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Chair: Mr. Peter Fonseca



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• (0850)

[English]

The Chair (Mr. Peter Fonseca (Mississauga East—Cooksville, Lib.)): Good morning, everybody. Welcome. I call this meeting to order.

This is the Standing Committee on Finance, and this is meeting number 120. We're doing our pre-budget consultations in advance of the 2024 budget.

I'll say, just for everybody who is here, that we actually started these pre-budget consultations on the east coast, and we were able to get out to every province there. This past week, we've been in Quebec City, Toronto, Winnipeg and Edmonton, and today we are here in beautiful British Columbia, in Vancouver. We're delighted to be here, and we have a local member, Peter Julian.

Welcome, Peter.

That's what's great about this. We get to be on the ground. It's been five years since this committee has been able to travel—through COVID, etc.—and it's really imperative that we do get on to the ground, that we meet people at the community level and that we hear from witnesses.

We've also had a record number of briefs that have come to this committee. It's a record number for the finance committee. Over 850 briefs have come in from witnesses. Not everybody has an opportunity to be at the table, but I know that you speak for many constituents and your stakeholders.

We also have something on this committee that I find is quite pioneering—and it's good that we're out here on the west coast—and that is something called the open mike. The open mike gives others an opportunity—because we don't have the space for all who want to speak and want to be here in person in front of the committee—to get onto an open mike. You'll see it behind you. We have a number of individuals and organizations that are going to have an opportunity to provide their statements, their remarks and their testimonies for our committee.

Our members are going to also have an opportunity to introduce themselves. I will say that the witnesses will know a number of the people here, but Alexandre Roger is our clerk, and he is somebody that has communicated with all of you in terms of the logistics to be able to be here. Our analysts capture all of the information that is transmitted, be it through the briefs or here through your testimony. Our technicians make sure that all of our devices are working, etc., including our interpretation devices. Then, of course, there are our

interpreters, who are able to provide, in both official languages, all of our proceedings.

On that note, we are going to welcome our first open-mike person.

I have here the vice-president of the Vancouver branch of the National Association of Federal Retirees, Murray Bryck.

Murray, you can go to the mike. Take your time. We're looking forward to hearing from you.

Mr. Murray Bryck (As an Individual): Good morning.

My name is Murray Bryck. I—along with my colleague, Michael Jolicoeur, over there—represent the National Association of Federal Retirees, which involves 170,000 retired and active members of the federal public service. We're the folks who work for you, with you.

We've already provided you folks with written briefs, so my comments are going to be very short today.

We have eight recommendations for you, and they're as follows.

Number one, protect the rights of older persons, commit to implementing long-term care standards and continue to expand the national seniors strategy.

Number two, implement a national pharmacare plan.

Number three, the importance of caregivers' work needs to be understood and financially compensated.

Number four, act on and implement equitable outcomes for veterans.

Number five, resolve the Phoenix system issues once and for all, and rebuild trust with the federal service.

Number six, expand the Public Sector Pension Investment Board to include a pensioner representative. That will be better for everybody.

Number seven, following revisions to the public service health care plan, similar action should be taken regarding pensioners' dental services plan.

Finally, the last one, number eight, is to act on cost of living issues by prioritizing a strong policy environment for defined pensions and address inefficiencies in retirement plans.

Thank you for the opportunity to be able to address your committee.

The Chair: Mr. Bryck, thank you for your advocacy for retirees, and thank you for your recommendations.

Now we will hear from the Greater Vancouver—of course, the grannies—Grandmothers Advocacy Network. You guys do great work.

There are a number of you. Please all go to the mike. We're looking forward to hearing from you.

● (0855)

Ms. Gail Mullan (As an Individual): Good morning, members of the finance committee.

We are members of GRAN, which is a network of older women across Canada who advocate for the human rights of older women and others, with special concerns for the grandmothers of sub-Saharan Africa. We are supported here today by members of Results Canada and the B.C. Council for International Cooperation.

The world is in the midst of a global hunger crisis, with many millions of people experiencing acute food insecurity and hunger. Canada must renew its promise to increase official development assistance year over year to 2030, starting now. The size of our economy ranks us seventh among our peers in the OECD, but we rank a pitiful 15th in ODA spending.

Canada must increase our ODA and invest in sustainable food systems.

Thank you.

The Chair: Thank you so much. Thank you to GRAN for your advocacy and for all that you do. You do a tremendous job. We know you often get out to many committees to make yourselves heard. Thank you.

Now we will have the Terry Fox Humanitarian Award program. We're out here where Terry Fox was from. I believe he was from Coquitlam. He's a hero to all of us—to all Canadians and to many around the world.

We're looking forward to hearing right now from Rabiah Dhaliwal, Matthew Boroditsky, Kimberley Brownlee, Shannon Riley, Paulina Louis and Lynne Stanger. If I missed anybody, you can just mention yourselves.

We look forward to hearing your deputation.

Ms. Shannon Riley (As an Individual): Good morning everyone.

Today, when you consider the budget of the Terry Fox Humanitarian program, think about who was in the room when it matters. Yes, it's a line from *Hamilton*. Today, you have a chance to fund more humanitarian leaders of the future to be in the room where it happens.

My name is Shannon Riley. I'm an alumna from 1994. The award helped me with my nursing degree. I went on to get my master's in public policy, and I have been working in the fight against the toxic drug emergency in B.C. since 2016.

Thank you.

Ms. Kimberley Brownlee (As an Individual): Good morning.

I am Kimberley Brownlee. I hold a Canada research chair at the University of British Columbia. I work on loneliness, belonging and social human rights. I received the Terry Fox Humanitarian Award in 1997, which enabled me to run Amnesty International at McGill, instead of having to get a job.

On the strength of that, I was awarded a Commonwealth scholarship and the Rhodes scholarship. The awards set me on a path that I might not otherwise have pursued.

I overcame a difficulty, which is part of that award. I am legally blind and have oculocutaneous albinism. Like other recipients, I am committed to humanitarian action and human rights.

Thank you.

Ms. Rabiah Dhaliwal (As an Individual): Good morning.

My name is Rabiah Dhaliwal, and I received the award in 2017. I am a survivor of a suicide attempt. For me, this award meant more than just a scholarship. It was truly a form of suicide prevention for me. It allowed me to focus on getting the care I needed, while relieving the constant worry about paying for my university education. It allowed me to focus on the social impact I could have by starting a mental health non-profit, for which I received the lieutenant governor's award.

This award goes beyond academic support. It truly serves as a safety net for youth from all walks of life across this country and positions them to be our future leaders in government, science, academia and so much more.

Thank you.

Ms. Lynne Stanger: Hi, everyone.

I'm Lynne Stanger. I work at Habitat for Humanity. Equal to that enjoyment is volunteering for the Terry Fox Humanitarian Award, which I've done for the past three years.

This year, we were able to offer 25 awards to over 3,000 students who applied. Of all the committees I've sat on, this is the most difficult one. With that lack of funding, we have not been able to meet the needs of all the deserving students who apply. At the height of the award, we were able to offer 53 awards to students. As you've heard from stories already, they make a significant difference in a student's life, not only at university but with the impact they make in the community beyond.

I'm here today as a committee member and a friend of the Terry Fox Humanitarian Award to ask you to devote that additional funding so that we can offer this award to more deserving students and turn fewer students away.

Thank you.

● (0900)

Ms. Paulina Louis (As an Individual): Good morning.

We stand before you today as a very grateful and diverse group of current and past recipients and friends of the Terry Fox Humanitarian Award program. My name is Paulina Louis, and I was a Vietnamese boat person who arrived in Canada as a refugee with nothing but a sense of hope. This extraordinary award program altered my life.

While I've also served on the provincial interview committee for the past 10 years, I have had the privilege of meeting these compassionate and altruistic Terry Fox scholars, whose lives were changed by the award program. They have graduated and have since continued to inspire and effect positive change in Canada and beyond.

I urge you to consider the profound impact of this award program and the ripple effects it carries for generations of Canadians. This program allowed us to pursue our passions for volunteering, humanitarian efforts, athleticism and higher education despite facing tremendous obstacles. In a world where compassion and unity are needed more than ever, you have the power to ensure that programs like this continue in Canada.

Please, let us honour the legacy of Terry Fox, a true Canadian hero. Please support the Terry Fox Humanitarian Award program so that it can continue to empower the leaders and the humanitarians of tomorrow.

Thank you so much.

The Chair: Thank you.

We thank all of you for your advocacy for the Terry Fox Foundation. Thank you for sharing your personal stories. Thank you for what you've overcome and what you've been able to achieve. We can see that Terry Fox's message of hope is strong and alive.

Thank you. We appreciate it.

Now we will hear from the Contraception and Abortion Research Team and Wendy Norman.

Go ahead, please.

Ms. Wendy Norman (As an Individual): Thank you for the honour of speaking today, and thank you for your work on this committee.

I'm a professor at UBC as well as a family doctor, and I hold the Public Health Agency of Canada chair in family-planning research.

I urge you to consider in our federal budget a universal subsidy for contraception. As you may know, B.C. has just offered this, and it should be equitable across Canada for people to have the chance to avoid the devastating effects of unintended pregnancy.

Women and pregnancy-capable people across Canada represent over half our population, and at the moment we have been cited by the U.N. Human Rights Council as having inequitable access to contraception, a dedicated human right. This is related mostly to cost.

Part of the way we understand these inequities and the cost is through sexual and reproductive health surveys. The federal budget in 2021 funded the first sexual and reproductive health survey, which will be rolling out soon in Canada. I strongly urge you to consider, along with providing universal access to free contracep-

tion, enrolling in Statistics Canada as a core survey an ongoing sexual and reproductive health survey so that we have the ability to show our inequities and to address the needs among people across Canada so they can have affordability in their families, support the best starts for the children they've planned and avoid having those 40% of pregnancies that are unintended increasing our health system costs across Canada.

Thank you very much.

The Chair: Thank you for your advocacy again, and thank you for your presentation.

Now we will hear from C40 Cities and Juvarya Veltkamp.

Go ahead, please.

Ms. Juvarya Veltkamp (As an Individual): Thank you.

Good morning. My name is Juvarya Veltkamp. I'm a senior adviser with the global environmental non-profit C40 Cities. Our mandate is to support about 100 cities around the world, including Toronto, Montreal and Vancouver, to cut greenhouse gas emissions in half by 2030.

I'm here to bring your attention to the need we have here in Canada to make massive, targeted investments commensurate with the need to support the development of green shipping corridors. Canada, as a signatory of the Clydebank Declaration, is committed to green shipping corridors. These corridor projects are really innovation sandboxes that can help catalyze the transition to zero-emissions supply chains and help aggregate demand and get moving on zero-emissions fuels as well.

At C40, we're the lead convener for two of these corridor initiatives globally, and we've learned about the complexity and the massive need for different innovation and thinking about how to support development of the corridors.

American ports are getting ready for the challenge. The U.S. EPA will help U.S. ports and vessel and equipment owners to access \$3 billion in funding over four years. Ports in Los Angeles and Seattle are parts of consortiums that have received over \$1 billion each to develop clean hydrogen hubs. To stay competitive, we need, first of all, to make sure the \$165 million—with an “m”, unfortunately, not with a “b”—that has been committed by Transport Canada into a green shipping corridor fund starts flowing. We need the dollars flowing, and we need a strong strategy in place to guide how these investments will be made.

The maritime sector is vital to Canada's economy. Port communities in Vancouver and Montreal, for example, can really benefit from investments in maritime decarbonization. They benefit through improved air quality, clean innovation and the creation of good green jobs. We know these investments have far-reaching benefits, positive impacts beyond creating a resilient and sustainable supply chain for goods imported and exported from Canada.

Thank you.

● (0905)

The Chair: Thank you for your advocacy for the environment and for those corridors.

Let's all thank our presenters at the open mike. I think they've done an outstanding job here before our committee.

All of your testimony has been captured here for our study. Thank you so much.

I think they deserve a round of applause.

Voices: Hear, hear!

The Chair: That was amazing. We appreciate it.

Now we will go to the other witnesses who are at the table.

With us today, from the Association des collèges et universités de la francophonie canadienne, is the director, strategic research and international relations, Martin Normand. From the Co-operative Housing Federation of British Columbia is the chief executive officer, Thom Armstrong. From the Greater Vancouver Board of Trade is president and chief executive officer Bridgitte Anderson as well as vice-president David van Hemmen. From Metro Vancouver, we have the chair of the board, George Harvie. From Spirit Foundation Financial Technology Inc., we have its chief executive officer, Alex Holman. From The Mustard Seed is director of operations, Treska Watson.

Welcome.

With that, witnesses, you'll have up to five minutes for opening statements and remarks to our committee before we get into the members' questions.

We will start with the Association des collèges et universités de la francophonie canadienne.

Go ahead, please.

[*Translation*]

Mr. Martin Normand (Director, Strategic Research and International Relations, Association des collèges et universités de la francophonie canadienne): Thank you, Mr. Chair.

The Association des collèges et universités de la francophonie canadienne represents Canada's 22 institutions offering post-secondary education in a francophone minority context. Our vision is to increase access to post-secondary education in French to establish a true French-language education continuum, from early childhood to post-secondary education.

In the new version of the Official Languages Act, the government commits to advancing opportunities for francophone minori-

ties to pursue quality learning in their own language throughout their lives, including post-secondary education.

This commitment is particularly important, as our member institutions are addressing a pressing issue: labour shortages in sectors that are essential for the development of francophone minority communities and of Canadian society. These include sectors such as child care, health care, construction, primary and secondary education, as well as small and medium-sized businesses and civil society organizations that are actively seeking francophone or bilingual workers.

However, the precarious state of the French-language post-secondary sector is a concern for francophone minority communities, who must count on strong, agile institutions. As for post-secondary institutions, they are seeking to increase the range of programs and services offered to their local and international clientele.

The additional investment in support of post-secondary education in the minority language, announced in the 2021 federal budget, was used to meet specific and pressing needs. Now, post-secondary institutions need permanent support to develop over the long term as strong educational institutions that serve francophone minority communities.

The funding announced in the Action Plan for Official Languages 2023-2028 in support of the post-secondary sector is welcome and will help address "the underfunding of minority-language post-secondary institutions", as the federal government states in the action plan. However, these sums fall short of what was expected, and, as the federal government also states in the action plan, "efforts to further support the sector over the long term" are required.

In this context, our first recommendation is as follows. We recommend that the federal government, in its 2024 budget, permanently increase funding to support post-secondary institutions in official language minority communities to \$80 million per year.

This funding was promised by the Liberal Party of Canada during the 2021 election campaign, but has yet to materialize. Canada's major political parties also pledged support for the post-secondary sector during the election campaign.

A permanent program with this level of funding would send a clear signal that the federal government intends to play its part in sustaining post-secondary institutions, while respecting provincial jurisdictions. This program would enable post-secondary institutions to intensify their contribution to the achievement of objectives set by the federal government.

For example, our member institutions contribute to increasing the rate of individual French-English bilingualism by offering a unique learning environment and fostering the acquisition of lasting bilingualism. They are key players in the coming collective effort to restore the demographic weight of francophones, as set out in the Official Languages Act. They also contribute to achieving federal targets for francophone immigration to Canada by welcoming hundreds of foreign students every year and by equipping them to apply for permanent residency in Canada, should the need arise.

Our institutions must also be able to recruit and retain French-speaking students. Financial incentives are an effective tool in this regard. In recent years, thousands of students across the country have benefited from bursaries for post-secondary studies in French as a second language. We are delighted that this initiative, announced in the previous action plan, has been renewed. However, there is still no such program for students whose first language is French. This contributes to widening the gap in access to post-secondary training in French. This is a significant inequity in the context of the federal government's stated commitment to achieving substantive equality in the post-secondary sector.

We therefore make a second recommendation. We recommend that the federal government create a post-secondary bursary program for students whose first language is French, with an envelope of at least \$15 million over five years, equivalent to the existing program for students whose second language is French.

I thank the committee for the opportunity to present our recommendations.

• (0910)

The Chair: Thank you, Mr. Normand.

[*English*]

Now we will hear from the Co-operative Housing Federation of British Columbia.

Mr. Thom Armstrong (Chief Executive Officer, Co-operative Housing Federation of British Columbia): Thank you.

It's a pleasure to be here. Thank you for the opportunity. I'm especially pleased to see my own member of Parliament here. That must be a good omen.

I have to say that I love the open mike part of your format. I think it's a real improvement in the committee process. Congratulations on that.

My name is Thom Armstrong. I am the chief executive officer of the Co-operative Housing Federation of British Columbia. It is an honour for me to speak today, not only for the co-op housing sector but also for my colleagues at the B.C. Non-Profit Housing Association and the Aboriginal Housing Management Association. Together we represent roughly 90,000 homes in the community housing sector province-wide.

In my remarks today, I'll pick up where our written submission to you left off. We all know that the housing affordability crisis in Canada is a complex problem that's been decades in the making, but Canada has been experiencing a rapid loss of affordable housing for far too long. Between 2016 and 2021 we lost more than

368,000 homes renting below \$1,000 a month. That's 12 homes for every new non-profit home built in this country.

In the same period, rents went up 20% across the country, with B.C. and Ontario experiencing a 30% surge in rent. In consequence, one in every three Canadian renters is paying an unaffordable portion of their income on shelter, with 13% of them paying crisis-level rents at more than 50% of their income. This puts them just one bad break away from homelessness.

At the same time, evictions remain high. Recent reports indicate that the high rates of eviction are rarely tenants' fault. The data suggests that only one in 20 evictions were caused by late or non-payment of rent. Two in 10 were due to other reasons related to tenant behaviour, the balance being the consequence of what people now refer to as the "financialization" of housing.

High eviction rates paired with rising rents will inevitably increase the number of homeless in our communities. Indeed, a recent homeless count for metro Vancouver reported an increase of more than 30% over the last count. CMHC has estimated that, as a nation, we need 3.5 million more homes by 2030 than the housing industry is currently projected to build. That is just to return to 2003-04 affordability levels.

Now, since our submission, the federal government has taken some commendable action. Minister Fraser does seem determined to use the housing accelerator fund to directly influence municipal housing policy. While not universally popular with municipalities across the country, we do find it encouraging. We believe it has the potential to increase supply where it's needed most while reducing the cost of construction.

The waiver of GST on purpose-built rental construction, while long delayed, is very welcome and will reduce some of the upward pressure on rents. We hope to see further action to encourage more non-profit housing construction. I can tell you that through our own community land trust, in the last five developments, we built more than 550 homes before this exemption came into effect. We paid \$5.2 million in GST to the federal government, which could have gone to reducing day one rents in non-profit housing developments. We don't have the profit margins to balance against those increases that a private sector developer would bring to the table.

We're also encouraged to see \$20 billion in low-interest financing unlocked to encourage new rental construction, but I have to say that the deployment of that financing is taking far too long, or a lot longer than it should.

In closing, I'll just reiterate the four suggestions that we advanced in our written submission.

We urge the federal government, as an act of concrete reconciliation, to fund the implementation of the urban, rural and northern indigenous housing strategy that's been advanced by National Indigenous Collaborative Housing.

We urge you to protect existing rental housing and tenant affordability by creating a federal acquisition fund based on B.C.'s rental protection fund. I can tell you that, within the next three weeks, the B.C. rental protection fund will be announcing its first acquisitions. It will be protecting rents in the range of \$750 to \$1,200 a month for tenants in buildings that are 30 to 40 years old. It will create the seed of a new redevelopment and supply program. That's a model that could be re-tailed across the entire country.

● (0915)

We urge you to reduce the financial burden on non-profit and co-op housing providers even more by working with provinces and municipalities to refresh the tax regime for rental housing construction.

Finally, please launch the federal co-op housing program that was promised in the March 2022 federal budget. The funds are already allocated in CMHC's programs. All that needs to happen is for the program to get rolled out.

It's the responsibility of all levels of government in Canada to address the affordable housing crisis. The upcoming federal budget is an opportunity for the federal government to lead the way, and I look forward to the results of this conversation and many others.

Thank you so much for the opportunity to be here.

The Chair: Thank you, Mr. Armstrong.

We couldn't agree with you more about the open mike. We think it's a great addition. I know you'll have a lot of time to expand on your remarks with your local MP here, Peter Julian, during question time.

Now we'll hear from the Greater Vancouver Board of Trade, please.

Ms. Bridgitte Anderson (President and Chief Executive Officer, Greater Vancouver Board of Trade): Good morning, Chair, vice-chairs and members of the committee.

My name is Bridgitte Anderson. I'm the president and CEO of the Greater Vancouver Board of Trade, and I would like to start by acknowledging that I'm presenting today from the traditional and unceded territory of the Coast Salish peoples: the Musqueam, Squamish and Tsleil-Waututh.

On behalf of our board of directors and over 5,000 members, we thank the standing committee for the opportunity to present our priorities and recommendations for the next budget.

We are in a period of global uncertainty, and many businesses are concerned about their prospects for future growth. Businesses, especially small and medium-sized businesses, continue to grapple with affordability in a high-cost, low-growth environment. As the government looks for ways to improve affordability, it must not overlook the pressing need to address businesses' affordability concerns, ensuring that they can not only survive but thrive.

For budget 2024 our priorities focus on three key areas. The first is building a strong foundation for growth.

Our region is experiencing unprecedented population growth fuelled by immigration and internal migration. About 70,000 people a year are coming to British Columbia to a region that is the size of the city of North Vancouver. While this influx presents opportunities for economic development, the substantial rise in population underscores the critical necessity for targeted infrastructure investments. In a recent board of trade survey, almost 70% of our members feel that the federal government's investments in transit, housing and infrastructure fall short of meeting the demands of regional population growth.

To this end, we have our first recommendation: Prioritize and expedite funding for infrastructure that supports population growth, including by beginning funding for the permanent public transit fund in 2023 instead of 2026; enhancing the federal funding in the investing in Canada infrastructure program for regional and local infrastructure; and continuing national trade corridors funding to support the movement of goods through greater Vancouver to the world.

Our second priority is fostering an internationally competitive and attractive business environment.

This centres on ensuring an internationally competitive and attractive business environment as affordability is a growing concern for businesses in B.C. In May, we released a report called "Counting the Costs". It found that businesses in B.C. will shoulder an additional \$6.5 billion in government-imposed costs from 2022 to 2024. To foster economic growth and stimulate investment, the government must take action to alleviate the burden on businesses. A business-enabling environment must look beyond streamlining regulatory processes and an easy-to-navigate tax system to also incentivizing economic investment in greater Vancouver and Canada. A vibrant economy must also include the promotion of indigenous economic opportunities.

Echoing the recommendations we put forward in our written brief, we recommend in our second recommendation that the government enhance productivity by prioritizing tax reform with the ultimate goal of simplifying and expediting regulatory review and approvals to ensure efficiency and a competitive business environment that attracts investments.

Our third priority is ensuring a stable and competitive workforce.

As our economy seeks to focus on long-term stability and prosperity, a strong workforce plays an indispensable role in bolstering business growth and competitiveness. Canada and other markets face a growing skilled labour crunch, and it has become more challenging for our members and businesses to attract and retain talent. To this end, we have our third recommendation: that the government continue to invest in talent, productivity, research and innovation while streamlining the processes for both interprovincial labour exchange and international skilled immigration.

Economic headwinds, public safety concerns, regulatory burdens and an unfavourable tax regime are making it increasingly challenging to do business in this country. The challenges I've highlighted are just some of the many obstacles that businesses in greater Vancouver—particularly small and medium-sized businesses—are grappling with. More details are included in our written brief.

In moving ahead, there is a pressing need for a robust economic agenda that improves affordability, productivity and growth for businesses. We look forward to continuing to work collaboratively on these issues with you to ensure our region and nation are competitive and resilient.

Thank you.

● (0920)

The Chair: Thank you, Ms. Anderson. We look forward to many of the questions that will come to you.

Now we'll hear from Metro Vancouver.

Mr. George Harvie (Chair, Metro Vancouver Board, Metro Vancouver): Good morning, and welcome to metro Vancouver on what is a normal, beautiful day for us in November.

● (0925)

The Chair: Yes. We'd like to thank you for the weather.

Mr. George Harvie: I'd like to acknowledge the presence of our metro Vancouver MP, Peter Julian. It's good to see you again.

Thank you for the opportunity to speak to you about the 2024 federal budget.

I'm George Harvie. I'm very proud to be the chair of Metro Vancouver and the mayor of the City of Delta.

I acknowledge with much gratitude and respect that we are located on the traditional territories of the 10 first nation communities within the metro Vancouver region.

Metro Vancouver is a federation of 21 municipalities, one treaty first nation and one electoral area. We are the regional body responsible for providing critical services such as drinking water, wastewater treatment, solid waste management, affordable housing and parks to 2.8 million residents. That's more than half the population of our province.

Over the next five years, we project capital expenditures of over \$7 billion to ensure that the critical infrastructure that is so important to our everyday lives is in place. We're building and upgrading the infrastructure needed to serve the people currently living

here and those who are coming to our region, and we must do our best to lessen the financial burden on our constituents.

In our many conversations with ministers and MPs, we've heard time and time again that the federal government is interested in partnering with us to deliver our shared goals related to affordability and responding to the housing crisis, as well as addressing climate resiliency. Budget 2024 presents an opportunity for the federal government to turn that interest into action. We have a dedicated partner in the Province of B.C. Now we need to see funding for our regional priorities in the next federal budget.

We simply cannot wait any longer for a federal commitment to our most pressing project, which is the Iona Island waste-water treatment plant. This is a massive project that will unfold over the next two decades. It must be done in order to meet the regulatory requirements of the federal government and protect the environment as mandated.

The plant will accommodate the projected growth of approximately 170,000 residents, basically within the City of Vancouver area, in addition to supporting 750,000 existing residents. The additional 170,000 residents cannot be accommodated with the current plant. The first phase of the project is expected to cost approximately \$750 million over five years. The provincial government has already committed its \$250 million to this phase. Metro Vancouver continues to seek a federal contribution of \$250 million to phase one.

On the housing front, affordability is one of the most critical issues facing our region. Metro Vancouver is doing what it can to increase affordable housing supply through Metro Vancouver Housing.

Metro Vancouver Housing is one of the largest non-profit affordable housing providers in B.C., with close to 10,000 tenants. We are building as many units as possible, and we have a strong portfolio of projects ready to go. The province knows Metro Vancouver is a reliable and values-aligned partner, and it has invested \$158 million and signed a memorandum of understanding to support the delivery of over 2,000 new units.

Now we need the federal government to match this support to complete this important work. Again, we are asking the federal government to contribute \$166 million in financing and \$40 million in forgivable loans, as well as to sign an MOU to help us deliver the portfolio of projects over the next 10 years.

In conclusion, Metro Vancouver is poised to support the federal government on several fronts, with housing-enabling infrastructure, with waivers for affordable rental housing and with the direct delivery of affordable rental housing. Help us help you.

The province is supporting Metro Vancouver as we face these challenges, and we need the federal government to do the same. While we have met frequently with your colleagues over the last few months and years and have received supportive responses to our requests, we have yet to see the much-needed funding commitments from the federal government.

Today, I hope you will offer your support for the metro Vancouver region, for the Iona project and for Metro Vancouver Housing.

Thank you so much for your time.

The Chair: Thank you, Mr. Harvie.

Now we will hear from Spirit Foundation Financial Technology Inc., please.

Mr. Alex Holman (Chief Executive Officer, Spirit Foundation Financial Technology Inc.): Thank you, Mr. Chair.

If I lose my voice, I apologize, but with two toddlers at home bringing home all kinds of illnesses, seemingly on a daily basis.... I apologize.

Hello. My name is Alex Holman, and I'm the founder of Spirit Foundation Financial Technology Inc. We're a fintech company focused on reconciliation with indigenous peoples.

I'm here to share my experience of attempting to launch financial products that reflect the reality of Canada as a nation. The reality is that we are transacting on indigenous land and have stolen the value of that land to create financial products. All of this is being done while individuals living on reserve are unable to own their own homes, and they have their spending power continuously eroded by a fiat currency, the Canadian dollar, which is backed primarily by debt and low interest rates previously on that same stolen land.

We live in a world where just the performance-based bonuses for bankers in Canada are close to \$20 billion per year. This is roughly half the size of the entire indigenous economy.

In January 2020, I connected with the Bank of Montreal after an incident that saw the arrest of Maxwell Johnson and his granddaughter at their downtown Vancouver location. We spoke about everything I just shared with you and about the need for real reform in the financial sector. We discussed the idea of a digital asset, similar to Bitcoin, to alleviate the economic problems on reserve. Over the next three years, we would work on numerous projects, all of which eventually became dead ends.

In January 2023, BMO reached out and asked me if I would like to launch an Affinity credit card. After agreeing, we got to work on the program, which would be promoted at the indigenous summer games in Halifax. Features included sharing a portion of the interchange fees with indigenous-led charities, extra cash back for supporting indigenous-led businesses and, for the first time, traditional indigenous names on credit cards. We had strong partners supporting us who were willing to fund the marketing, and the card was set to launch in November 2023.

In May 2023, BMO shared that the Spirit-BMO Affinity card program was to be cut because of BMO's merger with California's Bank of the West. It asked if I'd be willing to stay on and work on the project for a few more years, without compensation and without a firm launch date. We never received any compensation from BMO. Internal dialogues at BMO failed to produce a positive result for the program.

We often wonder why Canada fails to innovate like other G20 countries. We wonder why our banking system is so expensive and why reconciliation is stalled with platitudes and broken promises. It's ventures like Spirit that are being cut in favour of corporate takeovers. We had ample evidence to suggest a large portion of Canadians are interested in reconciliation-focused financial products.

The failure extends beyond retail products and into capital markets as well. It's currently much easier to invest in clean-water infrastructure in places like Africa than it is on a reserve in your own province that's had a boil water advisory for up to 30 years.

We made attempts to ask the BMO capital markets team about how we might invest in some of the bonds that support first nations, and it actually didn't know how. We have zero innovation in Canada when it comes to connecting investors with first nations, Inuit and Métis communities. Most Canadians will go their entire lives with no economic relationship with their closest indigenous communities.

There is no difference between building a pipeline on indigenous land or using indigenous land to back financial products like mortgages. Indigenous peoples have a place in regulating, forming and ultimately seeing the value from financial products created on their unceded, traditional and treaty lands.

BMO is a 206-year-old bank that essentially invented the Canadian dollar. It operated as Canada's central bank all the way through Confederation up to the 1930s, while we were systematically destroying indigenous peoples' culture through the residential school system. It also financed the construction of the railway, which seized millions of acres of indigenous land.

Colonization didn't just happen. We needed to turn indigenous land into Canadian land and give that land value. We needed to entice millions of people from around the world to come to Canada and convince them that the land and the currency they were getting was real.

- (0930)

Despite all of these gains over the centuries, the refusal to launch a simple credit card supporting indigenous people is a disgrace, and more so that it's in favour of a \$16-billion foreign bank acquisition that should have no effect on Canadian operations. Reconciliation in the financial sector is not about removing barriers to indigenous people in the workplace. That is called following the law, and making efforts to not discriminate against your own indigenous employees and customers is absolutely the bare minimum.

We need bold, decisive strategies focused on raising the standard of living on reservations to match that of the rest of Canada. I would implore the federal government that, when mergers and corporate takeovers are being discussed and looking for approval, innovative products and ventures supporting indigenous communities must not be cut.

Thank you.

- (0935)

The Chair: Thank you, Mr. Holman.

Now we'll hear from The Mustard Seed.

Ms. Treska Watson (Director, Operations, The Mustard Seed): Thank you.

Good morning, members of the committee. Thank you for granting us the opportunity to address you today.

I sit before you to speak to the cost of living crisis we are currently facing in Canada.

The Mustard Seed began helping the homeless in 1975. Since that time, we have grown programming that now serves 75 additional non-profit agencies through our food rescue program. As well, we run a food bank, and we have meal programs and a hospitality centre for people seeking community and a hot meal. We are also partnering with Flourish School Food Society to deliver hot, scratch-cooked meals, cooked in our very own kitchen, to hundreds of school-aged children.

In 2022 we rescued 2.6 million pounds of food from grocery partners. Using Food Banks Canada's valuation of \$3.52 a pound, that is over 9.1 million dollars' worth of food moving through our warehouse.

Every day our team is honoured to do this work and we know this food impacts tens of thousands, yet it is simply not enough. Since 2019, food bank use in Canada has increased 78.5%. Make no mistake—this is the highest level of food bank use in 40 years of operating in our country. Food Banks Canada's "HungerCount" revealed just under two million visits to food banks in March 2023 alone.

The cost of living in Canada continues to rise to unsustainable levels for many average-income earners, and these people are turning to food banks. In fact, for the first time, there are more employed people working full time who are accessing our services. The increase in working poor individuals and families has been one of the most concerning trends we've seen in 2023.

Simply put, the cost of living crisis has Canadians choosing to pay their rent instead of buying groceries, an impossible choice, with the reality of being unable to make ends meet. We are seeing more people than ever turning to food banks, and there is no indication that this is going to slow down anytime soon.

Thirty-three per cent of food bank users are children. While representing only 20% of our population, children are disproportionately affected by hunger, which has far-reaching implications for their development, learning potential and ability to thrive. That is why our region has been focused on developing a school meal program that currently feeds over 600 students.

In 2021 a commitment was made by the federal government in the mandate letters of the Minister of Agriculture and Agri-Food. We are still expecting the federal government to live up to the commitment in the 2024 budget.

I have included a proposal from the Coalition for Healthy School Food for the Government of Canada to work in partnership with provinces and territories, indigenous peoples and non-profit organizations to develop and implement a national school nutritious meal program and related school food policies in support of and in line with the evolving food policy for Canada.

A key factor in the success of these initiatives is that these programs need to be delivered by groups that understand the unique needs of the regions in which they operate. In short, funding needs to reach the local level. Otherwise, it is not as effective in delivering solutions that work.

In these trying times, food banks play an indispensable role in keeping food on the tables of millions. This is a monumental task, delivered largely by non-profits with incredible funding restraints. Multi-year funding for our food bank network is paramount. Most of these organizations are small and largely volunteer-driven. We appeal to donors for the bulk of our funding and leverage wholesale buying power where we can. Unfortunately, our donors are also struggling with these very same issues.

Considering "HungerCount 2023", it is clear that for this sector there is no end in sight concerning these issues. We recognize that food banks are the proverbial canary in the coal mine for the cost of living crisis. I have forwarded supporting documents from Food Banks Canada with recommendations for a multipronged approach, which includes providing rental supports and increasing housing for post-secondary students, for instance.

As a fellow Canadian, I believe in our capacity to rise to the occasion, and I am fighting for a Canada in which no one goes hungry and every child has access to nutritious food.

In conclusion, the urgency of this matter cannot be overstated. I appeal to this esteemed committee to allocate the necessary funding for these initiatives in the 2024 federal budget, and I extend my heartfelt gratitude for your time today.

The Chair: Thank you, Ms. Watson.

To all our witnesses, thank you for your opening remarks.

We'll get right into questions from members. Just so that everyone is aware, each party will have up to six minutes to ask questions in this first round of questions. I think every member will have an opportunity when they start to let others know where they're from and maybe share one factoid.

I'm Peter Fonseca, the member of Parliament for Mississauga East—Cooksville. It's serendipity that we're in the "Kitsilano" room. About 35 years ago I lived in Kitsilano for a year. It was a great time.

With that, we will get started on the questions.

MP Hallan, you have six minutes, please.

● (0940)

Mr. Jasraj Singh Hallan (Calgary Forest Lawn, CPC): Thank you, Chair.

I thank the witnesses for being here and for their testimony.

I'm Jasraj Singh Hallan, the member of Parliament from Calgary Forest Lawn. I'm also the finance critic for the Conservative Party.

Ms. Watson, thank you for your work. I also have, proudly, in my riding a Mustard Seed that many users are seeing. Like you said, some of your testimony is very concerning. It's very alarming to see the state Canada is in today after eight years. We see more and more crime, chaos and disorder here, especially in B.C. Two million people are using a food bank in a single month in this country, 200,000 in B.C.

I want to get more of your thoughts here. Are you seeing a change in the demographics of the people who are using the food banks today?

Ms. Treska Watson: Absolutely. We're seeing increases across all demographics. All of those who we would consider traditional food bank users—newcomers to Canada, seniors, folks on disability—are increasing, but we're seeing a lot of double-income homes accessing food banks. That is one of the most concerning trends we've seen in 2023. It's been growing steadily since 2019, in fact. What that means to us is that two income earners in the home are still not able to make ends meet.

Mr. Jasraj Singh Hallan: Is one of those concerns, especially from the folks who are double-income earners who are using the food bank, some of their monthly expenses and their costs in taxes?

Ms. Treska Watson: I'm sorry. Can you repeat the question?

Mr. Jasraj Singh Hallan: For some of the double-income earners, is the increase in taxes and their monthly expenses one of the main reasons they're using a food bank?

Ms. Treska Watson: It's probably one of the reasons. Inflation overall in the cost of living is contributing. The cost of groceries is staggering. A lot of factors play into that. There's also low wages. I

know that for the Victoria region, where I live, the living wage is now \$25.49 per hour. Most organizations simply can't meet that.

Mr. Jasraj Singh Hallan: Absolutely. That would also include, I would imagine, things like their monthly heating bills and their food, like you said. All these costs are going up on a month-to-month basis.

Recently we saw the government do a carbon tax flip-flop in Atlantic Canada—for about 3% of Canadians—where their numbers were very low in the polls. They gave a pause on the carbon tax to Atlantic Canadians, which represents 3% of Canada. The rest of the 97% of Canada did not get that pause.

Do you think it would be helpful and fair if everyone across Canada were able to get a pause on this carbon tax? Would it help some of the users of the food bank if those costs were lowered in their month-to-month expenses?

Ms. Treska Watson: I think anything that would help all Canadians would be very welcomed. I know that a lot of our groups and families and people accessing our services have to choose between paying their hydro bill or buying groceries. They're going to pay their hydro bill first. There's just simply no choice there.

Mr. Jasraj Singh Hallan: Absolutely. We also know that this carbon tax is something that goes throughout the food chain. Are the food banks finding challenges with the amount of food they're getting now, because of the cost of groceries?

Ms. Treska Watson: Absolutely. Our programming relies heavily on rescued food from our grocery partners. We've tripled our grocery partners in the last three years, but that doesn't equal a tripling in the amount of food we're able to rescue. Grocers are always trying to reduce what they call their "shrink". We are rescuing less and less food with the same amount of effort.

Mr. Jasraj Singh Hallan: The Conservatives have called for the carbon tax to be completely eliminated, which would help lower the cost of gas, groceries and home heating for everyone across Canada, and especially for the people who are making the food. Do you think that would have a positive impact on people's lives and on the people who use the food banks?

● (0945)

Ms. Treska Watson: Again, I think anything that would help all Canadians reduce their cost of living, whether it's through taxes or the cost of groceries, would certainly make a huge difference.

Mr. Jasraj Singh Hallan: In your opinion, what other measures can be taken to help lower food costs right now?

Ms. Treska Watson: That is a very big question. I'm not sure how to answer that.

Mr. Jasraj Singh Hallan: If we could help the people who are producing the food lower their costs and at the end of the chain help the people who are buying the food—whether it's a food bank, a donor or the people who are actually using the food banks—would that be helpful, in your opinion?

Ms. Treska Watson: Absolutely.

In our facility, we are focusing on local sustainable food systems. Being that we are operating on Vancouver Island, we're always looking at ways to create incentivization for farmers and local food producers, because we think that while that food may be more expensive in the interim, ultimately it's going to reduce the costs of delivering more food locally to more people.

Mr. Jasraj Singh Hallan: Are you aware of Bill C-234?

Ms. Treska Watson: Somewhat....

Mr. Jasraj Singh Hallan: This bill is supported by all opposition parties. It's a really good bill that would help our farmers to bring down the cost of food. It's been stuck in the Senate by some Liberal senators who right now refuse to get it passed. Do you have a message at all for those senators who are holding that up? Would you like to see that bill pass to help lower the cost of groceries?

Ms. Treska Watson: I think my message is similar to my remarks that I made in the beginning, and that is that we are in a crisis and there is no end in sight. The numbers I cited today were from March 2023, and that is a long time ago now in the food landscape. We are seeing unprecedented growth in terms of users of food banks. If that will help, I would very much like the holdup to be expedited.

The Chair: Thank you.

Thank you, MP Hallan.

Now we'll go to MP Baker, please.

Mr. Yvan Baker (Etobicoke Centre, Lib.): Thank you very much, Chair.

I thank all of you for being here. It's wonderful to have this diverse group of folks here. I wish I had the time to ask all of you some questions, but I'll do my best to get in as many questions as I can. Thanks to all of you for your input.

I'm Yvan Baker. I'm the member of Parliament for Etobicoke Centre. Etobicoke used to be its own municipality and is now amalgamated as part of the City of Toronto. If you ever fly into Pearson Airport in Toronto and you're heading towards the downtown, you drive through my suburban community on either side of the highway, almost immediately as you leave Pearson. That's the best way that I can describe—briefly—where it is.

Look, we're here really to listen to all of you and to get your input. I hate walking away, though, with folks having a misunderstanding of what the government is doing. I think Mr. Hallan spoke to some things that are happening that maybe weren't characterized accurately. I just want to make sure that I get that message across before I get to my questions.

The pause on the carbon tax is for everybody across Canada. It's not just for Atlantic Canadians. It's on home heating oil. The reason it was done on home heating oil is that it's the most expensive form of heating, but it's also the most damaging to the environment. It was clear that the transition, the carbon tax, was meant for us all to adapt, to change our behaviours so we can save our planet, but in the case of home heating oil, because it's so expensive to transition, folks weren't able to transition. That's why that pause was put in place, along with a top-up to the rural rebate, again, to help rural folks across Canada, and it is just a pause. It's for three years and then it will come back into place.

The other thing I would say is that I think we have to remember one thing: We think of the carbon tax as just a tax. It's framed that way a lot of the time. The reality is that the money gets rebated back to Canadians and 80% of Canadians get back from that more than they pay. When anybody says, "Let's get rid of the carbon tax", they're also advocating to get rid of the rebate. The 80% of Canadians who benefit most from that rebate are the low- or middle-income Canadians. The carbon tax is not just an environmental measure. It's actually an affordability measure as well. I just want us all to be conscious of that as we talk about this issue and we think about the affordability challenges that so many constituents face in all our ridings.

The last thing I'll say.... We had a witness yesterday in Edmonton who spoke to this and asked, what the cost of inaction is, of not acting on climate change. What will the affordability crisis and the economic crisis look like, or the challenges businesses are going to face, etc.? I wanted to provide that context in light of the comments that were made.

In terms of my questions, I want to turn to Martin Normand, if I could.

[*Translation*]

Mr. Normand, it's good to see you again. In my riding of Etobicoke Centre, the francophone community is relatively small. For my fellow citizens and all other Canadians who are not francophone, can you explain why it's important to support French-language education, particularly at the post-secondary level?

● (0950)

Mr. Martin Normand: Thank you for the question.

Bilingual students or those who have received training in French at one of the institutions in our network will indeed be able to offer services in French and help alleviate labour shortages in francophone communities, but it goes far beyond that.

In her testimony, Ms. Anderson alluded to the need for talent recruitment, research, innovation and requalification. This is work that our establishments do in collaboration with English-speaking establishments. Of course, there are also collaborations with large majority-language institutions.

At the end of the day, if we're able to increase the proportion of students who have access to post-secondary education, we're acting directly on the challenges associated with the research needs to support cutting-edge sectors of industry, regardless of the language spoken.

We need a post-secondary education system that allows all students, whether French or English-speaking, the chance to access this level of training. This will enable them to be active citizens in all sectors of industry, whether in French-speaking or English-speaking communities.

Mr. Yvan Baker: Okay. Thank you very much.

You talked about labour and the fact that the lack of labour has a big impact on our economy.

Can you talk a little about the importance of French-language education and how that affects the economic situation in Canada?

Mr. Martin Normand: I'll share some data with you. For example, in Canada, the average salary of people educated in both French and English is generally higher than that of unilingual English speakers. So there's a purchasing power associated with being trained in French and evolving in French in communities across the country. This obviously has an impact on communities. However, wherever there's a shortage of labour, there's a drop in productivity and reduced access to services, among other things.

Let's take the example of a health care system that is obliged to offer health services in French. If the professionals in place don't speak French, this can lead to misdiagnoses and treatment errors. For the health care system, it will cost more to correct these errors, which were made because French-speaking or bilingual professionals were not present. It's the same in various sectors of the economy.

Let's not forget the huge demand for French immersion programs. Across the country, we need to train teachers who will be able to work well in these schools and offer training in French in a way that meets the needs and aspirations of students and their parents. Francophone institutions across the country are at the forefront of teacher training, and will be able to contribute to finding adequate responses to the need for access to French-language education across the country.

[English]

The Chair: Thank you, MP Baker.

Now we'll hear questions from MP Ste-Marie, please.

[Translation]

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

Good morning to all the witnesses. They are wonderful people. They've given us a lot of very pertinent information. Unfortunately, due to time constraints, we won't have the opportunity to put all our questions to each of the witnesses. That said, I'd like to reassure them: we've taken note of their demands and will pass them on to the minister so that she can take them into account in the next budget. It's a real pleasure for me to talk to today's witnesses.

Mr. Normand, thank you for joining us. I'd also like to thank you for your statement.

You talked about the importance of the sums announced to address the underfunding of the institutions you represent. Your first recommendation calls on the government to fulfil its promise to provide \$80 million per year on a permanent basis.

Why is this important? What difference would it make?

Mr. Martin Normand: Thank you.

Over the past two years, the Association des collèges et universités de la francophonie canadienne, or ACUFC, has conducted a major Canada-wide consultation process. The process is called "États généraux sur le postsecondaire en contexte francophone minoritaire au Canada". The result is a final report containing 32 recommendations on how to sustain, support and develop the French-language post-secondary sector. This requires a variety of partners, with the federal government at the forefront.

It's important to understand that French-language post-secondary institutions across the country, especially those outside Quebec, are generally smaller than the majority. Being smaller and operating in a minority context implies additional costs for the delivery of education, as well as obstacles when it comes to achieving economies of scale within institutions. These institutions don't have the same clientele either, which means they don't have as much self-generated income as those in the majority. This puts them at a disadvantage from the outset.

We need a permanent funding program to support them, not only so that they can remain open, since in some post-secondary institutions there have been serious fears and consequences linked to funding issues, but also so that they can continue to develop and offer the programs that will meet tomorrow's needs.

In our network of French-language schools outside Quebec, we found that there were very few programs in science, technology, engineering and mathematics, or STEM, because these are expensive programs. Institutions don't always have the resources to set up laboratories, hire people and obtain the necessary materials in French to teach these cutting-edge disciplines. If institutions want to offer post-secondary education programs in French, they have to incur additional expenses.

● (0955)

Mr. Gabriel Ste-Marie: Okay. Thank you, that's very clear.

Before I ask my second question, I'll introduce myself, because I forgot to do so. My name is Gabriel Ste-Marie and I'm the member of Parliament for Joliette, a city and rural riding northeast of Montreal, about a 45-minute drive. I'm also finance critic for my political party.

Mr. Normand, you talked about the importance of federal immigration targets to preserve the demographic weight of francophones. You said that francophone post-secondary institutions could help achieve these targets.

Can you explain that further?

Mr. Martin Normand: Year in, year out, close to 5,000 international students attend our institutions. They generally come from much more diverse markets, compared to the clientele that attends English-language institutions. They mainly come from sub-Saharan Africa and the Maghreb.

According to an ACUFC survey conducted in 2020, over 90% of the international students who attend our institutions wish to remain in Canada after completing their studies. You'll understand that this represents an important pool from which to increase the federal government's action in terms of francophone immigration. By way of comparison, at mainstream institutions, according to the Canadian Bureau for International Education, around 40% of students want to stay in Canada.

Our French-language institutions are doing extra work to attract and retain students, and to help them make the transition to permanent residency, in far greater proportions than the majority of English-language institutions. This pool is renewed year after year and, as I'm sure you've heard, the number of applications to post-secondary institutions across the country, in all languages, is growing rapidly. So it's a significant pool.

If Canada wants to act on francophone immigration targets, it must support the work of institutions in recruiting students and transitioning them to permanent residency.

Mr. Gabriel Ste-Marie: That's very clear. Thank you very much.

In connection with that, I'd like to remind you of the problems encountered by French-speaking foreign students when they apply for visas from the Department of Immigration, Refugees and Citizenship Canada, or IRCC. We do a lot of work to change the situation. It seems to be improving a little, but the refusal rate for French-speaking clients is very high. So we have to take this into consideration.

In your second recommendation, you suggest creating a federal post-secondary scholarship program for students whose first language is French.

Why is it important to create a program for these students?

Mr. Martin Normand: In the Action Plan for Official Languages 2018-2023, the government announced the creation of a bursary program for French-as-a-second-language students, that is, students from immersion schools or English-language school boards who want to study in French at the post-secondary level. This is most commendable. ACUFC manages this program, and it's a great success.

However, we see an inequity in that no equivalent program exists for francophones, in a context where francophone students studying in French in Canada end up with more debt than anglophone students. One of the reasons for this is that, to access French-language post-secondary institutions, they have to travel longer distances,

which means additional costs. We just want an equivalent program to correct this inequity and facilitate access to post-secondary studies in French across the country.

• (1000)

The Chair: Thank you, Mr. Normand and Mr. Ste-Marie.

[*English*]

Now we'll go to our B.C. MP, Peter Julian.

[*Translation*]

Mr. Peter Julian (New Westminster—Burnaby, NDP): Thank you, Mr. Chair.

And thank you to all the witnesses for being with us today.

[*English*]

I'm Peter Julian. I'm the member of Parliament for New Westminster—Burnaby. I'm particularly pleased to see two of my constituents—two of my bosses—here, Mr. Armstrong and also Mr. Dobrovolny from Metro Vancouver. I'll be on my best behaviour.

I'd like to start with you Mr. Armstrong.

You cited the real source of the crisis that we're seeing in affordable housing across this country. You talked about the last few years. In the last 17 years, under the Conservative mandate and then the Liberal mandate, we lost over a million affordable housing units, as you know. We lost 800,000 under the Conservatives and 200,000 under the Liberals. It provoked this massive crisis.

The NDP caucus has been pushing hard to ensure that the indigenous housing fund is set up and to take the GST off co-operative housing.

You referenced two particular recommendations, the federal acquisition fund and the co-op housing fund. How important is it to move immediately on those two funds to ensure that we can actually preserve the affordability that remains but also start building co-operative housing and affordable housing across the country again?

Mr. Thom Armstrong: I'll start with the second one.

It's critical. The last prime minister to launch a unilateral, federal co-op housing program was Brian Mulroney, so it's been far too long since we built co-ops to contribute to communities and build strong, diverse, supportive homes for people of a great mix of incomes. I would say that the promise was made in March 2022. The money was carved out of the co-investment fund and the rental construction financing initiative. All that needs to happen is the program be launched from the minister's desk, and we urge that to happen.

On the acquisition side, this is the frequently ignored part of the housing crisis. Everyone wants to talk about new supply, which is important. We need to roll out that new supply. However, if we're losing three to five homes for every new home that we're building, we're losing net affordability in our housing economy. The Province of British Columbia has taken a historic step in creating a \$500-million rental protection fund that it is not administering itself. It's administering it through a partnership in the community housing sector. You will hear from us in the next three to six weeks that we will have achieved two-thirds of the two-year mandate that was given to that fund inside of the first six months. We'll protect 2,000 homes at rent levels from \$750 to \$1,200 per month. It's a critical piece of the housing puzzle.

Mr. Peter Julian: Thank you very much. Thank you for referencing the B.C. NDP government, of course, which builds more affordable housing than the rest of the country combined. It's a really good example right across the country.

I would like to move on to Mr. Harvie and Mr. Dobrovlny from Metro Vancouver.

You cited Iona Island. Thank you for the work that Metro Vancouver has been doing on affordable housing. What happens if the federal government continues to stall on stepping up to fund both that important environmental initiative on Iona Island but also more affordable housing?

Mr. George Harvie: It's very clear that the existing plant, as you know, is extremely old. It's outdated, and it can't support much more volume insofar as delivery of sewage for treatment. We will not be able to meet the housing demands for new units in the city of Vancouver and some outlying areas. It's just very clear. It's at its end of life. We need to move forward.

Mr. Peter Julian: It needs to happen now.

Mr. George Harvie: It needs to be supported immediately.

Mr. Peter Julian: Thank you very much.

I'll move on to Ms. Watson.

We know that over half of the people who are homeless in this country are people with disabilities. Parliament has adopted a Canada disability benefit, but the government has stalled implementing it and actually making sure that people with disabilities across this country have access to that fund.

What difference would it make if the government acted immediately in the next budget to actually put in place benefits for people with disabilities across the country so that every Canadian with a disability actually had access to the disability benefit?

• (1005)

Ms. Treska Watson: There's no question that it would have an impact on those folks immediately. That is one of the largest groups of people we serve in the work we do. I think immediate changes of that nature would be necessary. I think that would have a huge impact.

Mr. Peter Julian: Yes.

Is your advice to the finance committee to recommend immediate implementation of the disability benefit over the next few months?

Ms. Treska Watson: That would be incredible, yes.

Mr. Peter Julian: Thank you.

I'd like to move on to Ms. Anderson.

Thank you for the work that you do. I'm always pleased, at every federal election, to participate in the candidates forum that you put on.

You talked about tax reform. We know that the PBO, the Parliamentary Budget Officer, has indicated that we lose over \$30 billion in tax revenues to overseas tax havens. You pointed out that investments in housing and investments in infrastructure are critical.

How important is it that we end these loopholes that allow over \$30 billion of taxpayers' money to go to overseas tax havens, which disadvantages Canadian businesses that are paying their fair share of taxes and disadvantages the federal government from making investments that are so important, as you've underscored?

Ms. Bridgitte Anderson: One of the things our members have been telling us for many months is that the affordability crisis that individuals and families are feeling, businesses are very much feeling as well. It's an overhaul of the tax and the regulatory systems.

It comes as no surprise to many of you that many industries say the regulations are very complicated, permitting.... All of that costs time and money for businesses. Also, when it comes to taxes, we are calling for a recommendation around an overhaul of the tax system to simplify it.

When we look at the additional cost imposed by governments, it has been incredibly large in the last two years. There's been \$6.5 billion of additional government-imposed tax. What we're talking about is not necessarily tax loopholes. What we're talking about is taking a look at affordability measures, particularly for small and medium-sized businesses, and recognizing the layering on of taxes that has happened on running their businesses.

The Chair: Thank you, MP Julian.

Now we're getting into our second round of questions. The timing is a bit different in this round.

We're starting with MP Morantz.

Mr. Marty Morantz (Charleswood—St. James—Assiniboia—Headingley, CPC): Hi. I'm Marty Morantz. I'm the member of Parliament for Charleswood—St. James—Assiniboia—Headingley in Winnipeg.

I want to start with you, Ms. Watson.

Did I hear you correctly that there's been a 78% increase in food bank usage?

Ms. Treska Watson: It's 78.5%.

Mr. Marty Morantz: It's 78.5%. Over what period of time?

Ms. Treska Watson: That's since 2019.

Mr. Marty Morantz: We've had quite a bit of testimony from food bank executives at this committee over the past year. One of the things they talked about, unprompted, had to do with the grocery rebate. All of them basically said it was useless, to put it bluntly. They didn't think it would help at all.

I'm wondering what you thought about the grocery rebate as a federal government initiative.

Ms. Treska Watson: I'm not sure I have any thoughts, other than that it's probably not something that would be immediately useful to most of our users.

Mr. Marty Morantz: We find that all too often with this government, they'll say, "Look at what we're doing for you. We're doing this program. We're doing that program." They like to pat themselves on the back and talk about all the great things they're doing for Canadians. At the same time that they're doing these things, we see two million people in a single month going to a food bank—a 78% increase. I certainly question their record, given the affordability crisis that we're currently in.

I have an idea that I want to ask you about. I read about this some time ago and I thought it was an interesting idea. In 2016, France passed a law that stopped grocery stores from throwing away food approaching its "best before" date and required them to give the food to charities and food banks.

Are you familiar with that concept?

Ms. Treska Watson: We are familiar with that concept. We work a great deal on changing people's perspectives on what are called "best before" dates. It is a huge problem and it's something that we benefit from in the rescued food program that we implement.

Mr. Marty Morantz: Do you have any policy research on it?

Ms. Treska Watson: No. We don't have any policy research.

Mr. Marty Morantz: You like the idea, though.

Ms. Treska Watson: It's a great idea, and it's something we benefit from. The 2.6 million pounds of food that we rescued last year—and we're on track to rescue more this year; hopefully, it will be 2.9 million pounds—is all food that is very close to or at its "best before" date. This is excellent food and nutritionally dense food that is very useful.

• (1010)

Mr. Marty Morantz: Thank you very much.

Ms. Anderson, I want to talk to you about the carbon tax for a bit.

Since I was elected in 2019—and certainly since 2015—the mantra has been, "Canadians get back more than they pay." We know that's not true. For example, business people don't get anything back really. They pay the carbon tax, but there's no climate action incentive that comes back directly to businesses.

Now we have a situation where the federal government created a carve-out for the carbon tax on home heating oil in Atlantic Canada, but didn't give the same benefit to the rest of the country. I'm from Manitoba. I've never met a single person who heats their house with home heating oil in Manitoba, but Winnipeg in the winter is one of the coldest cities on the planet and it's very expensive to heat your home.

By the way, we had one of the Liberal ministers actually say that, if people from Winnipeg want a break, they should "elect more

Liberals". I guess she didn't realize that we have four of them right in Winnipeg, but we didn't get the same carve-out.

I'm wondering if you think it's fair that only Atlantic Canadians got this break.

Ms. Bridgitte Anderson: When it comes to affordability measures for businesses—and that's really who I represent—again, it is about the layering on of taxes and affordability for small and medium-sized businesses. The carbon tax continues to increase, and our position is that it should be revenue-neutral, as it was when it was first designed here in British Columbia back in about 2008. The carbon tax is one of many taxes that we're seeing layering on, and these are becoming the affordability measures that we're speaking about.

When I look at it from a business perspective, there needs to be fairness overall for businesses across the country so that they can operate in a much better environment.

Mr. Marty Morantz: We have Bill C-234 in the Senate right now. It's being held up in the Senate by Liberal-appointed senators.

Are you familiar with that bill? It's the bill that would call for a break on heating for grain drying and things like that for agriculture.

Ms. Bridgitte Anderson: I'm not particularly familiar with that.

Mr. Marty Morantz: Okay.

You talked in your presentation about how you'd like to see some tax changes, I believe. Could you elaborate on the types of things you'd like to see changed?

Ms. Bridgitte Anderson: In a time when we're facing such significant economic headwinds, I would encourage the federal government to think about how to incentivize economic growth. I would say that there has been a less than robust approach around an economic vision and economic growth agenda for this province.

In looking at the tax system, how do you incentivize? Whether it's investments into software or into R and D, those kinds of things can really make a difference from a business point of view. It's also to incentivize hiring skilled trade workers. There are a number of things that can be done around interprovincial trade barriers. All of it needs to be taken with the lens around economic growth when we're in a particularly difficult time with high inflation and high costs.

The Chair: We're well over the time, but thank you, MP Morantz.

Now we'll go to MP Dzerowicz, please.

Ms. Julie Dzerowicz (Davenport, Lib.): Thank you so much, Mr. Chair.

I want to thank all the participants for being here today. It's really lovely to be in Vancouver. I was very blessed to go to UBC for a year to start my MBA, and I applied to finish it off at the London Business School when we had an exchange with them. It no longer exists right now, but it was excellent at the time.

I'm the member of Parliament for Davenport. It's a downtown west riding. I've spent four years on this committee, and it's been a true privilege to do this.

I will say to you that one of the only negative things that has crept into our finance committee meetings is that there tends to be some misinformation or disinformation, and I just want to correct something. There are no Liberal senators, because we stopped associating as a party with any senator, so that actually stopped in 2015.

Eight out of 10 Canadians do get back climate rebates—more than what they pay in. Small businesses are different. We do a carve-out of an additional 10%. There has been an issue with businesses saying that they've not been able to access it. We do have to look into it. It's different also for rural Canada.

I was going to ask this question, Ms. Watson, and I'm going to start off with you. I have two food banks in my riding. They're wonderful groups of people. I go quite often to meet with people who are in the lineup to figure out what are the changes are in who they are. I will say to you that when I ask them about whether they have appreciated the grocery rebate or the GST rebate or any additional dollars the government has given, they have been profusely thankful.

There was a response back to one of my colleagues that it wasn't particularly useful to I guess your constituents or the people you represent. Can I just have you on record? Were you saying that the grocery rebate was not helpful to people who are using the Mustard Seed organization?

• (1015)

Ms. Treska Watson: Perhaps I misunderstood the question, because the GST rebate is talked about a lot. I'm not sure if those are synonymous with one another.

The GST rebate does help incrementally, but it doesn't actually help the overall crisis that folks are finding themselves in.

Ms. Julie Dzerowicz: For sure, and I think longer term we want to be able to do that...not longer term but now. Moving forward, we have to urgently address this, so thank you for that. I do appreciate it.

Mr. Armstrong, I'm going to start with you. I really appreciated hearing about the rental protection fund. One of the things we're learning is that some of the ways we're losing some of the affordable housing stock are when there are not proper things like rental protections or rent control. In Ontario, I think we have rent control only if you stay in your apartment, but if you move, with vacancy, the rate on average goes up by about 29%. We're also hearing things like how our Ontario landlord and tenant tribunal doesn't work very well and how a lot of people are actually disincentivized from actually offering spaces in their own homes.

I guess my question to you is this: Are there some elements, such as the two I've mentioned—and probably others—that if we addressed them right away we could actually protect more spaces and indeed maybe create more spaces right away?

Mr. Thom Armstrong: I think you've pointed out one of the central dilemmas of how the rental housing market operates in the context of what we call the financialization of housing.

If you have a rent control system in place but not a vacancy control system, then what you've created in the housing system is a built-in incentive to displace tenants. That's what happens when re-

al estate investment trusts or other institutional investors buy up purpose-built rental properties. The only way to deliver returns to the investors in those properties is to displace tenants and increase rents.

That was the primary motivation behind the rental protection fund: to get to those properties, move them out of the private sector into the community housing sector and preserve security of tenure and affordability over the long term. We see it working here. We see it working in the city of Montreal. There are some very encouraging precedents across the country, and we need to do more about it.

Ms. Julie Dzerowicz: Thank you.

The rental protection fund is one way. Another way is to do a rent control on the vacancy rate. I think there are a number of other options as well.

Ms. Anderson, you were talking about a strong workforce. Is there a way for our federal government to maybe incentivize businesses to invest more in training? Our businesses are not investing in training right now. The federal government provides over three billion in skills training and retraining dollars down to the provinces. I'm wondering how we can better incentivize businesses to actually invest in themselves that way and whether or not you're working with the provinces to access some of those funds.

Ms. Bridgitte Anderson: Thank you for the question.

I would say that this has been a focus of ours and the provincial government's here in British Columbia over the last six months or so. There has been some good action taken on this, but businesses could be further incentivized, such as through an incentivization program for microcredentialing. Microcredentialing is a very easy way to upskill your workers. It's accessible for workers. It is also a quick and fairly easy way, with low barriers, to get your skilled workers trained up even further. As well, through co-ops and a number of different kinds of programs, employers can access the funds they need to get their workers trained.

This is something that will take effort at both the federal and provincial level. The province has moved towards this in some way. I think there's room for the federal government to do this as well.

The Chair: Thank you, MP Dzerowicz.

MP Ste-Marie, go ahead, please.

[Translation]

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

Thank you again to all the witnesses for being with us today.

Mr. Armstrong, I personally have a problem with the definition of affordable housing. It seems to me that, often, too many projects fall into this category, but are not really affordable housing for the people who live in them.

I'd like to hear your comments on this.

For my part, that's why I prefer the definition of social housing, which includes housing co-operatives. We have many such co-operatives in Quebec, in my city, in Montreal and everywhere else. It seems to be increasingly difficult to launch new co-operative housing projects. It's taking longer and longer to set up the legal structure and assemble the documentation, and it's getting more and more complex.

Do you have any ideas on what can be done at the federal level in this regard? You've touched on it, but I'd like to hear more about it.

[English]

Mr. Thom Armstrong: I agree with you that the definition of affordability has become a lot more elastic as funds have been scarce to create supply programs for co-op and non-profit housing. The only way to generate deep and continuing affordability is to reduce the capital cost of developing new housing in the first place and reduce the cost of financing that debt over the long haul. That's the source of funds that have become more difficult to access at the federal level under some of the recent programs.

Now, it is true that housing is never more expensive than on the first day it's occupied. As long as it's being run on a not-for-profit basis by a co-op or a non-profit housing provider, it will become more affordable relative to the market over time, but people who can't afford a place to live now don't have 10 years to wait while you pay down the balance of the equity on the loan. They need affordability now. That requires a deep capital and operating subsidy for the development of those homes.

I agree with you that we shouldn't expand the definition of affordability to fit the resources that are available to develop homes. We need to establish that benchmark at 25% to 30% of income and then deliver the subsidies that are required to get homes into the marketplace so they can be occupied by the people who need them the most.

• (1020)

[Translation]

Mr. Gabriel Ste-Marie: Okay. Thank you very much, Mr. Armstrong.

Ms. Anderson, thank you for your presentation.

Your organization and the members you represent are asking the government to postpone for another year the reimbursement of the Canada emergency business account, which was granted during the pandemic?

What is your position on this?

[English]

Ms. Bridgitte Anderson: Thank you for the question.

Given that we represent over 5,000 members, many of which are small and medium-sized businesses, there has been a call for an extension in repaying those CEBA loans. Many of the businesses that speak to us are working in a situation where they're also dealing with public safety concerns and crime. There are extra costs around vandalism, around theft and around keeping their employees safe.

For them, the challenges they're facing are economic, but there's also been a significant public safety change over the last few years.

Any kind of additional help for those small and medium-sized businesses...and we're often talking about mom-and-pop operations, whether in hospitality or retail. An extension of the CEBA loan is something that would be very much appreciated.

The Chair: Thank you, MP Ste-Marie.

MP Julian, go ahead, please.

Mr. Peter Julian: Thank you very much.

I'd like to come back to you, Mr. Armstrong. You have spoken very eloquently about the financialization of housing. We also know that the CMHC has been participating, supporting our banking sector, with hundreds of billions of dollars in liquidity supports over the last 17 years for Canada's banks to socialize the risk, but of course, the profit is always privatized.

Is the CMHC playing the role, with the significant resources that it has, of actually supporting co-op housing and affordable housing so that we can start to address the housing crisis that we've had over the last 17 years?

Mr. Thom Armstrong: You've caught me on a day when my frustration with the CMHC is at an all-time high. It's managed to create what I regard, and what many community housing developers regard, as the perfect mortgage product. The MLI select mortgage is flexible in its amortization, its term and its rates. Then the CMHC didn't allocate staff to process applications, and we're told that an underwriting application for the MLI select mortgage product will take eight months to process.

Now, I don't know a real estate deal, whether it's in the private sector or the community housing sector, that can survive an eight-month waiting period. Those deals die on the vine, and we're not able to deliver a new affordable supply with those restrictions in place.

The CMHC was the envy of the world in the late seventies to early eighties in stimulating the construction of purpose-built rental supply and of co-op and non-profit housing. That capacity is just not available to us today.

Mr. Peter Julian: It will make you even more angry, I think, to know that the CMHC coughed up \$150 billion to the banking sector in liquidity supports, and it took four days—96 hours—for that agreement. When COVID hit, it was \$150 billion out the door in liquidity supports for Canada's big banks. I contrast that—four days for \$150 billion to prop up our banking profits—with the eight months you're talking about in terms of the timeline for an affordable mortgage.

What recommendations can you give us on how we can use the CMHC, rather than propping up banks, as we have seen under the Conservatives and Liberals, to ensure that we're getting affordable housing for Canadians?

• (1025)

Mr. Thom Armstrong: The Co-operative Housing Federation of Canada has advanced a model for a new co-op supply program that would involve the CMHC's investing in a community housing sector-controlled facility to get that money where it's needed most, which is with community housing developers so that community assets can be used to build community wealth. If that model were to be implemented today, we could cut the waiting time on financing and capital subsidies by 90%.

The Chair: Thank you, MP Julian.

We go now to MP Morantz, please.

Mr. Marty Morantz: Thank you, Mr. Chair.

Ms. Anderson, I want to continue our conversation on the economy.

We have a serious per-capita growth problem in this country. In 2021, the OECD projected that our economy would perform worse this decade than all other member countries, with a per-capita real GDP growth of only 0.7% annually.

Now we have a government that, after eight long years, has doubled our national debt. The national debt in 2015 was \$625 billion. Today it's over \$1.2 trillion. It has called those things "investments". In my mind, when you make an investment, there should be a return on that investment. It seems to me that the management of the economy has been nothing short of economic malpractice, but I'm wondering if you could comment on the real problems that are caused when the GDP per capita falls below 1%.

Ms. Bridgitte Anderson: When we're talking about some of the challenges that we're facing in the business community and in the economy, it's also important to note that Canada's R and D intensity ratio of 1.8% remains below the average of 2.7%, which placed us in 17th position in 2020. When we're looking at it from a business perspective, it is about creating a competitive environment in a global environment, so it is, as I said, the tax and regulatory system that is making it very difficult to get projects built in Canada.

B.C. is a very expensive jurisdiction compared to other jurisdictions in Canada and globally. The layering on of taxes, which I talked about, particularly hurts small and medium-sized businesses. However, it's also the investment. On some of the questions about what would help businesses, what would incentivize them to deal with the increase that they're facing on business inputs and what would incentivize them to get their workers trained for the future for what they need, there needs to be a wholesale look at.... Just like the way governments at all levels have been looking at the affordability crisis in terms of families and individuals, there is an affordability crisis for businesses when it comes to taxes and regulatory measures. Therefore, it really does take a full economic growth agenda to ensure that government is creating the conditions in which businesses can thrive.

Mr. Marty Morantz: This government has now been in power for eight years. From your organization's perspective, how confident are you that it can actually get that job done, given its track record?

Ms. Bridgitte Anderson: What I would point to is the survey we did with our members just prior to our submission. The vast majority

of our members are very concerned about their economic outlook and their business prospects in this next year, and that is for a number of factors. It is because of high inflation. It is because of rising costs. It is because of a number of other geopolitical factors.

It is because of these kinds of business conditions that they have been asking for policy changes around the tax and regulatory system.

Mr. Marty Morantz: I have a couple of other questions.

Last week, The Globe and Mail's editorial board published an interesting piece. In my time left, I'd like to go over a couple of their comments.

One of the things they said was "the Liberals have governed while Canada's real GDP per capita has flatlined, and their policy choices are making the problem worse."

Would you agree with that sentiment?

Ms. Bridgitte Anderson: I would, again, point to the survey results from our members, who are concerned about their prospects in the coming year.

I would again repeat that the government has the responsibility and obligation to create the kind of environment that can help businesses thrive, and in a time when there are significant economic headwinds, there's work to be done.

Mr. Marty Morantz: After eight years...that's a pretty good length of time for a government to exercise and accomplish that responsibility.

Do you think they've been successful?

• (1030)

Ms. Bridgitte Anderson: I think we need a stronger economic growth agenda.

Mr. Marty Morantz: Do you think this government could deliver that?

Ms. Bridgitte Anderson: I think all governments need to work together to deliver a stronger economic growth agenda.

Mr. Marty Morantz: Okay.

How's my time, Mr. Chair?

The Chair: You have 30 seconds.

Mr. Marty Morantz: I think I'm good. Thanks.

The Chair: Thank you, MP Morantz.

Now we're going to MP Baker, please.

Mr. Yvan Baker: Thanks very much, Chair.

I have questions for a couple of our witnesses today.

First of all, it's interesting, when we talk about Canada's.... I know we're here to hear about the challenges that folks are facing and how we can solve them.

Maybe you were thinking, as you heard your colleagues present here at committee, what a tough job the finance minister has. There are so many asks that come to us, and all of that has to be.... To the extent that finance is involved, that funding has to be found somewhere. At the same time as we're hearing about those asks—and they're all very important, and we've all taken note of them—we're hearing about the importance of managing the fiscal books responsibly and making sure that we're not taking on too much debt and everything.

Right now, for example, Canada's debt-to-GDP and deficit-to-GDP are the lowest in the G7. Our economy bounced back quicker than any other after COVID. There are some things, to my mind, that we should be celebrating in this country as well, in terms of our economic prosperity and how the last eight years have been managed—especially the last few years.

On the issue of the cost of living crisis that folks are facing and that my constituents are facing, it's the number one issue I hear about from folks every day, whether it's on housing or whether it's on the cost of living. Usually, it's on groceries. Sometimes, it's on energy as well.

We've studied this issue. We've had people come to us and present on what's causing inflation. Inflation in Canada is lower than in most of our G7 counterpart countries. That said, the main causes, they say, are extreme weather events driven by climate change—the agricultural community keeps coming to us and saying this is the main reason that food prices are going up for them—and the war in Ukraine and Russia's blockade of Ukrainian food exports, which are causing global food prices to go up.

In terms of affordability, one of the things we're trying to do is address the root causes, so making sure that Ukraine wins the war as soon as possible and making sure that we're fighting climate change.

To the extent that there are arguments for why we should stop action on climate change, I'm reluctant to do that. It's not just because I care about the future of our planet, but because I care about affordability and the economic costs if we don't act.

I'd like to ask you this, Ms. Anderson. One of the things you asked for.... I'm a business person by background. I have two business degrees. I used to be a management consultant. I get the important work that business does and how important it is to have a growth agenda and support a growing economy. You have me there.

My question is on the taxation front. You talked about the taxation burden that businesses face. One of the challenges I face is that when I go back to Minister Freeland and say I think we should reduce this tax on anybody or on any business, I also need to bring the solution as to how I would pay for that.

I get that economic growth over time helps pull in some revenue, but that takes time. In the short run, the funds need to be found. I'm just wondering if you have any thoughts for us on.... To the extent that you're asking us to cut taxes, are you suggesting that we raise taxes in other areas to pay for that? Are you suggesting that we cut spending in certain areas to pay for that? Are you suggesting that we not adjust in any particular way?

I'd love your thoughts on that. It's not a rhetorical or difficult question, but it's a practical one for us.

Ms. Bridgitte Anderson: I think it's important that you're talking about it. You mentioned cutting taxes, and I mentioned simplifying the tax system. I think the two are quite different.

Canada is an incredibly complex place to do business. We have a very complex tax system. We have a complex regulatory system. All of those are costs to businesses.

We are looking at a situation where in British Columbia 70,000 people are coming in every year, and we have to have the infrastructure to make sure those people feel welcome in our communities. There has to be an economic growth agenda to do that.

On your question about cutting taxes, you could flip it on its end if you want. What about incentivizing businesses to invest in their own businesses? There are many ways to do that, whether it's through an incentive for business inputs or technology or, as we spoke about, incentivization for businesses to upskill their workers.

Overall, the tax system can be simplified. That would be a big help not only for businesses in Canada that are operating right now, but also for attracting investment into Canada. It is a global stage. When a company from overseas is looking at where to put their dollars, they want to put their dollars where it's welcoming, where it is a good tax environment and where there's also certainty in doing business. "Certainty" means a simplified tax system and a simplified regulatory system.

• (1035)

Mr. Yvan Baker: Just for clarity, you're asking for a simplification—

Ms. Bridgitte Anderson: I asked for both. I asked for cutting taxes, but I think that primarily what we're talking about in our recommendations is an overhaul of the tax system to simplify the tax system. I think there are other areas where there could be incentivization for businesses, which would be a reduction in certain areas. That then spurs economic growth.

Mr. Yvan Baker: Okay.

The Chair: Thank you so much, MP Baker.

Although we did start about 10 minutes past the scheduled time when we were set to start, we are going to allocate a minute to each party to ask a final question of or make a comment to our witnesses before we conclude this first panel.

We're starting with MP Morantz, please.

Mr. Marty Morantz: Thank you, Mr. Chair.

I want to thank all the panellists. It's very important that we have these meetings and travel across the country to hear from stakeholders from different regions of the country.

Ms. Watson, I want to circle back to you. I mentioned that, earlier this year, we had a number of executive directors of food banks at the finance committee, mainly from the Toronto and Ottawa regions. We heard testimony that in some cases people coming to food banks were so desperate, so downtrodden, that they were actually talking about seeking medical assistance in dying. Have you heard any of these types of accounts, or are you aware of those things?

Ms. Treska Watson: No, I have not heard any of those accounts.

Mr. Marty Morantz: Okay.

The Chair: That's time.

Thank you, MP Morantz.

We will go to MP Dzerowicz, please.

Ms. Julie Dzerowicz: Thank you.

I too want to thank you for being here today. Thank you for being patient with our questions.

I will continue with you, Ms. Anderson, just in terms of continuing the conversation you had around simplification.

One of the other things we've heard from former bank governors and current economists is that, if we want to grow our GDP in Canada, we have to reduce our interprovincial trade barriers. One of the key recommendations that has come up consistently at our meetings over the last few weeks has been for a first step, which would be to actually create a registry of those interprovincial trade barriers so that you could know what they are, make them transparent and then start tackling them.

Is that something you would be supportive of as a business community and that B.C. would be supportive of?

Ms. Bridgitte Anderson: Yes, and thank you for the question.

The Greater Vancouver Board of Trade is part of a group called the Canadian Global Cities Council. We are boards of trades or chambers from the nine largest cities across Canada. We have a long-standing recommendation to reduce interprovincial trade barriers.

One really good one in British Columbia, which I will leave you with, is around B.C. wine. We are not able to sell or send B.C. wine without barriers to Ontario, Quebec or Saskatchewan. Indeed, we are very much in favour of a registry and of simplifying that process—absolutely.

The Chair: Thank you.

Thank you, MP Dzerowicz.

Next is MP Ste-Marie.

[*Translation*]

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

Ms. Anderson, I completely agree with you. In Quebec, we want more wine from British Columbia.

Mr. Holman, I enjoyed your presentation. I invite you to complete your comments in one minute.

[*English*]

Mr. Alex Holman: Thank you very much.

To summarize things, we've been having a lot of discussions in this country about open banking—that it's the biggest issue in the banking and financial sector. To me, when I hear that, I think it's the biggest issue because it has taken so long. That's why it's the biggest issue.

For me and from my perspective and for indigenous peoples in this country, the biggest issue in the banking and financial sector is the inability of people living on reserve to build wealth in the way that Canadians do: through home ownership. Providing that type of wealth and those wealth-building opportunities to people living on reserve and making those connections between Canadians and indigenous entrepreneurs as well, I think that's a serious problem that right now is being discarded and isn't getting the kind of attention and innovation that it really deserves.

The Chair: Thank you, MP Ste-Marie.

MP Julian, you'll be our last questioner for this first panel.

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

I want to thank our witnesses for bringing a Lower Mainland, B.C., perspective to the finance committee. This is extremely important. You've underscored the importance of investments in housing and investments in infrastructure, ensuring that we are actually lifting people up right across the country.

I think the B.C. NDP government has certainly shown the example in terms of both the housing that is being built in B.C., more than in the rest of the country combined, and putting in place a number of initiatives to support British Columbians. This is something that hopefully the finance committee's permanent members will take back to Ottawa as part of their report.

I want to give the final word to the chair of Metro Vancouver. In the final seconds, can you give us what you feel we need to take back to ensure that the needs of the people of metro Vancouver are met?

● (1040)

Mr. George Harvie: We're in a housing crisis. We're in a day care crisis. We're in a fentanyl crisis. We're in an infrastructure crisis now. Without the federal government's help, which was promised to us, we can't do what the federal government wants us to do insofar as providing more housing is concerned. The province is working with us to provide more housing. Without that infrastructure investment, it's just not going to happen.

That's the basics. It's being able to build new homes that have services that will allow the toilet to be flushed and that will allow drinking water to be there and that will allow showers to happen. We can't do that. The only areas we can expand are in the eastern part of metro Vancouver, the township of Langley and the areas of Surrey and Maple Ridge. Those are unserved. We have to provide an extension of metro Vancouver services to them. That includes megaprojects like having another source of drinking water other than Coquitlam Lake. That involves tunnelling. It involves massive amounts of money to ensure that infrastructure is built. We need your help.

The Chair: Thank you.

Thank you, MP Julian.

Thank you to the witnesses. Thank you for your expert testimony for our pre-budget consultations and report. The analysts have captured everything you've said, but there may have been things you were not asked or things you would like to bring to the committee. I would ask that you make any of those submissions through the clerk. We'll be able to get those to the analysts so that they can study them—and the members can—and it will be part of our report.

With that, we thank you and wish you a wonderful afternoon. Thank you for your hospitality here in beautiful British Columbia.

We will suspend right now as we get ready for our second panel.

Thank you, everyone.

• (1040) _____ (Pause) _____

• (1045)

The Chair: I call the meeting back to order.

We just had our first panel. Now we have our second panel of witnesses.

Again, this is the 120th meeting of the Standing Committee on Finance. We are in the pre-budget consultations right now in advance of the 2024 budget.

These witnesses who are before us will be our final witnesses before we get into the report stage. We look forward to hearing your testimony. Again, your testimony will be the final testimony we hear before our analysts and others, and the members, get to work on putting forward what they feel are the most important recommendations that they would like to see in the report.

With us today we have the Alliance des femmes de la francophonie canadienne and its president, Nour Enayeh. We also have its executive director, Soukaina Boutiyeb. We have Cascade Aerospace Inc. and its chief operating officer, Kevin Lemke. From MOSAIC, we have the chief executive officer, Olga Stachova, with us. From TransLink, we have the vice-president of customer communications, public affairs and brand marketing, Steve Vanagas.

The Vancouver Airport Authority is with us. We came through the Vancouver airport yesterday, and we'll be leaving through the Vancouver airport today. We have the vice-president and chief external affairs officer, Mike McNaney, and the director of government relations, Trevor Boudreau. We also have the Abbotsford Chamber of Commerce's chief executive officer, Alex Mitchell, with us.

All of you will now have an opportunity to provide opening remarks. You'll have up to five minutes to do that.

We'll start with the Alliance des femmes de la francophonie canadienne, please.

• (1050)

[*Translation*]

Ms. Nour Enayeh (President, Alliance des femmes de la francophonie canadienne): Good morning, Mr. Chair, ladies and gentlemen members of Parliament.

On behalf of the Alliance des femmes de la francophonie canadienne, or AFFC, I would like to thank the Standing Committee on Finance for this opportunity to present our recommendations for the 2024 federal budget.

My name is Nour Enayeh, and I'm president of the AFFC. With me today is Soukaina Boutiyeb, the organization's executive director.

We are a non-profit feminist organization dedicated to raising awareness and promoting the role and contribution of more than 1.3 million francophone and Acadian women living in minority situations. AFFC is fortunate to have a network of 15 member organizations in eight provinces and one territory.

This year, the Action Plan for Official Languages 2023-2028 officially recognized the essential contribution of women to the development of official language minority communities. Women ensure the transmission and transformation of the francophone identity. They are the true guardians of francophone and Acadian communities. Unfortunately, this contribution receives little or no recognition. Recognition of their contribution must be articulated, and investments must be concrete and constant. That's what we're asking you to do today.

Since the pandemic, the country has seen a worrying rise in cases of gender-based violence. The National Action Plan to End Gender-Based Violence announced for 2022 makes no specific mention of francophone and Acadian women. They are entitled to receive services in French.

What's more, for the AFFC network, the reality of funding organizations is very worrying, since not all our member organizations benefit from core funding. The allocation of core funding will enable them to continue to play their essential role in their communities.

In Canada, women account for around 54% of caregivers. Their reality is unique. The importance of mental and physical health takes on its full meaning, and access to respite services is in constant demand. Health care, transportation and respite services must be accessible in French.

Programs and services developed by the government produce effects that may be felt differently depending on the identity factors relating to each person. This is what the Gender-based Analysis Plus, or GBA+, attempts to address. However, not all federal institutions apply it in the same way. To be fully effective, GBA+ must be applied comprehensively, and its results made accessible to the public.

The AFFC submits the following recommendations to the committee.

Firstly, we recommend that the next budget apply a more comprehensive gender-based analysis and ensure that the results are accessible to the entire population.

Second, we recommend that the government invest an additional amount in the implementation of the National Action Plan to End Gender-Based Violence, and that it dedicate a specific envelope for francophone and Acadian women's organizations in minority settings.

Third, we recommend that the government ensure specific core funding for all minority francophone and Acadian women's organizations, and that it invest \$280 million over five years from the envelope of funds allocated as core funding for Canadian francophone organizations, in order to prevent organizations from reaching a breaking point.

Fourth, we recommend that the government set aside a specific envelope for francophone and Acadian women's organizations as part of the funding allocated to all federal institutions.

Finally, we recommend that the government invest in facilitating access to resources and services for francophone caregivers.

Mr. Chair, members of the Standing Committee on Finance, thank you for your attention.

Soukaina Boutiyeb and I would be happy to answer any questions you may have.

• (1055)

The Chair: Thank you, Ms. Enayeh.

[English]

Now we will hear from MOSAIC.

Ms. Olga Stachova (Chief Executive Officer, MOSAIC): Good afternoon.

My name is Olga Stachova. It's a privilege to be here today to speak on behalf of MOSAIC, a B.C.-based settlement organization.

I would like to start by acknowledging that we are meeting today on the unceded and traditional territories of the Musqueam, Squamish and Tsleil-Waututh people, and I'd like to pay my respects to their elders.

For over 45 years, MOSAIC has been supporting immigrants, refugees and temporary foreign workers in B.C. as one of the largest providers of family, settlement, language, employment, interpretation and translation services in Canada. Today, I'd like to share with you three recommendations that, in MOSAIC's opinion, will improve the well-being and the economic outcomes of immigrants.

First, create a federal housing strategy connected to and supporting Canada's immigration strategy.

In 2022, for the second year in a row, Canada welcomed more permanent residents than ever before. At the same time, temporary foreign workers increased almost 20% in 2022 to over 500,000, and international student numbers rebounded to the pre-pandemic levels of over 620,000.

The first six months of this year indicate that Canada will significantly exceed the target of 465,000 permanent residents this year. That was acknowledged as a key component of the strategy to stabilize and boost our economy. At the same time, the supports necessary to support immigrants effectively are lacking, especially in the area of affordable housing. Without this foundation, the ability to attract and settle skilled immigrants within our communities will be impeded.

MOSAIC recommends an increased commitment to addressing the systemic barriers to housing faced by newcomers because of a lack of Canadian references, credit history, rental history and work experience, but especially because of the overall lack of affordable housing. We suggest that housing affordability could be promoted by continued federal leadership and increased funding that encourages provinces and municipalities to work together to increase the supply of affordable housing—specifically, rent geared to income housing. To address the additional barriers faced by newcomers in terms of references and experience, the federal government could encourage municipalities to require new residential developments to include affordable housing units dedicated to newcomers in the first three to five years of their stay in Canada.

Second is funding for Canadian work experience and training programs for recent immigrants.

Lack of Canadian work experience remains one of the most significant barriers recent immigrants face in finding skills-commensurate employment. Targeted funding would allow employers and service organizations to work together to provide newcomers with occupation-specific training for in-demand jobs, hands-on workplace experience through internships and orientation to Canadian workplaces and mentorships. By modelling an approach after the robust framework that is already in place to support young people in Canada in gaining work experience through co-op placements, internships and employer incentives, Canada can optimize the contribution of recent immigrants to the labour market and provide employers with the skilled and experienced workforce they need.

Given the pace at which technological advancements are changing the nature of jobs and the skill sets required for jobs, we need to recognize the role employers will increasingly play in on-the-job training. For over 15 years, MOSAIC has been delivering successful pilots, engaging employers in the design and delivery of training programs. These programs, including job placements, consistently led to 85% of the trainees landing full-time positions in their field, but the short-term nature of these pilots doesn't allow for meaningful engagement of employers and for ongoing on-the-job training opportunities for newcomers. We recommend creating a permanent funding envelope for this type of industry-led training and job placement program responding to market needs.

The third is core funding for not-for-profit organizations.

Canada has a substantial not-for-profit sector delivering many of the government's services and supports, often supporting those who are most in need. Charities and not-for-profits contribute \$192 billion in economic activity to Canada and account for 8.3% of the country's GDP, employing 2.4 million people.

Canadians clearly need and want strong not-for-profits, as do all levels of government, but despite the essential societal role played by not-for-profits, the way government funds the sector is not sustainable. Organizations in the charitable and not-for-profit sector have the same needs as organizations in the private and public sectors. They need to invest in staffing, financial management, data security and privacy, technology, evaluation, staffing, office space and supplies. Many of these basic needs are ineligible to be covered by government funding or are often expected to be covered by pulling in small overhead amounts from short-term contracts.

● (1100)

When organizations need to constantly pursue project-based funding to stay afloat, it limits their ability to be responsive to the needs of communities. Moreover, the requirements of funding agreements around systems and security have been increasing exponentially, with governments now requiring not-for-profits to deploy state-of-the-art systems that are simply cost-prohibitive. The unmanageable increase in all core costs is also cost-prohibitive. The constant refrain of including the costs in the existing 10% to 15% overhead is just not feasible.

While these costs are not necessarily direct program costs, they are essential to providing quality programs and services to communities and upholding good governance standards and financial management, as well as stable employment for its diverse workforce, predominantly made up of women and immigrants.

Therefore, MOSAIC supports the recommendations presented by Imagine Canada and urges the government to reclassify 30% of all current project-based funding that is destined for charities and not-for-profits to be eligible as core funding.

Thank you.

The Chair: Thank you, Ms. Stachova.

Now we will hear from TransLink.

Mr. Steve Vanagas (Vice-President, Customer Communications and Public Affairs, TransLink): Thank you, Chair.

Thanks for inviting TransLink to speak with the committee today to discuss a topic that impacts all of us here in metro Vancouver, which is the pressing need to invest in transit and transportation infrastructure in our rapidly growing cities.

TransLink is the regional transportation authority for metro Vancouver. We move more than 400,000 people every single day in our transit system. Like other large cities in Canada, the metro Vancouver region is facing increasing affordability challenges. Today, I want to make a case for why investing in transit now is fundamental to addressing this affordability crisis, as well as why it is fundamental to advancing the economy.

While governments at all levels are working hard to add more housing supply, it's vitally important that we also invest in the tran-

sit infrastructure that's needed to move people from their homes to major city centres, job centres and campuses. In fact, while the Province of B.C. recently introduced legislation requiring transit-oriented development around all transit stations, as of today, we have no capacity to provide additional transit service to those locations.

There is a plan to invest in the metro Vancouver region's transit infrastructure called "Access for Everyone". It's a \$21-billion plan in capital investments over the next 10 years. In particular, we are focused on kick-starting this plan with a down payment that the Government of Canada, along with its partners in the Province of B.C. and local municipal governments, can make, beginning in 2024.

We have an urgent need to get going on these investments because of the lead times it takes to get buses ordered and built, to hire and train the bus operators and the maintenance crews, and to prepare the facilities we need to be ready to put the service on the roads and on the tracks.

Today, our transit system has recovered from the pandemic and has now reached prepandemic levels of growth. Overall, ridership has reached close to 90% of prepandemic ridership. On weekends, it's over 100%. TransLink's pandemic ridership recovery has surpassed all major transit systems in Canada and the United States. SkyTrain has emerged as the fourth-busiest rapid rail system across Canada and the United States. While we're the 17th-largest metropolitan area in North America, TransLink's bus ridership is now the third-highest of all transit systems in Canada and the U.S.

Ridership growth is something we should all be celebrating, but it comes with a flip side, which is our capacity to handle all of this demand for transit. In particular, we are seeing overcrowded buses in Surrey, Langley and Delta. These are the most affordable of our suburbs, which are the homes of many newcomers to our region and many new jobs. On route 323, for example, which operates between Surrey's Newton neighbourhood and the Surrey Central SkyTrain station, we have over 15,000 taps every day to get on the bus. That's 6,000 more per day than in 2019. There is now overcrowding on nearly one out of every three buses for transit users on this particular route.

Each week, one-third of the population of our region uses transit to move around the region. To put it into perspective, there are 60% to 70% more overcrowded buses system-wide than there were at the same time last year. It's now worse on all days of the week than it was in 2019, and we expect demand for transit to keep growing, as we saw last year, with over 77,000 new residents coming into our region. Many, if not most, newcomers will use transit when they get here.

Overcrowding is bad today and it will get worse over the next several years. Without transit investments aligned with projected growth, it's expected that overcrowding in our busiest areas—Vancouver and Surrey, for example—will get five and six times worse, respectively, over the next five years. That's why we need an urgent commitment to invest now.

We must be proactive in making sure that our transit infrastructure stays on pace with the growing demand. The longer we wait, the more expensive these projects become. The longer we wait, the more our system ages without the proper maintenance and upgrades required to maintain a state of good repair. The longer we wait, the harder it is for newcomers and everyone else to move around the region to their work and school.

To move as quickly as we can, we are focusing on improving bus service. The “Access for Everyone” plan calls for 250 new buses every year over the next decade. It builds the critical support infrastructure, like bus depots, that is the linchpin for increased service and without which we cannot expand and electrify our service to meet emissions goals. The plan also invests in 65 kilometres of new bus-based rapid transit connecting communities like North Vancouver, Burnaby, Maple Ridge, Langley, Surrey and White Rock.

Federal funding support for these projects, which we announced yesterday, will be critical to get them done. We are asking federal and provincial governments to partner with us now to urgently advance the first phase of transportation priorities with the “Access for Everyone” plan.

Moreover, we need to fundamentally reimagine how we pay for transit throughout the sustainable funding model. That's why we are actively working with the Province of B.C. to develop lasting solutions to fund transit in metro Vancouver.

• (1105)

We also need to look at more secure and stable ways to fund transit across the country. By investing in transit and transportation today, we can create a region that is more affordable, more efficient and more sustainable.

Thank you, Chair, for the opportunity to speak today.

The Chair: Thank you, Mr. Vanagas.

Now we'll hear from the Vancouver Airport Authority.

Mr. Trevor Boudreau (Director, Government Relations, Vancouver Airport Authority): Thank you, Chair.

[*Translation*]

Thank you for this opportunity to appear before the committee.

[*English*]

YVR exists to serve our community and the economy that supports it. As Canada's gateway to the Indo-Pacific, we are also a critical economic engine. By connecting people with places and cargo with markets, we open Canada to the world and the world to Canada. We also, though, have a responsibility to lead and help develop a globally connected country that is resilient, thriving and sustainable.

Our operations and our long-term strategy reflect the values of Canadians—innovation, climate action and indigenous reconciliation. We are investing in the 26,000 people who come to work on Sea Island every day, in our processes and in our technology to advance and sustain YVR's competitiveness as a global economic hub. In turn, those investments are enhancing our contribution to Canada's economy and the prosperity of Canadians.

I'd like to bring your attention to two important recommendations we have for budget 2024. First, invest in government modernization initiatives and services that will improve the passenger experience through Canadian airports. Second, join us in investing to accelerate the adoption of clean aviation fuel and decarbonize air travel.

On our first recommendation, there is an opportunity for the Government of Canada to invest in enhancing the passenger journey while maintaining the security of our air transportation sector. Every effort must be made to ensure that Canadians can move through our airports and move through processes in a modern and efficient manner. I think the committee members understand that very deeply.

While there have been notable steps across government agencies and within government accountabilities, more needs to be done. First, government should expand the current verified traveller program to be a true domestic trusted traveller program. This program would be similar to what the U.S. has in the TSA PreCheck program. It would allow travellers to become verified without the added cost of being part of the NEXUS program.

This will enable a more risk-based approach to passenger screening. It will reduce processing times. It will improve the operational efficiency, which is good for the frontline worker, and deliver a streamlined experience. That extension of the verified travel program should be supported with appropriate funding in the early days and guided by clear public policy direction. Importantly, though, this type of program will be self-funding over the long term with membership fees.

There is also a need for Canada to catch up with foreign jurisdictions that are investing in digitization, most notably the U.S. To maintain Canadian airports' competitiveness vis-à-vis these U.S. airports, we believe Canada must accelerate the adoption of digital technologies. It's critical that Transport Canada, Immigration, CB-SA and CATSA accelerate their efforts. Specifically, we are asking for the federal government to expedite the implementation of an end-to-end digital traveller journey for all people who wish to utilize digital processes.

Our second recommendation is to accelerate clean aviation fuel in British Columbia. YVR is a leader in clean transportation. Hopefully, committee members know that we have made the commitment to be Canada's first net-zero airport by 2030. We accelerated that commitment by 20 years two years ago. We've invested \$135 million in that journey. We are well on our way to achieving that by 2030, and hopefully before.

We do that while knowing that 95% of greenhouse gas emissions from air travel come from the tailpipe of an aircraft. We are super-sizing our influence, to the best of our ability, in helping to reduce that through our work in championing sustainable aviation fuel, or SAF, in Canada. Right now the demand for SAF is high, but the availability of SAF is very low.

There is an opportunity for the federal government to do more to accelerate that domestic supply. Canada is uniquely positioned with our abundance of renewable feedstocks. Right here in the Lower Mainland, there is a company called West Coast Reduction: 95% of their raw product is purchased by foreign SAF producers. It's shipped overseas to Singapore, refined into sustainable aviation fuel and then sold back to North America at a premium. We don't think that's correct. That's not right. Canada is missing out on valuable economic opportunities.

Canadian-made SAF will be essential to decarbonizing Canada's air sector. The Canadian Council for Sustainable Aviation Fuels, of which YVR is a proud founding member, has presented a realistic and clear road map to how Canada can build that feedstock-to-fuels SAF supply chain.

- (1110)

The road map relies on three key objectives. First, maximize SAF now from commercial-ready pathways. Second, establish commercial research and development pathways for new Canadian feedstocks. Finally, invest in innovation to support emerging home-grown technologies.

We believe that the Government of Canada should create the necessary financial and public policy supports to follow the C-SAF road map as presented. Now is the time for government to join our industry and invest in decarbonization efforts.

Thank you very much on behalf of the 26,000 people who work at YVR.

The Chair: Thank you, Mr. Boudreau.

Now we will hear from the Abbotsford Chamber of Commerce, please.

Ms. Alex Mitchell: Good morning, Honourable Chair, vice-chairs and members of this committee.

It's my privilege today to represent the Abbotsford Chamber of Commerce and deliver this message on behalf of our nearly 700 members from across Abbotsford's diverse business community.

In our community, we're grateful to live and work on the traditional territory of the Halq'emeylem-speaking people, the Sto:lo people, and today I am pleased to be a guest on the traditional territory of the Musqueam, Squamish and Tsleil-Waututh people.

Our members include businesses of all sizes, from home-based operators to large-scale manufacturers. They are facing many of the same challenges, which are directly impacted by the loss of economic competitiveness in Canada and the rising cost of doing business, making it increasingly difficult not only to grow but to, in some cases, continue to operate.

Today, government has its foot on the pedal of inflation, and we see the knock-on effects at the community level with the rising commercial rents and lease rates, alongside higher interest rates that result in reduced profitability, felt most acutely by the small and medium-sized business owners who are struggling with affordability on their own to maintain their operations.

Ottawa has an opportunity to make a substantial impact to relieve the strains on small businesses while improving the baseline of Canada's economy. Some of these measures could include removing internal barriers to trade, simplifying the tax code and reducing the barriers that prevent the private sector from capitalizing on the strategic economic advantages that we have in this country and in the community of Abbotsford.

Today, the Abbotsford Chamber of Commerce is recommending five key areas for action in budget 2024.

First, lower the cost of doing business, specifically for small and medium-sized enterprises. The cost of running a business in Canada continues to climb, making it very difficult for businesses to succeed and to grow.

We call on the government to avoid imposing additional taxes on businesses. For example, the upcoming increase of EI premiums in 2024 will be felt by every single employer in the country. This, paired with the numerous other costs being added by other levels of government—such as increased property taxes in most municipalities, carbon taxes that affect British Columbia's business owners differently and interest-rate increases—means that businesses are being squeezed from nearly every direction.

Economic headwinds are still present, and businesses haven't fully recovered from the impacts of the pandemic. One key issue remains: the upcoming CEBA loan repayment deadline. In our view, now is not the time to recall the loans for struggling businesses, and we strongly urge the government to give business owners more time by extending the repayment deadline. What we've advocated for is the end of 2025.

Our second item is around building resilient and trade-enabling infrastructure. Reliable connections with our trading partners across the province, country and globe are required for businesses in British Columbia to reach their potential. That, in our community, includes flood mitigation infrastructure for the Fraser Valley, home to some of Canada's most productive agricultural land, which was impacted by the devastating floods only two years ago, and also the expansion of regional trade corridors, like Highway 1 through Abbotsford. Ensuring that we have resilient infrastructure in place to meet the demands of today and the future is critical to the long-term success of businesses.

The third is around fostering healthy communities. The health of our community is a direct function of the health of the businesses that operate within it. If businesses are prospering, the local economy will too. Today, we see how policies—for example, bail reform for repeat offenders alongside an extremely challenging opioid crisis—have impacted the job creators of our communities. For many small businesses in the community of Abbotsford, this has become what some have described as a virtual crime tax, where businesses increasingly need to account for regular property damage and vandalism clean-up, which further adds to their costs of doing business.

The fourth is around addressing labour challenges. One of the most critical issues that we face as a province and in our community is ensuring that we have the people we need with the training required to meet our needs today and into the future. We also need to ensure that communities are equipped with the necessary funding from the government for infrastructure that will support the growth in population, as well as the services to ensure the success of newcomers within their chosen communities.

The last is around incenting innovation. Empowering companies to do more with the same resources, or even less, is one way to help businesses grow and succeed. We want to foster the success of new industries such as agriculture technology, which has a natural home in Abbotsford, Canada's agriculture capital. In fact, Abbotsford's farmers are driving the future of food security for the nation, and the government can play a key role in investing in the ecosystem that supports that innovation.

I hope this helps to provide some additional insight into the challenges facing small businesses and medium-sized enterprises today.

• (1115)

Thank you so much.

The Chair: Thank you, Ms. Mitchell.

Thank you to all of our witnesses on our second panel.

Now we're going to get into an opportunity for members to ask you questions.

Each party in our first round of questions will have up to six minutes to ask their questions. I'll ask them to introduce themselves and say where they're from or what community they represent.

I'm from Mississauga East—Cooksville, very close to Pearson airport in.... I was going to say "Toronto", but it actually is in Mississauga. Toronto international airport is in Mississauga, just so everybody is well aware of that. The Vancouver Airport Authority would know that.

I did live in Kitsilano—I mentioned this to the first panel—for a year. It was a magnificent year.

We are going to start now with MP Morantz, please, for six minutes.

Mr. Marty Morantz: Thank you, Mr. Chair.

Thank you, all of you, for your opening statements. It has been really important that we do this. Normally, the finance committee meets in Ottawa, but we've been travelling across the country and hearing from stakeholders all over Canada. It's been very helpful in informing us as to how to proceed.

By the way, I'm Marty Morantz, member of Parliament for Charleswood—St. James—Assiniboia—Headingley, in Winnipeg.

Ms. Mitchell, I wanted to ask you a number of things, but let's start with the CEBA loan. One of the things that I thought was curious about the way the government handled the CEBA loan was that they extended the deadline for repayment to the end of December 2024, but said that, if you don't repay it before January 18, you lose the forgivable portion of the loan. Did that cause any confusion among your members?

• (1120)

Ms. Alex Mitchell: Thanks for the question.

I think there's confusion, certainly, but first and foremost, the view from many of our members is that the adjustment simply isn't enough and that business owners really do need more time. Those that are specifically vulnerable need more time to be able to repay those loans.

Mr. Marty Morantz: In any event, if they don't repay it before January 18, they lose the forgivable portion, which is another penalty being layered onto businesses in addition to all of the others you mentioned. Would you agree?

Ms. Alex Mitchell: Absolutely, we do, and at the end of the day, this funding was meant to support the businesses who were the most at risk, to help them to weather the economic headwinds of the pandemic and work towards resilience, so absolutely we believe that we need more time for those businesses.

Mr. Marty Morantz: Thank you.

With respect to the carbon tax, we've been hearing Liberals say for eight years now that people get back more than they pay, but we know now that's simply not true. It has never been true for small business people. Small businesses don't get the climate action incentive back from the carbon tax.

Another interesting development has happened with respect to the carbon tax just a couple of weeks ago. The government announced a carve-out or a pause on the carbon tax as it pertains to home heating in Atlantic Canada for home heating oil.

Now, they claim this is a national program, because if you can find the one person in Manitoba who heats their home with home heating oil, they get the break, but the reality is that Winnipeg is one of the coldest cities on the planet in the winter. Most people use natural gas to heat their homes. We're not getting the break. One of their ministers actually said that, if western Canadians want a break from the carbon tax on home heating, they should have elected more Liberals, if you can believe it.

In any event, do you agree that it's unfair that the rest of Canada isn't getting the same break that Atlantic Canadians are getting?

Ms. Alex Mitchell: Thank you for the question.

In our view when it comes to the carbon tax, our stance is that it should be a revenue-neutral policy mechanism, and fairness is key. One of the things we continue to point to with the carbon tax is that it's another cost that's being added on to the regular cost of doing business for business owners, and all of that is a challenge.

Mr. Marty Morantz: Okay.

Perhaps I'll ask you a question more related to business, then, when it comes to the carbon tax. Are you familiar with Bill C-234?

Ms. Alex Mitchell: I'm not entirely familiar, no.

Mr. Marty Morantz: Okay.

Bill C-234 is a bill that was presented by one of our members. It's an opposition member's private member's bill that would call for an exemption from the carbon tax for things like grain drying in agricultural operations. That bill is currently being held up in the Senate. If you're not completely familiar with it, I won't ask your opinion on it, but I'd urge you to do some research on it. It would be an interesting policy for your members to get behind.

There are a couple of other things.

Canada is in a situation where we have a serious problem with per capita GDP. For example, in 2021 the OECD projected that our economy would perform worse this decade than all other member countries, with per capita GDP growing at only 0.7 of 1% annually, though at least that would be an improvement over the last five years.

We have a situation where this government has been in office now for eight years. We have anemic economic growth. They've doubled our national debt from \$600 billion to \$1.2 trillion. Interest rates have skyrocketed. Doesn't this put businesses in a terrible position in terms of how they're going to navigate their way into the future?

Ms. Alex Mitchell: Thank you.

What we hear the most from our members is that doing business in today's environment is increasingly challenging. Those additional costs present numerous barriers to growth. It's become quite tenuous for many business owners, especially small and medium-sized enterprises. We absolutely do want to see a dynamic, bold econom-

ic vision for Canada that trickles down to the communities and the small business owners operating within them.

Mr. Marty Morantz: I think you mentioned in your statement that the "paycheque taxes", as we call them, are particularly onerous for your members. Could you talk about the difficulties in terms of all these added costs being piled on, and about now losing the forgivable portion of the CEBA? How are businesses going to weather the storm when interest rates are so high? Commercial rents, as you pointed out, have skyrocketed. The government keeps layering on cost after cost after cost.

● (1125)

Ms. Alex Mitchell: It's become extremely challenging for those small businesses that are looking to operate and grow and retain their employees. That's where we've chosen to speak to incentivizing innovation and having, again, that bold economic vision for the country and for communities. Really, it's about trying to invest in a future of agricultural innovation in Canada's agricultural capital. There's a lot of opportunity there for that.

Again, yes, it's increasingly challenging for business owners. It's the multitude of additional taxes being added on and added on here that continues to impact competitiveness.

The Chair: Thank you.

Thank you, MP Morantz.

I will now go to MP Dzerowicz, please.

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

Thank you so much to everyone for being here today.

My name is Julie Dzerowicz. I'm the member of Parliament for Davenport. It's a downtown Toronto west riding. I've been on the finance committee for four years. It's our first time travelling in about four years. It's really nice to be here in person.

Ms. Stachova, I actually visited MOSAIC last year. I do quite a bit of work on immigration, refugees and asylum seekers, so I have a very good sense of what MOSAIC does. Thank you for all you do.

I'm interested in a new model around providing settlement support. We've heard that a number of times. Given the changing nature of the expectations of our settlement agencies, that sounds like the right request to make. Is there a model anywhere in other parts of the world, or is there anything that you might want us to look at, in addition to the very specific recommendations you've made?

Ms. Olga Stachova: I would just note that where we are doing well as a country is that we do have an incredibly robust system on settlement supports, with organizations across the country. There is an incredible network. We are the envy of the world. I have the opportunity to go and speak at international conferences. What Canada does is always held on a pedestal. We are always approached: "Tell us how Canada does things." There's a lot that we already do well. The fact that, as opposed to other countries, it is the charitable sector and not the profit sector that delivers the services is a really good model, where it's the government delivering the supports.

There are pockets of interesting programs, especially around getting newcomers into skills-commensurate jobs. Australia has some interesting programs. There are pockets around the world that we look at. We do go to conferences. We learn what other countries are doing. We share what we do. We try to bring those practices here and include them in our proposals.

Ms. Julie Dzerowicz: We hear a lot as we go across the country. So many jobs still need to be filled. A lot of skills need to be filled. I often think, even for our asylum seekers who are coming in, that we'll get the hotel association to say.... Literally, if they just provide even a desk at the airport, they would be willing to give jobs to anybody who's coming in and put them right across the country. If you have specific suggestions about how we can actually do that, and team up better and maybe faster in some cases, I'd be very open to them. I would suggest that you get them in very quickly to our committee, because I don't think we have time to talk through that today.

I'll give you a few seconds to respond, and then I want to go to Mr. Vanagas.

Ms. Olga Stachova: I'd be happy to respond.

We need to recognize the role that employers are going to play. We can spend a lot of money on credentials recognition and training, but in the end, that piece of paper or recognition doesn't actually lead to a job. It's working with employers, changing the culture within employers, motivating them to create those opportunities and recognizing that employers do have a role in providing on-the-job training.

We've done it. There are concepts that we've done with young people. We have students taking co-ops and internships, and companies have bought into the concept. In their HR planning every year, companies set aside spots for internships and co-ops. Why don't we do that with newcomers? It takes time, but it's possible.

Ms. Julie Dzerowicz: Thank you.

Mr. Vanagas, thank you so much for your presentation.

I'm from downtown Toronto, and I will tell you on transit that if we don't have that our city cannot function. I'm very proud of our federal government for providing historic funding in transit over the last eight years. Much more needs to get done.

I guess there are a couple of things I wanted to ask you.

One, has provincial funding for transit also correspondingly gone up over the last...whether it's five years or 10 years? Can you respond to that?

The other thing is that I was looking at international data. What I was trying to do was to find whether national governments of other countries actually fund transit systems from an operation perspective. I did put out a message to the Library of Parliament. They were only able to find some examples in the United States, but limited examples. If you have any for us, I'd be very open to hearing about that, if you could respond.

• (1130)

Mr. Steve Vanagas: That's great. Thank you for those questions.

Yes, Toronto has a great system.

On the question of provincial funding, our funding mix comes from predominantly three sources. One is fare revenue, of course. Second is property taxes, which are established by the local municipal governments. There are fare revenues, property taxes and the third source of funding, of course, which is the fuel tax, which car drivers will pay. It's a volume-based fee. Again, that level is set by the province.

There is very limited direct provincial funding. They provided us with relief funding during COVID, which was very important for us to get through the COVID period. We maintained all of our service throughout COVID, which is part of the reason why we've been able to recover so well. It's because we maintained that service. That's thanks in large part to the province helping us with that funding during that period of time. However, they don't typically provide us direct operational funding. We have these other sources that we draw from, and there's another miscellaneous set of other sources of funding that we would have.

Ms. Julie Dzerowicz: On international models, then, do you know of anyone else from a national level that funds operating...?

Mr. Steve Vanagas: It's a great question. I do not know off the top of my head. I think I would ask our team to look at that and get back to you.

What I would say is that federally the focus has been on that capital funding requirement, with the exception of the COVID period where the federal government did provide that temporary operational funding, which was tremendously helpful, but there's no commitment at this point going forward. The focus has been on capital funding, and the federal government makes a huge contribution on that capital funding.

The Chair: Thank you, Mr. Vanagas and MP Dzerowicz.

Next is MP Ste-Marie, please.

[*Translation*]

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

Good morning to all the witnesses. Thank you for being with us. We have another very relevant group of witnesses. Their comments are very enlightening.

Before I ask my first questions, I'd like to make a comment. As this is the last panel of this week and of our pre-budget consultation tour, I'd like to take a few minutes to reiterate how important I think it is for the committee to be able to travel to each region to get a better grasp of the reality in each one and meet the witnesses on the spot. I welcome this effort. In terms of the committee's operations, it's also an opportunity to get to know our colleagues from each group better, and to forge better relationships that rise above partisanship. This doesn't happen often enough in the House.

Also, this fall, only two weeks had been set aside for work in our respective ridings, and committee members decided to devote that time to our travelling consultation tours. That's a good thing. In this regard, I'd like to take my hat off to our chair, who is the only elected official to have participated in every consultation, in every city. He chose to spend the two weeks normally devoted to work in our ridings playing his role as chair, which he does very well.

If we, the elected representatives, manage to do a job that's not too badly done, it's because we're surrounded by a formidable team. The MPs travel, but they are accompanied by the committee's staff, who do a remarkable job. I'd like to start by saluting Emma Fahey, our logistics officer. It was she who welcomed you here. Believe me when I say that visiting one city a day requires an extraordinary amount of logistical work, if only to book hotel rooms and halls.

In the back, upstairs, to the right of the room, are the two gentlemen who liaise with the House. The day before, they set up all the electronics to make sure everything's working, and then put all the equipment back in the suitcases. They are André Guindon and Tyler Thomas, who are deliberations and verification officers. I'd like to thank them for accompanying us.

I would also like to pay special tribute to three people whom I find extraordinary and who have been my ears and my voice during this week. They are the three interpreters: Ms. Sara Vafai, Ms. Angela Benoit and Ms. Kariane St-Gelais, who is currently interpreting my words. I'd like to thank them for travelling with us and doing all this work.

When it's time to produce reports, if we're well informed and manage to be relevant, it's because we have two highly talented economists with us. They do extraordinary work. They are Mehrab Kiarsi and Michaël Lambert-Racine, who also travelled with us for the two weeks. I congratulate and thank them.

Let me conclude by thanking our extraordinary clerk. The quality of the clerks in the House of Commons is very high, and we are undoubtedly fortunate on the Standing Committee on Finance to have the best, Mr. Alexandre Roger, for whom we must always raise the bar. Let me give you an example.

I almost missed my flight from Winnipeg to Edmonton, because there was a problem with my WestJet boarding pass. As the line of people experiencing difficulties grew longer, staff were removed to deal with the problems. Mr. Roger came back and told me he wouldn't abandon me and that, if necessary, we'd take an all-night bus to get me to the committee meeting in Edmonton the next day. This illustrates the level of perfection he brings to the committee. I'd like to congratulate the whole team. Thank you for helping us do our job so smoothly.

Having said that, I'd like to thank all the witnesses once again for being here.

My questions are for the representatives of the Alliance des femmes de la francophonie canadienne, Ms. Enayeh and Ms. Boutiyeb.

You put forward five recommendations. You said that violence against women is on the rise. Every week, we hear about cases of femicide. This is very worrying.

Why is it important to better protect francophone women in minority situations?

• (1135)

Ms. Nour Enayeh: Thank you for your question.

I'll give you a very concrete example. We're in Vancouver, British Columbia, and there's a francophone organization that deals with women who are victims of violence. We have a help line, but it will be closed in March 2024, in a few months' time, due to lack of funding. It's the only hotline that offers service in French to francophone women who are victims of violence in British Columbia. This gives you a very concrete idea of the urgency of the situation and the importance of this issue.

Since the pandemic, gender-based violence against women has increased, and French-language services are decreasing. These women need to be served in their own language.

Mr. Gabriel Ste-Marie: Thank you

Is there core funding for this helpline?

Ms. Nour Enayeh: No, there is no core funding. Seven of our organizations receive no core funding at all from the province. Without core funding, many organizations cannot survive.

Ms. Soukaina Boutiyeb (Executive Director, Alliance des femmes de la francophonie canadienne): If I may, I'd like to add another detail.

The reality on the ground is that Nunavut, the Northwest Territories and Newfoundland and Labrador have no francophone women's organizations, due to a lack of funding. Some organizations in Manitoba and Saskatchewan, for example, have no core funding at all. This means that an organization that is there to give a voice to these women doesn't have the necessary resources. In these communities, there is no organization to defend the rights of francophone and Acadian women.

I'd also like to tell you about something that happened to us during the pandemic, and that has to do with the increase in violence. During the pandemic, our organization received a suspicious package, addressed to our president and signed by a group—some crude words were used. They wanted to remind us that a woman's place was in the kitchen, and told us we'd be beaten if we didn't listen. It was a very difficult time for the members of our organization. In fact, I still get goose bumps. We had to deal with this during the pandemic. The police had to take charge of the situation, but unfortunately they weren't able to determine which group the package came from. This kind of violence exists all around us. We agree that it goes beyond a comment made on social networks. Someone took the time to send us a package. So the problem is becoming more and more serious.

The reality is that women's organizations don't have access to adequate funding or services for prevention, awareness-raising and the creation of shelters or halfway houses. It doesn't exist. It exists in Ontario, but outside Ontario, it's unfortunately not a reality for francophone and Acadian women.

The Chair: Thank you, Ms. Enayeh, Ms. Boutiyeb and Mr. Ste-Marie.

● (1140)

[English]

MP Ste-Marie is very gracious and kind, as you all can see, in his comments about our committee. You may hear some political, ideological or policy differences among us, but we are a great team and we don't leave anybody behind. We have to make sure everybody is together.

This work is very important. It's very important for Canadians, and it's very important to help inform our government on the budget that's upcoming. Of course, you're very important. The most important are the witnesses.

Now MP Julian will have his opportunity to question the witnesses in his time.

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

Thank you to our witnesses.

I'm Peter Julian, the member of Parliament for New Westminster—Burnaby. I'm very happy to see you here today, advocating on behalf of British Columbians and bringing that British Columbia perspective to the work of the finance committee.

I have tons of questions. I'll start with Ms. Stachova.

Thank you very much for your work with MOSAIC, which does such incredibly valuable work throughout the Lower Mainland. I've seen first-hand, of course, in New Westminster and Burnaby the work that you and your colleagues do.

You spoke about the housing strategy. In my riding, we have Hillside Gardens. Normally, it is a place where new Canadians go to try to find shelter that is affordable, but we have, in so many cases, six, eight or 10 adults sharing a one-bedroom apartment.

How important is it to address this crisis that we're seeing in housing among new Canadians—among all Canadians—not only in the Lower Mainland but right across the country?

Ms. Olga Stachova: I think that's the most important thing that we have to do. As you said, it's not just new Canadians. It's not just newcomers. Everyone struggles with housing.

Our organization serves newcomers. That's why I'm bringing the newcomer perspective. Given that, in housing, there's a shortage of housing and huge competition for affordable housing, so newcomers just don't have a chance. If you don't have the credit history and you don't have the references, how can you even get a rental? You can't.

We hear the stories, as you mentioned. We just met with Covenant House last week, and 50% of occupants in the shelters are newcomers these days. We hear of newcomers who can't find housing, so they stay with friends. It's a few nights with one friend and a few nights with another friend. There are mosques and faith-based groups that create temporary housing to house people, but people are underhoused.

Again, when looking at the newcomer perspective.... This is a country that really depends on immigration, and we want to be able to attract people. We can't take it for granted that we will remain the destination of choice. If people come and they are not able to find affordable housing and are not able to make a living and find meaningful and skills-commensurate jobs, they will stop coming.

Mr. Peter Julian: Thank you for that.

I'm going to move on to Mr. Vanagas.

I was surprised. Did I understand you correctly, that TransLink now operates the fourth-busiest transit system in Canada and the U.S.?

Mr. Steve Vanagas: In terms of the number of riders, yes, that's right.

Mr. Peter Julian: That's unbelievable. That shows the success and the importance of the system in the Lower Mainland. We have a restricted territory. We are working.... Of course, TransLink and Metro Vancouver and all the municipalities are working to ensure that the housing that is built is built around transit lines. This is something that is vitally important.

You also mentioned something that I found profoundly disappointing and frustrating: that a third of the buses are overcrowded on some bus lines now. I'm assuming that means that we're leaving people behind, and that the buses simply are not able to take all the people who need to get on the buses.

What is the impact of that, when you have a transit system that, because of a lack of federal funding, is so overloaded that it can't deliver people from point A to point B? What is the impact on businesses? What is the impact on people's quality of life?

Mr. Steve Vanagas: Yes, as you can imagine, it would have quite a bit of impact. It would have an economic impact, for sure, as people have a harder time getting to their jobs, getting to school and getting to their appointments. It has an impact on the roads. People will switch to cars, and we know that we want to get people out of cars. That has a major economic impact and a major lifestyle impact on individuals and families as well. It takes them longer to get back to their families from work.

I've heard stories. When we are meeting with communities, we hear stories about people who wait until after rush hour to get back to their families after working all day in a local health care facility or going to school. It can be tough. That commute can be tough.

We want to connect people with their housing. We talk about housing quite a bit, and we think it's absolutely essential that you build a transit infrastructure to support that new housing. I think that everybody is committed to building more housing around transit infrastructure, so we can't leave the transit infrastructure behind. We need to make sure that we're getting those buses in place that can move all of those people. Otherwise, as you said, it has a pretty significant impact on individuals.

● (1145)

Mr. Peter Julian: Thank you very much for that.

Mr. Boudreau—for YVR—I'm actually surprised about the two recommendations. Clean aviation fuel doesn't surprise me. In terms of infrastructure funding, the renovations are not complete on YVR's B terminal because we still have some of the old infrastructure in place. Is infrastructure funding not part of the YVR ask to the finance committee that we'll report to the federal government?

Mr. Trevor Boudreau: Thank you, Mr. Julian. I think I could probably present about 10 or 15 asks to this committee, so I did try to scale it down to two.

When it comes to infrastructure, yes, Canadian airports.... A significant amount of our annual budget, our capital expenditure, is basically just there to keep us in a state of good repair, so we do know that there is a lot of investment that is needed in Canada's airports. The Canadian Airports Council has put forward a recommendation, and we support that.

With regard to YVR's approach, yes, we do have some infrastructure in the terminal that needs to be invested in. We have, as committee members will no doubt have seen, some construction that was under way at the beginning of the pandemic that we had to cease. There was a parkade, a new geothermal system and a central utilities building. We're looking at the business cases to complete those now. We believe that we can.

I think the core issue—

Mr. Peter Julian: Is federal funding part of that?

Mr. Trevor Boudreau: No, it currently is not. Canadian airports are funded in three ways. There are the fees that we charge airlines—aeronautical fees—and there's non-aeronautical revenue, such as when folks spend money in the terminal, as well as our land assets. We own 50% of the designer outlet centre here at YVR, and it's the highest-performing outlet in all of North America, so that does generate some revenue. Then, of course, there is the AIF, the airport improvement fund, and that can only go to capital expenditures.

No, government funding does not have a significant impact.

The Chair: Thank you.

Thank you, MP Julian.

Members, we're going to go through one more round. We did start past our scheduled time, as you all know. In this round, we're starting with MP Morantz for five minutes.

Mr. Marty Morantz: Thank you, Mr. Chair.

Mr. Boudreau, I want to ask you to start from square one with regard to sustainable aviation fuel, just to give people who might be reading the transcript of this meeting later who aren't familiar with that an idea of what it is you're talking about. What is it?

Mr. Trevor Boudreau: Sustainable aviation fuel is a drop-in fuel, which means it can be commingled with traditional fossil jet fuel, which is used in aircraft today. It's produced from renewable sources, and it reduces the GHG impact by about 80% on a per-mile basis.

There are various feedstocks that can be used. Primarily the feedstock that is used right now is called HEFA, or waste, fats and oils.

It means everything from cooking oils to animal renderings, and there is limited production capacity in North America.

California, as a jurisdiction, made investments—the investments we are asking the Canadian government to make. They made those investments almost a decade ago and now they are a sustainable aviation fuel powerhouse. They produce the vast majority of the sustainable aviation fuel that is created right now around the world, and they consume almost all of the SAF they create locally. They are also importing SAF because of the generous incentives that are in place.

Mr. Marty Morantz: Do we have that in Canada?

Mr. Trevor Boudreau: We do not currently, no. There is technology and there are producers here locally in the Lower Mainland—Parkland Corporation refinery. There is a refinery up north, but the name escapes me at the moment. It is capable of producing small quantities, but what we're looking at is scaling up to large quantities of SAF production. We believe that this jurisdiction, British Columbia and the Lower Mainland, will be Canada's first production hub.

Mr. Marty Morantz: In terms of your recommendations to the committee for its pre-budget consultation report, what types of things would you like to see the federal government do to ramp up the production of SAF in Canada? What can they do?

Mr. Trevor Boudreau: There are really two things. Right now the biggest issue—and this is an issue that will impact affordability if sustainable aviation fuel is not treated with the proper financial and public policy support—is that the price differential between traditional jet fuel and sustainable aviation fuel is quite high. In some cases, it is five times the price.

● (1150)

Mr. Marty Morantz: Is that for SAF?

Mr. Trevor Boudreau: Yes, and since the cost of jet fuel has the highest impact on the cost of your flight, it is a critical issue. Where we are looking for government support is on that demand side, providing the incentives in the early days that will bring the cost differential down and allow us to scale up production capacity in Canada. Once that production capacity comes online, you will see the market start to decide to deliver right and to do what it needs to do so those financial incentives can drop off.

Mr. Marty Morantz: Thank you for that.

I want to talk to you about pilots for a second. I'm speaking maybe somewhat in my own interests, but we had direct flights from Winnipeg to Ottawa that got cancelled. I think that happened in a number of cities across the country, and Air Canada is telling us it's due to a shortage of pilots.

I'm wondering if you could provide some insight on that issue. Do you have any sense of that, from your perspective at the airport authority?

Mr. Trevor Boudreau: I would defer that to the airlines. As the airport, we don't get involved in that. However, it is very clear that access to skilled workers is a problem across many industries, and aviation is not insulated from that. We see that with air traffic controllers. We see that with pilot shortages. We see that with other skilled labour, so it's critical that we invest in that now.

Ms. Anderson from the Greater Vancouver Board of Trade talked about a microcredentialling programming. That can certainly help in areas of aviation as well, and we encourage the government to look at that.

Mr. Marty Morantz: That's all I have, Mr. Chair. Thank you.

The Chair: Thank you, MP Morantz.

Now we go to MP Baker.

Mr. Yvan Baker: Thanks very much, Chair.

Thanks to all of you for being here today. I won't have time to ask all of your questions, but I appreciate all the testimony. I've taken note of all of your input, so thank you for that.

We've been travelling to hear and listen to input from folks as to how we can solve the problems that people are facing in their various communities. Unfortunately, I've found myself spending a fair bit of my five-minute questioning time dispelling myths that have been put out there by the Conservative members on some things. We're entitled to our differences of opinion. I have differences of opinions with Gabriel and with Peter, but we are not entitled to our own set of facts. Unfortunately, there were some facts put out that aren't true, and I'd hate for the folks here and the good folks in B.C. to get the wrong idea, so here are just a few facts.

Economic growth in Canada is among the strongest in the G7, and it has been for the past several years. Post-COVID, Canada's economy recovered more quickly than any of our G7 counterparts. Inflation in Canada is too high. My constituents struggle with it every day, but it is the lowest, or second-lowest, in the G7, and has been for the past several years. Canada's debt-to-GDP is the lowest in the G7. Canada's deficit-to-GDP is the lowest in the G7.

The pause that was put on the carbon tax was Canada-wide, counter to those who would say it was just for Atlantic Canada. It was Canada-wide for home heating oil. The reason it was done specifically for home heating oil was that it is the most expensive form of heating and it is the most polluting form of heating. We were finding that people weren't transitioning away from home heating oil because it was so expensive to make that transition, and a lot of the folks who were using home heating oil already didn't have the finances to make that transition.

The three-year pause—it's not an elimination; it's a pause—is for people across Canada, and we increased the rural rebate across Canada.

I wanted to put those facts out there to counter some of the things that have been said. I'd rather be spending this time listening to you than talking, but when I hear misinformation put on the committee record, if it goes unchallenged, it can become a common belief. That is dangerous, because people's decision-making and how people advocate with the government depends on the facts they have

before them. When the facts are inaccurate, it's dangerous, so I had to say that.

I want to spend some time with Madame Enayeh and Madame Boutiyeb.

[*Translation*]

Ladies, thank you for being here. You've talked a bit about the services offered in Ontario, here, in British Columbia and elsewhere in the country.

What is the role of the federal and provincial governments in providing financial support to the organizations you represent?

Ms. Nour Enayeh: I'll start by talking about the National Action Plan to End Gender-Based Violence, which was put in place in 2022. It was a national plan, yet francophone women were not mentioned once. We therefore ask that the federal government take the lead and ensure that francophone women are mentioned in national or federal plans.

• (1155)

Ms. Soukaina Boutiyeb: The last thing I'd add is that it's everyone's responsibility to care about francophone and Acadian women. Women represent over 50% of the population, and francophone women represent 11% of the country's population. Unfortunately, when funding is granted, people don't have the reflex to ask who has a population that includes francophone and Acadian women, and to grant funding directly to them.

So one of our recommendations is to have the reflex to apply the francophone women's lens every time funding is granted to public sector and civil society organizations, so that a share of the funding is automatically given to francophone women's organizations in the country.

Mr. Yvan Baker: When I was a provincial MLA for Ontario, a lot of money was invested in similar causes, without mentioning these organizations in particular.

What's the role of a province in providing funding?

Many people turn to the federal government for funding. It's normal and understandable, because you're working on important issues. By the way, I'm not just talking about you, but about all the other witnesses who have come before us. I'm not saying that's the case here, but having been a provincial MLA, I know that there are many cases and files that must be resolved in part, if not in full, by provincial governments.

In your opinion, what is the role of the provinces, in general, with regard to the causes you defend?

Ms. Soukaina Boutiyeb: That's an excellent question.

As far as francophone women are concerned, the responsibility lies not only with the federal government, but also with provincial and municipal governments.

That said, I think the federal government could show some leadership. As the chair mentioned, the National Action Plan to End Gender-Based Violence makes no mention of francophone women. Under bilateral agreements between the federal government and the provinces and territories, the latter were to provide funding equivalent to that of the federal government. However, since there was no mention of francophone women, no funding was specifically allocated to them. So leadership is required, but it's certainly a responsibility that falls on everyone.

The Chair: Thank you, Mr. Baker.

[English]

Now we'll go to MP Ste-Marie, please.

[Translation]

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

My questions are for Ms. Enayeh and Ms. Boutiyeb.

Ladies, I'm going to ask a series of questions, and you can use the two and a half minutes allotted to answer them or talk about your priorities.

Why are you proposing that the next budget allocate \$280 million over five years to francophone and Acadian women's organizations?

Why do we need to help francophone caregivers? What does this mean?

Finally, could you come back to the importance of having a more comprehensive gender-based analysis and standardizing its use by government departments?

Ms. Soukaina Boutiyeb: To answer the first question about the \$280 million, our colleagues at the Fédération des communautés francophones et acadienne have done a study, which we could provide to the committee, that shows where this amount comes from and is based on concrete data. We agree with them, and we want to make sure, with regard to the \$280 million, that there is specific mention of women's organizations.

As far as caregivers are concerned, the reality, as we saw during the pandemic, is that women are often the ones who go to help their parents, children, husbands or friends who are experiencing health problems, whether long-term or short-term. These caregivers have no respite or mental health services in French, whether they live in rural Saskatchewan, New Brunswick or Ontario. We need to make a special investment in the people who do this work. There are also many immigrants doing this work.

As for your last question on Gender-Based Analysis Plus, as you know, in 1995, Canada made a commitment to the United Nations to use it in all its public policies and budgets. That said, in the field, we've come to realize that this analysis is not done in the same way from one department to another. We therefore suggest that this lens be applied right from the start of the process, from the development of any public policy right through to the end, and that there be a slightly more exhaustive analysis. We'd also like to see the results published. Basically, it's a matter of further encouraging the government to continue doing this work.

Mr. Gabriel Ste-Marie: Thank you.

• (1200)

[English]

The Chair: You have about 20 seconds.

[Translation]

Mr. Gabriel Ste-Marie: I'd like to ask Ms. Mitchell about the postponement of the repayment date for loans from the Canada emergency business account. The minister doesn't want to postpone it by a year, because she says it's too expensive. We disagree. We say that avoiding a large number of bankruptcies will bring in more money for the government.

What argument would you have to convince the minister of the importance of postponing the repayment of loans from the Canada emergency business account by one year?

[English]

Ms. Alex Mitchell: We believe that it's critical to provide an extension for those businesses that really do need it. This was meant to keep the businesses alive and functioning through a very difficult time, so to call in those loans early or to not continue with the non-repayable component of those will hurt those small businesses that are still on the brink and still facing economic headwinds and the risks of recovery.

[Translation]

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

[English]

Now we'll go to MP Julian.

[Translation]

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

I'd like to address Ms. Enayeh and Ms. Boutiyeb

I'd like to acknowledge the work of Réseau-Femmes Colombie-Britannique and Inform'Elles. As I understand it, this is an emergency support line for women in British Columbia. There's a growing population of francophones here, and they're often new Canadians who don't have access to other forms of support.

How many women will be affected if the Inform'Elles emergency support line is closed by March 2024? What will be the consequences for the community and these women?

Ms. Nour Enayeh: We're talking about a French-speaking community of 300,000 people. Since 50% of them are women, that's 150,000 people in British Columbia. In rural areas, women can be completely isolated. This is their only way of expressing themselves in their own language against the violence they suffer. This will disappear in March 2024, almost five months from now.

Mr. Peter Julian: How many hundreds of women use the Inform'Elles support line?

Ms. Nour Enayeh: During the pandemic, Inform'Elles received dozens of calls every day from women who had never called before.

Mr. Peter Julian: Right.

So we're talking about a crucial tool. If I understand correctly, you're suggesting that the Standing Committee on Finance intervene strongly with the federal government to ensure that this funding continues.

As of March 31 next year, what funding would be required and what are the needs?

Ms. Nour Enayeh: Funding is so minimal that only one and a half people can work. Without any core funding, two full-time staff will no longer be able to work. They serve all of British Columbia. Without this funding, all women will be deprived of this service. Basically, you have to fund the salaries of two, three or four people. It's really a basic salary, and that's what they live on.

Mr. Peter Julian: Are you talking about \$200,000?

Ms. Soukaina Boutiyeb: That's just for British Columbia. I think you have to keep in mind that other provinces don't even have a support line. This service doesn't exist. The reality is that when women are already experiencing violence, they seek help.

We also need to invest in prevention and awareness-raising if we are to change the situation. We hope to see no more of this in the years to come.

I think we need to be proactive. Funding is needed not only to meet urgent needs now, but also to prevent violence in the future. That's why we say it's important to provide funding specifically for francophone women. We mentioned \$280 million in general for organizations that help women.

Mr. Peter Julian: You're asking for this funding for the next five years.

Is that correct?

Ms. Soukaina Boutiyeb: Yes, that's correct.

Thank you.

Mr. Peter Julian: Thank you very much

The Chair: Thank you, Mr. Julian.

[*English*]

We'll now go to MP Hallan or MP Morantz for five minutes.

Mr. Marty Morantz: I don't have any more questions, Mr. Chair.

The Chair: Thank you.

MP Dzerowicz, go ahead, please.

● (1205)

Ms. Julie Dzerowicz: I'll take all of Mr. Morantz's time, if he doesn't have any questions.

I have five minutes, and my first questions will be for you, Ms. Mitchell. Thanks so much for your presentation.

One thing you mentioned was a recommendation around eliminating some of the tax, I think. Perhaps it was tax code. Basically, it was something in the taxes we do that is encouraging businesses to take advantage of something. I didn't quite hear that. Perhaps you could clarify it.

Am I giving you enough information?

Ms. Alex Mitchell: Can you elaborate?

Ms. Julie Dzerowicz: It gave me the impression that it was something in our tax system that was providing businesses with a way to take advantage of something that you wanted us to change.

Ms. Alex Mitchell: My commentary was specifically around the additional layering on of costs to business owners from various levels of government.

Ms. Julie Dzerowicz: Great...and that provides the disincentive.

Ms. Alex Mitchell: Yes, it makes it increasingly more costly to operate.

Ms. Julie Dzerowicz: Perfect. Thank you.

You made a recommendation to invest in innovation that supports the agriculture ecosystem. I think that's very important. Could you explain a little bit more specifically what you meant?

Ms. Alex Mitchell: Sure. I'll start by saying that Abbotsford has the highest gross farm receipts in the country. It's the agriculture capital of Canada and is critical to Canada's national food security. With that, agriculture is in many ways seen to be a traditional industry. However, there are opportunities and so much innovation and potential investment attraction possibilities around investing in the modernization of that industry as well as all of the new types of job development and job creation that could be created from investing in an innovation ecosystem in our community.

The way I see that coming to life is really the government coming to the table and working collaboratively with our academic institutions. Specifically, Abbotsford is home to the University of the Fraser Valley, and, of course, a robust and active industry across all elements of agriculture. It's really bringing all of those—the academic side, the training and skill development side in partnership with industry, and a strong investment from the federal government—into building out some of that future job creation.

Ms. Julie Dzerowicz: One thing we're seeing is increased digitization. We have more of an intangible economy right now. Do you think there needs to be more investment in intellectual property education, generation and retention? Is that something you think might be important in terms of investing in innovation?

Ms. Alex Mitchell: Absolutely. Ultimately, what it really comes down to is that any investment that continues to build capacity for our entrepreneurs and our businesses to scale, to develop new product innovations and to continue to hire more Canadians and newcomers to Canada is a positive.

Ms. Julie Dzerowicz: Okay.

I'll cede the rest of my time to Mr. Baker. I know he has some very intelligent questions.

Mr. Yvan Baker: How much time do I have, Chair? I have two minutes.

I'd like to make this as quick as possible. It's just for my knowledge.

Mr. Vanagas, has your organization received any federal funding over the past five years, or financial support of any kind?

Mr. Steve Vanagas: Yes. We received direct relief funding during COVID to keep our operations at or near 100%, so that we could maintain the transit service throughout the region through that period of time.

In addition to that, we got capital funding. Very frequently, there are very large investments in major projects in this region.

Mr. Yvan Baker: I appreciate that. Thank you.

Mr. Boudreau, the same question goes to you. Has the airport authority received any kind of financial support from the federal government over the past five years?

Mr. Trevor Boudreau: Yes. It's similar to Mr. Vanagas. The government provided funding to Canadian airports through COVID relief measures. YVR did not tap into any of that, but we have accessed funds through the national trade corridors fund to help support our investment in scaling up our south-side cargo operations and some digitization efforts that were under way.

Yes, there have been some.

Mr. Yvan Baker: Ms. Mitchell, very briefly, this is a longer discussion, but I heard you when you asked for the extension of the CEBA repayment. What you were asking for, if I understood you correctly, is an extension of the rebate portion. Is that right?

We extended the CEBA repayment, but if you go beyond January of next year, you don't get the gifted portion of the rebate back.

I have people in my community who are small business owners and are—

• (1210)

[*Translation*]

Mr. Gabriel Ste-Marie: Mr. Chair, on a point of order.

The interpreter reports that the witness is speaking too far from his microphone. He should bring it closer.

Mr. Yvan Baker: Excuse me. I'll move the microphone closer.

[*English*]

I'm almost done.

This is not a rhetorical question. It's really.... As an elected representative, I face this challenge. I have folks in my community who are small business people who echo what you're saying. I then have people in my community who are small business people who say, "Wait a second. I knew what the rules were. I worked really hard to meet that repayment deadline and the terms of the loan that were extended."

What would you say to those folks?

I'm sure those folks exist in your community and in communities across the country. They worked really hard, made sacrifices and did what they had to do. I appreciate, of course, that every business person faces different challenges. I'm not suggesting that people who want an extension didn't work hard. I'm not suggesting that.

What I'm asking is how we make sure that we're doing right by business people and the important economic contributions they make, but are fair to those who also made those sacrifices or

worked very hard to meet the repayment deadlines that were originally set.

What would you say to those folks? That is my question.

Ms. Alex Mitchell: Certainly, when it comes to these types of issues, the government has difficult questions to answer. In terms of the CEBA loans and those who were able to repay them, that's excellent and that's exactly the situation we want to see. We want to see businesses thriving and being able to take advantage of funding when it becomes available to weather those storms.

There are still those who are struggling with valid businesses that employ people in their local communities. If this is going to be the last thing that prevents them from continuing, we don't think that's acceptable. We want to ensure that they have the support they need to weather the storms that are ahead, and to not have them continue to face this challenge and this enormous burden of this repayment deadline that looms over so many small business owners.

We understand the complexity of navigating both, but for those who really need it, I think it's important to conceptualize and remember that those are employers who are employing our neighbours and providing local jobs to our community members.

The Chair: Thank you.

Thank you, MP Baker

I'm about to thank the panellists.

You know, MP Ste-Marie just mentioned everybody who really makes this all happen: our clerk, our analysts, our interpreters, our technicians and everybody else. However, who we really have to thank are our witnesses, who take time out of their very busy days to come here and inform our committee, in these pre-budget consultations, through their testimonies, through the many answers that they give to the members' questions and also through their briefs.

If there's anything else that you'd like to submit to our committee that maybe was not dealt with here today at the table, we'd ask that you send that directly through our clerk.

You are our final witnesses for this study, which we hope to finish, hopefully, by the end of the year. We'll cross our fingers that we're able to hand over our report to the House of Commons and then through to the finance minister.

As we conclude this meeting, I want to, on behalf of the committee, thank you again for having us here in beautiful British Columbia, in Vancouver, and for your testimonies.

Members, you received a note about sharpening your pencils, looking through everything and starting to get into some of the preliminary recommendations to help out our analysts on that report. We said Wednesday, end of day. We will have more time to get more in, but please start honing in on the recommendations that you feel are most important for this year's pre-budget consultations and report.

Thank you very much. That will conclude our meeting. We are adjourned.

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