



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Government Operations and Estimates

OGGO • NUMBER 040 • 1st SESSION • 42nd PARLIAMENT

EVIDENCE

Friday, October 7, 2016

—
Chair

Mr. Tom Lukiwski

Standing Committee on Government Operations and Estimates

Friday, October 7, 2016

• (0930)

[English]

The Chair (Mr. Tom Lukiwski (Moose Jaw—Lake Centre—Lanigan, CPC)): Ladies and gentlemen, we'll get going now. First, I'd like to welcome all of our panellists.

I have a couple of brief words of introduction to make before we start the proceedings. As I'm sure all of you gentlemen are aware, the minister responsible for Canada Post, the hon. Judy Foote, has initiated a very extensive consultation process on the future of Canada Post.

Phase one of that consultation process was to appoint a task force whose mandate was to examine the financial viability and sustainability of Canada Post. The task force has completed its work and submitted its report, and we have had an opportunity to speak with task force members.

Phase two of the consultation process is a cross-Canada tour during which we speak with individuals, organizations, and municipalities, both large and small, both rural and urban, both remote and on first nations to get an idea from individuals across Canada of their views regarding the future of Canada Post and, more importantly, to try to get their recommendations on the future of Canada Post. That's why we are here today.

The procedure we will follow in the meeting this morning is very simple. We're going to ask all of you to open with a very brief opening statement of no more than five minutes. If you care to look up the odd time during your presentation, when it gets to the four minute mark, I will give you a one-more-minute signal. We'll try to see if we can get you completed on time.

If you are not able to complete your five-minute statement, don't worry. Our experience has been that the question and answer period is when the information is transferred. I'm sure that all of the information that you wish to give to our committee members will be taken care of during the Qs & As.

With that brief introduction, we'll start. I have a list.

Monsieur Cusson, we have you first on the list, sir. You have five minutes. The floor is yours.

[Translation]

Mr. Alexandre Cusson (Mayor, Drummondville City, Union of Quebec Municipalities): Thank you very much, Mr. Chair.

Ladies and gentlemen members of the committee, on behalf of the Union des municipalités du Québec, I want to thank you for hearing us today.

We have filed our brief in both official languages. It seems long, but that is because we have attached the resolutions of our member municipalities.

In this consultation, the UMQ will, first, suggest measures to respect the fundamental jurisdiction of municipalities on issues of land use and urban planning. Second, the UMQ will propose diversification of Canada Post services to energize regional economies and in so doing promote land occupancy in those territories.

Under subsection 19(1) of the Canada Post Corporation Act, the corporation may, with the approval of the Governor in Council, make regulations for the efficient operation of its business.

No statutory prescription requires the CPC, in exercising its functions, to comply with municipal jurisdiction over matters of land use or urban planning. Nonetheless, in the opinion of the UMQ, the CPC has significant responsibilities towards residents as well as municipalities.

Land use is a fundamental component of the powers of municipalities. The Quebec Land Use Planning and Development Act is based on several key principles: that land use is a political responsibility, that powers over land use are shared among the various stakeholders, and that land use necessarily requires consultation over decisions and actions by those stakeholders.

In fact, because they are in charge of land use within their respective territories, municipalities have major responsibilities, including oversight for the protection and welfare of their residents. For example, through their development plans, municipalities influence the social cohesion and harmonious development within their territories by ensuring consistency between options for intervention on sectoral issues, by defining policies for intervention on site development and infrastructure, and by coordinating the policies and investments of municipal departments.

The municipal sector in Quebec is highly diversified. Every municipality or region has its own quite specific needs and challenges, and members of municipal governments are in the best position to act on these issues, since local officeholders know their areas and residents intimately.

We are concerned that bringing in a "one-size-fits-all" plan, without regard for local realities, and without consulting the municipal sector or the public, could well jeopardize any restructuring plan put forward by the CPC.

In order to establish constructive cooperation with municipalities, the UMQ desires and in-depth reform of the Canada Post Corporation Act. Its purpose would be to require the CPC by law, on one hand, to consult municipalities and residents as a matter of course, and, on the other, to respect the jurisdiction of municipalities over land use planning and development. In this way, in their planned restructuring, the CPC would have all the necessary means to generate a win/win relationship with a minimum of social, environmental, and economic impact.

These provisions, based on principles of transparency, commitment, and public interest, would target CPC undertakings that generate major impact for communities.

A similar requirement presently exists in subsection 43(3) of the Telecommunications Act, which stipulates that "No Canadian carrier or distribution undertaking shall construct a transmission line on, over, under or along a highway or other public place without the consent of the municipality or other public authority having jurisdiction over the highway or other public place."

The UMQ board of directors recently adopted a resolution to the effect that the Government of Canada should amend parts of the Radiocommunication Act respecting placement of telecommunication towers.

In fact, our recommendation is that the corporation be required by law to consult municipalities and residents respecting regulations prescribing the conditions under which items may be transmitted by post and providing for the closure of post offices and the termination of letter carrier routes, and that it also be required by law to comply with the jurisdiction of municipalities over land use planning. The idea is to reach formal agreements respecting conditions for the placement of equipment where it comes to governing the design, placement, and use of any prescribed receptacle or device. That is our main recommendation.

We also have another recommendation in which we request that Canada Post study the possibility of diversifying its services in view of the fact that it has more points of service than any other local service. That would help to maintain a strong regional economy.

I will close by simply saying that, for us, the postal service is an important and indispensable service for the entire population. By establishing a strong partnership with our communities, we will be able to preserve a connection with Canada Post and strengthen this proud tradition.

• (0935)

We hope that, by establishing a strong partnership, we can work together to preserve a relationship with Canada Post and continue to be proud of it.

Thank you very much.

The Chair: Thank you.

Mr. Esch, you have the floor.

Mr. Hervé Esch (Director General and Secretary-Treasurer, Municipalité de Ristigouche-sud-Est): Good morning and thank you, Mr. Chair.

My name is Hervé Esch, and I am director general of the municipality of Ristigouche-Sud-Est. My testimony will focus more on observations of what I have seen in the field.

Ristigouche-Sud-Est is a small municipality of 165 inhabitants. As we have no post office, we rely on one that is located 15 kilometers away. There is another office situated seven kilometers away.

Canada Post is an essential public service for a small municipality such as ours. Our citizens are very much attached to it. I think it would be a good idea, as part of the reorganization of Canada Post, to expand the services offered by post offices that could become, for example, service points or relay points for Service Canada, which is the most widely represented service throughout Canada and across our territory.

The options under study include several that I think should be considered more closely. For example, there is the conversion of community mailboxes. The populations of remote villages are often aging populations, and we try to make their lives as comfortable as possible by enabling them to live at home as long as possible. Although there is an interest in community mailboxes, some people also need to retain home delivery service. All the points raised may be interesting ways to expand the potential range of post office services and help sustain operations and minimize costs.

In conclusion, I would say that Service Canada is an essential service that must be maintained.

The Chair: Thank you very much.

Mr. Thériault, you have the floor for five minutes.

Mr. Louis Thériault (Vice-President, Public Policy, The Conference Board of Canada): Thank you, Mr. Chair.

I want to thank you for inviting the Conference Board to appear before you today. I represent the institution as its vice-president for public policy.

The Conference Board is the largest independent research organization in Canada by number of employees and revenue. We are non-partisan, and we conduct fact-based analysis. We are largely known for our economic analyses.

I am here in connection with a study that the Conference Board prepared in 2013. I have examined that study once again in detail and a large part of what we did in 2013 is still relevant today. I also presented it to the task force earlier this year. The work the task force has done is, on the whole, consistent with what we did in 2013.

I will answer your questions in a few minutes, but I would simply like to say that the reason we undertook the study is that, after 16 years of budget surpluses, Canada Post felt it was under financial pressure and had to rectify the situation. The pressure is still there. Structural elements are in place, and there is a broader context. What is difficult with Canada Post, where the major questions and business models are starting to be shaken up by innovation, is to determine how to adapt and to assess the impact of the various measures possible. That would enable Canada Post to be profitable over the long term, while providing the services that Canadians expect.

Our job has been to put the various possible solutions into perspective. As part of the work done by the task force, particularly by Ernst & Young, an exercise similar to the one the Conference Board undertook in 2013 was conducted to measure the financial impact of community mailboxes, the conversion of Canada Post offices to franchises, and so on. We therefore have a series of six scenarios that involve, for example, the issue of salaries and alternate date mail delivery. In short, we are putting the potential impact of these various measures into perspective. It is an effort and an empirical and objective contribution to putting the potential of the various solutions that may be considered into perspective.

Progress and changes have been made in the past three years. I noticed that the dominant trends were already in place in the e-commerce field and in the decline in transactional mail. The Canada Post pension plan, which weighs quite heavily on the corporation's operations, is also adding pressure. These trends have accelerated in some areas, such as parcels, for example. That is the positive side of all this. In fact, there has been growth in that business sector, which has expanded more quickly than anticipated.

Internationally, we can observe trends and innovation, but we have not touched on them in our work. If there is still time and it is still possible, I would encourage the task force to explore avenues that are not necessarily those that we are observing and currently considering. There are all kinds of avenues in innovation.

The Conference Board is working on the issue of self-driving vehicles, for example. There is an ongoing debate in Canada on mail delivery using self-driving technologies on sidewalks, but these are things I have not heard talked about. There are also Canada Post's electronic services. In certain countries such as Finland, we are seeing many innovations in electronic services that are being combined with home mail delivery. These are options that I do not think have been discussed, and their potential should also be assessed.

I will stop there for the moment.

Thank you.

• (0940)

[English]

The Chair: Mr. Anderson, go ahead for five minutes, please.

Mr. John Anderson (Research Associate, National Office, Canadian Centre for Policy Alternatives): Thank you.

I'm going to make my remarks in English, but I'm very willing to answer any questions in French.

I actually presented before the task force committee. I was very disappointed with the task force report on Canada Post, because I thought it concentrated too much on how to cut services and save money and not enough on how to expand services by Canada Post. The main role of Canada Post is to provide public services to Canadians, and that remains a valid one.

In other countries, they provide far more federal, provincial, and municipal services through the post office. My daughter who lives in the U.K. just got her passport through the post office in the U.K. and had her digital imprints taken at the post office. Other countries have broadband and mobile services, including the U.K., France, and

Italy. The U.K. has broadband and land-line services. The most important one is postal banking and providing financial services. I don't think the report did justice to looking at that.

First, the report did not examine countries very similar to Canada, like the United Kingdom, France, Italy, Switzerland, all of which have postal banking. In all of those countries, postal banking is very profitable and provides a huge chunk of the revenues of the postal system in those countries. All of those countries have a concentrated banking system just like ours. Each one of those countries has several of the major banks, as I've outlined in my remarks, which you should get a copy of. Of the 50 largest banks, Canada has some, Switzerland has some, the U.K. has some, etc., but they still have success of postal banking there.

The number of banks have shrunk dramatically. The report looked at the last five years, where it's gone up slightly, but if we look at it from now back to 1990, there has been a 20% drop in bank branches in Canada. We've lost a huge number of bank branches. It went down from 7,964 to 6,348 in 2015. For credit unions, it's even more disastrous with a decline of about 26% since 2002. There's been a major decline in the number of branches.

I did a study that looked at the availability of banks in communities that have a post office, and 45% of the rural communities in Canada, which have a post office, do not have a bank or a credit union branch. So when they say that the banks are doing a great job, no, the banks are retreating to the big cities, and the higher-end business. That's their job as for-profit institutions. There is a real possibility there for the post office to offer financial services.

I think the study done by the task force showed that 7% of all Canadians would open an account right away, and that 22% would probably open an account. This is a huge number. Even if just 7% of people opened an account in a postal bank, that would be a huge number of people. It would be one of the top banks in Canada, just like that, overnight. There is a big interest in it. Six hundred municipalities have supported postal banking, which is a lot, including Toronto and Victoria, big cities, as well as many smaller communities, including many in Quebec.

I'll come back to some of these points afterwards, but I would like to say that there is a real possibility for postal banking. I think it would be great if the task force looked at how to do that.

I just want to make one last point before I go to my conclusions, which is that there are only about 56 banks or credit unions on reserves out of 615 reserves, and we just updated that. There's a real possibility of offering postal banking on reserves.

I think it would be great if the post office interviewed people from France, the U.K., Switzerland, and Italy, by Skype to save money, on postal banking and other services. It would be great if the committee could get the study that Canada Post did, which recommended postal banking, but was never released. If you could get that released, that would also be tremendous.

I'll stop there.

• (0945)

The Chair: Thank you so much.

[Translation]

Mr. Ayoub, you have the floor for seven minutes.

Mr. Ramez Ayoub (Thérèse-De Blainville, Lib.): Thank you, Mr. Chair.

Mr. Cusson, thank you for being here with us today. I am always very happy to return to Quebec City, where I spent my early years.

Without further ado, I am going to use the seven minutes allotted to me to ask you some questions. I ask you to give me relatively short answers.

Mr. Cusson, you represent the Union des municipalités du Québec. You are asking in particular that Quebec municipalities take part in the decision-making process on the introduction of and any changes to services that Canada Post may offer the population.

This new UMQ resolution comes in response to a decision that Canada Post made without consulting you. That is what I understand from having experienced the same thing. If you had been consulted, might the solutions and changes made have been appreciably the same, with some minor variations? The consultation might have helped explain the reasons for certain developments.

Mr. Alexandre Cusson: Yes, I believe the people from the municipalities have a clear understanding of their situations.

We are asking that our jurisdiction be respected. Consider, for example, the case in which Canada Post decides to install a multiple box in an area and chooses the location without consulting the city, as has previously happened.

The city may have concerns about traffic, the presence of a nearby school, and other factors of that kind. We know the dynamic of our neighbourhoods and cities, and we are convinced we can only improve the situation if we work together.

Mr. Ramez Ayoub: I see that has not always been the case. There appear to have been some consultations. Canada Post tells us there have been consultations, but not consistently in all municipalities and with the various stakeholders.

Mr. Alexandre Cusson: We feel there have been no consultations.

Mr. Ramez Ayoub: You feel there have been none at all.

Mr. Alexandre Cusson: Exactly.

Mr. Ramez Ayoub: I see.

My next question is for Mr. Thériault.

You took part in a study in 2013. You were consulted last summer by the task force responsible for establishing the facts of the situation.

With respect to the figures we have heard about and, more particularly, the Ernst & Young study that UMQ disputes, what do you have to say about the accuracy of the figures cited?

• (0950)

Mr. Louis Thériault: Our first observation is that the challenge is enormous.

Changes are being made to the business model, which, as I mentioned earlier, promotes efficiency gains while maintaining service. Then it remains to be seen what service Canadians expect and how to adjust the business model to provide that service.

When we analyze the figures and the mathematical aspect, we see that something major absolutely has to be done. Canada Post's financial sustainability is in jeopardy. Consequently, some scenarios

Mr. Ramez Ayoub: We have been shown figures from Canada Post for years, and, with few exceptions, there are few years when Canada Post has been profitable. How has Canada Post kept itself afloat considering its slim profits in recent years? It seems inevitable that it will have an operating loss of \$700 million in 2026.

Mr. Louis Thériault: The 2013 year was the second year in which Canada Post incurred an operating loss. In the basic scenario that we had prepared at the time, including changes planned as part of the so-called *postal transformation initiative* implemented by Canada Post, the corporation posted a profit. I believe the basic scenario excluded the transformation initiative. To give you an idea of the order of magnitude of the figures, we had anticipated losses of \$1.3 billion in 2020 without the initiative and \$1 billion with it. The initiative helped save \$300 million in losses. That is excluding the fact that the pension fund solvency deficit was set aside under a special agreement. That gives you an idea of the challenge and its order of magnitude. That was new. There was a trend, but as a result of the pressures and structural changes in the postal market, we were talking about big figures.

Mr. Ramez Ayoub: Did you compare collective agreements and social benefits in your study? We know that payroll is Canada Post's principal expense item. Did you compare the revenues and services of Canada Post's international counterparts? How does Canada Post compare with the postal services in other countries?

Mr. Louis Thériault: We did not make any comparisons of its cost structure with those of other postal services.

Mr. Ramez Ayoub: Should that be done?

Mr. Louis Thériault: In fact—

Mr. Ramez Ayoub: It might provide an idea of the critical mass and weight.

Mr. Louis Thériault: The challenge in that type of exercise is always to establish an order of magnitude since there are a lot of potential solutions. Here we have six scenarios, and none of them managed to fill the financial gap. We realize we have to take a broader view. There is a range of initiatives to consider.

Mr. Ramez Ayoub: Mr. Thériault, I must interrupt you because I want to ask Mr. Anderson a question.

Mr. Anderson, you talked about the postal banking service. We hear a lot about new revenue sources, and that is positive. We should expand our horizons, and that is one option to consider.

However, I am concerned about the cost-effectiveness of the postal banking service when the banks have abandoned that service in the regions because it was not profitable enough. What will make that service profitable for Canada Post when it was not profitable for the banks?

I do not know whether the banks' salaries and social benefits are comparable to those of Canada Post, since I have not analyzed them, but I find it hard to understand how we will be able to avoid subsidizing this service in the regions when the banks abandoned it because it was unprofitable.

[English]

The Chair: I understood, but I know this question is going to come up again.

A very, very brief answer.

[Translation]

Mr. John Anderson: The first thing is that the Conference Board did not study postal banking services in 2013. That study was not part of its mandate.

However, if we look at what is going on in other countries, such as the United Kingdom, we see that the banks have abandoned the rural areas and that people are conducting their banking transactions at the post office. The clientele is there. It costs much more for a bank than Canada Post to keep a branch open and to pay employees. The post office already has employees, a place of business, and the space to offer banking services.

• (0955)

[English]

The Chair: Thank you very much.

Mr. Kmiec, for seven minutes, please.

[Translation]

Mr. Tom Kmiec (Calgary Shepard, CPC): Thank you, Mr. Chair.

I am an MP from western Canada. So I am going to practise my French today.

Thanks to all the witnesses for their contributions to our work.

Mr. Esch, my question concerns the Canadian postal service protocol and the moratorium on rural post office closings.

The committee has learned that several rural regions have their post offices in community centres. I understand that. However, there are still rural post offices in Saskatoon, Brampton, and Halifax. As a

result of a moratorium, Canada Post may not close post offices in those cities in order to reorganize its service.

What do you think of a suggestion that the committee might make, that post offices should be closed in regions that have become urban—Canada has urbanized in the past 20 years—to fund postal service in the rural regions?

Mr. Hervé Esch: That might be a good solution to consider. As I mentioned, Canada Post is often the last representative of public services in the rural regions. I have also heard about banking services. I can personally attest that that service could really be promising. In my region, for example, the *caisse populaire* was closed, leaving three municipalities without banking services. Some residents now have to travel 25 kilometers to conduct their transactions at the nearest ATM. It would be a good idea for the post offices to offer a range of services in the rural regions.

Mr. Tom Kmiec: I see.

With your permission, Mr. Anderson, I will correct one of the statistics you cited.

According to testimony we have heard, 60% of respondents feel it is a bad idea to provide banking services in post offices, whereas 38% think the potential in that area is good. Of that 38%, 7% said they might use banking services in post offices, and only 2.7% of respondents indicated they intended to use those services if they were offered. Consequently, the percentage of interested respondents is much less than 7%. Furthermore, to provide banking services in its post offices, Canada Post will have to make enormous structural and IT investments. A bank is much more than buildings and employees.

Do you think 60% of Canadians are opposed to the idea that Canada Post should take this kind of financial risk to maintain its financial sustainability?

Mr. John Anderson: The chair of the task force on the Canada Post review, Ms. Bertrand, made a mistake in her presentation to the committee. It is 7% of all Canadians who will open an account, not 7% of people who are in favour of postal banking services. If you reread the report, you will see that she made an error in that regard. It is 7% of all Canadians who would certainly open an account—those are the figures—and 22% who would probably open one.

Mr. Tom Kmiec: I put another question to the union representatives in various cities about employee skills.

Canada Post has 50,000 employees. Before introducing postal banking services, they would have to be trained to improve their skills in that area. Have you conducted an analysis of the skills of Canada Post employees?

Mr. John Anderson: That appears in the major report that is still confidential.

Canada Post has prepared an 800-page report in which these questions are addressed. The report concludes that it is possible to offer banking services and that they would be a winning option for both parties. This has been done by a Conservative government in Great Britain and by a socialist government in France. Both countries offer postal banking services in various ways. The cost is not enormous.

I questioned the vice-president for postal banking services in England, and he told me that sector is staffed by 300 employees at head office. Partnerships have been established with one bank in particular to deliver the services. You may use a bank card from another bank at any post office in the UK. You can withdraw and deposit money as well. It is a model—

• (1000)

Mr. Tom Kmiec: I have another question for you.

The service that is offered in England is a good example, but the post office has been privatized in that country. In Canada, we know that would pose an enormous risk. Canada Post's operating loss would be \$700 million by 2026. Do you think that would be a good idea, since the union members are in favour of postal banking services—from what I have heard in committee—and of using the union's money to fund the creation of postal banking services?

Mr. John Anderson: The post offices in England have not been privatized. It is the delivery service that has. There are two postal companies, one state-owned and the other private. The one that offers postal banking services has not been privatized. It is a crown corporation. That is the first point to note.

The other is that the Royal Mail delivery service, which is directed by former Canada Post president Moya Greene, is private. Of course, the idea is not to offer all services starting tomorrow. That has to be done gradually. Canada Post already offers certain financial services, and it is not true that employees have no training in the field. Canadians can obtain money orders and credit cards at the post office. In short, I believe we must expand services and do what has been done in the UK. Services have been offered gradually in one region at a time.

[English]

The Chair: We're out of time, but perhaps Madame Trudel will pick up on the last questioning.

Welcome back to the committee.

[Translation]

Ms. Karine Trudel (Jonquière, NDP): Thank you, Mr. Chair.

I want to thank the witnesses for their presentations. They are very much appreciated.

Mr. Anderson, I will use the seven minutes allotted to me to ask you some questions.

I agree with you that the report is incomplete and contains false information. I would like to hear what you have to say about the report that has been submitted.

What is your opinion, based on the research you have done, on what should be in a report and what should not, and by that I mean what Canada Post management considers as nonsense. In addition, tell me about the impact of postal banking services and post office closings in rural areas. What direction should we take on that subject? I would like you to clarify further what you said in your presentation.

Mr. John Anderson: I conducted a study on post office closings in rural areas. It is available in English and French and I hope it has been distributed to you. I also conducted surveys of the mayors of

municipalities where there were post offices, but where they had been closed for more than 20 years. It appears those closings have caused enormous problems in the rural regions.

Canada, like Australia, is one of the most urbanized countries in the world. Increasing numbers of people live in and around major cities, and services in the rural regions have been cancelled. I find that ridiculous. The post office is a key service. Several mayors wrote to me, in particular the mayor of Boulter, Ontario, and told me that the fact they no longer had a post office was a disaster, partly as a result of the large number of seniors, who are more numerous in the real regions.

Post offices are still being closed in rural areas, in all kinds of ways, even though it is not theoretically permitted. A lot of excuses are being used to continue closing them, but it is a public service. I think they should be kept open.

What Canada Post could do is not as complicated as that. I think we must take into consideration what is being done by countries of roughly the same size as ours. I am thinking here of France, the UK, Italy, and even Switzerland. Those countries have decided to offer other services. We have to start with financial services. All those countries offer them, each in accordance with its own model. In other words, there are various methods.

A Conservative government could find a way to provide financial services that would be different from that of the Liberal or an NDP government. The important point is that all these financial services are profitable. In Canada, major companies such as Loblaw's, Canadian Tire, Rogers, and Walmart, have all invested in banking. They have not spent enormous amounts of money to do so, but they now offer services that are profitable.

The post office could choose the services it wants to provide. Some services could be offered by the post office, through its own bank, and others could be offered jointly with existing credit unions and banks. Loblaw's, for example, has its own credit card service, while some bank accounts belong to CIBC.

We could use those kinds of models. I think various possibilities are available to Canada Post. With respect to payday loans, it would be possible to offer products in the post offices that could replace those of Money Mart, for example, which charges rates of 600%. Far less expensive services could be offered. They may not be very profitable, but it is not necessary to make as much money as Money Mart. After all, we are talking about a service here. It merely has to be profitable, and it will be. To get a payday loan, applicants must have a job and a source of revenue. Otherwise they cannot get that kind of loan.

It would be profitable and interest rates would be the same as those paid by Canadians on their credit card balances. The rate would not be 600%. I think this is an enormous opportunity. In France, for example, postal banks have established ties with the municipalities and grant them loans. They have focused on that and on social economy institutions, including cooperatives.

In Canada, we can choose the services and the part of the industry we want to focus on. All that is profitable, in my view. I have stated some figures, but I think that more than 100% of profits in France and Italy come from financial services.

•(1005)

That means that other services have lost money. Financial services have therefore made it possible to continue delivering the mail. They have done by earning revenue from financial services.

Ms. Karine Trudel: After the task force report was tabled, we saw that 2011 was the year selected for the average, whereas 2011 was the year of the pay equity settlement and the lockout. That was the only year where there was an operating loss. What you think of that? Why was that year used as a basis.

Mr. John Anderson: I think that is an exaggeration of what is happening. It is generally a profitable company. True there are losses in mail delivery, but it is also true that there has been an increase in revenue from parcel delivery.

The corporation has also begun to offer certain services such as same-day delivery in major cities such as Toronto, and those services are very profitable. It will be profitable in the long run if it adds more services.

•(1010)

The Chair: Thank you very much.

[English]

Next up is Mr. Lightbound.

Welcome to our committee.

[Translation]

Mr. Joël Lightbound (Louis-Hébert, Lib.): Thank you very much, Mr. Chair.

The Chair: Mr. Lightbound, you have seven minutes.

Mr. Joël Lightbound: Thank you.

I would like to go back to Mr. Anderson's remarks.

You talked about companies that are providing banking services. Canadian Tire, as you will remember, used to print money. Just imagine.

More seriously, I am speaking to you now, Mr. Cusson. Your recommendation n° 3 states that UMQ requests that Canada Post study the various services that the post office could offer.

What is the tenor of your discussions with your members on the banking services that Canada Post might offer.

Mr. Alexandre Cusson: We have not specifically discussed any one of the services. We think that, since Canada Post is everywhere and is often the last service offered in a smaller municipality and in the remote regions, it might be advantageous to add other services, such as federal services, insurance or banking services.

As we are not experts in the field, we recommend that a serious analysis be conducted to determine what profitable services we could offer the public, but we have not examined each of those services.

Mr. Joël Lightbound: For example, is any pressure being put on the mayors of small municipalities to evaluate the issue? We see the impact this represents. For example, Mr. Esch discussed the Caisse Desjardins branches that are withdrawing from certain municipalities.

Mr. Alexandre Cusson: Many provincial, federal, and commercial decisions that have been made in recent years have really hurt small municipalities in remote regions and even, in some instances, small municipalities located near major centres. We are seeing government and banking services leave. Even schools close their doors at some point. It is very important for the vitality of those communities to retain those services. Canada Post Corporation, for example, could exercise this leadership, and that would definitely contribute to the vitality of those territories.

Mr. Joël Lightbound: Mr. Esch, I am turning to you now.

A little earlier you answered a question on banking services offered in small municipalities such as Ristigouche-Sud-Est. You mentioned an area of 25 kilometers.

Can you describe a little what banking services are currently available in a municipality such as yours?

Mr. Hervé Esch: There is absolutely no service in a small municipality such as mine. As I was saying, we do not even have a post office. The nearest one is seven kilometers away, and the one that serves us is 15 kilometers away.

A little earlier I was talking about municipalities near my own that are located just off Highway 132, on a road that leads only to the farthest municipality. It stops there. The region is called Les Plateaux. On those plateaux, there are three municipalities. There was a central post office. Last year or the year before, the Caisse Desjardins decided to close—

Mr. Joël Lightbound: You are talking about the Caisse.

Mr. Hervé Esch: The surrounding municipalities have all adopted a resolution requesting that the Caisse Desjardins reverse its decision. That has not been done.

Earlier we talked about the aging populations of those municipalities. That is all the more important since these services are provided near those people. It is harder for them to travel. They are already outside the major centres. The Canada Post office is really the only place where all kinds of services could be brought together.

Mr. Joël Lightbound: For example, if a banking service was offered at a Canada Post office near those three municipalities, they would have services. They would at least have access to a banking service.

Mr. Hervé Esch: That is correct.

Mr. Joël Lightbound: It is 25 kilometers away at the moment, is it not?

Mr. Hervé Esch: Yes, it is 25 kilometers from the most remote municipality.

Mr. Joël Lightbound: Mr. Anderson, I very much enjoyed your presentation. I must tell you I am very much in favour of the idea of a banking service being offered by Canada Post. The profits that have been generated in Switzerland, New Zealand, France, Italy, and the UK are quite impressive. If it works everywhere else, why should it fail here?

I would like you to tell me about the most promising model in this area. If you have looked at what is being done internationally, what would be the best example for Canada to follow?

Mr. John Anderson: That is a tough question. However, I think Canada Post should open a bank. It is not hard to do. Walmart, Canadian Tire, and Rogers Communications have done it. A company like Canada Post can open a bank.

The federal government already has expertise in that area. The Business Development Bank of Canada, BDC, Export Development Canada, EDC, and Farm Credit Canada are already in existence.

•(1015)

Mr. Joël Lightbound: BDC is highly profitable.

Mr. John Anderson: Those three institutions within the federal government have banking expertise. Certain people who work there can therefore be called upon to assist Canada Post.

Partnerships must also be established to offer certain services. Consider Switzerland, for example. PostFinance is the Swiss bank for many services. However, if you want a mortgage, it will be provided by a private bank. If you want to invest in the stock market, that is also done through a private institution. Partnerships can therefore be established with other institutions for certain services.

It is preferable to start out cautiously. We can begin with certain services. We can conduct trials by offering a few services in certain regions. If that works, then the range of services can be expanded.

Mr. Joël Lightbound: In Switzerland, for example, in the case of mortgages, the postal service is becoming an intermediary between the private institution and—

Mr. John Anderson: That is correct. You do not need to open a bank tomorrow and offer all services across Canada. You can do it gradually.

Mr. Joël Lightbound: I will stop you right there because I do not have much time left and I have one final question for you.

You piqued my curiosity when you mentioned reserves. You said only 56 out of more than 600 reserves in Canada had banking services.

Mr. John Anderson: That is correct. There are some in municipalities such as Saskatoon. That is the case of the First Nations Bank of Canada.

Mr. Joël Lightbound: How many of them have access to postal services?

Mr. John Anderson: The majority.

[English]

The Chair: Mr. Lightbound, you're out of time.

We have two interventions left. Both will be five minutes.

First up is Mr. McCauley, please.

Mr. Kelly McCauley (Edmonton West, CPC): Good morning, gentlemen. Thank you for having us here in your beautiful area. It's so nice to be back in Quebec City.

Mr. Thériault, over the last couple of weeks, we've seen members from CUPW disputing every day here the numbers in your report. We know that Ernst & Young have confirmed the financial assessment that you've put forward. Where do you think CUPW is getting different numbers, drastically different numbers, from what you've presented?

Mr. Louis Thériault: The short answer is that there were some changes implemented by Canada Post, so that what we anticipated for 2020 wouldn't be the outcome. There was a postal transformation process with incremental changes—the community mailbox, for example. Some of the scenarios, in fact, that were put forward, in terms of the analysis we did in 2013, have been put in place. That explains why the....

It was a scenario back then, just to illustrate that there was some pressure building.

Mr. Kelly McCauley: Is it fair to say last year's positive results in the first two quarters of this year reflect some of the changes of the five-point plan, the CMBs, and the stamp increase as well?

Mr. Louis Thériault: Exactly. The price increase, labour, service, community mailbox—all those things were measured as part of the scenario.

Mr. Kelly McCauley: Not that we have a moratorium on those savings issues for Canada Post—I know it's difficult to put it together—but let's say we freeze those and don't do anything else. Do you think the 2026 numbers that Ernst & Young put together in the report would still be valid at a loss of about \$750 million?

Mr. Louis Thériault: Yes, and I think the big elephant in the room is the pension issue, something that we had put aside assuming that it could be solved somehow, but it's going to have to be dealt with.

Mr. Kelly McCauley: When we chatted with the task force, they supported the five-point plan, but they said it actually did not go far enough.

What would you do if, for instance, they said it wasn't going far enough to address these potential losses in the future?

Mr. Louis Thériault: The full transfer—

Mr. Kelly McCauley: I'll assume it's not postal banking.

Mr. Louis Thériault: No. Actually, in the six scenarios we put forward around the wage, that was unrealistic. It was just to indicate the magnitude of the challenge. With regard to alternate-day delivery, I know Ernst & Young came out with saying that there would be a small potential gain from that. I understand it's linked to the core infrastructure requirement and fixed-cost nature of the business.

In fact, some of the positives on the parcel side require some infrastructure investment, which means some of the savings will not necessarily pan out to the level we thought.

•(1020)

Mr. Kelly McCauley: Right.

Mr. Louis Thériault: There's a dynamic aspect into this that needs to be considered. The changes that have been put in place have, in fact, delivered some results. At the end of the day, whether it's postal banking or other solutions, I think the overarching conclusion of the report was that there is no single solution that's easy to put in place, and they're not cumulative. That's the other thing we need to remember.

We look at all these potential changes that Canada Post can make. There is a synergy or some overlapping impacts between one thing and another, so there's—

Mr. Kelly McCauley: They're not stand-alone.

Mr. Louis Thériault: They're not just stand-alone or cumulative over time. They're complex, so that's the overarching conclusion. There is another thing, and I'd like to make that point really clear, because that's the bread and butter of the Conference Board, and I am an economist myself by training. When tough questions like that emerge, many solutions are put forward. The real challenge is to measure the actual real change that a solution will have over time.

We look at the scenarios; we forecast; and we get an indication of the magnitude, but then we have to track that over time and change course. We're dealing with something that, in terms of core structural pressure, is unprecedented.

Mr. Kelly McCauley: Are you in general agreement with the numbers put together by the task force?

Mr. Louis Thériault: Overall, I would say yes. In fact, I would have liked to see an effort to quantify some of the pricing strategy, for example, and a review of labour and pension costs. A series of other things have been mentioned, but I think that's something that could be beefed up, so to speak.

In terms of what has been measured, it's roughly in line except for the alternate-day delivery, but I understand there are some structural elements to that which weren't announced.

Mr. Kelly McCauley: Thank you very much.

The Chair: Ms. Ratansi, for our final intervention, go ahead for five minutes, please.

Ms. Yasmin Ratansi (Don Valley East, Lib.): Thank you very much. Because I have five minutes, I'm going to concentrate on Mr. Thériault and Mr. Anderson.

If you look at the Conference Board of Canada, you can see the confusion we're getting into, because the union says this and you say that. Everybody debunks somebody's myth. When you're looking at an operation and looking at the financials of 2013—and you looked at 2012 and 2011—did you take into consideration the anomalies, the pay equity settlement, the fact that they instituted electronic warehouses to the cost of \$2.1 billion while letter mail was going down? I'm an ex-CPA, so I know what I'm talking about. Could you tell me if you took that into consideration?

Mr. Louis Thériault: Yes, in fact, the volume of activity, the price, the cost structure that was—

Ms. Yasmin Ratansi: Was the sunk capital cost of \$2.1 billion taken into account as well?

Mr. Louis Thériault: The sunk capital for...?

Ms. Yasmin Ratansi: It was \$2.1 billion—

Mr. Louis Thériault: What was that for, in particular?

Ms. Yasmin Ratansi: They had converted the warehouses into super warehouses. Electronic mail was delivered there so that it created some confusion with regard to routes, etc. Did you take that into consideration?

Mr. Louis Thériault: I would have to look at the specifics of that, so I can come back to you on that in particular. For the modelling

exercise, I wasn't overseeing that at the time, but I've reviewed the work and I stand behind it, of course. That was the specific assumption of how cost adjustments were made, and it has to be done like that, recognizing—

Ms. Yasmin Ratansi: Well, I hope so.

Mr. Louis Thériault: It's kind of an obvious—

Ms. Yasmin Ratansi: Therefore, your projections for the future years showed losses, and yet Canada Post made profits, and that's where we have a problem. We'd like to see where everybody's analyses came from.

When you look at a corporation and you're saying there is this pension liability, would you suggest that the charter of Canada Post be changed? They have to calculate it into insolvency. So it's not their current liabilities but their long-time liability, if you were to retire 30 years from now. That is something that they have to calculate according to the international financial reporting standards.

So would you suggest that it be removed?

Mr. Louis Thériault: I can't suggest that, because I haven't done the actual math behind it, and that's not my role. My role is just to take from the analysis—

Ms. Yasmin Ratansi: But your business is—

Mr. Louis Thériault: I'm just saying this is the elephant in the room. If you change that—the break they have right now, the deferral—that would change the nature of the whole financial sustainability of Canada Post for sure.

Ms. Yasmin Ratansi: And that's true, because none of your businesses project insolvency, do they? They say “Well, here are my opportunities and here are my challenges, and how I project opportunities; I change the challenges to opportunities.”

Mr. Louis Thériault: These rules exist for a reason.

Ms. Yasmin Ratansi: Oh, yes, absolutely—

● (1025)

Mr. Louis Thériault: Before changing the charter, I am suggesting you have to be really careful because the solvency dimension of those pension plans—

Ms. Yasmin Ratansi: —the government would have to absorb it.

Mr. Louis Thériault: —is measured in terms of the operation versus long-term solvency. Those rules are in place for really good reasons, and you have to be really careful before going there.

Ms. Yasmin Ratansi: Here is my question then. When you look at challenges that Canada Post was facing from a quantitative perspective, did you look at something that would change those challenges into opportunities? I know Mr. Anderson has thought about the concept of postal banking, and it has been extremely successful. It depends on how you look at it, whether it's the glass half full or half empty, and your perception is what determines the outcome.

Mr. Louis Thériault: This is a really important point, and it's back to making sure that we—like we did on the cost side.... I totally reconfirm that our mandate was just to look at alternative ways of delivering cost savings. We didn't really look at the revenue-generating side so much, and there are options there. Again, those options, I would argue, in that context are more speculative, because you don't know.... Postal banking—

Ms. Yasmin Ratansi: Okay, we always speculate. By the way, I've done receiverships of banks as well, so I know there is speculation on all sides—

Mr. Louis Thériault: It has to be assessed more thoroughly.

Ms. Yasmin Ratansi: Okay. Mr. Anderson—

The Chair: Very briefly.

Ms. Yasmin Ratansi: —what are some of the challenges that Canada Post would face if it were to go into postal banking?

Mr. John Anderson: I think the challenges it would face would be to look at implementing this process, as I said, in a gradual and systematic manner, not jumping into it. If they jumped into it, that would be a mistake. It would be a mistake just to say, okay, tomorrow we're going to offer postal banking everywhere in the country etc., with full bank services.

Also it would be challenging if they didn't partner with both the federal government's banking expertise, the three federal institutions that do banking, plus private banks and credit unions, which could help to offer certain services. If they were to do so, the challenges would be very small because the point is that this is a known. The vice-president for financial services in the U.K. offered to come over. He said, "I'll come over and tell you how to set it up". It was a kind of a joke, in part, but what I'm saying is that this is something in which there is world expertise that we could employ. It's not something where we're out there asking "What is this? How do we do it?" No, there is lots of expertise.

The Chair: Thanks very much.

Gentlemen, thank you all for being here. I appreciate the time that you've taken out of your busy days and schedules to be here.

One other point I would offer to you, should you have additional information that you think would be of benefit to this committee, please submit it directly to our clerk. We'll make sure that we examine it and that it will form part of our final report. I encourage you, should you have that additional information, do that within the next couple of weeks because it is during that time frame that we'll start to draft our report.

Thank you once again. They were great presentations.

We will suspend for a few moments to await our next panel.

• (1025)

(Pause)

• (1035)

The Chair: Ladies and gentlemen and committee members, could we have everyone back at the table, if possible?

Thank you.

Welcome to our panellists who are with us this morning.

Many of you may have been in the room for the first session. I'm not sure if all of you were. To give you a couple of quick opening comments, we will start with this consultation, which will be a question and answer process with all of our committee members. First, however, I will ask each of you to give a brief opening statement of five minutes or less. That will allow all committee members an opportunity to go a little more in-depth with some of your issues.

We're looking for recommendations, suggestions, and observations about the future of Canada Post.

We're very happy to have all of you here this morning. I have first on my list as panellists, Madame Gagnon and Monsieur Godbout.

I believe you'll be splitting your time. If you can do that, please the floor is yours for five minutes.

[Translation]

Ms. Judith Gagnon (President, Association québécoise de défense des droits des personnes retraitées et préretraitées): Thank you very much, Mr. Chair.

First of all, I will introduce our association.

Our association is dedicated to seniors rights advocacy and has been operating in Quebec for more than 35 years. We represent people from all categories. We do a lot of advocacy work on behalf of vulnerable seniors, since ours is the only association exclusively engaged in seniors rights advocacy.

The purpose of our vision of aging, which is positive, is to maintain seniors' power to act. The purpose of our demands is to provide assistance to seniors, particularly those who live in situations of poverty and isolation.

We did not appreciate the decision Canada Post made in 2013 to put an end to home mail delivery in urban areas in order to save money. That measure has had a major impact on seniors, particularly those who are vulnerable. Some seniors are unable to go and pick up their mail outdoors and are consequently very happy to have it delivered to their homes. If home mail delivery were abolished, they would be the first victims. Some less mobile seniors would have to call on others to help them. Cases of abuse could arise in certain situations.

I am going to speak briefly about Quebec. Quebec society is aging very quickly and that fact must be taken into account. Persons 65 years of age and over, who form 17.6% of the population today, will represent approximately 26% in 2031. The age pyramid is incredible. And yet life expectancy is increasing, and the number of people living alone is rising as well. That is a very important fact. Public pension plans are inadequate. Did you know that nearly half of Quebecers 65 and over receive the guaranteed income supplement?

They are really not rich. Our first observation is that local services have suffered cuts. This is incredible. Local services have been reduced, tariffed or cut. Home services are underfunded and bank windows are being closed. If home mail delivery service is abolished, that will have an enormous impact on the remote regions. What will happen? Some places will become devitalized areas.

Seniors are vulnerable to bad weather. If they have to go pick up their mail from mailboxes in cold, icy weather, they may fall. Can it then be said that this population is being provided with adequate public service? I am not sure. This also puts additional pressure on family caregivers, who are already under enough pressure as it is.

With respect to digital literacy, only 32% of seniors 65 and over use the Internet. This means that the remainder do not use it and that it is not a functioning technology in their case.

Our first recommendation is that Canada Post take into account the needs of an aging population by restoring and maintaining home delivery service. The goal is to help seniors stay at home as long as possible and thus to improve their quality of life.

We do not understand why the federal government establishes so many programs to help break down seniors' isolation. It invests several millions of dollars here and there, particularly for home support. However, mail is a home service that helps overcome isolation. It is in addition to other services. A degree of consistency in the government's measures is therefore necessary.

We are witnessing an increasingly pronounced exclusion of seniors and a loss of the social role of letter carriers. This may seem curious, but for isolated people who see no one, it is important to see their letter carrier arrive at their door. Perhaps letter carriers could even be asked to take on another social role.

• (1040)

We are talking about requiring proof of a medical disorder for citizens who are suffering from such a disorder to be able to continue receiving their mail at home.

[English]

The Chair: Madame Gagnon, I'm sorry, but I'm going to have to interrupt you. We're over the time already. It has been our experience, however, that all of the information you may not have got to in your opening statement will come out during the questions and answers. But we'll have to move on, because we want to make sure that there's enough time for all committee members to ask questions.

Our next panellist will be Mr. Collomb d'Eyrammes.

[Translation]

You have the floor for five minutes.

Mr. Olivier Collomb d'Eyrammes (Director General, Regroupement des organismes de personnes handicapées de la région 03): Thank you, Mr. Chair.

Good morning, my name is Olivier Collomb d'Eyrammes, and I work at the Regroupement des organismes de personnes handicapées de la région 03, which covers the Capitale-Nationale, Quebec City, Charlevoix, and Portneuf. I am accompanied by Simon April, from the Comité d'action des personnes vivant des situations de handicap.

That committee, which is a member of our organization, represents persons suffering from motor difficulties.

I am happy to have arrived in time to hear the end of the previous presentation. We also wonder about the consistency of government measures. Our questions will be along the same lines as those of the AQDR.

The federal government has launched an extensive consultation on a potential Canadian accessibility bill. That is interesting. What has just been said gives us an idea of the impact Canada Post may have on maintaining the vitality of the communities or cutting other services. This is a central issue in our thinking.

Allow me to cite a specific example: adapted transport service. In many cases, this service is limited to an area and is not provided outside it. If services are abolished because Canada Post withdraws from a community, people will become even more dependent on their family caregivers or will have to pay a fortune in order to travel.

As sustainable development is another major issue for the current federal government, I would note that much less pollution is generated when a service is concentrated in one location and people can travel there because it is located nearby. In our view, it is slightly more economical for people to carpool in order to distribute mail rather than have everyone individually go and pick it up. I do not think you need a PhD to understand that.

We are now dealing with a federal government that wants to take measures to facilitate access to services for persons with disabilities. In Quebec, we sometimes find it hard to see what the federal government is trying to do, given the way jurisdictions are distributed. However, the federal government can really do something about Canada Post. This time, it cannot invoke provincial jurisdictions and hold more discussions. There appears to be an instrument that can be used.

We feel that the solutions proposed by the Union des municipalités du Québec are very interesting. It so happens that I come from France and that the post office there is a postal bank, a service provider, and a local connection. These are aspects that Judith mentioned earlier. As for the letter carrier's role, we could even think of it as including the delivery of medication and forms. These are possibilities that should be explored.

We have also considered at length what was broadcast in the media three years ago concerning Canada Post's wish to cancel home mail delivery service. However, community mailboxes had already been installed in several regions, particularly in many developing neighbourhoods. We wonder about the approach that should be taken to accessing that service. It must be as simple as possible. It should be noted that, in many cases in Quebec, a physician has to be paid to draft a few lines that constitute a medical certificate. If the person is fortunate and the physician completes the certificate correctly the first time without having to do it over, the cost will be \$50 or \$75.

People are already being asked to complete forms, particularly for disability tax credits and CNIB cards for blind persons. Proof of eligibility for adapted transportation may also be requested. It is possible to refrain from always asking those people to complete forms. Less regulation is one of the good ideas that the previous government proposed. It would be a good idea to retain it.

Now I am going to submit a few brief points to you on the fly.

It is time to verify what is happening with the delivery of documents written in braille. Thanks to an exemption, documents written in braille are delivered free of charge. However, we have heard that, when a hand-written document is found in a large pile of documents written in braille, it results in a significant loss of time because everything has to be checked.

There is also the problem of sidewalks cluttered with mailboxes. The fact that the mailboxes are installed nearby makes life easier, but, if they clutter the sidewalks, people in wheelchairs are unable to circulate, which is unconscionable. Canada Post should issue a policy stating that, if the free space measures less than 1.75 metres, the sidewalk must be cleared. Otherwise that prevents people from circulating.

I believe I have covered all the questions I wanted to raise.

Thank you.

•(1045)

The Chair: Mr. April, you have the floor for five minutes.

Mr. Simon April (Project Manager and Communications Officer, Comité d'action des personnes vivant des situations de handicap): Thank you, Mr. Chair.

I am accompanying Mr. Collomb d'Eyrammes. This is the same presentation, but I would simply add this.

I have been asked how many times I myself have mailed a letter. I realize I have never done so because mailboxes hurt me. I have not been able to mail a letter myself for a very long time. It is a quite difficult. The same is true of the community mailboxes.

Why not reserve the first row of community mailboxes for people in wheelchairs or with reduced mobility? Why put them virtually everywhere in places where we, like everyone else, cannot go?

The Chair: Thank you very much.

Mr. Ayoub, you have the floor for seven minutes.

Mr. Ramez Ayoub: Thank you, Mr. Chair.

Thanks to the witnesses for being here with us this morning.

I am always very sensitive to questions concerning retirees or pre-retirees and persons with reduced mobility.

Mr. Olivier Collomb d'Eyrammes: We have limitations.

Mr. Ramez Ayoub: We have to make decisions concerning Canada Post. We have to make recommendations following our consultations. That is why we are trying to get a clear idea of needs and to identify solutions. We are seeking your opinion in order to determine solutions. You have outlined a number of needs and issues. I would have liked to know the solutions that are likely to be applied.

With regard to support, there was talk about offering home delivery to persons with a medical certificate. If that kind of solution does not suit you, what kind of solution would you be in favour of in order to help preserve home delivery service for these people?

Mr. Claude Godbout (Revenue and Tax Committee Representative, Association québécoise de défense des droits des personnes retraitées et préretraitées): Mr. Speaker, first of all, I would like to make an initial comment.

I am not sure we have to limit exceptional measures to people who have a medical certificate. Some individuals do not necessarily have a disability that entitles them to special permission.

Consider seniors. When there is black ice and it is slippery out, seniors have as much trouble going to pick up their mail from their mailboxes as persons with disabilities. We must not limit ourselves to the idea of a medical certificate. It is initial caution that must be exercised.

We have not done a detailed study of all the options proposed in the brief. However, we can imagine a few of them. For example, if I can rely on what was said, someone mentioned earlier that Canada Post was anticipating an accumulated operating loss of approximately \$700 million over the next 10 years.

At same time, if I remember correctly, the same document stated that alternate day delivery would save \$75 million a year. We already have a solution. I am not saying we need a single solution, but this shows that there are ways to do something. This is not the only one, and we should be careful.

We are not proposing that it be this way everywhere. However, there are ways to take action. It is important that seniors receive the home delivery services of a letter every other day rather than have none at all. We have to take a look at the major difference between the two options.

There are also opportunities to consider. For example, I live in a building where there are a number of apartments. Two years ago, Canada Post offered to provide us with parcel boxes. The idea was that the letter carrier who delivered letters could also deliver small parcels and even fairly large parcels. People could thus receive parcels at the same time as letters. However, that was not done. We had to call to request the parcel box, but we never received it. I assume that would be much more efficient.

The letter carrier currently deliver letters, and someone else comes and delivers parcels two or three hours later. These are not large parcels, but rather small parcels. However, this could be done in a single operation. So savings can be made in this area.

A little earlier we talked about cities such as Halifax that have an urban area that is different from the rural areas. We did not look at the details of the solutions to be considered.

In conclusion, I would like to add to what Ms. Gagnon said on this point. The Hon. Jane Philpott (Minister of Health) recently focused on the need for home care. However, you cannot simultaneously encourage home care and reduce services.

•(1050)

Mr. Ramez Ayoub: We have been told this several times. The question may not be pleasant to ask or to hear, but I am nevertheless going to ask it.

Seniors, retirees, and pre-retirees are not at home 24 hours a day. Based on my public service experience, because I was previously a mayor, seniors want to stay home, but they do not want to be isolated at home.

Mr. Claude Godbout: You are right.

Mr. Ramez Ayoub: We want to use certain means to remove them from their isolation. We also want to reduce travel for people who require care. That is the purpose of home care. Seniors do not necessarily want to be categorized as seniors, particularly in this context of cuts. They want to go out, get their groceries, or go shopping.

I am entirely in favour of having them stay at home, but when you say that letter carriers meet all these needs, I find that a bit vague. Explain to me the connection between the letter carrier's role and keeping people at home.

Ms. Judith Gagnon: You are entirely right in saying that not all seniors stay at home and are trapped there. However, the fact remains that some of them are because they suffer from chronic illness and are older or less able to get out.

Mr. Ramez Ayoub: Yes, but the keyword here is "some". So we are not talking about all seniors.

Ms. Judith Gagnon: Yes, you are right.

Mr. Ramez Ayoub: We talked about a medical certificate, which may not be the ideal solution. I am not here to judge solutions but rather to come up with potential solutions. We are talking about clarifying needs so that people can qualify and continue receiving their mail over a certain period of time. However, some seniors are happy to go to their mailbox. That gives them an opportunity to take a walk.

Could these kinds of solutions be exploratory?

Ms. Judith Gagnon: Yes, that could be a solution, but not with medical certification. I think that is unacceptable. We are afraid that might create various classes of seniors. It must be understood that we are all aging. At some point, it will be our turn, and we will become more vulnerable.

Mr. Ramez Ayoub: I have only 30 seconds left, but you may speak in response to other questions.

Your position is that home delivery should be offered to everyone. Ideally, that would be your solution.

Am I putting words into your mouth?

Ms. Judith Gagnon: Something like that, sir.

Mr. Ramez Ayoub: Regardless of the cost—

Ms. Judith Gagnon: Yes, but—

Mr. Ramez Ayoub: —and the service would be nationally subsidized.

Ms. Judith Gagnon: Adjustments could be made. As Mr. Godbout said earlier, it would be possible not to deliver every day.

Mr. Ramez Ayoub: You would be somewhat amenable to that.

Ms. Judith Gagnon: Yes.

Mr. Ramez Ayoub: All right.

Thank you very much.

[English]

The Chair: *Merci beaucoup.*

Mr. McCauley, you're up for seven minutes.

Mr. Kelly McCauley: Thanks for joining us today, and thank you very much for your volunteer work and advocacy on behalf of seniors and the disabled.

Mr. Collomb d'Eyrames, what a fantastic idea you had about the specifications for filling out the forms for Canada Post for weekly home delivery, rather than having them fill out the form and getting a doctor's note, providing what they currently have, whether it's for handicapped parking access or something like that. It's a wonderful solution. That's the big reason why we come out: to hear these ideas. Thank you very much. I was very pleased to get that. I'm going to steal your idea later on.

One of the things we've heard about—and I'll ask this of all of you—is that we've heard that there will be anywhere from \$750 million to potentially \$1.2 billion in losses a year if things don't change with Canada Post, or it does not continue to become more self-sufficient. That, of course, is money that's taken out of other services, such as home care and medicare.

Do you believe that's the way to go? That money has to come from somewhere, and eventually it comes from cuts to services, whether for the elderly or the disabled. I know it's a difficult question. That's not a solution. Do you think we need to find other ways to find this money?

[Translation]

Mr. Olivier Collomb d'Eyrames: With regard to your first question, I have been working with persons with disabilities in Quebec for 12 years, and we have been dealing with austerity measures for 12 years. We are told that savings can be made at the bottom of the ladder, with the most vulnerable individuals. And yet costs continue to rise. The money is there, since payrolls constantly increase. You are telling us about choices, but a business normally tries to find internal optimization measures. I do not know the structure or number of managers in the organization. I know nothing about IT contracts, which may not be good.

The fact that Canada Post is making the internal effort—

•(1055)

[English]

Mr. Kelly McCauley: Is it fair to say that we should look to Canada Post to address their issue rather than looking elsewhere?

[Translation]

Mr. Olivier Collomb d'Eyrames: Yes, first they have to set their house in order internally before cutting positions.

[English]

Mr. Kelly McCauley: Is that fair for [*Inaudible—Editor*]?

[Translation]

Mr. Olivier Collomb d'Eyramès: Yes.

[English]

Mr. Kelly McCauley: Go ahead, Mr. Godbout.

[Translation]

Mr. Claude Godbout: My comment will be along the same lines.

There are factors that must be considered at Canada Post before draconian service cuts are made. Adjustments can be made to services, as I mentioned earlier, whether it be marginal adjustments or new services. I was talking about parcel boxes. I think there is an interesting opportunity in that area.

[English]

Mr. Kelly McCauley: Yes, I understand.

Canada Post will deliver once a week for seniors or disabled people who are not able to get it. Do you believe that once a week is adequate?

Mr. April, they will assign boxes, if there's a request, on a lower level. One of the things we've heard is that there's not enough information passed out that this service is available.

Is once a week sufficient?

[Translation]

Mr. Simon April: I would say once a week, depending on the reason for the disability. I could not give you a specific answer on that subject. The community mailboxes must be made accessible. That observation comes from the community of persons with disabilities.

The lack of accessibility is a problem that not only concerns Canada Post but has also spread generally. What we are trying to advocate is that all Canada Post functions should be integrated within an act for persons with disabilities such as the one we are discussing. That would mean, for example, adjusting the height of post office counters. An accessibility policy is therefore necessary for both Canada Post and the government as a whole.

Mr. Olivier Collomb d'Eyramès: Ask yourself the question, sir.

Would you agree to having your mail delivered once a week? I believe that to ask the question is to answer it. Why should persons with disabilities be treated differently from the rest of the population? Put the question to people in general? Is once a week an acceptable standard? If it is my—

[English]

Mr. Kelly McCauley: A lot of people would say yes, but not everyone, and that's why we're here. Maybe it needs to be twice a week. I'm not sure. That's why I'm asking.

A lot of people have said that once a week is fine, because there's such a reduction, but that's not for everyone. That's why we ask the question.

Madame Gagnon.

[Translation]

Ms. Judith Gagnon: We think that twice a week would be quite good. Once a week is not enough because, in some instances, statements and bills are delivered. As previously mentioned, some people do not use the Internet. If they receive their mail only once a week, they may miss bill payment dates. Twice a week could be appropriate. We think that would be acceptable.

• (1100)

Mr. Olivier Collomb d'Eyramès: I would like to add that some people who have limitations need someone to help them read their mail or to open an envelope. It is possible that a person may be able to read but does not have the necessary dexterity to open the mail. That person may also be blind or able to open the envelope, but—

[English]

Mr. Kelly McCauley: Okay.

[Translation]

Mr. Olivier Collomb d'Eyramès: If the mail is delivered only once a week, imagine the effort that has to be made for a person who needs a helper who is not there at all times. It really would be better for the mail to be delivered two or three times a week. The money should be found elsewhere. That is all.

[English]

Mr. Kelly McCauley: That's a fair answer. Thank you.

The Chair: Thank you.

[Translation]

Ms. Trudel, you have seven minutes.

Ms. Karine Trudel: Thank you, Mr. Chair.

Thanks to the witnesses for their presentations. They were very interesting.

Ms. Gagnon and Mr. Godbout, have the people you represent in the rural communities, that is to say retirees, told you about the impact of the post office closings and about the negative effects they can have?

We also talked about the Internet at the start of this meeting. We increasingly use services over the Internet. I mentioned that not everyone has an online bank account and conducts transactions online. Do the members of your association use the Internet? I do not necessarily want to know the percentage of people who use it. However, can you tell me whether they actively conduct transactions on the Internet, to pay bills they receive by mail or to use a bank account?

Ms. Judith Gagnon: I am going to answer your first question on the rural regions.

That is a timely question. Over the past two days, we have had a meeting in Rivière-du-Loup with people from across Quebec. Some of them, who came from a rural region, told us that the closing of a post office in a region had an incredibly terrible impact. It is one more factor that is sapping the vitality of the rural regions.

It is easy to sap the vitality of the rural regions. The post office represents something important for those regions. Mail delivery is a public service. Some caisses populaires have closed in certain locations. Seniors are angry about that. They even wonder whether they will be able to stay in their region if authorities are starting to cancel all their services. That is a major question mark in their minds.

As I told you during my presentation, many older people are reluctant to use the Internet. Do not try to encourage them to do so. They do not want to use it, and they know other people who do not want to use it either. We are trying to change things in that regard. There are a lot of knowledge improvement programs, but people are reluctant to use the Internet. There will be a large percentage of those people who will not want to use the Internet.

Mr. Claude Godbout: I have another comment on that subject.

In the brief, we say that 32% of seniors use the Internet and that 44% of that number conduct transactions to pay their bills. This does not represent a large percentage of seniors who pay their bills that way. That 32% represents approximately 15% or 16% of people 65 and over who use the Internet to conduct their transactions.

Consequently, we should have no illusions or think this might be the magic solution, particularly since we know the Internet is not necessarily accessible in seniors residences, where residents are housed in rooms rather than apartments. The Internet involves significant costs even for people who live in an apartment that is not in a residence. To use the Internet or to conduct transactions, you need an Internet connection, a computer, and often a printer to print statements. You also have to update software. That can easily amount to \$50 or \$60 a month.

It was said that 45% of Quebecers receive old age security and the guaranteed income supplement, which means those individuals earn less than \$17,000. It is impossible for them to pay costs of \$60 or \$70 a month just to receive their bills. You should not think that the Internet will be the universal solution. We must determine how seniors can obtain service without necessarily having to connect.

• (1105)

Ms. Karine Trudel: Mr. Collomb d'Eyrames and Mr. Simon, earlier you talked about medical certificates. I think that is a good idea. Persons with reduced mobility, for example, may have trouble being recognized as such and paying for such a certificate.

The idea of merging services is a good one. This is the first time I have heard it.

Going back to medical certificates, it was said that seniors of advanced age have trouble travelling. I often cite the example of Ms. Tremblay—that is her actual name—in the Saguenay. She is 90 years old and has to take a taxi to go and pick up her mail in winter and summer because she does not get out often. She takes a taxi to shop for groceries and goes home by taxi. She must therefore pay additional costs.

What recommendations should Canada Post or the committee develop to make life easier for our seniors in this regard?

Mr. Olivier Collomb d'Eyrames: We should look at the tax form, for example, because persons with disabilities are not the only

ones who can claim the tax credit for severe impairment. We believe that a senior who is afraid of falling tires more quickly. Some people belong to our group on this matter.

We are not looking at your programs or criteria either. You make them and you undoubtedly have very good reasons, particularly financial ones, not to change your criteria too much. In our opinion, however, it serves no purpose to request further proof from individuals whose significant limitations are already recognized.

However, we are very sensitive to what the Association québécoise de défense des droits des personnes retraitées et préretraitées is proposing to find ways to assist seniors in obtaining proof of medical condition. Once again, there is sustainable development, prevention, the walkability audit, and the seniors fall prevention program. On both sides, it is as though we were in fact telling these people to fall and break a hip in order to get a note from their doctor. We have no solutions for individuals who are in grey areas.

On the other hand, what we know from experience and from the branches, based on what our oldest supporters tell us—since we also have supporters who are 80 years old—is that the association has always considered the federal government more broadly accepting on the disability question because it has a different sensibility, one that comes in part from Ontario, which recognized certain limitations long before Quebec, particularly in the area of learning disorders. The federal government has always had a much more generous vision of disabilities and functional limitations than Quebec.

In our view, all existing certification mechanisms must be automatically applied. We also have to find solutions for seniors. A doctor should be able to certify that a person 70 years old is at risk if he or she falls. This is a concern that must be taken into account. It risks costing Canada Post a lot of money because people have been living without service for a long time. Now that they know they can complete a form, they will complete it in order to obtain the service, and so much the better.

The Chair: Thank you very much.

Mr. Lightbound, you have the floor for seven minutes.

Mr. Joël Lightbound: Thank you very much, Mr. Chair.

Thanks to all the witnesses for being here with us today. My first question is for Ms. Gagnon.

In your presentation, you discussed the letter carrier's social role. I would like to know what that role represents for seniors.

I am sitting on the committee once again as a replacement. I have met representatives of the Canadian Union of Postal Workers who suggested that letter carriers could be asked to verify whether seniors are at home, whether they are able to answer the door, whether they are alive, conscious, and so on. The role of the letter carrier could be expanded in that way.

I would like to know your opinion on the subject. How could we expand the role of letter carriers relative to what they currently do?

Ms. Judith Gagnon: For people who are isolated, the arrival of the letter carrier who brings the mail to their door may be a source of hope and a human presence. Without being a local social worker, a letter carrier may observe things incidentally, notice an abnormal situation in the home, and report it.

There are programs designed to help support seniors and break down their isolation. Letter carriers could also be asked to take on the duty of monitoring and reporting conditions they consider abnormal in places where they deliver the mail.

Something can be done in this area since letter carriers interact with people in a way by providing them with a local service. Why not use that local relationship to have them play another role?

In our organization, we often hear about watchdog programs for seniors, in which people go to seniors' homes to see that they are all right. Letter carriers could just as easily perform that function, together with other resources, when they deliver the mail. Letter carriers are an important local resource. They would be a major asset in all services provided to seniors.

Something should definitely be added to the letter carrier's function, whether it be observing what goes on, reporting things as necessary, or keeping an eye open. There may be important minor points to add to break down the isolation of vulnerable seniors and to improve the service provided to them.

• (1110)

Mr. Claude Godbout: Let us go back to your question.

You mentioned a meeting with union representatives. One of the potential solutions considered was to change the Canada Post employee pension plan from a defined benefit plan to a defined contribution plan. We do not consider that a promising long-term solution.

The d'Amours report stated the following:

For a number of years, the trend has been to offer newly hired workers pension plans where they alone assume the risks. Many defined benefit plans have been converted into defined contribution plans, or a defined contribution component has been added for future service. This trend is regrettable from an intergenerational standpoint.

Newly hired workers do not receive the same level of financial security as co-workers who have been with the business longer.

New workers are barred from membership in a quality pension plan...

The report notes further on that it is much better to restructure or reform the defined benefit plan—even if it means adjusting benefits—than to change plans.

Far from abandoning these plans, we should act counter to prevailing trends and work to ensure their sustainability and viability.

I did not write that. It was the members of the expert committee who prepared the d'Amours report, well-known people from the Caisse de dépôt et placement du Québec, who wrote it. Alban d'Amours is a former president of the Mouvement des caisses Desjardins. All of them are specialists.

The solution may not be the best, given the structure of our corporation. The corporation partly owes its strength to defined benefit plans, even if it means they must be restructured.

Mr. Joël Lightbound: I hear you, Mr. Godbout.

Thank you.

Mr. Claude Godbout: We are thinking about seniors, but we are thinking about young people as well.

Mr. Joël Lightbound: I am young and I also think a lot about seniors.

I would like to turn the floor over to Mr. Collomb d'Eyrames. I saw that you wanted to speak on the social role of letter carriers.

Mr. Olivier Collomb d'Eyrames: I cited an example on the subject.

There was a time when Canada Post held a competition called Golden Shovels. People were encouraged to maintain the path to their home to prevent letter carriers from falling and injuring themselves. They want to avoid falling as much as seniors want to go and pick up their mail.

That is one example. Once again we see how, by taking care to protect its employees from injury, Canada Post wants people to remove snow from their sidewalks and provide clear access to mailboxes. This is also an aspect of this social connection because Canada Post employees work on city streets.

In addition, in a neighbourhood such as Limoilou, they can warn people that they will stop delivering mail because stairways are dangerous. That may be another form of pressure put on owners. In some instances, when seniors who live on the second floor request it, no one wants to listen to them. This is a good example of the social connection and an aspect of inclusion.

Mr. Joël Lightbound: I see.

[English]

The Chair: Go ahead, very briefly, please.

[Translation]

Mr. Simon April: I wanted to add something to what Ms. Trudel said about Ms. Tremblay, who took a taxi to go and pick up her mail. I know from experience that there are virtually no taxis for people in wheelchairs. So these are somewhat contradictory measures. There really is no such service, especially in the regions. So this is not a solution. The solution we propose is that customers take adapted transportation to go and pick up the mail. We can spend two and a half to three hours going to pick up an envelope.

• (1115)

The Chair: Thank you very much.

Mr. Kmiec, you have the floor for five minutes.

Mr. Tom Kmiec: Thank you, Mr. Chair.

Thanks to the witnesses for coming to meet with us today. I will continue asking my questions in French.

I am an MP from western Canada and would therefore ask that you indulge me a little and allow me the time to ask my questions.

The committee's purpose is to help Canada Post find a way to reduce its losses, which are anticipated to be \$700 million by 2026, according to the financial reports that have been submitted to us.

There are two ways of doing it: either we ration service or we find new profitable services that Canada Post can offer. Today I hear you are seeking a lot of public services for seniors and persons with disabilities.

I put a question to people from another province during another committee meeting. When you consider public services, whether it be municipal, provincial, or federal services, where does postal service for seniors and persons with disabilities stand in this regard? For example, is public health more important? We know that all these services are funded by the same taxpayers, who pay for it all. We must know what is more important and what is less important. We will allocate less money for less important aspects.

Mr. Godbout and Ms. Gagnon, you may begin.

Ms. Judith Gagnon: Mr. Godbout will begin and then I will speak.

Mr. Claude Godbout: We should not make choices among essential services. Health is an essential service, and we consider access to mail essential as well. It is a public service. There is a good reason why Canada Post has a monopoly.

We have to determine how the two can be combined so that there are synergies. Each can benefit from the other. Some choices are less essential, but others are essential. It is not preferable to choose among essential services. We have to see how to provide these services, even if it means providing them in a more integrated or different manner. We must not offer a false choice between a doctor and home mail delivery because people then find themselves in a dilemma. We must not create false dilemmas. We must determine what we can do to provide these two essential services to seniors in the most efficient way possible. Either we make Canada Post more efficient, or we ensure that it offers new services. We have to determine how we can change the services rather than rationalize them.

Ms. Judith Gagnon: Mr. Godbout said it in his way, but I have the same opinion.

This makes no sense. We should therefore rank services from the most important to the least and make cuts at the lowest level. I say no to that approach. This is part of the continuum of public services. We have to rationalize and integrate services, but we must not rank them in order of priority and cancel those at the bottom of the list. We really are opposed to that.

Mr. Tom Kmiec: Mr. Collomb d'Eyrammes, do you want to add something on the subject?

Mr. Olivier Collomb d'Eyrammes: As I told you, austerity has lasted for 12 years. What has been done? What is absolutely unnecessary is the salaries of senior executives. We want letter carriers on the ground and people at the counters. If you ask me what is least necessary, I am sorry but we think it is senior executive salaries. If you put the question that way, we cannot give that answer. Where will cuts be made? Should we develop something new? I think we should optimize services instead.

Mr. Tom Kmiec: What kind of partnerships do you currently have with the provincial government that might serve as examples to the federal government in delivering services to the groups that you represent? Various organizations have told us they have partnerships

with their municipalities. Canada Post could therefore draw inspiration from that kind of partnership in delivering its services.

I discussed this a little with Mr. McAuley. For example, Canada Post would ask individuals who are 75 years old whether they want home delivery service or improved automatic service. Rather than be asked again if they are disabled or whether they have filed their income tax returns and received a disability tax credit, they would receive that service automatically.

Do you have any examples of those types of partnerships?

• (1120)

Ms. Judith Gagnon: I will not answer that exactly. However, I will say there are a lot of services and partnerships in Quebec. You have probably heard of the "senior-friendly municipality" initiative, which is specific to Quebec. Under that initiative, municipalities that adapt their services to seniors become senior-friendly municipalities. They must integrate various ranges of services to assist seniors. It may be appropriate to connect Canada Post with those types of programs.

Other promising initiatives have been developed in Quebec by local workers and the Department of Family to help vulnerable and isolated seniors. People go out into neighbourhoods to visit seniors. There may be a way to do something with all that. I do not know how we would go about it, but these types of initiatives already exist.

The Chair: Thank you.

Ms. Ratansi, you have five minutes.

Ms. Yasmin Ratansi: Good morning, everyone.

I am going to speak in English because it is easier for me.

[English]

I have a question for you, Monsieur Godbout. You talked about Canada Post being a business and a service. Canada Post, on its website, said it consulted 46 communities. One of them was Quebec City. Were you part of the consultation process?

[Translation]

Mr. Claude Godbout: No.

Ms. Yasmin Ratansi: What about you, Mr. Collomb d'Eyrammes?

Mr. Olivier Collomb d'Eyrammes: No.

[English]

Ms. Yasmin Ratansi: Monsieur April?

[Translation]

Mr. Simon April: No.

[English]

Ms. Yasmin Ratansi: The next thing they say is that "Canadians value postal service and see the need for change"—*le changement*.

If you were not part of the consultative process, were you aware of what changes were coming to Canada Post, to the service?

[Translation]

Ms. Gagnon?

Ms. Judith Gagnon: You talked about cutting postal services?

Ms. Yasmin Ratansi: Yes.

Ms. Judith Gagnon: In December 2013, it was announced that cuts would be made to home delivery service. At the national assembly of the AQDR, we said no to that. We conducted a campaign with our members, and there was a general outcry. We absolutely did not agree with that.

[English]

Ms. Yasmin Ratansi: The only consultation you got was a letter or a notice saying they were going to convert your door-to-door service to community mailboxes, correct?

[Translation]

Ms. Judith Gagnon: Yes.

[English]

Ms. Yasmin Ratansi: How many seniors in your constituency live independently in their own houses or in seniors buildings? Do you have any idea of the numbers?

[Translation]

Ms. Judith Gagnon: Yes, I know the percentage. Approximately 76% of seniors live at home, and the others live in private residences, use intermediate resources, and are in CHSLDs or in places where there is more security.

[English]

Ms. Yasmin Ratansi: The people who were living in the houses always received door-to-door delivery, or did they not?

[Translation]

Ms. Judith Gagnon: Yes.

Ms. Yasmin Ratansi: Yes.

[English]

Okay. Mr. April, did you receive door-to-door delivery, or was yours also a community mailbox?

Mr. Simon April: It's a community mailbox.

Ms. Yasmin Ratansi: Okay. Then you've always had a community mailbox?

[Translation]

Mr. Simon April: When I lived in the regions, I received mail at my home.

However, there are not enough services in the regions to live there. I would not even be able to go to work if I still lived there. So I came back to the city to live and lost home delivery service. So I sacrificed a few services in order to gain others.

[English]

Ms. Yasmin Ratansi: If we are looking at the future of Canada Post and how we can maintain that service as financially stable and sustainable, what solutions would you have? What would you like to see in terms of the seniors, the additional services that Canada Post could provide them while also making money? Where would they make money? I know that Monsieur Collomb d'Eyrammes has given

some suggestions about postal banking in France, which is successful there and in other parts of the world as well.

What other services do you propose and can you speculate on whether or not the seniors would use those services?

• (1125)

[Translation]

Mr. Olivier Collomb d'Eyrammes: As I previously told you, the UMQ's presentation was very interesting. To learn more about that, we import files from the Internet and information on the situation in other countries. However, it is very difficult to import a model. You should take seriously the UMQ's recommendation to examine the situation more closely.

Consider the example of France and the history of France's postal service. In some respects, it could compare with the Desjardins model in Quebec. It would be rash to import the French model here on the pretext that profits are being made in France. In fact, we have no idea how it is working there.

Switzerland is another good example. It has 7 million inhabitants, as in Quebec. Switzerland has a smaller area than Quebec. So sometimes you need to be careful when you import models. The idea of looking into the matter is an important one.

I very much like what you are saying, that we must not find out from a newspaper that a committee is studying the subject and has been doing so for three years. You have to communicate directly with the AQDR and examine the services, consult the groups, and conduct the survey that the UMQ is proposing. We feel this idea is very interesting and believe that, if you want to do it quickly, including issues of accessibility for persons with disabilities, taking into account the act, sustainable development, and so on, it will help you develop a vision of the subject. The idea is not to consider merely the financial aspects, but also quality of life. That also has a financial value. I am thinking in particular of greenhouse gas reductions. We believe this committee should promptly carry out its work with a view to studying what people have to say and what they think about the issue here in Canada.

The Chair: Thank you very much, ladies and gentlemen.

[English]

Thank you very much to all of you for taking the time out of your very busy schedules to be with us. I make the following offer to all of our panellists. Should you have additional information you wish to bring to our attention that would assist us in our deliberations, please direct it to our clerk and we will take it as part of our presentation material before we write our final report. If you could submit that within the next two weeks, I would appreciate it greatly.

Thank you once again for being here.

We are adjourned.

Published under the authority of the Speaker of
the House of Commons

SPEAKER'S PERMISSION

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the Parliament of Canada Web Site at the following address: <http://www.parl.gc.ca>

Publié en conformité de l'autorité
du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la *Loi sur le droit d'auteur*. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la *Loi sur le droit d'auteur*.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web du Parlement du Canada à l'adresse suivante : <http://www.parl.gc.ca>