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Chair

Mr. James Rajotte

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● (1145)

[English]

The Chair (Mr. James Rajotte (Edmonton—Leduc, CPC)): I call to order the 63rd meeting of the Standing Committee on Finance. Our orders today, pursuant to the order of reference of Monday, May 14, are for a discussion of Bill C-38, An Act to implement certain provisions of the budget tabled in Parliament on March 29, 2012 and other measures.

We want to thank our witnesses for their patience in waiting for us to return from the vote in the House.

We have with us here this morning four organizations. First of all, we have the Canadian Association of Professional Employees, then Democracy Watch, Merit Canada, and the United Food and Commercial Workers Union.

Thank you very much for being with us. You each have up to a maximum of five minutes for your opening statements, and then we'll have questions from members.

We'll start with the Canadian Association of Professional Employees, please.

[Translation]

Mr. Claude Poirier (President, Professional Serving Canadians Coalition, Canadian Association of Professional Employees): Good morning. My apologies to the interpreters because I will have to cut my speech short. Please bear with me.

My name is Claude Poirier. I am the President of the Canadian Association of Professional Employees, but I am here to talk on behalf of the Professional Serving Canadians Coalition, which comprises six unions representing more than 75,000 professionals employed by the federal government: The Canadian Association of Professional Employees, the Association of Canadian Financial Officers, the Association of Justice Counsel, the Canadian Federal Pilots Association, the Professional Association of Foreign Service Officers, and the Professional Institute of the Public Service of Canada.

We wish to thank the committee members for agreeing to hear our concerns regarding the passing of many of the measures contained in Bill C-38, An Act to implement certain provisions of the budget.

Our union members have been affected to various degrees by the provisions in the budget. Here are a few figures. So far, 3,291 of the approximately 13,000 CAPE members in the EC occupational group have received an affected employee letter, including no fewer than two-thirds of the economists and analysts in the EC group of

Statistics Canada. On April 30, 95 federal lawyers working for the Department of Justice received notice letters. At the Professional Institute of the Public Service of Canada, 2,949 members have received letters, including 349 at the Canadian Food Inspection Agency, 384 at the Department of National Defence, and 455 at Statistics Canada. Even though the members of the Canadian Federal Pilots Association have not received a significant number of letters, the budget still had a significant impact on those employees. The operating budgets have been significantly reduced, including a \$62 million reduction at Transport Canada alone.

All public service workers understand the cold hard reality behind these raw data: these employees, hired at the conclusion of rigorous selection processes in which they had to demonstrate their qualifications, expertise and competencies, will now have to start over again and compete against the very people they have been working side by side with for months or even years. We feel that many of these cutbacks don't make sense economically, but are being made strictly for ideological reasons.

On April 3, CAPE revealed that its analysis of an economic model developed by Statistics Canada predicted that the loss of 19,200 jobs in the public service would put as many as 40,000 Canadians from the private sector out of work across the country. You will see in our written document the number of jobs lost in both the public and the private sectors.

We are not the only ones to be concerned. The parliamentary budget officer has since stated that federal spending cuts, combined with those announced by the provinces, will lead to the loss of 108,000 jobs in Canada in 2015. The Canadian Centre for Policy Alternatives published a report that places the total number of federal public service job losses at 29,600 once the cuts from the 2012 budget have been fully implemented. The plans for the future of some 30,000 Canadian households are going to fall through.

But beyond the figures themselves, we are concerned about the issue of reduced services to Canadians. Here are some examples: the National Council of Welfare is being eliminated; the National Round Table on the Environment and the Economy is being abolished; new employment insurance eligibility rules are being brought in; changes are being made in the rules surrounding the slaughter of animals and food inspection; the number of aviation safety inspections will be reduced; the section that monitors the mental health of members of the Canadian Forces and focuses on suicide prevention will be closed; and there are cuts in the Department of Justice described by the AJC as an elimination of essential services.

• (1150)

The Chair: You have one minute left.

Mr. Claude Poirier: According to our analysis of the Statistics Canada model on the impact of public service job cuts, here are the data for the private sector. In Ontario, 18,199 jobs will be lost; in Quebec, 9,314; in western Canada, 4,886; in Atlantic Canada, 4,286; and in British Columbia, 4,009. While some might argue that these figures are not high, trot them out in front of an audience of concerned citizens or business people in Charlottetown, Red Deer, Brandon, St. John's or Moncton.

Finally, we would like to briefly comment on the two changes to the public service pension plan. The first change will raise our members' share from 40% to 50%. The second change is the increase from 60 to 65 in the pensionable age for post-2012 new hires. Let me just say that those changes are unnecessary because the plan is in perfect condition.

We would like to thank the committee members for their invitation and for listening to our observations. If you have any questions or need some clarification, we are ready to answer your questions.

Thank you.

The Chair: Thank you very much for your presentation.

[English]

Next we'll have Democracy Watch, please.

Mr. Tyler Sommers (Coordinator, Democracy Watch): Good morning.

I'd like to begin by thanking you for the opportunity to speak with you today and to take questions regarding Bill C-38. It's a pleasure to be here.

Democracy Watch is a national non-profit, non-partisan organization, and Canada's leading citizen group advocating democratic reform, government accountability, and corporate responsibility. Our work for democratic reform is aimed at winning changes so that everyone in politics and business is effectively required to act honestly, ethically, openly, representatively, and to prevent waste.

Our work is based on a number of principles. Canadians need access to full and timely information about government and business activities. Canadians need meaningful rights to participate and be represented in Canada's political system. Canadians need easily accessible remedies against government and corporate waste, abuse, and misrepresentation. Accountability measures are needed wherever there are concentrations of power in society, and measures must be enacted to help Canadians band together as citizens, consumers, and taxpayers.

Now, our position on budget bills has been laid out for many years. It's very simple: the inclusion of changes to other laws in the budget bill should be prohibited; and budget bills must focus on government spending.

The reasoning for this is simple and straightforward. By including changes outside of government spending, the bill becomes convoluted, and dialogue and debate suffer as a result. It's also virtually impossible for many members of Parliament to represent

their constituents accurately when voting on omnibus legislation. There are simply too many things to consider.

In order to ensure that the changes the government makes are properly debated, that participation by the public is thoughtful and thorough, and that MPs have the opportunity to properly represent their constituents, the budget bill should focus solely on the budget. Other aspects should be removed and included in other pieces of legislation.

It's also important to ensure that politicians and advocates addressing issues such as these don't address them simply on a case-by-case basis. In this situation, for those advocating against an omnibus bill, the goal shouldn't just be to have this one bill broken up; the goal should be to address the cause rather than simply the symptoms.

This is an approach that should be embraced by all parties in all they do: solve the core rather than address the symptoms. I understand that this is not an easy task. It is monumentally difficult at many times. But it's something that's important to ensure that our Parliament and government operate effectively and efficiently for all Canadians.

Thank you. I look forward to taking your questions.

The Chair: Thank you for your presentation.

We'll now hear from Merit Canada, please.

Mr. Terrance Oakey (President, Merit Canada): Thank you, Mr. Chairman, for your invitation to appear here today to discuss Bill C-38, as it contains measures that we support and that are very important to our members.

My name is Terrance Oakey and I'm the president of Merit Canada. Merit Canada is the national voice of eight provincial open shop construction associations. Open shop construction in Canada represents roughly 70% of the industry, and our member companies directly employ approximately 60,000 Canadians.

I want to begin by saying that Merit companies do in fact pay a fair wage and have a competitive benefits plan, including retirement savings, that is transferable between Merit companies. Our members compete every day for labour, so in terms of pay and benefits there's little difference between our companies and the ones affiliated with unions.

Our members are united by one common vision: that construction contracts, employment, and individual compensation should be based on merit, regardless of employee affiliation. For the benefit of all honourable members, "open shop" does not mean non-unionized. It means that we have both union and non-union employees and do not discriminate against workers simply because they choose not to join a union.

I will address the specific issue of the so-called Fair Wages and Hours of Labour Act, which will be repealed as a result of the adoption of Bill C-38.

Wages and working conditions today are a far cry from 80 years ago when this law was brought in. Back then, there were few, if any, laws and regulations in place at any level to protect the interests of construction workers—although today we have a host of provincial measures in place to enhance and protect working conditions, wages, and hours of labour.

Our companies believe that employees are our best asset, and our members cannot successfully bid or win contracts without a highly trained workforce that operates with safety as their number one priority.

We support the repeal of the act because we believe that free and competitive labour markets are the best way to establish wage rates. Therefore, there is no need for federal government regulation in this area. This is borne out by Statistics Canada, which indicates that construction workers are paid an average rate of \$28.35 per hour, making them the second-highest-paid workers in Canada. This rate exceeds the national average by some 30%.

Another reason we support the repeal is that most small, family-run construction companies are reluctant to establish a dual wage structure within their company for private work and public sector work. Many open shop companies simply refuse to bid on federal projects, and this results in lower levels of competition and increased construction costs for the government.

Thank you, Mr. Chairman, for the opportunity to bring to your committee our perspective and our support for the measures contained in Bill C-38. We would welcome any questions you may have.

• (1155)

The Chair: Thank you for your presentation.

We'll now hear from the United Food and Commercial Workers Union, please.

Mr. Bob Linton (Director, Government and Political Affairs, United Food and Commercial Workers Union): Thank you, Mr. Chair.

On behalf of the membership of UFCW Canada, Canada's largest private sector union, I welcome the opportunity to comment on Bill C-38.

UFCW Canada represents more than 250,000 members across the country. As Canada's largest private sector union, UFCW Canada is a leading force for workers in the retail, food processing, and hospitality sectors. As one of Canada's most progressive unions, our membership lives in communities from coast to coast and in every province.

Given the size and number of subjects covered in this bill, it's quite absurd to expect anyone to make suitable comments in five minutes on the far-reaching changes that will take place in Canadian society if this legislation is enacted. However, given the time allotted, I would like to focus on three areas of Bill C-38: changes in eligibility to the GIS and OAS, changes in employment insurance, and changes in the temporary foreign worker program.

I would like to mention that our initial communication with the clerk's office was to have us speak on part 4 of the bill relating to the

labour code. However, since we are a private sector union with small numbers that would be affected by the labour code, on that we'll defer to other labour organizations who have much more membership in that area.

With respect to the changes in eligibility to the OAS, we believe that the rationale to make the change is as a result of an artificially created crisis. We know that this will have a negative impact on both younger and older workers. Many of the jobs available to younger workers in today's labour market can at best be described as precarious.

What will these changes to the OAS mean for younger workers? When older workers retire, will their jobs, and the benefits and protections afforded them, also disappear and be replaced by precarious jobs?

Most UFCW members have the benefit of being members in a jointly trusted employer-union multi-employer pension plan. They see the CPP as part of Canada's three-pronged pension system of public, individual, and private sector plans that will allow them to retire at age 65. They are fortunate to be in a workplace pension plan, but with the great recession and its after-effects, many find difficulty in saving for retirement as individuals.

Those older workers who are in their forties and fifties are now facing a further two years of work to qualify for OAS, which they see as a failure of the public system. They also face the reality that as the federal and provincial governments make changes to pension plans and download the costs of those changes, there is less money for benefits.

These same workers are facing another phenomenon in Canada's retirement system, which is the increasing number of employers who want to change existing defined benefit plans to defined contribution plans—a benefit change our union defends against on a daily basis.

There is ample evidence from the Parliamentary Budget Officer, the federal and provincial finance ministers working groups, and respected economists from the Canadian Centre for Policy Alternatives and the Canadian Labour Congress that Canada's public pension system is financially stable and there is no need to increase the eligibility age from 65 to 67.

As to the other issues mentioned earlier, changes to the EI program and changes to the temporary foreign worker program, it is our belief that both will do nothing more than undercut the wages and employment conditions of all workers. Fast-tracking employer applications and allowing them to pay migrant workers up to 15% less than the prevailing rate shows that the government believes migrant workers are not equal. They are supporting wage discrimination. What is even worse is that with the majority of migrant workers being racialized people, they will be promoting wage discrimination based on race.

Instead of filling long-term labour needs with a short-term disposable workforce that does not enjoy the same rights and protections as other workers, Canada should be giving these workers the opportunity to become permanent residents as part of our nation-building.

Furthermore, instead of making changes to the TFWP that unfairly skew the program in the interest of employers over workers, the government should be enforcing stronger compliance, monitoring, and enforcement measures to protect the rights of migrant workers while in our country.

The changes announced by the government relating to employment insurance are similar to the changes to OAS and TFWP: they are seriously flawed. The government plan to replace 1,000 part-time members of the EI board of referees who currently hear 25,000 cases per year with 39 full-time members will be, in our opinion, unworkable. It will lead to a large volume of complaints against the system and a large delay and backlog in the hearing of the cases.

Of major concern to UFCW members is the government's failure to address the problems of Canada's unemployed and the decision to seemingly blame the unemployed for being out of work. Recent figures released by StatsCan paint a different picture from the federal government's. StatsCan reports that there were 5.8 unemployed workers for every reported job vacancy.

● (1200)

Giving the minister the power to set regulations as to what constitutes suitable employment for various categories of workers, and also to define reasonable and customary efforts to find work, will result in claimants being cut off EI if they decline suitable employment or do not make reasonable and customary efforts to find work. We believe this is intended to drive workers to take jobs that are now being filled through the TFWP, whereby workers can be paid up to 15% less than the prevailing rate. It is our belief this will cause the 15%-less rate to become the new prevailing rate.

We believe the changes discussed in our submission are about austerity and cuts and will do nothing to address job creation or revenue growth to sustain social programs. Rather than continuing to attack the unemployed or underemployed, the government should be focusing its attention on a job creation program that will add to tax revenue and create and provide decent jobs so people can earn a decent living instead of falling into the country's rapidly growing ranks of the working poor.

Thank you.

The Chair: Thank you for your presentation.

We'll begin with Ms. Nash for five minutes, please.

Ms. Peggy Nash (Parkdale—High Park, NDP): Thank you.

Welcome to all the witnesses.

My first question is for Mr. Linton. Your organization represents people in the service sector and the agricultural sector. You've talked about temporary foreign workers. Could you tell us about the health and safety situation for people who work in these sectors?

I'm recalling a situation in my city of Toronto a couple of years ago. Some temporary foreign workers were on some scaffolding on

Christmas Eve, and I think four of them were killed. Can you give us an overview of the health and safety risks of people in your field?

Mr. Bob Linton: Certainly that is one example. Those workers had no coverage, and they were intimidated, because if they weren't working they were probably shipped back to their country. They were here to get a better life. Our experience is that it's more so in the agricultural sector, as you had mentioned, with a lot of workers who come in under the seasonal agricultural workers program. We've had experiences where people have been terminated from their jobs because they refused to spray in greenhouses while people were working there.

There is also—

Ms. Peggy Nash: To spray with pesticides...?

Mr. Bob Linton: Yes, pesticides, while they were working there—and they were terminated. If you're working there and you see something like that happening, do you not think that intimidates you?

Ms. Peggy Nash: Do you think that with the changes to EI, and with the increase in temporary foreign workers and the changes to that program, there is a greater likelihood that people may feel more desperate and therefore may accept greater risk in the workplace?

● (1205)

Mr. Bob Linton: We see that already. I mean, the seasonal agricultural workers program is not perfect, but it has been a good program and it has worked well for a lot of people. But once the temporary foreign worker program came in, all of a sudden we saw people coming in not under the agricultural workers program, but under the temporary foreign worker program as low skilled, pitting those people who came in under that one program against others.

People became frightened that they might lose their jobs under the seasonal agricultural workers program, and they felt that they had better adhere to whatever their employer wanted. There is greater exploitation. We witness it every year as these workers come into the country.

Ms. Peggy Nash: Do you think there is going to be greater downward pressure on people's wages given the proposed changes to EI and the temporary foreign worker program, which would see workers obliged to accept lower wage rates?

Mr. Bob Linton: Oh, absolutely. It's not just wages, though.

It certainly will be wages, and it won't be only for migrant workers coming into the country, but for resident workers in Canada. We see that happening as well.

But it won't be just about wages. It will be about benefits as well and what protections they have on the job.

Ms. Peggy Nash: I only have a couple of minutes and I'd like to ask Mr. Oakey a question.

Mr. Oakey, your organization represents the construction associations. There are eight organizations that you represent, and you've been campaigning on the changes to the labour standards and also on the changes in Bill C-377 to reporting of funds.

I wonder who constitutes your board. Is it the eight associations that you represent? I couldn't find on your website who is on your board of directors.

Mr. Terrance Oakey: Our board is made up of 13 contractors from across the country who are all elected by our provincial associations.

Ms. Peggy Nash: They fund the campaigns that you are undertaking for these changes?

Mr. Terrance Oakey: We have a funding arrangement for the eight provincial associations. Some are larger than others. There's a much larger open shop construction industry in Alberta and British Columbia and smaller ones in other parts of the country. Of course, Quebec is an open shop as well.

Ms. Peggy Nash: Can I just ask you one quick question? Do you publish the budgets and information on the funds for the advocacy work that you do in support of the construction associations? Is that available online?

Mr. Terrance Oakey: Thank you for that question.

I understand what you're getting at, and I'm happy to discuss Bill C-377 here if you wish, or the budget bill.

In terms of Bill C-377, there's a key distinction between any voluntary member organization and a labour organization. It's not a condition to run a business in Canada to be a member of Merit Canada.

Ms. Peggy Nash: I'm just asking if you publish the funds for your advocacy campaigns. Do you publish the budgets? I'll take that as a no, if there's silence.

The Chair: Do you want to respond to that, Mr. Oakey?

Mr. Terrance Oakey: Currently, we do not. As we've always said both publicly and to our members, if the federal government chooses to pass a piece of legislation that would require that we do, we would comply.

The Chair: Okay.

Thank you.

Ms. McLeod.

Mrs. Cathy McLeod (Kamloops—Thompson—Cariboo, CPC): Thank you, Mr. Chair.

I'd like to thank the witnesses, and for their patience in particular, as our start was slightly delayed due to the bells.

I would perhaps like to start with Mr. Poirier.

I represent a community that's rural and urban with a lot of mining and forestry, and during the recession there were significant

challenges, especially during 2008 and 2009. I saw that the owners of these businesses had to make many difficult decisions regarding viability.

To a greater degree, government also has to look at the long-term future. We look at what's happening in Greece with the deficits there, and around the world if governments don't have their fiscal houses in order.

Given the fact that our public service has increased by one third from 1998 to 2011—and there was certainly a huge increase during the time of the economic action plan—are you saying that it's not appropriate for government to look at the long-term future of the country and that all jobs within government must be protected? Is that what you're saying, that there's no room for government to look at how they are doing things?

• (1210)

Mr. Claude Poirier: The workforce adjustment directive and the appendices to our collective agreements are there to allow the government to move people around and to change the way work is being done. That is part of the deal that Canada has with its unions. I don't have the exact figures on increases in the public service for the years you've quoted. What I know is that in 2008 or 2007, we were back at the levels we saw in the early nineties, 1993 and 1994.

The increase has been there in part—and in good part—because older guys like me will be retiring from the public service, and you need to recruit more to allow for succession planning. That explains part of the increase.

Now, as far as the economy goes, you have to take into account that before the Conservative government came to power the first time, we were not having deficits but yearly surpluses.

Mrs. Cathy McLeod: Thank you, and I would also like to note that we paid off \$30 billion during our initial time. In 2008 of course there was a global recession, and things have changed dramatically, so ultimately we do need to look at where we're going and absolutely have a workforce that meets those very important needs of the community. But I'd also say that we have to be like those businesses in my riding that had to make some very challenging decisions.

Perhaps here I will switch to Mr. Linton, because I only have five minutes. Mr. Linton, you referenced the PBO budget report. Did you also read the budget report where he talked about the demographic challenges that we would be facing? Could I have just a quick yes or no.

Mr. Bob Linton: The demographic challenges that I saw included the fact that—

Mrs. Cathy McLeod: There was a specific report he did approximately a year ago that reflected on how the government had to do something in terms of the health and social safety net and the demographic challenges. Did you manage to read that report?

Mr. Bob Linton: Are you talking about the increase in the GDP and how it will be only 0.8% or 1.8%?

Mrs. Cathy McLeod: He produced a document that reflected very clearly on how the government had to look at the demographic challenges in terms of structural deficits.

Did you see the numbers that came out today from Stats Canada regarding demographic challenges? A quick yes or no.

Mr. Bob Linton: No, unfortunately, I was on a plane on the way up here.

Mrs. Cathy McLeod: Okay.

Were you aware that many countries have taken this move from age 65 to 67 to deal with these very significant challenges?

Mr. Bob Linton: Yes, I am aware of that.

Mrs. Cathy McLeod: So I don't think this is an easy decision for government to be making, but I think it's a decision, given the information from the Parliamentary Budget Officer and from Stats Canada, that OAS needs to be there for the long-term future. Can you not see the rationale in terms of the long-term future?

Mr. Bob Linton: I believe that's something we'll agree to disagree on.

Thank you.

Mrs. Cathy McLeod: Thank you.

The Chair: Thank you.

We go to Mr. Brison.

Hon. Scott Brison (Kings—Hants, Lib.): Thank you very much, Mr. Chair.

I appreciate each of you joining us today.

I appreciate Mr. Poirier's recognition that in fact there was a period of significant budget surpluses and paying down of debt. In reality we were in deficit before the downturn in the fall of 2008, as a result of tax changes and spending increases.

But on the issue of EI, I'm told in regard to the proposed change to the EI board of referees that the current approach is working well. It's decentralized. Decisions are being made closer to the citizens, the workers, and the employers affected by those decisions, and it's a very low-cost structure—probably lower than it will be later.

What's the rationale being given to make this change, to centralize this decision-making?

Mr. Bob Linton: Sorry, I wasn't aware that was for me.

What's the rationale?

Hon. Scott Brison: What's the rationale? It's a low-cost structure currently. It is working well, and decisions are being made close to the people affected by the decisions.

• (1215)

Mr. Bob Linton: I don't think I could argue with you on that. I think you're asking the wrong person why there should be changes to the system. It's the old saying: If it ain't broke, why fix it?

Hon. Scott Brison: Unless it's that you want to control all the decisions centrally from Ottawa and you have an agenda.

In terms of the seasonal work issue, whether you're in food production in agriculture or in agrifoods or in a fish plant, you can

limit seasonal workers but you can't eliminate seasons. I represent the riding with the largest agricultural production of any riding in Atlantic Canada. There is significant agriculture and horticulture, and I'm hearing from the horticulture industry, particularly, about the effects the change will have on their operations. I'm also hearing from food-manufacturing businesses in New Brunswick—for example, Ganong in St. Stephen, New Brunswick—and from the tourism industry that there are going to be a lot of unintended consequences for their businesses.

On the temporary foreign worker side, I'm also hearing from the same businesses—as I spend quite a bit of time visiting the farms in my riding—that the temporary foreign workers program has, within agriculture, been a very valuable program. Temporary foreign workers are an important part of the production chain and the value chain. They're part of a global reality around the production of food, and it actually costs more to hire them than it would cost to hire local workers. In some cases, the costs all in are \$14 to \$15 an hour, and the temporary foreign workers aren't taking a job away from a local Canadian worker. For instance, strawberry picking is back-breaking tough work at which they work 12 to 14 hours a day, but Canadian workers are involved in packing the strawberries or driving the trucks that transport the strawberries, so there's some value added there.

Do you see the reality of temporary foreign workers as part of the production chain, and do you acknowledge that they're not really taking jobs from skilled Canadian workers in these instances?

Mr. Bob Linton: Absolutely. And the seasonal agricultural workers program is a system that's been in Canada for almost 30 years. As I said before, although it does have its faults, it has worked well. A lot of places and industries rely on that.

I guess the problem for us is that those workers are not going to be treated the same as other workers in the country.

Hon. Scott Brison: You used an example of someone being asked to spray chemicals or pesticides. If they're doing that, they're breaking a number of labour laws, and they should be shut down by whatever jurisdictional or enforcement vehicle. There's no difference in the way the law would treat that versus—

The Chair: You have time for a very brief response, Mr. Linton, please.

Mr. Bob Linton: Okay.

In theory, yes, but in practicality, no. That does not necessarily happen. We have agricultural centres across the country that support agricultural workers. They come to us on a daily basis about problems in their workplaces.

The Chair: Thank you.

We'll go to Mr. Jean, please.

Mr. Brian Jean (Fort McMurray—Athabasca, CPC): Thank you, Mr. Chair.

I just have a couple of questions.

First, to Mr. "Poirier", is it...?

I didn't realize the name was so popular until I did some Google searches. You're not—and I'm sure you are not, but I'm just curious—the president of the Liberal party in any riding, are you?

Mr. Claude Poirier: No.

Mr. Brian Jean: Well, there are two of you who have been, and I was quite shocked—

Voices: Oh, oh!

Mr. Brian Jean: —I'd never seen the name before, so I was like, wow, it's a....

Mr. Claude Poirier: There's also a guy on TV in Quebec.

Mr. Brian Jean: Yes, actually, a crime reporter. I saw that as well.

At any rate, I was impressed; I didn't know there were so many of you around.

I come from the riding in the country that has, I would suggest, the most difficulty getting employees. In fact, I can assure you that the number one issue in my riding over the last six or seven years has been to find people, because we can't find people. We can't find people for many, many different jobs.

I see that there are approximately 2,600 jobs being let go in Red Deer. Is that correct?

Mr. Claude Poirier: Red Deer, per se, I don't know; I don't have the exact figure in my—

• (1220)

Mr. Brian Jean: It's 4,000 in Alberta, though.

Mr. Claude Poirier: Yes.

Mr. Brian Jean: Okay.

Mr. Claude Poirier: That's the result of the Statistics Canada model. It's a linear model. There might be some flaws in it.

Mr. Brian Jean: Some variations in statistical data.

Mr. Claude Poirier: Yes, because you cannot really.... I mean, we have nurses losing their jobs—

Mr. Brian Jean: I understand; it's plus or minus the standard deviation, etc. I understand totally.

I'm just curious, because I also have more union members, I think, than anybody else in the country. In Fort McMurray I have a lot of unions and I get 72% of the vote, which I think is one of the highest in the country as well.

An hon. member: Now you're just bragging.

Voices: Oh, oh!

Mr. Brian Jean: I am bragging, you're right. A lot of my constituents come from Scott Brison's riding—

Voices: Oh, oh!

Mr. Brian Jean:—so I'm very proud of that.

Mr. Scott Brison: They can't wait to come home.

Mr. Brian Jean: My curiosity is this. I don't have very many constituents who are Canadian government employees. In fact, I would say I probably have under ten employees who are, but I could be wrong. I have some Service Canada offices, but I really don't have a lot of government employees.

So my people, the people whom I represent, pay the bill for the government employees....

They don't pay the bill?

Mr. Claude Poirier: Well, part of it, for sure. I mean, we all pay the bill—

Mr. Brian Jean: Who else pays it?

Mr. Claude Poirier: We all pay for that. I mean, even public service employees are taxpayers.

Mr. Brian Jean: Absolutely. I agree with you.

Mr. Claude Poirier: We're supposed to have a government for all Canadians. They too are Canadians.

Mr. Brian Jean: Well, I'm sure they are. I would hope so, and I would expect so. I think they do a great job in the public sector. My understanding from the economics that I've studied is that for the most part they do pay taxes. These taxes and jobs do create some employment, but when you compare these employees with the people who are actually working in the private sector, the latter pay the majority of the taxes.

In fact, I know we have one of the lowest ratios in the world as far as public sector employees go, or that's my understanding. Am I correct on that?

Mr. Claude Poirier: Probably, yes.

Mr. Brian Jean: Okay. You're not certain. I understand that our public sector is very efficient in what they do compared to other democracies.

Mr. Claude Poirier: Yes, and—

Mr. Brian Jean: To get to my question, I went on your website, and it appeared to me that you were suggesting a lot of doom and gloom relating to these layoffs in relation to the job industry. What I'm saying, I guess, is that there are 4,000 job layoffs expected in Alberta, but I can't find people for any of my businesses, and nobody else can either.

So isn't this a good-news story for the rest of the country? We did pay \$8.9 billion, I think, in transfers last year out of Alberta—

Mr. Claude Poirier: Alberta, Saskatchewan—

Mr. Brian Jean: —most of which was generated by the private sector; in fact, I would suggest all of it.

Mr. Claude Poirier: Where you do have an economic boom, like in Saskatchewan right now, the people who are losing their jobs in the public service will probably find jobs in the private sector—

Mr. Brian Jean: I would suggest that, for sure.

Mr. Claude Poirier: I was in Edmonton a couple weeks ago. There was some sort of a job fair going on because of all those layoffs in the public service. So that's the good news. But just to transfer that to other provinces...the problem is different.

Mr. Brian Jean: I understand.

But that's what I'm getting at. I really do believe that it's good news, because I couldn't find employees before and now these people have an opportunity to work in the private sector, which, frankly, pays a lot more than the public sector in Alberta—in fact, I would suggest two or three times' more. I have the highest household income in the country at about \$185,000 per household.

It's great news for these people because they have opportunities to pursue other avenues. I hear that a lot from people in the public sector; they would prefer to be in the private sector to earn more money and to have those better earning years. That was my point. Thank you very much for confirming that.

Mr. Claude Poirier: Thank you.

The Chair: Thank you, Mr. Jean.

Mr. Marston, please.

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): I'm just baffled at the last intervention, because the last I heard, most people would want to stay with their families in an established area, spread out across the country as they've been for many years....

But what I'm concerned about from the numbers you gave, Mr. Poirier, of roughly 35,000 when you add up the job losses, with the projections from Stats Canada, is the amount of institutional memory that the federal civil service is going to lose from this. In many cases, there are people who have worked providing services for Canadians for a number of years.

What I've been told is that it's expected that 120 Service Canada centres are going to close down so that only 20 are left. Is that correct, sir?

Mr. Claude Poirier: I'm not aware of the exact figures for Service Canada.

Mr. Wayne Marston: Okay. Let's say there's a substantial cut expected in that, with a consequent loss in institutional memory.

But I want to take us back, because we were talking before about the errors of the nineties and that kind of thing, and the wall that we hit. We had two reductions in the GST of roughly \$14 billion. We had the corporate tax rates of Canada changed, at roughly \$16 billion. So roughly \$30 billion a year was taken out of the income of the federal government. It's little wonder that they hit a wall; they mismanaged themselves right into that corner. It doesn't have to do with the recession; it has to do with the cuts to income taxes.

Anyway, I'd like to go to Mr. Linton for a second.

Your membership in the service sector is not sitting on big pockets of money in the bank. We know very well that their earnings, because they're unionized, are substantially more than what the average person in the service sector earns, but we have 12 million Canadians that don't have pensions and don't have savings. I would suspect that on the saving side some of your members are in that boat and that they have enough trouble just getting by.

You were talking about the Parliamentary Budget Officer and others who looked at the changes to old age security. Are you aware, sir, that the OECD pension team also has said that it's sustainable and that the issue, from the Parliamentary Budget Officer's point of view, is the fact that when the government talks about the changes....

And their numbers are correct; I'm not saying there's anything wrong with your numbers. It's roughly \$39 billion going to roughly \$108 billion in costs, so about 2.6% of GDP. The 3.11% of GDP, that's the change. But when they talk about all of this, they don't talk about the projected growth in GDP over a period of time, the period of time until this peaks, and then after that it's going to go down. It's almost like they don't trust their own numbers and their own chances of their economy responding the way they're proclaiming. I'd like your comments on that.

● (1225)

Mr. Bob Linton: Well, that's what I was trying to get to earlier. As far as the OECD is concerned, yes, I'm aware of that. I would just like to say that in the interests of brevity today I did cut some of my presentation from my speaking notes. Unfortunately, our translator was ill. I will be providing the committee with a much longer version or submission on that.

Yes, as to what you say, I mean, 30 years from now it's going to change. We don't need this. Everyone is saying it's sustainable. There are so many economists out there saying this. As you say, they don't take into account....

Mr. Wayne Marston: Well, we're wondering if they're trying to make room for more tax breaks. The reality of the change from age 65 to 67 is that they're offloading costs to the provinces for anybody on disability, and they're offloading two years of costs to municipalities in the case of Ontario, if anybody happens to be on welfare. Those two groups of people are already well below the poverty line and are looking for some help in moving at age 65 to OAS and GIS. They're going to have to wait two years longer.

The Chair: You have one minute.

Mr. Wayne Marston: I'd like to make one last comment, because Mr. Oakey compared the two.

When you're in a unionized workplace and you have a health and safety team, then someone cleaning in a hospital who sees a problem can report it to their health and safety committee. The health and safety committee can take it up with management, and that person is sitting there somewhat protected. But if the person is in contracted position and is working for half the money, and two-thirds of it is going off to their employer, and they see the same problem, they'll keep their head down and keep working. That's one of the reasons we're getting superbugs right now, but in your industry it's the same thing when dealing with food services.

Would you agree, Mr. Linton?

Mr. Bob Linton: Oh, sorry. I thought you said Mr. Oakey.

Mr. Wayne Marston: No, I was just comparing the two.

Mr. Bob Linton: Oh, okay.

We do see that happening. It's a regular occurrence as things change in the private sector and there's the demand to keep jobs, because people are afraid of losing their jobs.

Mr. Wayne Marston: You represented Maple Leaf Foods, if I remember correctly.

Mr. Bob Linton: Yes.

The Chair: Thank you.

Thank you, Mr. Marston.

Mr. Adler, go ahead, please.

Mr. Mark Adler (York Centre, CPC): Thank you, Chair.

Thank you to all the witnesses for being here.

I have a lot of questions, so I'd really appreciate if everybody would just keep their answers as short as possible.

Mr. Linton, please correct me if I'm wrong, but I did hear you say—and I hope you'll correct the record if this isn't what you said—that this government is promoting a policy of wage discrimination based on race. Could you please clarify that?

Mr. Bob Linton: The reason I said that is that most of the people who are coming in under the temporary foreign worker program are racialized people, people of colour. Those are the people who are going to be affected by having their wages 15% lower than what other people in the country will be paid, the prevailing rate of whatever that wage is going to be.

Mr. Mark Adler: Is that empirically verifiable, this race-based theory of yours?

• (1230)

Mr. Bob Linton: We see that happening.

Mr. Mark Adler: So this is your observation.

Mr. Bob Linton: This is our observation, because as I mentioned

Mr. Mark Adler: It's a race-based theory based on observation.

Mr. Bob Linton: As I mentioned earlier, we have—

Mr. Mark Adler: That's quite frightening. I was hoping you would clarify the record, but I'm really glad that you clarified it in the way you did, because it's quite shameful, if that's what you believe.

Mr. Poirier, in the nineties, the Liberal government cut 50,000 public-sector jobs. What did you have to say about that at that time?

Mr. Claude Poirier: The deficit then was a lot greater than what we have right now.

Mr. Mark Adler: That's not what I'm asking. What did you say about the 50,000 job cuts?

Mr. Claude Poirier: I'm explaining to you why there were those cuts.

Mr. Mark Adler: I can ask Mr. Brison for the reason, but, Mr. Poirier, what did you say about the 50,000 job cuts?

Mr. Claude Poirier: It was a tough time for everyone. It was unfortunate that people had to go back home. The incentives that were offered then were probably a bit more generous than what are being offered right now.

Mr. Mark Adler: Thank you. I had no doubt that you would give that answer.

How do you feel about the reopening of public-sector collective agreements?

Mr. Claude Poirier: Why would we do that? We're not even done with bargaining.

Mr. Mark Adler: Thank you.

I would suggest that we ask the current leader of the Liberal Party why you would do that. We could probably get an answer from him.

Do you believe in public sector workers not receiving a wage, i.e., having a Rae Day? Is that something you'd be in favour of?

Mr. Claude Poirier: No.

Mr. Mark Adler: No. Thank you.

Mr. Linton, going back to you, on your website it states—and you believe in transparency, I take it.

Mr. Bob Linton: Yes.

Mr. Mark Adler: Thank you.

So you have no problem in stating that “UFCW Canada looks forward to campaigning with Thomas [Mulcair] to elect the country's first labour-friendly federal government”, and that you are encouraging your members to “download and distribute the union's official poster for the Thomas Mulcair...campaign.”

How much money do you give the NDP?

Mr. Bob Linton: Federally, we don't give them any money.

Mr. Mark Adler: Thank you.

How many of your members were delegates to the leadership convention?

Mr. Bob Linton: I'm sorry, I can't answer that. I don't have that number on hand.

Mr. Mark Adler: In the spirit of transparency, do you believe that trade unions should be paying taxes?

Mr. Bob Linton: If you're talking about Bill C-377—

Mr. Mark Adler: I'm just asking you if they should be paying taxes.

Mr. Bob Linton: We're a non-profit corporation, so why should we be treated any differently than anyone else?

Mr. Mark Adler: You're not a charitable organization; you're a non-profit. A non-profit is a legal entity. A non-profit can make a profit. Its revenues can exceed expenses, therefore there can be a profit. So should you be paying taxes on that profit like every other corporation in this country does?

Mr. Bob Linton: We don't make profits.

The Chair: You have about 30 seconds.

Mr. Mark Adler: Are your books open for all to see?

Mr. Bob Linton: Our membership?—

Mr. Mark Adler: Do we know how much you make?

Mr. Bob Linton: Sorry?

Mr. Mark Adler: Does your membership know what your salary is?

Mr. Bob Linton: Yes, it's there.

The Chair: Point of order, Ms. Nash.

Ms. Peggy Nash: I don't ever remember any witness coming to any committee and being asked by a member of Parliament how much he or she makes. I don't think that's an appropriate question.

Mr. Mark Adler: That's not what I'm asking.

The Chair: Order, order.

Mr. Mark Adler: It's not what I'm asking.

Ms. Peggy Nash: It's what I heard you ask.

The Chair: Order, order.

Ms. Peggy Nash: If I misunderstood, I apologize. I'm sorry, but that's what I heard.

The Chair: If someone wants to make a point in response to a point of order, they'll be recognized by the chair. I would ask that you speak through the chair and not to each other.

Is there anyone else who'd like to address the point of order?

Mr. Brison.

Hon. Scott Brison: I think it's a question of pertinence and whether or not Mr. Adler's questions have anything to do with the matter at hand and Bill C-38. I'm having trouble finding the relevance with his line of questioning.

The Chair: Ms. Glover, on the same point of order.

Mrs. Shelly Glover (Saint Boniface, CPC): Thank you, Mr. Chair.

I believe in this very session, Ms. Nash—and I was taken aback, Chair, by the questioning—asked the very same question of Mr. Oakey, specifically whether the funding of his organization was available and transparent for everyone to see. At that point I said nothing because I've become accustomed to that kind of unfortunate partisanship. In any event, the exact same question was posed by Ms. Nash who has now brought a point of order against a member on this side. I would say it's probably out of order, given that the first time there was no issue taken with it.

• (1235)

The Chair: Okay, I'm ready to rule, but I have Mr. Marston on this point just briefly.

Mr. Wayne Marston: The difference to me was when he was asked what the witness earned. That's what I understood.

Mr. Mark Adler: That's not the question.

Mr. Wayne Marston: That's what I understood.

The Chair: Order, order. If members want to make that point, they can make it through the chair.

Mr. Marston.

Mr. Wayne Marston: I'll reference it in this fashion. I may be mistaken, but that's what I believe I heard; and if that was the case, I think that's an inappropriate question. That's why it's a point of order.

The Chair: On this point of order, Mr. Adler, please.

Mr. Mark Adler: That was not the question. I would encourage you to go back and read the transcript.

The Chair: Mr. Brison—and then I'll rule on this.

Hon. Scott Brison: Just to try to create some peace and compromise here, may I suggest that both Ms. Nash's line of questioning with Mr. Oakey and Mr. Adler's line of questioning with Mr. Linton were irrelevant to Bill C-38. Perhaps we can move on to focus on Bill C-38. I consider both of their lines of questioning in terms of the individuals as probably irrelevant.

Of course, as a Liberal, I'm trying to make peace—

Some hon. members: Oh, oh!

Hon. Scott Brison:—between the left and the right, between the Tea Partiers and the Occupiers and the.... There will be “peace in our time”.

The Chair: Okay. I'll rule on this one. As members know, both in the House and the committee they have wide latitude in terms of relevance. That's the way that Speakers have always applied that rule.

I did allow Ms. Nash's questions, even though I felt they were slightly beyond the scope of what we're discussing today or the bill. That's also why I allowed Mr. Adler's question. I heard his question in terms of what the organization made, and Mr. Adler did confirm that. That's why I allowed the question. So I'm not ruling that a point of order.

Mr. Hoback, you have a point of order on a different matter?

Mr. Randy Hoback (Prince Albert, CPC): Yes, on a different matter, Chair, I'm looking at the time right now. I'm curious as to whether you have an idea of the length of this meeting and how long we're going to go. The last news I had was that it as supposed to end at 12:30.

The Chair: You're absolutely correct, Mr. Hoback. We were supposed to end at 12:30.

I do have five members who want to ask questions. Members and witnesses may have other duties. Those members who do wish to stay could stay, but there will be no motions entertained whatsoever by the chair, so that members will be free to go to another meeting. Or, if it's not the will of the committee, then obviously we'd have to end now.

On this point of order, Ms. Glover.

Mrs. Shelly Glover: I appreciate your recommendation, Chair. I'd be happy to stay until at least 1 o'clock and then of course QP prep will occur.

The Chair: That's given that there will be no motions by any member of the committee.

Mrs. Shelly Glover: Exactly.

The Chair: Is there agreement on that?

Some hon. members: Agreed.

The Chair: You have 30 seconds, Mr. Adler

Mr. Mark Adler: Thank you, Chair.

Mr. Linton, if a party or a group of workers is under a collective agreement and the collective agreement expires and the organization or business they work for has not been able to settle for over a year with those workers, how would you classify that?

The Chair: A very brief response.

Mr. Bob Linton: I'm not sure what your question is.

Mr. Mark Adler: In other words, would you encourage NDP members who have unionized staffers who have not had a collective agreement for over a year—

Voices: Oh, oh!

Mr. Mark Adler:—to settle with their workers in a fair and equitable manner?

Mr. Bob Linton: I can't see the relevance of that question to Bill C-38. I'm sorry.

The Chair: Thank you.

Thank you, Mr. Adler.

Monsieur Caron, *s'il vous plaît*.

[Translation]

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Mr. Sommers, since you have been neglected until now, my first question is for you.

I would like to read you a quote from a column by Andrew Coyne in the *National Post* about Bill C-38 and the process that is used. This is what he wrote:

[English]

Not only does this make a mockery of the confidence convention, shielding bills that would otherwise be defeatable within a money bill, which is not: It makes it impossible to know what Parliament really intended by any of it. We've no idea whether MPs supported or opposed any particular bill in the bunch, only that they voted for the legislation that contained them. There is no common thread that runs between them, no overarching principle; they represent not a single act of policy, but a sort of compulsory buffet.

Would you agree with this assessment by Mr. Coyne?

Mr. Tyler Sommers: Yes, I would agree with it and he's got it spot on. It's impossible for members of Parliament to properly represent their constituency regarding omnibus legislation. It's something that Stephen Harper has said himself, and something that I believe we're hearing from individual MPs on all sides. If not overtly, there are at least rumblings about this. There's just too much to consider.

● (1240)

[Translation]

Mr. Guy Caron: In fact, Mr. Coyne wrote about that. Other journalists, such as John Ibbitson and John Ivison, also wrote about the process related to Bill C-38. And they could not really be considered as progressives, as their analyses are relatively conservative and they are proud of it.

[English]

Mr. Tyler Sommers: I didn't hear the question.

[Translation]

Mr. Guy Caron: I am talking about other columnists who are conservative and who have written in their columns that they are opposed to the process related to Bill C-38. I am talking about columnists like John Ibbitson and John Ivison. Are you also aware of those columns?

[English]

Mr. Tyler Sommers: Not recently that I can think of, but to be honest with you, omnibus legislation isn't necessarily a matter of partisanship. All individuals from all parties can come together and understand the difficulties with omnibus legislation. It really doesn't have anything to do with partisanship; it has to do with representing constituents.

[Translation]

Mr. Guy Caron: Actually, it is not about partisanship. I use the word “conservative” with a small “c”. So these are people opposed to the progressives when it comes to political affiliations.

Can you name one columnist or political commentator who has given their support to the way Bill C-38 was introduced and the fact that it is an omnibus bill that covers 70 pieces of legislation over 435 pages?

[English]

Mr. Tyler Sommers: No, I haven't read anything that expressly says that they support omnibus legislation at all really.

[Translation]

Mr. Guy Caron: Do you see any similarities between the current process that we are using to pass Bill C-38 and some of the processes we can see in the United States, for example, where we often hear about a “rider bill”, as they call it, being used?

[English]

Mr. Tyler Sommers: Yes, there are a lot of similarities with the omnibus legislation and a lot of other legislation that goes on throughout the world in many democracies, the U.S. included. As you said, it tends to encompass a large number of changes into one thing in order to have it all move through at once.

[Translation]

Mr. Guy Caron: We have heard a number of government witnesses testify and talk about the various measures on immigration, the RCMP, and so on. That might affect a number of areas. Quite often, there was nothing in the budget for it, no cost. There were sometimes costs that reached \$100,000 or \$200,000, which is still very little compared to the size of the budget.

Do you really think that these amendments to various pieces of legislation should be included in a budget implementation bill? If not, should they be referred to other standing committees, such as the one on public safety or citizenship and immigration?

[English]

The Chair: You have 30 seconds.

Mr. Tyler Sommers: For the budget it should only pertain to government spending. Anything else should be removed and included in another piece of legislation. That should be legislatively required so that it doesn't just solve the issue here.

[Translation]

Mr. Guy Caron: Along the same lines, in your view, what might the impact be on our political system if we keep going in this direction?

[English]

Mr. Tyler Sommers: The difficulty, as I mentioned in my opening statement, is that Canadians can't properly understand the ramifications of these things, and neither can members of Parliament in a lot of instances. There's so much going on all at once that it's very difficult to give proper voice to and proper discussion with any stakeholder. That would be the difficulty, if it keeps moving forward. There will be unintended consequences on all sides.

The Chair: Thank you. Merci.

We'll go to Ms. Glover, please.

Mrs. Shelly Glover: Thank you, Mr. Chair.

Thank you to the witnesses for appearing. There are a couple of things I want to check on while we're on Mr. Sommers.

Mr. Sommers, give me a budget implementation act in the past that is exactly as you've suggested—one that included nothing else—because I believe and our records show that most budget bills.... In fact it was commonplace to have the housekeeping measures and Supreme Court decisions, etc. Can you give me an example of some bills in the past that do exactly as you've said and contained only budgetary measures that affect expenses?

Mr. Tyler Sommers: Off the top of my head I can't think of any, but that doesn't mean we shouldn't move ahead and attempt to do this—

Mrs. Shelly Glover: Right. But the reason there aren't any is that Parliament must be efficient in dealing with the issues at hand for Canadians, which is why, traditionally and very commonly, budgets are the measure by which we move forward in an efficient manner to protect the safety and security of Canadians, and other things.

Having said that, I do want to turn my attention to M. Poirier.

• (1245)

[Translation]

Mr. Poirier, I come from Saint-Boniface, where there are a lot of Poirier. Welcome.

[English]

I was listening intently, but I might have missed what you said about the number of positions. What was the number? Was it 26,000 positions you claim are going to be eliminated?

Mr. Claude Poirier: The official figure—

Mrs. Shelly Glover: No. Just the number, sir, because I only have five minutes.

Mr. Claude Poirier: —is 19,200 jobs, as stated in the budget.

Mrs. Shelly Glover: Yes, but you said 26,000 in your presentation.

Mr. Claude Poirier: I said 29,600, which is reality.

Mrs. Shelly Glover: Okay, 29,600, and then you said something about 30,000 families.

Mr. Claude Poirier: Yes. I was rounding the figure.

Mrs. Shelly Glover: You were rounding up.

Mr. Claude Poirier: Yes, I was rounding up by 400.

Mrs. Shelly Glover: I'm trying to understand your organization's predictions because they change so frequently. I'm having a hard time keeping track. Let me be very straightforward with you.

Before the tabling of the budget, your organization released a report that predicted that the budget would eliminate 116,000 jobs. Then following the tabling of budget 2012, you admitted that you were wrong and lowered the number by half to about 60,000. Now, here today you say 29,600 jobs and then you also round that up and say 30,000 families.

Your numbers, frankly sir, leave me without much confidence in what you have to say. I'm making a comment, not asking a question, but you can see how most Canadians are looking at what you're saying with some confusion. I'll leave it at that.

Nevertheless, I would like to turn my attention to Mr. Oakey. Mr. Oakey, you come from the construction industry, and I would like you to tell us very briefly about the shortages of skilled tradespeople and general skill shortages in your industry. Then I'd like you to comment about how you think the changes to EI and immigration might help address your shortages.

Mr. Terrance Oakey: Sure. I'd be happy to do that.

Our industry faces an acute labour shortage, especially in Alberta, but it will soon be spreading to other places in the country. We fully support changes to the temporary foreign worker program that Minister Kenney announced. We also support changes to the immigration system.

Temporary foreign workers for our industry are the most expensive form of labour that we can source, so we use them as a last resort. That being said, though, we will have a 300,000 person shortage by the end of decade, so something must be done.

Mrs. Shelly Glover: Sorry, did you say you will be 300,000 persons short by the end of the decade?

Mr. Terrance Oakey: Yes.

Mrs. Shelly Glover: That's what you're expecting?

Mr. Terrance Oakey: Yes. The Construction Sector Council of Canada has put out a report saying that roughly 300,000 skilled tradespeople in addition to what we already have will be needed by the end of the decade.

Mrs. Shelly Glover: So these measures in Bill C-38 will help, in your opinion, to fill those 300,000 some jobs.

Mr. Terrance Oakey: Yes.

Mrs. Shelly Glover: And will the EI changes as well be helpful?

Mr. Terrance Oakey: Yes. We haven't commented specifically on the EI changes. I haven't had a chance to look at the details on them, but anything that encourages people to fill a job that is available is something we would support, because we have such an acute labour shortage in construction. I can't speak for the other industries that are here.

Mrs. Shelly Glover: Okay. Do I have...?

The Chair: You have 30 seconds.

Mrs. Shelly Glover: Is there anything else you would like to say, Mr. Oakey? Is there anything else about this bill that you would like to highlight for us today, given that I only have 20 seconds left?

Mr. Terrance Oakey: Sure. We're here to support the repeal of the measure that I spoke about earlier. We believe that the federal government doesn't really have a role in regulating wages in what is a high-paying industry. Whether it's a collective bargaining agreement—which the UFCW will enter into—or free competition between employers and employees directly, we think that's the best way to determine wages.

Mrs. Shelly Glover: For the record, he's talking about the Fair Wages and Hours of Labour Act, which is division 23 of part 4 of the bill.

Thank you.

The Chair: Thank you.

[Translation]

Mr. Mai, the floor is yours.

Mr. Hoang Mai (Brossard—La Prairie, NDP): Thank you, Mr. Chair.

Mr. Poirier, you represent some 13,000 economists and social science services employees who advise the government on public policy, 4,600 financial professionals in the public service, 2,700 lawyers, 450 pilots, and so on. I think we can trust your numbers.

Of course, the government is playing a bit with the numbers. They don't trust the figures submitted by the parliamentary budget officer. His figure was 108,000 jobs lost. Do you agree with that number? What are your thoughts?

• (1250)

Mr. Claude Poirier: The parliamentary budget officer has gone through the same exercise as us, but in greater detail. He provided a figure for every year, and, for 2015, he estimated 106,000 or 108,000 jobs lost. It is a general figure that includes the private sector and the federal, provincial and municipal public services. You obviously end up with a lot of numbers, which are difficult to grasp.

Mr. Hoang Mai: You talked about 26,155 jobs lost in Ontario, including 18,199 in the private sector. In Quebec, my province, you mentioned about 13,299 jobs, including 9,314 in the private sector. In western Canada, it is some 7,500 jobs, in Atlantic Canada, 6,700, and in British Columbia, 5,800. You have identified those numbers by relying on what was in the budget.

We are really talking about an austerity budget, at a time when the Canadian economy is not running at its full potential—even the Conservatives say so. Could you tell us what impact those job losses will have on the overall economy?

Mr. Claude Poirier: There are all sorts of impacts. The one we are really worried about has to do with professionals who advise the government on the decisions it makes. The federal government has various roles to play. Statistics Canada, for example, provides services to the federal government, but also to the provinces, municipalities, universities and private businesses. If we reduce Statistics Canada's capacity to serve its clients, we are going to end up with a major shortage of information.

Mr. Hoang Mai: We are already seeing a lack of information. I think you have referred to some cuts as ideological. We already have that problem. We are also concerned about the services delivered to Canadians.

Mr. Claude Poirier: We are already seeing the impact on employment insurance. The time it takes to process a claim has almost doubled. If you need to make changes to an existing file, the wait time is between 100 to 120 days. Aircraft will no longer be inspected, because the inspectors' operating budget has been cut. The inspectors still have their jobs, but they are not able to travel to inspect the aircraft.

Mr. Hoang Mai: So there might even be some problems in terms of safety.

Mr. Claude Poirier: Yes.

Mr. Hoang Mai: I would like to continue because this is really interesting, but

[English]

I'll go to Mr. Sommers.

You know that we've asked to split the bill. We've asked the government to have a look at doing that, but obviously it has refused. The PBO said that the lack of transparency is unacceptable. He has said that even we parliamentarians can't make decisions based on a budget that is not really detailed, where we don't know the consequences of the cuts or anything like that.

Looking at the budget, can you tell us a bit about what you see in terms of the reduction in the Auditor General's oversight, and maybe CSIS monitoring? Have you looked at those issues?

The Chair: You have 30 seconds.

Mr. Tyler Sommers: Thank you, Chair.

I'll quickly respond on the Auditor General's oversight, as I've looked into that more than the other oversight.

The issue is that there's going to be a reduction in what they're able to do and in the oversight they're able to employ. That's only part of the issue. Democracy Watch, as one group, has been advocating for the Auditor General to take a more proactive role and to do things such as random audits to ensure that everything is done according to legislation and according to policies and guidelines. That's something that is definitely going to fall off the table. There's no way to do that, because to expand the office, you're going to have to re-fund it and pick up all of the areas that are lost. So there are going to be some very difficult cuts that are going to hamper transparency and accountability.

The Chair: Thank you.

We'll go to Mr. Van Kesteren, please.

Mr. Dave Van Kesteren (Chatham-Kent—Essex, CPC): Thank you, Chair.

Thank you all for appearing this afternoon. We apologize for the delay.

I have just a few comments. I want you to understand that we really do get along, and actually quite well. It's just that sometimes, we kind of butt heads ideologically. But you know, some of the things that were said are really not helpful. For instance, and I say this as constructive criticism, when you approach government just to get their ear, it's not helpful to suggest, for instance, that what we're experiencing is an artificially created crisis.

I just came back from the Netherlands. We sent a delegation there. The Netherlands is a country of 16 million citizens. They live in a country the size of Nova Scotia, and they are trimming €15 billion. We're trimming \$5 billion. We have really not seen austerity measures, not to the extent that some of these other countries have.

Our debt is a crisis. We're handling it. At this point, it's \$650 billion. The U.S. has a total lack of control and is approaching \$13 trillion. So we see around us the Europeans and the Americans, and we try, as a government, to get a handle on things before things spin out of control. I would suggest, too, that in 2008 and 2009, we were faced with horrific challenges. And we've managed to curtail those. I think that the government has to move forward, and there are certain things that we have to do. Again, I understand that you represent your workers. I understand that these things will create hardships. We know those things too. But I think we need to keep our comments to a level that is mutually acceptable.

Mr. Linton, I guess I'm asking, more than anything else, if you have actual cases of what you talked about regarding the spray. In my riding of Chatham-Kent—Essex, we have a lot of greenhouses, and I can tell you, as well, that we have 5,000 foreign workers. They have a consulate there as well. Most of the workers are from Mexico. If there are any problems, they can go straight to the consulate and they're addressed.

When I speak to my greenhouse operators, I challenge them continuously. And when I talk to the workers, I don't get what you said. I'm getting that they're very happy to be there; they're excited about it. We had a witness here last night, Mr. Manicom, who works for the government with the foreign workers. If there's any complaint by what I believe are called the offshore or foreign workers who come, for instance, from Thailand, who just hire themselves out. We recognize that there needs to be better monitoring for these workers. Again, if you see abuses, by all means, let us know, and we likewise will.... I'm not looking for a comment but am just saying that we can work together on these things.

I think I can wrap-up. I just wanted to get a level of civility here so that we all understand that we all do really care about each other and that we all want the best for our country.

I want to give Mr. Oakey an opportunity to talk about the changes we've made to red tape and to tell us why it's important for us to move in the direction you're suggesting with regard to those workers. I just want you to talk about why that is so important.

● (1255)

Mr. Terrance Oakey: Thank you. As I stated before, our industry is facing an acute labour shortage. But as I also stated, using temporary foreign workers and immigration is the most expensive way for construction companies to staff up, so it's always used as a measure of last resort. We support many training measures to help Canadians become skilled. But right now, we face a massive labour

shortage, so it's necessary for us. Most of our members operate in Alberta, in the oil sands, and through that economy. Our economic prosperity depends on our having enough workers to be able to perform the work.

The Chair: Thank you.

I hope members don't mind if I take the last round.

Again, there will be no motions, so if members do have to go, I understand that.

I just want to get in a few questions.

Mr. Sommers, you said in your presentation that budget bills must focus on government spending.

What does the government do that does not involve government spending?

Mr. Tyler Sommers: You do have a legitimate point. By saying "government spending", I think it's fairly clear what I meant. I think most parties can agree—and by "parties", I use that term generally, not in regard to political parties—that there shouldn't be large amounts of legislation that.... Massive changes to departments and existing legislation and what they cover really should have their own houses and their own piece of legislation.

● (1300)

The Chair: But that all involves government spending.

Mr. Tyler Sommers: Right. You could argue that basically everything the government does involves spending of some kind. But actually, it's—

The Chair: Yes, reading your statement, I thought you could actually make the bill even broader.

Mr. Tyler Sommers: Right, which clearly isn't what I intended. I apologize for that.

The Chair: Okay, I'll move on then.

Let me pose a question about how you ensure adequate debate, but at the same time allow for passage of bills, especially with a majority government. Throughout history there have been situations in democracies where.... In the U.S. there is the Congress, and we have filibusters here in Canada. I was on the opposition side and I know how the system works. There's a certain amount of government time in the House of Commons, and opposition parties chew through that time and force the government to bring forward motions on time allocation, closure, and then you complain about it.

So how do you actually ensure passage of legislation in a majority government situation?

Mr. Tyler Sommers: It's in part by giving proper voice to all these pieces of legislation. I don't think you're then going to see as many filibusters as you are with, say, an omnibus piece of legislation. So it's about working with the parties in ways that we don't currently do, bringing more collaboration and communal participation to the table.

The Chair: We're trying to pass a bill, the Financial Literacy Leader Act, for example, and we can't get the opposition to say let's take it to committee and have a discussion there. This bill is to establish a financial literacy leader. It's not an omnibus bill, it's not a controversial piece of legislation, and we can't get it to committee. This is the reality of government, the situation we face as a government, and the situation a lot of governments face.

So how do we allow for adequate debate and still allow passage of bills when a government has a majority?

Mr. Tyler Sommers: I think at the end of the day you are going to face those instances. But if you can honestly look at yourself and say, "I've fully represented all of my constituents' views in this piece of legislation", then you've probably done your job well. I don't think that—

The Chair: But you can never represent all of your constituents' views at any one time because not all of my constituents have ever agreed on any one issue. There is always disagreement, right?

Mr. Tyler Sommers: But to the best of your abilities, you need to represent your constituents, and I understand that. I don't think that anyone, to the best of their abilities, could represent their constituents when there's a 500-page bill that affects virtually every aspect of Canadian society. That was essentially my point.

The Chair: It's a serious question. If you have anything further to say on that, I'd appreciate it.

Mr. Linton, I wish you could come to my riding and I'd take you out to Nisku and we'd do round tables. I say this because in every round table that I do with every size of business, from two people to 2,000, they say to me, "James, we need people." They bang the table and say, "We need people—skilled, unskilled, all types." This is an epidemic in western Canada—certainly in my area.

I hear a lot of criticism about what the government is doing. We've done a lot on the apprenticeship side.

But what is your solution then for the people in my riding—the hotels, the restaurants, the large businesses, PCL and others—who say, "We need 20 people", "We need 75 people", or "We need 1,000 people, James, in our business today. Do you know anyone?" We have so much poaching going on between various companies.

What is the solution, then? If you don't like what we're doing, what is your solution to that chronic situation in my riding?

Mr. Bob Linton: Well, I would defer to the gentleman from Fort McMurray. An example up there is that there has been a hard time getting workers up there, especially in the service and retail sectors. One of the things that has happened up there is that UFCW Canada

has moved in and started negotiations with all of those companies up there, got collective agreements, and all of a sudden those people are able to afford to live up in Fort McMurray. That's one of the things you can do—making make sure that those people are being paid a decent wage and have some benefits. That certainly helps.

The Chair: My riding is right outside the Edmonton International Airport. You can come and visit, and I will take you to every single company. They have signs saying "workers needed", and then they'll list the workers.

With all due respect, we need some answers on how to deal with that. We've made some changes to our immigration system. We've made some changes with respect to EI. We're desperate. One of our longest-term economic challenges is finding enough people to fill these positions.

Mr. Bob Linton: I'm not saying there's not a shortage in western Canada in some areas, but that's not the whole country. As I say—

The Chair: But another province experiencing a labour shortage is Newfoundland.

Mr. Bob Linton: And there's an oil boom there. But if people are treated decently, given a decent wage and some benefits so that they can live in those areas.... And \$185,000, he said, is the minimum wage—

• (1305)

The Chair: Okay, but take my riding. We actually have situations where people will go through drive-throughs and restaurants, take their card, write a number on the back and say, if you're making this now, you'll be making this tomorrow if you come work for us. That's what's happening in my riding, and we need to address that situation somehow. We can either quintuple immigration to 1.5 million or 1.3 million people a year.... I don't think that's the answer that Canadians see, going past 300,000. So we need something to address that.

I'm looking forward to any suggestions you may have now or in the future. I appreciate it.

Mr. Bob Linton: Put more moneys into training.

The Chair: We've done a lot on apprenticeship and training since 2006, and I'd be happy to do more on that.

I want to thank you all for your time, especially for waiting for the committee and staying the extra time. We sincerely appreciate that. Thank you.

Members, you can keep your stuff here if you want, and we will resume at 5 p.m.

The meeting is adjourned.

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