



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

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

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HUMA • NUMBER 025 • 2nd SESSION • 41st PARLIAMENT

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**EVIDENCE**

**Tuesday, May 27, 2014**

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**Chair**

**Mr. Phil McColeman**



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

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• (0845)

[English]

**The Vice-Chair (Ms. Jinny Jogindera Sims (Newton—North Delta, NDP)):** I'd like to call the committee to order. We're meeting here for meeting number 25 on Tuesday, May 27, and pursuant to Standing Order 108(2), the orders of the day are the study of the renewal of the labour market development agreements. I believe we do have a brief business to be dealt with right at the beginning so I'm going to turn to Mr. Armstrong.

**Mr. Scott Armstrong (Cumberland—Colchester—Musquodoboit Valley, CPC):** Thank you, Madam Chair.

The budget motion I'm going to propose reads as follows:

That the proposed operational budget in the amount of a maximum of \$37,500 for the Committee's study on the Renewal of the Labour Market Development Agreements (LMDA).

I have that in both official languages.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you very much.

Did you want to make any eloquent speeches on that this morning?

**Mr. Scott Armstrong:** I think it's pretty plain the way it is. It's just the fact that this is an important study. The minister approached the committee. We appreciate the support of all committee members in supporting the study, and we're looking forward to a robust report at the end.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** All those in favour?

(Motion agreed to)

**The Vice-Chair (Ms. Jinny Jogindera Sims):** It's one of the few times that we have unanimity, so that's great. Thank you very much.

Now I would like to welcome our two witnesses. From Enbridge Inc. we have Catherine Pennington, and from Canadian Manufacturers and Exporters we have Mathew Wilson.

Mr. Wilson, I believe you're going first.

**Mr. Mathew Wilson (Vice-President, National Policy, Canadian Manufacturers and Exporters):** Thank you very much, Madam Chair.

Good morning, members. Thank you for having me here today.

I'm pleased to be here on behalf of Canadian Manufacturers and Exporters and our 10,000 members to discuss Canada's labour market development agreements.

By way of background, more than 85% of CME members are small and medium-sized enterprises, representing every industrial sector, every export sector, and from all regions of the country. Our mandate is to promote the competitiveness of Canadian manufacturers and the success of goods and services exporters in markets around the world. CME is also chair of the Canadian Manufacturing Coalition, a collection of 55 business associations who speak together about the critical issues that affect the competitiveness of Canada's manufacturing economy.

Manufacturing remains the single-largest business sector in Canada. Canadian manufacturing sales reached nearly \$600 billion last year, accounting for 13% of Canada's total economic output. Manufacturers also employ 1.8 million Canadians in highly productive, value-added, high-paying jobs. Their contribution is critical for the wealth generation that sustains the living standard of each and every Canadian.

In 2002, CME and our colleagues in the Canadian Manufacturing Coalition conducted a biannual management issue survey. This survey was focused on identifying the major challenges faced by companies and what was restricting their growth in Canada and abroad. While a broad range of issues affect competitiveness of companies, it was clear that the largest overall challenge faced by Canadian industry today is the strength of their labour force. The survey showed that nearly 50% of Canadian companies are facing skills shortages, and due to these shortages almost one-third of companies are considering moving operations to jurisdictions outside of Canada.

The economic consequences for Canada will be significant if these challenges are not addressed. Already today we know that labour shortages are causing billions of lost sales for manufacturers in Alberta and Saskatchewan. This is why CME and our members have been working closely with governments to strengthen the domestic labour pool to improve training programs, including the Canada job grant, reforms to the EI system, and apprenticeship training, to name just a few areas. We have also been working closely to help strengthen the quality and skill level of international labour to ensure it is matched with the needs of companies through reforms to the immigration system and to the temporary foreign worker program.

We are also closely working with ESDC on the delivery of a range of programs aimed at supporting the growth in advanced manufacturing, including creating national occupational standards for manufacturers, improving labour market information through regional consortia and linking foreign-trained engineers to Canadian manufacturers. In addition, we have partnered to create a skills lab, an online forum to discuss and exchange ideas and possible solutions to the skills challenges faced by industry today, including training and skills development.

While these reforms and actions are important, there is still so much Canada can and should do to address our labour shortages and we believe a major focus of attention needs to be on training and skills development of existing and new employees. LMDAs can and should play a much more important role in this regard.

Recently, I had an employer tell me that they reject nearly 80% of applicants to jobs because they don't have the basic comprehension skills to be employable. Basically, they would have been a danger to themselves and their co-workers in the workplace. I also routinely hear that new hires are only about 20% trained and companies must take the first year of employment to complete their training and bring them to basic industry standards before they are productive. While employers will and do support training of their employees, there's a significant amount of frustration with the current system, as well as concern the system is undermining their economic competitiveness.

We understand LMDAs will not address all the training and labour problems faced by industry across Canada; however, given the amount of funding contributed into the funds and spent on training, we believe it should be a far more important and effective tool in addressing industry training needs and closing some of the existing skills gaps. As a starting point, it is important to note that portions of the LMDA funding is being applied and used effectively by industry today. Despite what is often reported in the media, manufacturers and their related supply chains invest heavily in the training of their current and future employees. It is critical to their economic survival and success.

Companies are investing in on-the-job training to teach the advanced manufacturing skills necessary for a modern global industry, such as lean manufacturing, exporting, energy conservation, supply-chain efficiencies, workplace safety, and various apprenticeships. In some cases this training is being completed with the support of regional training programs delivered as part of the LMDA funding. This type of training is directly aligned to the needs of the employers and has direct economic benefits for Canada.

Some of the specific examples of benefits from our member companies from LMDA programs include doubling production output, 15% reduction in production costs, reducing lead time by up to 70%, and improved labour productivity by over 20%. However, while these are some positive results, it is nearly impossible to know the true impacts of the nearly \$2 billion in annual LMDA training expenditures. The data available for the amount of money invested through LMDA is currently and has always been very vague.

• (0850)

This means it is nearly impossible to confirm positive economic and social outcomes associated with investing that nearly \$2 billion a year.

Furthermore, it is equally uncertain as to the direct returns in EI funds that companies and their employees are heavily contributing to. Manufacturers and their employees pay roughly \$2.1 billion in EI premiums annually with only \$1.2 billion paid back in benefits, the majority of which are parental leave and other social supports. This leaves a gap of roughly \$900 million in the manufacturing sector alone, which we believe should be available for training in the manufacturing sector through LMDAs or similar tools.

However, we actually do not know how much money is being returned to the sector in the form of training funds through LMDAs. With this level of funding available, we believe that more LMDA training funding should be available for new hires as well as upscaling existing employees to support industrial competitiveness and growth in Canada's manufacturing sector.

Finally, we believe that LMDA training funds should be leveraged and focused on the specific needs of industry and on closing the most-needed skills gaps to help them compete, grow, and employ Canadians. Specifically, LMDA funds should be invested into areas that are employer-driven and have specific economic outcomes like the examples outlined earlier, and similar to the way the Canada job grant is being established.

By focusing a significant portion of the LMDA investment on the skills and training that are most in demand by industry, we believe the money invested will have the benefit of leveraging significantly more private sector resources and creating better economic returns for Canada.

As an example, a program like this that used to be run under the old LMDA system in the 1990s was called On-Site. The program placed EI recipients at manufacturer facilities for up to 26 weeks, focusing on training and particular skill sets, including occupational health and safety, production, or environmental management. While on placement, the recipients continued to receive their EI benefits, but they got actual work experience while receiving it.

The companies got to see how these workers fit in, many of which were hired at the end of the project. Each participating employer paid \$2,600—or \$100 per week—to cover administrative costs and about 80% of the participants had full-time jobs at the of 26 weeks. This program was cancelled in the early 2000s with the switch to the LMDA. To us, this is a great example of using the funds that are focused on employer needs, and producing real and demonstrable results for the economy.

In conclusion, while CME supports elements of the existing LMDA program, where investments are economically measurable and beneficial to the individuals and companies involved, we believe that significant improvement can and should be made during this program review. We believe better data and transparency is essential as a starting point, given the money being invested through LMDAs is the money from the corporations and their employees themselves.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** If I could just get you to finish up, please.

**Mr. Mathew Wilson:** By allowing companies to invest the money they contribute to the EI system into training new and existing hires, the program will leverage greater employee contributions, resonate better with the employers, and create better economic outcomes for Canada.

Thank you for inviting me to participate today. I look forward to the discussion.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you very much.

Ms. Pennington, you have seven minutes.

**Ms. Catherine Pennington (Senior Manager, Community Benefits and Sustainability, Northern Gateway Pipeline, Enbridge Inc.):** Good morning.

To start off, I'd like to acknowledge the traditional territory of the Algonquin people we're gathered on today. As I was introduced, my name is Catherine and I lead the community benefits and sustainability team for Enbridge northern gateway.

I'd like to thank the committee members who are giving me the opportunity to appear before you today and certainly, would like to recognize my panel participant to my left and also the others who have come before me and will come after me.

I live and work in Prince George, B.C., and as a former social worker and actually an employment counsellor in B.C., I've had direct experience helping people access several of the labour market development programs and services that you are reviewing.

Also, as an aboriginal person I've directly benefited from these types of programs. In my case, it was the ARDA, which is now known as the ASETS agreement, so I understand the value of the programs that our federal government provides and our provinces deliver, and how they equip people across this country with the skills and supports to reach their own potential.

This morning I want to share with you my views from the perspective of someone who works with industry on the front lines of community building and skills training. This work is not always easy. Often it is done in very challenging circumstances in rural, remote, and aboriginal communities. But it's also extremely rewarding. If approved, the northern gateway will create more than 3,000 jobs during construction and more than 560 long-term jobs. We're absolutely determined to see Canadians along our proposed right-of-way fill those jobs, particularly in aboriginal communities, which we believe are an untapped resource with excellent potential.

As you'll appreciate, for many of these communities the road to opportunity is filled with basic obstacles and fundamental barriers that existing federal programs are not currently well equipped to

address. In my opinion, there's an enormous gap between skills training and labour market programs traditionally offered by government and the on-the-ground realities in many of the communities where my team works. For example, some of the communities are many hours away from provincial job-training centres or institutions that would offer LMA programs and other important services.

In many cases, community employment counsellors who are working with clients have significant barriers to employment, while at the same time they don't themselves have the skills to fully assist those who need their support. Further, a first nation or aboriginal community may not have the capacity, time, or resources to complete a cumbersome application like the SPF for grants that they desperately need to provide supports to their own multi-barrier clients.

If the community or nation does undertake an SPF application, for example, the process can be so long that the employment opportunity window closes before the program can actually get off the ground. The bottom line is that far too often we're seeing young, dynamic people who could be a part of the solution to our national skills shortage remain isolated, in poverty, and living less than desirable outcomes.

What's the solution? In my opinion, we must find ways to support communities and help people get to the point where they have the skills and supports to take advantage of the federal and provincial programs that work so well in other parts of the country.

At northern gateway we've spent a great deal of time coming to terms with how to bridge that divide. This is where northern gateway is quite different from other projects that have come before. Since 2006, we've been working in northern communities on skills training and capacity development. We started this early, because we heard, directly from northern communities, that it would take significant time and energy to fully prepare and develop a local workforce. We heard concerns about lack of high school completion rates and about the barriers to employment, like lack of essential skills, illiteracy issues, and labour market isolation.

The reality is that many people in rural, remote, isolated, and northern communities need intensive programming before they can undertake any skills training employment programs. We also knew that we needed to start early if we were going to meet our targets, like 15% aboriginal inclusion in the construction phase of the project and 10% aboriginal inclusion in the long-term operations of the project. In all of this, the foundation of our work has been the belief that communities are the best stewards of their own future, that they know intimately the challenges they face and they know the types of programs that can be and have been successful.

My team in northern Alberta and northern British Columbia is working closely with service providers, elders and community leaders in what we call a model of shared responsibility. It's here where we gain a true understanding of the issues a specific community is facing, and how those are different from other communities we're working with across the north.

From these assessments, we work with communities to design strategies and programming that can generate real solutions. Often that means focusing on literacy, dealing with addiction issues, and tackling systemic issues related to poverty, because you simply cannot ignore those deeper issues and expect skills training programs and labour market programs to work. It's not realistic and it doesn't result in better employment outcomes.

• (0855)

In light of our experience, I would ask your committee to consider the following four points.

First, industry needs local people and those in aboriginal communities to have technical and workplace skills. Simply put, no matter how good our intentions, we cannot hire or include people in our projects who are not ready for the workplace.

Second, it's important to know that industry is willing to be a part of the solution. At northern gateway, we are eager to engage in innovative partnerships, and in fact we do, to help build the readiness of local communities. But we do need ready, willing, and available partners who are not restricted by the confines of programming.

Third, we believe that communities and organizations need to have easily accessible, flexible, and responsive funding for skills training that can lead to employment. Waiting for a call for proposals may jeopardize the window of employment opportunity.

Fourth, I believe it's important that you understand that the journey to employment can be longer and far more complex than current programs are able to support. That's why longer-term and essential-skills based programming is badly needed in many rural, remote, and isolated aboriginal communities before people can contemplate technical training.

In conclusion, let me say that despite the significant challenges I've outlined today, I'm very proud of the progress we are making. Northern gateway has invested more than \$3 million in an education and training skills fund. More than 1,800 people have already benefited from our programming. What's important to note is that we're working with communities on skills training that may not result in the same individuals actually working at northern gateway. We like to say that we're not in it for northern gateway; we're developing skills for the north.

My hope is that the work we are doing will serve as a model for others, but everyone must be part of the solution. This isn't about Northern Gateway. It's about helping communities create a better future. It's about tapping our most important resource, the people in our communities. It's about providing realistic supports and taking into account the broad spectrum and the needs that exist across this country. At northern gateway, we're determined to build that lasting legacy, and we're determined to ensure that no matter where people begin, they still have the chance for a well-paid career.

I offer my thanks to the members of this committee and for your important work and the leadership that you are undertaking. I hope our experience at northern gateway will be helpful.

Thank you.

• (0900)

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you very much.

Now we're going to move on to our first round of questioning. I want to remind my colleagues that these are five-minute rounds.

Our first speaker is Madam Groguhé.

[*Translation*]

**Mrs. Sadia Groguhé (Saint-Lambert, NDP):** Thank you, Madam Chair.

I want to thank the witnesses for their input.

I'd like to begin with Mr. Wilson.

In January 2013, in the wake of the EI reforms announced by the minister, CME was concerned that they would lead to workers taking jobs that weren't in line with their training. As a result of the tighter eligibility requirements, an EI recipient would have to quickly accept a job in a field that wasn't related to their area of expertise. Of course, we were deeply troubled by these changes, especially since they affect benefit payments.

I want to come back to the relationship between training and available jobs. Take, for instance, someone who is required to hastily accept a job that doesn't match their skill set or that prevents them from completing a long-term training program. A situation like that would certainly be at odds with our discussion on the relationship between employment, training and the potential workers accepting those positions.

Mr. Wilson, I'd like to know whether you share that observation and those concerns about the EI reforms in your region of Quebec? What could you tell us or recommend to ensure that the changes don't undermine what we are all working for and discussing today?

[*English*]

**Mr. Mathew Wilson:** I'll have to apologize. I think there were some gaps in the translation. I'll try my best. I think he was having a hard time keeping up with you, but I'll try my best.

[*Translation*]

**Mrs. Sadia Groguhé:** But I did speak slowly.

[*English*]

**Mr. Mathew Wilson:** I think I appeared before this committee a year and a half ago when those reforms were first announced. We supported the reforms in general. I know there are some specific elements of it that have caused people some problems. Some of our members have concerns over some of the reforms that were put in, in terms of seasonal employment and the ability to retain those workers year round. I know it's a big problem in parts of Quebec and northern Ontario, and into the east coast, in particular.

But, in general, we didn't really think the reforms that were announced by the minister at the time were over the top. We think trying to use the system to get people to train for the jobs of the future is a good way to invest money. To get people to travel...I think an hour is where the limit is. How exactly that works, I think, is still up in the air a little bit. You hear different stories in the media. But I think we generally have been fairly supportive of requiring those people to make that commitment to try to find employment.

Directly related back to the reforms to EI and what we're talking about here under the LMDAs, what concerns me and I think our organization the most, though, is what people are training in, and the careers of tomorrow often aren't related to actual jobs that exist. I don't know exactly how you make that match better, but people can go through training and retrain for new careers, but if there's no....

As an example, you could take someone, say, in New Brunswick and say, okay, they are unemployed. We're going to train them to be a welder. If there are no welding jobs in New Brunswick, what's the point in doing the training in the first place? I think one of the things that have been frustrating for employers is that people who are going through these retraining exercises aren't really even coming out with the skills that are needed in the local economy in a lot of cases.

The data available in terms of labour market data for what companies need is lacking in a lot of cases so employees can't make the right choices for training. Companies can't make the right choice on who they are going to hire because they don't know who is available locally. So it's a combination of problems here, and hopefully this can start to address it. But it's multi-faceted. It covers everything from EI to the Canada Job Bank, which I know is undergoing some reforms as well. So it's a big, interconnected problem.

I hope that answers your question.

• (0905)

**The Vice-Chair (Ms. Jinny Jogindera Sims):** You have 30 seconds.

[Translation]

**Mrs. Sadia Groguhé:** How can the federal government anticipate which LMDA-funded training programs are the most likely to lead to employment? How should the government go about that?

[English]

**Mr. Mathew Wilson:** Shall I go with this one?

**The Vice-Chair (Ms. Jinny Jogindera Sims):** I'm going to say I want you to hold onto that thought because unfortunately we have run out of the five minutes.

The chair is going to be quite strict about the five minutes so everybody does get their time, and I'm going to ask people to be really succinct if they want to get more than one question in.

[Translation]

**Mrs. Sadia Groguhé:** Madam Chair, I'd just like to point out that there was a problem with the simultaneous interpretation. I tried to speak slowly so I could be understood, and that, of course, used up more of my speaking time. I'm a bit frustrated here.

[English]

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you.

I think in light of that, a very brief answer, please, from one of you. Thank you for that.

**Mr. Mathew Wilson:** Since you didn't even hear the question, and I'm not even sure I remember it anymore.... I think it was how you ensure it's aligned better in terms of the training programs.

[Translation]

**Mrs. Sadia Groguhé:** What would you recommend?

[English]

**Mr. Mathew Wilson:** I think you have to start with better data. That's fundamental in all this, as it were. Data is the underlining value here. Whether it's data on the labour market information or what the training dollars are going to be spent on, the good data just isn't available, so I think that has to be the starting point for us.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you very much.

Now over to Ms. McLeod.

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

Thank you to both the witnesses for your presentation.

I think I'll pick up this conversation where we left off with the last questioner, in terms of the data. I think you're not obviously the first who has talked about the data. I found it an intriguing suggestion. Someone suggested we set up something like CIHI. Of course, health care is provincially delivered, but it has very robust and important information in it.

I'll talk to you both about data. For example, do you read each province's report in terms of the LMDA and how they spend the money? What do you recommend in terms of what we need to do to get a proper and robust data source?

I'll leave that to both witnesses.

**Ms. Catherine Pennington:** We certainly do follow, provincially and nationally, the reporting on LMDA just to get a sense of the labour market and where the skill gap is. It's clear that the robust data is really important. On the flight over, I was reading about the B.C. job plan and how data drives decisions. I thought that was a really good comment.

From our standpoint, having access to data is really important because we need to help our communities identify the best alignment. Again, it gets back to that model of shared responsibilities. In terms of a recommendation, a national system that's easily accessible also by communities is really important, so that we can help individuals make informed decisions.

● (0910)

**Mr. Mathew Wilson:** I personally have not read every province's report. I'm lucky enough in our organization to have offices across the country who do this. They commented back to me that they are just as mystified as to where the money is going as we would be here in Ottawa. These are offices of ours that actually get some of the LMDA funding right across the country to do training programs. The data that's needed.... I think part of this is that there's been a really big shift over the last decade or so in terms of what's needed by people to make decisions, and what worked in the sixties and seventies doesn't work today in terms of data.

One of the things I mentioned, if you look at just the labour market information data as an example, is that we're trying to pilot with the ESDC a new kind of consortia of post-labour market information that looks at bringing employers together with universities and colleges locally to try to figure out new ways of collecting and analyzing data, because the old approach is not working.

This is something we're literally just getting off the ground now and working very closely with Minister Kenney and the folks at ESDC to see if it can provide better data than what's available right now.

**Mrs. Cathy McLeod:** Mr. Wilson, you talked about the On-Site program that was cancelled. That was a federally delivered program. Could you tell us a little bit more about that particular program and why you found it so helpful? Could you just share a bit more on that issue?

**Mr. Mathew Wilson:** I'll try to be brief. I think, just in general, what worked was that it matched people who were unemployed and on the EI system with jobs that were needed in the workforce, that were available with employers who actually needed people to come in.

Training was provided on the job. It was industry specific and the companies could train people up to the standards that they needed. That hands-on industry-driven approach is really what provides a lot of good results. The folks from Enbridge northern gateway shared some of their experiences specifically on that as well.

For us, those are the types of programs, and that was just one example. What I was told—and I wasn't involved at the time—was that at some time when the new system came in, around 2004 or 2005, whenever it was, HRSDC said at the time that this type of training wasn't what they were doing anymore and that they wanted to do different things even though it had very positive economic results. It was a change in the way things were being done.

Those are examples of things that were done in the past that linked unemployed Canadians directly to available jobs without costing a lot more money because it was the existing EI funding that was available. Those are the types of things that we'd like to see more of going forward for sure.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** You have 30 seconds.

**Mrs. Cathy McLeod:** A quick question to Enbridge, do you find that the ASETS program is more beneficial, and LMA, in terms of the groundbreaking work you're doing or the preliminary work

you're doing in the communities? Or is it that you're accessing LMDA more?

**Ms. Catherine Pennington:** Certainly, the ASETS agreement is very effective in preparing, training-ready and nearly work-ready people. It does a great job. There are some excellent examples of great success.

From my perspective, the LMA funding is really critical, the funding for individuals who are not labour market attached, but there's also a gap. There are some individuals who wouldn't qualify for EI benefits or EI reach back and therefore aren't really ready for that LMDA program or don't qualify. They're not LMA either.

Yet, that group in the middle has the best outcome of success statistically. The widening of programs is really important to be more inclusive.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you very much.

Mr. Cuzner.

**Mr. Rodger Cuzner (Cape Breton—Canso, Lib.):** Thanks very much, Madam Chair, and thanks to both witnesses today.

Catherine, I'm going to ask you about the culture around trying to maybe impact a change in the culture in northern communities. We've done a number of studies that are very similar. I know Mathew has been in front of us probably.... He's like Justin Timberlake on *Saturday Night Live* minus a whole lot of sexy.

**Mr. Mathew Wilson:** I don't sing very well either, just so you know.

**Mr. Rodger Cuzner:** A number of witnesses continue to come back and talk about how they changed the culture. Even before you get into working with people to develop skills, the challenge I would think you guys are facing now is.... In a perfect world everybody has windmills and solar panels but in the real world fossil fuels are a huge part of the mix, and getting it to market and maximizing its impact, understanding that it's safer to pipeline than to railcar it, are you finding that you have to work with the community to understand that industry isn't an enemy, that opportunities exist, and that these are new opportunities?

I've spent a fair amount of time in Fort McMurray and I saw the community grow with the industry. As you're going into virgin territory here, is there a parallel cultural change that you guys are having to deal with even before you get into the training?

● (0915)

**Ms. Catherine Pennington:** Certainly creating a space for learning is really important within communities in the north northwest, specifically in B.C., where much of this is new discussion, although northeast B.C. has been active in the oil and gas sector for a good number of years. But there is certainly much new information in the northwest.

We have been working with communities on providing information around energy literacy and understanding energy more broadly.

Two workshops that we've funded are occurring in north and northwestern B.C. this week. The energy literacy workshop has a component that teaches community helpers about the oil and gas sector and about the jobs that exist within that sector so those community helpers, employment counsellors, and social development workers have a better sense of how to link the current skills of their clientele to those jobs.

The truth of the matter is that these jobs in the oil and gas sector are highly transferable, so there is a lot of opportunity for growth and development. Many of the skills in the north northwest are really well situated for employment within our sector more broadly.

**Mr. Rodger Cuzner:** That's great, thanks.

Matt, with regard to your comment on the difficulty of trying to measure the impact of LMDA investments and trying to outsource, do you see that a sharper tool or a better process in trying to track those investments would...? If you can measure it, then you can fix it.

**Mr. Mathew Wilson:** Yes, I think that in any business, you need to be able to measure your results. If you're not measuring the specific results....

They don't always have to be economic. Obviously you want to look at social and other results, but there is barely any data on a result. I'm not sure that's a problem with the agreements between the federal government and the provinces, or whether it's something the provinces don't want to do. That's something for the bureaucrats to figure out here in Ottawa.

But if you don't have that basic data on what the outcomes are, it's pretty hard to make any meaningful decisions on what's going on. To me that's fundamental. Every business person would rely on data to change their direction on things and that's what we need to do on this one too. If it's not available, those tools need to be put in place fairly quickly.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** You still have another 45 seconds.

**Mr. Rodger Cuzner:** No, go ahead.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Okay, thank you.

We're moving on to Mr. Butt.

**Mr. Brad Butt (Mississauga—Streetsville, CPC):** I am quite interested to know how we can improve the LMDA programs and how we can get employers.... I think the key is that employers have to play a much bigger role in this, and not just the agencies that often get the funding and are contracted to do the training. I believe we've missed the boat in many respects by not engaging employers more in the process.

Do you have any ideas or specific recommendations you can share with the committee on how either employment associations like CME as an example and others, or direct employers, private sector companies, are involved in training either on site or in a location where they can partner with a trade union or someone who can do the very specific types of training that we need?

• (0920)

**Ms. Catherine Pennington:** Certainly. To answer specifically your question around getting employers engaged and having them

more active in the process, I think the job grant certainly lends itself well to that engagement piece. I think that's really important. I really like the idea of providing mobility funding so that we can help workers move across the country in a more seamless and appropriate fashion to fill jobs. Certainly, ensuring that employers have a voice in identifying—and we talked about data tools earlier—what their needs are and what the needs look like in the future is going to be really important.

But I go back to a message that I want to bring to this committee, which is that essential skills are critical before training for technical skills. So the employers that I work with, and certainly, from our standpoint.... We have a number of contractors that construct projects, and we operate them. We and those contractors want to hire local people. We want to hire local northern residents, aboriginal people, Canadians. Quite frankly, we need to ensure they have the essential skills first. There's a huge market of people out there that we could reach, and I think our employers would be fully on board with supporting those essential skills.

**Mr. Brad Butt:** I'm sorry to interrupt. I wrote down essential skills with a question mark. What exactly are we talking about? Are we talking about literacy? Are we just talking about basic...teaching people that they have to get up in the morning and show up to work on time? Is that what you're talking about in the way of essential skills, or can you give me some other examples of exactly what it is you're talking about that you think these individuals need to be job ready?

**Ms. Catherine Pennington:** I know that Colleen Hodgson with the Métis Nation B.C. and Karin Hunt, who may still be here, from Prince George Nechako have definitely more expertise in essential skills than I do, but certainly it includes workplace literacy, numeracy. Some folks have never had a job or don't have a culture of observing people in their own families working, so it's that workplace readiness. It's in line with what you're saying, sir, yes.

**Mr. Brad Butt:** Okay.

**Mr. Mathew Wilson:** I'll pick up directly on that. When I mentioned in my remarks what a company told me, that they have an 80% rejection rate of new hires, that's exactly what it is. They're basically unsafe to be working in the work environment. That is primarily language and numeracy skills. It's just not a good place for them to be, on a factory floor in something like what Enbridge is operating in different facilities across the country. It's not a good environment for them to be in.

That's a problem of our...and we're not talking about new entrants to Canada, either. We are talking about people who grew up and were raised in and went through the Canadian education system and don't have the basic skills to be employable. That's a huge problem we have.

On the broader issue of specific examples—if I could just return to that for a second, if I have a minute—there are a number of things that should be done. I've referenced some of the things that we're doing through the LMDA program and other programs across the country to help employers train their staff, but maybe I'll talk about some of the things that I think we should be doing more broadly.

I had the opportunity to go with Minister Kenney on his tour to Germany and the U.K. earlier this year. Looking at the German training system and the way they engage employers and tie employers into the education system was a real eye-opener to me. Canadian employers basically are not allowed to be part of any part of the education system. Except for the polytechnics and a few colleges and universities, employers aren't really part of the education system. In Germany they start in high school having employers directly involved.

We need to change the mindset about corporate Canada's involvement in training. I don't mean the employers themselves getting involved. I mean the institutions and governments letting companies come in and help with training. They're the ones with the expertise. They're the ones who know the future job requirements. We need to stop pretending the government knows better than employers what the future job requirements are going to be.

There has to be a better way to link those together, but it starts with allowing employers to be part of the process, which in most cases, they're not.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you very much.

**Mr. Mathew Wilson:** Thanks.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** We're now moving on to Monsieur Brahmi.

[Translation]

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

Mr. Wilson, you joined forces with the Canadian Labour Congress to create the Centre for Workplace Skills. Could you briefly tell us what lessons you learned from that joint venture?

[English]

**Mr. Mathew Wilson:** I'm sorry, but I think there was something cut out. Which joint effort?

[Translation]

**Mr. Tarik Brahmi:** I'm referring to the Centre for Workplace Skills, a joint undertaking with the Canadian Labour Congress.

• (0925)

[English]

**Mr. Mathew Wilson:** That's a great question. That's been an ongoing project and joint venture we've had with CLC now for going on six or seven years. I think we've learned quite a bit out of it. In the partnership right now, we're actually trying to develop national occupational standards, both for factory floor workers and for management, around some of the competencies needed.

We've also developed and co-developed training around essential skills and some of the other basic skills and technical skills that are needed to operate modern manufacturing. It has been a very good partnership to date, and we're still working with CLC on the Centre for Workplace Skills and growing the training that we are doing together for both employers and employees.

[Translation]

**Mr. Tarik Brahmi:** Do you think employees should become more involved in their training and skills development, instead of always waiting for employers or the government to take care of it?

Do you think there should be greater cooperation between employees and employers in that, collectively through workers' associations, employees should play a more proactive role in their occupational destiny?

[English]

**Mr. Mathew Wilson:** Maybe there's a bit of a misunderstanding or maybe the knowledge is not there about how much workers are involved, but obviously, major union groups like Unifor and others are major trainers in this country. They have their own training centres set up right across the country, and in a lot of the natural resources sectors the unions and worker groups also have that and work very closely with employers.

I think a lot of that goes on today. Could they do more? As for the union side, I'm not sure. Should they do more? I think there should be much more cooperation between—

[Translation]

**Mr. Tarik Brahmi:** Actually, I wasn't asking whether workers' associations should be more involved, but whether they should engage in a greater level of cooperation with employers. In other words, in order to get a true sense of the needs locally, I'd like to know whether more joint training initiatives are needed, instead of having employee-led training, on one hand, and employer-led training, on the other. I am talking about better cooperation.

[English]

**Mr. Mathew Wilson:** I guess I would answer similarly. I think a lot of cooperation goes on today, and I'm not sure how much you could improve it. We do not hear complaints about areas of training that need to be improved. A lot of it does go on today. I'm not sure how much more we can improve it.

I guess I would say—and our actions with CLC certainly underline this—that we believe employers and employees should be working together on the training of their workforce.

Part of the challenge may be—and I don't have the recent statistics—that only a third of private sector employees are actually unionized, so in a lot of cases there probably aren't collective areas in which they can cooperate and push through training. A lot of it is through senior worker management as well as the management itself. They kind of collaborate on that, and I don't know really how much more could be done with regard to that cooperation. From my understanding, there is quite a bit of that today.

[Translation]

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

[English]

**The Vice-Chair (Ms. Jinny Jogindera Sims):** There's time for a very brief question if you want to take it. No?

Okay. We're now moving on to Monsieur Mayes.

**Mr. Colin Mayes (Okanagan—Shuswap, CPC):** Thank you, Madam Chair.

Thank you to the witnesses here today.

Those of us from British Columbia have had a little bit of a meeting with the premier to talk about skills training not only for the gateway project but also for the LNG projects that are proposed for the west coast of British Columbia. Basically in all of those projects, the companies are concerned about the labour resources to do these projects and are looking to the province to help out with training people.

The question I have is more directed to Madam Pennington. Have Enbridge and other companies identified the skills that are needed and have they said they will need so many welders, etc., so that can be communicated not only to the educators but also to those who are potential trainees for those jobs?

• (0930)

**Ms. Catherine Pennington:** I think how I'd respond to that is both Enbridge northern gateway and other companies have participated in a number of the labour market studies that have occurred. There have been a great number of them in British Columbia, especially in the north-northwest in the last few years.

Through that participation, we do provide numbers and estimates around our labour demands and needs. Clearly, we need to overlap that with all of the projects that are anticipated to occur in British Columbia and the north-northwest in the next few years. There's some significant concern around demand and volume certainly, and also the skills. So we have definitely participated.

The other part of industry is that we get better identification of our labour needs as we move through our technical study's processes. All of the projects are in different phases of evaluation of those technical studies, and I guess identification of what their labour needs will be from that. So we will certainly get closer to that identification as the months go on.

We also have a pretty good understanding from our organizations like the Pipe Line Contractors Association, for example, and other organizations that give us good labour market information.

**Mr. Colin Mayes:** How could you see the program improving, just to better link those people that need the training as far as recruitment or making people aware of the opportunities of these jobs and the opportunities in the various skill sets?

**Ms. Catherine Pennington:** I was reading some information around some different ideas being contemplated, some reforms to the national job bank and different.... I can't recall just what it's called, but I think being able to help communicate across the country what's needed, and again, that mobility piece and supporting people with labour market mobility. The ability to move for jobs is really important, and that linkage is critical.

Some of the work that we're doing from an industry standpoint is that we've developed a very comprehensive socio-economic management plan requirement. All of our contractors will be required to develop a comprehensive plan that would be part of the supply-chain process, in which they'll be evaluated around local inclusion, aboriginal inclusion. We are definitely going to be

working closely with our contractors and service providers. But I think being able to help articulate the needs across the country effectively ensures that training is aligned with developing those skills. Really providing some of the gap funding for individuals that could most benefit from training and linkages to employment is critical.

We see a lot of opportunity for young people to get the essential and then technical skills they need, and start a career. Especially in B.C.'s north-northwest there's an unprecedented opportunity for a young person to start a career and stay in their region. Really, to be a journey person and not have to journey very far for the first few years is really important. I think it's a great opportunity and it's a great way to get local and aboriginal people connected to the marketplace.

**Mr. Colin Mayes:** Mr. Wilson, as far as your organization, the Canadian Manufacturers and Exporters, do you have a program where you actually enter the educational institutions and communicate with the students directly in some sort of forum or symposium about those skills and the opportunities, and give them an outline of just what that skill entails, and also the career that they can have in those areas?

**Mr. Mathew Wilson:** We do it in our regional offices across the country, in a few of them anyway. In Manitoba, as an example, we run a program that is a province-wide hovercraft-building competition that engages high schools students, so students in grades 11 and 12. They partner with the aerospace industry, which are our members, in the province and educational institutions, in the colleges and universities. It teaches them some of the practical skills that Catherine was talking about, but also engages them and energizes them in what potential future opportunities might be, and provides a direct interaction between employers and students that are good. That helps kind of bring them into the right career paths as they're entering college and university.

Frankly, if you're doing this, though, only at the college and university level, it's too late. I think one of the biggest problems we have is in high schools. Certainly even when I went through school, in public school, in grades 7 and 8, I was taking shop classes and learning how to work with wood and weld stuff or burn stuff with a welder.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you, Mr. Wilson, just finish off your thought.

**Mr. Mathew Wilson:** I think that's the problem, though. There aren't those technical skills being taught anymore at the primary levels, so students aren't coming into the streams as much as they used to. It's a huge problem for all industries.

• (0935)

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you very much.

Now we go to Madam Groguhé.

[Translation]

**Mrs. Sadia Groguhé:** Thank you, Madam Chair. I hope the simultaneous interpretation is working.

Ms. Pennington and Mr. Wilson, I gather from your comments that strong partnership is clearly needed. And that requires the employers, workers, education/training sector and unions in a given region to come together and channel their efforts toward the same end.

We've noticed a major deficiency as far as basic skills training is concerned. An employer certainly isn't going to be interested in hiring a young person or an adult who can barely read or write. The problem is fairly widespread. Whether we're talking about young aboriginals or others, people aren't learning these basic skills. How can LMDAs be leveraged to fix that problem?

[English]

**Ms. Catherine Pennington:** I absolutely agree. That it is definitely a very widespread problem. I think we have some national figures around literacy and workplace essential skills, numeracy, and those kinds of things.

My hope would be that community-based funding would be made available, and that community-based funding would be available very quickly and be accessible, flexible, and nimble for the communities to help deliver community-based programming around literacy and essential skills to bring grade levels up, or at least workplace skills up. Let's face it, not everyone needs to have a grade 12. Not everyone needs to complete even a trades training program. But I think everyone deserves and needs to learn how to read, write, and have essential workplace skills, so that they can take their rightful place in the Canadian economy.

I guess my hope would be that this gap funding would exist to ensure that communities have the ability to deliver the programming in local communities. Often people are not well situated to leave communities for those skills, so helping to deliver those locally is really important, before trades or other training is expected.

[Translation]

**Mrs. Sadia Groguhé:** Mr. Wilson, what are your thoughts?

[English]

**Mr. Mathew Wilson:** I'll be short for a change. I agree.

I don't have much to add.

[Translation]

**Mrs. Sadia Groguhé:** I'd like you to speak to the business standpoint, because business leaders are struggling with the issue as well. What mechanisms could be created to really engage all sides on the issue?

[English]

**Mr. Mathew Wilson:** I'll go back to some of the comments I made in my testimony. The frustration, I think, is that employers expect the stuff to be taught in high school, before employees get there. I don't think the LMDAs should be trying to teach people some of these basic skills. We pay \$50 billion a year into the educational system that's not turning people out.

I think it can be addressed but, frankly, I think the educational system itself is where it starts. It's not the LMDAs that are the problem here.

[Translation]

**Mrs. Sadia Groguhé:** Very well.

We talked about apprenticeship. Young people who want to study technical trades can pursue their apprenticeship training on a rotating basis, in other words, work for a company while doing their training. Unfortunately, not all young people are interested in technical trades, so I think it's important to promote those occupations to young people.

What do you think?

[English]

**Ms. Catherine Pennington:** I couldn't agree more.

I think that promoting the technical and apprenticeship trades is critical. In fact, I have a team this week in northern B.C. that's working with partners, the Industry Training Authority, union organizations, labour organizations, and colleges, on something called pathways to apprenticeship.

We're simply creating the space for dialogue. We're hosting these events. They're low budget, low glamour, no glitz. They are opportunities for dialogue around apprenticeships. We need to get people in Canadian cities, communities, small towns, rural and remote areas, seeing themselves in the picture of trades and technology. I think there are really simple and inexpensive ways to do that.

• (0940)

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you very much.

Mr. Armstrong.

**Mr. Scott Armstrong:** Thank you, and thank you to both witnesses for being here.

Mr. Wilson, I attended that trip to Germany as well.

Referring back to your comments at the last round of questioning, are there any suggestions or recommendations you have to use LMDAs to help promote what I call the parity of esteem, to help make sure that young people in the country who are making educational decisions understand that there are great opportunities in the trades and in working with their hands, so we can grow the labour pool that companies like Enbridge and many of your supporters need?

**Mr. Mathew Wilson:** By the way, it's good to see you again.

Yes, there are some things you can do and I think some of the steps are there. Maybe it's just not being done in a nationally consistent format. Some of the stuff that Catherine was talking about in terms of their involvement in local communities, how do you take some of the best examples of that and replicate them across the country? These things don't have to be expensive, but they're so spotty.

I mentioned our experience in what we do in Manitoba. We run similar programs in the city of Calgary, but not province-wide across Alberta. We run some great stuff in Quebec, and then it's kind of spotty here and there after that. So maybe there is something that could be targeted more specifically at attracting youth into the system.

One of the things we learned in Germany was about national advertising and promotional awareness around some of the skilled trades and how important that was. We do a little of it through some of the advertising that HRSDC puts out, but again, it's fairly spotty and frankly, some of it's not very good.

It could be aimed more at youth instead of at mid-career people and there could be some things we could borrow from the German example of how they're doing it, and even in the U.K., of how they're going at it at a national level to promote those trades.

Those are just a couple of ideas and hopefully that works.

**Mr. Scott Armstrong:** You mentioned in your remarks the skills lab, you just kind of touched on it. I don't have much working knowledge of the day-to-day operations of that program. Could you expand on exactly how it operates?

**Mr. Mathew Wilson:** I am involved and I have a colleague with me who spends probably 50% of his time on it. We've actually just started and it's a kick-off. It was to be a private sector-led initiative around figuring out exactly what some of the problems are.

It operates as an online forum for companies to talk about what their specific skills challenges are, as well as either self-identified solutions to some of the challenges they face or coming up with new and innovative ways to address those problems, either as company-led solutions or through government programming and policy changes. It's a pretty open forum. The website is [www.sl-lc.ca](http://www.sl-lc.ca) and there's a nice video of my boss, Jayson Myers, and Minister Kenney telling you why you should go on it and why it's good.

But it is early and it is a good thing just to talk about it in terms of getting ideas from employers of what can go on. The other thing that's important is actually the new and innovative way that government is trying to do consultations with industry on problems that are out there. It's an industry-led consultation and partnership with government, so it's an innovative way to look at problems.

**Mr. Scott Armstrong:** Ms. Pennington, in the areas of great potential like northwest B.C., the opportunities they have over the next 15 years are just unbelievable. I guess there are two pools of labour. One is the local labour force that we need to provide training for and the LMDAs can be a piece of that puzzle. The other side is bringing the boys into northwest B.C. from other parts of the country who may already have those skills or have been in there, and training them with the same programs.

Do you have any suggestions or specific recommendations on how we can bridge that gap and have labour mobility, so people can actually get to these jobs?

**Ms. Catherine Pennington:** I go back to some form of subsidy or available funding to help people move across the country. Obviously, it has to be a reasonable amount. It can't be a huge investment. There is certainly a shared responsibility. Individuals need to have that

mobility and they need to be able to make those first and second steps. But certainly I think helping people to relocate.

Clearly, there's been a lot of work done around apprenticeship and Red Seal. I know there are other discussions around additional labour market mobility tools that will help people move across the country. Again, helping people understand the opportunities that exist, and recognizing that in many communities in the north-northwest some of the challenges will be around housing and accommodations. I know the company I work for and many other companies are working with communities on this, so we certainly need to be creative and responsive.

• (0945)

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you very much. Your time is up as well.

Thank you to both of you, Mr. Wilson and Ms. Pennington, for your presentations.

Now we will take a couple of minutes to switch panels.

• (0945)

\_\_\_\_\_ (Pause) \_\_\_\_\_

• (0945)

**The Vice-Chair (Ms. Jinny Jogindera Sims):** We'll resume our meeting.

I'll introduce our guests for this portion of our meeting: Nelson Leon, the chief of Adams Lake Indian Band; Karin Hunt from the Prince George Nechako Aboriginal Employment and Training Association; and from Métis Nation British Columbia, Colleen Hodgson.

I'll just remind you that you have seven minutes each and that timing is really tight. When we get to questions, I don't mean to be rude, but members get only five minutes. If I do interrupt you, forgive me, but I will signal you rather than use words. Thank you so much.

Nelson, let's start with you. Thank you.

**Chief Nelson Leon (Chief, Adams Lake Indian Band):** [*Witness speaks in the Secwepemc language*]

Good morning. I'm Nelson Leon, chief of Adams Lake Indian Band. I'd first like to acknowledge the Algonquin territory that I'm in.

Good morning guests, committee members, and witnesses. On behalf of the Shuswap Nation Tribal Council, signatory to the central interior aboriginal skills and employment training strategy, I am honoured to present to you today.

To provide you with a bit of a background, let me say that I am the chief of the Adams Lake Indian Band, a community located in Secwepemc territory near Chase, British Columbia. I am currently serving an eight-year term as elected chief. I've completed seven years as an elected councillor and I was previously employed as the administrator of the Shuswap training and employment program, a branch of the central interior aboriginal skills and employment training strategy. I oversaw and coordinated the administration of 10 first nation bands and additional urban programs within the Shuswap Nation. I was a part of the negotiations for pathways, of aboriginal human resources development agreements 1 and 2, and of the ASETS' renewal. I currently serve as the central interior ASETS' chief representative.

The purpose of my presentation is to provide members of Parliament with an update of the labour market development agreements from a local, provincial, and federal perspective, from the standpoint of an aboriginal skills and employment training strategy holder.

In British Columbia, there are 13 ASETS agreement holders. The ASETS holders have strong working relationships with the first nations, friendship centres, and tribal councils serving the first nations, Métis, and Inuit peoples.

In the central interior, the ASETS has provided EI unpaid benefits in the amount of \$750,000 and non-EI social assistance recipient savings in the amount of \$170,000 since 2011. The total allocation of funding for the central interior is \$3.89 million per year.

Provincially, for the past fiscal year the ASETS served more than 10,000 clients and saw 3,600 clients enter the labour market. The resulting savings for the EI unpaid benefits was \$3.1 million and for non-EI social savings \$2.9 million. The 13 B.C. ASETS receive \$49 million per year in funding. This allocation has not changed since 1969.

The labour market development agreements deserve review and analysis, especially as they pertain to B.C. LMDAs have been in place since 2010. The LMDA is now called the employment program of British Columbia, a one-stop shop that provides services to all unemployed people seeking work, including those on social assistance, disability, or employment insurance.

The EPBC services have been contracted out of WorkBC offices, which require a fee for service. Until recently, the WorkBC office was fully funded by the Ministry of Social Development and Social Innovation, but starting in June 2014 these offices will be required to charge a fee for service rather than receive 100% support from the provincial government. The only areas that will receive 100% funding are the fixed operating fees, which include rent, computers, and wages for site coordinators and administrative staff. Other positions in the employment services, such as those of case managers, job developers, employment advisers, facilitators, and financial specialists, are factored into the billable hours.

The financial model targets the cost of delivery per client. The goal, much as for ASETS, is to assist the clients to achieve employment. However, the difference is in the attachment of the billable rate of training costs. The WorkBC funding limit per client is \$7,500. In most cases, ASETS co-funds clients, since this amount is

insufficient to support the client training needs. The ASETS flexibility allows for partnerships to occur in WorkBC offices. There is an identified need for additional funds to support urban aboriginals to enhance existing programs and support an identified need and reduction of duplication of already-existing programs.

ASETS participation in the WorkBC offices has improved the accuracy of data regarding the number of aboriginal clients. The lack of reliable data of aboriginal clients utilizing the WorkBC offices is an issue in B.C.

● (0950)

As identified in the B.C. labour market strategy to 2020, over one million job openings are expected in B.C. over the next 16 years. Close to 60% of the job openings—or 650,000—will be due to replacement demands as a result of retiring workers. One third, or 350,000, will be due to new jobs from economic growth. Demand for jobs in B.C. is expected to grow by an average of 1.4% over the next 10 years.

The B.C. labour market is expected to rely increasingly on migrants. The labour market will be requiring new migrants for the new labour market supply over the period of 2014 to 2020. New migrants are expected to fill one third of the job openings. Over 77% of all jobs will require post-secondary education.

Almost half the aboriginal population—46%—is under the age of 25, compared to 30% for the non-aboriginal population. This is expected to see a decline in British Columbia to less than 10% by 2020. In addition, 60% of the aboriginal people have grade 12 or less, whereas 68% of B.C.'s general population has some post-secondary education or a degree.

On the national perspective, I also want to speak on behalf of our national ASETS network, since many of our ASETS holders also have concerns about the lack of provincial cooperation in sharing the LMDA funds. Nationally, there are 58 first nations ASETS holders serving a total population of approximately 930,000. To put this in perspective, there are more first nations citizens than the population of greater Ottawa.

Local ASETS holders have been serving first nations citizens since 1991. ASETS holders are in the best position to both understand and serve the unique job market needs, whether it be mining, transportation, energy, forestry, or tourism. Since 1996, ASETS holders have not seen any funding increases, despite a growing population and a growing client demand. As it stands right now, the cost of doing nothing will result in a growing annual multi-billion dollar burden in terms of dealing with the social impacts of poverty and despair.

First nations need immediate investment in order to reach employment parity with the rest of Canada. By doing so, it is estimated that by 2026 first nations will contribute a further \$4 billion to Canada's economy, while saving at least \$115 billion in costs associated with poverty. For the past—

• (0955)

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Could you round off now, please?

**Chief Nelson Leon:** Okay.

In closing, the simple recommendation I want to put forward is that any future LMA, LMDA, or Canada job grant must have a specific amount earmarked for first nations ASETS holders. The price of adequate funding will be paid back in building a dynamic future for first nations people of our land and all Canadians. With the proper investment and support by the federal government, we can meet our mutual goals, and we can build stronger communities and a stronger Canada.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you so much.

I'm going to go to Ms. Hunt, please.

**Ms. Karin Hunt (Executive Director, Prince George Nechako Aboriginal Employment and Training Association):** Thank you.

Good morning.

I want to acknowledge the Algonquin people, whose traditional territory I'm in today. Also, it's a pleasure and a privilege to address the standing committee in order to provide an aboriginal response to the labour market development agreements.

The organization I work for is located in the northern interior of British Columbia. We are an ASETS agreement holder, funded by Human Resources and Skills Development Canada.

It was very interesting to me this morning to hear the talk about essential skills. We are the pioneers for first nations people in western Canada of essential skills development for industry. As such, the success we enjoy today is due in part to the work we've been doing with industry to develop workplace literacy for their needs, particularly the skills gaps.

We have signed 16 recruitment and retention agreements with industry and trades unions. In the four years of a five-year agreement, it has resulted in 2,708 job placements, in excess of \$800,000 in savings to the EI fund, in excess of \$2 million in savings to the federal and provincial social income fund, and an estimated \$30 million in wages invested into the economy. All at a cost efficiency of about \$3,780 per participant.

Initially, we started essential skills to get people ready for trades. Our folks did not have their grade 12, which was required, so we needed to find a measure to catapult them into trades without the length of time required to get their grade 12. Essential skills did that in part—240 people, as a matter of fact.

What's most interesting is that we were getting people ready for college trades foundation programs. The trend that has occurred since then is that the unions are scooping them out of our classrooms before they can get to college. Once they do the essential skills,

which is workplace-based literacy... It is transcending the cultural divide between where the individuals are and what they need to understand about that sector and that industry, and all the competencies that are required. Once they've transcended that divide, the unions want them at once. That has been the biggest trend.

I would be pleased to reappear before the committee to do a presentation for you on workplace-based essential skills, but today I'm here to talk about the standing committee, so I want to move along really quickly. I am part of 14 ASETS agreement holders in B. C. Together, we have provided services to approximately 12,000 employment insurance recipients over the past four years.

In terms of the labour market development agreement in B.C., the scope is to enhance the skill levels to ensure access to employment and labour market programs, and to partner with employers and communities. That scope mirrors the intent and purpose of the aboriginal skills and employment training agreements. Theoretically and logically, it should have presented an opportunity for collaborative approaches and shared resources.

In response, the employment program of B.C. was launched. It was to improve flexibility, improve responsiveness, and improve accessibility for clients and the public. It was intended to make it easier for people to find work and provide stability for their families through a wide range of employment programs within an integrated approach.

All EI programs through the LMDA were integrated into the employment program of B.C. They mirrored the programs offered by the ASETS agreement holders, such as training to upgrade skills, work experience initiatives, wage subsidies, encouraging employers to provide work experience opportunities, and job creation, amongst others. The anticipated collaboration did not occur, with the exception of a few situations, that were peripheral at best.

This implementation was carried out through one-stop WorkBC employment services centres, which included delivery to aboriginal citizens. The intention, once again, was quick and easy access to assist the unemployed to get back into the workforce as quickly as possible. The reality was longer wait times, disgruntled clients, unwieldy processes, and in several circumstances culturally inappropriate application.

•(1000)

Presumably, a stakeholder analysis was conducted post-implementation; however, it is apparent this did not extend to a sensitivity analysis, which would have extracted data on the service delivery models with proven history and impact in aboriginal labour force development, and in particular, the rationale behind why we had designed models the way we did in meeting the cultural and philosophical needs of the aboriginal community. With the new model that was put in place, the RFP process ostracized several aboriginal organizations with expertise in employment services. Their valuable expertise was relegated to non-existence, and integral resources were lost to the community.

In many communities across B.C., aboriginal citizens are now subjected to a former, “olden days” model of services delivered by non-aboriginal organizations going back in time. In instances where WorkBC employment centre agreements are managed by private companies, a fee-for-service model is not only a philosophical difference in approach, it extends the lead time for processing citizens toward skills development and ultimately gainful employment. This is due to the requirement for clients to participate in a series of workshops to count costing factors.

In terms of collaborative approaches, the WorkBC employment centres and the ASETS agreement holders serve the same clientele, deliver the same programs and services, and in most cases, have similar goals, objectives, and proposed outcomes. For example, the ASETS agreement holders historically fund upward of 3,000 employment insurance clients on an annual basis. That's in B.C., of course. Strategically, resources can be maximized, better outcomes realized, and efficiency increased if collaboration were to occur. So the key, really, is collaboration, a coming together between the provincial LMDA, the ASETS agreement holders, and finding strategic approaches and models that are going to work. It's just, perhaps, doing things differently than we have done in the past.

So, here are the recommendations to the standing committee.

The first is to invest in aboriginal organizations with expertise in essential skills—that was after this morning's discussion where folks were going on about it, and I thought, we have the perfect answer. We started out through the national AFN and CN Rail, and we implemented the railway to success program. Since then we have run that program three times for CN Rail. But, you see, the model includes CN Rail, so they hire the majority of the graduates and then send them on to further training. We had a number of folks go on to training as conductors, and all of that was paid for by CN Rail. So, those models exist. There were never any essential skills resources that were provided to the ASETS holders.

The other is to encourage the LMDA agreement holders to engage in a stakeholder sensitivity analysis with ASETS agreement holders in B.C.

A third is to encourage labour market development holders to engage in meaningful dialogue in partnership with the ASETS, to maximize resources for greater impact.

A fourth is to analyze the existence or non-existence of collaborative efforts between WorkBC centres and ASETS agreements holders, sharing best practices and lessons learned.

The fifth is to encourage federal departments and LMDA agreement holders to partner and invest further with ASETS agreement holders in the design and implementation of impactful programs for the aboriginal labour force to meet the demand for entry into apprenticeship, technology, and health programs.

The recommendations presented, though not exhaustive, underpin a forward approach for collaboration to create solutions to the specific issues, problems, or opportunities. Meaningful dialogue will then provide a venue for the stakeholders to examine the many facets of a complex situation, design specific solutions, and determine how best to implement them.

Thank you.

•(1005)

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you very much. Now we're going to move over to the members of Parliament and their questioning.

Oh, I am so sorry. We haven't heard from the third panellist.

Ms. Hodgson.

**Ms. Colleen Hodgson (Director, Industry Engagement, Partnerships and Education, Métis Nation British Columbia):** Thank you.

Good morning, and thank you so much, Chair, for the invitation to participate today and share some information.

My name is Colleen Hodgson and I am from Métis Nation B.C. I'm the director of industry engagement, partnerships, and education. As we know, Métis Nation British Columbia is one of the five governing bodies of the Métis National Council, which is like the AFN of the first nations, just for some background there.

I am Métis. My family originates from Hodgson, Manitoba. That's actually my community, or was my community; I live in beautiful British Columbia.

I would like to begin my comments by providing some context about my role with MNBC and how I am involved with post-secondary education and funding and the labour market. You'll see, as I share this with you, why that context is important.

Over the past several years I have been involved in the development of the aboriginal post-secondary education and training framework, which was a policy piece; the aboriginal service plans, which we started about five years ago; the Aboriginal post-secondary education policy table, which drives the policy and ultimately the legislation in British Columbia on aboriginal post-secondary education and training; and the northern B.C. regional workforce tables that the Government of B.C. implemented about two years ago. They started at northern B.C., so Prince George is the cut-off. The regional workforce tables were put in place to gather that information, that data, for implementation of skills training plans, knowing what was coming with industry.

I also worked on the natural gas workforce strategy with the government and actually a few of the folks from industry. It's interesting, a lot of government people seem to go over to industry, and industry people go over to government. I think that's a good thing; it makes a lot of knowledge at the table.

I've also worked with ASETS. I manage the partnership component of our ASETS program. We are an ASETS provider, which is actually not regional or local. It's provincial. We provide ASETS services to about 70,000 Métis people in British Columbia. I've also been involved in the SPF that came out, the ASTSIF, the ATEP, and the aboriginal community partnership program, which we like to call "the alphabet soup" one. That's from the LMDA and LMA funding, so this is what the Province of B.C. did with it.

Then I worked directly with the private sector and the public post-secondary institutions on skills training and employment, and as Ms. Hunt spoke about CN, I've worked with them as well. So there are lots of relationships there, and I'm sure it's taken 10 years off my life, as with my colleagues here.

I will speak to the "Federal Framework for Aboriginal Economic Development", as I think it's a great guiding document. As you know, Minister Strahl, back in B.C. now, is from my community in the Fraser Valley in British Columbia, and he's been very involved with Métis and first nations in policy development and very supportive. I think that document is a good one. I've had many discussions with him about it.

I think it's a great set of guidelines, because it has the big picture. It connects economic development to skills training. We need to do that. I've seen often through many years that skills training is separate from economic development. They're not separate; they're one thing. When we connect economic development for a first nation or Métis community, that means jobs, that means training, that means those folks' going to work. So we have to look at it as one picture. I think that's a much more pragmatic way to look at things.

The framework states that the Government of Canada will support labour market programming that increases skills development and employability to help aboriginal people secure long-term jobs; foster linkages across initiatives supporting labour market participation, skills development, apprenticeship and training, as well as education and income assistance—so again, the income assistance and the EI piece is in there—and collaborate with industry, educators, and the voluntary sector to better match learning and training with job opportunities in the labour market.

•(1010)

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Excuse me, I know we asked you to go rather quickly, but our translators, interpreters, asked—

**Ms. Colleen Hodgson:** It's the educator in me.

Thank you, Chair.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** I know you want to get everything in there. If you could just slow down a little bit, that will give our interpreters a chance. We've stopped the clock while we're having this conversation.

**Ms. Colleen Hodgson:** Okay, that's great. Thank you for that.

The framework that was developed is a great document. It outlines all of the things we talk about, and I think we've all had many conversations about this. We know it well, but we need to determine what the next steps are.

Ms. Hunt spoke about including literacy in essential skills. That's very important. Supporting labour market programming and delivering this can be effective if we know who we need to train and what kind of training is needed. I honestly don't believe there is a labour shortage in British Columbia. I believe there is a skills shortage.

Fostering partnerships and building relationships has to include several partners, including the first nations and Métis communities, government, the private sector, employers, and post-secondary institutions, both public and private. We have private institution training on operating heavy equipment and it's great, but we also have public institutions that are great in delivering training on heavy equipment operating as well.

In order to make informed decisions when accessing labour market funding and developing partnerships that support skills training, we need to know who we need to train. We need to understand, at the community level, what the training needs are. We need to make these decisions using accurate data.

The two most important data sets I've come to recognize are current and accurate labour market data and socio-economic data. Because we approach this from a socio-economic perspective, we need to have that data. We can't implement labour market data without a socio-economic analysis of Métis people in B.C.

Many data sets are collected by Canada and by British Columbia, and they are often shared. The data sets include the labour force survey, aboriginal peoples survey, various reports from Statistics Canada and B.C. Stats, ministries such as the Ministry of Social Development and Social Innovation, and the Ministry of Jobs, Tourism and Skills Training, which have already been mentioned.

Some data sets are pan-aboriginal. Some specify first nations, Métis, and Inuit, while others identify first nations and Métis. The aboriginal peoples survey distinguishes between first nations, Métis, and Inuit, while the employment program of B.C., which has the LMDA funding, identifies aboriginal as a specialized population on a pan-aboriginal percentage basis. They identify it not as aboriginal or first nations or Métis but as “specialized”, which is critical when any kind of funding is implemented.

Data collection that informs programs and services delivered both by Canada and by the provinces should be consistent. I think we've all heard that message. An important data set that does not currently exist in B.C. is the socio-economic status of Métis people. An example is the need for accurate information on people accessing social assistance and employment insurance.

• (1015)

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Colleen, can I get you to wrap up now, please?

**Ms. Colleen Hodgson:** Sure.

As Chief Leon said, starting in June there will be a fee for service for WorkBC. We won't have people accessing it. Métis people will not access it. They do not have the funding.

I would just like to say that I reiterate many of the thoughts of both my colleagues here regarding the LMDA funding. I think it's important that we recognize....

I'm from the northwest of British Columbia and I'll just wrap up by saying that industry development is not what everybody thinks it is. I really highly doubt there will be five LNG plants operating with millions of people working. If you're in Kitimat or Prince Rupert, you'll see that it's not reality. We need to be training people in health occupations in B.C. as well.

We'll prepare a brief for later.

Thank you, Chair.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you so much.

We're going to go over to Madame Groguhé.

You have five minutes.

[Translation]

**Mrs. Sadia Groguhé:** Thank you, Madam Chair.

I want to thank the witnesses for being with us today.

During the committee's discussions on the aboriginal strategy and LMDA renewal, the various challenges facing aboriginals have been raised. They are systemic and endemic challenges.

It is clear that, in the course of the committee's work on the renewal of the strategy, we've discussed the importance of making

sure some of our political efforts really focus on access to early childhood learning and formal education. That means access to the calibre of education that is worth its salt, to avoid the stumbling blocks we are dealing with today. When you have adults who are lacking basic skills, known as essential skills, it is obvious that the problem has to be addressed at the source.

That said, Ms. Hunt, your expertise when it comes to essential skills and literacy has been mentioned. You've worked with industry in that connection.

I'd like you to tell us more about those joint efforts in particular. What was required? How can LMDAs address specific skills training in this regard?

[English]

**Ms. Karin Hunt:** The critical component is this. We use the national occupation codes. Every job in Canada has a national occupation code, and from that code we are able to determine the competency levels that a person needs to function at to be proficient in that job. We develop them for that proficiency and to meet those competency levels. We do that in partnership with the industry where they actually come in and help us develop the curriculum for their particular program. Having developed the curriculum, we ensure that it covers most of the job maintenance skills, along with the essential skills, because essential skills are connected to the nine essential skills that would help you to perform well in any job or any trade.

So we do that in partnership with the group that we are developing that curriculum for. Our people then become accustomed to interacting with people from that particular industry and confident in speaking with them. So when the time comes to do the interview, they feel at ease being interviewed by people from that particular industry.

• (1020)

[Translation]

**Mrs. Sadia Groguhé:** Ms. Hunt, that's very interesting. Very interesting, indeed.

[English]

**Ms. Karin Hunt:** It includes all of the safety requirements for that job and occupation. It requires any of the legislated safety practices, for example, through WorkSafeBC. So it's a combination, and it's probably the most effective model that I've seen in a long time. We've used it for many industries.

[Translation]

**Mrs. Sadia Groguhé:** Thank you, Ms. Hunt.

My second question is for Mr. Nelson.

You're working on putting forward solutions based on aboriginal entrepreneurship. Can you describe those initiatives for us?

[English]

**Chief Nelson Leon:** Right now, with the development in B.C.—emerging industry, as well as, what would you say, beefing up the infrastructure—many communities are creating linkages. For example, at Adams Lake, we have archeology contracts; for the highway, Brentwood is the contractor. There's a partnership to provide truck drivers, flag people, first aid. We're working on developing those partnerships and initiatives to get our people working. Part of the challenge is the skill labour market that we have, and the need to have fairly easy access to funds to provide the training and the skills. There's a lot of work in B.C. There's a lot of development from first nations in terms of growth in industry on reserve lands, and again we're seeing the need to not only have use of the ASETS funds but a better partnership with the LDAs and LMD.

[Translation]

**Mrs. Sadia Groguhé:** Indeed, through the LMDA framework—  
[English]

**The Vice-Chair (Ms. Jinny Jogindera Sims):** I'm sorry, Madame Groguhé, your time is finished.

We'll now go to Monsieur Mayes.

**Mr. Colin Mayes:** Thank you, Madam Chair.

Thank you to the witnesses for being here today.

Chief Leon, you mentioned more funding. It's the first time we've heard actually a request for more funding. In our discussions we've heard more about a better delivery model and a better connection with the employer and the educational institutions, and that participation.

First of all, how can we improve the model so that there are better outcomes, and a better connect, for the person who needs the training and also the employer? Is there a good interaction with the employers who are out there looking for these potential employees?

In terms of the other participants in this, do you think there's any responsibility on the student to put some skin in the game, to actually put some money into it? I know that with my children I found that the outcomes of their education were great when they earned money to put into their own education. I think there needs to be some input from those who are participating in the program.

Could you comment on that in terms of the participants?

**Chief Nelson Leon:** In terms of participants, you're talking about dealing with an aboriginal population that is impoverished at the best of times. For them to say they'll put some in.... They have nothing to put in, so you're basically creating more exclusion.

In terms of increasing funds, either to the LMA or the LMDA, I would take a look at that, but more important, I think, is to develop the collaboration and accountability to first nation partnership. Increasing that without an accountability or a collaboration or a partnership structure with local ASETS holders doesn't really serve or make any more funds or opportunities available to aboriginal people.

I believe the industry itself should also become an active partner. We're creating a skilled labour market that they in turn profit off of.

They can take some of these profits and put them back into skill development and labour market development.

**Mr. Colin Mayes:** Okay.

Do any other witnesses wish to respond to that question?

**Ms. Colleen Hodgson:** Thank you.

I agree with Chief Leon's thoughts exactly. The word “partnerships”—they are difficult to develop. If it were easy, there'd be a whole bunch of really great ones in industry, but there are not.

One way I found that is effective is having formal agreements. An example would be a labour market development agreement that is specifically about capacity for skills training, and lining up those goals that we both have but can't seem to connect on. It would be having those formal agreements, such as a partnership accord or something to do with labour, that are specific. It's difficult, because there are other things involved, such as rights. But if we can get the labour market partnership accord signed off with industry, it works.

I'll give you an example of something that took place. I'm working on a proposal with the Justice Institute of British Columbia, which is a public post-secondary education institution, on the emergency medical responder training program with an oil and gas piece, because there's this huge demand coming up in that sector. Spectra Energy is one of our partners on it. We got them involved and asked them who they would need—physically, on the ground, not on paper or in a theoretical piece. Who will you hire? How many guys or girls will you have on the ground?

Out of that conversation, it came to be known that between Alberta and B.C., you cannot transfer paramedics. There is no transferability. All of the oil and gas industry thought they would pull paramedics out of Alberta to come to B.C. and the northwest to work. They suddenly realized they could not do this. So now we're relooking at the whole thing, figuring out all the paramedics we need, because they're pulling them out of the communities they're servicing. The paramedics are being pulled out of there to go up north and make a whole bunch of money.

There are all these dynamics going on. Without that strong labour market relationship with industry and the post-secondary institutions, it's kind of like one hand doesn't know what the other hand is doing sometimes. They just assume things. It's specific to Alberta, because in the northwest we're kind of new to the whole oil and gas thing. It's a bit of a learning curve. It is for industry as well. They just thought the transferability was there, assumed it, when it's not for a lot of trades. Now we're relooking at the whole thing.

That's just an example of having that connection with the employer. Guess what? Spectra Energy doesn't hire the people. The medic companies hire the people. The contractors hire the people. The Ledcors, the PCLs, the KBR Industrials, they hire people, not Spectra and not TransCanada and not Enbridge. So it's tough.

•(1025)

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you very much, Mr. Mayes.

Our next speaker is Mr. Cuzner.

**Mr. Rodger Cuzner:** Thanks, again, Madam Chair.

Thanks to the witnesses as well.

We haven't heard a lot about entrepreneurship from any of the witnesses through the study.

Most of the focus has been on skills acquisition, technical training, and what have you. Could you give us a true and realistic assessment as to how your organizations are dealing with developing entrepreneurs, and whether the right supports are there within the LMDAs, and past LMDAs, in order to support you folks in providing entrepreneur training. Are there things that should be included in an LMDA going forward that would further enhance that? Could you give us an overall view as to where you are with entrepreneurial development.

**Ms. Karin Hunt:** Our organization sponsors a small business adviser for aboriginal citizens and we have done so for about 15 years. Their role is to work with the community and to provide education and awareness around the types of skills and components required to start a business, how to work through a business plan, and so on.

There haven't been any resources that have been targeted toward aboriginal small business through our process. If there were to be through the LMDA I think it would be necessary that this be a carve off of aboriginal small business development and something that the community could work with the government in designing. Critically, when it comes to designing for programs or offerings that are specific to the aboriginal community, that should only be done through the aboriginal community. All too often we have program formats that are presented to us designed behind the door somewhere by someone but not necessarily in consultation with us.

•(1030)

**Mr. Rodger Cuzner:** Who's to benefit in a program like this?

**Ms. Karin Hunt:** I absolutely see benefit in there being resources for aboriginal small business development, but the entire framework for that should be developed in concert with aboriginal people.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Go ahead, Nelson.

**Chief Nelson Leon:** In our area there's the All Nations Trust Company, as well as the Community Futures Development Corporation of Central Interior First Nations that do provide entrepreneurial training. There are relatively regular intakes. There are also individuals who have gained the necessary business skill set to start their own businesses who then turn around and need skilled labour.

Again, as Karen has said, if we're going to put more moneys into it, whether through the LMDAs...again, a critical part has to be the accountability. There has to be some transparency. You can't say we're going to put more money to target aboriginal entrepreneur skills development into an organization that doesn't have accountability as to the number of aboriginal clients or doesn't have any reporting mechanism as to the partnerships, collaboration, or the

linkages with aboriginal communities. That money will not reach aboriginal people. For me to say that I recommend that, I wouldn't. It would be more money with the accountability, the transparency, and the need to develop a collaborative effort to meet the growing labour market.

We still continue to be underutilized. The most effective means of utilizing the aboriginal labour market is through the existing institutes, the ASETS holders. Time and time again we've demonstrated a good return, anywhere from 12% return on investment of the funds going in to a 30% success rate of the number of people taking training and entering the labour market. For Adams Lake alone, just my band, we have 100 regular employees. Last year we had 80 additional employees. Our payroll is a quarter of a million dollars every two weeks. These are people, from ages 18 to 26, who are demonstrating a tremendous amount of responsibility with their income. They are buying vehicles, clothes, and using it for recreation. The quality of life has changed for those families. This is my community but there are other Secwepemc communities, other communities in B.C. and in Canada, where our young people are not going to lay idle. They want to be involved in the economy.

At another meeting recently I asked why people are worried about giving us money. We don't have banks in our community. Money is not stuffed in our mattresses. It flows right back into the Canadian economy, into businesses, into income tax, and into the whole financial system. So, invest more, but ensure that the accountability and the transparency in terms of who you are targeting is reported.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you so much.

Your time is up, Mr. Cuzner.

Now we are going to go over to Mr. Maguire.

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

Thanks to the presenters for their presentations here this morning.

Chief Leon, I think you were going to make a comment before you wrapped up that your cost of doing nothing is huge. You had some comment that by 2026 there would be \$4 billion Canadian invested, I believe it was, and please correct me if that number is wrong. There was also a large number of savings that you were talking about in costs that could be saved by giving around the work. I wonder if you could elaborate on that a little for me.

**Chief Nelson Leon:** Again, I have had the great opportunity of having technical support and involvement with a fair bit of different activities in my own community, and I am taking this on the corner of my desk because there hasn't been the political representation. Quite honestly, I can't even find my note right now regarding that. I kind of skipped over it because I felt there is a significant savings, and again I'm just using the numbers overall. I think it was 30%. Whatever you invest, there is almost 30% returned in savings between EI and the social assistance fund.

I can't pull out the actual number right now. You'll have to excuse me.

**Mr. Larry Maguire:** That's fine.

I just want to say, as well, that it goes along with Mr. Mayes' question regarding accountability and moving people into the workforce.

I appreciated your comment, Ms. Hodgson, regarding not having a labour shortage but a skills shortage. You mentioned 70,000 Métis, I believe it is, in Alberta. Is that who you represent, or is there another association that represents more of them as well? How much of the population would that be?

Then, for all three, everyone talked about the use of corporate partners in getting jobs and getting people moved into the jobs. How would we best be able to use the LMDAs to access more corporates to help with that training? We have a program now that will be able to give employers the opportunity to move forward with training dollars into community college-type trades. I wonder if you see that as being a help in the future. How do you see the LMDAs fitting into the corporate side in getting more of your people into work?

• (1035)

**Ms. Colleen Hodgson:** I thank you for the question about the representation of Métis people in British Columbia. There are approximately 70,000 Métis people. I think the statistics are well known that the age group is quite young and of that workforce-type age.

I believe in a somewhat pragmatic approach. What I mean by that is that although PETRONAS or BG Group or TransCanada, or whoever, has these huge projects going on up north, it is the contractors, as I mentioned before, who are the employers.

One of the ways we did that was that in March of 2013, I brought together all of those partners. I brought together all the leads on employment training from all the industry sectors. We brought the unions in. We brought the B.C. government in. We had AANDC there. We had HRSDC ASETS representatives there. We had a round table for two days and had that discussion. Several recommendations were brought out of that.

This year we brought together the energy development and the Métis in western Canada. When we had all the CEOs and presidents from all the industry partners in Canada and the United States there, along with the provincial and federal government, Western Diversification, and a lot of deputy directors, from that we brought those recommendations for industry.

Having said that, sharing the information and the knowledge about who you are and what those objectives and goals are, I think they are the same. But we're not talking to each other enough. When we talk to them and say, okay, how are you going to...? I'm sorry, but I'm a very pragmatic person. If I have TransCanada and they are doing some clearing on a right-of-way for all the electrical projects that people forget about because all of those pumping stations have to have generation stations—and it's another whole huge dynamic of industry development—we need some guys to clear that line.

TransCanada doesn't hire them. Some logging company or somebody is going to need those guys. If we're not in touch with those guys at our community level, they are not going to get the work or the contracts. We have gone out there and started building joint venture agreements with bigger companies to give us the sustainability and capital to access those contracts through joint

venture agreements. At the same time, we have made them agree in writing that they would hire our people and train them. So another way to do this is through joint venture agreements. The economic development skills training capacity piece, I think is one thing.

Thank you very much, Chair.

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Now I'm going to go over to Mr. Brahmi.

[Translation]

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

I want to comment on what Ms. Hodgson said earlier about the matter of transferability of training and skills.

You gave the example of paramedics, whose skills aren't transferable from one province to another. We are aware of that problem, which really affects immigrants. Newcomers have a lot of trouble when they come here in terms of having their education and credentials recognized. Indeed, it may seem preposterous for provinces with just two, three or four million people to have incompatible systems. All that does is put up another barrier. I completely agree with your take on the subject.

Whenever we hear from first nations representatives, I try to understand the specific problems that members of those communities face, as compared with the general population.

How can LMDAs be tailored to better reflect the unique problems that members in your communities are confronted by?

In my view, one of the obvious problems is location, living in a remote rural community as opposed to downtown Vancouver. Members of remote communities don't encounter the same barriers when it comes to accessing training programs. Some will have to move. They may have trouble finding childcare or accommodations in the place where the training is offered.

From your own perspective, what specific challenges do the people you meet have to deal with? What would you suggest as far as solutions go?

• (1040)

[English]

**Chief Nelson Leon:** Some of the problems, I guess, are low education and achievement levels, not all people getting to grade 12. Second is that drug and alcohol use is an issue. Child care may be an issue. Transportation may be an issue. One critical issue is what you would call “survivability” in the workplace; that is, retention, because there still are systematic prejudices within the workplace. We found in Mica units 5 and 6 projects, where we're partnered with the camp construction and the catering contract, that until we got over about five to seven people—a critical mass of our people in there—people would go, and if they ran into HR problems, they'd quit. So staying there and be determined there.... Once we got about 15 people in there, we had enough aboriginal people in the workplace that if they did run into problems they were supporting each other and standing up for each other.

So I think that those are some of the key areas that need to be addressed.

[Translation]

**Mr. Tarik Brahmi:** Ms. Hunt, could you also answer that please?

[English]

**Ms. Karin Hunt:** One of the critical elements is the cross-cultural piece. By this I mean every industry has a culture, every occupation within the industry could have a culture, depending on the different departments within it. Our people also, of course, have a culture. There is a way of blending those cultures to be able to accommodate the communication styles of each so that there's a better blend and a better understanding.

Oftentimes workplace incidents occur because of that lack of communication. We look toward industry to invite us to come in—or we actually invite ourselves to come in—and do that piece with them so that more of our people will want to stay with a particular occupation. So that is a huge piece.

[Translation]

**Mr. Tarik Brahmi:** We don't have much time and I'd like to give Ms. Hodgson a chance to answer the question.

[English]

**Ms. Karin Hunt:** Yes.

**Ms. Colleen Hodgson:** Thank you for the question. It's a great question, and one that we often talk about.

I'll just cover a couple of things here. The transferability for training is a huge issue. Maybe it's a good thing, maybe it's not, but are Kitimat and Prince Rupert going to be the Fort Mac of British Columbia? People aren't necessarily apt to leave their communities. You mentioned the travel and the distance. I've been to Fort Mac several times and have been on those airplanes with all those guys from Vancouver Island or Halifax or someplace. Maybe that's okay. If that's what they want to do, that's cool, but for aboriginal people—I'll just give you an example.

The Unified Aboriginal Youth Collective for Canada just met on Vancouver Island at Tofino this year, and out of that came the focus that HRSDC and the Ministry of Aboriginal Relations and Reconciliation from B.C. put on it. What is the aboriginal youth's perspective right now in Canada: unemployment, skills training? They don't want to leave their communities. That is the new message. They don't want to go to Fort Mac. They don't want to live in Prince Rupert. They want to stay in their communities, so considering what these investments are for the youth, we need to consider. Do they want to live in Vancouver and travel to Prince Rupert for two weeks in and two weeks out?

We're looking at something new in Canada with industry development, specifically in British Columbia. It's a new picture. I know for me, it's taking a step back and looking at things differently and looking at innovative ways to do it. But without having that data, it's going to be very difficult to make that successful.

Thank you.

• (1045)

**The Vice-Chair (Ms. Jinny Jogindera Sims):** Thank you, Colleen. Your time is up.

I want to thank the three panellists.

Colleen, you're a very brave woman. For you to carry on making this presentation when I know you had really bad news about your mum just before this—so from the bottom of my heart, thank you. It also shows the passion you have for this that you wanted to carry on and give testimony.

The meeting is adjourned.







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