a family to sustain itself on a single income, especially for low-wage earners, and having child care that's affordable and regularly available is going to help them get to work and not have to pay out large sums for child care at exorbitant rates. They will have to rely less on family and neighbours. That's going to really help their situation.

Ms. Julie Dzerowicz: Thank you very much.

The other question I have is perhaps for Mr. Wood or Mr. Reimer, or anyone who wants to respond.

One of the things that we've been hearing for the last few months as we've been doing this COVID study is that there's been a big push for the federal government to invest in a Destination Canada type of program, and we have invested \$100 million in our budget to get Canadians travelling across the country to events and using tour operations like the one that you run, Mr. Reimer. Can you talk to the benefit of that program? Will that be helpful in terms of helping to restart your respective businesses, or your respective industries? Who would like to respond to that?

The Chair: Go ahead, Mr. Reimer.

Mr. Mike Reimer: I will, just quickly.

Yes, it would definitely be a huge benefit. Destination Canada has always been a strong supporter of our product and our particular tourism entities. Yes, we would like to see more of that, and we're very grateful for what Destination Canada is able to bring to us, and to see renewed Canadian interest in us is definitely huge for us.

Ms. Julie Dzerowicz: Thank you.

The Chair: Okay. We will have to just about end it there.

I do have one question, and I guess it's for Mr. Reimer. Several things have to happen, but number one, how do we get over the fear factor that's been established in Canada by governments at all lev-

els and even by us as politicians in terms of the political stands that end up happening due to politics?

I'll give you an example. I co-chair what's called the Canada-United States Inter-Parliamentary Group. A congressman for New York and I are co-chairs. In terms of the U.S. side, about a month and a half ago we each put out a request and put a little pressure on our governments to lay out a plan on how that U.S. border would open. Basically, all we're saying is that there need to be criteria laid out on what would have to happen. They could change as time went on, given certain circumstances, but the criteria would have to be laid out for the conditions under which the border would open.

I did warn my staff here that they could expect the phones to light up the next morning and that people were going to be giving me hell. Well, they sure did. They really did light up. I did get some calls saying that, yes, that was the right way to go, but what it really showed me is that there is a fear factor out there that in itself is going to make it difficult for political decision-makers to open up the economy in the way that it should be opened up.

Do you have any suggestions on how we start to dampen that down? I know that we had to encourage people to stay home as part of this, but now our situation is that we have to dampen down that fear factor so that we can get the border with the U.S. opened and other borders opened. Do you have any ideas?

I guess it's up to you, Mr. Reimer, but I can tell you that my phone lit up.

Mr. Mike Reimer: Actually, I think there's a very quick solution to this, Wayne, and that is to essentially force people back to work. Turn off the tap from Ottawa. Turn off the deluge, the tsunami of money that is pouring into people's pockets across this country. As my buddy says, man is first and foremost an economic being. If you take away his pocketful of money coming into his bank account, he will suddenly wake up and decide that it's time to get back to work.

It's time to open borders and it's time to get back to what this country has been noted for doing, not just printing money and essentially giving people the opportunity to not have to get their heads up out of the sand and get going again. I think that's essentially what needs to happen. That would really turn this around. Turn off the tap.

• (1740)

The Chair: Okay. We're hearing a lot of different viewpoints, that's for sure. The panel today was wide-ranging right across the board; there's no question about that.

On behalf of the committee, I thank each and every witness for your presentations and for answering our questions. We wish everybody much success as we continue to go down this road and hopefully get things turned around in a safe and beneficial way.

With that, thank you again.

The meeting is adjourned.

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