



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

44th PARLIAMENT, 1st SESSION

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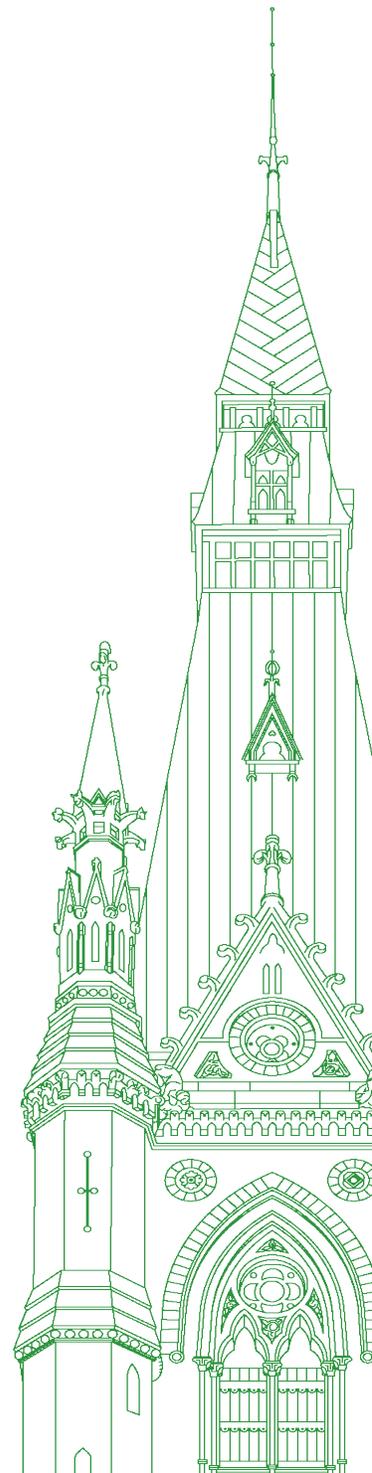
# Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities

EVIDENCE

**NUMBER 112**

Monday, May 6, 2024

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Chair: Mr. Robert Morrissey



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

Monday, May 6, 2024

• (1530)

[English]

**The Chair (Mr. Robert Morrissey (Egmont, Lib.)):** I call the meeting to order.

Good afternoon, committee members. It is 3:30, and the clerk has advised me that we do have quorum. Those appearing virtually have been sound-tested, as required. Welcome to meeting number 112 of the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities.

**Mr. Wayne Long (Saint John—Rothesay, Lib.):** On a point of order [Inaudible—Editor].

**The Chair:** Yes. I'm hearing something.

While we track down the technical issues, we'll suspend for a couple of moments.

• (1530)

(Pause)

• (1535)

**The Chair:** We're back in session. I'm not getting feedback now.

As indicated, this is meeting number 112 of HUMA. Before we begin, and to avoid the audio feedback that we just went through, I would like to remind members of a couple of items.

When you are not using your earpiece, please keep it on the allotted spot. This is to protect the interpreters.

Today's meeting is taking place in a hybrid format. Some are appearing virtually and some are in the room.

You have the option to speak in the official language of your choice. If you are appearing virtually, use the globe icon at the bottom of your screen. Click on it, and you can choose the official language of your choice. In the room, interpretation is available from the microphone. Again, please keep the earpiece away from the mic while the meeting is progressing.

Please direct all comments to me as chair. If an issue comes up, or if there is an issue with translation, please get my attention. We'll suspend while it is being clarified.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on February 26, 2024, the committee is commencing its study of the subject matter of the supplementary estimates (C) for 2023-24 and the main estimates for 2024-25.

I would like to welcome our witnesses for the first hour. We have Minister Boissonnault, Minister of Employment, Workforce Development and Official Languages.

Welcome, Minister.

From the department officials, we have Paul Thompson, deputy minister, as well as the senior associate deputy minister.

[Translation]

Welcome, Ms. Namiesniowski.

[English]

We also have Brian Leonard, general policy chief, financial officer for corporate planning affairs.

Minister, you now have up to five minutes for opening comments, following which we will begin our first round of questioning.

**Hon. Randy Boissonnault (Minister of Employment, Workforce Development and Official Languages):** Thank you very much, Chair.

Colleagues, I want to thank you for inviting me to HUMA today. As always, I want to thank all of you as committee members for your hard work on behalf of Canadians.

[Translation]

I would first like to point out that we are gathered on the unceded traditional territory of the Algonquin Anishinabe people.

[English]

Today's meeting is a welcome opportunity for me to highlight the progress being made on developing and growing Canada's future workforce and our plans for overcoming and capitalizing on the challenges we face, while at the same reinstating the long-held belief that for decades guided our country—the promise of Canada; that unwavering truth that young generations would be able to get a good-paying, middle-class job, afford a home, and do as well as, if not better than, their parents' generation if they just put in the work.

[Translation]

We all know the challenges we face, including the grey tsunami—the exodus of older workers who are leaving the workforce faster than we can replace them. On the other hand, we also need a generation of skilled green-collar workers in a world of automation and digitization.

[English]

Underpinning both these challenges is the trades boom—the Herculean effort of equipping businesses with workers needed today while ensuring an adequate and consistent supply of skilled tradeswomen and tradesmen to contribute to the economy and the opportunities of tomorrow.

[Translation]

Overall, we are facing the rapid loss of skilled workers, coupled with a shortage of workers with the skills that contribute to the increased productivity needed for a strong economy.

[English]

The challenges are great, but there is good news, including the fact that our fundamentals are in great shape. International investors, for one, are quite taken with us, and businesses are noticing. It's why we have the third-highest foreign direct investment in the world right now, and the highest in the world when you divide it by our population, ahead of all of our G7 allies. It's why Stellantis, Volkswagen, Air Products, Dow and Honda bet on us and our workforce to be partners in the economy of tomorrow.

[Translation]

That's why we've already begun equipping our workforce with the know-how needed to progress in an increasingly digital and changing global economy.

[English]

I have limited time, so I am going to highlight a few items of special interest that speak directly to those efforts. Of course, I'd like to shine a light on some budget 2024 measures and the role they will play in making the promise of Canada a reality again.

[Translation]

We're striving to integrate more workers into the job market. We already support students, through scholarships and interest-free loans. We intend to increase this support with \$1.1 billion in new funding. Programs such as the student work placement program and Canada summer jobs help students and employers find the right path.

In the skilled trades, we invest nearly \$1 billion a year in apprenticeship assistance, through grants, loans, tax credits, employment insurance benefits during in-school training, project funding and support for the red seal program.

• (1540)

[English]

We're also looking ahead, because it's not just about where the puck is so much as where it's going to be. The labour force of the future, in the context of achieving our net-zero goals, will depend on a workforce equipped with the right skills.

[Translation]

This is exactly why we introduced Bill C-50, to ensure that Canada will meet its carbon neutrality goals without leaving workers behind.

That's also why we recently launched the sustainable jobs training fund, to support a series of training projects that will help more than 15,000 workers.

[English]

We're also launching a new union training and innovation program sustainable jobs stream under the Canadian apprenticeship strategy in the coming months that will benefit over 20,000 apprentices and journeypersons in the skilled trades.

In closing, colleagues, let me say this: Overcoming these challenges requires everyone.

[Translation]

As minister, I saw the incredible work done by unions, by companies, by polytechnics, by schools and by institutions to train the workforce of the 21st century.

[English]

Our support for these efforts will help to deliver on the middle-class jobs that our great workers deserve, the future they have dreamed of and the promise of Canada they have worked tirelessly to achieve.

We won't give in. We will not stop until that promise is made reality again.

Thank you, Mr. Chair and committee members.

[Translation]

I look forward to your questions about Canada's workforce.

[English]

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

Before we begin, I want to welcome MP Cooper and MP Barrett, two new members joining us today on the HUMA committee.

As we begin, I would remind the committee members that the subject matter is the supplementary estimates 2024-25.

Mr. Cooper, you have six minutes.

**Mr. Michael Cooper (St. Albert—Edmonton, CPC):** Thank you, Mr. Chair.

Minister, you were pocketing money from the lobbying firm Navis Group, owned by your—

**Hon. Randy Boissonnault:** That is false. That is not true, Mr. Cooper.

**Mr. Michael Cooper:** It's in your public disclosure.

Who paid.... You have received not one cent from Navis Group. Is that correct?

**Hon. Randy Boissonnault:** You said that I was pocketing money, which is not true—

**Mr. Michael Cooper:** Did you receive money from Navis Group?

**Hon. Randy Boissonnault:** I have not made any income and I have not worked for any client since being elected, so you have stated a falsehood.

**Mr. Michael Cooper:** How much money have you received from the Navis Group since you were appointed to cabinet?

**Hon. Randy Boissonnault:** I have received funds into my business that were clear to the Ethics Commissioner; that happened while I was a private citizen. All of that information and all of those activities were while I was a private citizen. When I transitioned from being a private citizen to being a public citizen, I spoke numerous times to the team at the ethics commission, and I received.... Those payments, those funds, are in the disclosure. If you want to know how much money I made as a private citizen, I direct you to the Ethics Commissioner.

**Mr. Michael Cooper:** I ask you, then, to just answer the question. How much money were you paid by the Navis Group?

**Hon. Randy Boissonnault:** That information is with the Conflict of Interest and Ethics Commissioner, and—

**Mr. Michael Cooper:** Since you were appointed to cabinet.... Just provide the number.

**Hon. Randy Boissonnault:** —I have not made any funds.

Mr. Chair, Mr. Cooper is trying to indicate that somehow I had only one client or only one relationship while I was a private consultant.

**Mr. Michael Cooper:** Okay, Minister, since you're not—

**Hon. Randy Boissonnault:** I'll give you an example of some of my other clients.

**Mr. Michael Cooper:** Minister, since you won't answer the question—

**The Chair:** Mr. Cooper and Mr. Boissonnault, Standing Order 11(2) dictates that members keep their questions relevant to the matter that the committee is reviewing. We're reviewing the supplementary estimates (C) 2023-24.

**Mr. Michael Cooper:** With respect, Mr. Chair, I have—

**The Chair:** How you're making the relationship between the estimates and your line of questions.... I would just remind you to keep your line of questioning relevant to the matter.

**Mr. Michael Cooper:** Thank you, Mr. Chair.

Minister, do you think it is ethical for you, as a sitting cabinet minister, to have received payments from a lobbying firm that was

owned by your business partner, that was lobbying your own department and that secured—

**Hon. Randy Boissonnault:** That's false. That's not true, Mr. Cooper.

**Mr. Michael Cooper:** —\$110 million in federal contracts?

**Hon. Randy Boissonnault:** Mr. Chair, I'll entertain the questions because I'm happy to set the record straight.

Let's start with the funds, the grants, in question to the Edmonton International Airport. For colleagues who may not have been to Edmonton recently, I'll tell you that it's the fifth-largest airport in the country. Conservative governments and Liberal governments have funded the Edmonton International Airport. It is a major hub of supply chains, not just for western Canada but for the whole country. This is a grant that went from Transport Canada to the Edmonton International Airport—

• (1545)

**Mr. Michael Cooper:** Minister, I asked you a question. Yes or no—

**Hon. Randy Boissonnault:** Mr. Chair, I would like to finish the answer.

**Mr. Michael Cooper:** —do you think it is ethical that your business partner was lobbying your department?

**Hon. Randy Boissonnault:** That is not true, Mr. Chair.

**Mr. Michael Cooper:** Do you think that's ethical?

**Hon. Randy Boissonnault:** That is not true.

**Mr. Michael Cooper:** What part of it is not true?

**Hon. Randy Boissonnault:** No department that I was ever a part of was contacted by this company.

**Mr. Michael Cooper:** What part of it is not true? Are you denying, Minister Boissonnault—

**The Chair:** Mr. Cooper, we have a point of order, and I'll remind you again, Mr. Cooper, since you're new to the committee, that the subject matter of the committee's agenda approved for today is the minister appearing on the supplementary estimates (C).

I would remind members to keep their questions relevant to the agenda the committee adopted.

Mr. Cooper, speak to the supplementary estimates, please.

**Mr. Michael Cooper:** Are you denying—

**The Chair:** Mr. Cooper, speak to the supplementary estimates, please.

**Mr. Michael Cooper:** I have broad latitude in asking questions, and this goes to the heart of the integrity of this minister and his suitability to continue in his office.

**The Chair:** Make your questions—

**Mr. Michael Cooper:** He has an ethical cloud hanging over his head, and Canadians deserve answers.

**The Chair:** Mr. Cooper, make your questions relevant or else I'll rule you out of order. Make your questions relevant.

**Mr. Michael Cooper:** Minister, have you read the Conflict of Interest Act?

**Hon. Randy Boissonnault:** Mr. Chair, I've read sections of the Conflict of Interest Act, but more importantly, when I transitioned from private life to public life, I had numerous meetings and numerous phone calls with the team at the conflict of interest office so that my business interests could be wrapped up in a way that met all obligations under the act.

Mr. Chair, if I can point to these two stories in the press—

**Mr. Michael Cooper:** I had asked you—

**Hon. Randy Boissonnault:** —they indicated that I followed my obligations, and that is what's on the record.

**Mr. Michael Cooper:** No. Minister, I asked you a question. You said that you did read the Conflict of Interest Act. That's good. Section 4 of the act provides that a conflict of interest occurs when “a public office holder...exercises [a]...duty or function that provides an opportunity to further his or her private interests or...another person's private interests.”

That's exactly what—

**Hon. Randy Boissonnault:** This is not what is taking place here, not at all.

**Mr. Michael Cooper:** You did, Minister. Not only did Navis Group lobby your department—

**Hon. Randy Boissonnault:** Mr. Chair, if there was a contravention of the Conflict of Interest Act—

**Mr. Michael Cooper:** —but you handed a \$9.74-million cheque—

**Hon. Randy Boissonnault:** —the conflict of interest office would have said that.

**Mr. Michael Cooper:** —to Navis's client. You furthered your business partner's interests in delivering funding—

**Hon. Randy Boissonnault:** That is simply not true.

**Mr. Michael Cooper:** —for their client, and you furthered your own interests because you were being paid by Navis.

**The Chair:** Mr. Cooper, bring yourself to relevance to the matter. You know the rules of the House, honourable member. The constant attacks that you've been displaying in questioning another member, remarks that question the member's integrity, are not in order. Again, we're here to discuss the supplementary estimates, which you have not questioned anything on at this point, but it's your time. You have another minute and a half.

**Mr. Michael Cooper:** Thank you, Mr. Chair.

Minister, you know what that's called? It's called a blatant conflict of interest—

**Hon. Randy Boissonnault:** That is simply not true, Mr. Cooper.

**Mr. Michael Cooper:** —and it's also called self-dealing and corruption. That's what it's called, Minister.

**Hon. Randy Boissonnault:** The Conflict of Interest and Ethics Commissioner's office indicated in the article that I followed all the rules.

**Mr. Michael Cooper:** I'm going to ask you this question. Since you're not interested in answering many questions here, I'm going to ask you this—

**Hon. Randy Boissonnault:** Have you read the article, Mr. Cooper?

Let me ask you this: Do you hang out with lobbyists—

**Mr. Michael Cooper:** You're going to answer my questions. I'll ask you questions. You're here to answer questions.

**Hon. Randy Boissonnault:** —at your weekly meetings with Jenni Byrne? Is that how you spend your time on Wednesdays—hanging out with a lobbyist at your own caucus meetings?

**Mr. Michael Cooper:** You're here to answer questions, Minister.

Minister, why did you not make a public—

**Hon. Randy Boissonnault:** It's pretty easy to talk to Jenni about Loblaws, isn't it?

**Mr. Michael Cooper:** Why did you not make a public declaration of recusal from the activities connected to Ms. Poon's lobbying efforts in relation to the Edmonton International Airport?

**Hon. Randy Boissonnault:** Mr. Cooper, I followed all the rules and sought advice from the Conflict of Interest and Ethics Commissioner's team to set up my life transition from private life to public life. I followed all the rules. It's even in the articles. There is no contravention of the Conflict of Interest Act, and that has been stated by the conflict of interest and ethics team.

**The Chair:** Thank you, Mr. Cooper. Your time is gone.

We will move to Mr. Long for six minutes.

**Mr. Wayne Long:** Thank you, Chair.

Good afternoon to my colleagues.

Minister, thank you so much for coming before HUMA. It's appreciated.

I want to talk about the work we are doing to strengthen the EI system, but we're hearing opposite of course a lot of innuendo from the Conservatives about you. That's unfortunate, given the important mandate of the committee and the important issues you raised in your opening statement.

With respect, my friends across don't really care to talk about the workforce of tomorrow or skills training or, as I said a second ago, the important work we're doing on EI. I do want to talk to you about those matters, but I do want to give you the floor, Minister. I think it's only fair that you have an opportunity to once and for all clear the air about the innuendo, and I won't interrupt you.

Minister, the floor is yours. Thank you.

• (1550)

**Hon. Randy Boissonnault:** Thanks very much, Mr. Long. I appreciate it.

Despite innuendo to the contrary around this table and in the Global articles, I've always followed the strict ethics rules that apply to me as a minister. Those people who have read them know that's confirmed by the Office of the Conflict of Interest and Ethics Commissioner in the articles in question.

I think I can be even more clear: I've always met my obligations under the Conflict of Interest Act and worked with the Office of the Conflict of Interest and Ethics Commissioner to ensure that my business arrangements have followed all the rules.

**Mr. Wayne Long:** I want to jump in quickly.

For the record, you have worked with the Conflict of Interest—

**The Chair:** Honourable member, let's bring the questioning back to relevance. We're here on the supplementary estimates (C). Going forward I will hold everybody to questioning on the supplementary estimates.

**Mr. Wayne Long:** Okay, so you're saying that's not relevant?

**The Chair:** You decide. I'm asking you to bring it back to relevance. I'll tell you what may be irrelevant.

**Mr. Wayne Long:** I will say this. I think it's already been brought up in our committee, and the minister has been asked those questions by the party opposite, so I will give the minister the floor to continue.

**Hon. Randy Boissonnault:** Let me bring it back by saying three things: I've never been a lobbyist. I have never wanted to be a lobbyist, and suggestions in the story and around the table that I am are false. Finally, I've never used my position as a minister to help a lobbyist, and any suggestion like that is wrong.

Let's talk about where we are with the labour force, Mr. Long, because you asked about where we are with unemployment. We are at 6.1% as of the last data, which is up from 5.8% in the last period. However, in the five years since 2017 the average was 6.3%, so we are still at historical lows for our unemployment level. I did hear that people were interested in how we calculate our unemployment rate vis-à-vis how the United States does. We calculate our unemployment rate by scoping in 15- to 64-year-olds. We also take into account the people who are going to be employed in the next two weeks, whereas the United States calculates it for 16- to 64-year-olds and doesn't include that two-week calculation period. In fact, if you looked at our unemployment rate using the U.S. model, we would probably be a full point lower, so, there's a bit of an apples-oranges comparison that happens when you cross the border.

What I can say, though, is that the economical fundamentals, as I said in my opening remarks, are strong. When we bring Stellantis, Dow, Volkswagen, Northvolt and all the others here, there will be thousands and thousands of well-paid jobs for Canadians, unionized jobs at prevailing wages or better, and that's very important for our economies and our regions.

**Mr. Wayne Long:** Thank you for that.

I want to switch gears to the temporary foreign worker program. You recently announced changes to it in response to what you said was a tightening labour market.

Minister, can you walk us through these changes and explain your motivation in making them?

**Hon. Randy Boissonnault:** Absolutely. We went from 20% to 30% for people in the low-wage stream to have access of up to 30% temporary foreign workers on their payroll when we had a million vacancies. Now we're down to about 600,000 vacancies, so that's the tightening of the market that we're talking about. Colleagues in this room would agree that we want to make sure that Canadians take the jobs offered by Canadian firms. What I want to make sure is that the temporary foreign worker program is a last resort. I want youth, indigenous, persons with disabilities, newcomers and now including asylum-seekers to be considered before somebody decides to apply for a labour market impact assessment.

To respond to the tightening labour market, we reduced, in the low-wage stream, the percentage that people can have in their companies from 30% down to 20%...with the exception of construction and health care because those are two priority sectors where there's a high degree of need in those sectors. The agricultural stream is not part of this, and neither is the seasonal agricultural worker program.

Everything that I've just said does not apply to the agriculture stream. In working in close partnership with Minister Miller, we made sure that we scoped in asylum seekers.

What does that mean, colleagues? It means that if you have a newcomer centre or a centre in your area that is responsible for asylum seekers, they can be connected to employers and get those jobs using their skills profile that we now have from IRCC. We have it at ESDC, and those temporary residents should be able to get those jobs before those companies can apply for an LMIA.

• (1555)

**Mr. Wayne Long:** Thank you.

[*Translation*]

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

Ms. Chabot, you have the floor for six minutes.

**Ms. Louise Chabot (Thérèse-De Blainville, BQ):** Thank you, Mr. Chair.

Mr. Minister, I thank you and the members of your team for your presence.

Mr. Minister, I'll read something to you, briefly:

Taking into account input received through consultations on the future of the employment insurance program, by summer 2022, bring forward and begin implementing a plan to modernize the EI system for the 21st century, building a stronger and more inclusive system that covers all workers...

Do you recognize this?

**Hon. Randy Boissonnault:** Absolutely, and I'm happy with the work we've done, but I suspect you have another question, Ms. Chabot.

**Ms. Louise Chabot:** Mr. Boissonnault, do you admit that this is in your mandate letter?

**Hon. Randy Boissonnault:** Absolutely. It's in the mandate letter. It was in my predecessor's mandate letter, and it's still in my mandate letter.

**Ms. Louise Chabot:** Why did you abandon this commitment to reform employment insurance? We're almost to the summer of 2024. We're looking at credits. We're studying the budget, and there's no sign of any possible EI reform.

Why have you abandoned this idea?

**Hon. Randy Boissonnault:** If you don't mind, Ms. Chabot, I'd like to clarify something.

We want to have a robust system, especially if we see that there could be a recession or a slowdown in the economy. Right now, we're in a good position, and we know we have to move things forward with fiscal prudence.

That said, we have extended EI sickness benefits to 26 weeks. As part of the budget, we also extended additional support for seasonal workers by five weeks, until 2026. This is an important initiative, because previously you had to apply to the minister every year. We're maintaining the benefits delivery modernization program. There's also the study you did here—

**Ms. Louise Chabot:** I'm talking to you about employment insurance reform, which calls for concrete measures on accessibility.

You're talking about pilot projects. I'll remind you that pilot projects have existed since 2018 and that the mandate at the time was to improve them and make them permanent. Since then, you've extended the payment of benefits by five weeks. That's 10 years without any improvement. This program no longer serves any purpose.

You met with groups of workers and the unemployed on February 1. Is it true, as you just said, considering the economic situation, the low unemployment rate, the fact that we're not in a crisis, that it wouldn't be appropriate to reform the employment insurance system, because that would give ammunition to the Conservatives?

**Hon. Randy Boissonnault:** I'm very pleased to be talking with you today, Ms. Chabot.

At this meeting, many stakeholders expressed the wish that my department and the government would put forward the creation of the new Employment Insurance Board of Appeal to better serve workers. It would be a tripartite board, if I can put it that way—

**Ms. Louise Chabot:** Bill C-37 has been introduced, but its study is being delayed.

**Hon. Randy Boissonnault:** I urge you to be on the lookout in the days ahead.

Also, I think it should be noted that we have added new benefits for adoptive parents in the budget.

**Ms. Louise Chabot:** Thank you.

My time is running out, Mr. Chair.

On February 15, after your meeting with workers and unemployed groups, you asked the various organizations to provide you with a list of the main changes they would like to see in anticipation of comprehensive reform.

They wrote to you and asked for three changes. First, they're asking you to reinstate the temporary measures for 2021-22—it's already in the EI schedule; you could already implement it. Second, they're asking you to end the discrimination women face in claims when maternity, parental and regular benefits are combined. Third, they ask you to adapt the employment insurance program to take into account the particular situation of rural regions that depend on seasonal employment.

This letter was addressed to you on February 15. Have you replied to it?

**Hon. Randy Boissonnault:** We are working with the department to respond.

However, regarding the second question—

**Ms. Louise Chabot:** It is May 6, Mr. Minister.

**Hon. Randy Boissonnault:** Yes.

You can't imagine how long it takes to get an official response. Naturally, I don't want to answer that there hasn't been any progress on this front.

With regard to the benefits we can match in cases of maternity leave, this issue is currently before the courts.

I'm very sensitive—

● (1600)

**Ms. Louise Chabot:** This has been decided by the appeal court. The court's role is over.

**Hon. Randy Boissonnault:** No, they went further.

Since the case is before the court, I want to wait until it's over. At that point, we'll be able to respond.

On the subject of rural areas, this issue resonates with me. That's why I insisted that the extra five weeks be included in the budget. This measure will therefore be extended by two years. It's a very important improvement.

**Ms. Louise Chabot:** Minister, you are facing an unprecedented mobilization from many groups.

The authors of the letter you received included all of Quebec's major central labour bodies, the Canadian Labour Congress and the main groups defending the rights of the unemployed.

Employment insurance reform is a 2015 commitment by your government, a broken commitment, Mr. Minister. Acknowledge it.

You're offering temporary measures in the absence of a comprehensive reform that should be implemented. The economic situation you speak of and low unemployment rates should, on the contrary, prompt you to reform employment insurance and not wait for the next crisis.

In the budget, your government even suggests that, over the next two years, unemployment rates may change. So it's time for reform.

Why not be proactive and announce a necessary reform to the media?

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

[English]

Madame Chabot, you know the rules. You're well over your timeline; that includes the minister's response.

Madame Zarrillo, you have the next six minutes.

**Ms. Bonita Zarrillo (Port Moody—Coquitlam, NDP):** Thank you so much.

I was just wondering if there was a response from the minister.

Thank you, Minister, for being here. Thank you to the team, as well, who are here.

Minister, when this committee was first struck, our first study was around the care economy. As a woman at this table, I was very much concerned that women were undervalued, under-represented and underpaid in the care economy. In your speaking notes, you mentioned the grey tsunami and growing the workforce. You can't go out into the community these days without meeting someone who is caring for a parent, a family member or an elderly person in their life.

I want to ask you specifically about the temporary foreign worker program, which is over-represented in the care economy. Many workers take up work in home—these are caregivers in home—including offering hospice care.

I met a woman recently. She was doing palliative care in a family home. When her client passes away, there is no grieving time. There is no time for them to get new employment. They are immediately in a precarious position and at risk of losing all of their status in Canada.

Is this something that you've heard about? Can you address the precarity of the work they do?

**Hon. Randy Boissonnault:** When it comes to the care economy, I'm going to turn to Paul for some detail on numbers and who's in there.

If we talk about having women in the workforce, which was your opening piece, \$10-per-day child care is helping immensely.

On the TFW and the specific case of people being vulnerable in the care sector, we make sure that they.... There are labour market impact assessments. If people are being brought in to do that work, they have to follow rigorous programs.

There was also work we did as a government to make sure that people in the care economy—caring for children, elderly persons or persons with disabilities—would have a pathway to citizenship.

On the particular cases that you are aware of with people in precarious employment, if they are employed by a hospice company, that is definitely something I want to look into.

Deputy Minister, do you have anything on that?

**Mr. Paul Thompson (Deputy Minister, Department of Employment and Social Development):** I would just mention the new budget investment on the sectoral workforce solutions to look at labour force solutions for caregivers—that's one new investment we'll be working on—as well as the commitment for a care economy strategy.

**Ms. Bonita Zarrillo:** I saw both of those in the budget. I appreciate them very much, but I want to point out that there are in-home workers who are in very precarious situations, and that needs to be solved. That goes to the “Status for All” campaign.

Minister, are you aware of the “Status for All” campaign?

• (1605)

**Hon. Randy Boissonnault:** I am not.

**Ms. Bonita Zarrillo:** The “Status for All” campaign is the opportunity for immigrant and precarious workers to be able to get their permanent residency. Some in B.C. have waited decades to be able to get permanent residency. They've been contributing to the economy, they've been in the care economy for decades and they do not have access to permanent residency.

I understand there is a cross here between immigration and employment, but you talked about growing the workforce. We have many dedicated care workers in this country who are being disrespected and left behind, and are waiting and waiting for permanent residency and to be able to bring in their own families.

How are you going to address that?

**The Chair:** Mr. Minister, before you respond, the bells are ringing in the House. I need direction from the committee as to how we'll proceed.

Committee, according to the rules accepted by the various whips, I need direction. Do we have unanimous consent to continue?

**Some hon. members:** Agreed.

**The Chair:** Okay. We'll continue until somebody tells me we cannot. We will need to suspend for some voting time.

Until somebody objects, Mr. Minister, go ahead.

**Hon. Randy Boissonnault:** Ms. Zarrillo, you raise a very good point. I think you were right to say that Minister Miller leads on this—it's the immigration file, which is a very important file—to figure out how we honour the work that people have done here and figure out pathways to citizenship.

What we can do at Employment and Social Development Canada is track transition rates to permanent residency. We could take a look at how that happens in different sectors.

If you want a pressure point and to have some thoughts about where we could have provinces help us with this, they can designate certain sectors as their provincial nominee sectors, and that helps people get on a faster pathway to permanent residency. I saw that in the tourism sector in different provinces. I've seen it in certain provinces that want to have more health care workers. They designate their allotment for people in that sector, which helps that subset of folks be able to have access to permanent residency. It could be a solution in this area too.

**Ms. Bonita Zarrillo:** Minister, have you approached any provinces or territories on this? Are there any sectors that you're actively advocating for with provinces and territories?

**Hon. Randy Boissonnault:** I can tell you that construction, health care, early childhood education and green jobs would be the top four, for sure.

**Ms. Bonita Zarrillo:** It almost always seems like it's a competing thing between construction and the care economy. Both are very gendered work.

Is the care economy and the work that's specifically, or usually, women's work getting as much attention as the traditionally...?

**Hon. Randy Boissonnault:** I hope so. We'll take that away.

When I say health care, I mean everybody in health care and the care economy writ large. It's important for us to take care of the elderly and other persons who need home care.

I'm also responsible for foreign credential recognition. I have that file, but I have no power. All I have is money, so we have invested \$300 million over the last few years to get to groups on the ground and literally work through the 600 guilds that protect a bunch of professions on the ground—

**Ms. Bonita Zarrillo:** I'm very interested in that, but I want to put it here, on this table, that women have not had the attention, investments and respect that they deserve in this economy. Almost one-third of our workers are in the care economy.

Thank you.

**Hon. Randy Boissonnault:** I agree, and we have work to do on that file, which is why you'll see that a lot of our funding is prioritized to people trying to break into the workforce who are part of groups that aren't in the labour force to the degree that we would like to see.

**The Chair:** Thank you.

Mr. Barrett, you have five minutes, please.

**Mr. Michael Barrett (Leeds—Grenville—Thousand Islands and Rideau Lakes, CPC):** Minister, how much have you been paid by Navis Group?

**Hon. Randy Boissonnault:** Mr. Barrett, that is a matter that took place while I was a private citizen. On those issues, if you want to find out how much I made as a private citizen, I refer you to the Ethics Commissioner.

**Mr. Michael Barrett:** What are your holdings of the one numbered company that you have, 2050877 Alberta Ltd.?

**Hon. Randy Boissonnault:** That is not my company.

**Mr. Michael Barrett:** Do you have a numbered company?

**Hon. Randy Boissonnault:** I do. When I was working with the Ethics Commissioner to wrap up my private affairs to become a public official again, they indicated that I should use the legal name of the holding company, which I did.

**Mr. Michael Barrett:** So you do have a numbered company.

• (1610)

**Hon. Randy Boissonnault:** I do, but it's not the one you mentioned.

**Mr. Michael Barrett:** Do you have a trading name for that company?

**Hon. Randy Boissonnault:** I do not.

**Mr. Michael Barrett:** What's the legal name of the company?

**Hon. Randy Boissonnault:** The legal name is 2256956 Alberta Ltd.

**Mr. Michael Barrett:** What does it hold?

**Hon. Randy Boissonnault:** It holds investments.

**Mr. Michael Barrett:** Does it have any interest in the Navis company?

**Hon. Randy Boissonnault:** No, it does not.

**Mr. Michael Barrett:** Do you draw income from that company?

**Hon. Randy Boissonnault:** I do not.

**An hon. member:** [*Inaudible—Editor*]

**The Chair:** [*Inaudible—Editor*] remind Mr. Barrett, but I'm going to give flexibility, because both sides strayed on this issue. The only ones who stuck to relevancy were Ms. Chabot and Ms. Zarrillo on the matter before the committee. But the minister did elaborate—

**An hon. member:** [*Inaudible—Editor*]

**The Chair:** I understand the rules, Mr. Cooper.

Mr. Barrett, you have the floor.

**Mr. Michael Barrett:** Does 2256956 Alberta Ltd. own, or did it own, GHI, the Global Health initiative, the pandemic supply resale company?

**Hon. Randy Boissonnault:** There are shares in that holding company.

**Mr. Michael Barrett:** There are shares in GHI.

**Hon. Randy Boissonnault:** Yes.

**Mr. Michael Barrett:** Okay.

Since you've been a minister, have you received any payments from Navis Group?

**Hon. Randy Boissonnault:** As is declared in my conflict of interest and ethics submission, yes. That was organized with the Conflict of Interest and Ethics Commissioner.

**Mr. Michael Barrett:** Let's just back this up, because Mr. Cooper asked you the same question, and I'm asking the question. I asked how much you've been paid, and you said, well, none of that happened since I was a minister.

There is a bit of confusion here. How much have you been paid, since you've been a minister, by that company?

**Hon. Randy Boissonnault:** Mr. Barrett, I'll give you an example.

There is, Mr. Chair, some thinking here that I had one client. Westminster Foundation for Democracy was a client. The Global Equality Caucus was a client. The United Nations Development Programme was a client. The Black Gold School Division was a client.

**Mr. Michael Barrett:** [*Inaudible—Editor*]

**Hon. Randy Boissonnault:** Mr. Barrett, I'm going to respond to you here—

**Mr. Michael Barrett:** And Xennex...?

**Hon. Randy Boissonnault:** Xennex is the other company I own that is also dormant and that is also wrapped up and fully disclosed.

Let me be really clear: Part of the reason it indicates that funds are owed to my company—

**Mr. Michael Barrett:** Minister, the question was how much.

**Hon. Randy Boissonnault:** Michael—

**Mr. Michael Barrett:** This is a really long story to just tell me how much.

**Hon. Randy Boissonnault:** No, it's not.

**Mr. Michael Barrett:** How much?

**Hon. Randy Boissonnault:** The United Nations Development Programme still owes the company funds. That's two and a half years later. That is why you see the declaration.

If you want to understand how much money I made as a private citizen, then you can refer to—

**Mr. Michael Barrett:** I want to understand how much you're getting paid by this company while you're a minister.

**The Chair:** Mr. Barrett, if you're going to ask him a question, which is not relevant to what the committee is meeting for today.... This committee met at length to set its agenda for today. You're appearing as a committee member today, and you do have the right to direct questions in relevancy. If you're going to continue, I will then ensure that the minister has a chance to respond, should he choose.

Mr. Minister.

**Hon. Randy Boissonnault:** I answered that question before, Mr. Barrett.

**Mr. Michael Barrett:** It's really unbelievable, because you haven't answered the question. The answer you gave was a complete non sequitur to the question that was asked.

**Hon. Randy Boissonnault:** Mr. Barrett, that's not true. These—

**Mr. Michael Barrett:** You have a duty to arrange your private affairs in a manner that prevents a conflict of interest, but in this case, you arranged your private affairs in the matter of a \$110-million federal grant to a federally regulated organization, with federal government representatives on its board—

**Hon. Randy Boissonnault:** There is no—

**Mr. Michael Barrett:** —to which they benefited—

**Hon. Randy Boissonnault:** Mr. Chair.

**Mr. Michael Barrett:** —monetarily.

**Hon. Randy Boissonnault:** That is not true whatsoever.

**The Chair:** Mr. Barrett, I'm going to give the minister a chance to respond to a question that is not relevant.

**Mr. Michael Barrett:** I haven't finished asking the question.

**Hon. Randy Boissonnault:** I can't answer a question that's full of falsehoods.

**The Chair:** I asked the minister to—

**Mr. Michael Barrett:** He interrupted me throughout the question.

**The Chair:** You're questioning in an area where the rules the House adopted are really black and white.

Mr. Barrett, we're here—

**Mr. Michael Barrett:** Mr. Long was allowed to proceed with a line of questioning that was favourable to the minister. Just because my questions are uncomfortable for the minister, I think—

**The Chair:** Yes, and I agreed to let it go, provided you let the minister respond.

**Mr. Michael Barrett:** But he—

**The Chair:** I will ask the minister—

**Mr. Michael Barrett:** I didn't finish asking the question.

**The Chair:** Okay. Finish your question quickly, Mr. Barrett.

**Mr. Michael Barrett:** Minister, did you participate in funding announcements for this organization from a company that you are still cashing cheques from?

**Hon. Randy Boissonnault:** No. Mr. Chair—

**Mr. Michael Barrett:** That's not true.

**Hon. Randy Boissonnault:** —I am a minister for Alberta. If there's an announcement happening in my province and I can go to it, I will go to it. At no point since, Mr. Barrett—

**Mr. Michael Barrett:** Even if you got them the money?

**Hon. Randy Boissonnault:** That is not true. That is simply not true.

**The Chair:** I'm going to give the minister the opportunity to respond very quickly, because this is going to end. We are going to move on. Your time has gone by. I've allowed you to stay in the question.

Mr. Minister, wrap it up quickly.

• (1615)

**Hon. Randy Boissonnault:** Mr. Chair, to be really, crystal clear, I have never had line authority to provide any funding to the Edmonton International Airport or, quite frankly, any of the clients that I mentioned.

I have not been the Minister of Transport. I've not been the minister of PrairiesCan.

Will I announce something in my region that supports a major airport and jobs? Absolutely, I will.

Mo monies were transferred. That grant went to the Edmonton airport, not the company in question.

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

Thank you, Mr. Boissonnault.

Mr. Collins, you have five minutes.

**Mr. Chad Collins (Hamilton East—Stoney Creek, Lib.):** Thanks, Mr. Chair.

Welcome, Minister.

I'll get us back to committee business. Last week, I had the opportunity to meet with Michael Braithwaite from Blue Door. They work out of the York, Durham and Peel region, otherwise known as "Tony Van Bynen territory". They're well known in the region for providing transitional housing, as well as emergency shelter support for those people who need it. What most people don't know about Blue Door is that they offer the construct program, which is a skills training program that's launched about 500 people into the skilled trades.

I know you're very well aware, Minister, that we have a very aggressive housing policy. Our national housing strategy promotes new housing in both the non-profit sector and the market sector.

I'm wondering if you can share with the committee how we could seek to support organizations like Blue Door, which is offering these services in co-operation with LiUNA, local colleges and the private sector.

Can you share with the committee what ESDC's doing with our housing plan, and how we're supporting the building of skilled trades numbers across the country?

**Hon. Randy Boissonnault:** Absolutely, Mr. Collins. I referenced it in my opening remarks.

We invest about a billion dollars a year in the apprenticeship space—grants, loans and EI benefits—for apprentices. One of the big sectors is the construction sector.

I had this conversation with my counterparts at the provincial level early in this mandate. We have to esteem the trades earlier, but at the same time, we have 98% of companies in this country that

are small and medium-size enterprises, like in "Tony Van Bynen country" and in your backyard. It's really hard for them to figure out how to bring an apprentice on when it's a guy and his cousin who have three people and a truck, and they're building houses or they're roofing. How do you put an apprentice on that?

There's money in the budget—I think it's \$90 million—to do something to get apprentices on the job sites with small and medium-sized enterprises. I'm very excited about that. We pushed hard and we got it done. When I met with BILD Calgary, that was the number one ask they had for me. How do we get apprentices on the ground, literally on site, with small and medium-sized enterprises? That's number one.

Number two is that I need help from everybody around this table to esteem the trades earlier in life. The next time you're at a meeting, or it's the summertime and you're having beers with your friends, or you're around the family table and you have the grumpy aunt or uncle who says, "The trades are a bad idea. They're a second-class career," correct it. They're first-class, amazing jobs. The trades are the way of the future.

Friends, we have 700,000 skilled tradespeople retiring in the next five years. The time is now.

I will say to the officials, great job for doing an award-winning campaign to scope more young people in, and there's \$10 million in the budget to get more young people into the trades.

**Mr. Chad Collins:** Let me follow that up with my question on how we work with school boards to illustrate to kids coming through the elementary and, by extension, high school programs that skilled trades should be an occupation of first choice. Currently, they're not, and we don't see promotion at that level trying to steer children to an area that they may not see as their first choice from an occupation perspective.

Can I ask what conversations happened through the department in trying to encourage that conversation to at least take place? If they decide to go in a different direction, that's great, but I think there's a missed opportunity. My kids are now both in university; those conversations didn't happen with them throughout high school, and they should have.

**Hon. Randy Boissonnault:** It's amazing. I'm the outlier in my family. I'm a kid from skilled trades. I got an IBEW scholarship to go to the University of Alberta in 1988. It was \$500. That paid for half a semester of tuition and books. I was the academic kid. My brother is actually in the skilled trades. So is my nephew. My niece is looking at it. I think we have to have a societal attitude shift about this.

When I came in, I said, “Let’s look at the German model.” The German model streams people based on their aptitude. You go the academic route, or you go the trades route. Some, like Senator Bellemare and others, have said, “Look, let’s have tripartite advice to the ministry on how we can get labour, employment and government all working together.” I want to see that higher level of coordination.

When it comes to making sure that the trades are esteemed, I don’t agree with everything the Ford government does, but I think they’ve cottoned on to something with the announcement that Minister Lecce made earlier this week. If those students still achieve their academic excellence—they still have to make the marks—the ability to stream them in and have them get skills in the trades while they’re in high school.... I think that’s an innovative model. We have to see how it works and then see it take place across the country.

• (1620)

**The Chair:** Thank you.

[*Translation*]

Ms. Chabot, you have the floor for two and a half minutes.

**Ms. Louise Chabot:** Thank you, Mr. Chair.

I could give you the opportunity to complete your answer to my long question, but I’ll ask you a shorter one.

I think it’s obvious to everyone that, as a minister and as a government, you’ve abandoned a flagship measure for workers, that of comprehensively reforming and modernizing the employment insurance system.

Do you recognize that one of the main problems with the plan is access?

**Hon. Randy Boissonnault:** What access problem are you talking about? Do you have an example? Are you talking about time criteria, Ms. Chabot?

**Ms. Louise Chabot:** I’m talking about access, eligibility criteria that discriminate against workers. Out of ten workers who pay into the plan, six don’t have access to employment insurance.

And yet, we’ve opened a door for you. All labour organizations, unemployed groups and the Canadian Labour Congress have opened a door for you. Until we arrive together—that’s what they want—at a comprehensive reform of employment insurance, are you ready to immediately put in place the temporary measures that existed in the context of the emergency measures?

We can’t say there’s a problem with applying the measures. They would be applicable. Are you ready to move forward? Are you going to give them an answer?

**Hon. Randy Boissonnault:** Yes, absolutely, I’ll get back to them. We’re working on it with the ministry. One of the most important requests from this coalition, made up of unions and other organizations, was about our plan for the Employment Insurance Board of Appeal.

**Ms. Louise Chabot:** They made this request with good reason.

**Hon. Randy Boissonnault:** Yes, and I’m happy to be able to talk more about it this week by informing you of this element. As for

the other aspects, funding is needed, and, from my side, I continue to support this across departments.

It’s also worth mentioning that the changes that will be made to the system may be slower than we’d like, but I’m here to make sure that we have an employment insurance system that lives up to people’s expectations and is easy to access. I take that responsibility, and I will provide a response to the unions and groups in question.

**Ms. Louise Chabot:** We are already anticipating the response you will be able to provide.

**Hon. Randy Boissonnault:** Thank you.

**Ms. Louise Chabot:** We don’t want to create false hopes, because hopes have been shattered.

Mr. Minister, do you recognize that the employment insurance program is a program under federal jurisdiction and that it is one of the main programs in our social safety net?

**Hon. Randy Boissonnault:** I wholeheartedly agree with this observation.

**Ms. Louise Chabot:** Why did you make the choice, in the budget, to invest money in programs under provincial jurisdiction rather than investing in programs that fall under your own areas of jurisdiction?

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

[*English*]

**Hon. Randy Boissonnault:** If you’ll permit, Mr. Chair, I think that’s—

**The Chair:** Give a short answer.

**Hon. Randy Boissonnault:** I’ll give a 20-second answer.

[*Translation*]

Ms. Chabot, I think we want to offer the possibility of making Canada-wide investments. We fully recognize Quebec’s areas of jurisdiction. I’ll even be meeting with one of the Quebec government ministers later today to discuss very important jurisdictional issues.

[*English*]

**The Chair:** Thank you.

Madame Zarrillo, you have two and a half minutes, please.

**Ms. Bonita Zarrillo:** Thank you, Mr. Chair.

I’m going to take my two and a half minutes to table a motion that I circulated earlier to the committee. I know many of us were disappointed in the presence of the minister of diversity and inclusion here last week. We certainly didn’t get the time we needed to question her.

I have a motion for the committee. I’ll read it. It relates to the Canada disability benefit, the barrier of the disability tax credit as an entry point and also the potential for clawbacks, which we all don’t want to see.

Mr. Chair, I move the following:

That, in the opinion of the committee, the government should safeguard the Canada disability benefit from any potential clawbacks and engage in comprehensive consultations with the disability community to ensure the effective implementation of the Canada disability benefit by:

- (i) ensuring that the Canada disability benefit is adequate to lift people living with disabilities out of poverty;
  - (ii) ensuring that the Canada disability benefit is accessible through the reconsideration of the disability tax credit as a barrier to access, and establishing a more equitable and accessible enrolment method;
  - (iii) acknowledging the multitude of unseen expenses associated with living with a disability, which exacerbates financial strain, particularly amidst escalating costs of living and the inflation crisis;
  - (iv) recognizing the adverse impact of benefit entitlement reductions as families earn higher taxable incomes, perpetuating cycles of poverty among lower-income households;
  - (v) collaborating with provinces and territories to fortify support systems for individuals with disabilities, thereby fostering inclusive and supportive communities across the country;
- and that the committee report this to the House.

Thank you, Mr. Chair.

I'm hoping we can go immediately to a vote because we have another vote coming up.

• (1625)

**The Chair:** Thank you, Madame Zarrillo.

Yes, the clerk advised me that the motion is in order with the 48-hour notice. The motion is currently on the floor.

Mr. Long, please go ahead.

**Mr. Wayne Long:** Thank you, Mr. Chair.

Given that we're at eight minutes and 48 seconds before a vote and I would like to go upstairs to vote, I would like to suspend. Maybe we could pick this motion up afterward in the next hour.

**The Chair:** We need unanimity to proceed. We don't have that, so at this time we'll suspend until the vote is recorded in the House.

We will resume 10 minutes after the Speaker announces the vote in the House.

**Mrs. Tracy Gray (Kelowna—Lake Country, CPC):** On a point of order, Mr. Chair, just before you resume, for clarification, would we be going back to the rest of the minister's time or would we be going on to the second minister?

I think we would like to finish up the time with this minister.

**The Chair:** We would resume with the second hour, Mrs. Gray.

The meeting is suspended.

• (1625)

(Pause)

• (1650)

**The Chair:** The HUMA committee is resumed.

I may have been a bit unclear as we suspended for the vote, but we do, Madame Zarrillo, return to your motion that was on the floor.

Committee members, you've heard the motion of Madame Zarrillo, which was moved before we suspended. The motion was in order. There was a 48-hour notice.

We will have discussion on the motion.

Go ahead, Mr. Fragiskatos, on the motion.

**Mr. Peter Fragiskatos (London North Centre, Lib.):** Thank you, Chair.

Thank you to our colleague for bringing it forward. I know that these matters have been very important for her. They are not recent; she's raised these issues regularly at this committee.

The only concern I would have is section (ii). My point here is that the criticisms or concerns about the DTC are understood. I just think that, when you're trying to get a program like the Canada disability benefit off the ground, you would have to tether it to something from an administrative point of view to ensure the overall functioning of the benefit. If it's not the DTC, I'm not sure what alternative would be put forward.

I wanted to note that for the record, but I'm not going to belabour the point, Mr. Chair.

**The Chair:** Thanks, Peter.

Go ahead, Mr. Coteau, on the motion.

**Mr. Michael Coteau (Don Valley East, Lib.):** In regard to the clawbacks, it's very difficult. You can't tell provinces what they should and shouldn't be doing in regard to programming. How do you ensure that the clawbacks are not made? This is a question to the mover. Do you have opinions on some of the strategies to prevent a clawback by a province?

• (1655)

**Ms. Bonita Zarrillo:** I don't want to belabour the point too much, because we have a minister here, and I want everyone to get questions.

That's not the work for us to do, MP Coteau. The work for us to do is to make sure that persons with disabilities who are living in deep poverty get access to the benefit. They will not get access to it through the DTC. It just will not happen.

It's up to the staff of this place to figure out how to do it. I know they can.

**The Chair:** Is there any further discussion on the motion of Madame Zarrillo?

Do I see unanimity on adopting the motion?

(Motion agreed to)

**The Chair:** Madame Zarrillo, the motion has been adopted. It will have to follow the committee's order of procedure.

With that, then, thank you.

We will now move to the second hour.

I'll advise committee members, unless somebody objects, that it is my expectation to go about 5:45 because of the voting, if that's agreeable.

For the second hour, we have Minister Beech, the Minister of Citizens' Services; Cliff Groen, associate deputy minister and chief operating officer for Service Canada; Brian Leonard, director general and deputy chief financial officer, corporate financial planning; and John Ostrander, business lead, benefits delivery modernization.

Mr. Minister, you have up to five minutes, please.

**Hon. Terry Beech (Minister of Citizens' Services):** Thank you, Mr. Chair.

It's great to see you. We spent many years together on the fisheries and oceans committee.

[*Translation*]

Good afternoon, everyone. It is with great pleasure that I am here with you this afternoon.

[*English*]

I want to start by acknowledging that we're meeting today on the traditional territory of the Algonquin Anishinabe people.

It's great to be back at HUMA. I'm going to try to shorten my remarks, given the time constraints. I can start by not introducing my colleagues, since you did that so well, Mr. Chair.

I'm here to speak on the supplementary estimates (C) and on the main estimates. For the supplementary estimates (C) with regard to Service Canada and the ministry of citizens' services, we're talking about four items for \$165.8 million, the bulk of which—75%—is for dental. The other big number is loading old age security onto the benefits delivery modernization, BDM, program, which accounts for 22.7% of the estimates, or \$37.7 million.

With regard to the main estimates, BDM was the largest commitment. Out of the \$194.2 billion that ESDC has budgeted, I think it's notable for all members of the committee that \$176.5 billion—91%—will flow directly to Canadians through benefits that will actually be delivered, or are currently being delivered, by the benefits delivery modernization program, namely old age security at \$81 billion, the Canada pension plan at \$65 billion and employment insurance at \$25 billion.

Citizens' services is still a relatively new ministry, coming into place in July of last year. As minister, I'm responsible for Service Canada. I'm also responsible for the Canadian digital service. I've organized my priorities in three broad categories that I like to say are dental, digital and customer service.

Given that it's been a tremendous week for dental, I thought I'd start by providing some highlights there.

We've delivered this benefit in record time—just a little over two years—and 1.9 million Canadians are currently enrolled. Eight thousand oral health professionals are currently signed up, which is quite significant because last week that was 6,500. That's quite an increase. Most importantly, 15,000 Canadians have been able to ac-

tually go see an oral health professional, which is a significant benefit for the seniors who are currently benefiting from this program.

Dental itself is actually a code word for benefits because although dental is the largest benefit to ever be delivered at this scale—nine million Canadians are going to benefit from this program—it's also responsible for the benefits delivery modernization program, which will deliver the aforementioned benefits: OAS, EI and CPP.

With regard to digital, this is about making more of Canada's services available 24 hours a day, seven days a week, from the convenience of your computer or your cell phone, no matter where you are in the country. Every time somebody can easily access a government service, that's just one more person who isn't standing in front of you in line. I actually consider it part of my unofficial mandate to try to eliminate lines and eliminate the need for people to wait on hold.

With regard to customer service, it's part of the mandate to make it easier for Canadians to access government services, but it's also making the government more efficient and making it easier to serve in the first place. We're doing that through process improvements, artificial intelligence, automation and machine learning.

Some of the solutions are relatively simple—things like the customer user experience. We spent a significant amount of time thinking about the products that we actually manage. Part of the reason dental has been able to onboard so quickly is because we wanted to make sure that it was as simple as it possibly could be. We took a lot of time going through the very detailed flow charts and physical experiences and then through user testing with actual Canadians in the demographics that are going to be utilizing these services to make sure that we eliminated all the errors in advance, which saves us a lot of work on the back end.

I'm happy to take any questions you have.

With that, I'll hand it over to you, Mr. Chair.

• (1700)

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

We'll now go to Mrs. Gray for the first six minutes.

**Mrs. Tracy Gray:** Thank you, Mr. Chair.

Thank you, Minister, for being here today.

Minister, is the benefits delivery modernization program over budget?

**Hon. Terry Beech:** No, the benefits delivery modernization program is not over budget.

**Mrs. Tracy Gray:** In 2017, the Treasury Board approved program authority for \$1.75 billion. Then, in December 2020, the Treasury Board approved an amended program authority of \$2.2 billion. On March 18, 2024, file Q-2229, a response from your ministry to an inquiry I sent, stated that the revised estimate was still \$2.2 billion. Shockingly, less than one month later, budget 2024 added an additional “\$2.9 billion over five years, starting 2024-25”.

Isn't that all correct, Minister?

**Hon. Terry Beech:** Well, I think we need to make sure that we don't confuse program authority with budgets. Previously, when I came before committee, I advised you myself of the number of \$2.2 billion. I remember you asking me, “When are we going to get a revised number?” I expected that it was going to be in the budget, but there were no assurances as to that.

You have to remember this is in the context of a program that commenced in 2017 and is driving through to 2030. Over those 14 years, we have to—

**Mrs. Tracy Gray:** Minister, what's the new number, then?

**Hon. Terry Beech:** I'm sorry. The new number is \$4.4 billion.

**Mrs. Tracy Gray:** The new number is \$4.4 billion, which is \$1.75 billion over from the original amount.

**Hon. Terry Beech:** It's a higher number—

**Mrs. Tracy Gray:** Oh yes, it is.

**Hon. Terry Beech:** —but you have to understand how these processes work, right?

When you're doing a large-scale IT project in an agile environment and you're replacing mainframes and programs that are in a lot of cases over—

**Mrs. Tracy Gray:** Right. I'm sure it's very complex. It's actually the largest IT project the Canadian government has ever taken on.

You've confirmed that you're now at \$4.4 billion. What is in budget 2024 says that the \$2.9 billion in that budget is only to update the platforms for old age security and employment insurance. The \$4.4 billion is whatever has been spent so far, and whatever you have in budget 2024 is only to do funding for old age security and employment insurance, so then what is the budget...? What is the amount that the CPP will cost? Because part of the benefits delivery modernization also includes CPP, and that is not included in budget 2024.

**Hon. Terry Beech:** I hate to correct you, but what you stated is incorrect. The total amount that has been contracted or spent so far is \$1.1 billion, and the total budget for the program as of today is \$4.4 billion.

**Mrs. Tracy Gray:** Great.

In budget 2024, as I said, it only references updating OAS and employment insurance. CPP is not included yet in any of the infor-

mation. Are you saying that CPP will also be on top of the \$4.4 billion? That seems to be the way it's reading in budget 2024.

**Hon. Terry Beech:** The last time I was here, we had spent just a little over \$800 million. We are now at \$1.1 billion. We have authorities for up to \$4.4 billion and, of course, CPP is also benefiting from the work we're doing now because it's all on the same platform.

• (1705)

**Mrs. Tracy Gray:** You're saying that the \$4.4 billion is the end stop. That includes all three of the programs. You're saying that includes old age security, CPP and employment insurance.

**Hon. Terry Beech:** That is the number we have been authorized to work with, yes.

**Mrs. Tracy Gray:** Okay, great. That's still over \$1.75 billion—

**Hon. Terry Beech:** You don't seem to want to understand how that number was made. There was a budget that was put together for \$1.7 billion or \$2.2 billion a number of years ago, but unpacking the data models for OAS and for EI has allowed us to learn the complexities of the process and to update those numbers as we go. As the OAS—

**Mrs. Tracy Gray:** Right, so the budget is considerably higher.

**Hon. Terry Beech:** Sorry?

**Mrs. Tracy Gray:** I want to move onto something else, Minister. I'm very limited with time here.

**Hon. Terry Beech:** I'm happy to move on to something else.

**Mrs. Tracy Gray:** Information that your ministry provided—again, Q-2229—on an inquiry I made asking for a budget breakdown on this project listed \$48,978,755 for travel expenses. That's a massive amount considering the option for virtual meetings. Will you commit to tabling for this committee the detailed breakdown of the who, what, when, where and why of all of those travel expenses, that \$48 million in travel expenses?

**Hon. Terry Beech:** I'm happy to share whatever expenses I can share with the committee without exposing commercial confidences. I'm happy to endeavour to do that.

**Mrs. Tracy Gray:** Minister, are any of those travel expenses for external contractors?

**Hon. Terry Beech:** I would expect that some would be, but I don't have a breakdown with me. Again, I'd have to look at it.

**Mrs. Tracy Gray:** Your department has provided information in the past that \$669 million was paid to external contractors. Are you saying today that it might actually be higher than that because that did not include travel expenses for them?

**Hon. Terry Beech:** I'm sorry. I was trying to see if we had the numbers available for you now. Could you just repeat that question?

**Mrs. Tracy Gray:** You have already confirmed at this committee previously that \$669 million was for external contractors. You've just now said that some of this \$48 million might also be for external contractors for their travel expenses and the \$669 million might actually be higher. Would that be correct?

**Hon. Terry Beech:** First of all, that's not what I said, but I can update the \$669 million. That is now roughly \$700 million.

**The Chair:** Thank you, Mrs. Gray.

We'll now go to Mr. Coteau for six minutes.

**Mr. Michael Coteau:** Thank you, Minister, for being here. Thank you to the officials.

My first question is really around the opportunities that digital transformation brings to government in general.

When you sit down and think about the next five years, what does that transformation look like to you?

**Hon. Terry Beech:** Do you want me to take up the whole time on this?

**Mr. Michael Coteau:** Give us just the big highlights. What does real transformation look like for a government?

**Hon. Terry Beech:** Let me give you a very relevant example. We're rolling out dental care under newer but relatively traditional methods. We had an IVR system and now we have a web form. In all, that's going relatively smoothly and it's about as simple as we can make it, given the technology that we currently have.

I asked the Canadian digital service to mock up what this would look like with a digital credentials system. Of course, there was \$25.1 million in budget 2024 for a single sign-on.

If you go through the current system, you really are reintroducing yourself to the Government of Canada all over again. What's your name, your address, your birthday, your spousal situation, etc.? A digital credential would actually allow you to sign in and then it would show all the information that the government currently has. It would ask if we had your permission to share that information with health, in this case, in order to be able to fill out the application. You'd only have to answer the additional questions.

That takes an eight-minute process with lots of room for errors and disruptions to something that could take 30 seconds. Then you actually would get your benefits card immediately.

You could imagine, in the future, actually filling it out on your phone in the dental office and going straight in and getting your teeth fixed.

**Mr. Michael Coteau:** I noticed on the CRA website that it's one of the conduits you can use to sign up for dental benefits. Is that correct?

Is that a similar process or is that a completely different process?

**Hon. Terry Beech:** For everybody listening here, the best way to sign up for dental is [Canada.ca/dental](https://Canada.ca/dental).

There are links that happen between departments, so there was a connection from My Service Canada, as well as CRA.

There are multiple routes to get there from different places, but the easiest way is to go to [Canada.ca/dental](https://Canada.ca/dental).

• (1710)

**Mr. Michael Coteau:** I'm going to give my remaining three minutes to Mr. Van Bynen.

**Mr. Tony Van Bynen (Newmarket—Aurora, Lib.):** Thank you, Mr. Chair.

In your last appearance at the committee on February 5, you talked about the benefits delivery modernization program being the largest IT project in our history. We've heard a lot about costs.

I'd like to turn this around and have you explain the benefits and the values that investing in this digital transformation is providing for us.

**Hon. Terry Beech:** That's a great question.

The three major systems that are affected by this—CPP, EI and OAS—are of varying ages, from over 60 years old to just a little over 25 years old. These are legacy systems. Some of the systems that are running these programs are very hard to get developers for. COBOL is a language that was created in the fifties. EI has 160 bespoke applications that all have to be maintained in a cumbersome way.

Over time, it really starts to restrict the kind of policy that we can implement and it makes it a lot more complicated. Also, a lot of the technology and the technical debt associated with these projects are just no longer serviceable. There are mainframes that would be literally irreplaceable if something were to go wrong.

One aspect is that we are replacing the system and we'll have the assurance that \$1.5 trillion in benefits that will be paid over the next decade will get to the people who need it.

From a transformational perspective, the ability to have user-centred design, have people able to go into an app to apply for EI, to check on the status of their services and to have another channel that provides service instantly—24 hours a day, seven days a week—is all empowered by this new service.

**Mr. Tony Van Bynen:** It's great to see what the plans are.

Can you give us a brief update in terms of what we're seeing with BDM today?

**Hon. Terry Beech:** Certainly.

With regard to OAS, we have finished the first release. There are 600,000 Canadians using the program today. They likely have not even noticed that we've switched over to the new system, which means it's operating correctly.

Release 2 will be a non-production model later this year. This is basically a full-blown test project for what we want to do in December, which would be release 3, when we will have 7.3 million individuals utilizing the new OAS system.

We would move into EI in early 2025.

**Mr. Tony Van Bynen:** As well, there was a lot of noise about the backlog in the passport system. I'm wondering if you could give us an update in terms of the progress we've made in working on the passport system.

**Hon. Terry Beech:** There are a couple of things. One, the backlog is eliminated. Two, we have had record volumes, associated a lot with the fact that we're on the first renewal cycle of the 10-year passport. The 10-year passport came out 10 years ago, and now those people are coming back. That has meant, even in this fiscal year, volumes of over 100% of what we saw in the previous year. I have the numbers with me, actually. In 2022-23 we issued 3.3 million passports and in 2023-24 we issued 4.8 million passports. That's a 45% increase in volume.

Thanks to investments in new printers and new processes and efficiencies that we learned during the pandemic, we've been able to mitigate lines. We've been able to keep customer service standards relatively in check. If you get your passport by mail or in person, you can be assured that you will get your passport on time.

**The Chair:** Thank you, Mr. Van Bynen.

[*Translation*]

Ms. Chabot, you have six minutes.

**Ms. Louise Chabot:** Thank you, Mr. Chair.

Mr. Minister, thank you for being with us again.

The 2024 budget announces investments to modernize the old age security pension and the employment insurance program. To my knowledge, this isn't the first time. Money has already been invested for this purpose, but I don't know what it was used for. So, once again, we're being told that investments are being made to modernize a system that dates back to another era and somehow prevents us from implementing the measures needed to improve the employment insurance program.

How much longer can we wait to modernize the system and ensure that it meets needs?

Access to employment insurance is problematic and the delays are significant. I spoke about this this morning in the House of Commons. I consulted some documents I have in my office and found that employment insurance is second in terms of the problems it presents.

How do we ensure accountability and promote excellence in services to Canadians? How do we ensure that Canadians receive timely service?

• (1715)

**Hon. Terry Beech:** Thank you for your question.

I apologize for my French. I've been studying it since January 2016. I can now speak it a little, but I will answer in English. I apologize for that.

[*English*]

This is a good question. EI obviously is the most complex of all of the systems that are the BDM program. We have started to lay a good track with the Cúram system throughout OAS, which has set us up well to deal with the significant complexity that will have to be coded around EI.

With regard to timing, we will start in 2025 with a target to complete by 2028. With regard to EI modernization, which is being led by my colleague, who I believe was here just before me, that is being done simultaneously. It is my expectation that we will be able to walk and chew gum at the same time and conduct a significant modernization. Whatever that modernization may look like, we will be prepared to implement it on the new system.

[*Translation*]

**Ms. Louise Chabot:** All right. Let's hope that this time you don't create any false hopes; indeed, there have been a lot of dashed hopes on this subject. I can tell you that the situation at our offices is pretty pathetic, because people come to us as a last resort. When a person has waited three or four months to receive benefits, they've had time to find a job. Very often, then, their application is no longer considered urgent. As a result, there are huge delays before any follow-up.

I'd like to talk to you about another file that I imagine is part of your responsibilities and concerns federal public service employees. This is the Phoenix payroll system. I think this is a firm commitment. Although the system was not ordered by your government, you've been in power for eight years and it's chaos. We read unbelievable things about this system, which has a negative impact on the people, the employees, who provide services on a daily basis and who do not receive fair compensation from their employer, the federal government. According to the Public Service Alliance of Canada, there are still 400,000 problem cases. We know that agreements have had to be made to try to correct arrears.

Seriously, Minister, when will we, once and for all, restore a reliable and fair payroll system for your workers?

[*English*]

**Hon. Terry Beech:** I'll comment on both items.

First of all, with regard to the EI wait times, I'm happy to state that some of the investments, which were supported by a majority of members—I'm not sure who voted yes or no—have been paying off. Of course, when somebody needs EI, they need to get it immediately. The wait times for processing have improved by six days, year over year, between this year and last year, and wait times at the call centre are now 5.8 minutes on average, whereas two years ago, they were over 30 minutes.

We've made significant progress in lowering those wait times, although better is always possible—somebody said that once—so we'll keep working on that.

With regard to the Phoenix pay system, this is, of course, being spearheaded by my colleague Jean-Yves Duclos. I've had opportunities to see the status of that, both at the service committee and at the Treasury Board.

Generally, I agree that it is absolutely necessary for public servants to have their pay done on time. I started seeing the impact of that as early as my first few days as the parliamentary secretary for the Coast Guard, where the rules are really unique, and it was causing a lot of hardship for individuals.

I have confidence that we're going to be able to figure this out and pull through it, but I'd have to defer to my colleague on detailed analysis on timelines and the next steps.

• (1720)

[Translation]

**Ms. Louise Chabot:** About this last question, I've read that artificial intelligence would be used to solve the problems of the Phoenix system. Indeed, artificial intelligence would be put to work.

Listen, that didn't reassure me, and it didn't reassure the thousands of workers either. I understand it's not your immediate responsibility, but we're talking about a service, a basic service to employees, which is their pay.

Reassure me that artificial intelligence will not be entrusted with the task of correcting this system.

[English]

**The Chair:** Do you want to make a short comment, Minister?

**Hon. Terry Beech:** Sure. I think there are, in Phoenix and otherwise across government, significant opportunities for a technologically advanced public service to use AI, machine learning or process automation to solve problems with a lot of traditionally manual processes that could help make our government more efficient and provide better services.

**The Chair:** Thank you.

We'll now go to Madame Zarrillo for six minutes.

**Ms. Bonita Zarrillo:** Thank you so much.

Thank you so much for being here again, Minister.

I'm seized with this disability benefit and how it's going to get to Canadians.

I want to share with you a letter I received from a family physician in Toronto around the disability tax credit. The letter says, “The disability tax credit is an underused, difficult-to-access program that will increase barriers to access for those most in need of a Canada disability benefit. Very few people living at low income with disabilities currently access the DTC because it is a non-refundable credit. It also requires a complex form to be filled by a physician, and many physicians will demand payment for this work. The largest group of people who receive the DTC are higher-income seniors, definitely not the demographic targeted by the CDB.”

As an aside here, I'll say that, of the 900,000 DTC claimants, only 75,000 of them record income under \$25,000. There is no way to do a one-to-one comparison between a person with a disability and the claimant.

The physician goes on to say, “The disability tax credit also rests on a definition of disability that is highly medicalized, has an exceedingly high threshold for approval, and is out of touch with current understanding of disability. Living with a disability results in exclusion from workplace and society due to structural social barriers, not due to individual medical diagnoses, or issues with the function of body parts. Programs like ODSP focus on deficits and ability to function in society rather than specific medical diagnosis. The DTC does the opposite. I have never heard a disability rights-oriented advocate or health professional support the use of the DTC as a gateway to disability supports. To allow the DTC to be used as the gateway to the CDB will build a massive structural impediment to this program, and it will not allow to ever achieve its goal of raising people living with a disability out of poverty.”

I'll ask you again, Minister, how is the government going to deliver the Canada disability benefit?

**Hon. Terry Beech:** First of all, I greatly enjoyed our conversation the last time that I was here, and I understand your passion—and mine—for lifting Canadians out of poverty.

As we're both B.C. MPs, there was some good work and a study done in British Columbia about the fact that, although a lot of our measures had lifted children and seniors out of poverty, more work was to be done in the disability community.

I would also thank you for forwarding me recommendation 5 of the disability advisory council, which speaks to exactly what you're speaking to. I just became aware as I was sitting down that you have a motion at this committee, and I think it was adopted, so I look forward to reading the report on that.

I took the opportunity not to just skim recommendation 5 but to read the entirety of the fourth report of the disability advisory committee, which was quite compelling in some of the issues that were raised in the letter that you just read. I heard that for the first time.

With regard to the payment for work, I think there was an item in this year's budget—I want to say \$224 million, maybe \$234 million, I'm not sure, \$200-and-something million—to help fund that cost for individuals so that they can get access.

I believe my colleague Minister Khera presented earlier that we are expecting for this benefit, which is the largest single line item of the 2024 budget, \$6.1 billion to roll out. Dental care took two years, and we're going to roll out this benefit in just over one year. The first payment is scheduled for July 2025.

• (1725)

**Ms. Bonita Zarrillo:** Minister, what I'm trying to get to is how you are going to administer the benefits. I can understand the legacy software. I'm a professional business analyst by trade, and I understand that there haven't been investments. Conservatives didn't invest, and Liberal governments before didn't invest, so you have a big challenge on your hands with old, dated infrastructure. At the end of the day, how are you going to implement it? You mentioned the last time you came that you're going to de-silo departments so that you can have them share information with each other in a secure way.

Minister, how are you going to get delivery of the Canada disability benefit?

**Hon. Terry Beech:** Even though a year is a short period of time, I have full confidence that we'll be able to utilize both the criteria of the tax credit and the information that is made available to us from the CRA in order to identify those individuals and make sure that they get the entitlements that they're due.

**Ms. Bonita Zarrillo:** Just to reiterate, there is no way for the CRA to identify an individual against a DTC claim. I know that you sent me some information on that and thought that there was, but Minister, there is not. The CRA has no way to compare a claimant to the actual person with the disability and then do an income test. It's not possible right now, so I'm asking you to take that away and really look into it.

**Hon. Terry Beech:** I have been assured that this is a solved problem, but I will find a way to make sure that we both believe that is true.

**Ms. Bonita Zarrillo:** That would be great, Minister, because there are only about 900,000 DTC claimants, and you're looking at 600,000 folks who you want to be able to administer this benefit to, and only 75,000 of those claimants have incomes under \$25,000.

**Hon. Terry Beech:** I understand.

**Ms. Bonita Zarrillo:** Thank you.

**The Chair:** We'll go to the second round, beginning with Madame Ferreri for five minutes.

**Ms. Michelle Ferreri (Peterborough—Kawartha, CPC):** Thank you, Mr. Chair.

Thank you, Minister, for being here.

What are you the minister of, Minister?

**Hon. Terry Beech:** I'm the Minister of Citizens' Services. I was trying to angle for “Minister of Citizens' Services and Technology”, but we already had a citizens' services minister in B.C. and it sounded like a good idea.

**Ms. Michelle Ferreri:** Thank you.

As Minister of Citizens' Services, you said in your opening remarks that your focus is on dental, digital and customer service.

We know that we are paying 50% more for bureaucracy than in 2015 and that they only want to show up 60% of the time. This article came out just the other day: “Federal public servants to return to the office 3 days a week this fall”.

We also know that in the 2015 Liberal election platform Justin Trudeau promised to save billions by reducing the use of external consultants, but in reality, spending on outsourcing has increased nearly 60% from the \$10.4 billion spent when the Liberals took office. This is really an option of never seeing so much spent but so little achieved.

I want to share this story, because this is from Ron, who's a constituent in my riding. This email was sent just a month ago, and you had told everybody here that passports have gotten completely corrected. I just want to say for the record that you promised that digital online renewals would be in place by the fall of 2024, which still has not happened.

This is from Ron:

Words cannot express the frustration my wife has just experienced with the Canadian passport office. We both sent our passports in for renewal at the same time, with new photos taken and signed by a professional photographer. The government has processed our payment. Of course, we are without passports until they send us the updated version. They do not expire until October 2024.

My wife received a phone message (she is a transit bus driver...and cannot take calls while working) saying that her photograph was not acceptable because her grey hair was not discernible enough from the background. We both have almost white hair as we are seniors. They asked us to call back, and left the common phone contact number. Her first attempt said she was 75th in line, then slowly worked her way down to 30 [and] then the line went dead. Trying again, she waited for 3 hours on the phone before it was finally answered. She gave the reference number, but the representative said she would have to check with another representative, and said she would need to [be] put...on hold for possibly 20 minutes. We sat on hold with the music playing for over 20 minutes with no response. We called in with another phone and the automated message said they were closed, yet the hold music continued on her phone. We finally had to give up. My wife was in tears.

Minister, this is not what Canadians expect, nor is it what they pay for, so for you to come in today to tell us that you are delivering customer service and meeting and exceeding standards when you still haven't even delivered on the digital passport renewal is upsetting to folks at home.

I want to turn my time over to Ms. Gray, who also has a question for you.

Thank you.

• (1730)

**Mrs. Tracy Gray:** Thank you.

Minister, you talked about customer service and what your role is. I'd like to outline some service standards as reported by Service Canada for the last fiscal year, 2022-23.

For access to an employment insurance call centre agent, "ESDC met [the] standard 40% of the time". For access to a Canada pension plan and old age security call centre agent, "ESDC met [the] standard 6% of the time".

These are failing grades, especially the 6%. No wonder people aren't getting through.

What directives have you given on this blatant lack of basic government service that taxpayers pay for and expect, Minister?

**Hon. Terry Beech:** Okay. Those were a lot of questions all packaged into one.

I would start by disputing that we have delivered less service. I think that dental care, pharmacare, child care and new investments in passports are significant improvements.

**Mrs. Tracy Gray:** Minister, my questions were about service standards.

**Hon. Terry Beech:** I'm sorry. There were a lot of questions. I'm going to try to answer them, if that's okay.

**Mrs. Tracy Gray:** They were on service standards, so answer the question on service standards, please.

Thank you, Minister.

**Hon. Terry Beech:** I'm going to address all the questions.

Mr. Chair, am I allowed to address the questions?

**The Chair:** Yes. You have 30 seconds. Then we'll move on.

**Hon. Terry Beech:** I have 30 seconds. Okay.

You're right that I did state that we were targeting the fall of 2024 for digital renewals, and you're right that it is not the fall of 2024.

That is an unfortunate situation about the photos. If you want to pass them on to me, I'm happy to be helpful.

With regard to customer service standards, you said we were dealing with last year, but 2022-23 was not last year; 2023-24 was last year.

With regard to the pension call centre, we've actually reduced—

**Mrs. Tracy Gray:** Minister, I have to correct you. I said it was the last fiscal year.

**Hon. Terry Beech:** I'm sorry, I'm just finishing my—

**Mrs. Tracy Gray:** It was the last fiscal year. That's what I said.

Thank you.

**Hon. Terry Beech:** Yes. The last fiscal year was 2023-24.

**The Chair:** [*Inaudible—Editor*], Minister.

**Hon. Terry Beech:** I just wanted to answer her question, Mr. Chair.

The pension call centre wait times went from 62 minutes in 2022 to 23 minutes in 2023. They are currently 19.3 minutes. Better is definitely possible. I think there are ways that we can improve those numbers still, and we are working to do so, but they have gone down every single year for the last three years.

**The Chair:** Thank you, Ms. Gray and Ms. Ferreri.

We'll now go to Mr. Fragiskatos for five minutes.

**Mr. Peter Fragiskatos:** Thank you, Chair.

Thank you, Minister, for being here.

On May 1 the portal opened up online for the dental benefit. What does that signify with regard to the movement toward the digitalization of government that I know you've made a priority?

**Hon. Terry Beech:** It says something about the digitalization of government. It also says something about our customer-centric user experience. When we spoke to Canadians, individuals over the age of 70 actually said that they preferred to utilize the telephone. We implemented an IVR system for those over the age of 70. That was how we signed up the first 1.8 million individuals.

On May 1 we transferred everyone, the whole program in its entirety, to a web form as part of our digital first initiative. I want to be very clear, however, that digital first does not mean digital only. For those individuals who need a helping hand, they will still be able to use the traditional method of visiting a Service Canada office in person or calling over the telephone.

It means that for the tens of thousands of people, and eventually millions, who will use this service as this continues to roll out over the many months, there will be one last person standing in front of you at a Service Canada office, therefore allowing you to get better service no matter which channel you decide to use.

**Mr. Peter Fragiskatos:** Thank you very much for that. I think it's a very important step, one that we obviously haven't seen before in Canada. I appreciate you sharing that information. I hope the success we've seen with sign-ups in particular continues.

Perhaps you can share this with us, Minister. In the first appearance you had at this committee, I don't expect you to remember the question, but I did ask you about what we see in other democracies. I know that Estonia is frequently held up as an example of the digital turn in terms of government and what that could do for citizens. I know that you can't really make a straight comparison. In the most obvious case, you have a huge difference in population, which, among other major differences, doesn't really allow for a meaningful comparison. At the same time, if a country like Estonia can move toward a digital turn in a very positive way on the whole, I wonder what that means for countries like Canada.

In other words, are you looking at other models abroad when it comes to moving toward digital? If so, where are you looking? Are there particular examples of programs or other initiatives that you're seeking to model?

• (1735)

**Hon. Terry Beech:** This is a great question. Obviously, it is more efficient for us as a nation not to have to reinvent the wheel all the time. Canada as a government used to be the third lead in digital services. We've dropped to 32nd. Now we need to climb back up the ladder. That means there are 31 other jurisdictions that we can learn lessons from.

You mentioned Estonia. By coincidence, I happened to go there to study their digital service ecosystem some five or six years ago. Their prime minister told me that there are only two things that you can't do online in Estonia: You can't buy a house and you can't get married. Everything else you can kind of do online. We've seen Ukraine even during this time, with war at its doorstep, being able to implement new digital technologies.

In terms of more comparable western nations, there's the United States. If anybody really wants to understand BDM and what's really going on in that process, I'd recommend the book *Recoding America*. The first couple of chapters detail the benefit upgrade for the State of California. It faces a lot of the same challenges that we do here.

Australia has had a pretty good record. It implemented different digital services at the provincial level and is now looking to expand at the federal level. The U.K., as an example, already has the digital renewal of passports, which is something we hope to deliver by this fall.

We are looking all around the world and looking for partners in trying to do this in the most efficient and effective way that we can. Of course we'll look at places where it's already happened, because that gives us some benchmarks that we can go by.

**Mr. Peter Fragiskatos:** Thank you very much.

You and I have spoken in the past about blockchain technology. I know this is a real interest of yours.

Do you have any thoughts on how that particular technology could help to improve services for citizens, from a digital perspective?

**Hon. Terry Beech:** I can't say I have a direct, service-centric, deliverable blockchain technology that is going to roll out in the coming months.

As a general distributed ledger, blockchain is very good for issues of disclosure. You could imagine in the future utilizing blockchain technology for ownership registries or for basically any sort of database where you would want a real-time, public record that you could track, do research on or make available to academics. There are a variety of uses where that could be incredibly valuable.

I believe there are governments that are dabbling in different areas. I know there are private companies that are looking at carbon credits and the like.

There are lots of opportunities there. I think the immediate opportunity is from a Service Canada perspective. It tends more towards the customer user experience with AI, automation, machine learning and process orientation, etc.

Thank you for allowing me to nerd out at the HUMA committee. I really do think that in Canada we have some of the smartest people in the world. We're also a leader in blockchain, so there's no reason why we shouldn't be utilizing those technologies in the business of our government.

**The Chair:** Thank you, Mr. Fragiskatos and Minister Beech.

[*Translation*]

Ms. Chabot, you have the floor for two minutes and thirty seconds.

**Ms. Louise Chabot:** Thank you, Mr. Chair.

Minister, I'd like to talk about passports and how to make sure, based on what you've said, that we don't relive the drama of 2022.

I'm telling you this because I had to comment on the subject in an article for my political party. We were already hearing in the media that citizens could expect delays, probably because of the 45% increase. I don't know if that's the reason. It seems to me that the 2022 situation should have served as a lesson to Service Canada. We can't sustain such delays, which are unacceptable.

Are you planning to renew 10-year passports? Do you have the manpower and IT tools to meet this demand?

• (1740)

[*English*]

**Hon. Terry Beech:** I guess the first thing is, with regard to the situation in 2020, it is very crucial for all of us to understand why that happened.

We created a backlog of 313,000 passports—

[*Translation*]

**Ms. Louise Chabot:** Mr. Chair, on a point of order.

I can't hear the interpretation.

[English]

**Hon. Terry Beech:** Are we good? I will continue.

What had happened—very quickly, and then I want to move to the second part of your question—was that we had this unprecedented demand because people hadn't travelled for so long. Travel restrictions decreased, but at the same time, health restrictions had not, so we had passport offices that were at 40% or 50% capacity and still exercising social distancing, etc. It was a once-in-a-hundred-years global pandemic event.

That being said, you're right. It was absolutely foreseeable that we were going to see the increases in volumes. We have been adjusting accordingly. We implemented line mitigation measures and triaging. I'm working diligently to get Wi-Fi at all of our Service Canada offices, so staff can work the line and pull out those individuals who are there for something quick versus something that is longer. We're looking at extending hours. We're looking at providing more digital appointments.

Of course, every person, if they're ahead of the curve, can rest assured that they can mail in their application and have their passport back within 20 business days.

In the fall, when we roll out the renewals, it is my hope that we will be able to talk to most Canadians and tell them they don't have to stand in line at all. That's the future vision, but we have mitigation measures in the interim.

[Translation]

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

[English]

Madame Zarrillo, you have two and a half minutes, please, to conclude.

**Ms. Bonita Zarrillo:** Thank you so much.

Minister, you referenced the report from the disability advisory committee from 2023 and that recommendation 5, which I sent you. There were three other ones related to the DTC, but I'm going to focus on recommendation 5.

My question is most likely for your officials and your team here.

Recommendation 5 out of that report said:

Use existing data sources from Employment and Social Development Canada (ESDC), Statistics Canada, and the CRA to analyze the population that:

obtains the DTC,

the population that does not obtain the DTC certificate but is potentially eligible, and the population that obtains other DTC-dependent services.

I'm wondering if any of that work has been done and if you can share the research with us.

**Hon. Terry Beech:** It is my understanding that, in fact, yes, some of the work has been done, and I am happy to share it. I'm also happy to open the floor if any of my colleagues want to offer anything in addition to that.

**Mr. Cliff Groen (Associate Deputy Minister and Chief Operating Officer for Service Canada, Department of Employment and Social Development):** Certainly that work has been done, and

we'll gladly share it. It is fairly technical. I wouldn't like to waste your time during this discussion, but we'll certainly follow up.

**Ms. Bonita Zarrillo:** Great, and if you could share it with the whole committee, that would be super.

The number right now announced by the government for the Canada disability benefit going out to people is 600,000. Do you know where that number came from? Do you feel that 600,000 can be serviced in the time frame that's been announced by the government?

**Hon. Terry Beech:** I don't know specifically how that number was calculated. That's something we could endeavour to get as well. I'm sure it exists—that number didn't come out of just anywhere—but I am confident in the July 2025 timeline and our ability to make sure those payments are made starting in that month.

**Ms. Bonita Zarrillo:** My next question is really about the legacy software. You talked about infrastructure and the mainframe. You talked about COBOL. Is there anything you can share that talks about the lack of investment that happened throughout all the decades of governments that, like with the Prime Minister's home, hasn't been invested in properly?

**Hon. Terry Beech:** The easiest way to say this—and I think this will be valuable for all members of this committee, just as members of Parliament, not even as members of this committee—is that, as a government, we generally have been very good at hiring project managers, building the next new thing, and then leaving it and moving on to somebody else. If we want our government to be more efficient at what we are doing, we need to focus on user experience. We need to hire more product managers, individuals who obsess daily about the individual experience that Canadians are having on the ground, and empower those people with the resources, tools and authority to make changes to improve those experiences, not once in a generation, not once in 63 years, but every single day. That's what happens in the private sector. That's what needs to happen in government.

• (1745)

**The Chair:** Thank you, Madame Zarrillo.

Thank you, Minister Beech, for appearing today. With that, we can dismiss you. Thank you, Minister and officials.

I will ask the committee for a little direction. Earlier I discussed with the committee that, if we are efficient, we may be able to begin the housing study a little earlier. With that, I need some decision from the committee. On May 22, during the first hour, we can begin the housing study. The committee did approve the invitation for three on the 22nd—

**The Clerk:** It's for the 27th.

**The Chair:** —I'm sorry—on Thursday, the 27th, the Minister of Housing and Infrastructure, the RBC assistant chief economist, the Governor of the Bank of Canada and the federal housing advocate. If the committee agrees, we can spend the first hour beginning housing, and with the grouping, invite the RBC assistant chief economist and the Governor of the Bank of Canada. If that is agreeable, then I will need to get direction from the committee on a timeline for witnesses as well as briefings for the committee.

Do I see a desire from the committee to begin housing? In the second hour, we'll do version one of the intergenerational study on the 27th. It's the first meeting when we come back after the constituency week. It would give the analysts some time to prepare, but it's one option for getting the housing study under way a bit earlier.

Go ahead, Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** Are we set on just those witnesses to start with, so for example, if we want that first meeting to include three witnesses and not just two...?

**The Chair:** We made the decision on only these three.

**Mr. Peter Fragiskatos:** That's okay. For the 27th, our side might have suggestions. I know you said the governor and the individual from—

**The Chair:** The chief economist at RBC was the direction the committee gave back, so that's the only one we're authorized to deal with at this time.

**Mr. Peter Fragiskatos:** I'm open to hearing from three that day, but our side can suggest, and if it's not set, then I...

**The Chair:** Is there consensus?

Go ahead, Madame Chabot.

[Translation]

**Ms. Louise Chabot:** I agree, but the dates don't match, with all due respect to the interpreters.

Are you talking about Monday, May 27, or Thursday, May 23? Monday, May 20, we're not sitting.

**The Chair:** We're talking about Monday.

**Ms. Louise Chabot:** May 23 is a Thursday, and May 27 is a Monday.

What day are we talking about, Mr. Chair?

[English]

**The Chair:** It's Monday. That's my mistake.

I'm getting consensus. Nobody objects to scheduling the first hour to begin the housing study. We'll extend an invitation to the chief economist of RBC and the Governor of the Bank of Canada.

**Mr. Peter Fragiskatos:** Is there room to have one other witness?

It's a serious study of a very serious issue. I think we should hear from as many as possible, if possible.

**The Chair:** We did not establish the extended witness list, Mr. Fragiskatos. The only ones we've agreed to are the ones I referenced.

**Mr. Peter Fragiskatos:** Can we have an opportunity to submit suggestions in the meantime?

**The Chair:** You can submit suggestions.

**Mr. Peter Fragiskatos:** Okay. That's good enough.

**The Chair:** Madame Chabot.

[Translation]

**Ms. Louise Chabot:** As I understand it, so far there are only two names of witnesses on the notice to appear. We're going to invite those two witnesses to appear; that said, I wouldn't agree to three in the same hour, because that's too many.

• (1750)

[English]

**The Chair:** I understood, but it was fine. We lost translation.

[Translation]

**Ms. Louise Chabot:** You're efficient, Mr. Chair, but in this case it's too much.

[English]

**The Chair:** I agree.

Before we leave, Mr. Fragiskatos, I don't get the sense that we want to begin.

If the committee could give me direction on the witness....

We'll start the first hour, and we'll extend an invitation to the RBC's assistant chief economist and the Governor of the Bank of Canada. I will advise how they respond.

Is there agreement? Good.

Is it the will of the committee to adjourn?

**Some hon. members:** Agreed.

**The Chair:** The meeting is adjourned.







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