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

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**EVIDENCE**

**Monday, March 15, 2010**

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**Chair**

**Ms. Candice Hoepfner**



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

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• (1530)

[English]

**The Chair (Ms. Candice Hoepfner (Portage—Lisgar, CPC)):** Hello, everyone. We're going to call this meeting to order. The orders of the day are to look at supplementary estimates (C) for 2009-10, as well as the main estimates for 2010-11.

We have with us today officials from the Department of Human Resources and Skills Development: Scott Streiner, assistant deputy minister for the labour program; Liseanne Forand, senior associate deputy minister; Karen Jackson, associate deputy minister; and Michael Saucier, acting chief financial officer.

Welcome.

We also have with us, from the Canada Mortgage and Housing Corporation, Sharon Matthews, vice-president, and Michel Tremblay, director of financial operations.

Welcome to our committee.

We are so glad you're here. I believe that three of you will be presenting: Mr. Streiner, Ms. Forand, and Ms. Matthews. You will each have five minutes to present and then we will begin our round of questions.

We will begin with Mr. Streiner, please.

[Translation]

**Mr. Scott Streiner (Assistant Deputy Minister, Labour Program, Department of Human Resources and Skills Development):** Thank you, Madam Chair.

My name is Scott Streiner, and I am Assistant Deputy Minister of Policy, Dispute Resolution and International Affairs with the labour program. I am pleased to be here today to speak about the labour program's mandate and activities.

Recovery from the global economic downturn is, as we all know, a central priority for the government, parliamentarians and the Canadian public. The labour program plays an important role in supporting renewed prosperity and the well-being of individual Canadians by fostering healthy, fair work environments where motivation and productivity are high, and innovation is encouraged.

Our efforts are focused on several lines of activity.

[English]

First, the labour program provides mediation and conciliation services to federally regulated employers and unions engaged in collective bargaining. These services facilitate the resolution of differences without a strike or lockout, an outcome important not only to the parties involved but also to the economy as a whole.

Of the 530 collective agreements finalized in the federal jurisdiction during the last four years, 95% were settled without a work stoppage, and this was true even during the fiscal year now coming to an end, despite the difficult economic conditions. Increasingly, the labour program is placing emphasis not only on reactive interventions to resolve conflicts, but also on preventive mediation, which is designed to improve relations and reduce the likelihood of labour disruptions before they erupt.

A second line of activity is ensuring compliance with occupational health and safety requirements. Workplaces where people are safe from injury and occupational illness are more productive and dynamic. Employers and workers agree that every Canadian should be able to return home safe and sound after a day riding the rails, climbing broadcasting towers, or serving customers at the local bank.

• (1535)

[Translation]

Third, the labour program enforces employment standards and provides workers with recourse when the "rules of the game" around pay, leave or hours of work have not been respected. It is important that these rules keep pace with changing realities, such as workers' need to balance employment, family, and civic responsibilities, and employers' need for flexibility in how they retain and deploy their workforces.

During 2009-2010, the labour program conducted stakeholder consultations to explore possible steps to modernize federal employment standards. The results of these consultations are currently being assessed.

[English]

Fourth, the labour program helps workers get compensated for wages owed when their employers go bankrupt or enter into receivership. During the 2009-10 fiscal year the labour program oversaw the expansion of the wage earner protection program to cover severance and termination pay, a measure included in the economic action plan announced in Budget 2009. Thanks to the WEPP, which is delivered on the ground by our partners in Service Canada, almost 18,000 workers passing through one of the most challenging periods of their lives have received compensation since the program was inaugurated in July 2008.

Fifth, the labour program implements employment equity programs and related initiatives, such as the racism-free workplace strategy, which foster inclusive workplaces that can take full advantage of the skills and talents of all Canadians, a goal whose importance has grown as the Canadian labour force has become increasingly diverse.

Sixth, the labour program ensures a level playing field for Canadian companies and workers in a globalized economy and promotes Canadian interests and values abroad by negotiating and implementing international labour standards and agreements. In recent years labour program officials have negotiated labour cooperation agreements with all four of Canada's newest free trade partners—Peru, Colombia, Jordan, and Panama.

Finally, the labour program collects, analyzes, and disseminates information on workplace trends and industrial relation trends to Canadian employers, academics, unions, and policy-makers.

Underpinning all of this work is a commitment to excellence in service delivering, in policy development, and in management of the organization and its allocated resources. During 2009 the labour program undertook a strategic review of its activities to ensure, consistent with the government's expenditure management system, that its programs remain relevant and Canadians are getting value for money. The savings resulting from the labour program's strategic review are included in Budget 2010.

I hope, Madam Chair, that this overview of the labour program's mandate and priorities has been helpful, and I look forward to responding with my colleagues to questions from the committee.

Thank you.

**The Chair:** Thank you very much, Mr. Streiner.

We will now hear from Ms. Forand, please.

[Translation]

**Ms. Liseanne Forand (Senior Associate Deputy Minister, Chief Operating Officer, Service Canada, Department of Human Resources and Skills Development):** Madam Chair, committee members, I am pleased to present the 2010-2011 main estimates for Human Resources and Skills Development Canada. As you've mentioned, Madam Chair, I am accompanied by my colleague, Karen Jackson, Associate Deputy Minister of HRSDC, and Michael Saucier, Chief Financial Officer of the department.

[English]

Madam Chair, HRSD has played a key role in supporting Canadians during the global recession, with a strong focus on service delivery. Our staff has been on the front line helping Canadians cope with job losses and a challenging labour market.

A key component of Canada's economic action plan was to support Canadian workers and their families while developing a skilled workforce. The department has helped the government implement a number of key measures to help Canadians. We've provided a five-week extension to employment insurance and helped long-tenured workers gain further benefits. The work-sharing program was expanded. The provinces and territories were provided \$1.5 billion to deliver training to Canadians. Youth, older workers, and aboriginal Canadians were helped with additional measures.

Service Canada did everything possible to ensure Canadians received benefits they were entitled to on a timely basis. We increased overtime, reassigned and hired staff where necessary, streamlined processing procedures, increased automation, and extended hours of service at our EI call centres. We are monitoring the levels of unemployment to ensure quality service through all of our Service Canada centres on an ongoing basis.

With Budget 2010, the department will continue to support workers and their families in implementing the second year of the government's economic action plan. This remains the priority for this year. Budget 2010 noted that \$19 billion in new stimulus spending will help consolidate our gains through the economic action plan. Of that amount, \$1.6 billion will be invested to strengthen benefits for the unemployed and about \$1 billion will be invested to enhance training opportunities for Canadian workers.

In addition, Budget 2010 includes a series of targeted measures to be delivered by our department. For example, we will implement new initiatives worth \$60 million to assist more young Canadians while the labour market improves, and we will improve access to EI special benefits for military families and families who are victims of crime.

● (1540)

[Translation]

Let me outline for you the main estimates for Human Resources and Skills Development Canada, which will be included in subsequent appropriation bills for Parliament's approval.

The main estimates for HRSDC for 2010-2011 are about \$45 billion, a \$2.9 billion increase from last year's main estimates. This can be attributed to a rise in operating expenditures and in grants and contributions, mainly generated from priorities in the economic action plan for year two.

Let me elaborate on some of the key spending measures. Grants and contributions, for example, will see increases totalling almost \$700 million.

This includes \$425 million for the economic action plan to help Canadians in developing the skills and expertise to take advantage of new opportunities once the economy recovers. This funding will go to programs for aboriginal Canadians, apprentices, older workers and students.

And over \$106 million to continue the homelessness partnering strategy.

Statutory items will see an increase of \$1.9 billion, including:

a \$1.7 billion increase for the old age security program due to an increasingly aging population;

a \$172 million investment in the Canada student loans program, mainly due to the start-up of the Canada student grant program announced in Budget 2008; and

a \$50 million increase to the universal child care benefit based on population growth.

The department is also asking for additional monies under the 2009-2010 supplementary estimates to help us continue delivering programs and services that directly benefit Canadians every day.

The department is requesting a net increase of \$191 million for such measures as the Canada student loans program, the universal child care benefit and the old age security program.

[English]

Before closing, I'd like to highlight another key priority for our department, namely, service delivery to Canadians. Especially in these difficult times, citizens can count on Service Canada to have access to their benefits, such as employment insurance, Canada Pension Plan, or old age security. Canadians are at the heart of the Service Canada vision. Service delivery is our *raison d'être*. We are committed to service excellence in our network of over 600 points of service across the country. Our mission is to provide secure, knowledgeable, one-stop personalized service to all Canadians. We are reaching out, often in remote and rural communities, to serve aboriginal Canadians, newcomers to Canada, or people with disabilities.

That, Madam Chair, is my overview of the main estimates for 2010-11 at HRSDC.

Thank you.

**The Chair:** Thank you very much, Ms. Forand.

We will now hear from Ms. Matthews, please.

**Ms. Sharon Matthews (Vice-President, Assisted Housing Sector, Canada Mortgage and Housing Corporation):** Thank you, Madam Chair and members of the committee.

I am pleased to be here on behalf of Canada Mortgage and Housing Corporation to review our spending plans for fiscal year 2010-11. As Canada's national housing agency, a core part of CMHC's public policy mandate is to support affordable housing for low-income Canadians and in first nations communities. We do this through a number of programs funded by appropriations included in the main estimates. For low-income Canadians who need help finding housing they can afford, the government invests about \$1.7 billion annually in support of almost 625,000 households living in existing social housing.

Additionally, in September 2008 the government announced funding of more than \$1.9 billion over five years to improve and build new affordable housing and to help the homeless. As part of this investment, both the affordable housing initiative and the CMHC's renovation programs were renewed at current funding levels until March 2011.

As a result of this extension, these main estimates include funding for the affordable housing initiative for 2010-2011. This spending supports projects such as Building for Independence, an apartment building in Dartmouth for people with long-term mental illness. Thanks in part to this funding, these individuals are able to live on their own in affordable rental units.

Also included in the main estimates is funding for the extension of the federal renovation programs, including the RAP. With funding from this program, Potter's Hands, a project in Red Deer, purchased an old hotel and renovated it into affordable housing units. As a result, 40 people now have their own place to live.

As the committee is aware, CMHC has also been given a major role in implementing Canada's economic action plan, which includes more than \$2 billion in funding over two years to build new and repair existing social housing. To ensure that the social housing funds flow quickly, the majority of this investment—more than \$1.5 billion over the two-year period—is being delivered by provinces and territories through amendments to existing housing agreements. CMHC is directly delivering the remaining funding for the renovation of federally administered social housing and for the construction and repair of housing on reserve.

As reported in the fifth report to Canadians on Canada's economic action plan, more than 3,500 projects are already under way to improve social housing, including first nations housing, across the country. For example, first nations communities across Canada are able to build needed new social housing and make needed repairs to existing social housing as a result of this federal investment. The Musqueam First Nation in Vancouver was the first to receive federal funding through the economic action plan for new housing construction on reserve. As a result, a number of band members are now able to live in their own homes again.

Continuing to work with our provincial and territorial partners to deliver the social housing investments under Canada's economic action plan will clearly be a priority for CMHC in the coming fiscal year. The 2010-11 main estimates include funding for year two of the stimulus measures.

In addition to these social housing investments, CMHC is also administering up to \$2 billion in low-cost loans to municipalities for housing-related infrastructure. Whether we are talking about investing in the existing social housing stock, the affordable housing initiative, CMHC's renovation programs, or Canada's economic action plan, these investments in social housing are creating jobs and helping to ensure that Canadians have access to safe, affordable, and suitable housing that meets their needs.

Thank you again for the opportunity this afternoon to meet with the committee, and I would be pleased to answer any questions.

● (1545)

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

We will begin our first round of questions, which will be seven minutes each. We will begin with Madam Folco, please.

[*Translation*]

**Ms. Raymonde Folco (Laval—Les Îles, Lib.):** Thank you, Madam Chair.

Thank you, ladies and gentlemen, for your presentations.

My first question—and I hope to have enough time to ask a second—is mostly for Ms. Matthews. You mentioned 3,500 projects in terms of social housing. What I am especially happy to hear is that you focused somewhat on First Nations communities across the country, in all regions of Canada.

But what I do not understand is this: you say that you have spent the money and you plan to continue, yet Budget 2010 confirmed that departmental operating budgets would not increase. They will actually be frozen until 2012-2013. I do not understand how you are going to continue spending, how you will strike a balance with planned expenditures given the freeze announced in the budget. The treasury minister has already told us that he plans to make more cuts, especially with respect to the Canada Mortgage and Housing Corporation.

Can you tell us how you are going to keep housing construction and conversion at their current level, despite the bad news in Budget 2010?

● (1550)

[*English*]

**Ms. Sharon Matthews:** So for CMHC it's a little early to say exactly what the implications would be of the operating freeze in the federal budget. I can tell you that we spend about \$135 million on reserve for aboriginal Canadians. Very little of that is administrative cost; most of that goes directly to the housing. So I remain fairly confident that we will be able to continue to serve aboriginal Canadians.

The stimulus program also gave new money, \$62.5 million for new construction on reserve and another \$62.5 million—this is per year—for the retrofit of aboriginal housing on reserves. Again, we will work very hard to make sure that funding gets on the ground in those communities.

[*Translation*]

**Ms. Raymonde Folco:** There is a reason that I am asking the question, Ms. Matthews. It is really to give the department, as well as my colleagues, a bit of a warning. We can make every effort that is possible but none that are impossible. There is a discrepancy between the money you have—that amount will continue to decrease—and the work you are doing. That is an issue we would like to come back to in the future, and that is why I am asking the question today.

I have another question for Ms. Forand. It has to do with EI. There again, the premium rate will be frozen until the end of 2010, according to the budget that the government announced two weeks ago. The rate would then increase up to a maximum of 0.15% per year.

At the department, have you been able to estimate the projected deficit in the EI fund as a result of the freeze?

On one hand, what do Canadians risk losing? On the other, when do you expect the EI fund to return to the level it was at three weeks ago?

**Ms. Liseanne Forand:** Thank you very much.

Madam Chair, I will ask my colleague, Ms. Jackson, to answer.

[*English*]

**Ms. Karen Jackson (Associate Deputy Minister, Department of Human Resources and Skills Development):** Perhaps I can clarify what indeed Budget 2010 did say about EI premiums, the EI account. The 15¢ that you reference is actually a maximum limit that EI premiums can be increased in any one year.

The budget does provide projections around payouts of benefits from EI as well as it provides projections around premiums collected. But I would indicate to the committee that as of fall 2011 the actual responsibility for setting the EI premiums will be assumed by the Canada Employment Insurance Financing Board. That board has now been appointed. It is getting ready to assume that responsibility. So it's really up to that board within those legislated parameters of no more than 15¢ in any one year to actually set premium rates beginning this fall.

**Ms. Raymonde Folco:** So does this mean, Madame Jackson, given that the board is going to start to work, that you are leaving entirely to the board those decisions as to how much it will increase for any given time period, and, as a result, when that equilibrium is going to be reached? You, as a department, don't have any say in this at all?

**Ms. Karen Jackson:** The legislation does set out the parameters within which the financing board needs to operate. As I said, it cannot increase or decrease premiums any more than 15¢ in any one year. It does, however, as is set out in legislation, have to balance the account over time. It has to begin as of January 1, 2009, to balance over time.

**Ms. Raymonde Folco:** But the first part of my question, Madame Jackson, was the evaluation of the deficit that is caused. Does this mean it's the responsibility of the EI board, or is your department in some way involved in calculating what the deficit would be or would have been?

• (1555)

**Ms. Karen Jackson:** As I explained, you will find that in Budget 2010. There are a number of tables that have been provided by the Minister of Finance that will give you projections on revenues to be collected and benefits to be paid out through to 2014. Those projections on the differences do exist here in the budget.

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

We'll go to Monsieur Lessard, please.

[*Translation*]

**Mr. Yves Lessard (Chambly—Borduas, BQ):** Thank you, Madam Chair.

First of all, I want to thank the entire crew who came here to give us this information. The way I see it, the questions that have just been asked are essential to gaining a clear understanding of the government's role in setting the premium rate. Since the new board was created, the rate has been frozen at \$1.73, and when it does change, it cannot increase or decrease by more than 15%. We know full well that it will have to increase. The advantages under this program are determined by the government. A chief actuary simply has to determine what amount is needed. These are questions we should ask the minister. It is clear that the board does not truly have a role in determining the premium rate. It is really just a stooge.

My questions have more to do with the supplementary estimates. You must have them in front of you.

Ms. Forand, on page 127, on the line that reads "(S) Old Age Security Payments", amounts are listed, and we see that there is a credit adjustment totalling \$192 million. The next line shows that guaranteed income supplement payments have dropped by \$228 million.

Is the budget quietly being eliminated through attrition? What happened to cause a reduction of that size?

**Ms. Liseanne Forand:** Thank you, Madam Chair.

I just want to ask my colleague, Mr. Saucier, to give us some details on the figures. Then, I will come back to the member's question.

**Mr. Michael Saucier (Acting Chief Financial Officer, Department of Human Resources and Skills Development):** Pardon me, Mr. Lessard, I had the English version. I am looking for page....

**Mr. Yves Lessard:** I will repeat my question. On page 127, the line that reads "(S) Old Age Security Payments" shows an additional credit of \$192 million. The next line shows that GIS payments have dropped by \$228 million.

What is going on? Are fewer and fewer people expected to receive these payments? Usually, those who receive the GIS also receive OAS benefits.

**Mr. Michael Saucier:** There are two parts. The \$192 million figure is based on the estimated number of beneficiaries. We expect that number to go from 4.651 million to 4.650 million. That means a slight decrease of \$4.1 million, but most of the amount is due to the fact that the average monthly payment will go from \$492.13 to \$494.83, which represents \$151 million. That is the increase.

As for the \$228 million decrease, the number of beneficiaries has dropped. It went from 1.692 million to 1.630 million, representing a decrease of \$297 million. However, the average monthly rate rose from \$398.41 to \$401.78.

• (1600)

**Mr. Yves Lessard:** I have a hard time with that logic. You are listing off figures, but what does that mean in real terms? For example, someone who receives the GIS is already receiving OAS benefits. Usually, that would mean an increase. What is going on to cause a decrease of \$228 million?

**Ms. Liseanne Forand:** Thank you, Madam Chair.

There are, in fact, more OAS beneficiaries, as the member mentioned, but fewer people receiving the GIS, because a larger number of OAS beneficiaries are still able to earn additional income through paid work. They do not qualify for that reason.

**Mr. Yves Lessard:** That is clear.

Pardon me if I cut you off, but we do not have much time. I understand your answer perfectly; it makes sense.

The government estimated, just as we did, that the total amount of GIS benefits payable to those who qualify to be \$3.2 billion. Just as the government did, we knew that, in Canada, 123,000 people who qualified for the GIS did not receive it because they did not know about it. In Quebec, that number was 42,000 people.

Is there a way to know how many of those people are still alive today?

**Ms. Liseanne Forand:** I do not have the answer to the member's question, but I will find out and get back to him, perhaps during this meeting, if possible.

**Mr. Yves Lessard:** Okay, thank you.

[*English*]

**The Chair:** Merci. Thank you very much. That's all the time for this round.

Mr. Martin, please.

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

Thank you for being here today.

I want to speak to you about the money for housing that was announced both in the budget and in the stimulus plan. I would guess it will be managed, in some part, by the Canada Mortgage and Housing Corporation.

I have spoken to advocates out there, and also looked at my own community, where we applied for two projects and got turned down, and I have found, having talked to people across northern Ontario, that very few, if any, projects have been approved. Then in talking with the advocates, we heard that only a small percentage of the money budgeted actually got out the door, got spent, and was used to build units.

I read and heard in your presentation here today that you believe a lot of that money has gone out the door and that significant projects are up and running. But that's not my experience; it's not the experience of members of Parliament from across northern Ontario, and it's not the experience that has been shared with me by people out there who are watching housing and looking for social housing to be built. They're saying that a very small percentage of that money has actually flowed out.

In the announcements you're making for this year, I'm wondering how much of the new money that's been committed for this year is actually just money you didn't spend last year.

**Ms. Sharon Matthews:** The amount of money that we are talking about in terms of the stimulus has nothing to do with budgets in previous years. This is all new money, to answer your last question first, to be clear.

In terms of the money and how quickly the expenditure is going out, if you recall, in my opening comments I said that about \$1.5 billion of the stimulus funding is being delivered through provinces and territories. With that delivery, we are doing it under existing agreements, and provinces and territories are actually cost-matching; so we're doing 50%, they're doing 50%. So that money that the federal government is actually spending is being leveraged and doubled in terms of the money that's being spent out there and the number of projects that are getting done and put on the books.

In terms of what was approved in Ontario, because of the cost-matching and its being delivered through the provinces and territories, I really couldn't speak to the Province of Ontario's decisions in terms of a specific project or not. Under the accountability framework, they have the ability to design and then deliver those programs.

We will be auditing and we are monitoring very closely. As a province makes a commitment to a group—for example there may be a group in northern Ontario—if the province decides that the group will get the funding, they'll then submit that information to CMHC and then at that point CMHC will expend the funds and give it to the province so that they can proceed with the housing project.

In terms of actual expenditures, it's important to appreciate that housing is one of those things that take time to deliver. A 100-unit project doesn't get put up overnight. So while we will have expended

our money, we will have given it to the province and the province will only get that money when they've actually made the commitment to a sponsor group. And under our accountability framework, they must start construction within three months of getting that actual commitment, for us actually paying for the commitment that they've made. Then they have, I believe, to March 2011 to actually get everything fully expended and fully out the door. And it recognizes the fact that housing.... As I say, a 100-unit project or a 50-unit project isn't going to get built overnight, but it's important to get the work going and started. So in our accountability framework we've built in, once we pay for that commitment made, the province has about three months to get the project under way and started.

• (1605)

**Mr. Tony Martin:** It isn't what we're hearing from the advocates out there, who are saying that the money just isn't flowing, the houses aren't getting built. We're doing a study here at this committee of poverty, and one of the things we've heard over and over again as we've travelled across the country is the need for affordable social housing and that there is no affordable social housing going up. We get hopeful when we hear in budgets and stimulus announcements that in fact there are billions of dollars being set aside and budgeted for housing. And then we hear from people, and we actually feel it ourselves in our own communities. I have two first nations in my own backyard. No new housing going up there. We have a city of 75,000 where we have almost a zero vacancy rate and no housing. We applied for two and got turned down. We now have seven in, and we're hoping that maybe out of those, we'll get one or maybe two.

I'm also hearing from across northern Ontario particularly, which is what I can speak to most knowledgeably, that we were lucky if we got two or three units or projects announced. So what you're saying and what the government is saying in terms of budget is one thing; what's happening out on the ground it seems to me, from what I'm being told and seeing personally, is another thing.

**Ms. Sharon Matthews:** Again, I can speak to how CMHC is managing the money. As I said, the provinces and territories are accountable for the design and the delivery of the programs. We won't make a commitment in terms of expenditure to the province until they have a commitment in hand with that sponsor group, and they have a time period upon which they must get that construction started, and they will be audited on that at the end of the day. We have an accountability framework to make sure.

If you went to the CMHC's website, there are all sorts of examples of where work is actually up and running and projects are being announced daily as they get rolling. So I can't speak specifically to northern Ontario, because it really is the provinces designing and delivering it, but I can tell you housing is getting built, and it's getting built at a pace that I've never seen in my career.

**Mr. Tony Martin:** Well, we're not seeing it in our neck of the woods. That's what I'm saying to you here today. I'm also sharing with you what I'm hearing from housing advocates in Toronto, for example, because I was there at a forum about three weeks ago: they're not seeing it either.

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

We'll now go to Mr. Komarnicki.

•(1610)

**Mr. Ed Komarnicki (Souris—Moose Mountain, CPC):** Thank you very much, Madam Chair.

I certainly thank the presenters for their various presentations.

There's no question that our economy has been showing signs of recovery. The job numbers we've seen most recently, with 21,000 in the last five of seven months, showed positive gains. That's certainly good, but we've come through a difficult period and things are still fragile.

Certainly, recovery from the global recession is an important aspect for everyone, and HRSD, of course, does play a vital role, not only in service delivery, but I think in supporting many Canadians during this global recession.

I'm trying to put some of this in context. I know that a number of programs were a result of the economic action plan, which has been extended over two years. We're into year two. I'm trying to get some numbers around those programs, if I can.

The work-sharing program was one that was put in place over the last year and has been extended under the new budget. Most recently, I had an opportunity to speak to Mr. Georgetti, who was talking about that particular program and seemed quite pleased with it. It has been working reasonably well with respect to some of the employers and employees I've talked to.

Can you give us some sense of the job numbers that may have been preserved as a result of that program and how many are in place now, and what the department may have done with respect to the eligibility requirements and ensuring that this program is fully flowing? Can you give me some idea about that?

**Ms. Karen Jackson:** Yes, I'm able to provide some additional information about the work-sharing program. At this point, our estimate would be that there are somewhere between 150,000 and 160,000 participants in work-sharing, under about 6,000 agreements with particular employers. Over the period of time since budget 2009 and the changes that were made to work-sharing at that time, we think there have probably been in the order of 225,000 Canadians who have benefited in some way from work-sharing.

Then, I would just explain that what the government did announce in Budget 2010 was a further extension. At the moment, work-sharing agreements can run for 52 weeks. In Budget 2010, the government announced that they're going to allow them to run a further 26 weeks, for a total of 78 weeks, and that will remain in effect through to the end of March 2011.

**Mr. Ed Komarnicki:** Thank you. I appreciate those numbers. I know they certainly have meant a lot to many employers and employees. There is no question about that. It's good to see that program extended through to March 2011.

Another part of the program, of course, is the additional five weeks added to EI benefits. Again, could you give us some numbers on that? More recently, I was involved quite extensively with respect to Bill C-50, which extended the benefits to long-tenured workers from five weeks to twenty weeks. Again, there are a number of people who will be affected by that. Some of them are benefiting

now, and some will continue to benefit. If you could give us some perspective or background to that, I'd appreciate it.

**Ms. Karen Jackson:** Thank you for the question.

There are really two parts to this answer. It was Budget 2009 that first extended across the country an additional five weeks of benefits. We are tracking those numbers. As of this date, over 500,000 workers have benefited from that change. The estimates on the cost of that to the EI program are about \$575 million in each of the two years.

Your other reference was, as you said, to Bill C-50, which took another step last fall to allow for longer EI benefits to be collected by long-tenured workers. Depending upon their circumstances, those extensions can range from a further five weeks up to a further twenty weeks. In that case, those changes came into effect in November. Since that time, we estimate that about 46,000 Canadians have benefited from that change.

•(1615)

**Mr. Ed Komarnicki:** Do you anticipate what your prognosis or expectations might be with respect to the uptake of the program during the time it's available?

**Ms. Karen Jackson:** We have some estimates that in the neighbourhood of 190,000 workers will be able to benefit from that Bill C-50 change over the period during which it will be in effect.

**Mr. Ed Komarnicki:** To round out those numbers—I'm interested in numbers—and I'm not sure if you're able to say... There was a portion of the budget specifically directed to skills upgrading and training. Do you have any numbers as to what the uptake was and what it might be expected to be?

**Ms. Karen Jackson:** That's a trickier question.

**Mr. Ed Komarnicki:** If you don't have them....

**Ms. Karen Jackson:** I'm going to have to find those. Principally, the funds committed to additional training and work experience programming are actually being provided by the provinces and territories, either through the labour market development agreements, which are relevant to EI recipients, or through another set of agreements that are there to provide support to those who are not EI-eligible. I probably have those figures. Maybe I can find them before you do.

**Mr. Ed Komarnicki:** If they are not readily available, that's fine.

Is my time up?

**The Chair:** Your time is up.

We'll begin our second round. This is just a reminder that you will have five minutes each. We'll begin with Madam Minna.

**Hon. Maria Minna (Beaches—East York, Lib.):** Thank you, Madam Chair.

I just want to say at the outset that I agree with Monsieur Lessard's questions on GIS. It would be nice if we could get some information on the number of people on GIS now and on what's happening there.

I'd like to go to Mr. Streiner to start. You mentioned, of course, the importance of occupational health and safety. It's very important. Am I correct in understanding that there will be a cut, that 18 out of 40 board positions are being cut? Who will that impact?

**Mr. Scott Streiner:** I think the reference is to the Council of Governors of the Canadian Centre for Occupational Health and Safety. You are correct that in the recent announcement made by the President of the Treasury Board on GIC reductions, included were 18 positions, provided for in law, on the Council of Governors of CCOHS. In reality, those positions have not been filled since the mid-1990s. The legislation provides for a council of governors of up to 40 governors, representing provinces and territories, workers, employers, and representatives of federal departments. Eighteen of those positions have been left empty since the mid-1990s as a result of budget reductions at the time. What this reduction announced by the President of the Treasury Board does is actually just codify the existing practice.

The council will continue to function with the number of governors it has had. There will be no impact on the functioning of the council.

**Hon. Maria Minna:** I want to go to anyone here. How would you describe what is occurring with respect to EI premiums when an increase occurs? In this instance, you would consider it a payroll increase for premiums, which I would suggest is an increase in taxes.

Does the EI board actually have discretion in this case? My understanding of the rules is that they have to keep the fund in balance, and if they go into deficit or below, they have to raise premiums, and so on. Is the fund in deficit or not? Does this board actually have discretion? The government announced increased premiums in the budget. Is the board making that decision, or is there no discretion left?

**Ms. Karen Jackson:** Thank you for the question.

To begin with, both in Budget 2009 and then again in Budget 2010, the government froze the premium rate for two years. That takes us up to this year. The Employment Insurance Financing Board is now in existence, and it will assume its responsibility this fall for setting the premium rate.

In setting the premium rate, there are parameters. It must balance the revenues and expenses over a period of time.

• (1620)

**Hon. Maria Minna:** I only have five minutes, I'm sorry.

I understand that, but what you're saying is that the board at this point has no say. It is not making any decisions.

**Ms. Karen Jackson:** Its role begins this fall—fall 2010—for setting the rate in 2011.

**Hon. Maria Minna:** Okay.

I'd like to move on to another part. Given that 42% of Canadians have low literacy, how can any of you here explain the cut of \$1.3 million in grants and contributions to organizations that provide adult literacy, literacy and essential skills? Given the 42% literacy problem, why are we cutting literacy by \$1.3 million? From the policy perspective, can anyone answer that question? And the information is on page 14-14 and 14-9.

**Ms. Liseanne Forand:** I'll ask Mr. Saucier to confirm this for me, but my understanding is that this reduction in these programs has to do with some programs that were sunsetted and that have not been renewed, but it is in the context of a broader expenditure in these

areas and transfers, etc. So I'll perhaps just ask Mr. Saucier to explain the difference between last year's main estimates and this year's estimates.

**Hon. Maria Minna:** I know the difference, it says a \$1.3 million cut.

What I want to know is, from the policy perspective, given the level of literacy issues in our country... I presume some of you give policy advice and do policy development. What is the rationale for the cut, apart from the sunsetting? Programs always sunset, but then you renew them, because they're needed. So why were they not being renewed?

**The Chair:** If you could answer that as briefly as possible, that would be good.

**Hon. Maria Minna:** I have one more question and then I'm done. Or could I ask for that—

**The Chair:** Yes, your time is up actually.

**Ms. Liseanne Forand:** I will answer that briefly, Madam Chair.

The department is very aware of the concerns with respect to literacy, particularly with respect to attachment to the labour force. We have included programming having to do with essential skills and literacy with respect to our labour market program suite of programs, and I can provide further information on those particular programs.

So we are continuing to work, particularly with respect to programs that are delivered in the workplace for workers and people seeking training to get back into the workplace, to ensure that literacy and essential skills can be increased, particularly in order to make people eligible for ongoing work.

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

Mr. Vellacott.

**Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC):** Thank you.

I think most of my questions, at least initially, will be directed to Sharon and then I'll have some on the matter of the EI and the labour shortages in the country.

First off, Ms. Matthews, there's been a renewal—of course, a good thing—of the affordable housing initiative and at the current funding levels until March 31, 2011. You mentioned here in your presentation as well some examples—these costs matched and delivered by provinces and territories—and you mention projects like Building for Independence in Dartmouth with long-term mental health illness there in respect to the portable rental units in that sphere of things.

First off, is that a growing need? Could you give me some idea—or maybe you can get back to us later by way of researching that a bit—what is the percentage of the total in terms of housing such as Building for Independence or others for those with long-term mental health illness?

I think it's how we are judged as a society when those most vulnerable among us, through no fault of their own—it's not like they can get skills training or anything that will suffice for them.... But I believe we need to take care of that. I'm just rather curious whether that's a growing need—some reports, anecdotal and research as well to indicate—and what is the percentage of the total?

**Ms. Sharon Matthews:** I'm afraid I couldn't give you a breakdown in terms of that client group. I can tell you, overall, that housing need from the census 2001 to 2006 marginally went down on a percentage basis and largely pretty well flatlined. In an absolute number perspective, I think it was marginally up. So you haven't seen a lot of change. Percentage-wise, it's slightly down, but I wouldn't be able to give you a percentage off the top. I could perhaps go back and ask our research—

• (1625)

**Mr. Maurice Vellacott:** Could you do that? I'd much appreciate that.

**Ms. Sharon Matthews:** —and I'll see what would be available in the corporation.

**Mr. Maurice Vellacott:** For sure. Those in respect to the long-term mental health illness out of the affordable housing initiative—if you could give me that, if that's a growing need and what's the percentage of the total, I would appreciate that.

**Ms. Sharon Matthews:** I'll see what we can have.

**Mr. Maurice Vellacott:** The other question is at the end of your presentation, about the third paragraph from the end, where CMHC is administering up to \$2 billion in low-cost loans to municipalities for housing-related infrastructure. It's not really a deep profound question, but what's the percentage of interest there, or how is that "low cost" determined.

**Ms. Sharon Matthews:** The interest has actually been quite good with this program. From a cost-benefit perspective, a municipality could save significant dollars. In the current market you're probably looking at about 1% or 1.5% interest savings. So on a \$10-million infrastructure loan over a 15-year period, a municipality could save upwards of \$1 million or \$1.5 million. That is not insignificant to a municipality's bottom line.

**Mr. Maurice Vellacott:** How do you calculate or determine that? Is it based on current Bank of Canada rates?

**Ms. Sharon Matthews:** We look at current and average rates out there. Every municipality is a little different as far as what rate they can get in the marketplace. We're estimating about 1% or 1.5% in the current market, but it would absolutely vary by jurisdiction.

**Mr. Maurice Vellacott:** Good.

On the labour issue, in my province of Saskatchewan we have some significant labour shortages. Despite the global recession we've had, some industries are having a rather difficult time finding qualified workers. I think the problem will only get worse as the economy recovers. It seems rather out of sync for some of the opposition parties to be calling for an unaffordable and irresponsible increase in EI when Canadians want to work. Employers, at least in my part of the country, desperately need workers.

I wonder if you can touch on some of the things that have been done and that you anticipate will be done in the days ahead with

things like skills training, the targeted initiative for older workers, foreign credential recognition, and so on. We have a large aboriginal population in my province, so the aboriginal component is key. Lastly is youth. We always have to be doing what we can to make sure there are initiatives there too.

**Ms. Karen Jackson:** Thank you for the question.

Even as the government has implemented and is acting on an economic action plan in response to a recession, it is also important to keep our eye on the ball going forward. We know that there are skills shortages even now in certain occupations and professions in certain areas of the country. This presents a challenge going forward as well.

There are a number of things we are doing—for example, the investments in the skills training that the previous questioner asked me about. That money is being transferred to provinces where it's being spent on both EI and non-EI clients. The action plan put out an additional \$750 million per year over the two years for those purposes—I've actually found my figures. That's going to provide up to 120,000 Canadians or so each year with the opportunity to upgrade their skills or train for jobs that will be in demand down the road.

You mentioned the targeted initiative for older workers. The economic action plan provided additional investment in that initiative too. The provinces and territories are in the lead in developing the projects, or working in communities to have the projects designed. The bottom line is that it's about trying to equip older workers with the skills that will allow them to fill jobs in demand and remain in the labour force now and into the future.

• (1630)

**The Chair:** Thank you for that.

Monsieur Lessard.

[*Translation*]

**Mr. Yves Lessard:** Thank you, Madam Chair.

Very briefly, let's talk about the Canada summer jobs program for students. Some budgets are determined by geographic region and others by city.

How many cities in Canada manage a budget for the Canada summer jobs program outside Service Canada?

[*English*]

**Ms. Karen Jackson:** If I understand the question, most provinces in this country have their own summer programming for students. As far as how it gets delivered and whether it gets delivered individually by cities or municipalities, I'm not sure I can answer that.

[*Translation*]

**Mr. Yves Lessard:** The city of Montreal, for example, has a Canada summer jobs program budget. I will not throw out any numbers as I do not know what the budget is. So, this year, what is happening is that the jobs that were managed by the cities are going back to the overall budget for every riding, without linking them to the budget.

Could you give us some information on that, so we know which major cities have a budget to designate summer jobs? How big are those budgets? What changed this year to make them want to put those jobs back in the budgets of the ridings?

I have another question about the Canada summer jobs program. In 2006, this committee unanimously recommended that the program receive a bigger budget to take into account two additional factors: the increase in the hourly wage, by province—which did not happen—and the increase in the cost of living—which did not happen either.

In 2006, the suggested increase was \$13 million. That means that today we should have a budget of \$120 million for this item, yet it is at \$107 million. I would add that the budget has not increased at all in three years.

Can you tell us how these budgets are managed on a national level, such that we see an increase in the number of jobs without an increase in the budget?

I would like you to provide a written answer, as it may be long.

The other aspect has to do with the budget for post-secondary education for aboriginals, a budget that includes a transfer to the human resources budget. Is the transfer purely administrative and so will not affect the program benefits, or will it change something?

Assistance to aboriginals is currently in the form of grants. Will there now be loans and grants for aboriginals?

• (1635)

**Ms. Liseanne Forand:** Thank you, Madam Chair.

The transfer you are talking about, from Indian and Northern Affairs Canada to our department, involves amalgamating payments that our department will send to the Kativik Regional Government. It involves combining contributions that come from two sources and that are sent to a single recipient, that is, the region of Kativik. It is a matter of making a single contribution instead, in order to minimize the administrative impact, especially on the recipient, the region of Kativik.

So there is no change in the amounts or in what the contributions are used for. The purpose of the contributions is to support post-secondary education for the people of Kativik.

**Mr. Yves Lessard:** We know there is a transfer of \$300 million....  
[English]

**The Chair:** Thank you, Monsieur Lessard.  
[Translation]

**Mr. Yves Lessard:** I would like to ask a very brief follow-up question. They could respond in writing.  
[English]

**The Chair:** You actually have gone over your five minutes already.

We'll go to Mr. Lobb, please.

**Mr. Ben Lobb (Huron—Bruce, CPC):** Thank you.

Just for a point of record, with the low cost of municipal loans in my riding, one fast-growing municipality was able to take advantage

of that. They borrowed \$5.3 million to build new waste water facilities for part of the area and also put in another piece to improve the treated effluent that would go back. So for a lakeshore community, that was certainly well appreciated, as well as a brownfield site for the affordable housing initiative. The same municipality took a brownfield site, cleaned it up, and they're going to put a 53-unit housing unit there. That's putting money to good use.

My first question, and this I guess would be on behalf of the constituents of Huron—Bruce, is to do with the senior independence program and the RAP program, both popular programs. There are lots of questions about them. Under the section there, it puts two pieces in. It's for upgrading existing infrastructure, but also for building new, and I wondered if you had a breakdown for both of those, even as a percentage basis. How much would have been for rehabilitating or updating the existing infrastructure and how much would have been for a new build under that?

**Ms. Sharon Matthews:** Under the renovation program, it's all the existing infrastructure, or am I misunderstanding somehow?

**Mr. Ben Lobb:** In here it says it does all that, and facilities that are non-residential buildings—

**Ms. Sharon Matthews:** That's conversion, okay. So homeowner RAP would be the majority of the money under the renovation programs. It's about 44% or 45%. Rentals are about 26% or 27%. Within that rental the conversion would be a component of that. I couldn't tell you off the top what component of the 27% of the overall budget would be conversion versus just a straight renovation of a rental unit.

**Mr. Ben Lobb:** Has the department ever considered raising the income threshold on that for it to be eligible for either the seniors program or for the RAP?

**Ms. Sharon Matthews:** We look at the income thresholds every year. We go through and look at what's the norm in the community. You can appreciate the programs are over-subscribed, so by increasing the income level, frankly, you'd just end up with a larger waiting list. But we do look at those income thresholds annually.

**Mr. Ben Lobb:** Who administers that program? Is it CMHC that administers that program?

**Ms. Sharon Matthews:** It depends. It's one of those programs where CMHC will directly deliver if a province or territory has decided not to cost-share. So off the top, in B.C., Alberta, and Ontario, CMHC will directly deliver that. We also directly deliver, by the way, in P.E.I., but the province does cost-share there. It's just easier for us to do it. They've asked us to directly deliver. But in all the other areas, the provinces and territories do it directly.

**Mr. Ben Lobb:** Okay, this next question changes gears a bit. With the new employment insurance board, in your thoughts, where do you see an improvement in the accountability and transparency that maybe wasn't there 15 years or 10 years ago?

**Ms. Karen Jackson:** Thank you for the question.

As I've alluded to in previous answers, the Employment Insurance Financing Board has been created as an arm's-length, independent crown corporation. Its mandate is to set premium rates such that the program breaks even over time. What it means is that, unlike in the past, any surpluses generated, because it has the rate set at a point where more money is coming in than is being paid out, will be set aside in a separate bank account and it will be there to be used for purposes of benefits under the program in the future.

• (1640)

**The Chair:** Mr. Savage, please.

**Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.):** Thank you, Madam Chair.

Thank you for coming. Sorry I was late. I was in the House...of Commons, not my own.

I have a few questions, and I do appreciate your coming. The enabling accessibility fund has been recommitted to. It was a \$45-million program. Has all of the previous \$45 million been expended?

**Mr. Michael Saucier:** No, it has not. There has been a deferral of a project for Durham and in regard to a second project in Calgary that will be taking place.

**Mr. Michael Savage:** They comprise 66% of the original enabling accessibility fund, do they not? In other words, they total \$30 million out of the \$45 million that was announced a few budgets ago.

**Mr. Michael Saucier:** That was the total in terms of the amount left unspent? I'd have to double-check to see what percentage that represents.

**Mr. Michael Savage:** Will they be spent? Will they be expended in those two projects?

**Mr. Michael Saucier:** They plan to be spent, yes.

**Mr. Michael Savage:** Okay.

As I recall, particularly the one in Durham... There was some concern raised about that facility. As worthy as it was going to be, the program seemed to be designed specifically for them. They have not spent that \$15 million. Can you tell me when they will spend that \$15 million?

**Ms. Liseanne Forand:** Madam Chairman, that allocation, as is unfortunately sometimes the case with respect to capital-intensive projects, hasn't proceeded as quickly as might have been expected. However, there is the intention to proceed with it, and we'll be doing so in the coming months.

**Mr. Michael Savage:** Okay.

The second tranche of \$45 million...even though it hasn't been expended, that is still part of the first \$45 million. It just hasn't been, as an official referred to it last year, "re-profiled" and added to make up \$45 million. It's a new \$45 million.

And will the qualification for that...? I realize the minister hasn't announced the details yet, but there was an awful lot of criticism last time that you had a \$45 million fund, of which \$30 million went to two projects and \$15 million went to everybody else in the country who didn't happen to live in those two Conservative ridings.

Is there going to be a review of how that is done? Do you know what the details are going to be for the new fund?

**Ms. Liseanne Forand:** Madam Chair, we don't know yet the exact details for that fund, but we are looking at ways.... And we will be providing options to the government for the terms of that program to make sure it can meet as much of the demand as possible.

One thing is clear from the Minister of Finance's statement in the budget; there will be a new category of projects that will be included in the enabling accessibility fund for medium-sized projects. In the earlier iteration of the program there was a tremendous demand for the smaller projects and a certain amount of demand for the large projects as well, but there was no provision for medium-sized projects, which will be part of the new program. However, we still have to work out the details of the terms of the program.

**Mr. Michael Savage:** Thank you.

Were you involved in the recommendation for the first fund? Were you in the department back then, in terms of making recommendations to the minister on how the first \$45 million should be spent?

**Ms. Liseanne Forand:** Madam Chair, I've only been in the department since October 2009.

**Mr. Michael Savage:** Okay.

When the Speech from the Throne was read, there was a passage that gave me a little hope. I'm not a big fan of the UCCB, the universal child care benefit. I think everybody can use the money. We wouldn't propose to get rid of it. But \$100 a month.... It isn't indexed, correct? It's still \$100 a month?

• (1645)

**Ms. Liseanne Forand:** That's right.

**Mr. Michael Savage:** It doesn't really provide much child care. But when I read it in the Speech from the Throne, or when it was read to me, they indicated they were going to enhance that, particularly for single parents. The next day in the budget, it turns out that enhancement, if I understand it, fully implemented is going to be a total cost of \$5 million a year.

**Ms. Liseanne Forand:** Madam Chair, there were in fact two changes to the UCCB in the budget. One was the tax treatment for single parents, and that was the tax treatment piece. There was also another enhancement that was provided this year, which has to do with allowing parents who have joint custody of their children to share the amount of the UCCB within the same month, so in a timely fashion. Rather than having to elaborate some sort of formula whereby one parent would get it for six months and the other parent would get it for the other six months, it will now be possible for parents to actually share the amount for their children. Those were the two enhancements.

**Mr. Michael Savage:** Is the total cost for the whole program \$5 million a year?

**The Chair:** Mr. Savage, sorry, your time is up. Thank you very much.

We'll go to Mr. Cannan.

**Mr. Ron Cannan (Kelowna—Lake Country, CPC):** Thank you, Madam Chair.

Thank you to our witnesses, some returning and some here for the first time. Welcome. It's good to have you.

I and my colleagues around the table are going through some challenging times in our communities, from recession to recovery, and the work-sharing was welcome news, as well as the aspect of the housing strategy.

Coming from British Columbia, in the Okanagan, I know we work closely with B.C. Housing and it has been very successful. I think Minister Finley alluded to over 80,000 units having been built in B. C. in the last few years. So we continue to work on that.

In terms of mandate, as you know, each province sets the priorities. British Columbia is focusing on children, persons with disabilities, and seniors. We have some very successful projects that have been announced, and we continue to look forward to the rollout into 2010 and 2011.

On the question about children, as a grandfather now of a three-year-old, I know the importance of child care and the ability to provide options. I know it's a provincial responsibility to provide child care spaces, but the \$100 a month is definitely welcome news, specifically, as you said, with single parents.

It was brought to my attention, actually by a reporter who has joint custody, that our new legislation was welcome. I just want to elaborate on Mr. Savage's point as far as the importance and the amount being committed to universal child care benefits is concerned. What is the dollar value, and what percentage of families with children under the age of six receive cheques every month under this program?

**Ms. Liseanne Forand:** The current amount expended in terms of the universal child care benefit is \$2.6 billion. Approximately 99% of eligible families receive the UCCB. As my colleague Mr. Saucier mentioned earlier, that amount actually went up this year, because, of course, we're tracking population numbers. So the increase you see in the UCCB for this year's main estimates is due to an increased number in the population.

**Mr. Ron Cannan:** Sorry. How much did it go up?

**Ms. Liseanne Forand:** Fifty million dollars.

**Mr. Ron Cannan:** About how many children are benefiting from that?

**Ms. Liseanne Forand:** I'm not fast enough with my zeros, I'm afraid, to do the math, but we'll get that number for you.

**Mr. Ron Cannan:** I think it's around two million, but I just wanted to clarify that.

The other question is on the other end of the spectrum. Seniors are vital. They built our country. In our great Okanagan Valley, we had the highest percentage of seniors per population in the last census, in 2006. So the GIS exemption from \$500 to \$3,500 and the pension splitting was welcome news.

I just want to know how the investments in the OAS and GIS in the coming year compare to previous years.

**Ms. Liseanne Forand:** Given the demographics in Canada and the aging of the population, we predict the number of eligible recipients of OAS to be increasing, for example, between this year

and next year, by about 3%. So this is a process and a trend that has been ramping up.

Right now, we have about four million seniors in Canada who are eligible for old age security. As well, we have about three million Canadians who are eligible for CPP retirement benefits. Between those two programs, the Government of Canada provides \$62 billion in benefits on an annual basis, and we expect that amount to increase.

• (1650)

**Mr. Ron Cannan:** In terms of aging demographics, that's definitely the trend.

Lastly, my colleague Mr. Vellacott had touched on the importance of mental health, and I know Prime Minister Harper introduced the Mental Health Commission. Working with our committee and the poverty task force, we're looking at the importance of investment in mental health and the challenges in the community.

I'm looking at the appropriation. Is there some additional funding to deal with the Mental Health Commission?

**Ms. Karen Jackson:** HRSDC does not have a relationship with the Mental Health Commission. I would suspect that you would find that relationship with the Department of Health, Health Canada.

**Mr. Ron Cannan:** It says, "Funding for mental health and emotional support"—

**The Chair:** Mr. Cannan, thank you very much.

Mr. Martin.

**Mr. Tony Martin:** Thank you.

I want to get back to the housing question. I know Mr. Cannan mentioned that.

How many units were built in B.C.—was it 20,000?

**Mr. Ron Cannan:** She didn't give me the exact figure.

**Mr. Tony Martin:** That's my question. Could you tell me where across the country and how many units were built last year and what the projection will be for the coming year?

**Ms. Sharon Matthews:** I wouldn't have the breakdown for the stimulus at this point in front of me. I can tell you that of the 3,500 projects that are under way—and that combines new construction and retrofit—it's well over 100,000 units that are involved in that. So there's a lot of work there.

On the affordable housing initiative, which would be non-stimulus dollars, the regular program, I would have a breakdown by province in terms of the allocation, but I wouldn't have the number of units, I don't believe. Actually I take that back; I do. Nationally the number would be just under 45,000 over the course of the AHI, and I would be able to give you a breakdown by province if you want it.

**Mr. Tony Martin:** Yes, I would appreciate that, if you don't mind.

**Mr. Ron Cannan:** Madam Chair, if you could circulate that information to the committee, it would be helpful.

**The Chair:** Thank you.

**Mr. Tony Martin:** I wanted to talk for a few minutes about EI and a number of measures that have been announced, such as the allocation of over \$4 billion to improve employment insurance benefits and provide for more training opportunities. Provinces like Ontario are beginning to feel the pinch, it seems. There are noises coming forward that they anticipate that their social welfare costs are going up, and they expect that they're going to go up even further and that they are not going to be able to handle that. In your analysis, is this \$4 billion to improve employment insurance benefits and provide more training opportunities going to be enough to deal with the challenges that are out there and will come at us in the next year?

**Ms. Karen Jackson:** The \$4 billion that is there is provided for the enrichment and extension of the passive income benefits in EI as well as, as you say, training programs through EI and outside EI for aboriginal Canadians, for the older workers I spoke about, for efforts around getting immigrants' credentials recognized faster when they arrive. So that figure is the sum total of all of the elements that had anything to do with skills and training and income benefits in the economic action plan.

Is it enough, is it adequate? That's a very tough question to answer. I think we have begun to see a recovery in the economy. We've begun to see job growth again. It does vary from place to place. It's something we're watching very carefully, but I'm certainly not in a position to pass a judgment like that today.

**Mr. Tony Martin:** Thank you.

Another subject that comes up quite often, particularly when I meet with seniors groups, and certainly CARP has raised this, is the issue of the consumer price index and the mistake that was made a few years ago that still rolls out and still irks a lot of older folks as they get their pensions and realize that they're being short-changed each time. Is there anything at all being done to address that, or is it

just water under the bridge and we just tell those seniors that we're moving on and forget about it, you lost it and tough luck?

• (1655)

**Ms. Liseanne Forand:** In terms of the increases that are the result of the consumer price index that are assessed on a quarterly basis with respect to the old age security program and annually with respect to the CPP program, I know that even in my short time in the department I am already aware that that causes a lot of confusion and concern among the recipients, because oftentimes they see changes in one program and not in the other. In the case of CPP versus OAS, actually the change in one program can have an effect on eligibility for another. So we are regularly trying to answer the questions that come forward from recipients and from seniors with respect to their benefits. As far as I know, that's what we try to do with respect to some kind of corrective measure. With respect to a former assessment of a change based on CPI, I am not aware that we are in the position to make that sort of a correction, but we do watch it very carefully and we do make sure that any changes that are appropriate with respect to the legislative requirements of the program being different are put in place as they come into force.

**The Chair:** Thank you.

Thank you very much to each one of the officials for appearing before our committee today. We appreciate your time and the information you have provided.

We will suspend now for two minutes, and we'll really stick to that two minutes, because we have committee business to do, and we'll go in camera.

Thank you.

[*Proceedings continue in camera*]

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