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Chair: Mr. Sean Casey

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• (1540)

[English]

The Chair (Mr. Sean Casey (Charlottetown, Lib.)): I call this meeting to order.

Welcome to meeting number 23 of the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities.

Today's meeting is taking place in a hybrid format, pursuant to the House order of January 25, 2021.

Pursuant to Standing Order 81(5), the committee will commence consideration of the subject matter of supplementary estimates (C), 2020-21: vote 1c under Canada Mortgage and Housing Corporation and votes 1c, 5c, 10c and 15c under the Department of Employment and Social Development, referred to the committee on Tuesday, February 16, 2021.

Pursuant to Standing Order 81(4), the committee will resume consideration of the main estimates 2021-22: vote 1 under Canada Mortgage and Housing Corporation, votes 1 and 5 under Canadian Accessibility Standards Development Organization, vote 1 under Canadian Centre for Occupational Health and Safety, and votes 1 and 5 under Department of Employment and Social Development, referred to the committee on Thursday, February 25, 2021.

I'd like to welcome our witnesses to begin our discussion with five minutes of opening remarks.

Mr. Brad Vis (Mission—Matsqui—Fraser Canyon, CPC): I have a point of order, Mr. Chair.

The Chair: Go ahead.

Mr. Brad Vis: Before we begin, I want to outline how thoughtful your words were on behalf of the entire committee in the House of Commons when you tabled our earlier votes on estimates. I wanted to acknowledge that in front of everyone. Kudos to you, sir.

The Chair: That was an excellent point of order.

I would like to welcome our witnesses to begin our discussion with five minutes of opening remarks, followed by questions.

We're very pleased to have with us here today the Honourable Deb Schulte, the Minister of Seniors; and from the Department of Employment and Social Development, Annette Gibbons, associate deputy minister; Mark Perlman, chief financial officer and senior assistant deputy minister; Alexis Conrad, senior assistant deputy minister, income security and social development branch; Cliff Groen, senior assistant deputy minister, benefits and integrated ser-

vices branch, Service Canada; and Stephanie Hébert, assistant deputy minister, program operations branch, Service Canada.

With that, Minister Schulte, welcome to the committee. The floor is all yours for your opening remarks. You have five minutes.

Hon. Deb Schulte (Minister of Seniors): Thank you very much, Chair. I really appreciate that.

What a very civilized committee to be starting off in such a kind way to each other. That's very nice.

I also noticed that you introduced the panel with me, the team with me here today, so I won't go through that in my introductory remarks.

[Translation]

Thank you for inviting me.

[English]

As Canada's Minister of Seniors, I am truly pleased to speak to the 2020-21 supplementary estimates (C) and the 2021-22 main estimates for Employment and Social Development Canada.

As you already mentioned, it's really a pleasure to be here with the team supporting me and my new associate deputy minister, Annette Gibbons, and of course you mentioned the chief financial officer, Mark Perlman, and Alexis Conrad, Cliff Groen and Stephanie Hébert.

Canadians have been dealing with the incredible challenges of the pandemic for over a year now. With millions of additional doses bound for Canada, vaccine efforts are continuing to ramp up across the country. The other side of the crisis is in sight, and I want to reassure the committee that looking out for seniors and vulnerable Canadians will remain a top priority for our government.

The supplementary estimates (C) for 2020-21 request an additional \$225 million in voted authorities, offset by a decrease of \$708 million in statutory authorities.

The main estimates for 2021-22 represent a total of \$82.4 billion. This is a net increase of \$13.8 billion, which is approximately 20%, over the 2020-21 main estimates of \$68.6 billion.

This is primarily due to the three temporary recovery benefits our government delivered to millions of Canadians to protect their financial safety as their employment was affected by COVID-19.

Another factor is foreseeable increases in statutory items, such as old age security pension and guaranteed income supplement payments, that resulted from an expected increased number of beneficiaries due to the aging population.

• (1545)

[*Translation*]

The pandemic is hard on seniors.

[*English*]

Protecting seniors' health and maintaining their quality of life by keeping them connected to loved ones and their communities are key priorities shared by our government and Canadian families from coast to coast to coast. As elderly Canadians are most at risk for the virus, they stayed home to stay safe. The pandemic has forced them to take prolonged pauses from precious visits with loved ones, and this has resulted in loneliness and social isolation, which undermines their health. Seniors who are socially isolated tend to use more medication, fall more often and enter residential care sooner.

As part of the main estimates, the department is requesting \$63 million in total funding for the new horizons for seniors program, an initiative that helps older Canadians maintain vital social ties to their communities. New horizons is more important now than ever before, as seniors face increased isolation while staying safe at home.

In 2020, the program funded over 2,000 community projects, helping to improve the lives of seniors across the country. New horizons brought seniors projects like fitness classes streamed on-line instead of being held in person; provided tablets and instruction on how to use them, enabling seniors to view church services and have virtual access to community events and their family activities; and supported services for seniors with special needs or disabilities to help them live independently. We also purchased personal protective equipment to provide safe services to seniors through new horizons for seniors.

Seniors deserve to be safe and respected, and to live in dignity. Our government remains committed to increasing old age security by 10% once a senior turns 75.

We will also work alongside the provinces and territories to set national standards for long-term care, and we'll continue to take action to help seniors age in their homes.

I'll be working with the Minister of Justice to establish new offences and penalties in the Criminal Code related to elder abuse and neglect.

The government will be accelerating the process of developing a national universal pharmacare program.

[*Translation*]

I thank you for giving me this opportunity.

[*English*]

There is no doubt that the financial resources requested today will enable us to continue our work to create a better future for seniors.

I'd be pleased to answer any questions.

[*Translation*]

Thank you.

[*English*]

The Chair: Thank you very much, Minister.

We're now going to commence with questions, beginning with the Conservatives and Mrs. Falk, please, for six minutes.

Mrs. Rosemarie Falk (Battlefords—Lloydminster, CPC): Thank you, Mr. Chair.

Thank you, Minister, for making yourself available to our committee.

I just wanted to make a note off the top. I noticed in your remarks the items that your government remains committed to doing, or is going to do in the future. I just want to note, from the last time you were at this committee, that I haven't seen much progress on these items. I think that would even be from the time of the fall economic statement, which is a little discouraging for me and I think seniors across Canada.

First, no doubt we've had this conversation before at committee on personal support workers, care workers. We know that they provide critical care and support for our seniors, and we know it's not an easy job. It's mentally, physically and emotionally taxing on each of them.

We know that this pandemic has underscored the workforce shortage of skilled personal support workers, and in looking to address the workforce shortage, we cannot lose sight of the skills that are needed to deliver quality care to our seniors. We do know, with an aging population and seniors' needs growing and becoming increasingly complex, that the need for PSWs with the right skill set and training is only going to grow.

Therefore, the professionalization of these workers would improve the standard of care for our seniors, among other benefits, and this is a priority for support workers. I know it has come up in my conversations quite regularly with the Canadian Support Workers Association. When Minister Qualtrough was at our committee the previous week, she had indicated that you were in conversations with the sector to create standardized credentials.

I'm just wondering if you can clarify if discussions to standardize personal support worker credentials are ongoing, and if it is the intent to develop nationally recognized credentials.

• (1550)

Hon. Deb Schulte: Thank you very much for your question and for your interest in a very important issue, which is personal support workers.

As we have seen in long-term care, the lack of workers was a serious issue that caused challenges in that sector. It's also an issue in our home care. We obviously want to support seniors wherever they live: at home, long-term care, or other facilities. Personal support workers are extremely important to do that.

As you know, in the early days of the pandemic we provided \$3 billion to the provinces and territories to help improve the funding and the pay of essential workers, including personal support workers. That, I understand from my colleagues and through conversations, was very helpful in helping them to keep and attract people in those roles. However, it hasn't been enough.

We have been supporting the long-term care sector with our Red Cross helping to train and get people into those facilities to help when they're in crisis. More importantly, we need more.

That is why Minister Qualtrough has been working diligently with the sector to develop an intern training program. We are going to support the creation of 4,000 interns whom we can rapidly train through online training and then place them in long-term care facilities so they can get in there and help.

Mrs. Rosemarie Falk: I think this was the program we had discussed previously, when you were at committee.

Hon. Deb Schulte: It was.

Mrs. Rosemarie Falk: I'm wondering if there are current conversations and discussions happening to standardize personal support workers across Canada. That's specifically what I'm interested in.

Hon. Deb Schulte: My understanding is that conversations have been undertaken with the department, and also with my colleague in that sector. The training is supposed to be starting this spring with—

Mrs. Rosemarie Falk: But that's training for the interns.

Hon. Deb Schulte: Interns.

Mrs. Rosemarie Falk: Right, but I'm talking about standardization of the profession. It is something that the Canadian Support Workers Association has been asking for and saying that would help with delivering a standard of care, if there was a standardization.

To talk about that, does the government, with the development of national standards for long-term care, see the need for professionalization of PSWs? Is that being talked about at the table?

Hon. Deb Schulte: What I am quite aware of is that we do not value our personal support workers adequately enough to pay them enough and provide the supports that they need to see this as a profession and get the benefits that they need.

Mrs. Rosemarie Falk: Standardization is something that would help with that.

Hon. Deb Schulte: There's no question that we're looking for all of the ways that we can help support the sector in providing support to PSWs and keeping them in this profession. Obviously, if we don't provide incentives with adequate pay and benefits then people won't stay in this profession. They need to be treated properly for the work they're doing.

Mrs. Rosemarie Falk: Absolutely. I hope that's something that the government is talking about with their provincial and stakeholder counterparts. It is something that will help the quality of care delivery in long-term care facilities.

Thank you, Minister.

The Chair: Thank you, Mrs. Falk.

Thank you, Minister.

Next, we're going to go to Mr. Long, please, for six minutes.

• (1555)

Mr. Wayne Long (Saint John—Rothesay, Lib.): Thank you, Chair.

Good afternoon to my colleagues.

Thank you, Minister Schulte, for coming before us again.

I will say, as I said to Minister Qualtrough, Minister Hussen and Minister Tassi, that the committee really appreciates your openness and availability to this committee. It's very meaningful and evident. Thanks for the work you're doing on the file.

I do have some questions for you, Minister. We'll start with old age security.

There have been some who have conflated the special financial supports provided during the pandemic, which were significant, with the regular quarterly indexation of the program. Can you help put this in context so that people at home know what exactly has been done and what extraordinary measures we have taken to maintain the economic well-being of families and seniors, in particular?

Hon. Deb Schulte: Thank you very much for that question. It gives me the opportunity to share that 6.7 million Canadians received the one-time payment for seniors as part of our government's commitment to support seniors during the pandemic.

Seniors who were eligible for OAS received \$300, and those who were eligible for the guaranteed income supplement received an additional \$200. That meant, if you include that with the GST top-up, that a low-income couple would have received over \$1,500 of tax-free support to help them through additional pandemic costs.

I just want you to know that the department was working to make sure that all those who were eligible as of June 2020 would have received this one-time payment. They were continuing to work on applications that came through between that time and September to make sure that anybody who was eligible received the payment. It was a tremendous support for seniors during a challenging time.

That was just one piece of the support that we are providing for seniors. The other aspect was to make sure that they had the community supports in place, because sometimes it wasn't about money; it was about getting the help they needed. If they were stuck in their home, they needed services and supports to be able to get around. That's why we provided an additional \$20 million to the new horizons for seniors program. We provided an ability for organizations to pivot their programs to help seniors in a different way than what they had proposed in the prior year's application [*Technical difficulty—Editor*].

Mr. Wayne Long: Minister, I don't know if you can hear me, but we just lost your last sentence. Maybe you can jiggle your computer and go back a couple of sentences, hopefully.

Hon. Deb Schulte: I was just talking about the additional millions that we gave to community organizations to help support seniors.

That was \$350 million in total, if you looked at the money we provided to food banks, emergency community support, United Way and new horizons. A tremendous amount of support went out. I really have to applaud all the organizations that stepped up to provide these vital services to support seniors while they were staying safe at home.

This is the important work that we were doing to support seniors beyond the financial support, but there is also an element that was being conflated. That was the indexation of pensions that we do here in Canada [*Technical difficulty—Editor*].

Mr. Wayne Long: Minister, I'm sorry. We lost you again.

Hon. Deb Schulte: I'm sorry about the interruptions. I'll keep going.

One thing that was being conflated was the cost of living increases that were applied to pensions, which is what we do in Canada. That makes sure that seniors keep up with cost of living increases.

These increases are applied four times in the year. Sometimes there are complaints about it being a small amount. We felt it was more important, rather than waiting once a year to give a larger amount, that we give it to seniors as they needed it to address the cost of living they may be facing. Another important element is that once it's applied, it cannot be removed. If the cost of living goes down, that does not get removed from their pensions.

It's an important program and an important aspect of how we support seniors.

• (1600)

Mr. Wayne Long: Thank you, Minister.

Chair, how much time do I have left?

The Chair: You have a little over a minute. We added some time for those interruptions.

Mr. Wayne Long: Thank you very much.

Minister, I'm going to skip over one and go to my last question here.

I love the projects that have happened in my riding. Each year, projects for seniors get launched, like the new horizons for seniors

program. I've been very excited each year to work for the vibrant organizations in my riding to deliver for seniors. I know two in particular. Saint John regional library had a project where seniors could go in and basically participate in writing a book with their stories. Another organization applied for a greenhouse where seniors could go in, have fellowship, plant and do things like that.

For all the existing or soon-to-be project organizers listening, if someone wanted to serve seniors and step up in your community or my community, what would you recommend? What examples can you point to of viable models for community projects that could help seniors?

Hon. Deb Schulte: Oh, my goodness.

The Chair: Please be brief, if you can, Minister. He wants a big long list, but we need a short one to stay within time.

Hon. Deb Schulte: There's a very long list, and I think it would be good for us to get connected to share that list so that you can share it with the groups in your communities that are interested.

I have been inspired by the creativity of organizations across the country that have stepped up. About 2,000 projects were launched last year as a result of the additional funding that we provided to the new horizons for seniors program.

Mr. Wayne Long: Wow.

Hon. Deb Schulte: They are inspiring stories. They make a world of difference.

I have heard some very touching stories of seniors who had never been connected before because they were afraid of the Internet. They got a free tablet and free Internet, and they are now able to Skype with their loved ones in other parts of the world. They not only connect with programs in their own communities, but connect with family members around the world. During this time, that has been a lifeline for them. They feel part of the world and still part of their families. Even though they can't have their grandkids over and hug them, they can still be part of their lives and watch them sing and dance. They can be engaged. It's lovely.

Mr. Wayne Long: It's a life-changing program for many seniors.

Thank you, Minister, for your time.

Hon. Deb Schulte: Thank you.

The Chair: Thank you, Mr. Long.

[*Translation*]

Ms. Chabot, you have six minutes.

Ms. Louise Chabot (Thérèse-De Blainville, BQ): Thank you, Mr. Chair.

Good afternoon, Madam Minister. Thank you for being with us.

My questions will be related to old age security. For some time now, in your reports, you have been praising the one-time payment your government made to seniors receiving old age security and the guaranteed income supplement. I dare say that if the Bloc Québécois hadn't been there during the crisis, even that payment wouldn't have been possible.

You said that your government remains committed to increasing old age security by 10% for seniors over 75. It was one of your election promises in 2019. Why haven't you done it yet?

[*English*]

Hon. Deb Schulte: Thank you very much for that important question. I've already answered it somewhat in a previous question, but we were focused on supporting seniors during the pandemic. This wasn't just about the financial support that we provided, which was significant: \$300 for those on OAS and an additional \$200 for those on the guaranteed income supplement. We can add that to the GST credit they got. Both of those were tax-free. If you add them together, a low-income couple would have received over \$1,500 tax-free, and they didn't have to apply for it.

[*Translation*]

Ms. Louise Chabot: I wanted to know why you haven't yet increased old age security permanently.

I'll ask another question, then: Why was the age set at 75 instead of 65, as the Bloc Québécois is calling for?

[*English*]

Hon. Deb Schulte: It is important to look at how seniors are aging and the impacts they're facing as they age. We know that they're more likely, as they age, to outlive their savings, to have disabilities, to be unable to work and to be widowed, and all the while their health care costs will rise. That is why we reaffirmed our commitment to increasing old age security by 10% for seniors aged 75 and older. It will bolster the financial security of over three million seniors and lift 25,000 seniors out of poverty. Two-thirds of them are women.

We know that seniors built our country, and they deserve to live a retirement of dignity and security. That is why we're focusing on seniors who have more needs, namely those who are 75 and over.

• (1605)

[*Translation*]

Ms. Louise Chabot: The pension plan is a universal plan that begins at age 65, for both the Canada and Quebec pension plans. More than 50% of Canadians have only this income as their old age pension. So we believe that there should be no discrimination and that you should commit to making that increase at age 65.

Another question I have is about national standards. I must admit that you regularly lose us by insisting on national standards. Earlier, we even talked about training our support workers. This is completely under provincial jurisdiction, and in Quebec, the workers have diplomas and qualifications. I don't understand the federal government's insistence on imposing national standards in our long-term care and nursing homes, or CHSLDs, unless it is desperate to take that power and then impose conditions on how the provinces spend on health. Wouldn't it be better to support the re-

peated demands of the provinces, the premiers and the territories and increase health transfers to 35%?

[*English*]

Hon. Deb Schulte: Thank you very much for that question.

As we heard in the House today during question period, the Government of Canada has been sending billions of dollars to provinces and territories during the pandemic to bolster the health care system. We support provinces by procuring and providing PPE, wage subsidies for low-income and essential workers and providing vaccines for free. We are at this point in time sending billions of dollars to the provinces and territories so they can help bolster their health care systems.

We are in a pandemic—we are still in a pandemic—and we've been supporting the pandemic response. That's where the focus has been. You've heard the Prime Minister say that those conversations on health transfers are to come, but right now it's the pandemic response that we're focusing on.

We have been sending billions of dollars to provinces and territories. It's not just money; we've also been supporting them with personnel. It wasn't just Quebec and Ontario that needed to call in the military to help when our long-term care facilities were in distress and facing crises. We've also been there to support those organizations with our Red Cross. Now we are funding an organization that is helping them with infection prevention and protection through a long-term care plus initiative.

We are working with the Province of Quebec and we are supporting the Province of Quebec. That's why we did not support the motion today that the NDP brought forward. We don't believe that you can do a long-term care review and bring in national standards without having the co-operation of the provinces and territories. That's why we'll be working with them to bring in national standards.

The Chair: Thank you, Minister.

[*Translation*]

Thank you, Ms. Chabot.

[*English*]

Next will be Ms. Gazan, please, for six minutes.

Ms. Leah Gazan (Winnipeg Centre, NDP): Thank you so much, Chair.

Thank you, Minister, for being with us today.

Canada lost over 22,000 people as a result of the pandemic. Almost 16,000 of those Canadians who lost their lives were seniors. We know that many more seniors experienced hospitalization and severe symptoms. Clearly the pandemic has demonstrated how seniors in our society are treated as disposable, particularly relating to long-term care, where we saw the worst of the worst conditions for seniors.

I know your government voted against our motion today to put in national standards for long-term care, and you just responded to my colleague.... If you look historically at Canada's universal health care, that's a prime example of where the federal government worked with the provinces in the area of their jurisdiction to ensure universal access to world-class health care. Given the conditions, knowing that seniors' safety and their ability to live in dignity are at risk by being forced to continue to reside in for-profit long-term care, it certainly speaks to the need for change.

Your government voted against it, but don't you believe that principles of long-term care should be the same as universal health care: to ensure seniors are safe and can live in dignity?

• (1610)

Hon. Deb Schulte: Thank you very much for the question.

The tragedy that we saw in long-term care through the pandemic, both in the first wave and then again in the second wave, really points to the need for an improvement in the care of our seniors, especially in long-term care. This is why we have reconfirmed that we are moving forward on long-term care national standards. However, we'll be working with the provinces and territories to do that, because it is their jurisdiction.

As I mentioned before, we have not just been standing by; we have been investing in long-term care. There was \$740 million that was provided to the provinces and territories to bring in control and prevent infections. That included long-term care. We announced \$1 billion, as you know, in the fall economic statement, to create a safe long-term care fund. We've also funded the long-term care plus initiative.

Ms. Leah Gazan: Yes. Unfortunately it was a little too late, because almost 16,000 seniors lost their lives and many others were at risk of losing their lives.

I don't really have a lot of trust around fast action. I'll give you a couple of examples. One is universal pharmacare. The Liberal government has promised this since 1997. We're talking about now working with provinces and territories to put in place national standards for long-term care. Meanwhile, we know that not just seniors, but also many disabled adults, continue to be placed at risk while governments dilly-dally on the backs of seniors and disabled persons in this country.

We know that, especially when it comes to for-profit long-term care facilities, study after study and report after report confirm that for-profit facilities and their abhorrent services are to blame for the countless deaths and infections related to COVID-19. It is unacceptable to me that we continue to dilly-dally.

Shouldn't the federal government move beyond standards and create a national long-term care program to protect seniors and dis-

abled persons and ensure that they get the care they need? Would you agree with that?

Hon. Deb Schulte: You will see no argument here on the need for national standards on long-term care, and I can assure you there's no dilly-dallying. I have been having those conversations with my counterparts in the provinces and territories, as has Minister Hajdu. Those discussions are under way. We are also making investments through the long-term care plus initiative, where we are having a sharing of information through long-term care with each other, with experts, to make sure they're bringing into place best practices to protect seniors.

We are really happy that NACI, the National Advisory Committee on Immunization, has identified that seniors living in long-term care would be some of the first to get vaccinated, and we can see provinces and territories well under way in that initiative to make sure that we have them protected.

Ms. Leah Gazan: Finally, is your government willing to immediately end for-profit long-term care, yes or no?

Hon. Deb Schulte: As I mentioned before, long-term care is in the jurisdiction of the provinces and territories. We'll be working with the provinces and territories to bring in national standards, because what's most important is that no matter what configuration of institution seniors are in, they need to be safe and they need to be respected. That's what we will be bringing in, national standards.

Ms. Leah Gazan: Minister, what is the projected timeline within which the national standards will be completed and you will put an end to profit in long-term care? When is this to happen?

The Chair: Minister, if you can, please provide just a brief answer.

Hon. Deb Schulte: It is currently in work, and we should have more information on that soon.

Thank you.

The Chair: Thank you, Minister; and thank you, Ms. Gazan.

Next is Mrs. Falk, please, for five minutes.

• (1615)

Mrs. Rosemarie Falk: Thank you again, Mr. Chair; and thank you again, Minister.

I just want to touch on OAS. I know Madame Chabot asked a couple of questions, but I noticed that the departmental plans for this year reiterate your government's promise to increase OAS by 10% for seniors 75 and older, a commitment that, as I said earlier, your government has failed to deliver thus far.

We know that Parliament recently passed a motion to increase OAS for seniors, without the support of the government, and in this motion, it recognized seniors receiving an increase from age 65 and up, not just age 75. I just wonder, is the government going to honour the motion that was passed in the House, or are they going to do what they want to do and not respect the work that the House of Commons passed?

Hon. Deb Schulte: Thank you very much for that question. I want to assure you that we have reaffirmed our commitment to focus on an OAS increase of 10% for seniors 75 and above. The context of the motion that was passed did not take into account all the other initiatives that the government has been doing to support seniors.

Mrs. Rosemarie Falk: Right, but it was the will of the House.

Hon. Deb Schulte: I understand.

Mrs. Rosemarie Falk: Therefore, do we just have a government that does whatever they want to do, not respecting the will of the House?

Hon. Deb Schulte: I just want you to know that we are very much focused on improving the financial security of seniors, as we have been since the beginning of our term. Right at the very beginning, we improved the guaranteed income supplement for single seniors, because we know how important pensions are.

We also improved the outcomes for CPP for future retirees so that they would have more pension to be able to draw on, because we knew pensions were not adequate for seniors' needs today.

We have already been working diligently on improving outcomes.

Mrs. Rosemarie Falk: Yes, Minister, I absolutely recognize the talking points that you keep saying, but I know from talking to seniors on the ground, real-life people and real-life seniors who are Canadians, that what has been done isn't enough.

Here's what I'm wondering. For seniors who are having trouble making those ends meet, can they expect in this long-awaited budget that is supposed to be tabled next month a fulfillment of your government's repeatedly promised 10% increase to OAS for those seniors aged 75 and older? Is this something that they can expect in April?

Hon. Deb Schulte: In the throne speech, as you know, we reaffirmed our commitment to increasing OAS by 10% for those 75 and above. I just want you to know that we are continuing to do significant work on behalf of seniors through other—

Mrs. Rosemarie Falk: I know, Minister. Please forgive me, but that was two seasons ago already.

Hon. Deb Schulte: But there have—

Mrs. Rosemarie Falk: Christmas has passed and fall has passed. We're into spring, let alone that this was a 2019 campaign promise. I just feel that your government is hiding behind the veil of COVID all the time and using COVID as an excuse for why we didn't move forward. It's just disappointing.

What is the timeline for the increase to OAS? We're going on 24-plus months now.

Hon. Deb Schulte: I just want to remind you that we were elected and shortly thereafter ended up having a pandemic that has mobilized all of our departments to put the measures in place that will provide support not just for workers and businesses but for seniors. We have been taking action with significant funding towards supporting seniors. As I mentioned before, 6.7 million seniors received a one-time payment—

Mrs. Rosemarie Falk: Do you have a timeline, Minister, yes or no? I'm just wondering. With the amount of correspondence that I receive from seniors across Canada.... What is the timeline? Do you have a timeline? Are you advocating at the cabinet table for a timeline?

Hon. Deb Schulte: We are committed to delivering on our campaign promise of 10%.

Mrs. Rosemarie Falk: Is that immediately or is that after the upcoming election that the Prime Minister wants to have?

Hon. Deb Schulte: As I have said, we have been focused on pandemic response. That's what we have been doing. We have put twice as much into supporting seniors as we said in our platform commitment. That is something that people don't seem to be paying attention to.

We gave that one-time payment to all seniors 65 and above who are on old age security, and an additional amount to those who are on the guaranteed income supplement. This was much more than we had committed to in our platform. We provided that last year, and we are still committed to delivering on our platform commitment.

• (1620)

Mrs. Rosemarie Falk: Yes, Minister, but you know what? Canadian seniors are going to know if this is going to be another campaign promise, and they will vote accordingly. I mean, this government hasn't delivered on their campaign promises from 2019 for seniors, and it's disappointing.

The Chair: Thank you, Mrs. Falk.

Next we're going to Mr. Vaughan, please, for five minutes.

Mr. Adam Vaughan (Spadina—Fort York, Lib.): Just to confirm with the minister, we can't change OAS without a budgetary approval from Parliament. Is that not true?

That's for the minister.

Hon. Deb Schulte: I'm sorry. Can you hear me?

Mr. Adam Vaughan: I can hear you now. I'll repeat the question if I could start my time again. There seemed to be a freeze there.

We can't change the OAS cheques to seniors without a parliamentary approval through a budget process. Is that not correct?

Hon. Deb Schulte: It would need to be a legislative change, yes.

Mr. Adam Vaughan: We don't need to wait for the next election. Now that the budget has been announced, that's the target date for fulfilling our pledge to Canadians.

Hon. Deb Schulte: What I have been saying, and what the government is saying, is that we are committed to delivering on the 10% OAS for 75 and above.

Mr. Adam Vaughan: Since it requires budgetary approval, I'm sure that the member from Saskatchewan will be supporting our budget to fulfill that pledge, because she seems to be enamoured with it.

Mrs. Rosemarie Falk: I have a point of order, Mr. Chair.

Mr. Adam Vaughan: Perhaps she'd like to run for us in the next election.

Mrs. Rosemarie Falk: I have a point of order, Mr. Chair.

The Chair: Go ahead.

Mrs. Rosemarie Falk: I don't appreciate having MP Vaughan speaking that way and putting words in my mouth and attacking my character in such a way.

Mr. Adam Vaughan: I withdraw it. You don't support the increase. I understand that.

In terms of the OAS—

Mrs. Rosemarie Falk: Again, on a point of order, Mr. Chair—

Mr. Adam Vaughan: Which is it?

Mrs. Rosemarie Falk: You cannot apologize.... You cannot retract your statement and say it again. No. That speaks to character, Mr. Vaughan.

Mr. Adam Vaughan: Fair enough. You can decide whether you support the proposal. It sounded like you did. If you don't, I'll let you choose which side you want to be on. I appreciate the clarification.

My question for the minister is this. In the interim, because of COVID, we actually boosted payments with one-time emergency funds that actually exceeded the commitment we made in the campaign. That's what I just heard you say.

Hon. Deb Schulte: We doubled our commitment to seniors just through the one-time payments, and they were tax-free payments as well.

Mr. Adam Vaughan: There were also other supports through the charitable foundations around food banks. There were additional supports around community non-profit support. There were additional supports in terms of some of the other steps we took, which supported seniors without necessarily writing a cheque, but with support, so they could live comfortably in the community.

There were also transfers to the provinces for long-term care, for personal support workers, and for supports in the community as part of the safe restart agreement. It wasn't just money being sent to their chequing accounts. It was also programs that we sent to the provinces to support seniors. Is that not right?

Hon. Deb Schulte: You're absolutely right. I want to go through these, because I think it really is worth repeating. Not only did we put an additional \$20 million for the new horizons for seniors program—and we've all heard how important that program is for seniors—but we gave \$350 million to charities and not-for-profits to help vulnerable Canadians, including seniors. I saw lots of projects come out—

Mr. Adam Vaughan: Meal programs, social visits and PPE—

Hon. Deb Schulte: Absolutely. There was food to the door, and taking people to their appointments. All very important things.

Mr. Adam Vaughan: To be clear, on long-term care, we didn't vote against the NDP motion because of the national standards part of it. It was the process of imposing national standards on the provinces that we were opposed to. It was the process we were opposed to, not the principle. Is that a fair way of describing our vote today?

Hon. Deb Schulte: It's very important to be aware that it is the jurisdiction of the provinces and territories to provide long-term care, so we need to work with them if we're going to make significant changes and improvements. It has to be in partnership with them.

Mr. Adam Vaughan: There is an area where a province has exclusive jurisdiction over long-term care. That's British Columbia, with an NDP government. They haven't followed their federal party's lead to immediately and substantially end all for-profit care in B.C.

In fact, they said it will take time to fade the system into a different position. They are working with us federally to create national standards and work out new funding models, but when it comes to long-term care and getting rid of all for-profit models in a system, B.C. actually has the capacity to do it tomorrow if they wanted to, but the NDP government in British Columbia has not done that.

Have they told you why they disagree with Jagmeet Singh on this issue?

Hon. Deb Schulte: I would suggest that, as you said, it is up to each province to determine the best way forward for that province. I think if you look at the data in other countries, you'll see places like Australia, which has for-profit and not-for-profit, and it did very well. So the fundamental here isn't whether it's for-profit or not-for-profit. It's whether they had adequate infection prevention and control measures. It's whether they had adequate staffing and kept people in one location, not having multiple other jobs and bringing the virus in and out of the facilities.

It's about how those facilities are structured: Are they one bed and one bathroom per person, or are they multi-living, where you have a ward with four people together and they weren't isolated when they got COVID? Were they kept in the same room with those who didn't have COVID?

It was really the practice, and that's why we feel that the long-term care national standards are the right thing for us to focus on, because no matter how seniors choose to live—whether it's private, not private, home care—all systems need to be improved. We saw that through the tragedy of the outcomes of the last two waves of the pandemic.

• (1625)

Mr. Adam Vaughan: I can't wait for the budget.

I think that's my time, Mr. Chair.

The Chair: It is, indeed. Thank you, Mr. Vaughan.

We're now going to Madame Chabot.

[*Translation*]

You have two and a half minutes, Ms. Chabot.

Ms. Louise Chabot: Thank you, Mr. Chair.

Madam Minister, I firmly believe that you care about seniors and that, like all of us parliamentarians, no matter what province we come from, you are saddened by what happened.

That being said, I feel like I'm hearing answers that have nothing to do with our health care system. You were talking about home care and one senior per room. That requires a broad organization of the services and care provided in each of our provinces, which have established committees for that purpose. It has to do with staff training, ratios, and public and private spheres of activity, which are under provincial jurisdiction. Yet you insist on the issue of standards.

I don't know if you spoke to a representative from Quebec, but the premier, on behalf of the National Assembly, clearly and publicly stated that we don't need standards, we need people to provide care. Rather than piecemeal funding, recurrent health funding is needed. The pandemic keeps being used as an excuse. Everything has been frozen in time. We need a vision, and it certainly should not impose conditions on the provinces in terms of how they deliver health care.

[*English*]

Hon. Deb Schulte: I just want to remind you that we have been there to support the provinces and territories. In Quebec in particular, we came in when they asked us to come in and help in long-term care with our military when they were in crisis. We were happy to be there. We were happy to provide PPE when there was a shortage of PPE. We were purchasing in a worldwide shortage and providing that as fast as possible.

So we have been there. We've been there with money to help with the wage supplement for frontline workers, including those in long-term care. It has been a tragedy. We need to work together, not against each other but together, to get the very best outcomes for our seniors and for Canadians, especially during this pandemic.

That is what we are going to be doing and that is what we are doing.

The Chair: Thank you, Minister.

[*Translation*]

Thank you, Madam Chabot.

[*English*]

Ms. Gazan, you have two and a half minutes, please.

Ms. Leah Gazan: Thank you so much.

There are just a couple of things that I observed. I think, you know, giving celebrations about seniors having to go to food banks and sometimes having to choose between food and medication....

The Liberal government voting against universal pharmacare certainly speaks to that.

We know that your government announced an increase to OAS. This hasn't come into effect yet. Considering the rise in income insecurity among elders, and their right to live in dignity, would you support a permanent, guaranteed livable basic income as a more effective approach to eradicating poverty among Canadians?

Hon. Deb Schulte: You touched on a few things during your question. Obviously, you've heard me speak quite a bit about our recommitment to support seniors' financial security. With that, we have made our commitment for the OAS to increase 10% for 75 and above.

I want to go back to—since you've mentioned it twice now—pharmacare. You're absolutely right that no Canadian should have to choose between paying for prescriptions and putting food on the table. That's unacceptable. I just want to remind you that we've already done more than any government in a generation to lower drug prices. Now it's time to take that final step. That means sitting down with the provinces and territories to implement pharmacare. We're already building on the steps, on the new rules on patented drugs, that will save Canadians over \$13 billion. Discussions are under way.

● (1630)

Ms. Leah Gazan: I'll tell you why, when you say that discussions are under way, I don't feel very confident. In 1997, which is now 23 years ago, mostly Liberal governments promised universal pharmacare. That's a lot of time to discuss. I could be wrong, but that demonstrates to me that universal pharmacare, so that seniors don't have to choose between medication and rent or between food and rent, is clearly not a priority.

Do you understand why I would be so resistant to believing that this is a top priority from your government?

Hon. Deb Schulte: I do appreciate that given the pandemic, things did not progress as fast as we had hoped. We were focused on the pandemic response. However, we have been working on pharmacare and moving forward with provinces and territories. Discussions are under way. I understand—

Ms. Leah Gazan: But in all fairness, Minister—

The Chair: Ms. Gazan, you're out of time.

Ms. Leah Gazan: Sorry.

The Chair: Perhaps you could briefly wrap up, Minister. Then we will move to the Conservatives.

Go ahead.

Hon. Deb Schulte: I just wanted to say that it is a challenge, because we have had our focus on the pandemic and the pandemic response, but we are working on those other initiatives that we made in our campaign commitments and our Speech from the Throne. We're moving forward on pharmacare.

I just wanted to make sure that was clear—

Ms. Leah Gazan: [*Inaudible—Editor*] 22 years prior to the pandemic.

Hon. Deb Schulte: I understand.

The Chair: We'll go now to the Conservatives for five minutes.

Mrs. Falk, you have the floor.

Mrs. Rosemarie Falk: Thank you, Chair.

Minister, I want to touch on the new horizons program. In the lead-up to this year's rollout of the community-based stream of funding for the new horizons for seniors program, you indicated that a new minimum funding threshold of \$50,000 per community was in place, subject to eligible applications. Given that funding decisions have now been made for this year's stream of funding, can you indicate the success of that objective?

Hon. Deb Schulte: I can certainly give you some information. We listened very closely to the members' and stakeholders' input on how we could make improvements to the program. I do want you to know that we increased funding and made improvements to the new horizons program. It resulted in the highest ever number of applications with the work and the outreach we did—almost double the number of projects serving rural seniors and a greater share of funded projects serving vulnerable seniors. The number of projects serving rural seniors approved for funding in 2020-21 is almost double what we had funded in the previous years. I would—

Mrs. Rosemarie Falk: Did the distribution change this year in comparison to last year? I know you just said “highest” in projects, but were there any other changes in the comparison?

Hon. Deb Schulte: The intent was to better disburse the projects across the country. We wanted to make sure that those in rural and remote communities also got their fair share of funding, because those seniors needed support, too. That was something we did.

We've had success with supporting... There were organizations in some of these rural communities that didn't really have the wherewithal to do the applications. We did some outreach in those ridings that had not been well served in the past to make sure that more organizations came forward and applied for funding. That's why we've had much better results. I'd say there were almost double the number of projects serving rural seniors this year.

Mrs. Rosemarie Falk: Will the objective be the same for this year's funding?

Hon. Deb Schulte: We slightly changed the objectives because we had a pandemic environment. We made some other improvements to make sure that we addressed diversity, that we addressed rural and remote seniors and that we addressed access to digital devices. We knew that being connected was also rising in terms of importance for seniors to stay connected and stay well.

• (1635)

Mrs. Rosemarie Falk: Okay, that's perfect.

What about the national priorities for the program? Have they changed or is there an expectation that they're going to change?

Hon. Deb Schulte: Well, there were some small changes. All of the members of Parliament got a package. We made sure it went to all of you so you knew the small changes that had been made. The focus was very similar, getting seniors out—well, in this case, not out during the pandemic—and connected with other seniors, volunteering where possible, making sure they got the supports they needed for essential services, for mental health and for fighting abuse.

Mrs. Rosemarie Falk: Okay. Thank you, Minister.

I want to pass my remaining time to MP Maguire, please, Chair.

The Chair: Mr. Maguire, go ahead, please.

Mr. Larry Maguire (Brandon—Souris, CPC): Thanks, Mr. Chair. Thanks to my colleague.

I was listening to the questions earlier, Minister. I wonder if you could just expand on the 10% increase in old age security for people over 75. Is that just on the base amount? For those who waited two, three, four or five years to take it and have accumulated a bit more OAS that way, will it be on what they receive now or on the base rate?

Hon. Deb Schulte: I'm going to refer to my officials to make sure my understanding is correct. My understanding is that it is the rate that seniors are receiving. If they deferred, that would also be an increase, but let me just verify that with the officials, please.

Mr. Larry Maguire: Yes. It's a pretty straightforward question.

Hon. Deb Schulte: Yes, well, I think I have it right, but I just want to confirm.

Ms. Annette Gibbons (Associate Deputy Minister, Department of Employment and Social Development): I think it is intended to be 10%. Alexis, am I getting that right?

Mr. Alexis Conrad (Senior Assistant Deputy Minister, Income Security and Social Development Branch, Department of Employment and Social Development): Yes, you're correct, Minister.

Hon. Deb Schulte: Thank you. I just wanted to confirm. We want to make sure we're accurate in what we're saying. It's a 10% increase on the payment they would be receiving.

Mr. Larry Maguire: I just had another question with regard to your comment. I appreciate your opening statements. You were mentioning—and I agree—that elderly Canadians are most at risk. We've seen it in this whole thing. I've been dealing with long-term care facilities myself. They've stayed at home to stay safe. I agree with your statement there. Elderly Canadians have stayed home to stay safe.

In the next paragraph, you went on to say that seniors are socially isolated but make more visits to emergency rooms, need more medication, fall more and are in residential care sooner. Isn't that a bit of a contradiction? I mean, if they're staying home, hopefully they're safer than if they are going out, slipping and falling on the ice and stuff.

I'm not saying that there aren't problems that way, but I wonder if you could just elaborate on the psychological impacts. Mental health has been, I think, a bigger thing for seniors than maybe for other sectors, where people can still get out a bit and go to work, or students can still go to school, that sort of thing.

Hon. Deb Schulte: You're absolutely—

The Chair: Minister, we're well past time.

Hon. Deb Schulte: Okay, I'll be very quick.

The Chair: I don't want to be impolite to a newcomer to the committee, but if you could answer briefly, then we have one more—

Mr. Larry Maguire: Sorry, Mr. Casey.

The Chair: That's all good.

Go ahead, Minister.

Hon. Deb Schulte: I'll be very quick. I'm sorry if it's gone over.

I just want to say that it has been really, really difficult for seniors, and that is why we provided more funding for organizations to get out and support seniors, because it did help their mental health if they could get connected and do programs together.

I just want to make it clear that the stats, the data that I was sharing with you in terms of the falls and the medication, is from before the pandemic, which led to our bringing forward that campaign promise and speech from the throne commitment.

The Chair: Thank you, Mr. Maguire. Thank you, Minister.

The last person to pose questions is Stéphane Lauzon.

[*Translation*]

Mr. Lauzon, you have the floor for five minutes.

Mr. Stéphane Lauzon (Argenteuil—La Petite-Nation, Lib.): Madam Minister, thank you very much for being with us.

[*English*]

It's always a pleasure to be with you one more time.

[*Translation*]

Technical difficulties. You met many seniors during your tours.

Many issues have been raised today. My questions will focus on the mental health and social isolation of seniors.

We've talked a lot about interesting topics such as old age security, the cost of living and the new horizons for seniors program. However, you made few comments about the difference that the programs we have put in place, such as new horizons, have made and about how we've been able to break the social isolation of seniors and help improve their mental health.

Could you tell us about any challenges you have heard about during your consultations or in your riding? What solutions have we proposed?

• (1640)

[*English*]

Hon. Deb Schulte: I have had the privilege of being able—even though we're in the pandemic and we're staying home—to tour the country virtually and get together with seniors, stakeholders and seniors support organizations to hear directly from them about what the big issues are right now, how they're coping and what's working.

I have to tell you that I have heard over and over again how powerful the new horizons for seniors program has been to supporting seniors. I'll just give you an example of one of the very inspiring stories I heard. There's an organization that is providing tablets and Internet to seniors, and they are hooking in students from a local university to help train and orient those seniors on those tablets. They all do a turn, so there's a whole network of youth, through the students at school and at university, helping support the seniors in getting connected. Some of those seniors were in tears talking to me about how much it's made a difference in their lives: being able to see their grandkids because they can't travel over to Italy, the birth of a child; being able to actually see and interact with family members, which is just so powerful.

I'm so proud of all the work that Canadians have done to step up, take advantage of these programs and do some very innovative programs to help seniors. It is, in some cases, life-changing for some of those seniors, and I'm very proud of the work that's being done across the country.

[*Translation*]

Mr. Stéphane Lauzon: Thank you very much, Madam Minister.

You opened a door by talking about where we have provided tablets and facilitated Internet communication. But we need to have Internet access in the setting where we invest.

As a result, the government has made many investments to improve access to the Internet. This includes \$1.75 billion in programs. In addition, it has just announced an additional \$800 million for the universal broadband fund. It has also developed programs in collaboration with the Canadian Radio-television and Telecommunications Commission, or CRTC, and the provinces.

Could the government's actions on Internet access improve the lives of our seniors?

[English]

Hon. Deb Schulte: Absolutely. You can see that....

Can you hear me? I see that my Internet has become unstable.

Mr. Stéphane Lauzon: Yes.

Hon. Deb Schulte: You can hear me. Good.

Mr. Stéphane Lauzon: I can't hear you anymore, Minister.

Okay, you're frozen now.

Hon. Deb Schulte: Oh my goodness.

Mr. Stéphane Lauzon: Okay, now I can hear you, but I can't see you.

Hon. Deb Schulte: You can hear me now. You can't see me, but you can hear me.

Okay, so I'll just keep going. Everything's back.

Mr. Stéphane Lauzon: It has come back to normal now.

Hon. Deb Schulte: You can see how important Internet is now. It's like the road of today. It's the replacement of the roads. Everybody needs to be connecting to get their health information, for students to get education, for their classes. You're seeing it with seniors being able to connect to their communities. It's very powerful.

It was nice to hear the leader of the Bloc thank the government today for that announcement in Quebec. I was able to do an announcement last week on the rapid response for broadband connecting almost 500 more families in my riding.

Mr. Stéphane Lauzon: Wow.

Hon. Deb Schulte: It's a very powerful program, the national broadband improvement. I'm very proud of the government's focusing on what's essential for Canadians and putting the investments in those locations and communities all across the country. It focuses on rural and remote because that's where we really don't have good coverage, because it's so costly to put in place. We're making that happen. Thank you.

Mr. Stéphane Lauzon: It's a very good point.

• (1645)

[Translation]

The Chair: Thank you, Mr. Lauzon.

[English]

That completes the rounds of questions.

Thank you so much for being with us, Minister.

I think we should also probably offer a tip of the hat to the IT ambassadors who kept you with us and on the screen. There were only a couple of times when there were brief breaks, but overall the quality was quite good. We appreciate your being here and the comprehensive way in which you answered the questions.

I would be remiss if I didn't mention, before we let you go, the fact that this will likely be the last time we'll have Mr. Perlman in front of us. He indicated during the sound checks that he is due to

retire fairly soon. Mr. Perlman, thank you for your service to the department, to parliamentarians, to the country, especially in the last year. I wish you a happy retirement and a great next chapter.

With that, colleagues, we're going to suspend for three minutes while we do a sound check on the next panel. We'll be back to you.

Thanks again, Minister, and to your team.

• (1645)

(Pause)

• (1645)

The Chair: I call the meeting back to order.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Wednesday, October 28, 2020, the committee will resume its study of the review of the employment insurance program.

I'd just like to make a few comments for the benefit of the witnesses. Before speaking, you can click on the microphone icon to activate your mike. Interpretation in this video conference will work very much like a regular committee meeting. You have the choice, at the bottom of your screen, of floor, English or French. When speaking, please speak slowly and clearly. When you're not speaking, your mike should be on mute.

I would now like to welcome our witnesses to continue our discussion with five minutes of opening remarks, followed by questions. We have with us today Dr. Evelyn Forget, professor at the University of Manitoba; and with the Canada Employment Insurance Commission, Pierre Laliberté, the commissioner for workers.

We're going to start with Dr. Forget for five minutes, please.

Welcome to the committee. You have the floor.

• (1650)

Dr. Evelyn Forget (Professor, University of Manitoba, As an Individual): Thank you for inviting me to speak to you today.

Changes in the global economy over the past 40 years, and most recently the financial shocks of 2008 and the COVID-19 pandemic, have undermined a lot of the institutions that Canadians rely on to keep the world a reasonably just place. Renewing the social contract is essential if we are to rebuild the mutual trust that creates resilient societies.

Employment insurance is one of those institutions. Transforming it to meet the realities of today's job market is an important task. I'm here to suggest that basic income is an essential partner to a renewed employment insurance program.

By basic income, I, along with most basic income advocates in Canada, mean a guaranteed livable income that is targeted to working-age recipients based on their other income—their current income. It's designed to streamline cash transfers from the various levels of government, but it does not replace essential public support services such as health care and supports for people with disabilities.

Basic income provides income support for people without work and it supplements the wages of low-income workers. Most importantly, it does not depend on hours worked in the previous year, so it can be accessed by people in non-standard employment.

The CERB—a response to the pandemic shutdowns—has given us a pretty good idea of who has not been well served by EI. We need to introduce permanent programs that serve the needs of workers who do not fit into the standard definition of work, such as family caregivers, workers in the cultural sectors and food production workers, including farmers. Non-standard jobs or gig work has become much more prevalent. Young and racialized workers are overrepresented in these sectors, as are newcomers and people with invisible disabilities who have difficulty finding accommodation in standard workplaces.

COVID-19 is likely to accelerate the changes we've already been seeing in the labour market that were well under way before the pandemic.

Employment insurance can work relatively well for workers—especially unionized workers in standard jobs—although it does need to be modernized. However, the more it's transformed to support workers in standard jobs, the less well it meets the needs of workers in the other forms of employment.

The health and social benefits of basic income are well established. The myth that basic income creates work disincentives has been debunked. There's a wealth of evidence that's been collected over the past two or three years about the sector-specific impact that basic income would have, and about how it might be designed, implemented and, especially, paid for in the current economic climate.

I'd like to suggest that if this committee is committed to a well-informed conversation about income supports, it's essential that you take this evidence into account in order to create permanent programs that can support all Canadians.

Thank you.

The Chair: Thank you, Dr. Forget.

Next, we're going to hear from Mr. Laliberté on behalf of the Canada Employment Insurance Commission.

You have the floor for five minutes, sir. Go ahead.

• (1655)

[*Translation*]

Mr. Pierre Laliberté (Commissioner for Workers, Canada Employment Insurance Commission): First of all, I simply wanted like to thank you for inviting me, and especially for your decision to conduct a study on reforming the employment insurance.

As you know, hundreds of thousands of Canadian workers use the program every year, yet the program suffers from shortcomings that aren't new and that persist because of our collective neglect, if I can put it that way.

[*English*]

Mr. Brad Vis: I have a point of order, sir.

[*Translation*]

Mr. Laliberté, you should raise the microphone on your headset.

Mr. Pierre Laliberté: Okay, I apologize.

The program has deficiencies that I believe are due to negligence on all our parts. The program needs a little love, and as we know, demonstrating one's love is often more important than proclaiming it grandly.

We can agree that the COVID-19 pandemic crisis has confirmed the need for the program to be reformed. Given the significant number of changes that have been made, it appears that a thorough review of the program cannot be avoided. Even the International Monetary Fund, the IMF, agreed in the report on Canada it released last week.

As it stands today, the program no longer adequately meets its objective of providing sufficient income support to Canadians who lose their jobs and must face a shifting labour market. At the core, it's important to remember that the employment insurance program is a social insurance program and should therefore absolutely be there for people who lose their jobs. However, since the last reform, only a minority of unemployed people have been eligible for benefits. Of those who pay into the system, only six out of 10 receive benefits. As we emerge from the crisis, it's therefore important that we make it easier to access the program, and that would include reducing the number of hours of work need to qualify.

As for the level of support, clearly the current formula, which replaces 55% of the income up to a maximum insurable earnings amount of \$56,000, is inadequate and causes claimants to receive amounts that are often too low. Increasing these thresholds to improve the level of support should therefore be explored.

Also, the sickness benefit is no longer sufficient. We've heard a lot about this in recent years. Many claimants run out of benefits before it is possible or desirable for them to return to work. Extending benefits to 35 weeks, for example, would cover most cancer treatment periods.

In addition, over time, the program has become increasingly complex to administer, and we're seeing a real and urgent need for simplification. When the program crashed last March, the complexity was largely the reason. If the department had had to manage all the applications in the usual way, it would have taken Service Canada no less than a year to process them all. In fact, it's worth nothing that the program could only be reintroduced in September after the rules were greatly simplified. Many of the simpler rules should be maintained.

I would point out that, over time, the lack of real autonomy that the Canada Employment Insurance Commission has over program administration has hurt the program, to the extent that necessary updates are often postponed due to an inopportune political context. This is the case for several rules, but also for the replacement of the computer system itself, which has become thoroughly obsolete due to neglect. I like to think that, if the commission were more independent, it could be more responsive.

The issue of funding is obviously an important part of the equation. The current non-cyclical mechanism is inadequate. Similarly, the lack of any contribution from general revenue is increasingly problematic, especially when the system is being asked to manage benefits that are more like a social program.

Finally, as has often been said, we need to bring the program into the 21st century. While we often hear people talking about the need for continuing education and lifelong learning, somewhat surprisingly, the employment insurance program does not provide much assistance in that regard. Workers who quit their jobs to take training automatically lose eligibility for support from the employment insurance program. Yet it would be easy to open a door so that, after a certain degree of participation in the program, an individual could be eligible for a significant period of time to take training. I know the government made a proposal about this in its 2019 budget, but the outcome remains to be seen.

• (1700)

[English]

I will stop my comments here, but I welcome your questions and comments.

Thank you for your attention.

[Translation]

The Chair: Thank you, Mr. Laliberté.

We will now begin the round of questions.

[English]

We'll begin with Mr. Vis, please, for six minutes.

Mr. Brad Vis: Thank you, Chair.

Thank you to both witnesses.

Mr. Laliberté, you mentioned a lack of autonomy for the board. In addition to the technological example you laid out, what other area of autonomy do you think would be beneficial to you and the other members of the board?

Mr. Pierre Laliberté: I have to say that a good example of this would be the updating of the EI regions. As you know, apart from the addition of four capitals back in 2012, the map has stayed the same for the past 20 years, yet the reality on the ground has changed in many ways. The problem, of course, is that—

Mr. Brad Vis: Actually, let's expand on that point a bit about EI regions. In your remarks, you also mentioned that some of the shortcomings include the \$55,000 threshold.

In my riding, for example, the average price of a single family home is over \$900,000. Someone with a mortgage in my communi-

ty who loses their job is likely not going to be able to cover their basic needs, as compared to someone in another province.

Would that be an area that the board would like to have more of a say over?

Mr. Pierre Laliberté: When it comes to the broad parameters of the program, I think that's the prerogative of the government in place. As I intimated in my comments, I do think that 55% of \$56,000 is inadequate for most Canadians. If you were to increase....

If that threshold had been indexed, non-stop, we would be past \$80,000 as we speak, instead of \$56,000. You can imagine that 55% of \$80,000 would be already a little better, and you could argue that a formula that would have a higher replacement rate, especially for those who are at the bottom of the income ladder, would be necessary.

For instance, if you worked for a minimum wage, the only way you could beat the poverty threshold as defined by the market basket measure is really if you had a 75% replacement rate at that level.

Mr. Brad Vis: Thank you. That's helpful.

I'll turn to the EI account. Can you provide the committee with the status of the EI operating account?

I believe the most recent report was from September, and the government has not been very forthcoming in up-to-date data. Can you let us know how big the deficit is right now?

Mr. Pierre Laliberté: As you know, this is a moving target. You'll remember that initially the money that was taken for the CERB came out of the account but then was covered by general revenues. We're thankful to the government for having done that, because in a typical year we rake in about \$21 billion or \$23 billion; it depends. That would have been unabsorbable.

Basically, right now, as we speak.... As you correctly pointed out, the last exercise was done back in September. This was with the initial version of the transitional EI. The transitional EI has the features that we're all familiar with, but it also adds a rate freeze for 2021 and 2022.

Mr. Brad Vis: Okay, so we're waiting for an update.

• (1705)

Mr. Pierre Laliberté: That's correct.

Mr. Brad Vis: Okay.

Mr. Pierre Laliberté: You can expect a deficit at the end of 2022 if—

Mr. Brad Vis: A deficit is not even a question. It's just how large the deficit will be.

Mr. Pierre Laliberté: Let me give you an estimate of at least \$25 billion.

Mr. Brad Vis: That's helpful. Thank you.

Has the Government of Canada consulted you or other members of the commission on extending EI sickness benefits from 15 to 50 or 52 weeks?

Mr. Pierre Laliberté: We've had discussions on and off on that topic over the past few years, because it's been at play. My counterpart on the employer side and I have conveyed our concerns and our ideas on this. Like everyone.... I mean, we don't have any privy access—

Mr. Brad Vis: Sorry, I want to get one more quick question in.

I come from a riding where the majority of people work for or run small businesses. Many are members of the Canadian Federation of Independent Business.

Has your organization been consulted about the potential imposition of mandatory contributions for those who are self-employed? I know this exists in other European countries, and I was wondering if you have had conversations about mandatory EI for self-employed Canadians.

Mr. Pierre Laliberté: No, I haven't.

The Chair: Thank you, Mr. Vis.

Mr. Brad Vis: Thank you, Chair.

The Chair: Thank you, Mr. Laliberté.

Colleagues, I am now going to leave the chair and ask the vice-chair, Madame Chabot, to assume the chair, as I wish to take an active part in questions.

Madame Chabot is now in charge, and I hope that she will cede the floor to me for the next six minutes.

[*Translation*]

The Vice-Chair (Ms. Louise Chabot (Thérèse-De Blainville, BQ)): Mr. Casey, you have the floor for six minutes.

Mr. Sean Casey (Charlottetown, Lib.): Thank you, Madam Chair.

[*English*]

Dr. Forget, I have great admiration for your work. It is extremely well-known in Prince Edward Island. I am going to apologize in advance. I stepped out of the chair because I've been wanting for some time to bring up the issue of EI zones with the EI commission, and I will be spending all of my time with Mr. Laliberté.

Mr. Laliberté, as you indicated in response to Mr. Vis, one of your preoccupations is with respect to the EI zones. That is a very significant preoccupation in my province.

You referenced the 2012 decision, which was actually implemented in 2014, which had the effect of dividing Prince Edward Island into two zones, at the same time as new zones were created in the north. That was done in the dying days of the Harper government and—as far as anyone in Prince Edward Island is concerned—for purely political purposes, to attempt to save a seat there. However, we have been unable to pierce the opaque process behind the revision of the zones, and I'm hoping you're going to be able to help me with that today.

We heard from Mr. Brown, with the department, that a review of the EI zones was completed in 2018. My first question for you, sir, is whether the review included any notice to the workers or to the public that such a review was taking place.

Mr. Pierre Laliberté: Not to my knowledge.

Mr. Sean Casey: Was there any public input in the review at all?

Mr. Pierre Laliberté: Not to my knowledge.

Actually, let me qualify this. In my capacity, I will talk to my stakeholders, so to speak. I've had a number of conversations, for instance, with the people in P.E.I. over this. In terms of having a formal consultation, absolutely we haven't had any.

Mr. Sean Casey: In the course of your discussions with the people in P.E.I. over this, have you yet found one who has spoken in favour of maintaining the status quo of two zones? I haven't.

Mr. Pierre Laliberté: I haven't either, in truth.

Mr. Sean Casey: That being the case, whatever public consultation was done, even if it was by you alone, why were those voices not taken into account when the review was quietly and privately concluded and it was determined to maintain the status quo, as opposed to the only public input that was received?

• (1710)

Mr. Pierre Laliberté: The problem we faced back then, and I will have to sort of recollect what happened.... We certainly—the two commissioners—were favourable to moving forward at the time, but it just didn't.... What you have to realize is that we cannot proceed in an ad hoc sort of way.

Essentially, it was determined at that point that we would have fresh information from the census that could help us develop a sound methodology with the right numbers so that we could reassess the entire map. In a sense, it was just a temporary postponement, if you will. We started almost right over. As soon as the data from 2016 was available, the department started working with the commission on determining whether the current EI regions were homogeneous.

Just to point out quickly, what we're looking for is discrepancies. As you know, the building blocks of the regions are the census divisions. What we're looking for is outliers. Are there census divisions in current EI regions totally at odds with the prevailing state of things? Basically, it's a big jigsaw puzzle. For this we take into account the unemployment rate. We take into account labour market conditions.

The department developed a methodology that we approved. We worked very closely with them. Now the challenge is, as you may know, that there are about 300 census divisions in Canada, so we're not going to have 300 regions.

Mr. Sean Casey: Mr. Laliberté, I don't want to run out of time. I think what I heard you say is that another review is now undertaken. Will there be an opportunity for public input, and will it be heeded?

Mr. Pierre Laliberté: As these things go, there's always public input once the proposition is put to Canadians through the gazetting. That's the minimal sort of threshold.

Mr. Sean Casey: Gazetting only happens if the commission decides to make changes. If the commission decides to maintain the status quo, there's no gazetting; there's no opportunity for public input and everything happens in secret. Isn't that right?

Mr. Pierre Laliberté: I can guarantee you that there will be some changes. Just to recall, there hasn't been a substantial change to this map since about 2001.

Mr. Sean Casey: It was a pretty substantial change in P.E.I. when they pitted Islanders one against the other with the 2014 changes in the dying days of the Harper government.

Mr. Pierre Laliberté: I don't debate this. What I mean is that those were very targeted changes. This was not an intent to review the entire map at that point. Now we're doing the entire map, and we should be in a position to put to the minister and the government an alternative, and then it will be up to the government to decide whether they heed the advice of the commission.

Mr. Sean Casey: When do you expect that to happen?

Mr. Pierre Laliberté: I would say fairly shortly.

[*Translation*]

Mr. Sean Casey: Thank you.

The Vice-Chair (Ms. Louise Chabot): Thank you, Mr. Casey and Mr. Laliberté.

The Chair: I imagine that Ms. Chabot would like to speak again. I will therefore get back into the chair and yield the floor to her.

Ms. Chabot, you have the floor for six minutes.

• (1715)

Ms. Louise Chabot: Thank you, Mr. Chair.

I thank our witnesses.

Mr. Laliberté, I want to begin by thanking you for your testimony. The employment insurance commission plays a fairly important role in the administration and governance of our system. I also want to thank you for mentioning some of the avenues that can be considered to strengthen the employment insurance system, such as the number of weeks, the benefit rate, or, if I understand correctly, the possibility of increasing the number of workers eligible for the system that they pay into, as we must not forget.

My next question is about something a little less known, but very important. Last year, the government committed to reviewing the employment insurance appeal mechanism. We forget that, in this system, decisions are made and appeals are undertaken. The appeal process has been hit hard by recent changes. The government had committed to reviewing this mechanism to return it to its original tripartite format.

I believe the commission has been asked to work on this or to provide input. I would like to know where things stand.

The unions and the organizations for the unemployed were really very happy to hear that the government was considering this change. However, they have told me that the approach may have moved a few steps back.

What do you know about that and what are you working on?

Mr. Pierre Laliberté: Thank you for the question, Ms. Chabot.

Since we are talking about the changes announced just before the last election campaign, I want to take this opportunity to acknowledge the work done on the matter by the former minister responsi-

ble, Jean-Yves Duclos. I hope his health has improved. With respect to the changes to the appeal system, we have Mr. Duclos to thank that the ball is now rolling on some things. As you suggested, the appeal system had become dysfunctional. Our government was committed to restoring tripartism to the first level of appeal and to making the commission responsible for the process.

Unfortunately, that's not quite what we have been working on since then. The department has us working on a new mechanism, which would indeed include participation from representatives of employers and workers, but would ultimately report back to the Deputy Minister. In our view, and I think you would agree, that's not quite what had been asked for. In our opinion, it's important that the commission oversee accountability. I will tell you specifically why.

When the Social Security Tribunal of Canada was created, it was an independent structure that needed to report to no one. When the structure became dysfunctional, unemployed Canadian workers or groups of workers could only end up on the sidelines when they had complaints. It was absolutely impossible for the commission to hold anyone accountable. We do not wish to return to that situation.

However, we have been successful in making our concerns known. I say "our concerns" because I include the former employer representative at the commission. We are making the case that it's a significant deficiency. The COVID-19 pandemic has not helped us implement this new structure. We hope to be heard clearly enough to implement the changes in the right way.

• (1720)

Ms. Louise Chabot: It certainly is a concern for groups representing workers. They have also informed Minister Qualtrough of it. They didn't understand why, between the commitment, which was well received, and the new slant being taken, the direction seems to have changed. Nor is it clear why the change happened. In any event, you are confirming that work will continue and that we can hope to return to the commitment that was originally made.

Mr. Pierre Laliberté: That is indeed what we are hoping for.

Ms. Louise Chabot: People are very concerned about the two-zone issue in Prince Edward Island. Our committee Chair, Mr. Casey, asked you some questions about it.

However, there are also major concerns with respect to workers in the seasonal industry. We know that the government has pilot programs in place in several regions. It had committed to extending and improving them, but they have only been extended.

I don't know if the commission is studying this aspect of employment insurance inequities—the good old black hole—or if you have any solutions, but the goal is to eliminate it.

Considering that the economy in the regions relies on seasonal industries, their realities must be taken into account in the plan. Isn't that right?

The Chair: I would ask you to keep your answer brief, Mr. Laliberté.

Mr. Pierre Laliberté: We do have the pilot program results, which have been largely positive for those affected. We're hoping that some of the inadequate conditions will be improved.

If I'm asked, I will gladly come back to this.

The Chair: Thank you, Mr. Laliberté.

Thank you, Ms. Chabot.

[English]

Next is Ms. Gazan, please, for six minutes.

Ms. Leah Gazan: Thank you, Chair.

My questions are for Professor Forget.

In your recent research about poverty and income security in the wake of the COVID-19 pandemic, you highlight pre-pandemic trends in the economy, things like a polarization of precarious and low-income work in the labour market, rising consumer debt levels and income insecurity, and ineffective income assistance programs. We've certainly heard the many problems with the current EI system today.

When the pandemic struck, these trends were made worse, certainly highlighted predominantly with BIPOC and disabled people who were forced into low-income and often precarious work, or even deeper levels of poverty. You've written that these trends highlight how poorly existing social programs, especially EI and provincial income assistance, address poverty and income insecurity.

Can you tell us why that's the case, and what changes are needed to improve EI?

Dr. Evelyn Forget: I think that EI is intended primarily to concern itself with maintaining a commitment to the workforce. The difficulty, when we're dealing with very low-income workers and precarious workers, is that we don't have that regularity of commitment. For example, when COVID came along, we saw that many people simply didn't have enough hours to qualify under the standard EI definitions, and hence many of them received support through the CERB.

These workers take a number of forms. I just heard from a musicians organization in Toronto this morning that 91% of their members didn't receive EI during the pandemic, and 65% of them received at least some support through CERB. People who work in non-standard jobs simply don't fit into the kinds of restrictions that are built into the system. We've just heard about it in terms of seasonal workers.

Trying to modify the EI system in order to bring all of these non-standard workers into the fold makes it more and more difficult to meet the needs of workers in standardized jobs who need to see increases in the level of support that they receive. If they leave aside the EI program and turn to provincial income assistance, those pro-

grams are, at the same time, encumbered with a number of barriers that make it very difficult to leave that system and move into the workforce.

I think we need a system that facilitates that transition in and out of the workforce for people who, for one reason or another, are going to work that way and continue to work that way. Sometimes it's the result of—

• (1725)

Ms. Leah Gazan: Sorry, I have two other follow-up questions that are really critical.

Can you tell us why a guaranteed livable basic income is an effective mechanism for poverty eradication and income security, and how it can work well with EI? Change is difficult. You know I'm a big fan of guaranteed income. Can you explain how it can work well with EI?

Dr. Evelyn Forget: EI can work extremely well for some people, and as long as it works as a social insurance system there's no reason to talk about replacing it. We can transform that system to make it work for the people for whom it works.

I think that a basic income captures those people who simply don't work enough hours, or don't work regularly enough to qualify for the system without forcing them onto provincial income assistance.

Ms. Leah Gazan: Finally, of course there are critics of guaranteed livable basic income and its feasibility, especially funding such a program along with other social programs. I often refer to the high cost of poverty. It is a program that pays for itself. Can you tell us why guaranteed livable basic income is feasible, and how is it feasible?

Dr. Evelyn Forget: In terms of the funding, I think we've seen two reports from the Parliamentary Budget Officer, one of which was conducted in 2018 during a normal year with normal levels of unemployment. The net cost of the program, rolling into it a number of other cash support payments from the federal government, was \$43 billion, which means that it would have cost \$23 billion a year more than we're currently spending. We're currently delivering through provincial and territorial income assistance.

When they repeated that exercise this year, of course the numbers were much higher because unemployment rates were much higher, hours of work were much lower, and the needs were greater.

One of the benefits of a basic income is that it is an automatic stabilizer. It automatically expands to meet the needs when [*Technical difficulty—Editor*] things like the pandemic, when transitions occur either in the economy or in individual lives. I think we can see that it's not coming in at an outrageously expensive amount of money. It's an expensive social program, but certainly within the capacity of a country like Canada to afford.

You touched on the other issue, and that is the downstream cost of poverty. It's something we pay very little attention to, but I think the final report of the commission on missing and murdered indigenous women pointed out that 80% of indigenous women are incarcerated for poverty-related crimes. Certainly the work I've done on health care shows that there are substantial savings in hospitalization and in other areas of health care when communities are offered a basic income.

If we look at basic income as an investment rather than a cost, then we can start talking about those returns, both financial and personal returns on investment.

The Chair: Thank you, Dr. Forget; thank you, Ms. Gazan.

Next, we have Mr. Tochor, please, for five minutes.

Mr. Corey Tochor (Saskatoon—University, CPC): Thank you very much.

Mr. Laliberté, it's shocking to hear your forecast that the employment fund is going to be in a \$25-billion deficit. How do you think that deficit is going to get replenished?

Mr. Pierre Laliberté: I'm talking about a situation here that will come to be at the end of 2022, notwithstanding. We're in a period of extraordinary circumstances, and it is certainly our hope that as general revenues recover the red ink, last year's installment will also be the case for the next couple of years.

• (1730)

Mr. Corey Tochor: It's not from EI premiums, though. You're saying the government is going to backstop it. Maybe that happened last year, but we don't know because we didn't have a budget last year to confirm.

Mr. Pierre Laliberté: No, it's being backstopped. There was an infusion of about \$35 billion or \$39 billion. It was done, and we're quite grateful for this because, quite frankly, the program cannot sustain that kind of—

Mr. Corey Tochor: I appreciate that. I'm just going to be short on time here, Mr. Laliberté. I have a couple of other, different questions along that vein.

The Conservatives, like all parliamentarians, voted to help families with the ability to provide for their families because their livelihoods have been restricted because of the pandemic. Everyone voted for that. Everyone agrees that that's a role for government. It's the extra charges and how we get out of this that I'm kind of preoccupied with.

I'm kind of surprised today that we haven't talked about... We talked about benefits under the program of just either weeks or real dollars out to people, but we haven't talked about how we actually improve employment opportunities for people. That's a big question economy-wise. How do you have the right policies in place to encourage a growing economy? Ultimately, that is what helps people get out of poverty, and the dignity and the virtue of work are a passion of mine that I believe cures a lot of ailments in our society.

In what ways can we improve the current program so that it helps these individuals find better employment after their benefits run out or during that time period? How do we make a better, more efficient system?

Mr. Pierre Laliberté: As you may know, part II of the EI program is entirely geared to labour market programming. That essentially does what you're describing: providing skills training, subsidizing people who want to start a business, engaging in job partnership programs. For the most part, the results of this...and that's documented if you go into any of the monitoring and assessment reports that we release every year; each province reports back their result. There are some very meticulous and sophisticated studies that have been done to measure the impact, and it's positive.

Basically, when I say it's positive, I mean that for every dollar you invest, you get more, tax-wise. We need more of that. We need more of—

Mr. Corey Tochor: I have another question that I want to get in before my time is up.

If legislative changes are required to reform the Social Security Tribunal, as the government has promised are in the upcoming budget... I'm just confirming that you need legislative changes required.

Mr. Pierre Laliberté: Yes.

Mr. Corey Tochor: You talked about consulting. Whom have you consulted regarding the SST changes in the past year?

Mr. Pierre Laliberté: Consulted? You have to realize that I've been in touch with tens of groups that deal with the unemployed, that defend them, that help them across the country, so I can assure you that—

Mr. Corey Tochor: Which would be the most common, or which would be most frequent, if you don't mind my asking?

Mr. Pierre Laliberté: It would be the community legal services, legal services in the various cities across the country; it would be labour unions, you name it.

The Chair: Thank you, Mr. Laliberté and Mr. Tochor.

The last round of questions is going to go to Mr. Vaughan, please, for five minutes.

Mr. Adam Vaughan: Thank you very much.

I have a couple of questions, one for Madame Forget.

We've had, from every corner of the House of Commons, worthy suggestions around maternity leave, bereavement leave, seasonal workers, paternity leave, gig workers, training while on benefit. I mean, everybody has good intentions, but everybody turns to EI to fix these problems. We just heard that there is a structural deficit, as a result of COVID, now built into the EI fund. Can we realize these benefits without overhauling the system?

• (1735)

Dr. Evelyn Forget: In my opinion, no, we can't.

I think that one of the characteristics of the existing system is its incredible complexity. Every time we try to solve an additional problem, we layer another layer of complexity on top of it. I think one of the benefits of basic income is that it allows individuals to make their own decisions. It allows individuals to take money—

Mr. Adam Vaughan: It allows for a reset.

Dr. Evelyn Forget: That's right. That's exactly the case.

Mr. Adam Vaughan: In terms of the structure of paying for basic income, it seems that there should be some sort of blend of general revenue, some form of support out of the business sector in terms of its responsibility to maintain full employment but also be able to adjust to economic trends, as well as some connection to the person who receives the benefit.

We heard earlier testimony about this idea of an account as a possible way of approaching this process. Is it time to get past this notion that employment income or employment insurance is a tax that we pay for, and simply understand it as the way to prevent poverty and hardship in our country?

Dr. Evelyn Forget: I think employment insurance plays its role. I think it is a smaller role than we try to make it play, and I think that going forward it's going to be difficult to transform it in such a way that it can meet all of the needs that people try to ask it to meet.

How do we pay for it? If we're talking about the introduction of a basic income, I think there are a number of ways in which we can think about it. We do think about simply streamlining a number of different programs that are offered by various levels of government and that deliver cash to individuals, all with different application processes, all with different regulations and delivered in such a complex way that many people don't receive the benefits to which they're entitled.

Mr. Adam Vaughan: Your advice is to keep it simple.

Dr. Evelyn Forget: [Technical difficulty—Editor] a single benefit would make things much simpler and much more just. It would actually ensure that people receive the benefits they're entitled to receive.

Mr. Adam Vaughan: Through your work at your national organization, did you assess or study the Ontario Liberal government's approach to basic income as it was being modelled in Hamilton?

Dr. Evelyn Forget: Yes, I did.

Mr. Adam Vaughan: Was that Liberal program a program that has some solutions or some options available for us to look at?

Dr. Evelyn Forget: I think so. I think that one of the difficulties of a provincial program is that provinces simply don't have the capacity that the federal government does to make changes to the tax system and so on. It was being piloted, but it was being piloted as an experiment within an existing range of programs. I think a great deal was learned during that process. I think there are a number of different experiments that can also help us with that.

Mr. Adam Vaughan: There are some who think that the federal government can simply impose its will on the provinces and that there isn't a negotiated process forward, but if we are to adopt and explore basic income, it will have to be done in conjunction with the provinces and territories, because they, too, have part of the rev-

enue, part of the expense and part of the programs that could be cancelled.

Dr. Evelyn Forget: Yes, exactly.

Mr. Adam Vaughan: Right. It's not just a question of standing in a *Star Trek* spaceship and saying "Make it so." There is a process that we have to follow with the provinces.

Dr. Evelyn Forget: Right, and I think there is an opportunity to do that and to also recognize that the provinces have different social realities and different economic realities. It's certainly possible to imagine that basic income might take a slightly different flavour depending on where in the country it's rolled out.

Mr. Adam Vaughan: Thank you.

Mr. Laliberté, we heard earlier testimony that while the EI system's financial structure is fragile, its computer is almost even more fragile than the system itself. I'm curious as to whether or not you've turned your attention to the cost of fixing the computer as we fix the system, what that price tag would look like, and how critical it might be to the success of the comprehensive reform you talk about.

Mr. Pierre Laliberté: [Technical difficulty—Editor] sorry about this.

Mr. Adam Vaughan: Every time we talk about technology, there is a failure. I jinx it sometimes.

Mr. Pierre Laliberté: That must be it.

Listen, I wish I had the exact figures in front of me. I do know that there are some plans to transition the system out of its current state, but it's something that will be done through a number of years. As I am made to understand, it will be done with great care not to reproduce some mistakes that were made in previous—

• (1740)

Mr. Adam Vaughan: You're referring to Phoenix and this notion that you can go to a private sector firm, just snap your fingers and things will change. That's not the way to follow. Is that what you're suggesting?

Mr. Pierre Laliberté: Well, I was referring to the fact that you need the old system as backup, in case—

Mr. Adam Vaughan: Again, you can't go to *Star Trek* and snap your fingers. Otherwise, you'll end up with Phoenix.

The Chair: Thank you, Mr. Vaughan.

Thank you, Mr. Laliberté.

Colleagues, that takes us to the appointed hour or a little past.

Mr. Laliberté and Dr. Forget, the work you do is extremely important to so many people, in the area of basic income and poverty eradication. There are so many people who are impacted by your work. So many people who need to rely on the EI system are extremely dependent on your good work. Thank you for what you do. Thank you for being with us here today to discuss your work. We very much appreciate the patient and professional way in which you fielded the questions.

With that, colleagues, do we have consent to adjourn?

Some hon. members: Agreed.

The Chair: I believe I read consent in the room.

Thank you so much, everyone. We'll see you in a couple of days.

Thanks again to our witnesses for being with us.

The meeting is adjourned.

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