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—
Chair

Ms. Anita Neville

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•(1515)

[English]

The Chair (Ms. Anita Neville (Winnipeg South Centre, Lib.)): We will begin, colleagues.

We've got a full two hours, and I expect the bells are going to start to ring at 5:30 p.m.

Colleagues, we're going to do a bit of business before we begin the round table. A general operating budget is being distributed to you so that we can cover some of the expenses we are incurring as part of this.

I'm wondering if somebody is prepared to move a motion.

It is moved by Mr. Powers, seconded by Ms. Torsney, that the amount of \$39,650 be approved for our consultation process. Is there any discussion?

(Motion agreed to)

The Chair: Thank you.

Ms. Crowder, we have a notice of motion.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Thank you.

I was bringing the motion back to talk about pay equity. I was very pleased last week to hear that the Minister of Justice and the Minister of Labour were committed to looking at pay equity. It was a good reminder that women have been waiting a long time for this.

I wanted to point out to the committee that there are several cases where it has taken an unconscionable amount of time in order to settle pay equity. For example, Canada Post filed in 1983, and there was a tribunal from 1992 to 2003. The Canada Post workers are still waiting. That's over 20 years. At Bell Canada, individuals filed in 1988, a tribunal was established in 1996, and a new tribunal was established in 1999. The women from Bell are still waiting.

I think those two cases point to the fact that it's time for us to do something about pay equity. I would urge the committee to support having the Department of Justice come before the committee to give us some concrete details about their plans.

•(1520)

The Chair: Thank you.

Madame Bonsant.

[Translation]

Ms. France Bonsant (Compton—Stanstead, BQ): Thank you, Madam Chair.

I would like to add something to Ms. Crowder's notice of motion. Aside from representatives from the Department of Justice, I would like us to also invite representatives from the Department of Labour, which is responsible for pay equity.

[English]

The Chair: Will you accept that as a friendly amendment?

Ms. Jean Crowder: I accept that as a friendly amendment.

The Chair: All agreed?

[Translation]

Ms. France Bonsant: Thank you, Madam Chair.

[English]

The Chair: Is there any further comment on this motion?

Ms. Yelich.

Mrs. Lynne Yelich (Blackstrap, CPC): I wouldn't mind hearing from the two parties who have fallen short on this as well—from Bell Canada and...who else was involved? It would be interesting to hear from those responsible.

The Chair: Could I suggest that we hear from the two departments first, and then follow through?

Mrs. Lynne Yelich: Yes, of course, but keeping that in mind.

The Chair: That's great. Thank you.

All those in favour of the motion?

(Motion agreed to)

The Chair: Colleagues, you have a proposal before you. We have to determine our work plan following our work on core funding. You have something that was prepared by our researchers on some suggested activity that we may undertake not knowing what our time allotment will be over the next number of weeks.

There are some suggestions, and I'm open to comments by members of the committee about what they'd like to take on as a project for the next period of time.

Ms. Crowder.

Ms. Jean Crowder: First of all, I'd like to make a quick comment on the schedule. I like the schedule the way it's set up in terms of getting the pay equity people in fairly quickly.

On suggested research questions, although the one on parental benefits for self-employed workers is listed under women entrepreneurs, I actually think it's broader than that, because it also helps deal with women in poverty, which I believe was at the top of our list. It not only deals with some of the issues that committee members have brought up in terms of entrepreneurial activity, but it also brings up the fact that poverty is something that I think the committee has heard consistently from people underlies almost everything else women are involved with.

The Chair: Thank you. Are there any other comments?

Mr. Powers, and then Ms. Yelich. Go ahead, please.

Mr. Russ Powers (Ancaster—Dundas—Flamborough—Westdale, Lib.): Mine is just a point on logistics. The date you have, May 16, is a Monday. Is it our intention to meet on the Monday? Should it be the 17th?

The Chair: It should be the 17th.

Ms. Yelich, that was your question too?

Mrs. Lynne Yelich: Yes.

The Chair: Are there any further comments on what you would like to concentrate on? We have identified pay equity and the question of parental benefits.

Mrs. Lynne Yelich: I would just like a point of clarification. Didn't we go through these, and didn't we have a list? This was why we went ahead with core funding first and what was our first gender-based analysis, and then we went into the core program funding. Isn't there a list somewhere in the archives?

The Chair: You have it with you.

Mrs. Lynne Yelich: Can't we just follow through and prioritize? Didn't we prioritize it once?

The Chair: We did, but what we're trying to do at this point is take out a doable piece of activity that we can do in a period of a few weeks, not knowing what our time schedule will be.

If you'll notice, on page 2 of the Library of Parliament document, women entrepreneurs is one of the recommendations near the top.

Mrs. Lynne Yelich: I specifically mentioned the aboriginal property and matrimonial rights because the aboriginal affairs committee is studying them, or they were when I first mentioned them. So I thought we might consider them because another committee is working on them at this time. It would be quite effective to work at the same time. It's just a thought at this point.

The Chair: Okay. It's a thought.

Ms. Crowder, go ahead, please.

Ms. Jean Crowder: I wanted to tell Ms. Yelich that the issue of matrimonial property rights is really critical, and I'm wondering if it wouldn't benefit this committee to wait for the aboriginal affairs committee to finish its study and see what its recommendations were. Then we could determine whether or not we wanted to build on it or explore it further.

• (1525)

The Chair: Ms. Torsney, go ahead, please.

Hon. Paddy Torsney (Burlington, Lib.): Can I just get some clarification, going back to the schedule for a second? When are we talking about having these meetings?

The Chair: There's a schedule in here. Today, May 10, we're looking at core funding. This is done by the researchers as a proposal. On Thursday we will have the consideration of our outcomes from the core funding. Next week we will be looking at pay equity and then parental benefits or whatever else we decide.

Hon. Paddy Torsney: Can I speak in favour of parental benefits? On our list on page 2, it's not just women entrepreneurs; it would also be, as Ms. Crowder mentioned, item number 5, poverty and women. It's also number 12, which is working conditions for self-employed women, particularly access to benefits. I could argue that it relates to several other areas that are before us here, but I think it's a piece we could bite off, and we could hear about the pros and cons. We'd have those three meetings, and we could perhaps produce something that would be useful. I think some of the other areas would demand a fair bit of further analysis and we might not get it done before the summer, and it's really hard when you come back in September to pick up the momentum sometimes. So I think the proposal that's before us, for doing the 31st and the 2nd, and then hopefully on the 7th doing some kind of report would be really helpful.

The Chair: Madame Bonsant, go ahead, please.

[Translation]

Ms. France Bonsant: This is a long list, I believe No. 3 and No. 12 are identical. Women entrepreneurs and self-employed, in my opinion, are one and the same. I think we should strike No. 12.

[English]

The Chair: Okay. Thank you.

Am I hearing consensus that we move forward with the agenda as it has been presented on page 4 of the document from the Library of Parliament?

It is moved by Ms. Torsney, seconded by Ms. Yelich. Is there any further discussion?

Ms. Torsney.

Hon. Paddy Torsney: I have just one other piece of discussion. I know there was a news conference that was done around the end of the GBA report, but I think there should be a mandate given to our chair to seek a little more attention for what the committee is doing, because I think this committee is doing really good work.

I know there's a lot of stuff happening in the House, and I think it's disheartening for everybody to realize that people aren't focusing on this work and the work of government, which is what all of us want to do. We should be encouraging people to realize that in spite of some of the games that are going on in the House, there are lots of people who are applying themselves and getting the work done. So I would support your working to seek some more attention for all the good work around this table. And it's not a partisan issue; it's committees getting things done. That might be helpful.

The Chair: Well, thank you. I would welcome some suggestions on how to raise the profile. I think we've tried a few things, but as you indicate, there's a lot happening that is diverting people's attention.

Mr. Powers.

Mr. Russ Powers: If we're addressing these issues from basically a federal perspective, and I don't want to impose upon our staff, are we able to have almost a spreadsheet of what's taking place provincially and territorially, in both the areas of pay equity and parental benefits? In other words, perhaps what we do complements what they're doing, or conversely. I know there's some new legislation that has come through in Quebec in regard to parental leave and benefits and things such as that. Maybe the lead is already there and we just need to basically fill in the slots that are missing, or maybe there are some major gaps that we need to assist.

The Chair: That's a great idea. Thank you.

Okay. I'm going to call the question then on the motion that we adopt the agenda as proposed in the document here.

(Motion agreed to)

• (1530)

The Chair: Thank you.

I would like to welcome and call to the table the participants in the discussion on core funding. I see some of them here. I've been told that a few may be late in arriving. The clerk, I think, has put your names out in alphabetical order.

We're just speculating as to where the others are, because those who were to be late are indeed here already.

Ms. Penni Richmond (National Director, Women's and Human Rights Department, Canadian Labour Congress): They may be making their way from there to here.

The Chair: Okay. We did change the room location, but I thought everybody would have been notified.

Let me welcome you. I think we're going to begin without everybody here, in part because we don't have as much time as we did last time. We're expecting the bells to ring and all of us to move quickly to get back to the Centre Block.

Thank you for coming. I think you are all aware of what we are doing, which is a study on core funding. Some of you may have been here last Tuesday when we had a much larger group from across the country.

What I'm going to suggest is that we follow the same format as we did last week. We were fairly informal. I'm going to ask those of you who are here to make a very brief opening statement. We've asked for a minute. If it's a minute and a half or two minutes, that's fine.

Then I'm going to ask for comments or questions. The first round will be in the order that we normally have, which will be members of the opposition and Liberals following the Bloc, and then I'm going to open it up for informal discussion. I'll keep a running tally here of who wishes to speak.

Mrs. Lynne Yelich: Madam Chair, are there any presentations besides Darlene Bessey's?

The Chair: I think you have everything that's come in.

Mrs. Lynne Yelich: In other words, the presenters here are all going to be on track. Wasn't there a questionnaire sent out or some sort of format to help them make suggestions? I thought they were going to—

[*Translation*]

Ms. Charlotte Thibault (Member, Forum du secteur bénévole et communautaire, Relais-Femmes): We, at Relais-femmes, have a small problem. We did not realize we had sent in the draft rather than the final document. That is why it is not translated. We had to send it off yesterday, I believe.

We apologize, and I will answer to the best of my abilities.

[*English*]

The Chair: We'll stop for a minute.

Let me welcome those who have just arrived, and I'll briefly tell you how we are going to begin.

We're going to ask you for an opening statement, a very short one, as the clerk had asked you to do, and then I will ask members of the committee in the traditional speaking order that we follow in the committee to comment and ask questions. Then I'm going to open it up for a more fluid, casual conversation.

Ms. Bessey, are you ready, or would you like me to go to somebody—

Ms. Darlene Bessey (Vice-Chair, Voluntary Sector Forum): I'd like a few minutes, if I could. I'll give this to translation later. I'll get myself organized.

The Chair: I'll start at the other end.

Madame Thibault, would you like to begin?

[*Translation*]

Ms. Charlotte Thibault: It is rare for *Ts* to go ahead of *Bs*.

Relais-femmes is a feminist organization that was created in 1980. It organizes training and does research with and for women's groups. Some 70 local, regional and provincial women's groups are members of Relais-femmes. It is funded by various funding agencies, including Quebec's ministère de l'Éducation, du Loisir et du Sport for training, and also, the Secrétariat à l'action communautaire autonome.

Relais-femmes is not a registered charity. It cannot, therefore, hold fund-raising campaigns. A reliable source informed Relais-femmes of the fact that some projects had systematically not received funding because Relais-femmes is feminist.

Prior to 1998, Relais-femmes received a support grant from Status of Women Canada to fund its mission. Since then, it has received project funding. Relais-femmes would like the committee to assess the impact of project funding on the missions of groups, the quality of their work and on workers. This goes to the very core of social justice and equality for women. We would also like the committee to ensure that these groups be able to continue to do their work under the best possible conditions.

Thank you.

•(1535)

[English]

The Chair: Thank you very much.

Ms. Scott, are you ready?

Ms. Katherine Scott (Vice-President, Research, Canadian Council on Social Development): Yes, I'm pulled together.

Hello. My name is Katherine Scott and I'm the vice-president of research at the Canadian Council on Social Development. We're a national organization, pan-Canadian, based here in Ottawa. I like to describe ourselves as the grand old lady of social policy. We've been around since 1920. Charlotte Whitton was our first president back when we were the Canadian Council of Child Welfare.

We've been involved certainly with research on the non-profit sector for a number of years now. We're a founding member of the voluntary sector round table, which was the forerunner, as you probably know, of the voluntary sector initiative. And more recently—and this is one of the reasons we've been invited to address this committee—I've done research on funding in the voluntary sector, and certainly funding of women's organizations was the focus of that work.

I'm happy to distribute the summaries we've done of our report in French and English. I've distributed them to the clerk. It summarizes really the significant capacity challenges that non-profit organizations and voluntary sector groups, both charities and non-charities, now experience in communities across Canada.

I'm happy to review some of these challenges with you and to talk about where we see some positive change happening, because I really think we have a critical problem. This problem is evident with Status of Women as well and the groups it funds. I think there are ways we can improve the capacity of organizations to carry out the important work, certainly those groups that work on behalf of women in Canada.

Thank you.

The Chair: Thank you.

Ms. Richmond.

Ms. Penni Richmond: I'm Penni Richmond, the national director of the women's and human rights department for the Canadian Labour Congress.

I did not fill out the survey because we do not receive any funding—project or core, in the days when it existed—from Status of Women Canada. That is a conscious decision, given the very few resources that are available for women's organizations. We did not want to enter into competition with our allies in the women's movements and organizations.

We have worked closely with women's organizations and other equality-seeking groups for many years. We work in coalition. We've been working with NAWL and 200 organizations that have signed on for achieving pay equity in the federal jurisdiction. We're working at the moment with child care advocates, hoping that we'll actually achieve a national pan-Canadian child care program, and so on. We're very concerned about the vibrancy and sustainability of such

groups. They're important to the work we do, and we think they're very important to Canadian society.

I was at many women's consultations, in the days when they existed, with Status of Women Canada, so I know the nature of the debates. We're very much in favour of core funding as well as project funding, and we really thank the committee for taking this up. How organizations can plan and sustain their infrastructure and do the important work they're doing when they're lurching from project to project, from application to application, not knowing when the approvals are going to come down, if the staff is going to be around or if there will be any staff—these are really quite important issues, and again we thank the committee.

I just want to say we also commend Minister Dryden, who has just brought in multi-year funding for disability rights organizations. That's a really good thing to look at, and it shows a way forward.

Thanks.

The Chair: Thank you very much.

Madame Hébert.

[Translation]

Ms. Danielle Hébert (Executive Director, Fédération des femmes du Québec): Good afternoon.

I am the Executive Director of the Fédération des femmes du Québec. I would like to start by thanking the committee for having invited us to this meeting, because the issue of funding for groups is obviously crucial. To be concerned about it, in my opinion, is a sign of health within a democratic state.

As you know, because we have already appeared before this committee, the FFQ is an advocacy organization. In passing, it is more difficult for this type of organization to obtain funding than it would be for service groups, for instance. Advocacy groups are finding it increasingly difficult to obtain funding.

The work we do is a direct offshoot of the federation's mission, in other words, the fight against discrimination, violence, poverty and the adverse effects of globalization on women. So, those are the main areas we are focusing on at the moment.

I would like to mention another funding challenge we have had to take up. We have to find a way to fund the full-time President of the Fédération des femmes du Québec's salary. At this point, no funding agency is willing to fund her salary, in spite of the fact that she does a tremendous amount of work.

What are our current funding sources? We have several: the women's program, the Department of Canadian Heritage, Justice Canada, Quebec's Secrétariat à la condition féminine, Fondation Solstice, and Quebec's Secrétariat à l'action communautaire autonome. It is positive to have several, but it also means a number of reports and requests have to be made by an organization which has very limited resources.

We also happen to be a registered charity, which means that, every year, we engage in fund raising activities.

Like my colleague Charlotte, I would like to end this part by saying that the committee should take all necessary means to establish what impact project funding has had on groups. It may vary depending on the various groups. You should go see regional and local groups to get an accurate picture of the impact project funding has had.

Thank you.

● (1540)

[English]

The Chair: Thank you very much.

Ms. Bessey.

Ms. Darlene Bessey: Good afternoon.

I was invited here today as a representative of the Voluntary Sector Forum. I previously presented to the committee as a representative of the YWCA of Canada. I am the national chairperson for YWCA Canada, so it's a little difficult for me to take off one hat and wear the other because they're quite integrated.

I would like to say that women's equality-seeking organizations are an important part of the larger non-profit voluntary sector, which is at the heart of communities across Canada and touches the lives of millions of people each day. Women's equality-seeking organizations provide a voice for issues and concerns that are often not heard elsewhere.

At the forum we've been focusing on the issue of core versus project funding for some time. Problems related to financing and funding are the single most important issue facing voluntary sector organizations. The voluntary sector cannot deliver on its mission without adequate, stable, and sustainable financial resources.

The move away from core funding to short-term project funding has had a significant and negative impact on the sector. Recent research, and the research Katherine Scott referred to in her report called *Funding Matters*, has made it clear that how the sector is funded is as important as how much funding it receives.

Project funding is by nature short term and driven by changing priorities. It limits the flexibility that organizations have in responding to their communities' needs and requires that they reshape their mission and programs based on the shifting preferences of funders.

The short-term nature of project funding requires that more time and resources are diverted to accounting for funds and developing proposals for new money. This is time that would otherwise be spent on delivering the important programs and services needed by Canadians. Project funding often fails to cover the actual costs of program operation, and this diverts resources from other parts of the organization.

Core funding provides longer-term support for organizations and their missions. It ensures that the foundation is supported, including its human resources, financial management, board governance, and operational costs, so that organizations have independence and flexibility. Organizations with core funding can plan for the long term and ensure that important programs and services will continue.

The Chair: Thank you very much.

I'm going to begin with the official opposition. I don't know who's taking the lead.

Is it you, Ms. Yelich?

● (1545)

Mrs. Lynne Yelich: I'll just ask a couple of questions, and then my colleague will ask some.

Ms. Richmond, you said that the Canadian Labour Congress does not have any funding at all. Do you have a membership then? Is that how you're funded?

Ms. Penni Richmond: What I said was that we have not applied for any project funding from Status of Women, but, yes, we do have three million members with affiliated unions, all of whom, through their unions at the national level, pay the CLC.

Mrs. Lynne Yelich: Ms. Thibault, I just wanted to ask you if you would explain something. You said that some of the groups had feminist leanings and were therefore disqualified from funding. Would you care to explain that to us?

[Translation]

Ms. Charlotte Thibault: It was not the federal government, but rather the current provincial government. We were told, by people close to the selection boards, and for one specific project, that funding had not been granted to us because we were too feminists.

[English]

Mrs. Lynne Yelich: What qualifies as "too feminist"? What definition is being used?

[Translation]

Ms. Charlotte Thibault: That is a departmental mystery. What I do know, is that Relais-femmes has been working with provincial women's groups in Quebec and numerous regional groups for the last 25 years to carry out research and training with and for women.

[English]

The Chair: Ms. Grewal.

Mrs. Nina Grewal (Fleetwood—Port Kells, CPC): Thank you, Madam Chair.

Thanks to all of you for coming, for your time and your presentations.

If core funding was to be given, at what level should it be allocated—to national or regional organizations, or to front-line organizations such as shelters for battered women? What criteria would you propose to determine which groups would receive ongoing core funding?

If the Canadian government agreed to provide you with core funding, what funding regimen could enable you to reach the majority of your objectives?

The Chair: Who would like to take that on?

Ms. Thibault.

[*Translation*]

Ms. Charlotte Thibault: I can only tell you of the situation in Quebec, when it comes to women's shelters and women's centres.

The government of Quebec has internal programs which fund women's shelters and women's centres. I think the funding they get from the women's program is used for advocacy or education rather than for services. As far as I am concerned, services should normally be funded by the provincial government.

[*English*]

The Chair: Ms. Scott.

Ms. Katherine Scott: The question of core funding and project funding needs to be unpacked a bit. Organizations need different types of funding, and setting it up as a dichotomy isn't useful. Organizations need ways to fund their core functions. But they also need project funding for the short term.

So when you're looking at funding, you're looking at a mix of instruments. It should flow from the purposes of the organization. The particular mix will be specific to the organization in question. All of these organizations need a mix of funding instruments. It is not enough to say that pan-Canadian organizations should only have project funding. They have core functions as well. They still have to have governance, outreach, financial and fiduciary responsibilities—all of which are core functions that they need to find the funds to cover off.

We need to start getting away from this binary system—core funding, bad, and project funding, good—to understand that groups need a mix of funding instruments. They all face administrative costs or capacity costs, just like private sector organizations. For 18 months, I have gone out and talked about this to groups across the country. It is extraordinary. If you really want to get the voluntary and non-profit groups going, just talk about funding. People from the private sector would never agree to the terms under which non-profits are expected to carry out their business. They would charge administrative overhead significantly above the 5%, 10%, 15% allocated to non-profits to carry out all their responsibilities, including the accountability and oversight functions imposed by federal departments. We have witnessed the HRSDC problems unfolding right now. Funders must recognize that these are legitimate expenses and come up with funding formulas and reasonable approaches.

The question about who gets core funding is a difficult one. It depends on whether you draw a distinction between groups that have base funding and those that don't. Groups would like to be consulted about how you generate criteria to meet those selections. Part of the angst and the anger comes from the cherry-picking approach. It is very divisive.

Part of the solution is to enter into more constructive dialogue with organizations about funding vehicles. We're not even talking about amounts of money. We're talking about how they're funded. We need to create a more positive outcome for groups.

● (1550)

The Chair: Thank you.

Madam Hébert.

[*Translation*]

Ms. Danielle Hébert: I would like to add that the document produced by this lady serves as an inspiration to us. According to me, organizations which are unable to secure core funding from another contributor because of their mission should come first. That is in fact the case for advocacy organizations. I mentioned it earlier on.

Acceptance criteria should be more flexible in adapting to the missions of various organizations: there is some rigidity in the process. The funding to follow through with projects is currently very difficult to obtain. Some financial backers constantly require new projects. However, it is exhausting to constantly create new projects and it does not allow for the consolidation of projects we consider worthy. We would like to consolidate them.

With respect to core funding for infrastructure, we need a mix of funding which takes into consideration the reality within which we work and which also gives us the necessary infrastructure to implement the projects we are referring to. Infrastructure is essential: you need an accountant, you need an intake worker. At the moment, none of that is funded or it is barely funded. So we need joint financing. Thank you.

[*English*]

The Chair: Thank you.

Ms. Bessey.

Ms. Darlene Bessey: I would just like to very much support Katherine's comments about the fact that many groups need a combination of funding. It's not one or the other.

I do believe also that we need to be looking at women's equality-seeking organizations that receive funding for the work of achieving women's equality. There are many organizations that have received funding in the past that are not women's equality-seeking organizations. They receive the funding and then they source out the contract, and in fact they don't have the greater interest or oversight with respect to achieving women's equality.

I also want to remind you of the accord and codes to which the federal government is a signatory, and I've actually brought from the Voluntary Sector Forum a few handouts about what the accord and codes of good practice are, because those documents do set out a framework for undertaking a dialogue on these issues.

We feel within the voluntary sector that things have not actually gotten any better since those documents were agreed to, and in fact in many cases they have actually gotten worse. We are challenged when we go to departments and basically say, this is the accord and codes, this is the framework within which we have all agreed to work within, but still we're getting organizations that are getting a month's notice that their funding is not going to continue. They're tied into leases for equipment, so they need to give more than a month's notice.

I know these are things that I'm sure you've heard from other groups. Again, they're examples of the challenges the voluntary sector has with respect to project funding that can come and go at the will of the funder, as opposed to substantive core funding that enables them to plan long term.

The Chair: Thank you.

Madame Brunelle.

[Translation]

Ms. Paule Brunelle (Trois-Rivières, BQ): Good afternoon, ladies. It is a pleasure to see some of you again.

Personally, what I am very interested in in terms of project funding, is to see how, through funding, we can create good working conditions for women.

If you are dealing with projects' funding, it must be difficult for staff to share skills and experiences. Moreover, you cannot offer the same working conditions on a project, nor the same quality of work.

You were referring to advocacy groups and umbrella organizations, such as federations, which are having a difficult time obtaining core funding. I was wondering why.

Ms. Hébert, you are referring to joint financing. Could you explain how this would work.

• (1555)

Ms. Danielle Hébert: Personally, I would like to say that I am relatively new to the world of grants. I am rather shocked to see how the lifelines of these groups are very often jeopardized by the *modus operandi*.

When I refer to a blend of funding, I mean to say that I believe core funding should be enhanced compared to the *status quo*.

At the Fédération des femmes du Québec, a rather large organization, we have a guaranteed core funding of \$70,000 per year, and that is it. We do not have enough assurances in terms of our infrastructure. We would need more core funding than what we currently get. Of course, there could also be projects. However, I want to stress the fact that if projects are funded, they must also be consolidated, and continued.

I am thinking of one particular financial backer: the fact that they consider last year's project as no longer worthy and needing to be replaced by something else this year is an aberration. In my opinion, that is no guarantee of viability. Moreover, it means that an organization's mission could be jeopardized, in a way, because we have to be able to guarantee our basic mission. However, if our mission does not fall under project priorities, we cannot simply take another direction. We have a mission, we have a mandate which was voted on and adopted at our general assemblies.

I will give you a specific example of the situation we are currently dealing with. It is never easy, because it always involves a lot of steps, but it is easier today to receive funding, from the federal and provincial governments, for any discrimination-related issue, be it racial or otherwise.

We can get more, I admit, but the Fédération des femmes du Québec cannot strictly focus on this matter. Which means that

sometimes our mission may be... If we get project funding, we have to be able to consolidate our work and adjust all of this. Funding should be flexible when it comes to organizations' missions.

Ms. Paule Brunelle: What is your opinion on the distribution of core funding versus project funding? For instance, should core funding represent 60 per cent of total funding versus 40 per cent for project funding?

Ms. Danielle Hébert: I will ask for some assistance from my colleagues.

Ms. Charlotte Thibault: I think it depends on what is being funded. Often, it is more difficult to get funding for the management and representation side of our work than it is for research or educational activities. I would say that is the norm when it comes to advocacy and administration.

There are some aberrations such as when we are asked to be accountable, for instance, but we receive no funding to pay for the chartered accountant to look into our books, because that would be considered administrative or support work. That is how ridiculous things have become. And you understand the type of bind we are in.

I want to address the issue of working conditions for workers within a women's movement. I would like to refer you to something which is a first in Canada, I believe, at this point, there is some research being done on occupational health and safety for women's shelter workers in Quebec. According to the study, these women experience a high level of stress, and a very serious study is being carried out in co-operation with the Université du Québec, at Montréal, to find solutions or possible solutions to this problem. I think it is a first in terms of studying occupational stress in this sector in Canada.

Moreover, Relais-femmes is currently carrying out a project on pensions for workers in the community sector and women sector. We have asked for changes under the regulations at the Régie des rentes du Québec. The question is before the Quebec cabinet. An actuarial study should take place so that we can implement this type of pension scheme. I know that Canada wide, there is a similar project under way on the issue of working conditions.

So it is very difficult to come up with a percentage. At Relais-femmes, for instance, there are years where we receive \$70,000 or \$80,000, mostly for operations. So it is core funding. Added to that, we also seek out projects. Some years, we may have \$160,000 to \$250,000. So it is a bit difficult to give you a percentage.

• (1600)

Ms. Paule Brunelle: Perhaps we could agree on the fact that projects may vary, but that, in terms of core funding, there is basic administration, and a salary for the president. There always has to be a core.

Ms. Charlotte Thibault: Absolutely. That is what we used to have.

[English]

Ms. Katherine Scott: On the approach that we've done a lot of work on, we're trying to look at this issue with one of our partners, Social Development Canada. It's not coming up with a mythical figure, where if you had project funding and a 50% administration fee, that would cover it.

We've actually come up with a formula that recognizes all of the core functions that organizations have. I've brought copies. We have liability insurance for our board, administrative costs, and human resource needs, the costs related to hiring and maintaining people. We've come up with a formula, which recognizes what we believe, in order to generate a percentage on the project work we're doing with Social Development Canada.

They're trying to pilot this in different ways. SDC has actually signed off on this, which is interesting for you to know, because some of this work is happening in the federal government.

We believe this is a way, through the project funding vehicle, that the core function can be recognized and compensated for, as well as the idea of core funding per se, which in my head means grants, and the way that can be used. I think there's a role for that as well, but even with project funding, you need a way to cover off core functions.

The language doesn't help sometimes, There is this idea that you get core funding or project funding. All groups have core functions that they need to carry out. We have to look at a vehicle for doing that. There is some creative work going on in accounting.

I'm happy to share this information with your committee as you look at Status of Women contracting as well.

The Chair: Thank you.

I'm going to move on.

I only want to remind committee members that after we finish this round, I have a list going already.

Ms. Bulte, and then Ms. Crowder.

Hon. Sarmite Bulte (Parkdale—High Park, Lib.): Thank you very much.

Thank you all for coming.

Ms. Scott, could you, through the clerk, give us what you've come up with as the core functions?

Ms. Katherine Scott: Absolutely. I've brought it with me.

Hon. Sarmite Bulte: I think that's very important, because we need to know if we can come to a definition of what core funding is as such. I'm sure that will vary from place to place.

One of the questions I want to follow up on is on what you said, Ms. Scott, when you talked about the importance of improving capacity-building. That's not something that's only needed for equality-seeking organizations. It's something that I think you'll agree is required in the volunteer sector. Many times you are working with volunteers and you don't need that. Do you think there

would be a need for a special program to actually help develop that capacity-building?

Ms. Katherine Scott: It's an interesting question. I was just at the Prime Minister's task force on sustainable cities, a subcommittee that met yesterday in Toronto. We were talking about social sustainability and the role of non-profit organizations in communities across Canada in their capacity to carry out their business—whether it be in service provision advocacy and the like—and link citizens together, in representing interests and views.

Non-profit organizations carry out many roles in our communities, as you're well aware. The issue of their capacity to do so is severely challenged by the way we currently fund them. So I believe this should be an issue of primary importance.

Just to bring it into focus, Canada is actually quite unique in the relative size of its non-profit sector. That is how important it is. A recent study has been done internationally. We have the second-largest non-profit sector engaged in service delivery in the world. We have a unique model. So this issue of capacity among the scale and scope of non-profits is a critical issue.

Looking at the issue of financing vehicles is one. For instance, you may be aware they are opening a sector council in Human Resources for the voluntary sector. It's a tremendous initiative that will again help build the capacity around human resources issues in non-profit organizations. There are the initiatives that go to support volunteering in communities through the Canadian....

There's a good deal of scale—more scope to look at creating a much more sustainable base for community groups that actually have paid staff, as well as the over half of them that don't. The voluntary sector in Canada has over 200,000 groups, and half of them actually don't have paid staff. They face unique capacity challenges as well.

● (1605)

Hon. Sarmite Bulte: I also noted your comment that it's important to consult on criteria. One of the problems I found in government is when you do get money that's set aside for a certain amount, people are always oversubscribed. How do we ensure that the right organizations get the money? Madame Hébert talked about not giving money where they source out the contract. How do we ensure that the right organizations...and how do we define the right organizations if we have a limited pool of money? How do we determine...?

I guess this goes back to Mrs. Grewal's question about whether they should be national, regional, or local organizations. Assuming we have a fixed amount, how do we determine that? Is it by peer system or other systems, or simply by ensuring that the criteria are there and it's on a first come, first served basis?

Ms. Katherine Scott: I'm sorry, did you want a response? Yes? All right. I'll start off by saying I think this is a difficult question.

When I was doing the research for my book, I actually had a number of focus groups for funders, because it's very interesting to talk about people on the front lines in receipt of these applications and about how they experience it. They have a number of really legitimate concerns around things like risk management. They're used to spending public dollars, and how do you know that this organization will actually render the service you want? How do we know? These are legitimate concerns. How do you know what functions are important to support, service delivery advocacy functions and the like?

My response would be, I think it's wholly within the right of funders to articulate a set of goals for a particular pool of funds, public funds in this case, to communicate those broadly, preferably to consult on them, and then to establish criteria to establish that. The flip side of this is that I think it's wholly incumbent upon funders to provide resources to organizations to participate and engage in that proposal process in a way that some of the private foundations do, Trillium and the like. They should actually be working with groups to make applications and to make decisions based on that.

I don't think there's ever going to be an easy answer. I would just hope you don't ever say we'll only fund service providers, we'll only fund advocacy organizations. With that, you're cutting your nose off to spite your face, and as messy as it is, a collaborative process to establish funding priorities I think is the appropriate approach.

I also have another point on that. Much of the funding today is really targeted. Funders say what they would like to fund, and it's through competitive RFPs. It's United Way saying it will only fund programs for children under six in its Success by 6 initiative. Then there's donor designation, which is when you can check off a United Way form that will only direct.... This really basically eliminates the pool of money available to non-profit organizations to respond to needs in the community as they see fit, other than through their own fundraising efforts. There's very little responsive money left in the system.

I had this really interesting exchange with a program officer in Ontario on this subject. This program officer said it used to be, 10 or 15 years ago, that if a problem came up, whether it was a whole group of new Canadians coming and trying to access the education system or the like, the non-profits in town would get together and there would be a collective think about how to respond to that problem, whereas in the current funding model all the groups are retreating. There's no money. They have been pared to the bone. They have no ability to collectively respond to emergent problems because all the money is tied up in programs that only fund children with blue eyes and green hair, or dogs with long tails or short tails. There's no give in the system, and this is one of the things that I think it's important for funders to keep in mind as they structure funding calls, that there has to be a degree of responsiveness to meet community need.

[Translation]

Ms. Charlotte Thibault: I do not know if this is true for the women's program, but in our case, part of our funding was set aside for new initiatives. That allowed for the carrying over of some

interesting programs. I think it has proven to be very useful in the past .

I think it is important for criteria to be developed with women's groups. However, they should not be the ones making the selection. Program officers have to do their work, deal with the selection of groups and so on.

And finally, I simply wanted to add that when I was referring to service groups, I was referring to the Quebec model, given our specific situation.

•(1610)

[English]

The Chair: Thank you.

Ms. Crowder.

Ms. Jean Crowder: Thank you for your presentation.

I'm going to change the focus a little bit. Ms. Richmond talked about the vibrancy and sustainability of women's organizations, and there are people who actually use these organizations. Madame Hébert talked about the democratic process and Ms. Bessey talked about the fact that.... You didn't specifically reference it, but Jeremy Rifkin's book, *The End of Work*, the theme of which is the end of work as we know it, talks about a real change in the voluntary sector.

I wonder if we could shift for a minute away from the organizations, because we know the organizations that are refusing the change in funding have been impacted, whether it's their capacity, whether it's their ability to respond.... I wonder if you could specifically comment on what you see happening to the actual women in the community, not the organizations. If we continue on this path, what is going to happen to the women and children who are the users of these organizations, or who benefit from the services or the policies, or whatever? Where do you see that going? And what have you observed about how it has impacted on women's real lives in the community right now?

Ms. Darlene Bessey: Certainly there have been recent issues with employment training programs. There is a whole host of employment training organizations, and certainly we have some YWCAs across the country that provide those services, which were told, with very little notice, that their funding would not be renewed and that there are some new service providers that have come into the mix and they are now getting the funding.

These are not short-term initiatives. Employment support and training programs are not six-week, not six-month, and sometimes not one-year programs. Many of the women involved have multi-dimensional issues they are dealing with. They often need service providers and agencies that can address everything from child care to providing shelter services to employment training.

Many of those women, quite frankly, are now left without service, are now left without the organization they're comfortable with. To the best of my knowledge, the organizations that did not get funded did not really receive a very good rationale for why the funding was discontinued, other than the fact that it's an ongoing RFP process on an annual basis and other organizations were chosen to deliver the services.

I think those are real examples of how women and children can all of a sudden lose some stability. Again, I think often we're looking for easy fixes to many social issues and social realities women are facing that are not going to be solved in a short period of time. Those women and children need to know that the agencies are going to be there for them in the long term.

The Chair: Madame Hébert.

[Translation]

Ms. Danielle Hébert: As I mentioned earlier, some financial backers constantly want to see new projects, which does not allow for in-depth work on problems we are already addressing. In that regard, they will not be resolved this year, and I think that is a significant result. The fact that funders focus on certain types of projects sometimes leaves us into areas which do not necessarily correspond to actual needs.

This year, on two occasions, we received calls from financial backers asking us to deal with a specific issue. Was it really a priority, an important matter or an issue that falls under our mandate? Not necessarily, but in such cases, they pressure us and tell us that if we deal with a specific question, funding will be made available. You understand how difficult this is, once the needs have been established, that we have a mandate, etc. This is the type of problem we may encounter with project funding.

•(1615)

Ms. Charlotte Thibault: The women's program used to come under a branch of the Secretary of State called Citizenship Development. I think that will give you the most accurate picture of women's groups funding.

Often times, it is a first opportunity for a woman to move out of her isolation, find out about literacy courses—which may be available on site—or obtain information on violence. In some cases, it is where, as immigrant women, they will learn an official language and share with other women. They may learn to cook and have access to day-care services. That is the current situation. These groups often give women an opportunity to realize that their personal problems are really collective problems. It could encourage them to get involved in advocacy work and political action. Essentially, this is what women's groups offer to women.

[English]

The Chair: Thank you very much. I am going to move to Ms. Kadis, who has to slip away shortly, and then I will open it up for another round.

Mrs. Susan Kadis (Thornhill, Lib.): Thank you. I appreciate that, Madam Chair.

Welcome, everybody. I think we've gained a lot of insight—I know I have—today in what appears to be a multi-layered scenario.

It has brought a lot to light, issues that perhaps are a mixed bag of funding models that hadn't been on the table per se in such a fashion.

I'd like to know what voluntary sector organizations such as yourselves or other, alternative ones are doing, what strategies you're employing to cope with these challenges. What is the response?

Ms. Katherine Scott: I am happy to leave a copy of the book. I document different challenges.

Organizations do a lot in order to sustain their programs. If they don't receive enough administrative funding to cover off core functions, what they do in effect is try to look for other sources, whether that be in drawing on volunteer labour, a move to temporary contracts for staff....

I did a survey, actually. The number one strategy obviously, because labour is your highest cost in a non-profit organization, is to move to more temporary contracts. You will leave positions unfilled and hope to basically backfill while other members of your team come in to try to carry out that work. You won't cover off main governance types of issues—you may or may not. You will let your outreach drop. Your accountability to members will lapse, because we're in a funding model that privileges accountability to funder, as opposed to accountability to board and to the multiple constituencies that non-profits are.

Where groups are larger, they will try to cannibalize themselves from other programs. That's in effect what happens. They will try to cross-subsidize with other program funds, whether they have sources of unrestricted moneys, whether it's through their own fundraising efforts or their membership funds, basically trying to channel money into....

Government is one of the worst offenders. I have a colleague in Toronto who did a detailed financial study of 10 organizations in Toronto. They found that, on average, government underfunds 15% on its service contracts, and what organizations were in effect doing was using United Way funds to pay off their obligations for staff and the like.

Really it's only large organizations that can afford to do this for any length of time. It's a funding environment that actually privileges large, multi-service organizations, because they're the only ones that may or may not have access to commercial credit. Most organizations don't have lines of credit. When I was talking to recreation groups, for instance, I kept on hearing stories about the executive director who took out the second mortgage on his house in order to meet payroll. That's not an uncommon story in the sector. Large ones obviously have more latitude, more financial resources at their disposal, but the small and medium-sized ones struggle tremendously and create tenuous working conditions for their staff and volunteers, which leads to the program outcomes Ms. Crowder was referring to.

They attempt to square the circle. It's just that the stress related to doing that is becoming acute, and it's needless; there are ways we can improve the capacity of these organizations to do their work.

• (1620)

The Chair: Would anybody else like to comment?

Do you want a further question? Go ahead.

Mrs. Susan Kadis: You have touched on, I believe, Trillium. I was going to ask you about alternative models, provincially or otherwise, that you've found more responsive to the needs of women's organizations, something that perhaps we can come forward with in terms of potential proposals.

Ms. Katherine Scott: I wouldn't say Trillium in all ways and shapes and forms; I want to put a caveat on that right away. Trillium has an interesting approach in the way it designates funding officers to work with groups to prepare applications.

One of the proposals—this is a segue—in the last budget was the idea that non-profits actually have very few resources to draw upon. If you think about a small business in your community, it might be able to go to Industry Canada for credit counselling and a variety of supports. Non-profits, many of whom have large budgets, don't have that same type of support. But on the whole, in terms of exemplary funders, some of the foundations are very good. Some of the United Ways have excellent funding practices. The United Way of Toronto actually has some very interesting risk management tools at their disposal that are interesting to look at.

For women's organizations, I draw your attention to the work of Dr. Betsy Trout, who is an economist at the University of Manitoba—or the University of Winnipeg; I always get the two mixed up. Betsy has looked at this and identified exemplary fundings, one of which was the Manitoba government's program to fund anti-violence programs, which organizations recognized as exemplary. So there are examples of work trying to identify exemplary funding practices.

As well, there is a huge amount of literature from the United States. In Canada, we're always on the wrong side of the pendulum. You see some of the swing coming back in the U.S. now with some of the major foundations, which again are looking at funders' networks, proliferating good funding practices to create better outcomes for communities.

The Chair: Thank you.

I'm going to move on to Ms. Torsney.

Hon. Paddy Torsney: Thank you.

Earlier, a couple of you identified that it is about social infrastructure. Isn't the kind of work you're providing as important as the roads, as the housing, and as the health care system?

When we were doing our hearings we had some panels before Christmas, and that was something we had started to realize. Look, this is part of our infrastructure as a country. It's what makes us successful. It's important. I don't know that everyone has really understood that well enough, so how do we really get that message out?

In my community, the social planning council is now called Community Development Halton. There's been a name change

because that's important. They have very strong support from the business community. People get the fact that it's in everybody's interest to have everybody in our community move up—or they mostly get it. We're certainly willing to help. How do we get that message out?

Ms. Scott, you mentioned some of the changes in terms of funding and the paperwork and even in terms of the groups that are applying for money that spend month after month, if not years, trying to get the applications through. They may not have the capacity. There may be places where we need to actually encourage people to set up organizations for communities that aren't as blessed as mine to get going. Since the HRDC issue of a few years ago, the HRDC staff aren't even allowed to be so involved with getting applications done. So there was an Auditor General kind of chill that I think has been destructive to our social infrastructure.

Is there work being done to establish good practices with that office so that they understand the value, because it is in their interest too?

And in terms of next steps, I know, Ms. Bessey, you've identified...and I think a couple of other people mentioned we need to set up a process for going forward. We don't want the groups to compete with each other necessarily, but if we're going to set something up, if we're going to say to the minister, "Set up a certain number of dollars, we think it should look like this, and sit down with these groups and have them work out how they want it funded, and then get going", that would be the core funding piece. Of course, then there is project funding on top of that.

Do you have some guidelines on how we should be establishing that process as we move forward? I think around the table most of us are quite interested in giving very practical advice on how to get that up and running as quickly as possible.

• (1625)

[Translation]

Ms. Charlotte Thibault: You have raised several questions, including the filling out of applications. Twenty years ago, I was part of women's groups. Back then, an educated person who was used to filling out grant application forms for the Women's Program could do so over the course of a few hours.

Today, the average person is completely unable to fill out an application form when sitting down at the table with neighbourhood friends. I do not object to the results-based approach, but the fact that women's groups have not received training and they do not get sufficient support to deal with this approach is certainly complicating matters. The process has become more bureaucratic, more "professional" to meet demands. I am referring to the program because that is what we are discussing here today, but there are other funders as well. It is a real problem.

Ms. Danielle Hébert: Regarding project funding, I would like to add one thing that has not been addressed. There is a period between the end of one project and the beginning of another. This is a serious problem. Moreover, acceptance deadline for projects is really very long. That is the situation we are in this year. It took so long for us to get a response on the project we are currently working on that we will be ending the fiscal year with a significant deficit. We certainly intend to balance the books next year, but nevertheless, we remain in a very precarious situation.

I wanted to add that I do not have a great deal of experience in terms of applying for grants. That being said, everyone agrees on the fact that deadlines have been seriously pushed back.

[*English*]

The Chair: Ms. Richmond.

Ms. Penni Richmond: In terms of practical suggestions from the committee, I think it would be really important for Status of Women to have a consultation with women's organizations about this. We appreciate a lot of what you're doing here, absolutely. But it's been a long time since the department itself has reached out to women's organizations, collectively, on anything, has actually spent money to bring women together to talk about policy issues, about the most important issues of the day and also about funding. I think it would be a really good thing for it to do.

The Chair: Thank you. Any other comments?

Ms. Scott.

Ms. Katherine Scott: Ms. Torsney, I understood your question in two ways. One was obviously around the processes that are in place right now to process applications, which of course are governed by Treasury Board directives and the like. Second, certainly, was your comment about the HRDC scandal. That was a sledgehammer that came down on the voluntary sector, actually no group of which was ever found to have had any trouble. Groups were swept up.

Hon. Paddy Torsney: The scandal that was not?

• (1630)

Ms. Katherine Scott: The scandal that was not, yes, for the voluntary sector, certainly. The problem with that, and the response of living with the aftermath of that.... And now, of course, HRSDC has moved in a different direction as the child—grandchild—of HRSD. It sort of boggles the imagination.

So there's a whole set of directives coming down and capacity challenges that are absolutely strangling groups and their abilities.

I think really, as part of what groups are doing on the ground, the pan-Canadian groups, a lot of the issue again in the provinces and the regions is trying to talk about the reality of living with these directives, to make the point that you're not actually going to get from us what you think you're contracting for. You would like us to be doing this work in the community, yet the circumstances are such that actually you're impairing our ability to work actively.

There have been overtures, certainly, with a number of the pan-Canadian organizations—working with the clerk, going to Treasury Board, meeting with the Auditor General. We're trying to actually mount something of an awareness campaign about the impact of these regulations.

It's not about accountability. We're perfectly willing to be accountable. We need to be accountable in ways that actually serve the needs of the organizations—our clients as well as the funders.

I think part of the second piece of that—and to be honest, this is true as a collective statement—is that a lot of the rubber hits the road in the provinces and the regions. As you'll be aware, the federal government only funds up to 10% of the non-profit sector in Canada. It's an important funder. I think the federal government should be a leader in this respect. We have a long way to go. I think you should set that as a challenge. I think the federal government should take on being a signatory to the accord and the like.

Really, the energy and political energy needs to be directed at the provincial level as well, because of course the provinces are collectively the largest funders of the non-profit sector in Canada, which is something I think we sometimes forget. That's true for women's organizations, those engaged in violence and the like. So we need to forge coalitions and alliances around those issues.

With regard to process at Status of Women, I agree wholly with Penni that it's important for Status of Women to come forward and talk about its funding arrangements with groups. It is wholly appropriate and timely to have a consultation of that nature. Certainly it's time to review even the administrative intake policies. Of the multitude of funding practices evident across the federal government, Status of Women is not an exemplary funder. It could be. It's small. You've got some manoeuvrability. Status of Women could be an exemplary funder, and I think it's wonderful that the committee is taking on this challenge.

The Chair: Ms. Crowder.

Ms. Jean Crowder: Sometimes I think because of our name, the Standing Committee on the Status of Women, people think we're actually aligned with the Department on the Status of Women. It's always a good reminder that we're not, and that the recommendations we put forward are actually meant to be taken across government departments—for example, gender-based analysis.

So when we're actually talking about core funding versus projects, a lot of the discussion focuses on Status of Women. I'm anticipating that our recommendations would go out more broadly.

I actually just have one really quick question. Last time, the women's groups that came before us talked about having us quit talking about equality-seeking organizations and start talking about women's equality-seeking organizations. I know Ms. Bessey did reference this very briefly, but I wonder if you could comment on that. What happens when we stop the focus on women's equality-seeking organizations, and do you agree with that statement?

[Translation]

Ms. Charlotte Thibault: Over the last few years, one thing that we have noted is that funding varies according to the various Canadian research groups. These groups may be very interesting and progressive, but they do not necessarily work from the feminists' perspective. Yet, they can get funding for some projects under the Women's Program.

The pie is so small that it leads to a knee reaction. Every time we try to get funding elsewhere, we are told that we have to make a request under the Women's Program, because we are a women's group.

Traditionally, it was reserved for women's groups and I would say, for the Committee on Status of Women, to look at things more broadly. We now get the sense funding is going elsewhere, and we are very concerned about that.

Given the recommendations you may make in other areas, I want to state for the record that it is a problem. In some cases, women's groups can go to other departments, but we often get send back to the Women's Program whenever we look for funding. I am not referring to the case of a provincial network of women's shelters which want to work on violence issues, but as a general rule, it is difficult for generalists' groups to go elsewhere.

Similarly, there is a trend according to which official minority women's groups are finding it increasingly difficult to access a program, which did not use to be the case. Some things are happening now which make things more difficult. It is of great concern to us, because we do not only want to count on this program, we want to be able to seek out funding elsewhere.

When we are looking for projects' funding and we want to set aside 15 per cent of it to unofficial core funding, I would like to remind you that we actually have to obtain \$750,000 worth of project funding to cover \$100,000 worth of administrative fees. That gives you an idea of how creative we have to be with all possible donors when seeking out project funding.

[English]

Ms. Darlene Bessey: Women's equality has fallen off the agenda at every level of government. There is a relationship between the lack of funding we see today and the current vulnerability of women's equality-seeking organizations. They lack capacity; they lack infrastructure.

The capacity that existed 15 years ago is not there today. I started out by saying that women's equality-seeking organizations have a voice to offer on issues, a voice you don't hear elsewhere. Other organizations do not address these issues. Quite often a lot of people do not want to hear them.

There is a myth about women's equality. It is an absolute myth that women have already arrived. We know there are fewer women at all levels of our governing systems in Canada. There are fewer women at all decision-making points in Canada. Margaret Wente's column in *The Globe and Mail* this past weekend addressed this. There are lots of systemic issues having to do with family-work balance.

I have a seven-year-old daughter. Coming from Saskatoon, I have difficulties in re-arranging my schedule. I have some capacity to do

this, thanks to my family and the organizations that support me in being here. But women's equality is not on the agenda. We need to get it back on the agenda. Women's equality-seeking organizations have to have the resources to get it back on the agenda.

• (1635)

The Chair: Thank you.

Mr. Powers.

Mr. Russ Powers: I'm a firm believer in capacity-building. We've mentioned this earlier, and I've had the extraordinary experience of being involved with both a provincial and a national group. It's funny how it has evolved. It was something you didn't even contemplate not too long ago, yet it came into being. The two groups in which I've had specific involvement are both political—the Federation of Canadian Municipalities and, in the case of Ontario, the Ontario municipalities associated with it.

The thing that's evolved over the last five years, and my question will probably take you to that, is that as the organizations realize the essential of developing capacity-building within their organizations... You've alluded to the fact that the dollars and cents are scarce. Having had a life in municipal politics for 22 years, and now, I'd say we waste an extraordinary amount of energy and dollars and cents reinvestigating the same situation where other people or other groups have already done a lot of the legwork in the past.

What these two organizations did was develop an extraordinary bank of information that, in order to be eligible for funding and to be granted the funding, you agree to share your projects. There are no state secrets. It's not locked up in the vault afterwards, and things like that. You're obligated to share. In fact, they put it on the web page, and if you ask, you get the whole package that comes to you.

Where I'm leading to is, are there umbrella groups? I didn't go into a lot of investigation myself, because I'm asking you the questions, and then I'll go back and find out whether the people who are telling us are telling us lies or whether it's indeed the truth. Are there umbrella groups? Either amongst yourselves or collectively, do you share?

I would imagine, Ms. Richmond, in your involvement with your organization, you probably share not only best practices but things that are right or maybe not. If that's not the case, then that may be an area where I don't want to shortchange the money for you. I want to make sure you have, if it's possible, the appropriate amount of money for core funding and project funding, but perhaps we can help with some capacity-building that will give you that additional pool.

Perhaps you'd like to answer, respond, or react to that.

[Translation]

Ms. Charlotte Thibault: It is very rare for women's groups not to share. First, there is the language barrier. Funding for translation is difficult to secure. So, much of the research done in Quebec is not translated into English. In that respect, English Speaking Canadians cannot possibly be aware of what we do.

In Quebec, Relais-femmes focuses on research and training with and for women's groups. Needless to say, this is an organization which is very well aware of everything that has been done in the areas in research and training for women's groups in Quebec. Moreover, we have a documentation's centre which was created by women's groups working on adult education and within Status of Women Canada. The centre has a Website. It is currently setting up a virtual library containing material produced by women's groups. This material is not published by publishing houses.

So, this type of projects exists. I am convinced there are similar programs in English Canada, in some provinces. It exists, it is part of capacity building.

However, as I was explaining, sometimes, the financial situation is extremely precarious. So, it can be very difficult to do this kind of work, sharing, which would allow us to not have to reinvent the wheel each time.

• (1640)

[English]

The Chair: Ms. Bessey, and then Ms. Richmond.

Ms. Darlene Bessey: In the Voluntary Sector Forum, some of the outcomes and products of the forum are tools to support and facilitate capacity-building. There is right now the development of a voluntary sector portal. That should be out before too long. I'm not sure of the timeframe around that. The Human Resources Sector Council is another piece. But, again, all these initiatives usually require a certain capacity for information technology, and many smaller organizations struggle with having the resources for that.

There is a coalition of women's equality-seeking organizations in Canada. Many of us around the table are part of that coalition. It is struggling to do exactly what Charlotte is saying in terms of meeting. Any time there's an opportunity to meet, where there's some funding available, we do that, and then we try to cover off all the host of other situations. But to actually physically meet in this country is a very challenging undertaking.

The Chair: Ms. Richmond, did you want to add something?

Ms. Penni Richmond: Just very briefly, I think it's also important to mention—remember—that we no longer have a national women's organization in Canada, and many of us here feel quite strongly that that is related quite directly to the change around core funding.

The reason I mention that—and I'd like to talk about that on a whole range of levels—is because that was an organization that would have been able to work with women at the grassroots level, at the regional level, at the national level, who were members of our organization, to share experiences of participatory research, of organizing successes, all of those things. In addition to the organization Darlene mentioned, we no longer have that kind of grassroots national organization that exists in Quebec with the FFQ.

The Chair: Thank you.

Madame Bonsant.

[Translation]

Ms. France Bonsant: Welcome, ladies, I hope you were told that your expenses would be covered. You can speak to the clerk, that is what he is there for.

Given the limited resources your organizations have, how do you deal with the stress caused by the constant turnover in staff? You must have people who gain expertise and who, at some point, leave. You are constantly starting over. How do you deal with that?

Ms. Danielle Hébert: It is extremely difficult. I would say that the level of stress due, among other things, to the fact that funding is difficult to obtain is significant. First, it leads to staff turnover. Then, project funding also leads to staff turnover. Workers can work on 10 to 12 projects at once. Sometimes we have to allow others to do the work, because the person who used to be there no longer has the required skills to work on certain issues.

Obviously, the level of stress due to that... I am reminded of the person who does accounting at the Fédération des femmes du Québec. She spent the past fall sending bills back to suppliers and telling them that we did not have the means to pay, for the time being. That is what she deals with on a daily basis. Some people cannot take it, they leave. I can understand them, to some extent.

This means that we are constantly on the lookout for people to work within our organizations. It is not very positive in terms of following up on certain matters, in terms of advancing the cause of women. It is an enormous challenge we have to take up on a daily basis.

• (1645)

[English]

Ms. Katherine Scott: Last fall there was an interesting study done on workplace relationships in non-profit organizations, and I would recommend that. I'll give the reference to the clerk. It was interesting because they documented the working conditions in the sector—lower rates of pay, the stress, lack of training, turnover, that sort of thing.

What was interesting was that they looked at the age breakdown of people who work in this sector under these conditions, and it really found that age 40 was a turning point. People come into this sector because they have passion for the work, and I think that's still true. If you talk to people in groups about why they choose to work in women's equality-seeking...or why they would work for an organization like mine—we're a research organization—it's the passion. But by around age 40, they may or may not have a mortgage, they may or may not have a couple of kids, they're thinking about their RESPs, and they say, "I can't afford this".

So actually in the data you can see the exit of highly skilled people. This sector is more highly skilled than the private sector. I'm going to throw that plug in right now. If you look at the educational profile of people working in the non-profit sector, it's much higher than the private sector as well as the public sector. You see people moving into the public or private sectors because they can't afford to work or sustain the stress of working in a situation where you see the revolving door and the like.

There are some really critical human resources questions that we're looking at, going down the road, and we better pay attention because these are the people who staff our homes for seniors; these are the people who are in the day care centres; these are the people who welcome newcomers to our communities.

Your question is well meant, that we know we have problems on the horizon that we need to address, and tackling funding issues is critical to addressing these problems.

[Translation]

Ms. Charlotte Thibault: For example, Relais-femmes had to reduce its budget following the reductions in funding. As a result, the three employees who used to work five days a week will now be working only four days a week as of the end of June. Actually, their status cannot change before that because they have to wrap up a number of files. I know that once they are working four days a week, they are going to try to do the equivalent of what they were doing in five days. An increase in stress is already foreseeable.

Research done in shelters shows that shelter workers experience enormous stress when, because there is no more room, they have to turn away a woman who needs accommodation. That is a fact.

I have been a general coordinator or director of women's groups for 15 years. I have to tell you that 10 years ago, I reached a point of incredible burn-out. I decided to stop looking for this kind of work, because I couldn't take it anymore, trying to find the necessary funding to secure everyone's salaries and avoid constant budget cutbacks. Since then, I have been a consultant and volunteer. I sit on boards of directors. Now, I find the situation easier and I don't envy Danielle at all. That's the current reality.

[English]

The Chair: Thank you very much.

Ms. Yelich.

Mrs. Lynne Yelich: I just have a couple of questions, the first to Katherine.

You said the government funds only 10% of the non-profit, the volunteers. Where do you get those figures?

Ms. Katherine Scott: The funding for the non-profit sector comes from a variety of sources, and we now actually have some new national survey data, which Statistics Canada released last year, as well as work with the national accounts that documents revenue sources. Government remains the largest funder of the non-profit sector in Canada. Within that envelope of "government", municipalities are predictably the smallest funders, if you think about recreation groups and the like.

I'm taking the data from a Treasury Board analysis that was done for the VSI a couple of years ago. It estimated that roughly 10% of government revenues for this sector came from the federal government, but the lion's share came from the province. Think of hospital budgets. Hospitals are charities. People debate whether they're in or out of the sector, but even when you take hospitals and universities out, still the province, engaged in direct service delivery, is the largest government funder in Canada.

• (1650)

Mrs. Lynne Yelich: I would like you to forward that....

Ms. Katherine Scott: Sure, I can give you the reference.

Mrs. Lynne Yelich: I also wanted to ask Darlene about the YWCA, because I thought it was probably an example. You tell me you other people are doing the service. Why or how did that happen, that there were new service providers for something the YWCA was already doing? I want to know why this happened.

Ms. Darlene Bessey: This is particularly in Ontario, and I know Katherine has a fair bit of knowledge about this as well.

Specifically in Toronto, our YWCA was delivering employment support programs. Again, it's required that they respond to an annual RFP for project-specific funding. With a month's notice, they were told there were new providers, but they were locked into leases on buildings and equipment. All of the funding agreements I'm aware of do not allow you to purchase equipment; you must lease equipment, and it's very difficult to get a month-by-month lease on equipment.

It gets back to this study Katherine was referring to that was done in Ontario. It's actually called "Community Capacity Draining". It was an analysis of organizations, and it showed they were using United Way funding to support their government-funded programs. In this case the YWCA had to look at incurring debt to shut down its program, and I know this was not uncommon with many other organizations in Ontario.

Mrs. Lynne Yelich: That's certainly your argument for core funding.

The only other thought I had was that nobody really talked too much about the problems we heard at the last round table. Many of our witnesses complained about the strategic outcome and how much grief there was to do the reports.

Do any of you have any comments on results-based outcome? Would each of you comment really briefly on what you would—

Ms. Katherine Scott: Can I just add a comment on the employment programs? This is a problem that's unfolding right now. HRSDC changed its RFP process last year without consultation with the community, and it's gone through a process where a number of groups...and this is happening across the country. It's particularly acute in Toronto, where a number of newcomer agencies for immigrants...also, recognize, of course, that Ontario hasn't had a labour market agreement, right?

So the attention around this is very heightened. It has become very politicized, where a number of organizations, long-standing service providers, have, for no reason they can determine, lost these service contracts. In some cases, when you take out the employment piece, this is wiping out or basically gutting the inside of an organization, like a multi-service organization for newcomers. They may well have been running a day care on the side and doing good—

[*Translation*]

Ms. Paule Brunelle: Madam Chair, would it be possible to ask our guests to speak a bit more slowly. The interpreter is unable to translate what they are saying.

[*English*]

Ms. Katherine Scott: This problem with HRSDC is happening across the country right now. It has everything to do with the new RFP process they brought in last year without consultation. Long-standing service providers, most of whom are non-profits working with vulnerable groups, have lost their funding and are being forced to shut down.

There are actually committee hearings at this very moment, as I understand it. Tony Martin I think is heading that. Is that right? It's ongoing. So they're looking into that, and they would probably have a good deal more information.

At the community level, groups are actually starting to collect the information. I just saw something from London, Ontario, right now, with 3,000 clients affected and \$22 million in programming lost over the space of a month. It's creating huge stress in the community. You have mayors, the United Way, people starting to come forward to say this can't happen.

That's just to follow up on that point.

• (1655)

The Chair: Thank you.

Mr. Powers, you wanted to say something.

Mr. Russ Powers: I would just like a continuation on that. I think some of you said specifically, and most of you nodded your heads, that you would like a mix of core funding plus project funding.

You've made the offer to assist in the development of criteria that would do that. Are there criteria, perhaps from the standpoint of both of them, that at first blush you think should be included in that? Anyone?

Ms. Katherine Scott: I would be happy to provide the information we have on new formulas we have devised for administrative and overhead costs. That is attached to our project funding.

The criterion around the allocation of core grants I think is a different issue. But again, I think the groups are happy—better to be involved in these conversations than to hear about them afterwards. I think we would all agree to that.

Mr. Russ Powers: Thank you.

The Chair: Colleagues and presenters, I'm going to suggest we wind down now. I know we're all anticipating a vote very shortly.

I would like to ask if you could each give us one minute for a pithy recommendation or a thought on how we move forward on this issue, please.

I'll start on this side, with Ms. Bessey this time.

Ms. Darlene Bessey: I would certainly recommend that the committee support and endorse the voluntary sector accord and code. These, again, provide a framework. They are the documents that the federal government lists as being a signatory to. I have these copies.

There is some excellent research that has been talked about today: the satellite account of non-profit institutions and volunteering, and the highlights of the national survey of non-profit and voluntary organizations. It's excellent information.

I would just like to remind you that the sector employs one million individuals full-time. It represents 8.6% of Canada's gross domestic product, contributing over \$71 billion to the Canadian economy. This is new information that this research came out with last year. The voluntary sector is larger than agriculture or retail trade or motor vehicle manufacturing. The sector itself was surprised to get that information.

This is a huge component of our society. We feel we're often not taken very seriously, that we're trivialized. We would ask you to take seriously...and I'm confident you do, simply because you've asked many of us back to present again. I think ongoing consultation around the criteria and processes is absolutely critical, and core funding is absolutely essential to laying down a foundation for the sector to move forward. Without that, we're going to see ongoing vulnerability and ongoing issues.

The Chair: Thank you.

Ms. Hébert.

[*Translation*]

Ms. Danielle Hébert: The committee should do everything possible to measure the actual impact of project funding on various groups. There should be some consultation, including consultation on project acceptance criteria.

It would also be essential to give very serious consideration to reinstating core funding, even before overall budgets are increased. And they should be increased, by the way.

I also believe that project funding is a very important thing. Currently, not all financial backers work the same way. Some systematically refuse to provide project funding. That seems completely illogical to me, when we know that the problems we are dealing with are not going to be solved in one year.

I will conclude by saying that it is a lot more work being poor. For example, on the weekend, we organized a huge demonstration in Quebec City for the arrival of the Women's Global Charter for humanity. We organized that demonstration, in which 15,000 people participated, with \$10,000. You can imagine all of the work it took to find things that were free.

• (1700)

[English]

The Chair: Thank you.

Ms. Richmond.

Ms. Penni Richmond: I'm not all that familiar with the ongoing, day-to-day stuff we talked about. But though the committee may be making recommendations about core funding to all departments, I'd like to underscore the potential importance of Status of Women Canada.

Most of us would like to see a strong policy. We'd like to see Status of Women play a leadership role on these issues within the government. This could be the moment for Status of Women to step up to the plate and reinstate core funding. There is a pressing need to entrench the sustainability of women's equality-seeking organizations and give more leverage to the leadership at Status of Women. Whatever you can do to make that happen would be great.

The Chair: Thanks. We're trying.

Ms. Scott.

Ms. Katherine Scott: I would encourage that as well. I'm interested in the potential of the federal government to emerge as the funder of choice, to actually look at practice from the top down. It will have tremendous impact in communities across the country.

I would recommend and commend your SD activity as a committee. I'm happy to assist in any way as a researcher in providing information to bolster your recommendations. I'll leave with you that offer of assistance.

The Chair: Thank you.

[Translation]

Ms. Charlotte Thibault: First, I would like to say that Relais-femmes supports Ms. Scott's analysis. All of the women's groups

that have read this document found that their reality has at last been described.

I would like to repeat that the switch to project funding for the Women's Program has had a devastating effect on the women's movement in Canada. In my opinion, it is important to adapt the program criteria to the core mission of the organization, i.e., fund its mission and its regular activities, fund volunteerism and fund follow-through on projects that have already been funded, as Danielle was saying. It is also important that funding for women's groups be increased.

Three-year and five-year agreements were discussed last week. I believe that it is extremely important to be able, in some cases, to consider acting over a period of three or five years. Since 1998, the people from the Women's Program and Status of Women Canada have been indicating to us that a return to support funding might just be possible, but only if there were a budget increase. I ask you to consider support funding even if there is no budget increase. Time is of the essence. In Canada, some women's groups are dying. Let's not wait indefinitely, let's act now.

Thank you.

[English]

The Chair: Let me take the opportunity, on behalf of my colleagues, to thank you for coming and for interrupting your lives. We appreciate, Ms. Bessey, the difficulty of juggling family and coming from a fair distance to make a short presentation.

If any of you have information in two languages that you can leave with the clerk, we would appreciate seeing it.

I can assure you that we will be taking your recommendations and thoughts into consideration.

Thank you.

The meeting is adjourned.

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