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**Chair**

**Mr. Phil McColeman**



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

Thursday, May 8, 2014

•(0845)

[English]

**The Chair (Mr. Phil McColeman (Brant, CPC)):** Good morning, ladies and gentlemen. Welcome to meeting 22 of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities.

Today is Thursday, May 8, 2014, and we're here to study the subject matter of clauses 242 to 251, 371 to 374, and 483 to 486 of Bill C-31.

For our first hour we have a number of officials from the Department of Employment and Social Development with us. We have Ms. Annette Ryan, director general of employment insurance policy; Mr. Jean-François Roussy, director of employment insurance policy in the skills and employment branch; Mr. Laurent Quintal, assistant director of strategic policy from the labour program; Mr. Atiq Rahman, director of operational policy and research from the Canada student loan program; and Ms. Nathalie Martel, director of old age security policy.

Did I miss anyone?

We welcome you. As I understand it, there is a speaking order. I believe it is Ms. Ryan who will go first, and two other speakers will follow her.

Please commence your presentation.

**Ms. Annette Ryan (Director General, Employment Insurance Policy, Department of Employment and Social Development):** Thank you very much.

[Translation]

Mr. Chair, honourable members of the committee, good morning.

I am pleased to appear here today to speak to you about division 17 of part 6 of Bill C-31, which provides enhanced flexibility for Canadians taking care of ill family members to access employment insurance sickness benefits.

[English]

To provide context for the amendments proposed in Bill C-31, I'll briefly start by reviewing the Helping Families in Need Act, which was tabled in September 2012 and which did three important things to improve special benefits and support the families that are relevant for the section reviewed this morning.

First, the Helping Families in Need Act established a new benefit for parents of critically ill children, who are referred to as PCIC, of up to 35 weeks to support parents who are taking time away from work to provide care to support a critically ill child of less than 18 years of age.

Second, it provided a new flexibility to Canadians receiving parental benefits, allowing them to suspend those benefits and to access sickness benefits, if they are ill or injured themselves, and subsequently to reactivate their remaining parental benefits, if applicable.

Third, the act that was tabled in 2012 amended the Canada Labour Code to protect the jobs of parents who were taking leave of absence to care for these children, or also for children who were murdered or missing, which was another grant introduced at the time outside of the EI program.

With the coming into force of the provisions of the Helping Families in Need Act on March 24, 2013, the government effectively changed the rules for Canadians receiving EI parental benefits so that they can now qualify for sickness benefits if they fall ill and then can subsequently draw the parental benefits. The government, then, was essentially bringing new flexibility and responsiveness to the EI program for parents caring for children.

The new measures under discussion this morning in division 17 of Bill C-31 further extend this type of flexibility to access sickness benefits for EI claimants who are receiving the parents of critically ill children, PCIC, benefits, or compassionate care benefits, CCB, which are benefits that are extended for up to six weeks for Canadians who are taking care of an ill family member, whether parents, spouse, or members of the extended family—sisters, siblings, that type of thing. These benefits are similar in nature to parental benefits in that the claimant receives temporary income support to take care of vulnerable family members.

The proposed change would allow parents in receipt of PCIC or compassionate care benefits to interrupt their claim and draw up to 15 additional weeks of sickness benefits under the EI program. Based on our estimates, this change might benefit approximately 300 claimants per year. It's a bit difficult to put a firm number on it with the new flexibility, but we cost it at roughly \$1.2 million per year. There are administrative costs on the order of \$109,000 per year that will be absorbed within existing reference levels of the department. The proposed legislative amendments would not cost a lot of money but would provide additional income support and flexibility during essentially very difficult periods of family life.

I will note this morning that women receiving EI maternity benefits cannot suspend benefits in the same way. Maternity benefits provide income support for a 15-week period surrounding childbirth to allow recovery from physical or emotional effects of the pregnancy and childbirth. The logic is that because sickness and maternity benefits both essentially provide income support related to physical or emotional recovery, there is not that same logic to allow women who are receiving maternity benefits to suspend and to go on sickness. That is a core logic to table for you.

That said, the Helping Families in Need Act was structured so that, should a new mother's illness continue beyond the 15 weeks of her maternity benefits, she can now switch to sickness benefits when she starts parental benefits, which gives her the possibility of collecting up to 65 weeks in total of special benefits—15 weeks of maternity, 15 weeks of sickness, and 35 weeks of parental benefits—if that's the amount of time she wishes to take. This ability to combine benefits for maternity claimants was not available to birth mothers prior to the Helping Families in Need Act.

● (0850)

Finally, in addition to the changes to the Employment Insurance Act, amendments to part III of the Canada Labour Code are also being proposed in order to fully align existing leave provisions, particularly those regarding compassionate care leave and leave related to critical illness, with the associated EI special benefits. Changing the benefit policy means changing the Labour Code.

More specifically, these amendments would clarify that compassionate care leave and leave related to critical illness can be interrupted to allow employees to take sick leave and work-related illness and injury leave and then return to work.

I'll also mention that these legislative amendments, once approved, will need to be followed by changes to the EI regulations and the EI fishing regulations, so that we can ensure equal treatment among claimants across economic regions and types of claimants. All legislative and regulatory amendments would come into force on the same day, which has been targeted for the fall of 2014.

Finally, I will note that in division 17, a very limited technical amendment is also proposed to the Employment Insurance Act. This amendment adds a reference to the PCIC benefit in an instance where it was inadvertently overlooked when the EI legislation was first introduced to bring in this bill.

Let me conclude by thanking you again for the opportunity to contribute to your study. This brings an enhanced flexibility to accessing the EI sickness benefit, which is essentially targeted to enhancing the fairness of the program and strengthening the support provided to Canadians who are away from work taking care of family members when those people giving the care become ill or injured themselves. That's the core of the measure before you.

Thank you very much, Mr. Chair.

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

We'll move on to the next presenter.

Ms. Martel.

[*Translation*]

**Ms. Nathalie Martel (Director, Old Age Security Policy, Department of Employment and Social Development):** Good morning, everyone.

The Old Age Security Act currently prevents the payment of income-tested benefits to sponsored immigrants. I am mostly talking about the guaranteed income supplement, but also about the allowances.

However, the current provisions limit these payments only until the individual has reached 10 years of residence in Canada. This was in line with the length of sponsorship agreements for seniors. On January 1, 2014, an amendment was made to the Immigration and Refugee Protection Regulations to extend the sponsorship period of the individuals landing in Canada under the parents and grandparents category from 10 years to 20 years.

An amendment to the Old Age Security Act is needed to align with the new sponsorship period of 20 years, so that old age security income-tested benefits would not be paid for the entire length of the sponsorship period. The amendment will come into force through an order-in-council, likely in 2017, once the current backlog of applications for parents and grandparents has been eliminated.

Guaranteed income supplement benefits are meant to provide assistance to seniors most in need. The rationale for not paying the guaranteed income supplement during a period of sponsorship is that sponsors, and not taxpayers, are financially responsible for family members they sponsor.

The impact of this change on sponsored immigrants and on program costs will not be seen before 2027, as parents and grandparents subject to the new 20-year sponsorship rules will not start to arrive in Canada until 2017, and eligibility to old age security benefits under the current rules would have begun in 2027.

It is estimated that these amendments will affect 2,700 individuals in 2027, and 40,000 by 2036. Annual guaranteed income supplement savings are expected to amount to \$23 million in 2027, to reach \$700 million by 2036.

Of note, the amendment does not apply to the old age security pension. As this benefit is not based on income but solely on age, legal status and residence in Canada, sponsored immigrants will continue to be eligible for the old age security pension once they reach 10 years of residence in Canada.

The Old Age Security Act currently ensures the protection of sponsored individuals in situations of a sponsorship breakdown, such as a death, conviction, bankruptcy or incarceration of a sponsor for a period exceeding six months. The current protection provided in the legislation, in case of a sponsorship breakdown, will remain.

Thank you.

• (0855)

[English]

**The Chair:** Mr. Rahman.

**Mr. Atiq Rahman (Director, Operational Policy and Research—Canada Student Loan Program, Department of Employment and Social Development):** Thank you, Mr. Chair.

Good morning. It is a pleasure to be here today to discuss the work that is currently under way with respect to the Canada apprentice loan program.

In the 2013 Speech from the Throne, the Government of Canada committed to ensure that Canadians are aware of the opportunities offered by skilled trades and to assist apprentices with the cost of their training.

As part of this commitment, economic action plan 2014 proposed the creation of the Canada apprentice loan program as an expansion of the Canada student loan program to provide apprentices registered in Red Seal trades with interest-free loans of up to \$4,000 per period of their technical training. These loans will be interest free until the apprentices complete or terminate their apprenticeship training, at which point interest will start accruing and the loans will go into repayment.

The apprentice loans act, established as the legal framework for the Canada apprentice loan program, basically authorizes the making of regulations for the administration of the act. It provides the Minister of Employment and Social Development the authority to enter into loan agreements with apprentices, and provides for the establishment of a contract with a third party service provider for the administration of the Canada apprentice loan program.

The new act also provides for the making of regulations pertaining to certain benefits that are currently available to Canada student loan borrowers. In addition to these loans being interest free, the benefits include assistance for borrowers who face financial difficulty during repayment, and also the loans would be forgiven if the borrower becomes severely permanently disabled or in the case of the borrower's death.

In addition to the introduction of the apprentice loans act, consequential amendments have also been proposed to the Bankruptcy and Insolvency Act and to the Department of Employment and Social Development Act. The amendment to the Bankruptcy and Insolvency Act will ensure that apprentice loan borrowers are treated the same way as other student loan borrowers. The amendment to the Department of Employment and Social Development Act will allow for electronic administration of the apprentice loans.

The new Canada apprentice loan program will complement other Government of Canada initiatives, such as the apprenticeship incentive grant program and the apprenticeship completion grant program that were introduced in 2007 to encourage apprentices in Red Seal trades to complete their training.

As some of you may know, the Red Seal program is an interprovincial standard of excellence for the skilled trades, which aims to encourage harmonization of apprenticeship training and certification programs, foster mobility across Canada, and more rapidly connect skilled trades workers with available jobs in high

demand regions. Today, Red Seal trades account for approximately 80% of all registered apprentices in Canada.

Despite existing measures to support apprentices in Red Seal trades, completion rates have been rather low, with only about half of apprentices completing their training. This represents a potential loss to the economy as well as to the individual, as apprentices who obtain certification have greater job stability and earn, on average, 25% more per hour.

A key factor that has been reported as contributing to low apprenticeship completion is the financial cost of attending periods of blocked technical training. During these blocks, which last between four and twelve weeks, apprentices face significant costs, including forgone wages, educational fees, tools, equipment, and sometimes relocation and living expenses if they have to move elsewhere to attend the training. For some apprentices, particularly those with families, these costs can be quite onerous.

Furthermore, unlike other post-secondary students, apprentices are not eligible for student loans because their training doesn't fall within existing program parameters of the student loan programs.

Over the last few months, officials with the Canada student loans program have held discussions with national apprenticeship stakeholders and provincial and territorial apprenticeship authorities to discuss program design and delivery issues. These discussions will serve as the basis for new regulations, and once those regulations are approved, the Canada apprentice loans will be available to apprentices in January 2015.

Thank you.

• (0900)

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

Thank you to all three of you for your presentations.

We'll move on to five-minute rounds of questions.

Madam Sims.

**Ms. Jinny Jogindera Sims (Newton—North Delta, NDP):** Thank you to all of you for coming here this morning, and for your presentations.

The Canadian Museum of History notes that old age security in this country was founded and expanded on the principle of universality. It was viewed at the time, and in every time since, until this government, as a right. Would you agree that the changes to OAS do not conform to the principle of universality, the one on which it was founded?

**Ms. Nathalie Martel:** Thank you for your question.

The changes that are being brought to the Old Age Security Act do not change those principles at all. There is currently a provision that prevents the payment of the guaranteed income supplement to seniors who are sponsored.

The only thing the amendment is doing is because the sponsorship period went from 10 years to 20 years for the parents and grandparents category, we need to also align the Old Age Security Act so that the restriction doesn't stop after 10 years. It continues for the entire length of the sponsorship period. The principles of universality, etc., are not being compromised.

**Ms. Jinny Jogindera Sims:** The move from 10 to 20 years does open the possibility of a greater number of seniors then living in poverty.

In our library briefing notes we learn that clauses 244 and 245 would require a parent of a critically ill child, or a child who has died or disappeared as a probable result of crime, to give at least four weeks' notice if she or he, as the employee, needed to take more than four weeks off. I'm hoping this is an error, because I'm having trouble understanding the logistics of that. I hope I've understood it correctly.

How would one know four weeks out if one needed to take more than four weeks off for any of these scenarios?

• (0905)

**The Chair:** Who are you directing the question to?

**Ms. Jinny Jogindera Sims:** Whoever wants to answer it.

[*Translation*]

**Mr. Laurent Quintal (Assistant Director, Strategic Policy, Labour Program, Department of Employment and Social Development):** Thank you, Ms. Sims. I will answer in French.

The amendments made to the Canada Labour Code aim to protect the jobs of individuals who are on leave and are receiving benefits. As far as I understand, the required four weeks' notice for compassionate care leave comes under that.

If a federal public servant takes compassionate leave only, they do not need to give notice. However, if someone decides to take compassionate care leave and interrupts it to go on sick leave, they will be asked to let their employer know as soon as possible, so that the employer would be aware of their absence and of the fact that their leave status is changing.

It's important to understand that this measure has to do with employee-employer relations. The goal of the notice is to help the employer better manage their company and plan for absences.

[*English*]

**Ms. Jinny Jogindera Sims:** If I understand correctly, and please correct me if I'm wrong, what you're saying is that the leave would continue, but it's really looking at the different types of leave, whether it's going to be EI leave or sick leave. It's compassionate leave, and we're looking at scenarios of somebody whose child is critically ill, or a child who has died or disappeared as a result of crime, to give at least four weeks' notice.

It's that four weeks' notice I'm still struggling with, so if you could, please explain it.

[*Translation*]

**Mr. Laurent Quintal:** I just want to clarify something first. The Canada Labour Code mainly protects the jobs of individuals who are receiving employment insurance benefits. The objective of this bill is to protect individuals who are on compassionate leave or leave to take care of an ill child and decide to switch to sick leave.

In the bill, the goal of the notice is to help the employer better manage their company. So, yes, four weeks' notice is required.

[*English*]

**The Chair:** That's five minutes.

**Ms. Jinny Jogindera Sims:** I'm sorry. We'll have to come back to that.

**The Chair:** No problem.

Mr. Armstrong.

**Mr. Scott Armstrong (Cumberland—Colchester—Musquodoboit Valley, CPC):** I want to thank the witnesses for being here.

On the GIS supplement, it's my understanding the GIS supplement is provided to worthy beneficiaries. That money comes from the taxpayer, right? CPP benefits come from employers and employees. They contribute. But the OAS and the GIS are totally funded by the taxpayers.

**Ms. Nathalie Martel:** That's correct.

**Mr. Scott Armstrong:** When you're bringing someone in from a different country, as a grandparent or a parent, you've agreed to sponsor them. As part of that immigration policy, you're agreeing to actually provide the financial support for them. For now it will be 20 years. Is that accurate?

**Ms. Nathalie Martel:** That's correct, yes.

**Mr. Scott Armstrong:** Right. Canadians who are born here and have lived here their entire lives have contributed all their lives through their taxes, through the GST. In the end, if you need money when you're a senior citizen in Canada, from all those years of contributions, you're eligible for OAS or GIS, depending on your level of income. Is that correct?

**Ms. Nathalie Martel:** That's correct.

The pension is based on the number of years of residence in Canada. To receive the full pension, which is currently \$551 per month, you need to have resided in Canada for at least 40 years since the age of 18. If you have less than 40 years of residence in Canada, then the pension is pro-rated. It is for this reason. We pay the pension based on the contribution to the social fabric of the country.

**Mr. Scott Armstrong:** So anyone who comes here for a shorter period of time hasn't contributed. They haven't spent as much time in Canada paying into that social fabric, so they're compensated basically for the number of years they actually reside in Canada. Is that how the system is set up?

**Ms. Nathalie Martel:** For the basic old age security pension, yes, it is based on the amount of time you spent in Canada.

**Mr. Scott Armstrong:** Great. Thank you for that.

On the changes for the apprenticeship loan, when we look back to the Canada student loans program, we had a great amount of benefit for students pursuing academic pursuits, academic studies, but there was a gap for people pursuing apprenticeships based on the number of weeks, the blocks of training. This was a barrier for people doing shorter blocks of training, that they couldn't get into this Canada student loans program. Is that accurate?

• (0910)

**Mr. Atiq Rahman:** Yes, that is accurate.

The Canada student loans program parameters are clear that the study program that the student is going to must be at least 12 weeks long. Apprenticeship programs usually are not that long. They vary between 4 and 12 weeks. So that was one issue. The other one was that the Canada student loans program parameters require that the program the individual is pursuing must lead to a degree, diploma, or certificate. These technical trainings don't do that. That's why apprentices did not qualify for Canada student loans.

**Mr. Scott Armstrong:** You said, shockingly, that 50% of people who start in apprenticeship in Canada don't complete their apprenticeship for various reasons, and you went into some of the facts. There's an opportunity cost. They're getting paid while they're doing some of their work hours and training, and to leave and go back to a block study, the opportunity cost, for one, is quite high.

What percentage of academic students who are in the CSLP are graduating? What's the difference between the 50%, and what's the percentage for them? Are you aware of that?

**Mr. Atiq Rahman:** There is no good data on the completion rates there, but usually when people talk about dropout rates of university students, it's in the 15% to 20% range—those who dropped out. Completion is not necessarily the opposite of dropout. Some people take longer to complete; some people take less. But apprenticeship completion rates are substantially lower than university completion rates.

**Mr. Scott Armstrong:** I'd be accurate in saying roughly 30%, 35% would be a good guess—

**Mr. Atiq Rahman:** It could be.

**Mr. Scott Armstrong:** —in the disparity between the two.

If we're looking at trying to build a parity of esteem, which is what we're calling this, where the Canadian government, as well as Canadian society, has respect for people going into the skilled trades and other apprenticeable trades, it would be necessary for us to actually put our money where our mouth is and try to provide financial support for those people going into it.

Would that be a basis for the decisions? Does this change meet some of those challenges?

**Mr. Atiq Rahman:** Yes. This program, of course, will try to address the financial barriers that apprentices currently have because of which they can't quite go to the technical programs and complete them. In addition to that, hopefully it will also work as a signal that the government is trying to encourage apprentices to go out and complete their training and so on.

**The Chair:** That's five minutes.

On to Ms. Murray for five minutes.

**Ms. Joyce Murray (Vancouver Quadra, Lib.):** Thanks for your testimony.

I'm a newcomer to this committee—it's temporary—so pardon me if my questions don't reflect previous discussions on this matter. I'm trying to understand the briefing note about clauses 371 to 373, which reads:

[...] a sponsored immigrant, their spouse or survivor would no longer receive Old Age Security benefits (the Guaranteed Income Supplement, the allowances to the spouse or common-law partner or survivor benefits) for the duration of the sponsorship, regardless of the number of years living in Canada.

The paragraph before that is that these allowances are benefits that are paid to the pensioners. It implies that they would have received that prior to these amendments and they are no longer receiving that.

Is that not correct?

**Ms. Nathalie Martel:** That's a good question. I will clarify.

Currently, the Old Age Security Act prevents the payments of the guaranteed income supplement and the allowances for a sponsored immigrant. However, that restriction stops after 10 years. Once the immigrant has been in Canada for 10 years, it doesn't matter if they are still sponsored or not; they become entitled to those benefits. That was okay before the changes were made by Citizenship and Immigration on January 1, because the longest sponsorship period was for the parents and grandparents category, which was 10 years.

Now that it becomes 20 years, it would not make sense to leave our provisions the way they are, because you would end up having individuals being in Canada for more than 10 years and still being under a sponsorship agreement. They would still have someone responsible for them financially and collecting guaranteed income supplement benefits, which are supposed to be based on need and targeted to those most in need.

• (0915)

**Ms. Joyce Murray:** Where this says “would no longer receive... for the duration of the sponsorship” what's happening is that they would no longer receive for the same length of time because they would no longer...

Is there a difference in treatment between the pension itself and the GIC and other spouse and common-law survivor benefits?

**Ms. Nathalie Martel:** Yes, absolutely. Thank you for giving me the opportunity to clarify.

There is no change to the old age security pension, the basic pension, which is the universal benefit given to all seniors who meet the residence criteria.

**Ms. Joyce Murray:** Sponsored or not sponsored.

**Ms. Nathalie Martel:** Yes, that's correct.

The current provision regarding sponsorship is just for the income-tested benefit, so only for the guaranteed income supplement and the allowances. Those restrictions do not apply to the pension.

**Ms. Joyce Murray:** Thank you.

What if the person who is sponsored becomes a citizen? Does that change the fact that they're still not able to receive GIS, etc., for 20 years, or is it that once they are a citizen, they are fully entitled?

**Ms. Nathalie Martel:** If you are sponsored, you cannot receive the guaranteed income supplement until you reach 10 years of residence in Canada. It's not about citizenship; it's about being sponsored.

**Ms. Joyce Murray:** Thank you.

Sorry, I know that time is short here.

There are going to be two classes of Canadian citizens, obviously. There will be those who don't get these extra benefits for 20 years, when it used to be 10 years. There will be Canadian citizens who are in poverty who do get this top-up. Was there any analysis of how this will impact income inequality statistics in Canada?

**Ms. Nathalie Martel:** Yes, there was.

We came to the conclusion that the impact on the incidence of low income by that change would be negligible. The reason is that sponsored immigrants have sponsors who are financially responsible for them so they are not left in poverty. Moreover, I would add that when Citizenship and Immigration brought their changes to their sponsorship rules, one of those changes was to strengthen the financial criteria of the person who sponsors the parent or grandparent.

**Ms. Joyce Murray:** Okay, so that's a bit theoretical.

**The Chair:** That's five minutes. We've over time.

Now we move to Mrs. McLeod.

**Mrs. Cathy McLeod (Kamloops—Thompson—Cariboo, CPC):** Thanks to the witnesses.

What has been referred to in the BIA, I think, are three very sensible, very important changes in terms of how we're moving forward. I have a quick question. Maybe each of you can answer.

Approximately how many pages do your changes take in the BIA? Do you have any idea?

We'll start with whoever gathers it first.

**Ms. Annette Ryan:** Mr. Chair, the changes to the employment insurance benefits and consequential changes to the Labour Code run four pages, French and English.

**Ms. Nathalie Martel:** For the old age security change, it's one page.

**Mr. Atiq Rahman:** For the Canada apprentice loan program, actually, it's a new act, the apprentice loans act that has been introduced as part of the BIA, and it's about 11 pages long.

**Mrs. Cathy McLeod:** Great. I just wanted to bring that out because the opposition frequently like to talk about the number of pages, and what I regularly say is important is what the changes are trying to accomplish. Sometimes a simple change takes a lot of pages, and other times a complex change is very short. So I think the comments that we regularly hear from the opposition, the talk about so many pages of the bill, really miss the point in terms of reflecting what we're actually trying to accomplish within that bill.

So thanks for that.

I'll start with Ms. Ryan. Perhaps you could give us some examples on something which I think is really important. I think almost every member of Parliament has cases that come into their offices, cases that are quite honestly heart-wrenching in terms of the difficulties that people find themselves in.

Can you give us some examples of how these changes are going to make people's dark times a little easier to bear?

● (0920)

**Ms. Annette Ryan:** I'm happy to.

These examples are often quite difficult, but to make it concrete, if you were to think of a parent whose child had received a diagnosis of cancer, that would be deemed a life-threatening illness and signed off by a specialist, and it would be an appropriate reason to begin benefits for that parent so that the parent could spend time with the child going through treatments and so on.

If, in those circumstances, the parent were, for example, to be in a car accident and need to take treatment, either hospitalization, recovery and so on, that parent could suspend the benefits for parents of critically ill children, which last up to 35 weeks to care for the child, take up to 15 weeks of sickness benefits, and then return to the benefits for parents of critically ill children, so that in total that parent could receive up to 50 weeks of benefits. If, during that period, the child's care was at a critical stage where the child needed a parent to be with him or her, the parents of critically ill children benefits are also shareable between the parents.

Essentially, I hope that's an example that demonstrates the flexibility we're trying to bring to the program in what are truly difficult circumstances.

**Mrs. Cathy McLeod:** Certainly I think many of us in this room will reflect back to even what maternity was many years ago and say that the program has dramatically changed over the years in terms of supporting people through difficult times. I guess it's also one where the employer and the employee contribute to that, so I think it's making sure that we help people and give them that hands up in times of need, but it's also making sure that we make it affordable in terms of both the employer and the employee. So thank you.

Mr. Rahman—I hope I pronounced that right—can you talk about how the apprentice loan program is going to move forward from here? If someone comes into my office and says, “I've heard about that program. I'm here in Clearwater with a family and I want to get that loan and finish my next section”, can you talk about what we have to do as a government? When is that person going to be able to actually get a loan?

**The Chair:** You'll have to be very concise because we only have 10 seconds left.

**Mr. Atiq Rahman:** Thank you very much.



We intend to roll it out in January 2015. We still have to get approval for the new regulations in order to implement the loan program. Once the legislation has passed and the regulations have been approved, it will be made available in January 2015.

**Mrs. Cathy McLeod:** Thank you.

**The Chair:** Thank you.

Madam Groguhé, you have five minutes.

[*Translation*]

**Mrs. Sadia Groguhé (Saint-Lambert, NDP):** Thank you, Mr. Chair. I also want to thank our witnesses.

My question is about the Employment Insurance Act—more specifically, about the costs of this measure. You talked about benefit supplements in the amount of \$1.2 million and administrative costs of \$9 million. Is that right?

**Ms. Annette Ryan:** No, Mrs. Groguhé, that's not right. The administrative costs are estimated at \$109,000 a year on an ongoing basis.

**Mrs. Sadia Groguhé:** What did I hear?

**A voice:** She said \$9 million.

**Mrs. Sadia Groguhé:** That's really the figure I had. That's why I wanted to make sure....

**Ms. Ryan Annette:** Sorry.

**Mrs. Sadia Groguhé:** Was that an error on your part?

**Ms. Annette Ryan:** The amount is \$109,000.

**Mrs. Sadia Groguhé:** Okay. My other question is about the Old Age Security Act.

Do you have an idea of the impact the proposed amendment will have on sponsors' financial responsibilities?

• (0925)

**Ms. Nathalie Martel:** Let's say you bring your mother to Canada under a 20-year sponsorship agreement, and she is considered a low-income individual. She would not be entitled to a guaranteed income supplement until the 20 years are up, or after her sponsorship agreement ends, while she would currently be eligible to that supplement 10 years earlier.

**Mrs. Sadia Groguhé:** I see. But couldn't these new provisions result in more people falling below the poverty line?

**Ms. Nathalie Martel:** That is a good question, and I thank you for it. We have come to the conclusion that the impact on low-income seniors would be negligible, since someone has taken on the financial responsibility for individuals who come to Canada under a sponsorship agreement.

Moreover, as a result of a change Citizenship and Immigration Canada made to the sponsorship rules on January 1, 2014, the sponsorship criteria have been tightened. That provides us with assurance that the sponsors do have the financial means to support the individual they want to bring to Canada. That's why we feel that the impact on low-income individuals will be negligible.

**Mrs. Sadia Groguhé:** I think you also said that certain changes to the sponsor's situation could be considered, such as a death. Would a long-term illness also be taken into consideration?

**Ms. Nathalie Martel:** A long illness would not be considered. Under a provision of the Old Age Security Regulations, the guaranteed income supplement can be paid to a sponsored individual in the case of a sponsorship agreement breakdown. That breakdown may be the result of the sponsor's death, conviction, bankruptcy, or incarceration for a period exceeding six months. That has not changed.

**Mrs. Sadia Groguhé:** If I understand correctly, long-term illness is not at all taken into consideration?

**Ms. Nathalie Martel:** No, that's not in our regulations.

**Mrs. Sadia Groguhé:** What would happen if a sponsor could not work owing to a long-term illness? What recourse would be available in such a case?

**Ms. Nathalie Martel:** The first answer that comes to mind is that, if the situation was so serious that the sponsor had to declare bankruptcy, the Old Age Security Regulations would apply. That would be considered a sponsorship breakdown, and the individual would consequently become eligible for the guaranteed income supplement.

**Mrs. Sadia Groguhé:** Okay, but long-term illness was never taken into consideration.

**Ms. Nathalie Martel:** Not since I have taken on this position. No changes have been considered during my time with the department.

**Mrs. Sadia Groguhé:** I think this is something to look into.

**Ms. Nathalie Martel:** Duly noted. Thank you for the comment.

**Mrs. Sadia Groguhé:** I have a question about apprentices. It was mentioned that special conditions may be implemented for repayment of loans if the student terminates their training.

Would any accommodation measures be involved and, if so, of what sort?

[*English*]

**The Chair:** Actually, we're over time, so we'll have to hold the answer on that. Perhaps it can be woven into another round of questioning.

Now we'll move to Mr. Butt, for five minutes.

**Mr. Brad Butt (Mississauga—Streetsville, CPC):** Thank you very much, Mr. Chair.

I apologize for my voice today if it comes and goes. Bear with me, and if I get into a coughing attack I'll do the best I can.

Thank you all for being here. It's very much appreciated.

I think these are some excellent changes, and I'm very excited about the apprentice loan program. I think it's great. I'd like to dig down a little bit more on the benefits of that new program specifically.

It's up to \$4,000. Is it directly tied to the tuition costs of the training? Is that how the loan is determined? If the courses cost \$3,000 to participate in, would that be the maximum amount of the loan? How do you verify and make sure there are the checks and balances in place so the loan amount properly reflects the actual training costs for that individual?

• (0930)

**Mr. Atiq Rahman:** Thank you for the question.

Actually, this will operate not quite like the Canada student loans program, where we do have an assessment process for the financial need of the student. On this one, the apprentices will be given a choice. We have looked at data that is available, and the needs vary widely because the amount of money they earn, there is a lot. The cost varies quite a bit, too. This is a program where the apprentices will have a choice. This is a repayable loan, so they will have to repay it at the end of the day.

They will be given a choice as to how much they need, up to \$4,000 for a period of technical training. Depending on their individual circumstances, some of them might take all of the \$4,000, or they might decide to take only part of it.

**Mr. Brad Butt:** If they're receiving this loan and they're receiving any other benefits, those aren't clawed back or affected by this at all? This is a separate stand-alone program, specifically designed to provide training money to people, and then over time, it's repaid.

**Mr. Atiq Rahman:** That is exactly right. This is to complement other supports that are already there. Data says that the supports that are out there don't quite meet the need of the apprentices. So this will be available to them to meet that gap that they currently have. When they complete their apprenticeship, they will pay back the loan.

**Mr. Brad Butt:** My next question has to do with the changes in EI around compassionate care and the other benefits.

One of the first meetings I had with a constituent after I got elected in May 2011 was with a parent who, at the time, did not qualify because we did not have EI coverage for critical.... Their child was critically ill at the time. I promised him that this was one of the things I was going to come to Ottawa to try to get changed so that families like his would be covered.

Could I get you to explain this again? If your circumstances do change in your life between the various different types of benefits, if you're already on EI and you become ill, or if you're already on parental benefits and something else changes, how easy is it going to be for people to make the change to ensure that they are receiving the benefits to which they are entitled?

**Ms. Annette Ryan:** The parents of critically ill children benefit was established with the Helping Families in Need Act brought forward by Minister Finley, and has been in effect since March 2013. In order to establish those benefits, essentially what's needed is a medical certificate from a specialist that says that the child is truly in a gravely ill situation.

In order to change to sickness benefits, the provisions are essentially lighter on behalf of the parent. They need to be able to establish from any medical practitioner, say a GP, that they are in fact ill, and they can suspend their benefits and start sickness benefits. Essentially, it's not an onerous requirement on people to switch from

one type of benefit to the other. I'm not sure if that gets at the heart of your question.

**Mr. Brad Butt:** We're dealing with legislation today, but then there's the reality of its actually working in people's real lives, when they're in these situations. I want to make sure that it's going to be seamless, that they will simply contact Service Canada and let them know that their circumstances have changed and that they are no longer under one program but are now under another one because of the circumstances.

I just want to make sure that it's going to be seamless and that the clients of these programs understand what is involved, so that they get their benefits properly.

**The Chair:** I'm sorry, but you're going to have to hold it. We're over time as it is. We want to get as many questioners in as possible in the limited time we have.

We will move to Mr. Brahmi for five minutes.

[Translation]

**Mr. Tarik Brahmi (Saint-Jean, NDP):** Thank you, Mr. Chair.

I just want to say something to Ms. Martel.

We understand the logic behind her explanation, but in reality, extending the length of sponsorship agreements from 10 years to 20 years is at the root of the problem. Had that period not been extended to 20 years, the sponsor would not have to carry the burden of taking care of the sponsored individual for an extra 10 years. In the most critical cases, such as the sponsored individual becoming ill, the extension of that period will encourage sponsors in financial difficulty to declare bankruptcy. It is actually easier to go bankrupt in such cases than to continue to fulfill the responsibility for the sponsored individual.

Fundamentally, this is a bad immigration measure. I will not ask you to comment on this because it goes beyond your jurisdiction.

However, I do want to come back to the issue of apprenticeship, since that situation is a bit of a concern for me. You said that 50% of apprentices do not complete their training, and I think that's terrible. Certain countries have successfully overcome employment crises and ensured that their workforce is participating much more actively in the labour market. Germany, which successfully reduced its rate of failure in training programs, is a perfect example.

Do you think this measure will help reduce the drop out or failure rate in apprenticeship programs? More specifically, does the failure rate during training periods vary according to whether those periods are short or long, or according to the number of weeks they take to complete?

• (0935)

**Mr. Atiq Rahman:** Thank you. I will answer in English.

[English]

The intent is of course to increase completion rates. It's not always the case that apprentices are necessarily dropping out. Sometimes what happens is that they go on for a very long time and don't complete. There are a number of reasons that contribute to that.

One of them, which data shows, is that they don't have the money to go on technical training, because it requires them to go away from work for a number of weeks. This initiative is intended to remove that financial barrier. The hope is that this will increase the completion rate for apprentices, too.

I don't have information on whether it varies across different apprenticeships, depending upon duration, or not. But as I said, as long as it is due to financial barriers that they are not able to complete, hopefully this initiative will remove that barrier.

[*Translation*]

**Mr. Tarik Brahmi:** Okay. Regarding these financial barriers, I would like to know whether you carried out any predictive studies to determine what the average needs of apprentices were, by sector, before setting the amount at \$4,000. We know that the length and cost of training vary by sector. Therefore, apprentices' needs are not all the same.

Did you carry out any predictive studies to determine the amount of money apprentices need based on their trade?

[*English*]

**Mr. Atiq Rahman:** Yes. As you said, it varies quite a bit across the country, across different trades. We did some analysis of this, and given the other supports that there out there, our estimate was that access to up to \$4,000 should be adequate to fill the gap they currently have between the supports they have and the need they will have.

[*Translation*]

**Mr. Tarik Brahmi:** Are the results of those studies available? Could you submit them to the committee?

[*English*]

**Mr. Atiq Rahman:** We'll take it back.

• (0940)

[*Translation*]

**Mr. Tarik Brahmi:** Thank you, Mr. Chair.

[*English*]

**The Chair:** Now we go to Mr. Maguire, for five minutes, sir.

**Mr. Larry Maguire (Brandon—Souris, CPC):** Thank you, Mr. Chairman.

I wonder whether we could get a further clarification with regard to my colleague's question on the continuation of the flow of the benefits he was speaking of, just so that we can make sure there is no interruption. Can I ask you to comment on that, please?

**Ms. Annette Ryan:** Yes, sir. I think I understand better and I would definitely confirm that there is no interruption in benefits. It is a seamless flow of support from Service Canada in these circumstances, when the claims are established. We have worked with Service Canada colleagues throughout to make sure that this is as easy as possible for clients, especially given the circumstances.

I would give the example of, say, a mother who becomes ill on her maternity claim. If she were to call up Service Canada, once this bill has been put in place, they would advise her that she is absolutely covered during her maternity benefits and to take whatever care or treatment she needed.

Should the illness continue beyond that period of maternity benefits, sickness benefits can be started right away, with no disruption in EI support. Then she is entirely entitled to her full weeks of parental benefits, again with no disruption in income support, but essentially a flow of cheques from Service Canada.

**Mr. Larry Maguire:** Okay. Thank you.

You have looked at some of the special benefits that were mentioned in respect to the program changes that have been made. We've changed the rules, I believe. We were looking at the "otherwise available to work" requirements—for parental benefits, at least—as well, and now at the compassionate care and parents of critically ill children benefits.

Can you comment on the intent of the "otherwise available to work" clause?

**Ms. Annette Ryan:** Essentially, the "otherwise available for work" clause was a mechanism in the past that prevented claimants who were on these essentially caregiving benefits from moving to sickness. If you think of regular benefits, you have to assert that you would otherwise be available for work if you weren't sick, and so benefits flow for sickness. The structure of the legislation in the past, before the Helping Families in Need Act, was that the "otherwise available for work" test would deny people the availability to switch to sickness, if they were on parental or compassionate care, or now on the new parents of critically ill children benefit.

The change that was brought to the act in 2012-13 followed the logic that caring for an ill family member, an ill child, or a newborn baby is essentially work and that you are otherwise available for work, and that is by providing care to a family member.

You can switch to sickness and then you can switch back afterwards to the benefits that are intended to support caring for a family member.

**Mr. Larry Maguire:** Therefore the change in the benefit program is to supply that continuity. Is that correct?

**Ms. Annette Ryan:** That's exactly right.

**Mr. Larry Maguire:** That is how it would continue to flow.

**Ms. Annette Ryan:** That's the legislative mechanism to make it flow.

**Mr. Larry Maguire:** How many Canadians would access that program? I heard some numbers earlier in your presentation. Just as I came in, there were some numbers mentioned; perhaps they weren't yours. But for the compassionate care benefits, just how many people would...?

**Ms. Annette Ryan:** Compassionate care benefits are drawn, on average, by 6,000 Canadians. You can find greater detail on these numbers in the monitoring and assessment report that Minister Kenney just tabled.

Parents of critically ill children is a new benefit. We don't have a full year of reports yet, but it is essentially the same number of people that we're tracking, so it's 6,000 Canadians there as well.

**Mr. Larry Maguire:** Are there complementary programs in the provinces?

What would the duration of claims be when people have made those claims?

**Ms. Annette Ryan:** On the provincial side, that's more of a labour code issue. The Canada Labour Code touches federally regulated industries. Provinces often make related changes to their labour codes to allow that ability to leave work and benefit from the support that's provided through EI.

My colleague from the labour program would be better able to speak about which provinces do what.

[Translation]

**Mr. Laurent Quintal:** In Canada, labour legislation comes under provincial and federal jurisdiction. Major institutions such as banks and the transportation sector are federally regulated. They account for about 6% of Canada's employees.

All the provinces have labour standards aimed at protecting Canadian employees who take certain types of leave, such as compassionate leave for a gravely ill parent and leave for a missing or murdered child.

The Canada Labour Code has been amended. This is a common practice. When the Employment Insurance Act is amended, the Canada Labour Code is as well in order to ensure that workers' jobs are protected while they are receiving employment insurance benefits.

Regarding whether the provinces will amend their legislation or not, that is their jurisdiction. It is up to them to decide what they want to do with their labour legislation.

• (0945)

[English]

**The Chair:** That's the end of that round. We're right on the appointed time for switching over.

I'll just comment quickly. About 25 years ago, I spent two years on the floor of a pediatric oncology ward with my son. One of the things that struck me was that with many of the parents who were there, and there were about 16 patients, one of the parents typically had to leave their job because they wanted to care for and be with their child.

I can't help but reflect today on the fact that we've come a long way. It's not that there weren't supports for those people. There were a lot of agencies that came to the rescue to help those who were economically challenged, which shows the strength of communities.

If I might comment on a very personal level, I'm really thankful for these kinds of changes that we're making to enable people....

We thank you for coming here today and explaining it to us, and using your expertise in your roles in government to make these things happen for Canadians.

Thank you.

We'll take a short recess while we change the panels.

• \_\_\_\_\_ (Pause) \_\_\_\_\_

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• (0950)

**The Chair:** Let's get moving along with the second hour.

For committee members, and also for presenters, I've been given notice that there could possibly be a vote. We may be interrupted, at which time we would end the session.

Welcome to the second hour of our committee study of Bill C-31.

Joining us now, from the National Association of Career Colleges, is chief operating officer, Mr. Serge Buy. With Mr. Buy is James Loder, who is the chair. We welcome you back, Mr. Buy. I believe you were here last meeting as well, on another matter.

Joining us from the Canadian Home Builders' Association, we have the chief executive officer, Mr. Kevin Lee; and Mr. Jack Mantyla, the national coordinator of education and training.

We'll turn it over to you now, if you'd like to go first Mr. Lee. Then we'll go to Mr. Buy afterwards. You have 10 minutes.

**Mr. Kevin Lee (Chief Executive Officer, Canadian Home Builders' Association):** Great. Thank you, Mr. Chairman.

My name is Kevin Lee. I'm the CEO of the Canadian Home Builders' Association, and with me is Jack Mantyla, our national coordinator on education and training.

Thank you for inviting us here today. I want to focus my remarks on the Canada apprentice loan.

In 2012, the residential construction and renovation industry supported 845,000 jobs nationwide and generated \$45 billion in wages for Canadians, for total economic activity attributed to our sector at \$120 billion. I provide these numbers to illustrate the importance of residential construction in generating jobs and wages here in Canada. Canada's housing market has a strong demand for skilled tradespeople, a demand that is currently not being met, and this problem is going to be exacerbated in the future.

Statistic Canada's unemployment to job vacancies ratio for the construction sector, published in March, show that the number of job vacancies has been trending upwards over the past few years. This is a direct function of skilled workers retiring from the sector, and an insufficient supply of workers coming to fill these positions.

We're currently working with BuildForce Canada to finalize a residential construction industry labour market information report, but I can tell you that the preliminary results are showing that between now and 2023, over 100,000 vacancies will need to be filled in the residential construction industry alone.

• (0955)

**The Chair:** Mr. Lee, could I ask you to slow down a bit. The translation is—

**Mr. Kevin Lee:** Sure.

I only have five minutes, right?

**The Chair:** You're going really fast. We'll give you up to 10.

**Mr. Kevin Lee:** Good. Then I can go at half speed.

**The Chair:** Don't do that.

**Mr. Kevin Lee:** Federal support for apprentices has been generous with the \$1.4 billion allocated between 2007 and 2012 in programs like the apprenticeship job creation tax credit, the apprenticeship incentive grant, and the apprenticeship completion grant. To this we are pleased to see being added the Canada apprentice loan. However, since the existing programs are being restricted to Red Seal trades only, and this appears to be the plan again for the Canada apprentice loan, many young people wanting a career in the residential construction industry are not eligible for these supports.

Red Seal remains an important part of the residential construction industry, and we are pleased to see continued support for it. However, in addition to this, the profile of jobs in our industry has been changing a lot over recent decades. For example, the traditional carpenter as recognized under Red Seal is less and less a reality in today's residential construction industry. Instead, what we have a need for is specialty subtrades such as framers. These and many other provincially recognized trades—people who are really building houses these days—must also be recognized under federal funding and programs in addition to the Red Seal trades.

We at CHBA have compiled a list of 41 provincially designated trades that are employed in the residential construction industry. Of these, 23 are Red Seal, but 18 are apprenticeable trades that are not recognized by Red Seal. Accordingly, there's a great number of skilled workers in our industry—an industry that's a huge economic activity generator—who remain ineligible at this time.

To be clear, this isn't an ask for additional funding, nor would it take away funding from other trades. Of the \$1.4 billion that I mentioned earlier, over \$558 million was left unspent. So this is available funding that could be going to other apprenticeable trades, and with nearly half of our apprenticeable trades in the residential construction industry not Red Seal, that significant amount of federal support intended to help apprentices isn't currently reaching a very important part of the market.

The net consequences of this disconnect are the following: an untapped opportunity to create good-paying jobs that our economy is demanding; elevated housing costs to consumers and families due to a shortage of skilled tradespeople; and young people not getting the skills training they need to meaningfully enter the job market. This equates to untapped economic growth, untapped job creation

potential, untapped wealth creation, and frankly, untapped additional revenue for governments.

The opportunity is here now to get this one right and expand the list of eligible trades for the Canada apprentice loan to include all provincially designated trades. Indeed, we would ask that all federal funding aimed at apprentices be accessible to all provincially designated trades.

We know the government has a great desire, which we support, for labour mobility. We saw this was made evident in the Agreement on Internal Trade. This doesn't require Red Seal. It instead requires provinces to recognize each other's regulated trades, which is very good. This trend in federal programming needs to continue and support not just Red Seal but also these other groups to be consistent with other actions taken by the government.

Broadening the eligibility of federal support for apprenticeable trades beyond Red Seal will be one of the most effective means, we feel, to encourage young people to take up skilled trades and reduce labour shortages. It's a small but significant change that will put federal support for skills in line with contemporary profiles of today's trades, while meeting the needs and demands of our companies. We feel that this is a relatively simple opportunity and simple solution, with great opportunity to help Canadians.

Thank you.

• (1000)

**The Chair:** Thank you.

Mr. Buy.

**Mr. Serge Buy (Chief Operating Officer, National Association of Career Colleges):** Thank you very much, Mr. Chair, for having me again. I was here on Tuesday.

I just want to confirm the rumour that twice in a week, five times in a month, it's like a frequent flyer miles program. After five times I get to sit on the other side.

**Voices:** Oh, oh!

**Mr. Serge Buy:** I'm pleased to be here to speak on the subject of Bill C-31, the budget implementation act. I'm pleased to be joined, thanks to the fact that we have our conference here in Ottawa this week, by the chair of our board, Mr. James Loder. We will talk about apprenticeship more specifically.

A number of positive measures were taken by the government which, in our view, will mean that more Canadians will access much needed support to gain meaningful employment through this budget. Rather than going through each of them, I would like to spend a bit of time to highlight some of the measures we believe will have a real and direct impact on people.

The Canada apprenticeship loan is a measure that will provide apprentices much needed support to help them complete their training. When I was here on Tuesday last week, I mentioned the fact that we needed to provide the tools needed for people to complete their training. This is certainly one of them, and we thank the government for doing this. We see this as an important measure that could help increase the number of apprentices and help some of them to complete the apprenticeships.

The measures announced last week by the Prime Minister to support youth employment in high demand fields by paying for real-life experience will also enable young people to get their foot in the door and finally be able to answer the question: do you have any experience? Well, yes, this program will allow them to have the experience that they need.

We also applaud, and really do applaud, the measures designed to strengthen on-reserve education. Our members have had several successes with those types of projects and we think they should be expanded. When one visits the education and training for aboriginal people section of the program, however, they notice a number of programs designed to help first nations and Inuit students to enter university, legal programs, etc., all designed to take them away from the reservations for a long period of time. Completion rates are low. Programs delivered on reserve have a much higher success rate.

The example I quoted on Tuesday, which, by the way, was in the example from the school led by the chair of our board, showed the difference between an on-reserve and off-reserve program. Off-reserve completion rates were 7%; on-reserve rates were 76%—a big difference, a very big difference. We would hope that the government would consider, even if only as a pilot project, to support career colleges' efforts to develop on-reserve training programs, as several projects across the country exist, but await some support.

One measure that we struggle to understand why it is not included in the budget is the provision of grants to students enrolled in programs of less than 60 weeks. With the risk of sounding like a broken record—and I will sound like a broken record—it is hard to understand why we would penalize students who want to obtain meaningful employment faster just because their programs are less than 60 weeks. The government is looking at getting people back to work faster, and it is looking at helping employers fill vacant jobs, all of this to improve our economy. We're doing our part, but we can certainly do more with a government that's willing to partner with us. This government has done quite a bit, and we're willing to continue working with it.

The chair will continue.

**Mr. James Loder (Chair, National Association of Career Colleges):** Thank you for the opportunity.

As Serge mentioned, I'm the chair of the national association, but I'm also the senior director with Academy Canada. We're a Newfoundland-based career college that has been open since 1984. We deliver 35 programs and train approximately 2,000 students per year, half of whom are trained in Red Seal apprenticeship training programs. I'm happy to be here today to offer a real world example.

My office is located about 10 feet from a student lounge of a skilled trades college. I'm not sure how much more real world you can get than hearing what students say while they're on their breaks from classes. I'd like to share with you some of their thoughts.

One of the challenges that every student faces, whether in an apprenticeship program, a different college program, or a university program, is obviously financing and paying for their education. Then there's the worry and fear about what happens beyond that in terms of repaying that debt. When word came of the apprenticeship loan program, it spread very quickly through the college, and students were very excited about the idea because, as one of the witnesses said earlier, it is perceived as being ready to fill a gap, one that is very real and very much a deterrent to students not just starting a program but in many cases finishing the program.

I would compliment the committee and government on that program and encourage them to continue with similar types of programs. I also encourage them to follow the suit of the Newfoundland government. As many of you are probably aware, the Province of Newfoundland and Labrador recently announced that they were going to be converting the entire loan portion of the Newfoundland student loan to grant. I know that and I have a true appreciation.

I don't say those words lightly when I encourage you to follow suit. This is without question the ultimate solution to the student debt issue and to accessibility to post-secondary training, whether it's in the skilled trades or otherwise. If a province with some of the unique economic challenges of Newfoundland and Labrador can do this, I feel that there is room for looking at it in a broader scope across the country.

I'd like to move away from that just for a very quick moment and speak of some successes that we've had with the aboriginal community, specifically through my school, and I will unashamedly speak of it.

We have two fairly significant aboriginal communities in Labrador, Natuashish and Sheshatshiu. Some of you will be familiar with these. They are communities that have historically had significant challenges, with a wide range of social and economic issues.

It's led by a number of very forward-thinking individuals who see that the future solution is in education. They saw circumstances in which students in the past were leaving the community to go to study in off-community schools. The success rates—including at my school, by the way—were abysmal: fewer than 10% of the students who were starting were completing.

● (1005)

**The Chair:** I'm sorry, I have to interrupt you.

I've just been notified that we have a vote in 30 minutes, or less now. We're going to have to end the meeting at this point so that members can get back to the House.

Ms. McLeod.

**Mrs. Cathy McLeod:** With unanimous consent, do we have the opportunity to let our witness finish his brief?

**The Chair:** Do I see consent around the table for that? We have a bit of leeway here. Are we good with that?

**Some hon. members:** Agreed.

**Mr. James Loder:** I'm from Newfoundland, so I'll speak very quickly.

**Some hon. members:** Oh, oh!

**The Chair:** If you could finish your comments, then, we'll stay in session until you're done.

**Mr. James Loder:** Thank you for the opportunity.

The success rate, based on the new model that we have taken of doing community-based training, increased from less than 10% when a student would go off-community to study to more than a 70% completion in apprenticeship training programs.

That was very important, because in Labrador there are a number of major projects going on right now, and as part of the labour agreements they have, they are obligated to hire a number of aboriginal workers. Their problem was that there were none trained to do the work. You couldn't hire people who didn't have the skills.

They asked us to do the training for them on reserve, and we were very excited about that opportunity. We went in and said that we were going to approach this very differently from anything we had ever done in training before; we were going to ask the community what they needed. Rather than being rigid in things such as scheduling—"You're going to start on this date, and you're going to end nine months later"—we basically said, "You tell us what you need; if it's caribou season, we're going to break; we're going to give you the option of going to do your thing and come back when the time starts."

Innu translators were made available. Also we made sure that the community was actively involved in the training.

I certainly could go on, but I won't delay your agenda, except to say that there is a model there to be followed, and I would encourage an open discussion at another time to talk about how it happened.

Thank you.

**The Chair:** We thank you for coming.

I apologize that we have this interruption, but it's our duty to go to the House of Commons now.

The meeting is adjourned.

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