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**EVIDENCE**

## Thursday, June 1, 2006

## Chair

**Mr. Dean Allison**

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

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● (0905)

[*English*]

**The Chair (Mr. Dean Allison (Niagara West—Glanbrook, CPC)):** I welcome everyone this morning to the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities, which is meeting this morning in room 308, West Block, pursuant to Standing Order 108, to commence its studies on employability in Canada.

Just before we get going with some questions, I would like to welcome you all here today for your presentation on employability. I have been led to believe, Karen, that you're not going to go through all the decks, but you'll provide a brief presentation and then just open it up for questions.

Karen, thank you once again for coming. The floor is all yours.

**Ms. Karen Jackson (Assistant Deputy Minister, Workplace Skills Branch, Department of Human Resources and Social Development):** Thank you very much for the invitation to be here today.

Yes, we understand that the committee wishes to conduct some discussion and some study around employability issues, so we have come prepared today to deal with three of the six that you've chosen: skilled worker shortages, labour mobility, and recognition of foreign credentials. There will be a group from the department who will come back next week, June 8, ready to discuss with you the others: seasonal workers, older workers, and workplace literacy.

If I could, I would begin by introducing my colleagues. With me is Cliff Halliwell, who is our director general of policy research and coordination; Barbara Glover, who is the acting director general of labour market policy; and Corinne Prince-St-Amand, who is the director general for foreign worker programming and immigrants and has responsibilities as well for the Agreement on Internal Trade and mobility.

[*Translation*]

We have provided you with materials on today's issues in both official languages which we believe will be helpful in highlighting relevant facts and research on the issues that you are examining.

I will begin my comments with a brief description of the Canadian labour market, followed by a short synopsis of today's three issues. I will then be pleased to respond to any questions that you may have.

[*English*]

On the labour market context, the Canadian labour market is performing well. Participation in employment rates rank in the top of the OECD, and the unemployment rate, at 6.4%, is at its lowest in three decades. Job growth continues to be strong, with 220,000 jobs created in 2005, of which 205,000 are full-time positions. This is actually the twelfth consecutive year of gains in full-time employment. As well, average hourly earnings have risen by 3.5% in 2005.

While Canada has trailed the U.S. in labour productivity growth in recent years, last year, again in 2005, labour productivity in the Canadian business sector rose for the first time in three years. It was up by 2.2%, which actually represents the strongest annual productivity performance since the beginning of the decade, the year 2000.

Moving forward, a number of current and emerging drivers could actually both exacerbate challenges and present us with opportunities. This morning I would like to name a couple of the key ones: globalization, the commodities boom, the knowledge-based economy, and the aging of our population.

The U.S. is still our predominant trading partner, but emerging economies, notably China and India, are providing new markets for our goods and services and are also a source of growing competition in a number of sectors, notably manufacturing.

The commodities boom has been an increasingly important source of both regional and sectoral growth and change in the country. In particular, labour shortages are substantially more pronounced and persistent in western Canada as a result of the strong growth of the energy sector in that region. At the same time, however, higher energy prices, combined with the stronger dollar and increased international competition, are indeed creating challenges for the manufacturing sector in central Canada, and there continues to be persistently high unemployment in areas of eastern Canada.

The fourth key driver here, as we look at our labour market, is the move and the increasing shift to a knowledge-based economy. As the magnitude and pace of technological change intensifies, labour demand is increasingly skill biased. Emerging across a number of sectors, you'll see rising skill requirements in health, oil and gas, construction, mining, and definitely other skilled trades.

Finally, on the reality of an aging population, while it brings forth a number of challenges in the Canadian context, its most pronounced effect is likely to be that of its impact on our future labour supply. Slower labour force growth will make it difficult to sustain past growth rates and improvements in our standards of living.

In summary, we can really see the need for a highly skilled labour force, one that's adaptable, flexible, and resilient in the face of all these pressures of change.

If I could, I'll now move specifically to skilled workers and shortages in that area.

● (0910)

[*Translation*]

Labour market indicators such as the employment rate, the unemployment rate, the labour force participation rate and real wages, provide no strong evidence of a generalized labour shortage in Canada at the present time.

However, a balance between overall labour demand and labour supply usually hides many instances of imbalances in specific regions, sectors and occupations of the labour market, with excess supply in some sectors coexisting with excess demand in others.

[*English*]

At the present time there are indications of shortages in several skilled occupations, in particular the health sector. We see these as a result of rising demands associated with population aging, combined with retirements among health professionals. We also see shortages in the oil and gas sector, largely as a result of the large investments in that sector, particularly in western Canada, and in management, largely as a result of the levels of retirement we are experiencing.

Most of the skilled occupations that are currently facing demand pressures are expected to remain in that situation over the next several years. Again, contributing to this will be the retirement of the baby boomers, opening up jobs across the spectrum of the occupations.

Market signals, such as higher wages, can certainly help to reduce those shortages over time by encouraging students to enrol in programs that lead them to be able to work in those occupations, and by encouraging employers to move from less buoyant or less healthy sectors to the hotter sectors, or the hotter regions and occupations.

But it goes without saying, certainly, that supporting high levels of PSE and training throughout the lifetime of Canadians really is important so that they have the necessary foundational skills to often be able to make adjustments to changes in the labour market.

I would just note here that in the recent budget for 2006, the federal government did propose a number of initiatives in support of a more skilled and educated workforce. Among those initiatives are plans to discuss with provinces a new approach to long-term and predictable support for post-secondary education and training, some immediate investments in post-secondary education infrastructure, and measures to support apprenticeship, among others.

With that, I would now turn to labour mobility as the next topic.

[*Translation*]

Labour mobility is the ability of workers to move between jobs, occupations, sectors and regions.

The type of mobility that we tend to focus on most, is the ability of workers to move to a different region or province to find a job—geographic labour mobility. The free flow of workers between provinces is an important component of Canada's economic union.

[*English*]

Labour mobility is the ability of workers to move between jobs, occupations, sectors, and regions of the country. Just to probe a bit deeper, I want to underscore three reasons it is important.

First, mobility is essential to growth and prosperity, as it shifts labour to more productive uses—to firms and workers that the Canadian economy can benefit from.

Second, labour mobility enables adjustment, including from the forces of globalization and technological innovation, which are changing the types of businesses and employees that are successful in Canada. To be able to adapt to these changes, workers need to be able to move from declining sectors and declining careers into other growth areas.

Third, no doubt citizens have the right to move within Canada. Enabling workers to move strengthens Canada's economic union and the economy as a whole.

There is no specific target for how mobile a workforce should be. In the absence of artificial barriers, market forces should determine how much movement you want to see. If a booming sector requires more workers, it can get them by paying higher wages or by offering relocation incentives, etc. However, if workers with good skills and experience are prevented from taking those jobs because they can't get licensed in different provinces or areas of the country, the labour market is indeed not functioning properly.

Some of the largest barriers to mobility involve workers being re-accredited, or their credentials being re-recognized, as they change provinces. Provinces, territories, and the federal government have agreed to work on the elimination of these barriers in the regulated professions. You will find those commitments where they were first agreed, in the Agreement on Internal Trade signed in 1994. However, progress has been slower than ideal.

A survey done by the federal-provincial-territorial Forum of Labour Market Ministers in 2005 found that 35% of workers had difficulties getting relicensed as they moved between provinces. An even higher proportion than that—50%—had trouble getting relicensed if indeed they were foreign trained, having acquired their credentials outside of Canada.

Concluding my comments on labour mobility, I will move on briefly to the recognition of foreign credentials. Immigration is expected to account for all net labour force growth within the next 10 years, so immigration does provide part of the solution to meeting our labour force needs of the future and our productivity challenges.

But research tells us that approximately 60% of employed immigrants in Canada don't work at the same level of job as they were doing before coming here, regardless of their education level. The biggest reasons for this are that we're not recognizing their credentials, they have insufficient language capacities, and they lack Canadian work experience required by employers.

Human Resources and Social Development has had in place for a number of years now a foreign credential recognition program, by which we're working with provinces, territories, other partners, and stakeholders such as regulatory bodies, sector councils, provincial assessment agencies, and post-secondary institutions to implement fair and more transparent credential recognition processes to address this problem facing skilled immigrants.

Since its inception in 2003, the program has funded a variety of projects, including diagnostics, research, partnership building, engagement of employers, and development of tools and processes to help speed up the processes of assessing and recognizing credentials, and making those processes more efficient, such as by using online regulatory exams, as well as piloting certain overseas integration services.

● (0915)

Initially, after consulting with the provinces, the program people focused their efforts on three regulated occupations, doctors, nurses, and engineers—in the case of the first two because of shortages across the country, and in the case of engineers because the majority of economic immigrants who apply to come to Canada actually identify engineering as their profession. Subsequently, based on further discussions over the last 18 months to two years with provinces and territories, we've now moved on to begin work with five other health occupations in demand—pharmacists, occupational therapists, physiotherapists, medical lab technologists, and medical radiation technologists.

Here too, as a next step, the recent federal budget set aside $18 million to be spent over the coming two years to consult with provinces, territories, and stakeholders on a mandate, a structure, and a governance for a national agency, and then to see us take the first steps toward the creation of such an agency to assist in this area of assessment and recognition of credentials.

Mr. Chair, that's it for me. We'd be pleased to answer any questions on those comments or on the materials we've brought, or on anything else the members would wish to put to us.

● (0920)

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

Just for clarification for members around the table, you are supposed to have four decks in front of you. If you don't have four decks, then just let us know and we'll make sure you get them.

Mr. Regan has about 12 decks there, I see. All the spare copies are with Mr. Regan.

We'll start with our first round of questioning, seven minutes each.

Mr. Regan, you're going to start off for us.

**Hon. Geoff Regan (Halifax West, Lib.):** Thank you, Mr. Chairman.

I feel a bit like the library here—a reservoir for all these copies of these decks.

Thank you very much for coming to see us this morning and for illuminating some of these interesting areas.

You mentioned that you expect shortages to remain in the coming years in most of the skill areas you referred to. I'd like to get a better idea of the numbers we're looking at and of the economic impact this suggests, from your examination. It's certainly of great concern to me and I think to many Canadians. How acute will it be, and in which trades will it be most acute?

I'll start with that, I guess. That's probably enough for the first question.

**Ms. Karen Jackson:** I'm going to ask Cliff Halliwell to begin the answer to those questions.

**Mr. Cliff Halliwell (Director General, Policy Research and Coordination, Department of Human Resources and Social Development):** Just give me one moment to find the right document, with my mountain of paper here....

**Hon. Geoff Regan:** You have a mountain of paper too, I see.

**Mr. Cliff Halliwell:** Yes. Actually, why don't you ask another question while I find what I'm looking for? I'll be ready in one second.

**Hon. Geoff Regan:** All right.

In terms of the country's future productivity, obviously training and education are vitally important, but what does your analysis show in terms of how important it is and what reliance our economy in the future is going to have on education and training? What options have been examined by the department to increase the number of Canadians who are trained and educated and ready for the new skilled workforce? In particular, what options have you examined in terms of encouraging employers to do more training?

I'd add one more point to that, and it relates to what I said a moment ago. If we can get employers in Canada to do more training, that would be one good thing, but also we have the problem of a lot of people in Canada who are unemployed, who don't quality for EI, and who need to have training. What are we doing about that, and what is the department doing about it?

**Ms. Karen Jackson:** We have loads of questions here. Cliff can start with the first set, and then I certainly would like to address some of what we know about employers and their training record—what we think needs to be done and what we're doing on that one—and then some of the issues perhaps around productivity and the contribution of PSE and education. Barbara may want to jump in on that as well.

We'll go back to Cliff to begin with.

**Mr. Cliff Halliwell:** Thank you.

We have a set of forecasts that we do every year. They're available on the department's Internet site for people who need to learn more about where areas of shortages and areas of potential surpluses are in Canadian labour markets. It comes in this form here, and it's done through a forecasting exercise that this department has been doing for over a quarter of a century.

We are working on the current forecast for 2006, but I have preliminary results and they give an indication of the number of different areas in which you find occupational pressures. You might be interested or amused that on the top of my list are legislators and senior management as areas of shortage. I suspect it's more in the category of senior management that there are shortages.

But there is a whole range of occupations now—human resources managers, human resources and business service professionals, geologists, geochemists, geophysicists, civil engineers. It is a very long list that goes through the full list of health occupations, lawyers, Quebec notaries, university professors, psychologists, professional occupations in public relations and communications. There are quite a number in the trades—residential home builders and renovators, facility operation and maintenance managers. I could go on.

Clearly one of the reasons there is such a spectrum of occupations in which there are pressure points now is that these pressures are not just coming from strong growth in the economy in some areas. In fact, by our forecast, two out of three of the job openings that will take place in the next 10 years will arise not because a new job was created but because somebody retired from an existing job. That means that because of population aging, you start to see the pressures across a wider spectrum of the occupations that people do than you would if you just thought of oil and gas as being a hot sector or of health as being a hot sector.

As to the implications of these pressures, clearly one of the implications is going to be upward pressure on earnings to encourage people to stay in the workforce, to entice people to move into the areas where the demand is the greatest. If you're a worker, I don't think you would think this is a terrible problem. You would probably think it is a good problem. I think clearly firms are going to have to learn to adapt to these pressures. They are going to have to start to invest in new technology, start to invest in new efficiencies to make more effective use of Canadian workers. That might be an important contributing factor in reducing the difference between Canadian and U.S. levels of productivity or output per worker.

● (0925)

**The Chair:** We have about 30 seconds left for follow-up on this, and then we're moving to the Bloc with Mr. Lessard.

**Mrs. Barbara Glover (Acting Director General, Labour Market Policy, Department of Human Resources and Social Development):** I just wanted to say on productivity.... Does that mean you just want to move on?

**Hon. Geoff Regan:** Time is almost up, so we'll have to come back to some of this, but go ahead.

**Mrs. Barbara Glover:** Just quickly on productivity, recently results have been better than expected, which is a good thing. But there is a gap between the U.S. and Canadian productivity growth rates. We believe that having a highly skilled labour force is an important contributor to good productivity growth, and we believe that to be the case not only looking backward, but also forward looking to the future.

So there are a number of initiatives that have been put in place to increase access to training at the PSE level.

Karen wanted to talk about some of the employer issues.

**The Chair:** We'll have to come back to that. Maybe someone else will pick that up.

We'll now go to the Bloc. Mr. Lessard, seven minutes please.

[*Translation*]

**Mr. Yves Lessard (Chambly—Borduas, BQ):** You mentioned something I find relevant, that there is no evidence of a generalized labour shortage, but that there may be a shortage of skilled labour in some regions of Canada.

We are often told that in some regions, namely in Quebec, very specialized workers are on standby while they could be working in other provinces. There are some issues with respect to inherent travel costs as well as a province and employer's ability to properly take in these workers.

You've addressed the issue, but there was no mention of possible solutions in this respect, specifically relating to travel costs, living expenses and mentoring costs which would help workers adapt to the standards in a new province or territory.

● (0930)

[*English*]

**Ms. Karen Jackson:** It is an issue we know something about. Barbara, do you want to expand a bit on what our research to date tells us about the costs of relocation?

**Mrs. Barbara Glover:** Yes.

Of course, you're right, the decision to move depends on a number of factors. One of the factors is the trade-off. If I'm working here in Ottawa and there is another job in Toronto, then I need to decide whether the trade-off in terms of my salary and associated costs and leaving my community makes sense.

The first thing I want to say is that our research shows that there are a lot of factors. One of them is a sort of calculation of the costs and benefits, but I think it's important to note that there are a bunch of other factors that are not easily costed. For example, we know that two-parent families tend to be less mobile than single people. Our sense is that other factors come in, like attachment to community and attachment to local schools. So I just want to step back and say that the decision to move or not is based on a range of factors.

The second thing is cost. I'm not from the Department of Finance, but I know that there is a tax measure that assists individuals with expenses related to moving.

The third point is that our department has had a number of programs in place previously to help with the cost of moving for some individuals. Our program evaluations showed that those were very expensive programs and very ineffective programs in the sense that we tended, I think, in at least half the cases, to help people who would have moved anyway. It's an example of spending money where people would have otherwise made the move anyway.

I've answered some of the questions you raised. I don't know if I've answered all of them.

[*Translation*]

**Mr. Cliff Halliwell:** I'd like to add that perhaps the barrier is somewhat more related to a difference in housing costs from one place to the next. In some regions, the difference in costs may amount to far more than the cost of moving.

**Mr. Yves Lessard:** You've answered my question, but only for people who make a permanent move. Employers may need temporary workers, be it for seasonal work or on a worksite for say six months, or a year or two. In those cases, living expenses and training on local regulations are factors we must consider. Do you have an answer to that?

[*English*]

**Mrs. Barbara Glover:** I'm not sure of the question. In a simple sense, yes, that would come into people's calculations. So if someone was moving for just two months, and they were moving across Canada, and the difference in wages was minimal, then that would affect their decision to move. So in a factual way, if it's a temporary job, then the cost of moving would have a bigger impact. I'm just agreeing with your point. I'm not sure of what to say further.

Your second question is what, if anything, is the role of government in subsidizing the cost of the move. Besides the tax system, I don't know that there are any other programs in place that do that.

**Ms. Karen Jackson:** If I could, I'll simply add to the answer.

You may want to ask that same question of officials from the Department of Finance. As I understand it, the tax benefits in support of relocation do not cover the temporary moves that Barbara has described to you. Yes, it is certainly, from time to time, brought to our attention that there is no government benefit at this moment in any program that supports temporary relocation.

● (0935)

**The Chair:** A quick question.

[*Translation*]

**Mr. Yves Lessard:** Essentially, if I have understood correctly, your department does not have a specific program for this. I'd like to ask you a question which may require a more elaborate answer. You may complete your answer during the second round.

With respect to the aging labour force, Ms. Glover was referring earlier on to the problem which will arise when most baby boomers retire and the labour shortages that will cause in the workplace.

Has your department thought of an approach which would help transform work arrangements so that older workers who want to continue working may do so through another arrangement, say two or three days per week? They could be instructors or they could mentor younger people entering into the workforce. Have you started to consider that?

[*English*]

**The Chair:** Just a quick response to that, because the time is almost up.

**Mrs. Barbara Glover:** I'm going to agree again. In one of the decks that we shared on human capital, on page 13, we show the difference in labour force growth. In the last 50 years, the labour force grew by 200%. In the next 50 years it's supposed to grow by 5%. So your point is well taken. We would agree with the diagnostics.

Maybe in the next round we could elaborate.

**The Chair:** As a matter of fact, the next round will deal with older workers, so we are going to deal with that in the next meeting.

Mr. Martin, seven minutes, please.

**Mr. Tony Martin (Sault Ste. Marie, NDP):** Thank you very much.

I want to focus on the issue of training and development and to ask why it is that we're coming to this so late in the game. We knew there were going to be labour shortages as we looked at the demographics and at some of the changes.

I had the good fortune to go on some trips to countries in Europe—Ireland and Finland, in particular—and in Ireland's case, in the seventies when they decided to recover their economy, immediately they looked at the question of skill shortages and training and they moved very quickly. Their first initiative was to put in place the resources to train absolutely everybody they could identify.

And actually, Finland did the same thing. And not only that, but Finland, Ireland, and other European countries moved to change their immigration laws so that people who had left to get work in North America primarily and other places in the world could actually come back home and hold dual citizenship. That wasn't possible before, but they made those changes in the expectation that there would be this challenge on the skilled labour front that they would need, and every one of them, when you asked them what the biggest obstacle to further growth was for them, said it was access to skilled labour and trained workers.

So here we are now. We were the recipient of a lot of these immigrants and hopefully we'll get more, because as you said, if you look at the way we're replacing ourselves in Canada these days, we will get a lot of our skilled and trained people from offshore.

I'm concerned, though, at the same time that we're not training our own people effectively. I know young people in my own community who aren't going to school, who aren't going to college, who aren't going into apprenticeships because it's just too difficult. It's too complicated, and number two, it's too expensive. So many of them are taking jobs at grocery stores, call centres, thereby underutilizing the potential and the skills they have, which talks to the issue of productivity and our ability to compete out there.

So we have literally thousands and thousands of people now.... We've had three studies in the last week to suggest that not only are the poor getting poorer, but people working are getting poorer. We now have the working poor, and it's a growing part of our demographic. People are working in low-wage jobs because they can't seem to find a way to access training to get into the higher-paid jobs, where they could probably do well.

The question I have is, why are we coming at this so late in the day? Why are we sitting here in 2006 saying that this is going to be a problem, when we knew—or at least others knew—that it was going to be a problem twenty or thirty years ago?

Looking back on my own experience in the sixties and seventies when I was in school, there were literally hundreds of people in apprenticeship programs all over the place, like Algoma Ore, Algoma Steel in my area. There were twenty or thirty apprentices in almost every workplace, and it seemed to be easy to get in. People worked hard to learn the skills, and they were supported in it. I remember some of the students from Wawa, for example, going to Toronto to George Brown College to get the training they needed at the academic level in order to get their papers. It doesn't seem to be possible any more. Companies aren't interested. Young people find it too difficult and too expensive.

So what are we doing about all of that, if anything?

I'm going on a bit here, but the other issue that comes into play, then, is that now you've got foreign-trained workers who want to come in and get experience and upgraded in how we do things in Canada, but they're competing with our own people who want to get in, because there are so few spaces for any of them to actually get in and get the training they need, it seems.

● (0940)

**Ms. Karen Jackson:** Maybe I can begin with some answers to those observations.

First of all, if you step back and compare Canada to other OECD countries, we have a pretty good track record on completion of post-secondary education and training. Generally we have a good system. I'm not going to be able to quote the figures to you, but if you want them, I'm sure Barbara or Cliff have them.

On high school dropout rates, yes, it's a problem, but it's actually a problem that's been declining over time. If you look at what the high school dropout rate was 10 years ago and compare it to today, it is coming down. There are pockets of problems, which there always are.

On apprenticeship, we know that entry into apprenticeship does continue to grow by about 2% year over year. But we also know from public opinion surveying that today there are still negative attitudes about the skilled trades among young people—kind of not appreciating the value or the opportunity of training in those areas and then working in those areas.

One thing the federal government has been doing is supporting the Canadian apprenticeship forum over the last couple of years by trying to change those attitudes with a promotion campaign to get the messages out directly to students, teachers, and parents that these really are good, well-paying jobs, and there's certainly a need for pipefitters, tool-and-die makers, and those other trade occupations.

In addition, as recently as the last federal budget, the government announced both an apprenticeship incentive grant to try to assist apprentices with costs in the first couple of years of study, as well as some tax measures to promote the involvement of employers in actually offering apprenticeship opportunities to young people in their workplaces.

Maybe I'll just leave it at that for now.

**The Chair:** One quick question.

**Mr. Tony Martin:** I know that we look at the high school dropout rate and use that as a tool to try to understand what's going on. I would also like to know if you've actually looked at the number of people graduating who go on to participate in the skilled trades and apprenticeships, and why more of them aren't doing that.

I know you said earlier that it's just not attractive, or something. I would suggest to you that it's just too expensive and complicated, and there aren't enough companies willing to take on new young apprentices. Have you done any assessment of that?

● (0945)

**Ms. Karen Jackson:** I think that employer involvement in the programming is somewhat of an issue in some places in the country, and it does represent a barrier to taking on and growing the number of apprentices. These new tax measures are intended to try to support employers with the added cost of having apprentices in their companies and firms, on their construction sites, etc., in the first couple of years of study.

The other thing we know, however, is that the willingness of employers to offer apprenticeships goes with the business cycle. In times of buoyant economy, employers are much more willing to have apprentices within their companies.

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

Ms. Yelich is next for seven minutes, please.

**Mrs. Lynne Yelich (Blackstrap, CPC):** I just have a couple of questions. You mentioned that productivity performance has risen recently. What do you attribute that to?

**Mrs. Barbara Glover:** Our sense is that good economic growth in the last year has led to that. Some are arguing that the higher dollar—

**Mrs. Lynne Yelich:** I was actually wondering about education, because in Alberta people are going right into the workforce because there is such a vibrant economy. They're not going into post-secondary education as such. So I wonder if that won't be a problem for productivity, because education plays a big role in it, I would think.

I also wanted to know, have we ever had similar circumstances or skills shortages like this? Do you have data comparing it with other times in Canada? Has it ever been this severe?

**Mr. Cliff Halliwell:** I can answer that question, and the answer is yes, we have had previous experiences like this—although this may perhaps be the most pronounced. We've had these cycles of energy prices twice beforehand, where the Alberta economy especially is booming, so this is the third time around for this kind of an energy price cycle. It's typically associated with a higher Canadian dollar as well, which means pressure on manufacturing jobs.

One of the things we're going to be doing this year is asking some of Canada's experienced forecasting firms to look at the lessons we can learn from how this played out in the previous two cycles, so we can understand what is going to work out, with the benefit of hindsight, based on what we know worked out the last time, so we shouldn't sweat it, so to speak, and can understand where we need to worry about it not working out.

So I think we have to look back at the history. Happily, the data are there, and we should do so.

**Mrs. Lynne Yelich:** And one last question from me: how do other countries handle the labour mobility issue? I realize Canada is very big—so you have to take that into consideration—and I know that my province, for example, hasn't gotten on board with its bordering provinces who've agreed to break down some of these barriers. Is it now in the hands of the provinces to try to break these down, or should we work more with the provinces? And how do other countries handle it? They must also have these skilled workers who try to move.

**Ms. Karen Jackson:** Maybe I can begin to answer that—and others might want to join in.

In the case of the regulated occupations and the barriers that exist in Canada, yes, those are provincial jurisdiction. But that was the whole reason for the labour mobility provisions being agreed to in the Agreement on Internal Trade in the 1990s, to actually address those barriers that exist. By and large, we now have mutual recognition agreements in place for those regulated occupations, which do allow their credentials, their licences, to be recognized across provincial borders.

It's not perfect, and you will find problems with lack of recognition. You will often find that what's causing it is people changing the scope of the occupations. They'll redefine them, so that a physiotherapist in one province, for instance, is expected to have a certain education or skills set, and then you've got to adjust the mutual recognition agreement across the other provinces.

I must say that I'm not as familiar with the international experience —maybe somebody else can elaborate on it—but I would just mention that in the European Union in the last few years, they actually have been moving to something they call a competency recognition passport, which allows for very quick recognition. Now, as to how well it's doing and whether they are happy with the results, I'm not familiar at this point.

● (0950)

**Mrs. Lynne Yelich:** Perhaps we could look into something like that, when we're looking at it.

Thank you, Chair.

**Mr. Cliff Halliwell:** I would just like to add here that I think we should not lose track of the fact that most of the studies have shown that Canada actually has a very flexible and mobile workforce in comparison with other countries. That doesn't mean, however, that we should be resting on our laurels, because if we can improve our performance on that score, it's better for all of us.

**Mr. Mike Lake (Edmonton—Mill Woods—Beaumont, CPC):** To what extent do you think we create a disincentive to move through our social policy in the country? Has that been studied? Just a simple...maybe it's not so simple.

**Mrs. Barbara Glover:** Social programs have a range of objectives. I guess, hypothetically, if there were no social programs then there would be a lot of consequences, maybe including more mobility. I don't want to speculate about that.

We have done studies, though, around employment insurance and we have looked at that question, and it's actually complex. I know you wanted a quick answer, but the answer is complex. It's complex because people move or do not move for many reasons. We talked about some of them. Cliff has mentioned some, and I was talking about some.

People also move or do not move depending on job opportunities. So we've actually seen mobility go up in 2005. It's probably not a big surprise, but more people moved to Alberta in the last quarter of 2005 than ever, I believe. I'm trying to remember if ever there was a time when that many people moved to Alberta.

That means that the state of economy has a powerful effect as well. So there are lots of things that affect the decision to move. The state of the economy is pre-eminent among the factors.

I can answer more, but I think I've passed your quick answer.

**The Chair:** Thank you.

We're moving into our second round with five minutes a round.

I'll ask Mr. Coderre to start off.

[*Translation*]

**Hon. Denis Coderre (Bourassa, Lib.):** Thank you, Mr. Chairman.

This is indeed a very complex issue. We have brought forward policies which, in my opinion, help address several challenges. Unfortunately, when we look at the OECD statistics, we see that Canada has lost ground both in terms of productivity and of competitivity. In some fields, we have only managed to keep our head above water. We have done well in the knowledge economy and in education, but we are having some difficulty with our productivity and competitivity policies. It is a major challenge given what is happening in South East Asia, namely in China and India.

This would be a good opportunity to discuss an existential matter, mobility and regional needs. When you put forth an equalization policy or you want to slow down the regional exodus and respect rural and urban strategies, it is essential to make sure that the word “mobility” does not translate into “exodus”.

When I was the Minister for Citizenship and Immigration, we worked with you not only to seek out information you had access to, but also quite actively on the issue of recognition and the identification of the needs of temporary workers. You signed an agreement with Mexico and more recently with Guatemala.

Do you not think that we should adopt this type of policy to make sure that regions don't get emptied out, while at the same time we ensure respect for the Canadian Charter of Rights and Freedoms and we meet mobility needs?

Current policies only favour farmers and meat packers. I know it's being done in Winnipeg. Do you think we should also have an agreement with professional associations? Should we have a one-stop shop for the recognition of needs and of credentials?

Say for instance there is a need for a doctor in Moose Jaw, we generally choose to hire someone on a temporary basis. But instead of looking at a six-month contract, perhaps we should consider a five-year contract, because that is how long it takes for a person and his or her family to settle down and fully participate in the economy as well as in community life.

Have you carried out studies on that?

Could Ms. Prince-St-Amand or Ms. Jackson answer my questions?

● (0955)

[*English*]

**Ms. Karen Jackson:** To speak to the first point, as Barbara has said, there are many complicated factors that people will take into account before they will move within the country to take jobs or not, yet as Cliff says, the evidence shows that we really have quite a flexible labour force.

That said, yes, the temporary entry of foreign workers is used to meet employers' skill needs and labour needs. You're right to point out that it's being used across a full spectrum of skill requirements, in some instances for low-skill jobs, such as the seasonal agricultural workers who we allow into the country, as well as for highly qualified professionals when there's a certain need.

I would say that in all of those instances, however, the responsibility of our department is really to make sure that it's meeting a need of the Canadian labour market. We expect there will have been an opportunity for Canadians, if they are available, to take those jobs, and as a rule, there are requirements around employer advertising, etc.

To your final point about the possibilities of thinking differently about the entry of temporary workers for longer periods of time and arrangements that focus on key professional groups, etc., we have had some experience with that.

The federal government has in place with the Alberta government a memorandum of understanding that streamlines some of the entries in the case of oil sands development. Another example that we've worked on is in the software sector, with some mixed results. A third example is in Toronto, where there's an approach that we've developed to address some construction needs. There are things that we've tried and we're testing. We need to look to see if there's a possibility for a broader application.

Corinne, do you want to comment?

**The Chair:** Please answer very quickly, because we have to move on to the next question.

[*Translation*]

**Ms. Corinne Prince-St-Amand (Acting Director General, Foreign Workers and Immigrants, Department of Human Resources and Social Development):** I'd like to add that it is true that we have bilateral agreements with Mexico as well as with several Caribbean countries to bring in agricultural workers to Canada. Approximately 20,000 of them come to Canada each year and most of them find jobs in Ontario and in Quebec.

● (1000)

[*English*]

**The Chair:** Thank you very much.

Ms. Bonsant, please, for five minutes.

[*Translation*]

**Ms. France Bonsant (Compton—Stanstead, BQ):** First of all, I must say I was surprised to hear you mention that 220,000 jobs had been created in Canada. That may sound good, but do you have a provincial breakdown of these statistics? In 2005, in my region alone, 5,400 people lost their jobs. There is a downside to this. I want to know whether this is possible, as it would seem counter-intuitive to rob one province to the benefit of another. Each province needs its economy.

You also mentioned specialized work. Based on statistics, 12 million people 16 and over are illiterate. They will never become doctors nor surgeons. Has the government considered setting up a literacy system to help these people progress in life?

Finally, you didn't mention tourism. When it comes to specialized occupations, tourism is one of the most prosperous industries in Quebec and Canada. It doesn't seem to be part of your specialized jobs, but we must also have specialists in the field of tourism.

Those are my three questions.

**Mr. Cliff Halliwell:** I don't have a table with statistics. However, Statistics Canada publishes a lot of information about the working population and employment growth, not only by province, but also by region. We have employment insurance data by administrative region.

What has particularly struck us over the past five years is that every region in Canada, and every province, has benefited from the economic recovery and employment growth. The unemployment rate varies from province to province but when you look at unemployment rates from an historical perspective, they're actually very low in several provinces right now.

[*English*]

**Ms. Karen Jackson:** If I could add to that on literacy, our department does manage a national literacy program. I'm afraid that I'm not an expert on the program or on the current thinking of the future of that programming and new emphases or new things that we may be thinking about, but certainly when colleagues of ours return next week, on June 8, workplace literacy is on the list, and if you're interested in talking more generally about literacy, I'll be sure they come prepared to do so.

[*Translation*]

**Ms. France Bonsant:** Mr. Chair, a report on literacy which the committee worked on for two years was supposed to be tabled on November 20, 2005. This was never done. I'll table it next week. It may be of assistance.

**Mr. Yves Lessard:** It is common knowledge that since 2002-2003, 35,000 people in the manufacturing sector lost their jobs in Quebec. There aren't enough jobs in this sector. It is true that the economy is doing well, but it is moving mainly to the west. I think you acknowledge that yourselves when you say that the labour shortage is substantially higher and persistent in western Canada. So that's basically an acknowledgement, particularly during the oil boom, etc. The fact remains that there are workers who don't have jobs and you can't get past that. This state of affairs isn't necessarily linked to workforce mobility or to anything in particular. There's just no work in their region and the situation is dragging on.

What surprises me is how you reached this conclusion. I'd like to understand. On page 4 of your document, you state that the unemployment rate which was 6.4% in April has almost reached its lowest level in three decades and that the long-term unemployment rate has continued to fall over the past decade, going from 18% to less than 10%.

How have you calculated the unemployment rate? Is it on the basis of the number of people looking for employment, those getting employment insurance benefits or those who want to work but are no longer looking because there is no work in the regions?

Also, if the two premises I put forward are true, this skews the data. We now know how the Canadian government uses the employment insurance program. In 1992, out of everyone paying into the employment insurance fund, 88% could hope to get benefits if they had the misfortune of losing their job. That figure has dropped to less than 40% today.

The United Nations strongly criticized the Canadian government last week over its restrictive employment insurance accessibility policy which contributes to making families poorer. I have trouble understanding how you can paint such a picture of unemployment, when we know full well how very dramatic the situation is. I'd like your opinion on that.

● (1005)

[*English*]

**The Chair:** I'm going to ask for very quick responses. Mr. Lessard is over his time.

[*Translation*]

**Mr. Cliff Halliwell:** I'd like to point out that the unemployment rate we referred to was calculated by Statistics Canada. It has nothing to do with the way the employment insurance system works. These figures were based on a poll of Canadian households. There were asked if they were looking for employment or if they currently had employment. This is the percentage of the population in the labour market which didn't have employment the week of the poll. That has nothing to do with access to employment insurance.

[*English*]

**The Chair:** We're out of time.

Mr. Lake, please.

**Mr. Tony Martin:** Is it my turn next, Mr. Chair?

**The Chair:** No, it's the Conservatives, then back to you, Mr. Martin.

**Mr. Tony Martin:** I thought we had agreed at the first meeting that it would be the same in the second round as the first.

**The Chair:** Mr. Martin, I thought you and I had an understanding. We talked about the fact that we would give each party a chance to go twice. You're getting a chance to go twice, but the government hasn't gone twice yet. You're going to be first up in the third round.

● (1010)

**Mr. Tony Martin:** I didn't think that was the agreement.

**The Chair:** This was something you and I had talked about off-line. If that's not the way you want to go, then we would be more than happy to hear you now.

**Mr. Tony Martin:** Okay.

I want to go back to my own experience in small rural northern communities and some of the difficulties we're having in getting our students into programs of training. In many instances, it's just too expensive. The tuition fees are almost overwhelming. I know of young people who would love to, and have the potential to, go on to learn, get into a trade, but because of personal circumstances at home and their own financial situation, it just looms as impossible.

For example, if you are in a situation where you have to go to a bank to borrow money to actually get to school because you can't get enough through the student loan program—you need collateral, you need somebody to sign for you—what if your parents are already stretched or you have a single parent situation?

I have kids myself, and I know their friends. I'm lucky in that I have a job that pays me well, so I can afford to go to the bank and sign lines of credit for my kids. These kids can't go to their parents and ask them to sign a line of credit so they can go to school—so they don't go to school.

Then there are others who actually do go to school. When they finish, they find they have this debt that is so humongous that they can't even think about coming back to northern rural areas because the jobs there pay so little. Paying down the debt becomes a huge challenge, so they don't come back. They find the best job possible, often in the area where they go to school, and they stay there. We don't get them back.

Have you done any analysis of the impact of the cost of education—whether it's tuition or otherwise—and at the end of the day, the impact of this debt load that students seem to be accumulating in their willingness to actually do the training so they can participate in the economy in the way that we know they have the potential to?

**Ms. Karen Jackson:** I'm going to let Cliff speak to a couple of things.

We do have data and information in the department that indicates that access to post-secondary education and training does differ by urban, rural, northern, and remote communities. Participation rates in post-secondary education and training are not as high for northern and rural areas. We do see in the facts and figures what you're describing to us as your own personal experience. Maybe Cliff might want to elaborate a bit on that.

The one thing I do know from my area of responsibility around trying to promote entry into the skilled trades and apprenticeship is that the provinces—at least some provinces—are beginning to understand the importance of trying to do more module training and finding ways to offer the training part, the educational part, the classroom part, in the community. They're beginning to take mobile training units into rural and remote areas to reduce the cost to the student of actually having to leave their community to do their classroom training. That's one example that comes to my mind.

Perhaps Cliff wants to elaborate.

**Mr. Cliff Halliwell:** I want to briefly say that we're quite cognizant of that issue. I know that in working with the learning branch, we have been doing some research into the effects of geography: how far you are from a college or university, what that means in accommodation cost, and whether that constitutes a significant barrier that we need to address more completely. We are looking at the issue, but I think it would be most appropriate if the learning branch were to talk to that issue at the subsequent meeting.

**Mr. Tony Martin:** I have just a quick question on doctor shortages in rural and northern areas. Across the country we have this major challenge, and again I speak of my own community, where we're losing doctors. Each time we lose a doctor it's 2,000 more orphaned patients. We don't seem to be able to get them replaced.

That's becoming a problem in a number of different ways—first of all, in supporting the population that's there. Sault Ste. Marie is on the cusp of a bit of a growth spurt because of the way our industries are starting to perform. If we can't guarantee people who come to work that their families are going to be looked after in terms of a family doctor, they're not coming. That's a problem.

The question I have is on enrolment limits in medical school. Have you looked at that and how that's getting in the way of this problem? Have you any answers to what we might do about that?

**The Chair:** Just a very quick response, as time is up.

**Ms. Karen Jackson:** It's probably a question more appropriately addressed to officials from Health Canada, who I would think are doing that kind of analysis and research.

**The Chair:** Thank you.

Let's move over to Mr. Lake, for five minutes, please.

**Mr. Mike Lake:** First, I just want to comment on a couple of comments that I've heard. It's been interesting. Obviously, some of the conversation here illustrates exactly why we need to travel across the country and actually visit other places.

I come from Alberta. This goes back to our last meeting. I live in Alberta and I have one experience that's very different from some of what I'm hearing here today. We have labour shortages not only in skilled labour, we have labour shortages in everything. You can't go to a Tim Hortons without seeing signs up, and they're paying a heck of a lot better than they paid when I was just out of high school.

Back to the disincentive question that I asked before, when you look at the macro level of Canada as a whole, my own belief is that there is a job for everybody who is able to work, and more, actually, if you were to look Canada-wide, across the country, at the number of jobs and the number of workers. Yet we continue to pay many people across the country not to work.

Being comfortable at home, you've mentioned, is a reason, an incentive, for people to stay at home, but if that comfort is coming from taxpayer-funded income, then in reality the government or the taxpayers of the country are creating a disincentive, if that is the incentive for staying.

So that was where I was going with my disincentive question.

I'll give you a minute to respond to that, if you want to. I have another question after that.

● (1015)

**Mrs. Barbara Glover:** Your question is a number of questions.

There's always a certain unemployment rate, and that's because it takes time. Today there's a job available—

**Mr. Mike Lake:** Transition, right.

**Mrs. Barbara Glover:** And to get the word out.... For example, I said that more people moved to Alberta—I have to go back and check if the “ever” part is right—in the last quarter, and the reason is that the word is getting out. Does that mean that every employer in Alberta has a person for the job today? No, and I'm sure there's an employer in Alberta today who is looking for someone and who is going to have to get the word out. That part of unemployment always exists. It's the unemployment that exists. Somewhere a plant is closed and somewhere a plant is expanding or opening up, and that turbulence or churn in the economy is normal and it is one of the reasons that the unemployment rate can never go to zero. It's a fact of reality.

Every year millions of people leave their jobs for one reason or another, and every year millions of people get a new job. That's something like 20% of the jobs out there every year. So there's a lot of churn, and a really important part of labour market policy or the functioning of a labour market is matching these people leaving jobs with—

**Mr. Mike Lake:** Improving efficiency, I guess, in a sense to reduce the transition times and make it easier for people to find work more quickly.

**Mrs. Barbara Glover:** Yes, you're answering your question very well, if I could say so.

There's an efficiency argument that affects the rate of unemployment and it is key to the functioning of the labour market. Cliff said earlier that Canada actually does very well in that regard. When we're measured by the OECD and the International Monetary Fund, which do studies, we are not only very good at that—the country has improved over the last 15 or 20 years—we are better than we used to be.

That's only the first part of your question, and I'm okay to leave it there.

Your second question is whether there are any incentives in any social programs that may slow down the speed of adjustment. The answer is, again, that it's going to be complex perhaps in some circumstances and in some cases, but you have to weigh that with a range of reasons that people will move, that people will adjust. It's a complex calculation based on many factors.

Obviously I'm saying the same thing I said last time you asked that.

**Mr. Cliff Halliwell:** I'd just like to add here that I think implicit in questions like that is the question of the unemployed in Atlantic Canada. In fact, there are more unemployed people in the Toronto greater metropolitan area who are—

**Mr. Mike Lake:** I want to correct you on that, though. I'm not trying to specifically point to one area.

**Mr. Cliff Halliwell:** But I know it is raised quite often, and we should just understand that there are more unemployed in Toronto, for example, than in all four Atlantic provinces combined. So you have to ask the question in the context of the unemployed in Toronto against the jobs in Alberta, as well.

**Mr. Mike Lake:** Yes, okay.

This one minute that I have is going to be difficult.

Talking about this unskilled component, when I was young I worked in a convenience store, then I worked as a waiter before I went to university, and it was part of my experience. I look at it as part of my education.

Has there ever been a study done to take a look at a non-traditional education system that takes kids like Tony was talking about, who may have dropped out of school or who may come from a less advantageous place in their lives—because we do have an unskilled labour shortage in Alberta as well—using that part of the process to transition people and educate them? I don't know. Maybe it could be in conjunction with working in those types of jobs and training on the side for more skilled labour down the road.

Has that been a part of the strategy? In 10 seconds.

● (1020)

**Ms. Karen Jackson:** Yes.

What you likely want to know more about is the youth employment strategy that you'll find in our department, which actually does some of that kind of work with at-risk youth, bringing them into a full range of work experience in first jobs.

**The Chair:** Mr. Murphy.

Round three, five minutes, please.

**Hon. Shawn Murphy (Charlottetown, Lib.):** Thank you very much, Mr. Chairman.

Just for my own education, I want to pursue the issue of the measurement of productivity in Canada and how it's determined. It's my understanding that it's basically the aggregate GDP divided by the workers in Canada, and that would determine the productivity.

Is that basically correct?

**Mr. Cliff Halliwell:** Yes.

**Hon. Shawn Murphy:** We are basically a resource-based country, and when we compare our productivity to other OECD countries, especially the United States.... To give an example, in Alberta, when the price of oil goes from $35 a barrel to $72 a barrel, that would have enormous repercussions in their level of productivity, but it really wouldn't be based on the normal determinants such as innovation, education, research, and skills training that you would expect to be the driving determinants of increases in productivity. It's basically a function of the fundamental resource basically doubling in value. You take the aggregate GDP, you divide by the number of workers, and your productivity has gone up.

Is it really not a false comparison here?

**Mr. Cliff Halliwell:** Actually, that is false, because what we use when we compare productivity across countries is real GDP, which is the GDP adjusted for the price level in the country. So when the price of oil goes up, the value of oil production goes up, but in fact the volume of oil production may not be changed. And it's the volume of oil production that goes into real GDP, so you won't get that kind of spurious effect from a change in the price of what you produce when you look at productivity.

Clearly, higher oil prices are inducing a lot more investment in oil and gas exploration in Alberta, and they're certainly giving people more spending power, which is boosting GDP in Alberta. But the simple fact that the price is higher doesn't have an impact on the GDP measures or comparisons.

**Hon. Shawn Murphy:** Going back to an issue that Mr. Lake was pursuing on the EI situation, have there been any studies...? When I look at it, I see the possibility exists that there are disincentives built into the system, not only for labour mobility but also, and perhaps more importantly, for workers taking advantage of skills training and upgrading.

Have there been any studies on that issue looking at it from a pan-Canadian basis?

**Mrs. Barbara Glover:** There are two questions. One is whether EI inhibits mobility, and the other is whether EI inhibits training. Is that the second question?

● (1025)

**Hon. Shawn Murphy:** Basically, yes.

**Mrs. Barbara Glover:** I'll start with the second question.

There is a study on the first issue. I've been talking around the conclusions, and maybe it would be a good idea the next time if we bring that study here. The conclusion will say it's very complicated around mobility, and it's not entirely clear the impact employment insurance is having. They will look over different time periods and different communities. So we will bring that next time.

The question on training is a good question. Of course, if people receive employment insurance, it's possible that they will also receive active labour market benefit, which could include some kind of skills upgrading. So to a certain extent, if people are in receipt of EI, they may well be getting some kind of skills upgrading. So that's a partial answer to the question.

This is a hypothesis. It is also the case, though, that when people are on EI, they are receiving a certain income. So if you compare that to someone who is unemployed and not on EI, they possibly—depending on a whole bunch of factors—have a little more financial capacity to take on training on their own, if they weren't doing it within the EI system.

**Hon. Shawn Murphy:** I have one last quick question.

Has there been any empirical research done as to whether or not the provision of quality child care has any bearing on the labour participation rate?

**Mrs. Barbara Glover:** Whether the provision of child care has a positive impact on participation in the labour market? We did do a little fast review of the literature on that question. I know that the child care folks, who are not in the room, would be in a better position to answer that. But it is generally the case that the availability of child care is a positive factor on women's labour force participation.

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

Five minutes, Mr. Brown.

**Mr. Patrick Brown (Barrie, CPC):** Thank you, Mr. Chair.

I want to speak about what Mr. Martin was touching on a bit before in terms of foreign assessment credentials for physicians. I know one thing he mentioned was that it's possibly an area you could speak about with Health Canada, but the sense I'm getting is that when you talk to officials at Health Canada it's a foreign credential issue. When you speak to people here, it's a health issue. It's very frustrating, because I have the same concerns in my riding as they have in many small communities. The national average for physician shortages is one out of thirty. In small towns it tends to be one out of four.

I had someone who was a surgeon in his country come and visit me a month ago. He can't afford to write the equivalency exams because of the costs associated with taking time off work and for purchasing the books. There is obviously a language barrier and he needs to learn new medical terminology, but this is someone who practised as a surgeon for 20 years in his country.

So what I'm curious about is, what can be done? What is being worked on in terms of making that bridge easier? With the funds associated with the new Canadian agency for the assessment and recognition of foreign credentials, that's encouraging. I certainly hope there is some allotment in there recognizing the difficulties that new Canadians have in meeting our equivalency exams.

I realize that's one stage, and there is also the other problem with a lack of residency spots. But particularly on the front of help and assistance being given for those who have significant costs associated with writing their equivalency exams, what government program is going to be associated, particularly for physicians?

**Ms. Karen Jackson:** Just to be clear, when I suggested talking to Health Canada, I was specifically addressing the question about what we knew about caps on enrolment in medical schools. But actually on the issues of credential recognition and doctors, I'm going to ask Corinne to tell you some of the things that are being done and are being supported at the moment.

**Ms. Corinne Prince-St-Amand:** Thank you very much.

May I begin by telling you a little bit about the most recent statistics we have in terms of internationally trained doctors in this country? In 2005, we know there were approximately 14,000 practising international medical graduates in Canada. Those were people who had actually gotten through the barriers that you were describing and were practising. What we don't know and where we are lacking reliable data is how many others there are in the country who are unable to obtain their licences.

The program we're running, the foreign credential recognition program, has been working for the past two years with the Medical Council of Canada to address this specific issue around credential recognition. We have three projects running with them as we speak.

The first is an online assessment so that foreign-trained doctors, in their home country prior to arrival on Canadian soil, can do an electronic assessment on the Internet to check their credentials against Canadian requirements and to determine, before even making a decision to emigrate to Canada, whether or not they generally stack up and whether they'll have some issues in integrating into their profession when they arrive.

Secondly, we have another project running with the Medical Council of Canada that gives their evaluation exam. Historically, this exam—and it has to be written by those who are Canadian-trained as well as those who are foreign-trained—was offered once a year in Canada, in Toronto. What this meant for foreign-trained physicians was that they had to fly to Toronto to write the evaluating exam at a huge cost to themselves. What this project does now is to offer the evaluating exam in many countries around the world, as well as in Canada, and many more times a year, thereby helping to increase the number of potential foreign applicants who are able to actually write the exam each year with a view to, hopefully, increasing the number of doctors we have in our communities.

The final project we have in place right now, again with the Medical Council of Canada in order to assist physicians and address the demand in all areas of the country, is something called a national credential verification agency. What this agency will provide, in essence, is one-stop shopping for physicians who want to come to Canada. If you've ever talked to someone in a licensed occupation who wants to come to Canada, you'll know that they have to bring many copies of their original documents. Those documents then have to be assessed and recognized by the appropriate regulatory authorities prior to allowing that individual to then write the licensing exams and obtain licensure.

This agency will allow foreign-trained doctors to send one set of documentation to this agency and have the credentials assessed and recognized. It will then create, as well, an ongoing database for that physician if he or she gets other accreditations throughout their medical career. It will keep an ongoing history and list of all their ongoing credentials throughout their practice.

This means that instead of a health authority having to first check that the credentials are not fraudulent, that they are properly assessed and the individual meets all the licensing requirements, the employers will only now have to call one place. They will not have to also check all of the various places the doctor has practised in the world to see if those were legitimate and reputable hospitals. All of that kind of work will be done by the national credential verification agency for physicians—

● (1030)

**The Chair:** We're pretty much out of time here, Mr. Brown. Just a quick answer...the cost of the exam. Was that the question? Do you have a cost of that?

**Ms. Corinne Prince-St-Amand:** Yes, I have. For all of the work that we've done—

**Ms. Karen Jackson:** No, no. The cost to the individual.

**Ms. Corinne Prince-St-Amand:** Oh, to the individual. I think it's in the—

**Ms. Karen Jackson:** Are you asking whether we know how much an individual will be charged to take the exam?

**Mr. Patrick Brown:** Yes.

**Ms. Corinne Prince-St-Amand:** I believe it's in the $1,000 range, but it does vary. I would like to double-check my answer on that.

**The Chair:** Thank you.

We need to move on to motions and those things.

Mr. Storseth, did you have one quick question? You're the only one around this table who hasn't had a chance to question the witnesses.

**Mr. Brian Storseth (Westlock—St. Paul, CPC):** Yes. Thank you, sir.

**The Chair:** Ask a quick one, and then we'll move into our motions, as previously discussed.

**Mr. Brian Storseth:** But I had a great lead-up to the question. All right, I'll just skip right to the question.

Not only do we create barriers with foreign accreditation, as Mr. Brown has stated, but we also have barriers within the country and the provinces themselves with internal accreditation.

I was wondering if there have been any studies or any work done on flowing some of this out so that a doctor in Manitoba can go and work in Alberta without having to wait three, four, or five months before he can go there, or an insurance agent can.... Has there been any work done on that?

● (1035)

**Ms. Karen Jackson:** There has. I mentioned previously the arrangements of the Agreement on Internal Trade, which is trying to address those issues. Actually, a survey done in 2005 looked precisely at what kinds of problems exist today.

Are there a couple of comments you'd want to add to what we found?

**Ms. Corinne Prince-St-Amand:** As Karen mentioned earlier, what it found was that even today, 35% of individuals who are Canadian-trained were having difficulties obtaining licensure when they moved from one jurisdiction to another. That statistic increased to 50%—one in two—for those who were foreign-trained.

Changes in particular occupations from province to province occur for many reasons. The Province of Ontario has recently changed educational requirements for nurses, so this has required the regulatory bodies for the three nursing professions to adjust. It requires that a mutual recognition agreement currently in place with many of the provinces be updated.

Because of the changes provincially in Ontario for nurses, will Alberta or Quebec continue to accept equivalencies for nurses? Can they somehow look at equivalencies and determine that, yes, they're still similar enough to ensure that the high standards each province wants to maintain are upheld?

**The Chair:** Mr. Storseth, thank you very much. I also want to thank the witnesses for coming out today.

I have a couple of quick points before you go.

Mr. Martin, spaces and availabilities in institutions would probably make for some good witnesses as we move forward on our study to find out what we can do about spots.

You talked about the differences in access to education, and you have some data on urban and rural. Could you make that available to the committee at some point? It would probably be an interesting set of statistics and data. That would be great.

I wanted to talk a bit about productivity, but we're out of time, so I'll defer it to another day.

We want to thank you very much for taking the time to enlighten us a little bit more about some of the issues that revolve around mobility, foreign credentials, and skills shortages, and all these things. Thank you very much again for taking time out to be with us this morning.

**Ms. Karen Jackson:** Thank you for having us. We will indeed follow up and make sure we get you the information you're asking for.

Thank you. *Merci beaucoup.*

**The Chair:** Thank you very much.

Could I ask the MPs to look at the packages in front of them? We have a couple of motions by Mr. Martin in front of us. If we could flip to the notice of motions on the first page, Mr. Martin seeks unanimous consent to replace with this motion the one for which he gave notice on May 12, 2006.

The motion reads:

> Given the 2006 Budget spending for the Social Economy Initiative (SEI) and its potential to help establish new community businesses that can be self-sufficient, e. g. co-ops, and social enterprises, that the Committee devote one meeting to hear from officials from the government's Social Economy Initiative, including stakeholders currently engaged in the SEI, with a view to determining the immediate and long-term plans for the SEI.

Do we have any discussion?

Madame.

[*Translation*]

**Ms. France Bonsant:** You asked for unanimous consent. Wouldn't it be better to put this matter to a vote to see if everybody agrees?

We're asking you to put the question.

**Hon. Geoff Regan:** We're asking for unanimous consent to replace the motion with this one.

**Ms. France Bonsant:** I'm sorry. Thank you very much, Mr. Regan.

**Hon. Geoff Regan:** You're welcome.

[*English*]

**The Chair:** So the question is, do we have unanimous consent to replace the existing motion with that?

**Some hon. members:** Agreed.

**The Chair:** Okay, so now that we have unanimous consent, we'll have some discussion on the motion. Is there any discussion on the motion, or are we prepared to move forward with the vote?

All right, then I'll call the question.

(Motion agreed to)

● (1040)

**The Chair:** We have one more motion to deal with, as well.

**Mrs. Lynne Yelich:** Mr. Chairman, I talked to Mr. Martin about a friendly amendment to take out "recommend" and put in "study the impact of the government guarantee", and to remove the last part, "and that the Chair of the Committee report this motion to the House" after the word "Parliament", because it won't be this motion to the House that we're reporting; it'll be the friendly amendment. So just cross off, "and that the Chair of the Committee report this motion...".

So it will be "that the Committee study the impact of the government guarantee", or "...a guarantee to all seniors".

**The Chair:** Okay, and then strike off—

**Mrs. Lynne Yelich:** It is after the word "Parliament". It would be a different—

**The Chair:** And report annually to Parliament.

Yes, Mr. Martin.

**Mr. Tony Martin:** I understood the first part, and I know that Ms. Yelich spoke to me about that. I don't understand why we wouldn't report the motion to the House, even if it is a study, so that the House knows what we're doing here. Then it can report back. I don't know why we're taking that out. Isn't that the normal...?

**Mrs. Lynne Yelich:** This one was specific to the report. Once we do the study, we will make a report, so I thought we should just—

**The Chair:** We would be reporting back on the report.

**Mr. Tony Martin:** Yes, so why not just...? I'm okay with "study", but I'd prefer that we just leave the rest the same.

**Mrs. Lynne Yelich:** It can say, "or report this study", then, I guess.

**The Chair:** Okay. We're not reporting the motion; we're reporting the study. Correct? All right.

Do we have any more discussion on that?

Yes, Mr. Regan.

**Hon. Geoff Regan:** Do we have clear wording now on this motion?

**The Chair:** Yes. I believe the wording is "that this Committee should study the impact that the government should guarantee to all seniors a stable income", and we leave the last part of the motion to state this: "...reporting all the above annually to Parliament and that the Chair of the Committee report this study to the House".

**An hon. member:** Is there a change in the first part?

**The Chair:** We took out "recommend" and added "study".

Mr. Coderre.

**Hon. Denis Coderre:** Tony, if I may, I'd like to ask you a question.

We're talking about standard of living levels. *En français* we should say *coût de la vie*. What's the difference between your *niveaux de vie donnés* and *coût de la vie*? I don't understand why you would relate the Canada Pension Plan and the Old Age Security program to standard of living versus cost of living. Do you say the same thing, or is it just semantics?

**Mr. Tony Martin:** Yes, it means the same to me.

**Hon. Denis Coderre:** Well, in policy it doesn't. Standard of living and cost of living are not the same.

**Hon. Geoff Regan:** Mr. Chairman, isn't the question you're talking about here the increase in cost of living? Is that what you mean? A standard of living is quite a different matter. It's much more vague. It seems to me to be amorphous in terms of the concept.

**Mr. Tony Martin:** So are you suggesting that we put "cost of living" in there?

**Hon. Geoff Regan:** I think what you really want is to link it to increases or changes in the cost of living, don't you?

**The Chair:** Yes, changes in the cost of living.

If there is no more discussion, we'll vote on the amendment by Ms. Yelich, which was the amendment we just made.

(Amendment agreed to [See *Minutes of Proceedings*])

● (1045)

**The Chair:** On the motion as amended, is there any more discussion?

**Hon. Geoff Regan:** Would you mind reading it back to us?

**The Chair:** I believe it is: "That the Committee study the impact that the government should guarantee to all seniors a stable and secure income by: (a) linking the Canadian Pension Plan and the Old Age Security Program to the changes in the cost of living levels..."

All the way through, it remains the same. Then the last part would be: "...and that the Chair of the Committee would report this study to the House."

**Hon. Geoff Regan:** Mr. Chairman, the problem I have is that I don't think it makes sense right now.

It says that "the Committee study the impact that the government should guarantee". Do you mean "if the government guarantees" or "study the impact"? I don't hear a sentence there.

**The Chair:** Mr. Lake.

**Mr. Mike Lake:** "That the Committee study the impact of the government guaranteeing to all seniors..." and so on, from there.

**The Chair:** Thank you. We'll get that grammatically changed.

We're going to have the vote on the final motion, whatever it was.

Is there any more discussion?

Mr. Martin.

**Mr. Tony Martin:** Yes, I would share with the committee that we've accommodated the government on this. We actually wanted a much stronger statement sent to the government that there be a guarantee that the rising cost of living will be reflected in the programs we offer to seniors. As you know, in our economy today and in our country today, the demographic that seems to be falling further and further into poverty are our seniors, for a variety of reasons, such as the rising cost of energy.

I would hope that we would move quickly to do the study and that the government would be open, and at the end of the day, if it looks like this is something we should be doing, they would support us in recommending that we guarantee seniors a stable and secure income.

**The Chair:** I'll now call the question on Mr. Lake's amendment.

(Amendment agreed to [See *Minutes of Proceedings*])

(Motion as amended agreed to [See *Minutes of Proceedings*])

**The Chair:** The last thing we have on our list is the choice of witnesses for our study here in Ottawa. We wanted to point out that as part of your package, we have a list of potential witnesses and it is extensive. We'd ask you to have a look at it and give your recommendations to the clerk over the next week or so. We can then start to coordinate a list and get them ready to go for the fall.

Once again, you have some of that information in front of you, and it has been sent out to you. We need to have your recommended list by the end of June so that we can coordinate it before we break for summer recess.

Mr. Martin.

**Mr. Tony Martin:** I just wanted to make a pitch. There are some listed here who may be accommodated in other areas as we develop our list. But there is one person we would like to ensure comes before the committee on June 12, because after that he's unavailable for a year, and that's Jim Stanford. Let me just put a fine point on this: I would like him to be part of the group that comes on June 15, if at all possible, because he's not available for the rest of the year.

I also suggest—and I don't know if this is the appropriate time or not—that when we go out to the regions, for example to Toronto, we try particularly by video conference to bring in some of the more remote areas. In my own community we have a number of issues that need to be addressed that I think reflect what's going on in northern and rural Canada in an interesting and important way. I would like to make sure we're able to hear from some of those folks, so that they don't think just Toronto matters or just Halifax matters. Using the technology we have available to us, let's do everything we can to bring in more people in that way.

I believe the Bloc spoke to this earlier.

● (1050)

**The Chair:** In our budgets we included money for video conferencing. I would just request again that those of you who would like to see some witnesses from some areas that may not normally get an opportunity to participate include them as part of your list to the clerk and specify that video conferencing may be the preferable method.

**Hon. Geoff Regan:** Mr. Martin, you don't mean that we would be in Toronto and have a video link there, do you? It seems to me if we're going to travel to Toronto, or if we're going to have the cost of travelling across the country, we have to maximize the cost-efficiency. Meeting people in person is the reason we're going, whereas if we're doing video conference we can do it here.

**Mr. Tony Martin:** Whichever way it works best is fine.

**The Chair:** Exactly, that's a point well taken.

The last thing we need to get approval on before we go is the news release before you. Mr. Coderre proposes that we accept the news release the way it stands. If there's no more discussion on it, then I'll call the vote on the news release.

(Motion agreed to [See *Minutes of Proceedings*])

**The Chair:** The meeting is adjourned. We'll see you on Tuesday.

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