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EVIDENCE

**Tuesday, March 27, 2007**

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**Chair**

**Mr. Kevin Sorenson**

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## Standing Committee on Foreign Affairs and International Development

Tuesday, March 27, 2007

• (0905)

[English]

**The Chair (Mr. Kevin Sorenson (Crowfoot, CPC)):** Good morning, everyone. Welcome. This is meeting number 46 of the Standing Committee on Foreign Affairs and International Development, for Tuesday, March 27, 2007.

I would like to take this opportunity to remind all members and the witnesses appearing before us that today's committee meeting is televised.

In our first hour this morning we will deal with the main estimates for 2007-08. Appearing before us for her fourth time, we have the Honourable Josée Verner, Minister of International Cooperation. The minister testified before our committee on June 6, October 18, and November 1. So we thank her for allocating her time to this committee and being very generous in doing that.

Our committee has been fairly fortunate, in that we have had ministers appear 10 times before us in the last year, including the Minister of National Defence. Today the minister is accompanied by witnesses from the Canadian International Development Agency. We have Robert Greenhill, the president; Diane Vincent, executive vice-president; as well as Gregory Graham, who is with the human resources and corporate services branch.

Welcome.

In our second hour we will be continuing our study of Afghanistan, but this morning we are looking at the estimates under CIDA. Minister Verner will be speaking on the situation in Afghanistan as well.

So I think the minister understands how this works. We look forward to her opening statements and then we'll go to the first round of questions. Because it is the minister here today, the first round will be 10 minutes.

Madam Minister, welcome.

[Translation]

**Hon. Josée Verner (Minister of International Cooperation):** Mr. Chair, colleagues, I am pleased to appear before you again to discuss the main estimates as they apply to the Canadian International Development Agency for the fiscal year 2007-2008. I will also be happy to review our activities in Afghanistan and the results we are achieving.

Three members of CIDA's executive team have joined me today. They are: Robert Greenhill, the President of CIDA; Ms. Diane

Vincent, Executive Vice-President; and Mr. Greg Graham, Acting Vice-President of Human Resources and Corporate Services.

You will recall that this government has made a commitment to ensuring that Canada's aid programs deliver tangible results, while making effective and efficient use of resources. The main estimates for 2007-2008 include \$3.026 billion in budgetary spending for CIDA and a further \$22.6 million in non-budgetary investments. Together, these amounts represent a \$74.3 million increase over CIDA'S main estimates for the fiscal year now drawing to a close.

As committee members are aware, in last week's budget, the Minister of Finance reiterated the government's commitment to increase spending on international assistance by 8% in 2007-2008 as part of the overall objective to double Canada's international aid between 2001 and 2011. The additional 8% translates into a total increase of \$289 million in 2007-2008. These incremental funds are being provided to several departments through the main estimates, including the Department of Foreign Affairs, the RCMP, the International Development Research Centre, as well as CIDA.

The 2007 budget also provides for \$315 million in new assistance. Specifically, there will be \$200 million in additional aid for the Afghanistan Program and \$115 million in funding for a global initiative geared towards the development of a pneumococcal vaccine.

I'm proud that this year's budget places emphasis on both aid effectiveness and increased accountability. Mr. Chairman, this agency's program conforms to a three-point strategy contained in the budget. It sets out to: better target aid dollars; increase aid effectiveness; and improve accountability.

[English]

Mr. Chairman, I would like to talk about CIDA's work in Afghanistan, the single largest recipient of Canadian development assistance. Canada's contribution to the reconstruction and development of that country is improving daily life for many thousands of its people. Afghans had borne the burden of Taliban oppression. Women have been deprived of all their rights.

I would like to remind the committee that we are in Afghanistan at the request of the Afghan government. We are collaborating with 36 other countries. Our actions serve to forge links between security, diplomacy, and development. The efforts of our soldiers, diplomats, and development specialists are bringing about positive change in a very challenging environment.

[Translation]

The Government of Canada has thus far pledged approximately one billion dollars towards the reconstruction of Afghanistan, phased over a 10-year period ending in 2011. As I mentioned earlier, in its last budget, Canada dedicated \$200 million to Afghanistan. I wish to be perfectly clear: this is in addition to the \$310 million already announced in May 2006. In doing so, Canada has become one of the leading sponsors of bilateral funding in Afghanistan. Between 2001 and 2006-2007, Canada invested almost \$600 million towards ensuring the stabilization, development and reconstruction of Afghanistan.

Clearly Afghanistan is a challenging country from the perspectives of security and development. I would like to salute the efforts of our soldiers, diplomats and development officers who are working so hard and so capably. We are making progress, and I would like to refer honourable members to the report that ministers McKay and O'Connor and I recently submitted to Parliament.

Our objectives are to help the people of Afghanistan help themselves towards development, and to strengthen the country's emerging democratic practice. This means enhancing the capacity of the national government and local authorities to offer services throughout the entire country. It also involves finding a way to grant decision-making power to the country's most marginalized people. Already, Canadian aid supports programs run by the Afghans, thereby ensuring local stewardship, accountability and community participation.

I would like to draw your attention toward the main channels of intervention and the results we have achieved over the past year.

One of the cornerstones of rebuilding Afghanistan through the multilateral system has been the Afghanistan Reconstruction Trust Fund (ARTF). The fund is a key mechanism for building the Afghan government's planning capacity, its fiduciary controls, fiscal discipline, accountability and transparency. Canada is among the top five donors to this fund, which contributes through regular salary payments to more than 270,000 civil servants, including 144,000 teachers. This has facilitated the delivery of basic services, particularly in health and education.

The Afghan government is especially proud to report that over 6 million children have returned to school this month, compared to 5.4 million last year. Nearly 35% of these children are girls. This is a major accomplishment, when we consider that, by contrast, there were only 700,000 children in school in 2001—and not one girl among them.

Another solid building block that has exceeded our expectations is the Micro-finance Investment Support Facility for Afghanistan, better known as MISFA. As of January 31, 2007, there were over 300,000 Afghans—three quarters of them women—obtaining small loans and savings services. Each month, the program reaches an average of 10,000 new clients. MISFA has received very positive third-party evaluations and we are proud to be its largest bilateral donor, having invested \$56 million since the beginning of the program, including \$28 million in the past year alone.

CIDA contributes to save communities by supporting the United Nations Mine Action Service which has brought about, among other

achievements: a reduction of almost 20% of known landmine-explosive remnants of war-contaminated areas; a 55% decline in the monthly average number of victims since 2001.

CIDA was one of the first sponsors of the National Area-Based Development Program, which supports communities in governing their own development at the district level. More than 540 recovery projects such as dams, roads, bridges, and irrigation canals have been established, benefiting over two million people.

In terms of the \$200 million announced in the 2007 budget, Canada will also support other national initiatives, such as the Afghanistan Reconstruction Trust Fund, MISFA, the National Solidarity Program and the Anti-mine Program for Afghanistan, and will provide support for construction of the Spin Boldak road.

• (0910)

CIDA also supports Canada's bilateral initiatives, in collaboration with a variety of partners. These joint efforts have yielded impressive results. The Alternative Livelihoods Program in northeastern Afghanistan, implemented by the Aga Khan Foundation of Canada in cooperation with the government of Afghanistan, is helping close to 30,000 households in over 200 communities to identify, implement and sustain a wide array of projects that are improving the lives of thousands of Afghan men, women and children.

Yet another example of a bilateral initiative: the International Development and Law Organization has been active in various areas of justice in Afghanistan. This organization has trained 75 prosecutors in juvenile justice, financial and gender crimes, and 90 judges, including 16 women judges, in civil, commercial and criminal law procedure.

[English]

Turning to our efforts in Kandahar province, I am happy to say that despite the considerable challenges of operating in southern Afghanistan, we have concrete and encouraging results to report.

We anticipate spending more than \$30 million this year, five times more than in 2005-06. One of our top priorities has been to meet the basic needs of Kandaharis. The ongoing CIDA-supported measles vaccination program targets 189,000 children and 10,000 women of child-bearing age. In addition, CIDA funds a vaccination program that is now immunizing 350,000 children under the age of five against the threat of polio. This disease is making a resurgence in Afghanistan; we all know of its terrible consequences.

• (0915)

[Translation]

In further response to the basic needs of the people of Kandahar, CIDA is working alongside UNICEF, which provides vulnerable families with items such as tents and blankets, as well as health and medical supplies. In addition, our Emergency Food Assistance program has distributed over 2,000 metric tons of food to more than 10,000 families.

CIDA is proud to be a trusted partner in the National Solidarity Program, which has been successful in Kandahar and elsewhere in the country. In Kandahar province, it has helped villages to elect 482 community development councils, which have in turn delivered over 440 local development projects. For example, more than 59 kilometres of canals are now available to villagers, 14 bridges have been built or renovated and the road network has been extended by 113 kilometres.

Thanks to this program, villages can determine their development priorities and implement the projects they have identified. Since last August, more than 50 new community development councils have been established.

Mr. Chairman, I am confident you will agree that the details I have just reviewed with you clearly outline the link between our levels of investment in Afghanistan, the practical activities they are moving forward, and the tangible results achieved to date.

I will be pleased to answer the committee's questions now.

[English]

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

We'll go into the first round. Mr. Eyking.

**Hon. Mark Eyking (Sydney—Victoria, Lib.):** Thank you, Mr. Chair.

I thank the minister for coming here today.

I have two questions. My first one is dealing with Afghanistan. The second one is dealing with Africa.

Minister, you talked at great length, and most of your talk today was about Afghanistan and your commitment to Afghanistan. Over the winter we had senators and MPs visiting Afghanistan, and they were not too impressed with the developments that they have seen over there. Last week we had Minister MacKay here, giving us quite an impression that widespread reconstruction is being done in that region.

Yesterday there was an article in the *Ottawa Citizen*. There was a gentleman named Seth Jones from the RAND Corporation, and he just spent two weeks in Kandahar. He claims that while Kandahar City and the Zhari district are seeing reconstruction, virtually nothing else is taking place in the rest of Kandahar province, especially in the rural areas.

Can you explain the discrepancy between your colleague's statement that there's widespread reconstruction being done in Afghanistan and the comments by this gentleman on the rural areas? That's my first question.

My second question is dealing with Africa. Just recently a report came out from the Senate, under the leadership of Hugh Segal. It was quite critical of CIDA's role in Africa. It also had some very constructive changes that your department should be dealing with as it's trying to deal with the African situation. We made a commitment in Kananaskis a few years ago that the Canadian government was going to really make some constructive changes in Africa. We don't see it mentioned in the budget. When you look at the budget numbers, there's very little left over for us in Africa. We were

supposed to double our commitment in Africa over five years, and the budget doesn't seem to reflect that.

Those are my two questions, Minister. Maybe you can answer the first one on Afghanistan, and the second one is the role we would like to see in Africa.

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

Go ahead, Madam Minister.

[Translation]

**Hon. Josée Verner:** I thank you for the question.

As I indicated in my presentation, progress has been made in the province of Kandahar, particularly with the election of a community development council. The National Solidarity Program was also highly successful. The province of Kandahar faces a particular situation with regard to security. As we stabilize some of the areas in the province, we can carry out development work and assist local populations. In those areas where we cannot conduct development work, we at least provide humanitarian assistance.

Our government is investing in Africa. At the G8 Summit last July, the Prime Minister announced that Canada would increase its spending on educational programs in Africa from \$100 million to \$150 million and invest \$450 million by 2016 to, among other things, consolidate health systems.

One of the highlights of the latest budget was the 8% increase in international assistance. The money is there. We will most certainly spend it in the manner announced by Minister Flaherty, by targeting our resources and ensuring that the assistance is provided more effectively.

• (0920)

[English]

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

Go ahead, Mr. Eyking. Then Mr. Patry has a question as well.

**Hon. Mark Eyking:** I have one more question.

Minister, you didn't really describe enough about the Segal report and the criticisms of your department in the Segal report, especially dealing with the lack of CIDA workers on the ground in Africa and the concentration maybe here in the capital. There were some very constructive criticisms and also ideas on how we should approach Africa differently. You didn't allude too much to that in that answer.

[Translation]

**Hon. Josée Verner:** Absolutely. We are studying the report on Africa produced by the Senate. I want to point out that all was not bad in Africa, on the contrary. Among other things, we have seen that Africa has improved its democratic governance and basic health care. There has also been a decline in armed conflicts, an increase in the number of children attending schools, and, according to our figures, growth in the overall economy reaching an average of 5% a year.

Nevertheless, Mr. Chairman, we will review that report. We have already announced that we would work more efficiently and ensure a greater concentration of our resources. It is in that context that we are reviewing the Senate report.

[English]

**The Chair:** Thank you, Minister.

Monsieur Patry.

[Translation]

**Mr. Bernard Patry (Pierrefonds—Dollard, Lib.):** Thank you very much, Mr. Chairman.

Thank you, Madam Minister, for being with us this morning.

The 2007 budget includes measures to increase the accountability of Canadian international assistance programs. It states, and I quote:

Specifically, this government will examine options to ensure the independent evaluation of our aid program, providing parliamentarians and Canadians with an objective assessment of the results we achieve with our international assistance. [...] This government will provide Canadians with reporting on a more frequent basis that is easier to understand, including report cards on our effectiveness in individual countries.

Madam Minister, could you explain how the government intends to conduct an independent evaluation of Canadian international aid? What are the evaluation criteria, tools and methods that will be used to determine the effectiveness of Canadian assistance in recipient countries?

• (0925)

**Hon. Josée Verner:** CIDA is already being assessed by external peers, including the OECD. That organization is currently assessing CIDA's performance. This is a periodic review that is done every five years and which was scheduled for 2007. We will also examine how other donor countries operate, in order to be accountable and better measure our performance. We will also consider a number of scenarios. CIDA is already calling on external consultants, for such things as project or program assessment, and we will continue along those lines.

[English]

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

We'll move to Madam St-Hilaire.

[Translation]

**Ms. Caroline St-Hilaire (Longueuil—Pierre-Boucher, BQ):** Thank you, Mr. Chairman.

Thank you, Madam Minister, for being with us this morning.

You touched on an issue. In the budget, the Minister of Finance suggested that we better focus on donor countries. What criteria will be used to choose the countries we target?

**Hon. Josée Verner:** We will establish a number of criteria. We most certainly want to focus on democratic governance. We want to make sure that Canadian assistance achieves concrete results in such predetermined sectors as, for example, democratic governance and gender equality. We will look at how countries perform. We aim to be among the five largest donor countries.

**Ms. Caroline St-Hilaire:** I would like us to look at the budget estimates. It is a bit tedious, but I do have specific questions. I hope someone will be able to assist me.

We often hear about the implementation of programs to fight hunger, malnutrition and disease. I will pass over that because there

are many lines. In the 2007-2008 budget, I have noticed that there are substantial cutbacks. For example, grants will be reduced from \$10 million to \$200,000. Such cutbacks can be seen in a number of areas within the same program.

Are these cutbacks, or has the money been transferred to other programs?

**Hon. Josée Verner:** Indeed, we have changed the way the numbers are presented this year. I will let Ms. Vincent answer that.

**Ms. Diane Vincent (Executive Vice-President, Canadian International Development Agency):** As the minister has just said, we have, this year, changed the way in which our expenditures are expressed. The layout highlights those who benefit from our contributions, namely, the partner countries, by concentration and category, countries in crisis, regions, multilateral institutions and Canadian partners. This is a transition year which makes it difficult to establish a connection. This new structure will provide us with a better indication of results as they apply to the development aid recipients.

You indicated that there appear to be major changes to certain categories. There are two reasons to explain that. First, this year's budget provides less direct emergency food aid but more humanitarian aid. The amounts are lower in some categories, while they are higher in others.

The second reason is that, with Bill C-48, we can make investments in some areas, including the Global Fund to Fight Aids, tuberculosis and malaria. These investments represent \$125 million taken from the end-of-year budgets. Since these amounts had already been provided for in Bill C-48, we were able to transfer expenditures to other categories in our regular budget.

This helped to reduce our regular budget. In other words, we had already invested these amounts at the end of the fiscal year, as per Bill C-48. If you would like more details, I could ask our—

• (0930)

**Ms. Caroline St-Hilaire:** I know that, through C-48, small amounts could be provided for these programs. However, these are not small amounts, and there is more than one entry: from \$93 million to \$2 million, and \$167 million cut from \$227 million. Moreover, it does not always apply to the same type of program. I don't understand.

[English]

**Mr. Gregory Graham (Vice-President, Human Resources and Corporate Services Branch, Canadian International Development Agency):** The estimates indicate that our planned spending for programming against hunger, malnutrition, and disease is actually declining by approximately \$181 million across the various program activities through which that program is administered.

As Madame Vincent mentioned a moment ago, Bill C-48 allowed us to spend about \$125 million last October, an amount that was paid to the Global Fund to Fight AIDS, Tuberculosis and Malaria. That \$125 million payment was expected originally to be dispersed in fiscal year 2007-08. Now that the payment has already been made, we can reallocate money from that particular program and reinvest it in other programs.

I think the level of effort over a period of a couple of years will be steady, and again, we've been able to reallocate funds to meet other pressing financial priorities confronting the agency.

[*Translation*]

**Ms. Caroline St-Hilaire:** Thank you.

When you refer to encouraging private enterprises, is that through grants or loans?

[*English*]

**Mr. Gregory Graham:** You are asking about the incentives. That particular program is a program of contributions and grants, primarily a program of contributions. In principle, as with all government contributions, there is a repayable aspect to the contributions, although frankly, with respect to our contributions, a very small percentage of the contributions is actually repaid.

I'd note that there's roughly a \$4.6 million reduction in that program overall, across all the various program activities through which that program is administered. The reduction really reflects the drop in demand for that program. This is a responsive program; we receive applications from private sector firms, and in the past few years we've seen a decline in the number of applications received and a general decline in spending for that program, so again, we have reallocated a bit less than 10% of the budget of that program to meet other priorities in the agency.

•(0935)

[*Translation*]

**Ms. Caroline St-Hilaire:** Minister, you said earlier—and I'm not sure if it was in response to a question—that you would have more employees in the field than in Ottawa. It is true that CIDA is often criticized for having fewer people in the field than they have in their offices, even though those people work very hard, of course.

I would like to know how you intend to meet this very laudable objective.

**Hon. Josée Verner:** That was one of the recommendations in the Senate report. A colleague mentioned that earlier.

I can tell you that in Afghanistan, for example, our resources have increased since last year and we are intending to add even more staff there. We will take a close look at the situation and assess the resources required in each country, and we will transfer some branches. Some transfers were made last year to ensure that we have more people in the field. We must also include the locally-hired staff. These people can be of assistance to us.

[*English*]

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

We'll go to the government side. Mr. Goldring is first, and then Mr. Kahn.

**Mr. Peter Goldring (Edmonton East, CPC):** Thank you, Madam Minister. I'd like to thank you, too, for being accessible, this being your fourth visit to this committee.

I'll make a couple of comments, and then I'll ask you the question.

I noticed in your notes that there's a 20% reduction on land mines. Another report gave the idea of what that really means by talking

about 720 square kilometres of mined area; a 20% reduction is certainly significant, with 140-some square kilometres being cleared. As well, it's wonderful to see the increase in the number of children—up to six million children now—being educated, because that truly is our future into future generations.

My question is this. How does your aid effectiveness agenda fit with your priorities announced in the budget? How exactly does the effectiveness fit in with the priorities in the budget?

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

[*Translation*]

**Hon. Josée Verner:** Thank you, dear colleague.

Mine-clearing is essential for the Afghan people to safely cultivate their land. During the current fiscal year, we have invested a little more than \$30 million in clearing land mines. You must not forget that Afghanistan was one of the countries with the largest number of mines. We want to help with the reconstruction and the development of these countries, but we must first ensure that the land is safe.

The government feels that one of the most effective ways to meet our objectives in Afghanistan is to increase development aid. However, even if we improve the safety in this country, we must also provide the Afghan people with other alternatives.

That is why aid to Afghanistan was increased a first time in May 2006 and more recently in the budget, an extra \$200 million contribution was announced. That will help us to provide assistance to the government of Afghanistan. We are in that country at the government's request, and we are helping to develop the country's institutions, strengthen its structures and provide direct aid to its people.

[*English*]

**The Chair:** Thank you.

Mr. Khan.

**Mr. Wajid Khan (Mississauga—Streetsville, CPC):** Thank you, Mr. Chair.

Thank you for being here, Minister.

I have felt that our expectations are unrealistic in Afghanistan, a country with no infrastructure, no law and order, no democracy, no education, and no security. I've read the stories in the media, and I don't think they are very realistic expectations; therefore, they seem to be critical.

I stood in Kabul as a proud Canadian when I saw the work of your department and the development work that is going on.

Afghanistan has more UXOs, unexploded ordnances, than anywhere in the world. There were more bombs dropped in Afghanistan than in Iraq in 2001. There are more casualties, including our soldiers, from mines and UXOs.

What I'd like to hear from you today, Minister, is this. Can you share with this committee some positive developments on the impact of conditions on women and other issues—which I saw, but which perhaps people don't know? Give us some positive stories of success in Afghanistan.

● (0940)

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

Madam Minister.

[*Translation*]

**Hon. Josée Verner:** Afghanistan is a fragile country, and security presents a number of challenges. I will tell you about some of our achievements, particularly as they apply to women.

I have had a number of opportunities, including recently, to meet with a group of Afghan women in Toronto. They are very encouraged. First, they are extremely grateful for our presence in Afghanistan. They firmly believe that security is essential for development in Afghanistan. We have worked very hard with Rights and Democracy to ensure that the rights of women are included in the constitution. We have provided funding for women to attend vocational schools so that they can assure their future. The MISFA micro-credit program is an enormous success. Three quarters of the loans have been granted to women. That has allowed them to start small businesses and take charge of their own future.

Recently, in Ottawa, the director of one of the micro-credit branches explained that it had been created by women for women. It has been enormously successful. She gave a moving testimonial on the way in which they were able to help women.

We also allow women to access farm markets. Last fall, we announced a program. I had an opportunity to meet with representatives of MEDA, the Mennonite Economic Development Association. The women in charge of the program told me two weeks ago that the results were well beyond all of their expectations. The women participate and this allows them to grow vegetables, to sell them at these markets and to earn money for their future.

We are helping the Afghan people in many ways. I gave women as an example. We must not forget that these women were deprived of their rights, were tortured and injured. They lived in fear. The group whom I met with in Toronto was unanimous. There were about 30 women there. They become concerned when they see that the mission is becoming politicized. For them, a return to the Taliban regime would be a disaster.

[*English*]

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

Mr. Casey, you have time for a very quick question.

**Mr. Bill Casey (Cumberland—Colchester—Musquodoboit Valley, CPC):** Thanks very much.

First of all, I just want to say I went to Kenya in January, not on a government trip but with an NGO. I needed some help when I was there, and your representative there, Steve Weaver, was extremely helpful to me. He lined up some meetings for me with the minister of agriculture. I just want to recognize that your office really bent over backwards to help me do my job over there. I appreciate it very much.

Mr. Greenhill, I think when you were here before Christmas we talked about CIDA's involvement with Palestinians. I just wondered if you can tell us what's going on now with aid that goes directly to Palestinians. I understand we don't go through the government

anymore, but aid does go. Can you give us an idea? Is the level of contribution by Canada that goes to Palestinians indirectly roughly the same as it was, and how is it delivered?

● (0945)

[*Translation*]

**Hon. Josée Verner:** With respect to Palestine, our position will remain the same as long as the government in place there refuses to respect the previously signed agreements. We will ensure that aid is provided directly to the Palestinian people, without the involvement of their government.

Projects have been restructured to ensure that they will continue. We are still trying to find some way to restructure three or four projects, at most. We will ensure that the bulk of the aid is directed to the Palestinian people themselves.

Robert, would you like to add anything?

[*English*]

**Mr. Robert Greenhill (President, Canadian International Development Agency):** On the actual question in terms of an overall amount of money, under Minister Verner's direction, with the changes in the policy, the actual level of aid is remaining about the same as it was before. But as Minister Verner underlined, it's been done in a very careful, structured way to ensure that it goes directly to those who need it and does not pass through the Hamas government.

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

Madam McDonough.

**Ms. Alexa McDonough (Halifax, NDP):** Thank you, Mr. Chair.

Thank you, Madam Minister, for being here. I probably have a hundred questions just arising out of what you said or didn't say. I'll try to get in three or, if I'm lucky, four.

I'm sure you're very aware of the exceptional vulnerability of persons in developing countries—particularly in Africa, but some others as well—to the combined impact of climate change and dire poverty, with horrendous disasters to people's lives individually and to communities. Yet in the most recent budget with respect to overseas development aid, with respect to international obligations, there wasn't a single mention of environment.

I want to ask you what the government's current upcoming budget commitment is to the continuation of the Canadian climate change development fund, which not only is desperately needed in developing countries, particularly in Africa, but is also something that is part of our Kyoto obligations, which we're not living up to.

Second, with respect to aid to Palestine, there is a desperate humanitarian crisis in Palestine with respect to poverty and disease. I want to know what the new national unity government situation presents in the way of an opening for the Canadian government to begin to recognize that the services and programs needed by the people of Palestine ought to be delivered through that new unity government. And will you, Madam Minister, be pressing for a change in directing our aid through that new unity government?

Third, with respect to Afghanistan, I have to say that I find it deeply distressing that almost always at the very top of the government's brag sheet about what it's doing in Afghanistan is the assertion—and they were the first words that came out of your mouth again today when you talked about Afghanistan—bragging that the single largest recipient of Canadian development assistance is Afghanistan. Of course, what you never say is that the level of our ODA in the world is at such an appallingly low level that this is almost a meaningless assertion.

In the Bill C-48, add-on funds that came from the NDP demand to the former Liberal government, there were some infusions of new dollars. But when you look at where we are with ODA today, if I'm not mistaken, as a result of this budget we're going backwards on our ODA level of contribution.

Because the Global Fund infusion was a one-time infusion, the fact is that it wasn't built into the base. I'm not sure of the absolute accuracy of this, but it has been estimated that, given the tiny baby steps we've been making to move towards our 0.7% minimum commitment, with this budget it would require an infusion of \$600 million more to even maintain the level of ODA from last year—in other words, 0.34%.

What, from your point of view, is this year's level of ODA commitment as a result of this budget, and what is it projected to be over the next three years?

Finally, specifically with respect to TB and malaria funding, I think you'd be well aware of the horrendous numbers of deaths that are resulting from TB and malaria, particularly because of the co-infection implications, and that TB prevention and control and treatment is really one of the most cost-effective investments we can make to save lives in Africa. TB kills 600,000 people every year, and of course TB is the leading killer of people living with HIV/AIDS.

What I want to know is whether, in this budget, there is in fact a planned increase in spending, because I think what we've seen is flat-lining in the spending on TB and malaria programs, which means our investment in HIV/AIDS programs is actually far less effective than it could be.

Those are my four questions. I'm sorry there's not a lot more time for us to pursue other questions.

• (0950)

**The Chair:** Thank you, Madam McDonough, for keeping it to four questions.

We'll go to our minister now.

Madam Minister.

[*Translation*]

**Hon. Josée Verner:** Thank you for your questions, Ms. McDonough. I will attempt to respond to each one individually, in some type of order.

You referred to climate change. I would simply say that among CIDA's expenses for bilateral, multilateral, and partnership activities, spending on environmental projects represent \$300 million per year, or 10% of its total expenditures.

You also had a question about the new Palestinian government. I would say—and this is probably what my colleague from external affairs would also say—that we are taking a close look at its membership. Nevertheless, once it is clear that the Palestinian government will respect the principles set forward by the Quartet, and recognizes Israel, renounces violence and agrees to abide by the previous agreements, we will change the way in which this aid is distributed.

You asked about tuberculosis. I can tell you that this year, we have substantially increased our expenditures in that area. I noted, when I became a minister in this portfolio, that there had been a considerable reduction in the amount that was provided to combat this disease. Last year, the budget was \$19 million. This year it has increased to about \$33 million.

The government remains committed to fighting malaria. I believe that we were congratulated by the Red Cross, and this year, our expenditures in this area have doubled. I don't have the exact figure, but I know that substantial amounts have been dedicated to fighting malaria.

Your other questions also related to expenditures.

[*English*]

**Ms. Alexa McDonough:** They were about spending with respect to ODA levels of countries.

• (0955)

[*Translation*]

**Hon. Josée Verner:** Our development aid increases from year to year. We also want to ensure that the ODA is effective.

I believe I have answered all of the honourable member's questions.

[*English*]

**The Chair:** Thank you.

**Ms. Alexa McDonough:** My question is about our minimal commitment to 0.7% and the fact that this budget actually reduces our level of contribution. All calculations that I am seeing would indicate that it takes it backwards from 0.34% to 0.32%, which is very alarming considering that 0.7% is supposed to be a minimum objective. Many other countries are spending three times what Canada is.

[*Translation*]

**Hon. Josée Verner:** I would say that...

[*English*]

**The Chair:** Respond very quickly, please, Madam Minister, because our time is passing.

[Translation]

**Hon. Josée Verner:** I would say that we have reiterated our commitment to increase ODA by 8%. We have also announced an extra \$315 million. Our ODA expenditures have increased.

[English]

**Ms. Alexa McDonough:** But we're going backwards this year with this budget. We're not going towards 0.7%; we're going backwards towards 0.32%.

[Translation]

**Hon. Josée Verner:** We must also ensure that our development aid is effective. There has been a constant increase in the budget—

[English]

**Ms. Alexa McDonough:** So we're not getting to 0.7% or 0.8% then?

[Translation]

**Hon. Josée Verner:** These are laudable objectives, but we must also ensure that the aid we provide is effective.

[English]

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

Mr. Ohrai, you can ask a very quick question, and then Mr. Wilfert has a quick question.

**Mr. Deepak Ohrai (Calgary East, CPC):** Thank you very much.

Thank you, Minister, for coming today.

One question that everybody has in their mind concerns this important symbol of government authority, the Afghanistan police. We keep hearing about a lot of concerns with the Afghanistan police and the lack of confidence by the Afghan people in the police services of Afghanistan. I know that CIDA has done a lot of work in that area to assist the Afghanistan police. Perhaps you would like to elaborate on our assistance in that area.

[Translation]

**Hon. Josée Verner:** Thank you for your question.

You are referring to the Law and Order Trust Fund for Afghanistan, through which money will be provided to train Afghan police officers. That program is the responsibility of my colleague, Peter Mackay, the Minister of Foreign Affairs.

Of course, the aim is to provide training to both the armed forces as well as the police in Afghanistan, in order to provide for the safety of the Afghan people.

[English]

**The Chair:** Thank you.

Mr. Wilfert, you can have a very quick question.

**Hon. Bryon Wilfert (Richmond Hill, Lib.):** Mr. Chairman, given the minimal number of CIDA staff that you have in Kandahar province, where do you get these reports from in terms of your evaluations or benchmarks? Do they come directly from CIDA personnel? Do they come from the Canadian military? Do they come from the Afghan government? How can you be assured that what you are hearing is in fact actually happening, given so few

personnel? I don't think you have increased it since I was there a year ago.

[Translation]

**Hon. Josée Verner:** CIDA staff within the PRT have a number of ways to report to their CIDA superiors. I have had numerous opportunities to speak with them, either by telephone or upon their return to Canada. The information comes from them, from the Afghan government which provides us with figures relating to their achievements, from United Nations organizations, for example, which provide us with information on what is being done in Afghanistan, and from our partners, including Rights and Democracy, which conducts strict audits of the achievements in Afghanistan.

That also applies to the assessment that we have made of the micro-credit program. As I said in my opening remarks, this has allowed us to determine that 10,000 Afghan citizens were helped through the MISFA program.

● (1000)

[English]

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

We have time for just a very quick little question, the final question of this morning, Mr. Owen.

**Hon. Stephen Owen (Vancouver Quadra, Lib.):** Thank you.

This will be a very general question, Minister. Thank you for being here.

Absolutely foundational to the concept of development is the health of people and the health infrastructure of people, whatever their age may be. We know the Canadian health districts and jurisdictions across this country are encouraging health professionals from underdeveloped countries to come and work in Canada. Does CIDA see any responsibility for itself to compensate for that loss of very necessary personnel and expertise in those countries by, for instance, funding health infrastructure, funding medical scholarship, doing something to put back what we are drawing away from those countries that need that assistance much more than we do?

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

Madam Minister.

[Translation]

**Hon. Josée Verner:** I would remind you of what I said earlier. When the Prime Minister travelled to the G8 Summit last July, he announced that \$450 million would be provided for health care in Africa, over a 10-year period. One could assume that this money will help developing countries, particularly in Africa, to deal with health related issues. This will, of course, strengthen their health systems.

[English]

**The Chair:** Thank you very much, Madam Minister, for being here today. We recognize that health-wise you're doing this when you're battling a real cold and the flu, but we appreciate your being here and answering the tough questions on CIDA. And we appreciate also the hope you've given and shared with us that the people of Afghanistan are experiencing—renewed hope in great part because of the work that we have achieved during our stay there.

Thank you for being here. We will take a very short recess, and we will come back for the second hour of our committee.

- \_\_\_\_\_ (Pause) \_\_\_\_\_
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- (1010)

**The Chair:** I call this meeting back to order. We're still waiting for our next witness for the second hour. He has a PowerPoint presentation, so I know he's planning to be here. However, perhaps with the committee's indulgence, we could move to committee business for a very short period of time.

You have been given a witness list. We have been asked to cut back the number of witnesses on Afghanistan to a short list of those we would invite to come.

Mr. Obhrai.

**Mr. Deepak Obhrai:** During the steering committee meeting, when I was talking to you, we said that we had presented about 38 witnesses, and I said we would bring it down to a manageable number, which we have done. We have now submitted a new list of only 15 witnesses.

However, what I would like to say is, looking at the list of what has been submitted by all the parties, it's quite extensive. Then I go down the list that has been proposed by the library. I don't think, going through that list, that it's of any value to us. For example, ambassadors to Canada from Afghanistan, from Iran, from Pakistan, and all these—I don't think those would be appropriate to call.

So I would say that the list that was submitted by the parties does cover an extremely broad base and would be sufficient to have a comprehensive view on Afghanistan and to create a report. So I think that would be fine, from our point of view.

**The Chair:** We commend all parties for working on that list.

Does anyone here have anything on that issue? Is the updated version of the Afghanistan list all right then? It still gives us 30 names to invite. This is mainly so that our table can begin the

invitations. We have to have support in order to allow our table the opportunity to work through our break weeks so that when we come back in April there'll be some meetings lined up.

Do we have a consensus here that they can go ahead with that witness list? All right, it is agreed.

Seeing our witness, Pierre Beaudet, Doctor of Sociology from the University of Ottawa, hasn't shown up here yet, we'll go on.

There was a bit of a discussion at the end of the last committee business in regards to our draft report. I'm going to ask that we go in camera very briefly to talk very quickly about that report. I have talked to our researcher and asked him to answer some of the concerns that Madam McDonough had at the beginning of the report. Maybe we'll just suspend for one minute so that we can go in camera.

Madam McDonough, is this in regards to the report?

- (1015)

**Ms. Alexa McDonough:** I just want to ask a procedural question. If our witness doesn't appear, can we go back into committee session and go from in camera to public in order to discuss some other matters?

**The Chair:** Are they matters on committee business?

**Ms. Alexa McDonough:** Yes. We're sort of wasting our time.

**The Chair:** What did you have in mind?

**Ms. Alexa McDonough:** Honestly, I'm not trying to be provocative here, but this committee passed a motion.

**The Chair:** Okay. Yes, I think we can come back in. I anticipate he's going to be here. He has the presentation here. He's in Ottawa, and his PowerPoint presentation is here, so I anticipate he's going to be here. I think we can come back if he doesn't show up.

**Ms. Alexa McDonough:** Okay. Thank you.

**The Chair:** We'll suspend for one minute.

*Proceedings continue in camera*





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