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

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Chair: Mr. Robert Morrissey



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• (1545)

[English]

**The Chair (Mr. Robert Morrissey (Egmont, Lib.)):** We'll call the meeting to order.

Welcome to meeting number 16 of the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities.

Our meeting today is taking place once again in a hybrid format pursuant to the House order of November 25. Members are attending in person and by using Zoom. Those attending in person must follow the health protocols that are currently in place.

To ensure an orderly meeting, I would like to make a few comments for the benefit of witnesses and members.

Before speaking, please wait until I recognize you by name. For those participating by video conference, please click on the microphone icon to activate your mike. For those in the room, your microphone will be controlled by the proceedings and verification officer. When you are not speaking, your mike should be on mute.

Members and witnesses may speak in the official language of their choice. Interpretation services are available for this meeting. For those participating by video conference, you have the choice at the bottom of your screen of either the floor, English or French. For those in the room, you can use an earpiece and select the desired channel. If interpretation is lost, please advise me and we will stop the proceedings until it's corrected. As a reminder, all comments should be addressed through the chair.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Thursday, February 3, the committee will resume its study of labour shortages, working conditions and the care economy.

I would like to welcome our first group of witnesses to begin our discussions with five minutes of opening remarks, which will be followed by questions. I would ask the witnesses to please keep your opening comments within the five minutes. If you have additional information, you can always submit it to the committee, and it will be on the record.

Again, I would ask those participating to speak slowly for the benefit of our translation and interpretation services.

From the Atkinson Foundation, we have Armine Yalnizyan; from the Canadian Dental Association, Richard Holden, president, and Aaron Burry, acting chief executive officer; and from the Canadian

Mental Health Association, Rebecca Shields, chief executive officer, York and South Simcoe branch.

We will start with the Atkinson Foundation for five minutes.

Madam Yalnizyan, you have the floor.

**Ms. Armine Yalnizyan (Atkinson Fellow on the Future of Workers, Atkinson Foundation):** Chair Morrissey, thank you so much.

Honoured members of the committee, I appreciate greatly the opportunity to speak to you today to address one of the most pressing public policy issues facing Canadians and the future quality of all of our lives—labour shortages and working conditions in the care economy.

I thank Bonita Zarrillo for tabling the motion to study the issue.

You may not know me. I'm an economist, past president of the Canadian Association for Business Economics, and business columnist for the Toronto Star. I'm also the Atkinson fellow on the future of workers, and I am indebted to the support of the Atkinson Foundation, which dedicates itself to advancing economic and social justice principles, as did Joseph Atkinson, journalist and business founder of one of Canada's most popular and historically influential newspapers, the Toronto Star.

He knew then, as you know today, that strong businesses are made stronger when their workers and their customers are not scrambling to cover their basic needs. That requires strong governments dedicated to ensuring that programs like health care, child care and elder care—which support the economy every bit as much as roads and bridges—are both in good repair and fit for purpose.

The care economy is often viewed as a derivative, a “nice to have” once the economy is functioning. It is not, and as the pandemic has made abundantly clear, it provides the foundation for all other economic activity. It happens to be an economic powerhouse in its own right, accounting for 12.6% of GDP. Did you know that's bigger than the auto and oil and gas sectors? It's actually unparalleled by any sector of the economy other than finance and real estate—and we know how well that goes.

Care for those who are too young, too old and too sick to work is always partly unpaid. It is always a labour of love, but paid care now accounts for one in five jobs in Canada. Though every job could be a great job in this sector, many jobs are unpaid and precarious. Maybe that's because it's female-dominated. Upwards of 90% of workers in most occupations within health and education are women, and the workforce is also disproportionately racialized.

Viewed as essential, these workers are essentially treated as disposable. Population aging means that this sector of the economy is destined to grow, so how it grows matters. Already, we are facing labour shortages in small towns and big cities alike, so how we address the shortages matters because it will shape our economy and our nation. We can make every job a good job, and we would transform all of society in the doing, or we can muddle through, mostly failing to solve the problems.

Right now, there is no more pressing labour market issue than how we prepare the care economy for the decades of population aging that lie ahead, making today's challenges pale in comparison.

In order to maximize our potential and minimize the impending challenges, we need a pan-Canadian strategy so that no province loses out. Your earlier questions to other witnesses on other days have presaged what that strategy might entail.

First, we need better wages and working conditions, which are possible because so much of the care economy is publicly funded. Second, we need more timely and targeted training, including "learning while earning" programs. Third, we need an alignment of federal skills development policies for our own citizens, with federal policies to attract newcomers. These newcomers are increasingly entering as temporary residents; not immigrants who stay and build communities, not just fill jobs. Fourth, we need more rapid credentialing of internationally trained professionals and more paths to permanence for those who enter as temporary foreign workers. On your very first day, you learned that the temporary foreign worker program accounts for only 0.4% of the labour force, but hundreds of thousands of other people enter as temporary residents under different programs and work as well.

Better use of technology is obviously another element. We can improve timely access to supports, more telehealth, better use of AI to complement human skills for faster diagnostics and better diagnostics, improved use of e-health records to improve wait times and detect trends more quickly. Finally, we need better monitoring of the ballooning of temporary agencies and on-demand apps, because they tend to produce cost overruns, and they tend to increase exploitation through scheduling. That means modernizing our labour laws to reduce the growing number of people who are misclassified as independent contractors and are not able to access any labour protections or rights.

We urgently need a national strategy for health human resources, and we urgently need standards for long-term care before the federal government dishes out another dollar, building on what we have learned through the early learning and child care bilateral agreements that have been signed over the past year.

• (1550)

I do wish you Godspeed on your efforts to help inform and guide our next steps.

I am happy to take your questions.

Thank you again.

**The Chair:** Thank you, Madam Yalnizyan.

Now we will go to the Canadian Dental Association.

Who is going to speak on your behalf?

**Dr. Richard Holden (President, Canadian Dental Association):** I am, Chair. Thank you. I'm hoping you can hear me okay.

**The Chair:** Please continue.

[*Translation*]

**Dr. Richard Holden:** I wish all members of the committee a good afternoon.

[*English*]

I'm speaking to you from to you from Charlottetown, on the unceded territory of the Abegweit Mi'kmaq first nation.

My wife and I have both practised dentistry in P.E.I. for over 30 years. I have been actively involved in organized dentistry for two decades. I currently represent CDA as president.

For 120 years CDA has represented dentists in every province and territory as the national voice of dentistry. We know that oral health is an essential component of overall health. Dentistry is an integral part of health care in Canada. There are more than 25,000 Canadian dentists. If one includes dental hygienists, dental assistants and others, the dental sector represents a workforce of roughly 100,000 workers.

The COVID-19 pandemic had an immense impact on access to dental care. Offices were shut down for months. Upon reopening, we had to put in place new and extensive infection prevention and control procedures to prevent the spread of infection. This included wearing enhanced PPE, renovating offices to better separate treatment areas and purchasing new air filtration equipment. These precautions were very effective, but have come with a significant price tag.

The post-pandemic reality has now created a further challenge, namely, hiring and retaining dental assistants. Dental assistants are the glue that hold dental offices together. It is a skilled profession, and eight provinces require licensing or registration. In fact, ESDC recently reclassified dental assisting as a skilled profession in the national occupational classification.

The last time you went to the dentist, the person who placed the rubber dams, took X-rays and walked you through your treatment plan or after-care instructions was likely a dental assistant. Crucially, they provide a necessary second set of hands to dentists during most dental procedures, from fillings to extractions to root canals.

Even before the pandemic, the number of dental assistants was an obstacle to meeting the oral health needs of Canadians. In 2019, 36% of dental offices had unfilled dental assistant positions. From 2010 to 2020, the ratio of new certified dental assistants to new dentists entering the workforce fell from over 3:1 to almost 1:1. The pandemic only exacerbated this shortage. Dentists need more formally trained licensed dental assistants to manage new health and safety guidelines, but attrition rates have worsened.

Dental offices, particularly during COVID, can be a stressful work environment, and dental assisting can be physically demanding. Furthermore, 99% of dental assistants in Canada are women, with an average age of 38. Many exit dental assisting for other professions due to, among other factors, workplace concerns such as stress and mental health, the desire for flexible hours, and, more recently, the appeal of working from home opportunities.

It is our goal to work collaboratively to address these issues that directly impact retention of dental assistants. We are hopeful that the federal government's commitments on child care will help reduce barriers to full participation of women and men in the workforce going forward.

The CDA recently partnered with the Canadian Dental Assistants Association to submit a project to ESDC's sectoral workforce solutions program. Our project, "building the professional dental assisting workforce of the future", seeks to address the many factors impacting the attrition of dental assistants from their profession by providing mental health and wellness training for dental office staff, human resources training for dentists and office managers, and increased access to certified dental assisting programs through the development of an online-based curriculum, as well as by developing action plans addressing interprovincial labour mobility and better integration of immigrants into the dental workforce. I am happy to share further details with you, and would appreciate any support you may be able to lend.

I encourage this committee and the House of Commons health committee, which is also studying health care human resources, to consider these workforce concerns when making recommendations to government. Focusing solely on the HR needs and challenges of Canada's public health system could have a deleterious effect on health care delivered in private settings, such as dental offices. Increasing recruitment into some professions, or mandating wages for others, can intensify shortages for the rest.

I will conclude by commenting on last week's commitment by the federal government to provide greater access to dental care for

low-income families. CDA supports all efforts to improve the oral health of Canadians and increase access to dental care. We have long recommended federal investment to stabilize and enhance provincial and territorial programs that provide care to those Canadians who lack access to dental care. These programs are chronically underfunded, and are almost exclusively financed by provincial and territorial governments.

• (1555)

Such an approach would provide better and faster access to care to the people who need it most, using existing infrastructure, as opposed to a large-scale new federal dental care program administered in Ottawa. This would also minimize disruptions for those who already have access to dental care, whether through existing programs or employer provided benefits.

We look forward to collaborating closely with the federal government going forward on better addressing the oral health needs of Canadians.

I want to thank you for this opportunity, and I'm happy, along with Dr. Aaron Burry, our interim CEO at CDA, to answer any questions you may have.

Thank you.

• (1600)

**The Chair:** Thank you, Dr. Holden.

We'll now go to the Canadian Mental Health Association.

Ms. Shields, you have the floor for five minutes.

**Ms. Rebecca Shields (Chief Executive Officer, York and South Simcoe Branch, Canadian Mental Health Association):** Hello. I'm the chief executive officer for the Canadian Mental Health Association, serving York Region and South Simcoe.

We are across 11 provinces and territories in our divisions, with 75 branches serving over 330 communities across Canada, and we are one of the largest clinical providers in all of Ontario.

I don't think it's a shock to anyone if I tell you that the mental health demands of Canadians have increased at alarming rates due to the pandemic, and that a strong, robust community sector is required in order to sustain the mental health of all Canadians in the entire workforce.

The pressures that we are facing warrant a massive increase in investment and smart increases in investment. Pandemic polling conducted by CMHA Ontario reveal alarming statistics. About 57% of Ontarians are lonelier compared with when the pandemic began, and nearly 80% believe that we will have a mental crisis once the pandemic is over.

Substance abuse is increasing, and wait-lists are higher than ever. As my colleagues have mentioned, it is disproportionately affecting women, particularly women with young children at home, who are under both financial pressures and the pressures of child care. However, with men, we are seeing rising rates of substance abuse, both with alcohol and cannabis, and this is a major concern as services are not readily in place.

It is of no surprise that we see demand in services at an all-time high, and higher complexity of care requiring longer service times before we can achieve recovery.

Approximately 80% of all mental health care is provided by community organizations, such as mine, and perhaps the demands on the community sector are not fully appreciated when we talk so much about the hospital sector and long-term care. However, without a robust community sector, there will be more problems faced, because we both focus on prevention, early intervention and ongoing recovery and treatment. However, we have not received base increases in over 15 years, and we are so inadequately funded. Although we may have grown by new services, existing services haven't increased.

We are not competitive with our hospital partners, and we are certainly—with increasing policies to support other industries—again falling behind. Our admin costs remain at 10%, which makes us unable to keep up with leadership and tech capacity, and yet we want a data-driven culture where we can actually get the data and analyze it with the business intelligence required to ensure that we're providing quality outcomes to our community.

At CMHA, we know that crisis services have jumped over 60%, and yet our critical care nursing shortage is at an all-time high, just like everybody else's.

Even before the pandemic, some of our branches were under water. Although we have seen some increases in programs in certain areas across Canada, certainly others are falling behind. I want to give a local example. Locally, my nurses are paid 66% of what is earned by hospital nurses and long-term care nurses. You can imagine, despite the burnout, we require these nurses in order to maintain good care for our homelessness population, for our vulnerable population, and now increasingly for the services we provide to newcomers and refugees.

I want to explain why that is so important. You can imagine, with the crisis in Ukraine, CMHA has yet again been asked to step up. We serviced over 292 newcomers and refugees last year. Of that number, 89% of the people demonstrated improved outcomes from depression, and 85% of the people improved outcomes from anxiety, which allowed for safer transitions and resettlements. This is huge, because we want people to resettle quickly, and it's up to the community sector to respond quickly to these urgent needs of our population.

The other issue that is faced by the health human resources crisis is the demand of other health care workers. CMHAs across Canada have developed programs, such as the BounceBack program, with a specific emphasis on managing stress and burnout. However, we can see that the stresses of the pandemic are continuing in all health care sectors and we're seeing an overall attrition in health care resources.

● (1605)

Critical investments are needed to deal with this stress and burnout, and programs to provide respite and relief for staff, so that they too can have their vacations. We've been working overtime to provide ongoing care, without any increase in funding to meet these needs.

We need to have particular funding to focus on diversity, equity and inclusion. I spoke of a newcomer well-being program, but we continue to have to respond to the diverse needs of Canada.

In summary, I'd like to thank this committee for listening. I have a lot more to say and will answer a lot more questions.

To be brief, we have not had any base funding increase. The demands are at an all-time high for all of our health care partners. We need an integrated health care system where community is funded as equally and as effectively as our acute hospitals, or else we're going to continue to exacerbate the problems that exist, where people's first encounter with mental health services is in the hospital when it should be in community or with their primary care provider.

**The Chair:** Thank you, Ms. Shields.

We'll now open the floor for questions, beginning with Madame Gladu for six minutes.

**Ms. Marilyn Gladu (Sarnia—Lambton, CPC):** Thank you, Chair, and thank you to all of our witnesses.

I'm going to start today with Richard Holden.

You talked about the shortage of dental assistants to service the needs of the existing burden on the dental care system. In light of the NDP-Liberal plan to make a national dental care program, which would add people who aren't covered today, do you have the adequate resources to do that plan, and if not, how are we going to get them?

**Dr. Richard Holden:** That's a great question. I think I'll start by saying that, depending on how the plan comes out, we feel that we're treating three-quarters of the Canadian population now fairly adequately. It's that 25% to 30% who are suffering.

We feel that dentists and assistants can step up. The dentist-to-population ratios are still adequate. There are certainly geographic issues that sometimes can come into play. We know that with dentistry in the sixties, seventies and eighties, certainly there were higher demands on dentists and the office staff to perform. I think that we would step up, certainly to get access for more of those vulnerable populations to get into dental chairs. I think it's something that the dental profession would do what they can to do it.

It is a challenge. We feel that we need to do something about the workforce, but at the same time, I think we could probably do that.

I have my colleague Dr. Burry, who is our CDA interim CEO.

Aaron, did you want to add anything to that?

**Dr. Aaron Burry (Acting Chief Executive Officer, Canadian Dental Association):** I think you've outlined it well, in that dentists have historically stepped up during this period. We also would make sure that with anybody coming to see us who is in need, we would look after them.

I think this would also reduce some of the demand on the hospital care system as this moves forward and into the place.... I can speak to that as a dentist. I can often solve something in half an hour to 45 minutes that an emergency room just can't do anything about.

**Ms. Marilyn Gladu:** That's very good. Thank you.

I have a question for Ms. Shields.

I saw that CMHA did a study with UBC that said 41% of people in Canada have reported a decline in their mental health since the onset of the pandemic. That is what you said.

Do we know what the impact of this greater number of mental health problems was on employment? I would expect that people might have missed work. Do we have any quantitative measures about that?

**Ms. Rebecca Shields:** I don't have any quantitative measures to give you that are accurate statistics, but I can give you anecdotal information. We know that the rates of sick leave across the country are going up. Much of the sick leave, long-term disability and short-term disability, is related to mental health issues as the leading cause of disability.

The correlation is high, as people are really facing burnout. In particular what we're seeing is a huge burnout in the health care human resources sector as well. We're seeing that nursing people are retiring. They call it "the great move-on", as people cannot keep up the pace they've been keeping up and yet are being demanded to do so. It is a crisis, because we know that the stress and uncertainty take its toll.

Again, it's disproportionately affecting women, particularly women in households with young children. Those women in particular are two times more likely to report depression and 1.5 times

more likely to report generalized anxiety. That has an impact on them, but it also has an impact on their whole families.

• (1610)

**Ms. Marilyn Gladu:** Absolutely.

The other thing I want to talk about is that we've seen the increase in addictions. Certainly it's been my passion since I was the shadow health minister to try to call for long-term recovery, so that people can get an exit ramp to get off of addiction. We already didn't have enough of that.

Could you give us an idea of what you think the federal government could do to help fill that gap?

**Ms. Rebecca Shields:** I'm so glad you asked that question.

There are a couple of really key things. I really believe we need a public health awareness campaign around moderate use of alcohol and cannabis in particular.

Since the pandemic, we have seen, particularly with men, a 39% rise in risky cannabis use and 28% rise in problematic risky alcohol use. With women it's 18% and 35% respectively. This is from the Canadian Centre for Substance Use and Addiction and the Mental Health Commission of Canada.

We're seeing people use more. Of course as they use more over a longer period of time, it becomes harder to treat, so we need early education and intervention. We absolutely need programs that are easy to access. We need the federal government to fund more detox and more crisis services so we can get people into care.

I agree with you that for some folks we need long-term care and long residential programs. We also need to focus in on withdrawal management and ongoing integrated services.

Thank you.

**Ms. Marilyn Gladu:** Excellent.

I think I'm out of time. I'm sorry because I still had more questions for the next witness. I'll leave it there.

Thank you.

**The Chair:** Thank you, Madam Gladu. You had 10 seconds, but it's gone.

Mr. Van Bynen, you have the floor for six minutes.

**Mr. Tony Van Bynen (Newmarket—Aurora, Lib.):** Thank you, Mr. Chair.

I do want to thank all of our witnesses for contributing to our discoveries today and especially you, Rebecca, for all the great work you're doing in our community.

I only have three minutes because I'm sharing my time, so I'll unpack my questions right away. I'll let you respond to the ones you would see as a priority.

First of all, we've heard about the difficulties in funding and we understand what those implications are. Beyond that, can you outline what challenges you are facing in maintaining and attracting staff, particularly during the pandemic?

The second question would be this: How does your organization currently overcome those challenges? What would you recommend be considered as part of the longer-term solution in terms of having staff available?

**Ms. Rebecca Shields:** Thank you for that question.

We certainly have had challenges because we have not had base funding increases. Of course we're very worried about a provincial Bill 124, which limits our ability at this time to provide competitive wages to attract new talent. We can't always rely on more money and better compensation, so what do we focus in on?

We certainly focus in on a talent and culture strategy that really focuses on being a supportive, fun, engaged and purpose-driven work environment. I think that's why everybody comes into the care community. Whether you're a dentist or a mental health worker or you're working in an acute care or long-term care centre, we all want to make a difference.

However, we also want to feel that we're recognized as important and as having some value in the profession. Recently, all of the health care providers in Ontario's central region put together a statement of solidarity and support against the attacks we have been facing from people who are against masking and other public health measures. The type of abuse our sectors face has been terrible, so standing in solidarity, protecting our health care workers and being the first in line to stand up with them is part of strategy.

Certainly we would absolutely benefit from more funding to equalize wages and to be able to attract talent. At the same time, I know why my staff do this. They want to make a difference and they want to know that the services are available for their clients. It is their success that fills their heart. What we really need is to be able to do that in partnership and have services available.

Thank you.

• (1615)

**Mr. Tony Van Bynen:** Thank you.

Could you also elaborate on the mental health challenges that are facing workers today, including the health care workers, mental health and addiction workers, and specifically the team you manage and organize?

**Ms. Rebecca Shields:** I think it's broken down into the rising complexity of care. Honestly, we are seeing exacerbated symptoms because people who may have been treated earlier have waited longer. People are presenting with much more complex, deeper issues around substance abuse and misuse and larger degrees of homelessness and not being adequately housed. They are fearful of coming in, perhaps because of pandemic issues, and we're trying to reach them virtually, which is not enough.

Sometimes virtual services can work for mild to moderate depression or anxiety, but when you're dealing with complex care issues, you need to see them in person to be able to assess them fully.

We've had challenges among our staff who are feeling that there's moral distress and that they can't meet the needs of all Canadians or the people whom they serve. That's very heartbreaking for people. They come into this profession to make a difference, and when they see the wait-list growing and they see the complexity, it can be disheartening.

In our homelessness programs, we've also had significant challenges with housing affordability. In the region of York, affordable housing doesn't exist. Even with rent supplements, ODSP and other benefits, we still cannot find safe and affordable housing. Again, this is a moral distress, and a strong housing strategy that creates affordable and supportive housing for each and every Canadian is essential for us to take care of the most complex individuals. Our staff are burnt out, but our staff work tirelessly to try to address these issues.

Thank you.

**The Chair:** Madame Ferrada, you have not quite two minutes.

[*Translation*]

**Ms. Soraya Martinez Ferrada (Hochelaga, Lib.):** Thank you, Mr. Chair.

Thank you, Ms. Shields. My question is for you.

I have less than two minutes left. You've already touched on some solutions that would provide better recognition for the community sector. You said you wanted to feel "recognized" as important in relation to the support the community sector provides the health care system, especially with regard to mental health. Could you come back to that?

You tabled a report on March 1 in which you discussed some solutions. In the last minute and a half that we have left, I would like you to give us a concise answer on this subject. You could even send your report to the committee.

[*English*]

**Ms. Rebecca Shields:** The report spoke to a robust community mental health and addiction care sector where we provide early, easy access to Canadians. We support access, and we support navigation and referral that is integrated with our other health care partners.



We have to look at this in terms of a robust child mental health care sector where we're looking at families and early intervention. Most mental illness issues commence at the ages of 12 to 17. We have to invest a lot more services in youth, and it has been youth who have been overly impacted by the pandemic with their schooling. We really feel there's a need to invest in young people, particularly youth, to work with our school partners and to work in collaboration with all of the services that surround youth.

We also have to look at seniors' mental health and deal with loneliness and isolation issues because, again, chronic loneliness is one of the major factors that affects overall health costs and well-being for each individual. I'm happy to share the report with this committee post this meeting. I will send it in for your reference.

Thank you.

[*Translation*]

**The Chair:** Thank you, Ms. Martinez Ferrada.

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

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

I would like to welcome the witnesses and thank them for taking part in this study and contributing to it.

My first question is for Ms. Yalnizyan.

You have a background in economics and you are a columnist. You have given examples relating to the care economy. However, the repercussions of the labour shortage on the Canadian economy are being felt in several sectors of activity, including manufacturing and small and medium-sized businesses. I could also talk about food processing in the agricultural sector.

I read what the Ontario Chamber of Commerce wrote about the labour shortage. In summary, the two factors that businesses are concerned about are labour shortages and inflation.

From a broader perspective, do you have any observations about the impact of labour shortages on the Canadian economy? What solutions could be considered?

• (1620)

[*English*]

**Ms. Armine Yalnizyan:** Thank you for the question, Madame Chabot.

If I understood the question correctly, you were asking how the economic pressures of labour shortages might coincide with inflationary pressures facing all businesses.

I know the transitory phase has been going on a lot longer than anybody would have liked, but we did have a war in addition to a pandemic that won't go away because we won't treat it seriously. The inflationary pressures are unlikely to last over the long term, whereas the labour shortage issues are likely to accelerate over the next couple of decades. We need a strategy to deal with that. Simply saying that rising wages are going to do it will actually lead to more inflation, if that's our only strategy.

We can absolutely maximize the potential of people we underutilize in our own economy—indigenous populations, youth at risk, people who are disabled, recent immigrants and women. We could be using all sorts of people more fully, using their potential more fully. We could be using people who already have training.

I was interested to hear what Richard Holden said about the dental technicians. Certainly one of the ways we met the primary and preventive care needs of children for dental care in the late 1970s and early 1980s in Saskatchewan and Manitoba was by setting up schools for dental technicians so that dentists became not the number one way that we provided primary and preventive care but rather the backup, and dental technicians did most of the heavy lifting by going to the schools for children under the age of 13, to pre-high school kids, to provide initial primary and preventive care. That's an indication that we are underutilizing the capacity we have right under our nose.

As I said in my presentation, I think there are other ways we can prevent wages from being the primary inflationary thing. Some of the key examples of the last year were the early learning and child care agreements, which will support better wages in the sector providing the care but also reduce costs to parents.

In an era when one in four Canadians is going to be a senior and living on a lower income or a fixed income, and will be very resistant to seeing any protracted period of inflation—

[*Translation*]

**Ms. Louise Chabot:** I had another quick question for you, and I don't have much time left.

Do you believe that the participation of temporary foreign workers can be a solution to the labour shortage?

There is also the demographic context in certain provinces in Canada, where the demographic curves indicate that the labour shortage situation will persist. Quebec is one of them, and I think Ontario is as well. The participation of temporary foreign workers may not become the long-term solution, but at least it is a solution that should be considered.

Is immigration part of a solution to the labour shortage?

[*English*]

**Ms. Armine Yalnizyan:** It does one hundred per cent. We will not be able to deal with all of our labour shortages just with people born in Canada.

The question of the relationship between those who are invited to come here as permanent residents and to build their lives and those who are invited to come here only to do the work and are not permitted to stay is actually an ethical one as well as a social and economic issue. Yes, we will probably turn to more temporary foreign workers in the short term because immigration is backed up, but we need more paths to permanence. It can't be that they are good enough to come here to work but not good enough to stay. That doesn't sit well with me as a Canadian, and I'm sure it doesn't sit well with you as a Québécoise.

• (1625)

[*Translation*]

**Ms. Louise Chabot:** That is an important link you are making.

Ms. Shields, unfortunately, I do not have much time left.

As far as mental health is concerned, I have a better understanding of what is happening in Quebec. All community mental health groups report to the Quebec Ministry of Health and Social Services for funding. These community groups in Quebec provide a complementary service to the public service offer. So they play an important role.

You know that Quebec and the provinces are asking the federal government for increased health funding. Do you agree that our health care systems should be better funded?

[*English*]

**The Chair:** Give a short answer, please.

**Ms. Rebecca Shields:** Oh, absolutely. We need a huge investment. We need investment in core publicly funded community-based counselling and psychology. Programs that have recently launched across Canada, such as the BounceBack program, need to be available for all Canadians. We need to prioritize more investment in housing, income supports and food security, because you are never going to fix somebody's mental health if they are afraid that they have nowhere to live and nothing to eat. We need to increase funding and strengthen the capacity of core mental health addiction services and supports.

**The Chair:** Thank you, Ms. Shields. You could continue during another question, as Madame Chabot's time has gone by.

Now we go to Madame Zarrillo for six minutes.

Madame Zarrillo, you have the floor.

**Ms. Bonita Zarrillo (Port Moody—Coquitlam, NDP):** Thank you, Mr. Chair.

All of my time will go to questions for Ms. Yalnizyan. We definitely heard in earlier testimony today why this sector of the economy is growing.

My questions, Ms. Yalnizyan, are just to pivot to our shining a light on why the care economy has not been given the respect it deserves over time, and why filling these labour gaps in the care economy is more important now than ever, and to share why this sector as an economy can lead to a bigger economy and a better life for Canadians. Hopefully I'll have some other time later, but we'll start with those ones.

**Ms. Armine Yalnizyan:** Thank you, Madame Zarrillo, and again thank you for setting up this conversation and study on this topic at committee. I appreciate that you are asking me these questions, albeit some of them I can't answer, of why we haven't invested in them before.

We do know that health care is the most publicly supported program. What the pandemic has shown is that child care is now every bit as critical to the functioning of the economy as education is, except child care was primarily provided through the market across the country. A bunch of it will have collapsed because of pandemic economics. These are the same things that Richard Holden was mentioning: higher costs, lower revenue, fewer people coming in, and more expenses to be able to provide it. That also affects businesses that provide child care that have much lower margins and are very high touch, very labour intensive.

Why haven't we invested more in child care? I've been asked so many times in the last few months, how are you going to pay for it? Yet all of the evidence over the last 25 years shows that if you buy it, it pays for itself in higher labour force participation rates. That's in the short term. In the longer term, depending on the type of program you have, because just spending more won't necessarily give you maximum returns, the maximum returns come when you provide high-quality care for kids who are at risk of not being learning-ready when they enter school, and not learning-supported as they go through school.

If you do that and provide high-quality care for these kids who are at risk and for some of the people Rebecca Shields was talking about—newcomers, immigrants and refugees, people who have been through trauma—you support people, or kids who have disabilities, and you give everybody a fighting chance as they enter school in their early school years and you maximize their potential for the rest of their lives. You reduce their reliance on unemployment insurance. You reduce their reliance on health care. You reduce their reliance on the policing and incarceration system. It pays dividends to the public purse in so many ways and it increases their individual incomes and earning potential. You improve their learning potential and you improve their earning potential, how much they pay into the public purse instead of taking out of the public purse.

We should have done this 50 years ago when the Royal Commission on the Status of Women asked for it. It took us 50 years. We're here now. It's not enough to simply to sign the deal: We have to deliver great care.

Now I'm going to turn long-term care. The pandemic showed that it matters how you deliver long-term care. Private, for-profit care, which is the majority of care across the country, was the coffin for so many people because profit preceded care as the number one principle. There were too many people in overcrowded rooms, too many low-paid workers who were not permitted to add enough hours for benefits to kick in, so they had to go from one home to another bringing the disease with them everywhere they went. This is craziness. We need to learn from the pandemic, especially with an aging population, the importance of having services at home, services in long-term care facilities, services in child care centres and services in hospitals that are there for people when they need them so they can go about the job of growing prosperity, doing other things that grow GDP. Too often we think about the care economy as the derivative, as I said. It's the thing that happens after the economy grows.

In fact, we need to understand that it is the foundation for an economy growing to its maximum potential. The reality of population aging is not unique to Canada; it is happening throughout the global north. There are going to be labour shortages in every country. We are going to be competing with other rich countries everywhere to attract newcomers, whether they're temporary or permanent because there simply aren't enough workers anywhere.

What we are going to discover is what the pandemic already revealed if we are willing to pay attention to it, which is that once you give people the chance to go about their work, because they're not spending all of their time providing unpaid care, you will maximize their potential. You make people healthier, as Rebecca Shields was saying. Like the people who both Dr. Burry and Richard Holden were talking about, when you have a healthy mouth you can get a better job, right? Cavities are mostly preventable if you get at them early with fluoridization programs and you do regular check-ups. These are costs that we could be saving. Why aren't we investing more? It's because if it bleeds it leads. That is, whatever is the noisiest is what's gets funded. There's the preventative health care approach, which the pandemic is forcing us to take a look at and, in fact, the war with Ukraine is forcing us to look at.

• (1630)

What are we doing to prevent these things in the first place? It's deeply unsexy. They pay "dividends", and we won't have a lot of money to burn as a quarter of the population becomes older, pays less in taxes and draws more in services, so we'd better figure out a way of maximizing what we get for our tax dollar pretty darned fast.

**The Chair:** Thank you, Madame Zarrillo. Your time has gone by.

Now we go to Mr. Liepert for five minutes.

You have the floor.

**Mr. Ron Liepert (Calgary Signal Hill, CPC):** Thank you, Chair.

Thank you to the guests for being with us today.

Ms. Shields, I can attest to one thing that you stated, that alcohol consumption has gone up. I can assure you that in the last two years I've been drinking more than I've ever drunk.

Seriously, I want to make a couple of comments and get your feel on whether or not I'm on the right track or the wrong track.

I'll start by saying that I had the privilege of being health minister in the province of Alberta for two years, in 2009 and 2010. I've always felt, after having that privilege, that health care in this country has a real structural problem. We spend all of our effort and all of our money on treating sickness, and not nearly enough on preventative care. I've always felt that mental health was the poor cousin of health care spending because it's almost a hidden disease. If you see someone who has a broken leg, you'd better fix it, or if someone has cancer, you need to treat cancer, but mental health is a very silent issue.

Despite the fact that we've spent all of that money on health care and continue to spend a tremendous amount of money on it, Dr. Smart from the Canadian Medical Association, who was one of the witnesses at our last meeting, described Canada's health care system as being on life support and in a crisis.

Would you agree that we need to fix the structural problem of health care and not just throw more money at it, which is so often the call of everyone we talk to about how to fix health care?

• (1635)

**Ms. Rebecca Shields:** I really do agree with that statement. I think there are efforts made to better integrate health care so that we can provide holistic care, whether they are digital strategies, where we can all share electronic medical records, or just how we fund, as you said, better prevention.

I want to just take two seconds to talk about that because it came out of Alberta from Alberta Health Services, namely the impact of chronic loneliness on overall health care costs. Chronic loneliness was shown to be the biggest driver of keeping people in hospital who could have been removed from hospital or ALC—alternate level of care. It also showed that the most likely reason that a senior would end up in hospital is if they were lonely. It is also a driver of chronic illness, and it is equivalent to smoking 15 cigarettes a day.

Dealing with chronic loneliness is a huge issue that could, like other things, have transformative cost. It drives anxiety, it drives depression, it drives suicide rates and it drives a whole lot of issues that, if we tackled with early intervention and mental health promotion and belonging, we would have much more health and well-being in society.

Thank you.

**Mr. Ron Liepert:** The second thing I would like to discuss a little bit is the real challenge that we have. As a country, we are fortunate enough that we have to be a leader in humanitarian aid. I think we don't recognize some of the trauma that many of these new Canadians face.

When we finally got some 200 Yazidi women relocated to Calgary, I had the privilege of their ending up primarily in my riding. Some of their stories were just unbelievable, and it was all around the trauma that clearly goes back to their mental health status.

How do we treat situations like that when it's not necessarily a physical issue? My God, it must be a difficult job.

**Ms. Rebecca Shields:** I want to share what my branch of the CMHA started. It's the first of its kind in Canada, funded by the federal government through Immigration, Refugees and Citizenship Canada. We've embedded holistic, trauma-informed mental health care in settlement agencies. It is specific to our region. We called them "welcome centres". Our team was embedded in the welcome centres to provide care, so that these people didn't have to get referred out of the settlement services.

We had a nurse practitioner to deal with the health care issues, as well as specialized, culturally competent mental health workers. We also partnered with trauma specialists, so that we could deal with people who had family issues, settlement issues and physical health issues. This is because newcomers and refugees may not want to talk about their mental health. It may present as health care issues, but then when we dig deeper, there are underlying health costs.

The answer is that you have a holistic team that has embedded primary care along with specialized treatment that is culturally competent for newcomers and refugees and that has a trauma-informed approach. It cannot be siloed. You have to work with the community to embed services together, so that they're seamless and integrated, and they build the capacity of settlement workers to also recognize and refer appropriately.

Thank you.

**Mr. Ron Liepert:** Thank you.

**The Chair:** Thank you, Ms. Shields and Mr. Liepert.

Now it's over to Mr. Long for the last round. Before we go to him, I want to advise Madame Chabot and Madame Zarrillo that we will have time for a short question from each of them before we conclude this round.

Go ahead, Mr. Long.

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

Good afternoon to my colleagues.

Welcome, MP Muys, to HUMA.

My first quick question is for Ms. Yalnizyan. I'm impressed with your record collection. We're just wondering if you have any April Wine, BTO or Stampeders in that collection.

**Ms. Armine Yalnizyan:** Are you kidding? Of course I have.

**Mr. Wayne Long:** I'm glad to hear that.

My questions will actually be for Ms. Shields. Thank you for your testimony.

Thank you to all the witnesses for your testimony. It's very beneficial to us.

Ms. Shields, I want to talk to you more and give you an opportunity to elaborate more on the crisis we're facing in our health care system with respect to mental health.

I'm going to quickly quote. I read an article this afternoon on CBC, which reads:

Rose Mary Buote says she spends her shifts saying sorry—sorry a patient is so sick because a surgery was pushed back, sorry she left a patient's next of kin on hold, sorry she is stretched too thin to provide the care she wants to give.

She feels "so guilty".

We're all aware that so many health care workers are cracking under the strain of the system. We, as a society and a community, are trying to move past the pandemic, but we have a health care and caregiving force that is exhausted and depleted. We've heard from multiple witnesses that health care workers are depleted and distressed. We are told that rates of severe burnout among health care workers have almost doubled. Recent figures show that 20% of frontline health care workers have thought about suicide and, sadly, 6% had planned an attempt.

Ms. Shields, can you speak and elaborate more and in more detail about what your organization has heard from health care workers?

Thank you.

• (1640)

**Ms. Rebecca Shields:** I've heard the same thing you've heard. In fact, we witness it. We partner with and we work inside our hospitals, so our staff are working in an integrated manner.

It is the moral distress of not being able to provide the care, the burnout, having to deal with the number of deaths you've witnessed from the pandemic, and transferring patients. One of the nurses I know said that she had to hold her nose because she had to transfer patients to another hospital far away from their family. That was the only thing she could do, even though she knew it wasn't best for them or their family. There was just no space.

The reality is that our ICUs are still filling up with people with COVID. COVID isn't over for the health care system. It isn't over for long-term care. I mentioned the impact of health care workers feeling that they were being threatened and protested against by people who were protesting against public health guidelines. It wasn't the ringing of the pots and pans any more. It was how they felt when they were told they couldn't wear their nursing uniforms or their medical uniforms to care.

We need to stand in solidarity with our health care workers. We need to remind Canadians that they deserve the compassion and empathy that you want them to have. I know, and I think all Canadians know, that when you show up to the emergency room for yourself, your loved one or your child, you want your doctor or nurse to be at the best of their game. When they're burnt out and tired, they may not be, and that puts everybody at risk.

**Mr. Wayne Long:** Thank you for that.

Ms. Shields, I want to continue. Our Minister of Mental Health and Addictions, and associate minister of health, Minister Bennett, has been tasked in her mandate with strengthening our mental health systems. Last week, our government introduced a \$2-billion transfer to provinces and territories that would assist in improving mental health services. Do you think treating our mental health as we do our physical health will encourage people to enter the health care field? How can it help with the labour shortages we are currently facing?

Thank you.

**Ms. Rebecca Shields:** I think it's the fact that there's an investment and that people can see careers in mental health whereby they can support the well-being of their community, and the integration of health and mental health. Mental health is health, and we know that, so as we integrate care, I think it's going to be an exciting profession in which people can really make change and improve well-being. That's why we do this. That's why I'm in my role, because I want to make a difference.

I applaud the investment, but I do want to make a recommendation. One of the investments or directions they spoke about was to support more funding for colleges and universities to fund counselling and services for youth, but I really worry that they're going to fund the colleges and universities to provide that care, rather than funding community or health care providers, creating yet another silo whereby you have the health care funded through universities and the health care funded through provinces. What I urge is that all of the services be integrated. It's like the refugee and settlement program I spoke about, which is integrated so those people can have holistic care that is not just siloed thus creating more navigation problems.

• (1645)

**Mr. Wayne Long:** Thank you very much.

**The Chair:** Thank you, Ms. Shields and Mr. Long.

Madame Chabot.

[*Translation*]

**Ms. Louise Chabot:** My question is for Dr. Holden, from the Canadian Dental Association.

I want to understand correctly. I understand that there is a labour shortage among dental hygienists. I know the situation in Quebec. As far as training in Quebec is concerned, it is post-secondary training, so no one can call themselves a dental hygienist overnight. It's qualified training.

In terms of the labour shortage, can you break that down by region or by province? Is the labour shortage uniform across the country or do some provinces have different problems?

[*English*]

**Dr. Richard Holden:** It is regional: It's provincial and it's territorial. That's the way it's.... Just to be clear, dental assistants are different from dental hygienists. Dental hygienists usually require post-secondary education—university or college—but dental assistants usually spend less time in school than do dental hygienists. We estimate that there are probably 26,000 to 29,000 dental assistants in Canada, but they're unregulated in Ontario and Quebec. There are about 20,000 certified and licensed, and for hygienists it's about 30,000. There's probably a bit of a manpower challenge with both, but certainly, dental assisting is critical, because I know firsthand that some dentists can't adequately work without a dental assistant next to them.

Dr. Burry, I don't know if you want to elaborate on any of that.

**The Chair:** Could we have a short answer, Dr. Burry?

[*Translation*]

**Dr. Aaron Burry:** I think you've highlighted a number of issues, namely that there are differences between provinces in Canada.

A second part of the problem is primarily the changing habits of dental hygienists, largely as a result of the pandemic. Some people have decided to reduce their hours or even leave the profession altogether. As Dr. Holden pointed out earlier, right now it's a two- to four-year professional training program, depending on the province. There's less pressure at the moment, but there is a shortage of staff in Canada's dental centres, even in terms of office staff.

**The Chair:** Thank you, Ms. Chabot.

[*English*]

Madame Zarrillo, you can ask one question, please. We're getting to the end of our first group.

**Ms. Bonita Zarrillo:** Thank you, Mr. Chair.

My question is for Ms. Yalnizyan. It's around the comments that were made around temporary agencies and on-demand apps.

You mentioned the misclassification of workers and the risks of these agencies and on-demand apps. Could you elaborate on that a little bit, please?

**The Chair:** Give a short answer, please.

**Ms. Armine Yalnizyan:** I believe you heard from Linda Silas of the Canadian Federation of Nurses Unions during your second hearing.

In the testimony I've read from your hearings, she was the first person to mention how nurses are burned out and leaving the hospital sector because they have no control over their working hours. They are joining temporary agencies.

In places like rural Ontario, there is no access to home care. The local integrated health networks are unable to provide access to home care. Basically, as soon as you get over 100 kilometres away from a hospital, you don't get access to home care. I mean, you're on a publicly funded list, but you don't get access to home care.

Businesses are entering this arena with on-demand apps for home care and they're filling a need. About 12,000 people are registered with one on-demand app.

These are precisely the workforce allocation techniques that are moving people away from being considered employees covered by protections.

• (1650)

**The Chair:** Thank you, Ms. Yalnizyan.

**Ms. Armine Yalnizyan:** We'll talk.

**Ms. Bonita Zarrillo:** I'm sorry, Mr. Chair. Can I just ask that the end of that answer come in paper format? Could she send that later?

Thank you.

**The Chair:** Yes, that would be very good, Madame Zarrillo.

Madame Yalnizyan, can you provide that to the committee in a follow-up in writing? That would be most appreciated.

Thank you to all of the witnesses in this first grouping for appearing and for your testimony before the committee. It is most appreciated. Thank you.

We will suspend for a few minutes and change to the second group.

• (1650)

(Pause)

• (1650)

**The Chair:** Committee members, we will resume with the second group of witnesses.

I would like to welcome the witnesses for the second group of today's committee hearing. I would ask you to keep your opening statements to five minutes or less as we are time constrained.

From the Canadian Home Builders' Association, we have Kevin Lee, chief executive officer. We also have Mike Collins-Williams, member and chief executive officer of the West End Home Builder's Association. From the Conseil de la transformation alimentaire du Québec, we have Dimitri Fraeys, vice-president, and Isabelle Leblond, corporate director. From Food and Beverage Canada, we have Kathleen Sullivan, chief executive officer.

We will begin with the Canadian Home Builders' Association for five minutes.

Gentlemen, whoever is starting may go ahead.

• (1655)

**Mr. Kevin Lee (Chief Executive Officer, Canadian Home Builders' Association):** Thank you, Mr. Chair.

It's Kevin Lee here. I'm the CEO of the Canadian Home Builders' Association.

CHBA is the voice of Canada's residential construction industry. We represent some 9,000 member firms from coast to coast, including home builders, renovators, trade contractors, product and material manufacturers, and building suppliers and services. CHBA is one association working at three levels—nationally, provincially and locally. We have over 50 constituent associations at the local and provincial levels.

I am joined here today by my colleague Mike Collins-Williams, CEO of the West End Home Builders' Association, our constituent association in the Hamilton-Halton region. Mike will be bringing some local context to our opening remarks and to any questions that the committee may have.

As you may know, our industry is experiencing chronic labour shortages like so many others are. It's something that we faced prior to the pandemic. These labour shortages are causing delays in construction of much-needed supply, with 71% of our membership facing those delays, according to our housing market index.

Approximately 20% of our labour force is set to retire over the next decade. That means the sector will need to recruit more than 148,000 new workers to keep pace with retirements and demand. However, only about 107,000 of those workers are expected to be available from traditional sources, leaving a shortfall of about 30%. A large portion of new recruitment will therefore need to come from groups traditionally under-represented in the construction labour force, including women, indigenous people and new Canadians.

I should note that the data for this comes from BuildForce Canada, a national industry-led organization that represents all sectors in construction to support labour market development in the industry. Unfortunately, the funding that BuildForce normally receives to develop its LMI under the sectoral initiatives program at ESDC was denied this year, as it was for many LMI organizations in different sectors. BuildForce is now having to reapply under a new initiative, where again its funding is uncertain. I'd like to point out that at a time when the home construction industry, like many others, is facing serious labour challenges, it's important that we get these LMI funding mechanisms back in place.

Regarding actions to address the skills shortages themselves, CHBA asks that the government continue all actions to promote careers in skilled trades, to support training and to provide financial supports to companies and individuals with respect to skilled workers. A good example is the new Canadian apprenticeship service. Our association is continually working to address the skilled trades gap, and government supports of this nature are very beneficial.

Given the shortfall that we expect in labour from domestic pools, CHBA is asking the government to improve the immigration system for skilled workers through permanent immigration options. This can be done by enhancing the selection of immigrants with skilled trades credentials or construction experience to ensure that the residential construction sector will receive its proportionate share of newcomers. It's also critical that skilled labour allocations for immigration be increased and that pathways from temporary workers to permanent workers be streamlined.

CHBA is also working on a new initiative to increase our renovation industry's capacity to adapt homes for aging in place, a key support to seniors and the health care system. I'd be happy to expand on that if it is of interest to the committee.

I'd like to pass it over to my colleague Mike to say a few words.

**Mr. Mike Collins-Williams (Chief Executive Officer, West End Home Builders' Association):** Thank you, Kevin.

The issues that Kevin spoke about at the national level are very much at play in the Hamilton region and across the west end of the Golden Horseshoe. Ontario's residential construction industry is expected to rise by 4% over the coming decade, and potentially much more if we are to make up ground catching up on our housing supply shortfall—an issue that is now thankfully well recognized in Ontario and across the country.

To achieve the necessary growth in housing starts, Ontario must remain focused on replenishing our residential construction labour force, an astounding 22% of which is expected to retire over the coming decade. As the last of the baby boomers are expected to be 65 years old by 2029, Ontario's residential construction sector is expected to see almost 52,400 workers exit the industry to retirement.

Due to an aging population and increased competition for talented youth amongst the province's industries, attracting new workers for careers in construction is going to be challenging. Based on historical trends, Ontario is expected to bring in 42,732 new entrants from the local population aged 30 and younger, a pace that's expected to lag departures due to retirement each and every year over the scenario period.

Should recruitment success not increase, the province could be looking at a recruitment gap of almost 17,700 workers by 2030. We are already seeing the impacts of these labour shortages. The CHBA housing market index that Kevin referenced in his remarks is showing construction delays in Ontario of 11 weeks due to labour and supply chain issues.

I won't repeat the recommendations Kevin provided, but suffice it to say that those same recommendations certainly would apply in the Hamilton area.

Thank you very much. We look forward to answering any questions you may have.

• (1700)

**The Chair:** Thank you.

[*Translation*]

Mr. Fraeys, from the Conseil de la transformation alimentaire du Québec, you have five minutes.

**Mr. Dimitri Fraeys (Vice-President, Innovation and Economic Affairs, Conseil de la transformation alimentaire du Québec):** Thank you.

My name is Dimitri Fraeys and I am the vice-president of innovation and economic affairs at the Conseil de la transformation alimentaire du Québec, the CTAQ. I am accompanied by my colleague, Ms. Isabelle Leblond, who is a corporate director at Olymel.

The CTAQ is the main business association in the food and beverage processing sector in Quebec. The CTAQ is a federation of 14 sectoral associations in Quebec. In Quebec and in Canada, the food and beverage processing industry is the largest manufacturing employer, with 75,000 jobs in Quebec and 300,000 jobs in Canada.

The food and beverage industry is facing a major labour shortage crisis. Vacancies are on the rise, ranging from 20 to 40% depending on the plant. Food and beverage manufacturing was already experiencing labour problems prior to the COVID-19 pandemic, but the pressure of the pandemic has amplified the situation, and the sector now needs an urgent solution.

Despite aggressive recruitment initiatives to fill vacancies, it has been impossible to find enough Canadians to fill jobs in food and beverage manufacturing. Recruiting staff is extremely difficult. While other sectors are also facing labour problems, we are now all competing for the same workers, who are becoming increasingly scarce.

The inability to maintain a stable workforce impacts on food security, economic recovery and animal welfare, and it undermines the sector's ability to sustain a national agriculture and food system. Without enough workers, companies are already abandoning certain product lines, halting production and imposing overtime, leading to the exhaustion of a workforce already under additional strain from the pandemic. In some cases, companies simply postpone expansion plans, and it is not uncommon for family members to be involved in plant operations to keep production going.

While food and beverage processing is only one of many sectors experiencing labour shortages, the inability to meet current needs will impact national food security and affordability, as well as the ability of Canadians to easily access the food they want. An increase in the cost of food will be an additional challenge due to inflation, which has already increased the cost of living.

At a time of declining global food supply, it is imperative that Canada increase food production and processing so that it can share its foodstuffs with countries that are not so fortunate. The temporary foreign worker program helps fill this labour gap. This program is a lifeline for companies that are stretched to the limit.

This program should become permanent, since demographic curves indicate that the labour shortage will continue until at least 2030. We're concerned with processing times. It takes between eight and 10 months from the filing of the labour market impact studies, the LMIA's, to the arrival of the temporary foreign workers. It takes four to five months to analyze the LMIA's and three to six months to obtain visas.

For Quebec, processing times are even longer, up to one year, as companies must recruit workers before filing LMIA's. Agricultural operations are exempt from visas because their workers come from Mexico or Guatemala. However, Quebec-based processing companies recruit employees from French-speaking regions, such as North Africa and Madagascar, which do not have this exemption, and that lengthens processing times.

We propose a few solutions to speed up the process.

First, it should be possible to file LMIA's per factory, which would allow a large number of workers to be grouped on the same document. Fewer LMIA's mean less work for analysts and a faster analysis process.

Secondly, companies should be allowed to use the assessment time of these LMIA's to recruit employees. This is a problem that particularly affects Quebec.

Third, agreements should be made with French-speaking countries to expedite visas. This is already the case for Mexico and Guatemala for access to farms.

Fourth, a trusted employer category should be created for companies that have been filing LMIA's regularly for five years and renewing them every year. What we are proposing is the equivalent of the Nexus program or a fast-tracking of the immigration process. That way, companies will no longer have to wait for the famous analysis process that can take four to six months.

Fifth, the maximum number of foreign workers should be increased to 30%, particularly in Quebec, which already has a special agreement at 20%.

We thank you for this opportunity to speak to you, and we are ready to answer your questions.

• (1705)

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

[English]

Now we go to Madam Sullivan for five minutes.

**Ms. Kathleen Sullivan (Chief Executive Officer, Food and Beverage Canada):** Good afternoon.

My name is Kathleen Sullivan and I am CEO of Food and Beverage Canada, the national association representing Canada's domestic food and beverage manufacturing sector. I appreciate the opportunity to meet with you to discuss labour shortages in our industry.

Canada's food system is the foundation of this country's national food sovereignty. It contributes to Canada's national, provincial and regional economies; it supports our international trade goals; and it underpins local food production and food security.

Food and beverage manufacturing is at the centre of that food system. As part of Canada's critical infrastructure, my members operate almost 8,000 plants, generate \$118 billion in annual sales and at peak capacity employ almost 300,000 workers. We are, in fact, the largest manufacturing employer in the country.

But today we are facing a destabilizing labour crisis. On average today, food plants are reporting structural vacancy rates of over 20%, and sometimes as high as 30% or more. These shortages have resulted in reduced food production, heightened animal welfare concerns, and significant emotional and physical pressure on or burnout in our existing workforce.

These labour shortages are now structural. They will continue even after the pandemic and, worse still, we are expecting the situation to deteriorate as companies anticipate significant retirements over the next five years.

We recognize and welcome recent commitments from federal and provincial governments to help address labour issues. That, of course, includes the \$85 million in additional resources to assist in processing times at the departments of ESDC and IRCC, but the truth is that these initiatives will take some time to roll out and they won't provide the relief we need in the immediate term.

We were very pleased to see that Minister Bibeau and Minister Qualtrough's mandate letters acknowledged the serious labour challenges in agri-food, and we asked them to develop a labour strategy to address persistent and chronic shortages in the agriculture and food processing sectors. In fact, as an industry we have already stepped forward to play a leadership role in developing that strategy.



The Canadian Agricultural Human Resources Council, Canadian Federation of Agriculture and my organization have launched a project to develop a workforce strategic plan for agriculture and food and beverage manufacturing to address chronic labour issues in our sector, but as food and beverage manufacturing focuses on the future, we also need relief today.

Since last fall, my organization has been leading a coalition of 11 industry associations that have developed a proposal for an emergency foreign worker program to support industry through this immediate crisis. That proposal builds on existing programs within ESDC and IRCC and will allow for additional foreign workers to come to Canada over the next 18 to 24 months to support our sector while also offering them real pathways to permanent residency.

In closing, I would like to acknowledge the dedication of everyone in Canada's food system over the past two years as they have worked to keep the food supply chain operating. Working together, they have continued to ensure that Canadians have access to Canadian food. It is imperative that we now provide them with the support to ensure that work can continue.

I look forward to answering any of your questions.

Thank you.

**The Chair:** Thank you, Madam Sullivan.

We will now open the floor for questions beginning with Madam Kusie, for six minutes.

[*Translation*]

**Mrs. Stephanie Kusie (Calgary Midnapore, CPC):** Thank you very much, Mr. Chair.

I thank the witnesses for being here today.

[*English*]

Ms. Sullivan, as you mentioned, Food and Beverage Canada, along with other associations, recently produced a proposal to government called the emergency foreign worker program.

Could you please table that proposal with the committee?

**Ms. Kathleen Sullivan:** Of course. I would be happy to forward that to you.

I will just identify that the proposal really builds on the existing temporary foreign worker program. It has three main elements.

The first is to increase the cap or the limit on the number of foreign workers that Canadian businesses can use.

The second is to extend the length of the validity of labour market impact assessments, or LMIA's. They currently last for only one year, and even if you're bringing the same worker in the next year, you have to go through all of the paperwork again, so we're asking that these be given a longer duration, of two years or more.

Finally, we're asking that ESDC reduce the amount of paperwork that is necessary or the administrative steps that companies have to go through when they apply to bring temporary foreign workers into the country.

It is an easing on the administrative side, and I want to be very clear that it does that without lessening in any way the protections and the benefits that we need to be providing to the foreign workers when they are here in the country.

• (1710)

**Mrs. Stephanie Kusie:** Why did you and these other organizations come together to develop the emergency foreign worker program proposal?

Do these organizations believe the government is doing enough at the moment to mitigate labour shortages in the farming and food processing industries?

**Ms. Kathleen Sullivan:** I will point out that CTAQ and Dimitri are here, as a member of my organization and part of our 11-organization coalition.

We came and worked together because this is the single most debilitating issue that's impacting food and beverage manufacturing today. We didn't have a choice. We had to come out with some short-term measures to alleviate the pressure that our companies are facing, but, most importantly, our workers are facing. These people have continued to go to work for two years in congregate settings to make sure that the rest of us have food on our tables.

As you know, we have been working very hard for the past three months. I am pleased to report that this past Monday, we had a meeting with Minister Qualtrough from ESDC. She confirmed to us that she has reviewed our proposal in depth and is looking at it. I will say that we left that meeting feeling that with that specific proposal, we have the attention of the federal government.

**Mrs. Stephanie Kusie:** Excellent.

How would you say these labour shortages impact the supply and cost of groceries for Canadians?

**Ms. Kathleen Sullivan:** Public Safety Canada did a survey in January that found that, because of labour shortages, companies reported their food production had gone down by 20%. We're in a situation where it's hard to believe a country like Canada can't keep up with its own food production. It's dazzling. We know ours is not the only industry facing labour problems.

The impact of food supply is quite significant. There's also animal welfare. Dimitri pointed this out. A lot of the products that we manufacture involve receiving animals, and if we don't have people to receive animals in the processing plants, you cause a backup at the farm and cause a lot of problems for producers. There are concerns about the welfare and managing of those animals on farms beyond where they should have been.

In terms of food inflation, we are clearly seeing significant food inflation in Canada. The rate reported at the end of February was 7.4%. I think that's the highest we've seen since the 1990s.

Clearly, Canadians are paying a price for all of the effects that we're seeing in the food industry of labour and supply chain issues.

**Mrs. Stephanie Kusie:** Thank you.

**Ms. Kathleen Sullivan:** I should say that it's expected to go up again this year.

**Mrs. Stephanie Kusie:** Indeed. Thank you.

Mr. Lee, the construction industry continues to face chronic labour and skills shortages. How, in your opinion, has this impacted the supply of houses in Canada?

**Mr. Kevin Lee:** We're definitely seeing construction delays. As Mike mentioned, our housing market index is showing a delay of 10 weeks on average across the country.

Remarkably, this past year, we had a very strong year in housing starts. We got 271,000 starts across the country under way. The big challenge is going to be whether we can close all of those. Can we complete all of those? With over 70% of our members seeing those labour challenges, there are definitely delays. The longer this shortage goes on, the bigger a challenge it's going to be.

We are optimistic, though, that with the new measures the government will hopefully be putting place, we can get access to more land and start accelerating the development approval process so that we can keep building, but it's definitely a big challenge.

• (1715)

**Mrs. Stephanie Kusie:** How have these labour shortages in other areas of the supply chain, besides construction, impacted building homes across the country?

**Mr. Kevin Lee:** In addition to the delays... They are due to labour, but pretty much every product you can think of that goes into construction is being held up in some way, shape or form.

On top of that, what we've seen across the industry, like in many other sectors, is rapid price inflation on a lot of different products and materials. It's a combination of labour and everything else. We're seeing on an average 2,500 square foot home in Canada price increases for lumber all by itself of about \$34,000, and over \$34,000 for everything else, from plumbing fixtures to drywall to you name it. We're over \$68,000 on average just in construction costs right now as a result of the scrambled up supply chain.

**The Chair:** Thank you, Madam Kusie and Mr. Lee.

Mr. Collins, you have six minutes.

**Mr. Chad Collins (Hamilton East—Stoney Creek, Lib.):** Thanks, Mr. Chairman.

Welcome to all the witnesses. It's always nice to see someone as well from the Hamilton area. My first question will be for Mr. Collins-Williams.

As he knows, our government has prioritized affordable housing and housing affordability as priorities. There's a lot of discussion about the lack of housing supply and its effect on the cost of housing. How much of a role does labour supply and skilled trades factor into escalating house prices?

**Mr. Mike Collins-Williams:** I'd say it's a significant factor. Housing prices and what goes into the cost of a home are complicated. Essentially there are the land component, the materials component and the labour component. We're having a lot of challenges in filling positions in Hamilton and across Ontario, and I'm sure Mr. Lee could attest to that right across the country.

I think you'd be shocked if you walked around the average construction site in Hamilton and saw what the average age is. You have people doing some pretty difficult jobs who aren't exactly spring chickens. We need to attract more people into the industry, and part of that's on the industry to promote careers in construction. We certainly work with our local community colleges and high schools trying to get more young people to choose that career path, because it can be a very rewarding career path.

I think one of the challenges we have that we're looking to the federal government for help with is the economic immigration stream to bring in more skilled workers to help us fill those job positions. Anecdotally I hear from our members that the labour situation is so tough that you actually have different homebuilders almost poaching labourers from each other off their sites. This is a challenge across southern Ontario. We do have a housing supply challenge in terms of population growth, and we are building a lot of homes, but that certainly requires labour, in particular skilled labour.

A home is a complicated system. It does not require general labour, but a lot of skilled labour, particularly from different trades like electricians, plumbers, carpenters, roofers, etc. There are tremendous opportunities in the sector.

**Mr. Chad Collins:** Thank you, Mr. Collins-Williams.

My next question is about just what you referenced there, and those are the labour shortages and the connection to immigration. I think you mentioned in your opening remarks a 17,000 worker shortfall in the industry. As you know, our government has prioritized immigration as one of its top priorities. In 2022 we're expecting to see 431,000 new Canadians, which I think is a record number, and we're obviously anxious see those people who are finding their way to Canada gainfully employed once they arrive.

How is your industry attracting new immigrants to the industry? Is there anything we can do with our policies related to the temporary foreign worker legislation to assist you in filling those vacant positions, whether they're the 17,000 that you referenced or the larger number that Mr. Lee referenced in his opening?

**Mr. Mike Collins-Williams:** I think there are a couple of threads there. It's incredible that Canada is a destination for the best and the brightest from around the world, who are choosing to come here and to be educated here and to live and raise their families here. But we also need to provide the supply of housing so that those people can be homed and achieve that great Canadian dream of home ownership and be able to settle into their community and thrive.

In terms of the employment opportunities, there are tremendous opportunities in the industry. If you look at previous waves of immigration, you see that much of southern Ontario, in particular, was built by Italian, Portuguese and Polish immigrants, and a lot of eastern European immigrants in previous decades. But there is a shift in where our immigration is coming from, and in some of the countries that people are coming to Canada from there's not as much of a propensity to enter into the construction sector. I think it's important that the federal government focus on attracting skilled workers who already have those certificates, whether it's, again, plumbers, electricians and some of those skilled trades we so desperately need.

We spent a lot of time in the past pushing the knowledge-based economy, which is fantastic. Canadians are very well educated, and I think we need to try to focus a bit more on bringing people into Canada who can do the jobs that we having such desperate trouble filling or getting young Canadians to pursue.

I would add that these jobs are highly skilled. This is not general labour. The economic immigrants bring talent and innovation and financial investments to Canada, so we'd certainly like a focus on the federal skilled worker program. Let's enhance and focus on skilled workers, because we need them in Hamilton, we need them in Ontario and we need them across Canada.

• (1720)

**Mr. Chad Collins:** Thank you for those answers.

I think I'm out of time at this point, Mr. Chairman.

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

That will give Madame Chabot a bit more time.

Go ahead, Madame Chabot.

[*Translation*]

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

I would like to welcome all the witnesses and thank them for their presence, their contribution and their evidence.

Basically, your three organizations represent the residential sector, which is about the need for housing, and the food sector, which is about the need for nourishment. So we are dealing with the basic needs of citizens. Your contribution is important and we should indeed support you.

My question is for Mr. Fraeys, from the Conseil de la transformation alimentaire du Québec.

What we're pleased to see, federally, is that the food manufacturing sector has been included in Canada's critical infrastructure sector. In this regard, you have illustrated the problems you are experiencing. For example, the problems associated with the issuance of labour market impact assessments, or LMIA's, are hurting many companies. As members of Parliament, we need to look at this. I know that you sent the minister an emergency program before the holidays to remedy the situation of temporary foreign workers. It is now April.

Have you received any clear answers regarding this emergency program? Have any solutions been put in place?

If not, why not?

**Mr. Dimitri Fraeys:** Thank you.

Yes, we are well supported by the Minister of Agriculture and by Ms. Qualtrough. We had a meeting with her last week, and she was very open and responsive. However, I must say that things have not necessarily changed for the time being.

We're concerned with processing times. Tomorrow is April 1, and farmers will start sowing their fields. Then we, the processors, will have to take the crops into the plants. On our side, we still have a small wait time of about three months, but it is essential that the workers arrive in the next few weeks. I will admit that we are very worried because, given the current processing times, we wonder how this will be possible.

Last year, in the case of the cucumber processing plants, the harvest took place in August and the workers arrived in September. This is not very useful. It's a waste of time for the officials who had to work to get them here. So we proposed to simplify the process so that it would be much faster. Earlier, Ms. Sullivan proposed the well-known emergency program. What we are asking for is reduced processing times, and we have proposed solutions to this end. For example, the LMIA's could be grouped together. As for visas, we could reduce processing times to a few weeks or a few months for Quebec, which also has the constraint of hiring French-speaking workers. We would like these processing times to become more reasonable. Before the pandemic, it was possible to welcome workers within three months. That is what we hope, in the very short term, for our industry.

• (1725)

**Ms. Louise Chabot:** Can you explain in detail the concrete consequences of processing times for an employer?

We sometimes hear that entrepreneurs abandon their project or their harvest altogether because they do not have this input from temporary foreign workers. In the context of the labour shortage, which has worsened, as you illustrated earlier, I would like you to tell us what prevents us from acting more quickly and what the concrete consequence of inaction is.

**Mr. Dimitri Fraeys:** In fact, as far as plants are concerned, the consequence is the rationalization of the product line. There are products that are no longer processed, because that requires more labour.

A little later, Ms. Leblond will explain what is happening in terms of slaughter.

In some plants, products are not produced and others are delivered late. As was mentioned earlier in connection with the houses, the supply times are also much longer, so the plants have to review their entire production schedule. When there are fewer workers, office workers have to step up to the plate.

In the agri-food sector, plants are often family businesses. The owners' sisters, aunts, mothers and uncles have to work in the plant to help out. Often, the owner works at the plant from 8 a.m. to 5 p.m., and does his office work in the evening or morning. So the work hours are long and the employees are tired.

I will give you an example. Last year, workers in a vegetable processing plant worked 12 days in a row; the employer had to give them a weekend off. However, if foreign workers had been present, the plant workers could have had a rest.

Hiring foreign workers serves as a safety valve for the plant workers and ensures health and safety in the workplace. It also makes it possible to feed the population adequately and to build up stocks for the next winter.

**The Chair:** Thank you, Ms. Chabot and Mr. Fraeys.

[*English*]

Now we'll go to Madam Zarrillo for six minutes.

**Ms. Bonita Zarrillo:** Thank you so much.

Thank you to all the witnesses who have come in and shared today.

I heard about retirements quite a bit in the testimony. Maybe each of the witnesses could talk about their industry and retirements, and whether there was planning five years or a decade before.

If there was planning around retirements, why are local workers not backfilling? Why are some of these jobs not getting backfilled by local workers and how did we get to the point where we're relying so heavily on foreign workers?

**Mr. Kevin Lee:** I could jump in, if you like, and start in the residential sector.

**Mr. Kevin Lee:** This is not a surprise to us. This is not new to us. This is something that has been of concern for quite some time and something we've been talking about. We don't rely heavily, as a sector, on foreign workers as much as we do on immigration. For example, we're not big users of the temporary foreign worker program because we need people year-round and permanently. The recommendations we would have around things like temporary foreign workers go to the idea of facilitating pathways—as you're hearing from other witnesses—to more permanent residency.

One thing we haven't heard about yet, in this session, is the importance of a trusted employers program, which would dramatically help those who are having to use these types of systems repeatedly.

In terms of retirement, every sector is facing this because it's a matter of pure demographics in Canada. I know you heard earlier about the aging societies we have in many developed countries. It's something we've been looking toward. Everybody is looking to see what under-represented groups can be more fully engaged in employment. Therefore, we also need immigration.

I think you're seeing almost every sector look to productivity, as well, because, as you've heard, we're all competing for a very limited labour supply within Canada because of the demographics. We're all active in recruiting and trying to make our industries even more attractive to come and work in. Fortunately, in residential

construction, we also have good-paying jobs, but it's a challenge. It's not new. It's not something new that we're talking about, but it's a big challenge for us and many other sectors.

**Ms. Bonita Zarrillo:** Thank you.

• (1730)

**Ms. Kathleen Sullivan:** I can maybe step in and answer for food and beverage manufacturing.

On the retirement question, you're correct. We always anticipated a retirement cliff. Even before COVID started, we were starting to look at these issues to try to understand how we make sure we have the workforce of the future.

With COVID, though, the retirement cliff seemed to advance by a number of years. Going into COVID, we were facing about a 10% structural vacancy rate. In the last two years alone, that has increased to 20%. We have seen an exodus out of our sector and in many cases out of the workforce itself.

With respect to local workers, this certainly has been a challenge that a lot of industries are facing. In some respects, it appears we are almost at full employment levels. At this point in time, we really have to understand how we can expand the Canadian workforce. There are a number of different things.

One is looking at groups of people who are just not ready for the workplace right now. How do we remove the barriers they're facing and really empower them to join the workforce, whether in my sector or others?

In the past we've spent some time talking about how we need to do that. I guess crisis is a great motivator. It's becoming clear to everybody that we have to get very serious about how can we identify groups of Canadians who are not participating in the workforce and how we can help them get to that point.

In terms of the foreign workers, we are not a huge relier on foreign workers. Less than 10% of our workers are TFWs. The challenge we really face as a sector is that most of our workers don't qualify for immigration streams. They wouldn't gather enough points. Again, we face this challenge with our immigration streams and our point systems where we've chosen to focus on particular groups of workers or workers with specific skills.

We need skilled trades and scientists, but often we need general labourers and, for the most part, they can't get in through the immigration system. Often our companies will use the TFW program not for temporary jobs, but to bring people into Canada and then try to find pathways to permanent residency for them.

In our emergency foreign worker program, we're asking, frankly, for no more than a band-aid. We really need to start to understand how we can structure our foreign worker programs so we are attracting and bringing people into the country who can settle here, bring their families with them, really become Canadians and contribute to different Canadian communities.

**The Chair:** There's time for a short question, Madam Zarrillo, if you have one.

**Ms. Bonita Zarrillo:** I think there's just one more witness to answer.

[*Translation*]

**Mrs. Isabelle Leblond (Corporate Director, Human Resources, Conseil de la transformation alimentaire du Québec):** I would like to add that our plants are mainly located in rural areas, where labour is scarce.

We need to be able to plan for retirements. Some plants are already short 300 workers. So it becomes very difficult to manage. At some stage, we reach a critical point, because we know that some people are going to retire.

In the term "temporary foreign workers," the word "temporary" is part of the title, but these workers usually obtain permanent residence. In fact, 87% of them apply for permanent residence when they are ready. Afterwards, they bring their families. Their family members are also offered employment. The Temporary Foreign Worker Program helps to revive our regions and serves as a gateway to permanent residence.

We anticipate retirements, but there is a lack of labour, because there is a lack of workers in the regions where the plants are located. As Mr. Fraeys said, this is a project that is essential to the survival of our company.

• (1735)

**The Chair:** Thank you, Ms. Zarrillo.

[*English*]

Mr. Ruff, you have five minutes.

**Mr. Alex Ruff (Bruce—Grey—Owen Sound, CPC):** Thanks, Mr. Chair.

My thanks goes to the witnesses.

I have questions for both food and beverages and housing. My first question is for Ms. Sullivan.

My understanding from reading the documentation you provided is that you first asked the provincial and federal ag ministers for the emergency foreign worker program in late November. When I met with the Exceldor and Maple Leaf Foods, who both have processing plants in my riding, the initial ask was to have that program in place by 31 January.

Have you received any indication from either Minister Bibeau or Minister Qualtrough why that ask was not met by the end of January?

**Ms. Kathleen Sullivan:** No, we've received no specific response to the question of why we didn't receive a response, or our proposal wasn't implemented by the end of January. I suspect it comes down

to the wheels of government departments sometimes moving much more slowly than any of us would like.

We certainly are still hopeful there will still be a response. To Dimitri's point, timing is of the essence. So much of processing is tied to agricultural production and, as I think most of you know, there are often seasons involved in that, so the sooner we get a response and a program implemented, clearly the better. January 31 would have been the best for us. At this point, we will be happy to receive a response as soon as possible.

Of course, I think what will be critical is the substance of that response. Our proposal, in particular, is designed to reduce the burden on companies like Olymel that are looking to bring temporary foreign workers into the country, but we also need to increase the number of people who are coming in. What will be critical to us is whether the federal government agrees to increase the cap that currently exists on food processing companies, which doesn't exist on primary agriculture. That cap has to go up if we're going to increase the number of people who are available to work in our sector.

**Mr. Alex Ruff:** Thanks, Ms. Sullivan.

For the housing folks, I read your documentation here, and I'm going to pursue this line of inclusionary zoning that's within the documentation. The issue is, from a labour shortage perspective, especially in rural Canada, that so many of the industries are having trouble finding workers because there's no place for those workers to live if they do get there. Within the commentary there, you're talking about the percentage of housing, market housing and affordable housing, and that you have to increase that.

When I was talking to many of my developers and builders even last summer, this was the biggest issue, the labour shortage, that I heard throughout the election campaign. The fact is that they are open to it, providing that it's fair to everybody, to all of the developers, so that developer A is being treated exactly the same as developer B. I'd just like you to expand a little bit on the biggest challenges to building more affordable housing, and to expand a little bit on your concerns, because you say caution is needed in this inclusionary zoning.

**Mr. Kevin Lee:** Sure. I'm happy to talk about that.

With regard to inclusionary zoning, in principle the challenge is really just making sure that if you're going to allocate and require a certain amount of housing to be affordable housing.... There are different levels of affordable housing. A lot of times affordable housing refers not to the housing people can afford, but to social housing, typically. In the housing industry, that's what affordable housing is. If you're going to say a certain percentage needs to be that affordable social housing, the real trick is to figure out how that's going to get paid for.

I'm here to tell you that when you say that the developers will pay for that, that's not how any business works. What ends up happening is that new homebuyers pay for it, if there are no subsidies provided in some other way by government, either by providing land or providing breaks on development taxes, etc., so is it important that all developers in an area be treated the same with respect to inclusionary zoning? Yes, but it's also important that when you design inclusionary zoning, you're not inadvertently causing the price of market rate housing to go up. Let's say 20% of the units are supposed to be affordable housing. If the other 80% subsidizes the cost of the 20%, you've just increased the cost of housing in your area.

It's also important that, if there were going to be 100 units, and now you say 20 need to be affordable, that's fine, but if 100 were going to be on the market and we have a huge supply issue—which is what's really a big part of what's driving up house prices—you've got to make sure that you're still going to build 100 units and that you get 20 additional affordable units over and above that. Those are sort of the concerns with that.

• (1740)

**Mr. Alex Ruff:** I think I'm out of time, Mr. Lee. Thanks.

As a final comment, I know we've proposed a housing task force for across the country. I'm likely going to be hosting one of those in my neck of the woods. I'm looking forward to your association's participating in that in the coming weeks. Thanks.

**The Chair:** Now we'll go to Mr. Coteau for five minutes.

**Mr. Michael Coteau (Don Valley East, Lib.):** Thank you very much, Mr. Chair, and thank you so much to all of the witnesses today. All of the presentations were great.

I was reading from Statistics Canada, that employers were looking to fill 69,000 positions in construction work in the fourth quarter of 2021. That number is just remarkable.

I was recently walking down the street near my home, and a gentleman shouted out to me, "Hey, do you need a job?" I said, "No, I'm okay right now." Then I asked, "What job are you offering?" It was for a crew doing some construction work. That's the first time it's ever happened to me that someone offered me a job just walking down the street, so you can tell that there's a need out there.

This impacts, obviously, people's residences and our economy. It's a very serious issue. I know that in my city and right across the country.... In Toronto, there's about a 17.5% unemployment rate for youth. Across the country, I think the number's almost 14%.

How do we tap into that next generation of potential construction workers? I'm assuming the pay is quite good. There's a lot of work out there, and it's highly skilled. This question is to Kevin Lee and to Mr. Collins-Williams. What are we doing to actually tap into that next generation of young unemployed people?

**Mr. Kevin Lee:** Maybe I can start off and pass it on to Mike.

It's definitely something we've been very active in, because it's critical that we get the next generation interested. We have quite a few initiatives in this area, just to encourage and overcome different barriers and perceptions. I would say there's less of a problem with

young people and more of a problem with parents, guidance counsellors and, sort of, the system.

For many years we've been directing people away from careers in the skilled trades, and having a skilled trades career of second, third or last choice, as opposed to making it a first choice.

Just because you do well in school doesn't mean that you wouldn't be a wonderful electrician or plumber, and probably a super successful one who ends up running their own business, has a great career and is a great contributor to the economy.

We're doing quite a bit of work in that area to try to promote the benefits to the next generation.

Mike, I'll pass it to you to add on to that.

**Mr. Michael Coteau:** Maybe, Mike, I can just add a little bit to that, and maybe you can talk about this. I think I've talked to your association about these types of opportunities before for young people.

How do we tap into marginalized youth in communities with 25% unemployment rates? I've seen the carpenters, groups like the Hammer Heads that try to take on some of those challenges to attract marginalized youth into construction work.

Do you have any ideas on what we can do as parliamentarians to support the industry as a whole?

**Mr. Mike Collins-Williams:** I think I'll add to Kevin's comments, and it fits in exactly with your question. We really do need to promote—and this goes for the industry as well. We need to do a better job of promoting the opportunities for careers in construction.

Not every kid was meant to go on to seven years of school to become a doctor or a lawyer. There's tremendous opportunity, as Kevin has said, in the construction field. It's an opportunity to work outdoors. It's an opportunity to work with your hands. It's an opportunity to really create something, and 10 or 15 years later to be able to go back into the community and say, "Hey, I built that."

It's also a very rewarding career. You can have people in their mid-to-late 20s literally making six figures. It's an opportunity to become an independent business person and to build your own crew.

Something that we're trying to do as an industry is to get people at even younger ages. We're trying to get into high schools. We're trying to talk to the guidance counsellors and the teachers about the opportunities but also go to job fairs.

I think there's an opportunity to do more recruiting, just like universities and colleges go into high schools and do recruiting. I think our industry needs to play a role in that, and perhaps there's a role for government, through our education systems as well, to promote the diversity of job opportunities out there.

There used to be shop in a lot of high schools. That has started to disappear. People need to be well-rounded and learn a variety of skills, but there may be kids in grade nine and 10 who have no idea what they can do with their hands and what skills they have to build and create things. In those marginalized communities, that's a path where you don't have to go to college or school. You can come right out of high school, get an apprenticeship, and instead of spending tens of thousands of dollars on tuition, you can be making money right away as an apprentice.

Not only is it a pathway to a career; there are not as many barriers at the start if you have the ability to earn money right away.

• (1745)

**Mr. Michael Coteau:** Right. Thank you.

**The Chair:** Thank you.

On that note, Mr. Coteau, we will close.

I want to thank the witnesses for appearing today before the committee with their informative testimony. Thank you so much.

Committee members, before we leave, as you are aware, I reached out to a number of you concerning next Thursday, which is budget day. Since then, I understand that the whips have agreed to our cancelling next Thursday's committee meeting. As I said, I consulted with the vice-chairs and Madame Zarrillo. We will not be meeting next Thursday.

With that, we will see you on Monday. Thank you so much, again.

The meeting is adjourned.

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