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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 Chair (Mr. Phil McColeman (Brant, CPC)): Committee members, let's call to order.

With your indulgence, and we've mentioned this to the witnesses, before we begin on the witnesses we do have two items that we can move through pretty quickly for committee business and they have to do with the eternal flame project. So with your indulgence I'd like to just move those up to the start of the meeting right now as we are, without going in camera, because I don't think anything here is earth shattering but we have had communications. So I'm going to pass it over to...unless there are any objectors to doing this. The other reason is that I've been notified that there are possible votes this morning and we could be interrupted later in the meeting, in the last hour of the meeting, in which case we would have to go to the House of Commons.

So, that said, I prefer to do this now and get it done before we move on to....

Madam Sims.

Ms. Jinny Jogindera Sims (Newton—North Delta, NDP): We're feeling a crunch of time, as you know. Will that not cut into the very brief time we have with our Library of Parliament witnesses?

The Chair: What I intend to do—and I should have said this as well—is extend their time into the second hour in lieu of the fact that we've moved this up to the front, if that's okay with members.

I'm going to hand this over to the clerk because the clerk has been dealing with this issue.

Caroline.

The Clerk of the Committee (Ms. Caroline Bose): There are two quick things. The first thing is that you have before you a letter from Sara Carleton, who is last year's recipient of the award. In the letter she explains why she's requesting an extension. It's essentially because she's doing it on Clara Hughes. Clara Hughes is doing a bike ride tour this summer and she would like to include that in her report. So if committee members are in agreement she's asking for a couple of months extension, or not a couple of months rather but essentially she'd submit the document on July 11. So if members are in agreement then we can allow her to do so.

The Chair: Madam Groguhé.

[Translation]

Mrs. Sadia Groguhé (Saint-Lambert, NDP): If there is no impact on future awards, I would not oppose this.

[English]

The Clerk: Madam Groguhé asked if there would be any impact on future recipients, and the answer is no.

[Translation]

There will be no impact whatsoever.

[English]

Essentially we would just be giving her a little bit more time.

[Translation]

We would grant her more time.

[English]

The Chair: Is there any further discussion? Otherwise I'll look for consensus without calling a vote.

Some hon. members: Agreed.

The Chair: Okay. We'll give that extension then, and the other....

The Clerk: The other item is relatively simple. The deadline for applications was on Monday. We've only received one as of yet, so to ensure that we have a high calibre of applicants I'm suggesting that perhaps we could extend the deadline a little bit to encourage more people to apply. It's been done in the past with only one applicant. There might be a few postmarked in the mail; it's possible. But it might be good to give it a little bit more time, try to publicize the award, and then we can get a few more applicants.

The Chair: Mr. Butt.

Mr. Brad Butt (Mississauga—Streetsville, CPC): Madam Clerk, what is the process then for advertising this? How are we encouraging more people to apply? Why would there only be one this year and we've had multiple in previous...?

The Clerk: It's been in a decline in the last few years. I think it's mostly because of the status our committee's website. The website is being redone but what I've done, in conjunction with the chair, is reached out to a few disability groups in the country, which we already had in our contacts based on our past studies on disabilities, to publicize the award. We're hoping that as a result of this we'll get a few more applicants.

The Chair: Madam Sims.

Ms. Jinny Jogindera Sims: Knowing that we've been advertising it and the fact that you have reached out and we still haven't had any, I'm very reluctant to extend the timelines because we have timelines for a reason, so that everybody has fair access. I'm pleased that you've already reached out to those groups and because of that I'm not sure what more we would be doing during this time. So I would be reluctant to extend right now.

The Chair: Mr. Mayes.

Mr. Colin Mayes (Okanagan—Shuswap, CPC): Mr. Chair, I just wondered if through you I could ask the clerk what are the criteria? Who set the criteria for this? If there aren't many applicants, should we be looking at possibly, as a committee, those criteria and maybe designating the funds for another purpose? So is it set out by Parliament or is it set out by a policy of this committee?

• (0850)

The Clerk: There are two aspects to the answer to that. The first is that by law we are required to give a certain amount. The amount is not fixed, but by law we are required to give an amount for this award. It's legislated so we have to keep doing that. We can't allocate the funds for anything else. The amount can be changed, and the criteria for selection are set by the committee. Maybe that needs to be re-evaluated at some point but the criteria are already set.

Just to comment on what Ms. Sims said, we hadn't reached out to those organizations yet. The plan would be to do so now and create a later deadline.

The Chair: On that point, because of my involvement with many of these organizations, I've already reached out and there is some definite interest to bring proposals back. I quietly took the initiative to call some of the organizations, People First and others in Canada, who are very interested. They missed the generic call that we put out.

Mr. Armstrong.

Mr. Scott Armstrong (Cumberland—Colchester—Musquodoboit Valley, CPC): I want to speak in favour of the legislation, but first I want to clarify. You mentioned that in previous years we've already set a precedent where when we have one or a few submissions we have extended in the past.

The Chair: Yes.

Mr. Scott Armstrong: So I think we have a precedent that we should continue to follow. I want to make sure that if we're going to award this money, it goes to a worthy recipient. Having a large number of applications would promote that, so I think we should support the extension.

[Translation]

The Chair: Ms. Groguhé, you have the floor.

Mrs. Sadia Groguhé: I think that we have to grant the extension. That is the best thing to do.

There is only one candidate, which is somewhat unfortunate. Is it possible to know who we will be looking at? Do we have a list of organizations or persons who are interested in this award? I suppose that we also contacted some organizations in Quebec. It would be good to have an idea of what has been done in this regard. As to the extension, there is no doubt that we should grant it.

[English]

The Chair: Of course. The more the better. By no means take it that this is in any way trying to skew this in any particular organization's favour. Simply use your networks as a member of Parliament and a member of this committee and let's network it out there as much as we can.

Madam Sims.

Ms. Jinny Jogindera Sims: That's great, knowing that we haven't reached out. As we said, we don't have difficulty but I would like to see a list of everybody we're going to reach out to because I think, especially as we're doing an extension, it has to be really open and transparent and fair for everybody.

The Chair: Of course, it does.

Mr. Cuzner.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): I appreciate Jinny's clarification. I thought the NDP was calling for closure.

Ms. Jinny Jogindera Sims: Excuse me.

Some hon. members: Oh, oh!

The Chair: First we'll go to Mr. Brahmi and then the clerk wants to clarify a couple of points.

[Translation]

Mr. Tarik Brahmi (Saint-Jean, NDP): I have an important question to ask regarding whether it is appropriate to grant an extension.

What is the amount of this award? I have absolutely no idea of the amount we are talking about. If it is \$1,000, it is not the same as if it were \$20,000 or \$50,000. In my opinion, if the award is \$1,000, it would be a bit ridiculous to grant an extension. However, if we are talking about an amount of \$50,000 or \$100,000, it would be ridiculous to have only one candidate for an award of that size.

The Clerk: The award is \$5,500, which is between the two amounts you mentioned. It is very rare that there is only one candidate. We would like there to be more. As for the list we will be drawing up, it will be based on the witnesses from all the parties who appeared before the committee in the past concerning persons with disabilities. If the members of the committee are in agreement, that is the database we will use.

[English]

The Chair: Mr. Mayes.

Mr. Colin Mayes: Would it be appropriate, Mr. Chair, to put this on the agenda in the fall, simply to look at that criteria to get a breakdown so we can all read it, then maybe determine as a committee whether we should be changing that type of criteria to make it a little bit simpler?

Second, I think personally it's better in the hands of the clerk, if you want an unbiased approach to those who are eligible or that she is reaching out to. As soon as you get us involved, you have politics, and quite frankly, I think that's the wrong route.

Thank you.

• (0855)

The Chair: Point taken.

I'm at the behest of the committee. If the committee decides it wants to review this in the fall, I think that's entirely doable.

Ms. Sims.

Ms. Jinny Jogindera Sims: Mr. Chair, as a point of clarification, at no time was I suggesting that once I got the list I had the time or the inclination to sit and phone. I only wanted to see the list of organizations that we were going to be reaching out to, because we are using an extraordinary process and I wanted to make sure that groups do get included.

The Chair: I think Mr. Mayes makes a good point, that it will be in the hands of the clerk. I'll make sure of that. I think that's very valid.

Can we then call the question on whether to extend the date to the end of June? Is that fair?

Some hon. members: Agreed.

The Chair: Seeing consensus then, we don't need to call the vote.

That ends our small session on committee business. Thank you for indulging us to get this done today, because it's important that we get it done and get this out to the potential applicants.

This is our 28th meeting and we're continuing our study of the LMDAs. For our first hour today, we are pleased to be joined by the Parliamentary Budget Officer, Mr. Jean-Denis Fréchette. Welcome, sir.

Along with Mr. Fréchette, we have Mr. Mostafa Askari, the assistant parliamentary budget officer for economic and fiscal analysis.

I'll turn it over to you for your presentation, up to 10 minutes.

Mr. Jean-Denis Fréchette (Parliamentary Budget Officer, Library of Parliament): Thank you, Mr. Chair.

The first part of my presentation will be in English and the second half will be in French.

Good morning, Chair, vice-chairs, and members of the committee.

I would like to thank you for inviting me today to speak today on the Canadian labour market in the context of the committee's study of labour market development agreements. My remarks will largely relate to the recent work of my office on the Canadian labour market, as well as our ongoing work on the Canadian labour market stemming from parliamentarians' requests.

The Canadian labour market continues to recover from the depths of the 2008-09 recession. However, many labour market indicators continue to remain below their trend levels. At the same time, unemployment remains above trend levels, particularly among youth. Unemployment for those 15 to 19 remains well above trend, while underemployment for those aged 20 to 24 is more prevalent. Together, these factors contribute to a level of real output of the Canadian economy that remains below its potential.

As would be expected in an economy that is below its potential, wage growth in Canada has remained muted relative to growth observed before the 2008-09 recession. More specifically, real average wage growth has been lower through the recovery in all

sectors of the economy relative to a comparable pre-recession period. Together, this evidence points to an excess supply of labour in Canada. However, an argument has been extended that there is instead a labour shortage in Canada.

The PBO has found no evidence in support of a national labour shortage in Canada.

Some provinces may be experiencing a tighter labour market than was the case prior to the 2008-09 recession. Labour shortages may exist in specific sub-provincial regions, sectors, or occupations. However, the PBO found no evidence of a national skills mismatch that is any more acute than prior to the 2008-09 recession. This same conclusion holds true at the provincial level. As in the case of labour shortages, this aggregate data does not preclude skills mismatches in specific sub-provincial regions, sectors, or occupations.

In reaching our conclusions regarding labour shortages and skills mismatches, the PBO used data from the Bank of Canada, Conference Board of Canada, Canadian Federation of Independent Business, and Statistics Canada. Job vacancy data was used from the latter three of these sources.

The differences in these data and the conclusions they led to point to some glaring gaps in labour demand data in Canada.

First, no job vacancy data extends back further than the first quarter of 2004, and therefore, do not go over a full business cycle. As a result, it is difficult to support the assertion made in Finance Canada's February 2014 jobs report that "Canadian firms are experiencing more difficulty in hiring than the unemployment situation would normally warrant."

Second, job vacancy data are gathered, compiled, and presented very differently. For instance, Conference Board of Canada numbers are derived from raw data on job postings from a large number of websites, less duplicates and redundant postings where these are identified. However, the number of vacancies can differ significantly depending on the treatment of anonymous postings, as evidenced by the marked difference in the job vacancy rate presented in the February 2014 jobs report, and that derived from the number of vacancies presented in the EI monitoring and assessment report 2012-13.

● (0900)

Further, CFIB and Statistics Canada surveys identify the sector in which the firms with vacancies fall as opposed to the occupation for which the vacancy exists. For example, a construction company looking for an administrative assistant would be classified as having a vacancy in the construction sector, as opposed to a vacancy among administrative assistants.

[Translation]

I will continue in French.

Third, with the exception of Statistics Canada data, none of these sources collect job vacancies in a manner that corresponds with internationally accepted definitions of employment and unemployment. As a consequence of all these gaps, the current picture of labour demand in Canada is very vague. This was also the conclusion reached in the 2009 Final Report of the Advisory Panel on Labour Market Information, entitled *Working Together to Build a Better Labour Market Information System for Canada*. To quote from the report:

A good [Labour Market Information] LMI system will help to improve the matching of people and jobs both in times of labour shortages and high unemployment. And a good LMI system is always necessary to make sure that the right policy decisions are made to improve the economy's performance and lower unemployment [...] it was not surprising that many stakeholders voiced the need for a job vacancy survey to assess labour demand across regions and through time. This is important to policy makers to determine the tightness of the labour market enhanced for the development of the appropriate policies and programs for macroeconomic management and an efficient labour market.

In 2011, Statistics Canada undertook a survey entitled *Workplace Survey: Jobs Vacancies and Skills Shortages — 2011*. However, following the collection of this data in 2011, Statistics Canada did not have the available resources to validate, analyze and disseminate the results. Consequently, this data has not yet been released publicly, although Employment and Social Development Canada has stated publicly that it will be paying for the completion of the work on this survey. Nonetheless, even if it were to be released today, given this data was collected for 2011, it would no longer provide an overview of the current state of labour demand in Canada, but rather the state that existed in 2011.

In summary, parliamentarians have very little information on the current state of labour demand in Canada on which to base those decisions. As a result, it is difficult to analyze the effectiveness of programs aimed at alleviating labour market pressure associated with labour shortages and skills mismatches, such as Labour Market Development Agreements or the Temporary Foreign Worker Program (TFWP). Consequently, to satisfy the request of a parliamentarian for PBO to analyze the impact of the TFWP on the Canadian labour market, we submitted an information request to obtain data on temporary foreign workers by location and occupation in order to assess whether the impact of the TFWP on the supply of labour has been statistically significant. We continue to wait for a response.

My colleague Mostafa Askari, who is the Assistant Parliamentary Budget Officer, and I would be happy to respond to your questions.

Thank you, Mr. Chair.

[English]

The Chair: Thank you very much.

Now we'll move to our first round of questioning, which will be seven-minute rounds.

Madam Sims.

Ms. Jinny Jogindera Sims: Thank you very much.

Mr. Fréchette, thank you so much for appearing here. I must say that having a short half hour with you is very disappointing, so I'm hoping that if the committee so requests at a later date, that you

would be prepared to come back, because we have a huge number of questions.

The first one I want to go to is the one that you commented on in your presentation, and that is the survey that was conducted in 2011 and how we're still waiting for that data to be analyzed. We need data, as many people have said over and over again, to understand the temporary foreign worker program and its usage, but also to plan for the future. This survey has been sitting on the shelf for a long time, and now we know that the minister has said they will make money available. But as we also know, money being made available and things happening are not always the same thing.

What evidence has come your way to suggest that ESDC will see that the remainder of the surveys are completed and analyzed, and to what kinds of timelines has ESDC committed on this?

• (0905)

Mr. Jean-Denis Fréchette: Thank you for the question, Mr. Chair.

PBO will be happy to appear again in front of this committee, if it's the wish of this committee.

I will ask Mostafa Askari who negotiated or discussed with the ESDC and Statistics Canada for the result and the timeline. As I mentioned, we are in contact with them, as we are with many departments, to get the data not only regarding job vacancies but also the temporary foreign workers. I will ask Mostafa to give you the latest he has from the two departments.

Mr. Mostafa Askari (Assistant Parliamentary Budget Officer, Economic and Fiscal Analysis, Library of Parliament): Thank you very much.

I have a couple of things. The survey was conducted in 2011. So, even if it is released it will only show the situation in 2011. It's not a continuing survey. The design of the survey, actually, is very good in terms of the kind of data that we need to assess the labour market demand in Canada. It's based on a survey of 25,000 businesses in Canada, very detailed questions for a very detailed level of occupations. However, when the survey was conducted and finished, the funding was cut at that time, and nothing was done with the data that existed, the raw data.

There are a number of steps before Statistics Canada can actually release that survey and make it available to the users. I talked to the director of labour statistics at Statistics Canada and I was told that they have a commitment from ESDC to continue the funding so they can validate, analyze, and make the survey ready for the users. But they are in discussion with ESDC to make that commitment firm and to get the actual funding. But that's just the first step. As she told me, there are a number of different things they need to do, even if the funding is there. First of all, are the people who they need there to actually do the analysis, to make the data ready? Then there are a number of other steps, so she could not give me any timeframe for that.

Ms. Jinny Jogindera Sims: So, not only do we have data that is old, but now the analysis is taking so long that it makes it even older.

I'm going to go back to Mr. Fréchette again. In your expert opinion, is there truly a skills mismatch in Canada? Because I keep hearing this description that one of Canada's most pressing economic problems is this so-called skills mismatch. Have you found any kind of substantive evidence to support that?

Mr. Jean-Denis Fréchette: As mentioned in my presentation, and that's what the PBO report found, there's no real skills mismatch. There's always the possibility of having mismatch in some pockets, in some areas, but there's no national skills mismatch across Canada.

Ms. Jinny Jogindera Sims: Are you able to speak to a correlation between the increase in LMOs issued in recent years and the number of jobs supposedly created in Canada during the same period?

Mr. Mostafa Askari: I can't really, because I don't really know exactly what's behind that. One of the things that we have said publicly is that to have an effective program—whether it's the temporary foreign workers or job grants, or any other kind of program that affects the labour market—you need a lot of good data on the labour demand in Canada. Unfortunately, we do not have good data on labour demand. We have very good data on labour supply in Canada, which actually the EI program uses for different regions. But without having access to that kind of data, it's very hard to say how that program is working and whether it is actually replacing or complementing the labour market in Canada.

● (0910)

Ms. Jinny Jogindera Sims: Thank you. I've heard from your office, Mr. Fréchette, that between the 1990s and early 2000s there was some pretty comprehensive data. We also know we have a government that has a slight allergy—I would say acute—to data and information-based decision-making. So what kind of specific data do we need to collect right now in order to make informed decisions for the future when we're planning, whether it's for immigration, temporary foreign worker programs, or I would say, most importantly, training our own labour force, our young people, specifically, to enter the labour force?

Mr. Jean-Denis Fréchette: I would say that the first thing is to have regular data and not just on some aspects of the labour market. I mentioned, and quoted from, a report done in 2009 that was chaired by Don Drummond. I just quoted some parts of that report. But Don Drummond, the chair of the committee, estimated that to have very good data on all the topics that you mentioned, it would cost about \$39 million. Whether or not it's right, I don't know. But it's probably a very accurate number in terms of the cost of having regular...on a yearly basis. So this is an investment, in terms of the labour market and to better understand what is going on, for parliamentarians to make these informed decisions on various programs.

The Chair: Thank you. That's the end of the five minutes.

We go on to Mr. Armstrong.

Mr. Scott Armstrong: Thank you, Mr. Chair.

I want to thank our witnesses for being here.

You talked a lot in your opening statement about labour market information and the fact that we have vague information currently. You talked a little, in answering Ms. Sims' questions, about some of the things we need to do to try to get better labour market information.

One question I have is this. What would the provincial role be in this? We have been conducting round tables across the country. We are hearing about labour market information and we know that we need better labour market information, but much of that information is going to be aligned with the provinces.

Do you have any suggestions or recommendations or comments for how we can work better with our provincial partners to get a better and more robust and complete sense of the types of labour information we have in Canada?

Mr. Jean-Denis Fréchette: I will ask Mostafa to answer that question. Every time that people ask me for recommendations, since we don't really make recommendations, I ask Mostafa, so as to keep myself out of trouble.

Mr. Mostafa Askari: If we need national data, and that is what we need for the labour market, we have a national statistical agency. They are very good at what they are doing. They have a very good international reputation. So really, the focus should be on Statistics Canada and how they can collect that kind of information.

Regarding the survey mentioned—the workplace survey that was conducted in 2011—you need that type of information on a continuous basis. Every year that survey has to be conducted, so that you provide a time series of information on different aspects of the labour market. That would give you the ability and capacity to see exactly what is going on where, in which occupation, in which part of the country. Then you can target your programs in that way. That would be more effective.

Mr. Scott Armstrong: Moving on to the LMDAs specifically, one thing we have heard across the country is that we need to have a better system of accountability of the money being spent and how it is being spent. It is being administered by the provinces through a \$2 billion transfer that goes to the provinces.

Have you done any analysis, or do you have any concerns—I guess I don't want to ask for recommendations, because you don't give any—or can you identify any issues with the current way that this money is accounted for by the provinces?

Mr. Mostafa Askari: Do you mean the money on the job grant, or...?

Mr. Scott Armstrong: No, I mean under the LMDAs, the labour market development agreements, which is what—

Mr. Mostafa Askari: No, we have not done any studies on that.

Mr. Scott Armstrong: Okay.

Concerning federal transfers to the provinces in general, do you think that the federal government gets enough accountability, that enough strings are attached to some of these transfers, or would you like to see a change in the way these are done?

• (0915)

Mr. Mostafa Askari: In general with the transfer, I don't think there are many links, actually. The money is transferred to the provinces and they normally spend it as they wish, whether it's for the health program or educational or social programs or equalization. Health is a little bit different kind of case. Obviously the Canada Health Act would have control over how money is spent, but I don't think there are sufficient links and strings attached to the rest of them.

Mr. Scott Armstrong: Okay.

I'm going back to labour market information. One of the things you brought up in your discussion concerned the need for real-time labour market information. You say Statistics Canada has the ability to collect this real-time information, if they have the resources available to manage it.

Can you talk specifically about what type of information they would look at and what type of analysis they would do to evaluate that data?

Mr. Mostafa Askari: In the case of the kind of data I mentioned, they get information for different occupations in different parts of the country. You can drill down to detail, for example, on chefs in one city in Saskatchewan or in Alberta—to whether there are enough chefs there or whether there is a shortage, and that kind of information—to get to the details of different occupations.

Right now, what we are seeing is the idea that there is a shortage, but we really do not have the data to see whether in one part of the country you have shortages of one kind of occupation or not; there's just a general sense. The temporary foreign workers program, obviously, is country-wide for all occupations, so it's very hard to know whether it is actually targeting the areas it is supposed to target.

Mr. Jean-Denis Fréchette: Let me add something, Mr. Chair, very quickly.

The questions in the 2011 survey from Statistics Canada are really enlightening, in terms of the kind of information they elicit. All of this information on the questions you asked is there. This is exactly what we need to do any analysis.

I can provide this information, or the analysts for your committee can probably find it.

Mr. Scott Armstrong: On that, you're saying that Statistics Canada already has the ability to collect the data. They need to have better resources to actually manage the data, to analyze the data, and then distribute it. What length of time would that take if they had the resources available? Are we going to get enough real-time data from the current sources that they use, or they used in that survey?

Mr. Mostafa Askari: I'm not sure but real-time data is obviously very difficult to get because real-time data, in my mind, means that you have the data for this month. Surveys normally take time to

conduct and then it takes time to make them ready. So for example, if you survey on a continuous basis, you may now have data for 2013, and then if you continue that, the next year you will have the data for 2014. For example, the labour force data that we get for the unemployment rate, the unemployment numbers that come monthly, they do that survey on a continuous basis. So they have the capacity to provide that information, but for this kind of detailed information, again, it might be a little bit longer lag. Still it would be extremely useful to have that kind of detailed information.

Mr. Scott Armstrong: We have heard, from employer groups, from employees, and from groups that are trying to provide training for different communities across the country, that there was a real gap with the labour market information and the way it was collected before. They also said there was too much of a lag to actually make good business decisions if you're an employer, or good training decisions if you're a potential employee.

So are there any suggestions of how we can expand the amount of data that Statistics Canada has taken into account before, to try to include some more up-to-date information before we even begin the analysis? Is there any way we could shorten the period of time that the analysis takes to try to provide a real picture of the labour market because the labour market moves so quickly?

The Chair: I'm going to have to ask you to hold the answer for that. You're welcome to address that in a further round of questioning but we're out of time there. Your seven minutes are up, Mr. Armstrong.

We will go on to Mr. Cuzner for seven minutes.

Mr. Rodger Cuzner: Thanks very much for being here. I'll probably get around to it because I have a couple of questions similar to what Scott was asking.

Your comments up front were enlightening, obviously, but you know, the actions of the government.... We've seen an incredible increase in the number of temporary foreign workers. We've seen changes to EI that have had a devastating impact on some seasonal industries, especially in rural communities. We've seen the development of the Canada job grant, which really ended up taking money from LMAs and that has hurt programs in provinces that provided numeracy and literacy skills. These are fairly significant changes, all sort of based on the fact that the Prime Minister said there was a skills shortage crisis in this country. He must have been taking that from somewhere. There's your analysis, and Drummond's analysis; there are plenty out there, but he must have been driven by something.

Where would he have come up with that type of opinion at that time in order to enter into these measures that he has taken over the last couple of years?

• (0920)

Mr. Jean-Denis Fréchette: I can take the first part of the question.

When PBO staff appeared before the finance committee, we heard that during the pre-budget consultation members of the finance committee heard that there was a shortage and there was a skills mismatch. It's a form of data but we don't know if it's perfect information. So basically what we're confronted with is various sources of information. Is it perfect information? Sometimes no, sometimes yes. I think what we have right now is some kind of imperfect information, not based on, as Mostafa mentioned, really solid Statistics Canada information.

CFIB, for example, the Canadian Federation of Independent Business, said that in some areas—and more than just what we mentioned—there were some skills mismatches and shortages. But that's why we need solid data from an institution, from an organization like Statistics Canada to really make informed decisions, not the PBO but parliamentarians and policy-makers, to really make up their minds and make good decisions about future programs. As the old saying goes—I used to say this to many people in another life, and it was good in agriculture—if you cannot measure it, you cannot manage it.

This really applies to everything.

Mr. Rodger Cuzner: Regarding the recommendations that came out of the Drummond report, are you comfortable in commenting on how many of those have been implemented?

I guess the next thing would be, would you see a benefit to the committee in inviting Mr. Drummond to the committee as well?

Mr. Jean-Denis Fréchette: Mr. Drummond is a very bright economist. He's a very well-recognized economist. He would really be a good witness.

Mr. Rodger Cuzner: Do you want to comment on the report and what has been implemented from the report?

Mr. Mostafa Askari: No. I don't really know how much of that has been implemented, but my sense is that it wasn't really.... It sort of stopped after it was released.

Mr. Rodger Cuzner: Take an issue like the increase in the number of Canadians that are working for minimum wage, which has grown by about 68% since 2006. Are the tools to measure that...? Can you draw some conclusions from that, the increase in that number?

Are the analytical tools out there to evaluate why this has taken place? Why has the growth taken place in those people that are working for minimum wage, or do you see a benefit in maybe trying to develop tools to measure that?

Mr. Mostafa Askari: I'm sure it is possible to look at that question as to why the number of people with minimum wage has increased. Typically, when we go through a severe recession and a rise in the unemployment rate, obviously people who are unemployed look for anything they can find. There's a possibility that they grab whatever is available at the time and that could be a minimum wage job.

As we come out of a recession and the economy recovers, and we have better labour market conditions, that may change again. People find the jobs they are qualified for and jobs that pay for the skill levels that they have.

We haven't really done any kind of analysis to that extent, no.

Mr. Rodger Cuzner: The information that you get from StatsCan, it seems that there has been less information or that the quality of the information from StatsCan has sort of dropped off a bit over the last while.

Are there aspects of information gathering that have been cut, that you see would merit a reinvestment, or has the information been fairly consistent over the years?

• (0925)

Mr. Mostafa Askari: We are probably a bit biased because our business relies on information and data. Obviously, the more that is available, the better it is for us to do our job, and therefore, for parliamentarians.

Certainly, Statistics Canada has gone through budget cuts as have many other departments. They have had to find a way to prioritize their activities and focus on the areas that they are obligated to provide information on, and then cut the areas that are not as important at least from their perspective.

My suggestion is that if you can somehow provide help to Statistics Canada, so that they could provide better detailed information on the labour market or any other thing; obviously, it would be better for us and better for the country as a whole because that kind of information is needed to provide a solid analysis to parliamentarians and policy-makers.

Mr. Rodger Cuzner: We've sort of heard it from witness to witness, over the course of the study, that we need the information almost quarterly, by sector, by region. The mass data and generalizations aren't as helpful, so you would think investments in those areas would be of benefit to everybody.

Mr. Mostafa Askari: Absolutely.

The Chair: You'll have to leave it there, Mr. Cuzner, you're over time.

Our first panel was here for half an hour and that pretty much gets us very close, within a couple of minutes of half an hour.

If I might ask a question because my orientation is from heading up the Ontario Home Builders' Association as a builder, prior to my political life, in a professional organization.

How much data do you receive from industry groups such as construction? Mine was home building. We kept pretty accurate...not on-time data but we were in touch with the fact that in the mid-1990s we were short of bricklayers in Ontario. How much of that information do you receive and how much of it factors into your comments?

Mr. Mostafa Askari: The data we normally use has to be official data because we have to make sure we are using reliable data that has the necessary characteristics. If that kind of information from different industry groups and employers' associations is not official data then we don't normally use it. For example, CFIB provides data on labour markets, which we have used in our report, but that's official data. It's an official survey, and it's conducted based on the necessary standards.

One point I'll make very quickly is that there are always shortages, mismatches in the labour market. In a dynamic labour market like Canada's when people come in—new entrants, new firms, new hiring—there are always some skills mismatches, but that's normal. I think the question, and what one wants to evaluate, is whether we have gone beyond the normal level of skills mismatch. That would require some attention by changing the policy. I think that's really it.

The Chair: I'll close with one last personal comment. I think it behooves every member of Parliament to know what's going on in their riding. They represent the employers in their riding, and frankly when it comes to decision-making on issues like this I have a close monitor on the riding, and I think most MPs do. I don't think we're in a void, at least not if we're doing our job representing the people within our region of the country or our riding.

I have one point of clarification, Mr. Cuzner. Mr. Drummond has been invited and he has declined.

Thank you very much for being here. We appreciate your input today into this critical study of labour market development agreements, and we will recess until we resume with the next panel.

• (0925) _____ (Pause) _____

• (0935)

The Chair: Welcome back, ladies and gentlemen. We're continuing this hour with our study of the renewal of labour market development agreements. We're now joined by a panel of witnesses to provide their testimony and to answer questions for about an hour.

Joining us now we have Mr. Michael Atkinson, president of the Canadian Construction Association, and joining us by video conference from Saskatoon we have Mr. Sean Junor, manager of workforce planning and talent acquisition, human resources, with Cameco Corporation. I would like to proceed with the witnesses' testimony. You have up to 10 minutes, gentlemen, and we'll proceed with Mr. Atkinson.

Mr. Michael Atkinson (President, Canadian Construction Association): Thank you, Mr. Chair.

As was stated, I'm the president of the Canadian Construction Association. We represent the non-residential construction sector in Canada. Essentially our members build everything except single-family dwellings.

You heard from our sister association, the Canadian Home Builders' Association, about two days ago. I'm tempted to just say "ditto" and leave, but I think I'm going to fill in the blanks and maybe provide some of the supporting information for some of the testimony you've heard.

Together with our friends in the residential sector, the construction industry in Canada employs over 1.3 million people. That is a record employment level for our industry. We've been sustaining record employment levels for some time now. Even when we lost workers during the recession, we made that up almost immediately, very shortly after the recession first hit.

We certainly appreciate the opportunity to be here. With this size of employment, you can well imagine that we are employers who are extremely interested in the subject matter before you.

I have three recommendations for the committee with respect to the specific subject matter you are looking at, but I'd like to set the table first, to give you a snapshot of where we are particularly in the non-residential sector of the construction industry.

We have a perfect storm happening. Canada's construction market, according to Oxford Economics, is now the fifth-largest construction market in the world. For a population the size of Canada's, that's saying something when you're up there with China, the United States, India, and Japan. It projects that over the next decade, Canada will remain in the fifth or sixth position. Russia may edge us out.

We're having unprecedented demand for our services, primarily from the resource sector and from large public infrastructure projects, especially in the transit area. Canada's public infrastructure is reaching that 45- to 55-year life and needs a massive overhaul and renewal. So we have that going on.

At the same time, we have an extremely aging demographic in our industry—and I did hear the previous witness—and we have excellent labour market intelligence, coming from a sector council that the industry established, which has all participants at the table, including labour and including owners who rely on our services.

They project demand for our industry out over an eight- to ten-year period. Then, as typical economists will do, they look at the supply side and say, "Where are we going to be with respect to our labour supply in terms of how many people are going through the apprenticeship system right now?"

The provincial governments are part of that exercise, providing excellent information on how many apprentices there are and what the labour supply looks like. That's being done by something called BuildForce Canada. I highly recommend that you visit their website. It tracks the supply and demand in the non-residential sector of the industry as well as in the residential sector.

What do they say? They say that by 2023 we will need to find 300,000 new workers just to replace those who are going to be retiring in the intervening years, and to keep pace with our rising demand. Often when people look at where your labour supply needs are and what you need in terms of your labour market, they forget to factor in projected demand.

With all due respect, most of the economic studies done with respect to labour supply are looking in the rear-view mirror and using old statistics. For an industry like ours, and the size of our industry, where a lot of our training in our specific trades takes four to five years, we can't be looking in the rear-view mirror. We have to be looking straight ahead and using a GPS system to tell us where we should be going. Labour market information, for us, is all about looking forward, not looking backward.

Where will these 300,000 workers come from? In fact, BuildForce Canada looks at how much of that can be dealt with and sourced in Canada. It finds that almost half will be sourced in Canada. There is, however, a shortfall of about 100,000 to 120,000, who, they say, are going to have to come from outside the construction industry or indeed outside Canada.

Now, I want to stop right there and say that the first preferred option of all of our employers is to hire Canadians and permanent residents. Absolutely that's what we want to do. That's our preferred option.

● (0940)

In fact if you look at our industry's usage of the temporary foreign worker program—and I'm using the 2012 stats, the most recent available—at the peak our industry was bringing in about 12,000 temporary foreign workers. That's less than 1% of the 1.3 million I just mentioned. Many of the reasons why we were bringing them in as temporary foreign workers were that for a long time the front door, permanent entry, was closed to us because of that silly 100-point system.

So the best way for us to get permanent workers was to bring them in on temporary visas, get their 12-month experience, have them go through a Canadian experience class, or indeed, through a provincial nominee program. We want permanent workers. We want workers for our future labour needs.

Interprovincial mobility is a huge area for us, and you know there isn't one solution for us in our labour market needs. Immigration's part of it, but it's only part of it. We realize for labour mobility we have to be better at getting the workers where the work is. That's the other perfect storm element we're facing.

Our projects are getting bigger just by the very nature of the types of projects. *ReNew Canada* publishes on an annual basis the top 100 public infrastructure projects in Canada. The latest report says of the top 100, 44 are individually valued at \$1 billion or more.

Now I can remember 10 to 15 years ago, if you asked me how many billion-dollar projects there were in Canada, I could use one hand and not have to use all five digits. We are seeing that expanding. Natural Resources Canada has said there are some 600 large projects that are going to have to be done within the next decade worth over \$650 billion.

Certainly our foreign competitors know how hot the Canadian market is. All the big European companies are here right now.

I better speed up. Otherwise I'll not get to my recommendations.

Our first recommendation is with respect to labour market information. Absolutely we need that, but we define labour market information as looking through the front window with a good GPS system, not looking in the rear-view mirror. We ask you to take a look at what BuildForce Canada is doing. It's an excellent approach that should be duplicated by other industries and other sectors.

Quite frankly, speaking for our industry, we like to do our own LMI because we trust it a heck of a lot more than something coming from government, with all due respect. The Job Bank does a great job of having a snapshot of where we are currently, but it's still not looking out, and we have to look out.

Secondly, and I think you have heard this from all witnesses, there has to be more employer engagement in determining where training dollars should be spent, particularly with LMDA funds. Why? Because employers are a major contributor. It comes from EI funds. Government's money? No. Employers and employees pay into the EI

fund, and employers pay \$1.40 for every dollar labour puts in, so let's stop this myth right now that business doesn't pay attention to training.

On a \$1.95 billion expenditure just under LMDA alone, my calculations say \$1.1 billion of that comes from employers in this country. So they should have a say, and we would argue that say should, again, be replicated at the provincial and regional level because there are unique differences in our country. Indeed, labour markets, as other witnesses have said, are different from one segment of the country to another. We need more employer engagement.

I'm not pointing a finger at governments and saying they failed to do that. To a great degree industry itself has failed to be at the table and be involved in that.

Our third recommendation is to avoid an "Ottawa knows best" approach to the development and management of these EI programs. The labour needs across the country are diverse. So from our perspective, leave the management of the programs with the provinces, but find a way to have true employer engagement in that model.

I think I'm going to stop there, Mr. Chair. I would like to entertain some questions about what you heard from the previous witness about whether or not there's a skills shortage in our industry. I can tell you there is and it is somewhat regional, but we have some big challenges ahead.

● (0945)

The Chair: Thank you, Mr. Atkinson. You were right on time by the way, sir.

Now on to Mr. Junor, on video conference.

Sir, you have 10 minutes.

Mr. Sean Junor (Manager, Workforce Planning and Talent Acquisition, Human Resources, Cameco Corporation): Thank you, Mr. Chair, and thanks to the committee for inviting Cameco Corporation to share with you our views on the challenges and opportunities in developing and delivering workforce training programs in remote areas of the country.

For those of you who don't know, Cameco, headquartered in Saskatoon, Saskatchewan, is one of the world's largest producers of mined uranium used for clean energy production. The majority of our production comes from our four mining and milling operations in northern Saskatchewan.

Our mandate as a northern Saskatchewan operation is to maximize the participation in our workforce of people who live in communities located within the northern administrative district of Saskatchewan. This district is home to only 36,000 people, or roughly 3% of the population of the province. However, those individuals are scattered in communities that amount to about 40% of the terrain of the province.

Despite this geographic and obvious demographic challenge, we are proud that in our company's 25-year history we have steadily built our local workforce to the point now where one in two, or 50%, of our employees who work at our four northern operations are local to the region.

Through agreements with the Province of Saskatchewan, these employees are classified as residents of Saskatchewan's north, or RSNs. About 90% of RSNs are of aboriginal background, reflecting the actual makeup of these communities in the north. For an actual head count, about 1,500 of our mine site jobs today are held by workers of first nation and Métis heritage—that would be a combination of both our own employees and our contractors—making Cameco the largest industrial employer of aboriginal people in Canada.

Our success so far in advancing aboriginal employment has been accomplished through well-designed recruitment programs, training partnerships with government and aboriginal agencies, as well as accommodations by unions and clear management policies. We intend to continue building on those achievements in the future. We also believe the federal government can and should remain a participant with our industry and the Province of Saskatchewan in advancing education and skills training for people in remote northern communities.

We know this isn't an easy challenge. Saskatchewan's largest post-secondary institutions are located in Saskatoon, Regina, and Prince Albert. The town of La Ronge, which is the biggest community in Saskatchewan's north, is also home to a regional college, Northlands College. But even La Ronge and Northlands are still located hundreds of kilometres south of the seven key first nations and Métis communities in what is known as the Athabasca Basin. I should point out that these communities in the basin include three Dene first nation communities that still lack year-round, all-weather road connections.

Despite these challenges, there are still several hundred employees from the Athabasca Basin communities connected to our mines and mills through employment, benefiting from our long-standing practice of operating our mines on a fly-in, fly-out basis. The challenge, however, remains that half the working-age population in the north does not possess a proper grade 12 education. In order to bolster the ranks of our aboriginal workforce, we continue to scour northern communities for good employment prospects, and work with educational institutions and government to upgrade educational achievement so that more people can find themselves eligible for employment within the industry.

Current labour market development agreements negotiated by the federal government and the Government of Saskatchewan have thus done a good job in working with communities and individuals in advancing foundational training. At two of our operations, we have full-time workplace educators who work in partnership with the college, that being Northlands College. These workplace educators provide GED upgrading and skills training to both our employees and contractors.

But in order to increase the participation rate of northerners at our mining operations, there is a need for more cooperative efforts to increase opportunities for advanced training. One way to do that is to increase the number of apprentices who can be taken in and supported by industry. Cameco currently has 17 apprentices, all of whom are northern aboriginal residents. Initially these 17 apprentices must do some compulsory course work at a post-secondary institution in either Prince Albert or Saskatoon. After placement at

one of our operations, workplace educators assist these apprentices in providing further academic support.

● (0950)

We are excited by the possibility that proposed changes to the LMDA program could allow companies to provide additional training opportunities such as apprenticeships. We are encouraged to see that there appears to be aspects of the Canada job grant program that are well aligned to both our company's and our industry's needs. We think it quite valuable that companies could work with existing employees to access funds for training to boost their skill levels.

Employees working for Cameco already have advantages and opportunities to advance, especially in the north, through our career transition program. It identifies and encourages high-performing, motivated northern residents to make the transition within the workforce to a higher-level occupation. Today, we currently pay for their tuition and books for technical school or university, pay their wages while they attend school, and employ them during the summer break in the new occupations that they ultimately desire to obtain. Then, we hire them back into their fields once they complete their education.

Not everyone is suited for, or ready for, an extended period of time outside the home community attending a post-secondary institution. Having more trade apprentices learning and working on site, and being supported by a program such as the Canada job grant, would increase the number of people with the opportunities for advancement in their mining careers.

Only if there is an upward progression within our operations can we see further permanent gains in the level of aboriginal employment in our region. Federal support for enhanced training opportunities, which support this type of upward progression for motivated individuals, would benefit not only the individuals but ultimately society as a whole, by creating a better educated and better compensated taxpayer.

I thank you for your attention.

The Chair: Thank you very much.

We'll move on to our first seven-minute round of questioning.

Madam Groguhé for seven minutes.

[*Translation*]

Mrs. Sadia Groguhé: Thank you, Mr. Chair. I also want to thank the witnesses for being here with us today

In the context of our study, the Parliamentary Budget Officer has given us some very interesting and very relevant information. If the government wants to move forward with the renewal of the LMDAs, we are all going to have to agree if we are to obtain some reliable data.

If we are considering training programs, as you pointed out, Mr. Atkinson, it is in order to be able to move forward. We will have to do projections regarding training so that employment insurance recipients are matched up with the jobs to be filled.

I would like to ask a question concerning the gathering of this information.

In your view, what mechanisms need to be put in place to gather information on the labour market that is of the best possible quality? Do you have any recommendations on how these mechanisms should be established? Currently, there are many levels involved in gathering the data. How can we make sure that the data is much more centralized? According to what several witnesses have told us, it is as though there were gaps in certain areas, which means that the information is not reliable and available in a timely manner. Consequently, we cannot reach objectives in a realistic way.

You have the floor, Mr. Atkinson.

• (0955)

[English]

Mr. Michael Atkinson: Well, I guess from my perspective the BuildForce Canada model is a model that certainly our industry thinks is ideal for our sector. I'm no expert in all the details of that model, but essentially what happens is that they use an economic model from an economist that they engaged, which builds the information from the regions up.

They will go into British Columbia, Alberta, and different regions and talk to construction owners to get an idea of what the demand is going to be for construction activities over their subject period. They will then talk with the provinces to get data on how many actual construction people are in the occupations they track. They track some 33 occupations, and not just trades but supervisory people as well.

They then test that information against small forums that bring in labour, employers, and the training community, so that they have some way of bouncing it off the people who have the boots on the ground, if you will. Based on that, they create a prognosis, or a projection, provincially, regionally, and nationally, based upon that model. They update it on an annual basis. It does change and can fluctuate. With the size of some of these projects, if a project gets delayed by six months, you can imagine that it's going to have an impact on the demand side.

Now, this is based on the sector council that we put together some time ago. We fund the sector council's infrastructure. It's difficult, I think, for some of the other industry sectors to raise the funds to fund a sector council, but we've been able to get all of the players on the table, including labour and owners, to fund that mechanism, because we all agree that the information derived from that effort is absolutely essential for planning our long-term labour market needs.

I would say to look to the BuildForce Canada model.

[Translation]

Mrs. Sadia Groguhé: Very well.

My next question is for Mr. Sean Junor.

In his appearance before the committee, the Minister of Employment and Social Development Canada stated that he wanted to further develop the apprenticeship programs.

Can you describe your experience with the apprenticeship programs? What recommendations would you make to improve the programs and the support offered to apprentices in the automotive industry?

[English]

Mr. Sean Junor: Yes. Thank you.

I think the additional context that's required for us is that as a northern or remote employer we face additional challenges with our apprentices that urban employers or employers who operate in larger centres just simply won't have, and that's the distance between the home community and the institution.

Many of our apprentices come from communities that could be as small as 500 or 1,000 people, and they don't often leave their communities. Asking them to leave for seven weeks of training is a real barrier, a psychological barrier and an economic barrier. They are also individuals who haven't had access to the strongest foundational secondary education, and they will struggle with some of the core components of the apprenticeship program. That's why, as an organization, we've tried to have our workplace educators provide some tutorial or academic support to these individuals who are in those programs so that they are ultimately successful, because they have an investment in that and we have an investment in that, and we don't want to see them fail.

But it is definitely a challenge in the sense that the distance between some of these communities and their learning opportunities is quite far, and in many cases it is just too insurmountable for these individuals. Again, that could be psychological, or economic, or a combination of both. We've tried different things. We've had the trades training trailers for select occupations go to those communities, so that the individuals don't necessarily have to move or disrupt their lives, but obviously not all trades are able to be delivered like that. We try to seek areas where it's flexible, but it is definitely a challenge, and one that we continue to face as we look to diversify our workforce.

• (1000)

The Chair: Thank you very much.

We'll go on to you, please, Mrs. McLeod, for seven minutes.

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

I'd like to thank both the witnesses for their testimony.

I have to really contrast the information we heard from the PBO earlier with what we've heard from a number of witnesses, and certainly we hear the minister regularly say that there's not a generalized skill shortage across Canada, though we surely have some areas and some regions of the country where that's particularly important.

As we look at the data that the PBO used—it was Bank of Canada, the Conference Board of Canada, CFIB, and Statistics Canada—certainly those are all very well-recognized and respected institutions within Canada, but I think what I'm hearing from you, Mr. Atkinson, is that they don't have the ability to tell the whole story in Canada. Therefore, if they don't have the ability to tell the whole story, then perhaps some of the conclusions are less than accurate.

Do you want to comment on that particular piece?

Mr. Michael Atkinson: Even when you delve into those studies, including the Drummond one, TD Economics, etc., they're not completely mutually exclusive. They're saying that for certain sectors and for certain regions of the country there is a problem. They're generally saying overall they don't see one. I guess if you have your feet in the oven and your head in the freezer, overall you're not doing too bad. But from a particular perspective that we have, projecting forward, I say we have a perfect storm.

The other thing that we didn't talk about was the fact that one of the other trends we're seeing, as the other witnesses said, is that many of the projects we have now are in very remote areas of Canada and people do not necessarily want to go to remote areas.

In fact, we helped fund a study by the Canadian Employee Relocation Council to look into what makes Canadians mobile, or what will make Canadians mobile. It was interesting. Only 34% of Canadians surveyed would actually consider moving if the incentives were right, including wages, and 55% of Canadians surveyed said they would not move under any circumstances. Unfortunately, if we have a large mining project from a construction perspective in northern Alberta, northern B.C., or a large hydro-electric project in Labrador, we can't move it to downtown Vancouver. We need the people to be where the work is.

Part of our challenge is not with respect to how many bodies there are, but do they have the skills? We have lots of apprentices coming in, but our apprenticeship system demands that they be mentored by fully qualified journeypersons, and it's the journeypersons we're losing through retirement. That creates a situation in which the need, yes, is in certain regions and for certain projects, but the need is complicated by the remoteness, the size of the project, and very often the need to mobilize people rather quickly.

Mrs. Cathy McLeod: Thank you for that.

I always thought for my children, who are in their twenties, the world was going to be their oyster in terms of jobs, because the baby boomers were gone. I think maybe it's simply a little premature, because we do know that youth do have a challenge right now, but I suspect 10 years from now the youth won't have the challenge that they do at present, strictly by virtue of demographics.

I'm going to head to Mr. Junor next. You talked about the work that you're doing, but I'm wondering if you could talk to me a little bit about how the people are funded. We have the LMAs. We have the ASETS. We have the LMDAs. Can you talk a little bit about how those pieces all come together in terms of the work you're doing with respect to the mining in northern Saskatchewan?

• (1005)

Mr. Sean Junor: Yes. I didn't mention ASEP or any funding that I didn't believe was the focus of the committee, but we are very active participants in some of the funding that comes from different departments, particularly where it's focused on aboriginal peoples or northern remote areas. ASEP would be a perfect example. We are active in the two last northern career quest programs as an industry partner with education in government, where we're trying to create additional employment opportunities for what would be first nations individuals, which typically have been entry-level roles.

I think our biggest challenge today and for the future will be that those roles that would have existed 10 to 15 years ago as entry level or semi-skilled are just not going to exist in the future because of automation, drives for technical advancement. It's going to be harder and harder for individuals to come to a workplace or an industrial facility like ours with no formal education. Those roles are just simply going to drop off.

The challenge is how to get large segments of a small population to advance their education when their goal is to find employment and past generations have shown that they've made it into the workforce. There needs to be some incentives both from government and employers to advance individuals into the workforce so that they leave previously held roles and open up opportunities for new people coming in, because, just simply, net job creation in the future for us is not going to be at the entry level. It's going to be at the professional and technical level. I'm sure Michael Atkinson talked about some of the pressures on select occupations. Well, those select occupations just happen to be the areas where, traditionally, aboriginal people haven't held those roles. So it's going to be a struggle for us as an organization to maintain half of our employment for first nations and Métis people if we don't see advancement inside our own organization into areas like I talked about, apprenticeship or other areas in the professional and technical sphere.

Mrs. Cathy McLeod: So would you say that between the LMA, the ASETS, the LMDA, and then the education system, we've kind of managed to cover—and this is a quick yes or no—some of the broad basics in terms of what we need to do and where we need to go?

Mr. Sean Junor: I would say that there is a heavy focus on employability, direct employability into industries, not just ours. But I think you can't lose sight of the fact that a lot of these individuals need upgrading opportunities, GED, because without those components they don't have the opportunity to progress into college or technical or even university training. An area that's often overlooked is that whole component of GED or upgrading or skills enhancement, which would be in the high school equivalency.

The Chair: Thank you very much.

Mr. Cuzner, you have seven minutes.

Mr. Rodger Cuzner: Thank you very much, Mr. Chair.

With our late night seatings and early morning meetings, it's always good to have witnesses like the two we have here who are excited about the information they're sharing with the committee and motivated to make a change and make a contribution. I appreciate your presentations.

Mr. Atkinson, you said 44 projects are over the billion-dollar figure right now in Canada, or on the books, at least.

Mr. Michael Atkinson: Yes. Basically it's *ReNew Canada*. They publish every January, I think, the top 100 public infrastructure projects in Canada, and either the top 43 or 44 of that 100 are each individually valued at a billion dollars or more.

•(1010)

Mr. Rodger Cuzner: Could you sort of give us a breakdown province to province as to where some of the big projects are taking place?

Mr. Michael Atkinson: Most of them are resource based, so they're British Columbia, Alberta, Saskatchewan, obviously Newfoundland and Labrador with Muskrat Falls. There are some in Manitoba with respect to hydroelectric power as well. So they are pretty well—

Mr. Rodger Cuzner: The lion's share is Alberta, Saskatchewan, B.C., and I'm not going to hold you to—

Mr. Michael Atkinson: Nova Scotia and Newfoundland and Labrador...

Mr. Rodger Cuzner: Nova Scotia...?

Mr. Michael Atkinson: Yes, Nova Scotia to some extent because there's a lot of spinoff coming from the shipbuilding contract.

The Chair: Excuse me, I'm going to have to suspend the meeting. The bells have started.

Unless there's unanimous consent around the table, perhaps, to let Mr. Cuzner finish his questioning...?

Some hon. members: Agreed.

The Chair: Okay, continue, then, Mr. Cuzner.

Mr. Rodger Cuzner: Thanks very much, and I appreciate that, colleagues.

Mr. Michael Atkinson: Maybe to cut this short, we can provide the information to you.

Mr. Rodger Cuzner: Yes, if you could I'd appreciate that.

Also, the mobility issue had come up. The reference you made to the lack of desire on the part of Canadians to relocate, what material were you referring to?

Mr. Michael Atkinson: That was a very recent survey done by the Canadian Employee Relocation Council.

I've read some other information on this topic. One of the factors involved in this is the number of two-income households we have now. It's not only a decision of one person to relocate, so there are a number of factors there that are slightly different.

Also, in many cases you're asking them to relocate to extremely remote areas and that's a challenge.

Mr. Rodger Cuzner: I know the committee is probably sick of hearing this come from me, but I come from an area where the largest single employer in my riding is probably Fort McMurray, so the companies that are wanting people to come up.... The people don't want to relocate. They want to go and they want to contribute, and I take great pride in the fact that my area in Atlantic Canada has contributed to some of the biggest construction projects in this country, and really in North America and around the world.

Companies have to come to the fact that people are not going to relocate. They don't want to be out in the middle of the bush, working 40 hours a week. But they will come for an intense period of time, make good money, and then if the company can get them

back and forth a couple of times a year, or on a regular basis, that's where most resource sector companies are going to have to go.

Mr. Michael Atkinson: Yes, and we're finding those challenges even with temporary relocation, and my comments were with respect to temporary relocation.

Mr. Rodger Cuzner: Is that right?

Did they survey Cape Breton?

Mr. Brad Butt: Cape Breton was closed that day.

Some hon. members: Oh, oh!

Mr. Rodger Cuzner: I'll look forward to looking at that information.

To Cameco, you indicated that there is the challenge of getting those entry-level skills sometimes.

How deep do the mining companies believe they have to go in order to get people coming to you with the basic numeracy and literacy skills needed before you can have them engaged in some kind of a training program? Some have said that we need companies with more skin in the game. When you start putting that skin in is the question here. Do you think you have a role to play in the basic life skills stuff—numeracy and literacy impacts—or should government be playing a larger role?

We've seen a cutback through the LMAs in these areas, so you might just want to comment on that.

Mr. Sean Junor: Yes, that's a good question and definitely one that our company addresses head-on.

I would say we are unique and different from many other organizations, including many in the resource sector. We do not, and haven't for some time, waited for candidates to come to us seeking employment, who are then told they're not qualified. We're active in communities in various forms—community dialogue tables, visits, whatever it is—and have been cataloguing people's current skill sets, education, and employment aspirations. We are trying to triage that to see where they're short today so that they can actually enhance their application.

That is different from what you'll see from the bulk of the organizations involved in some sort of industry or commerce, because in most of those types of activities, you simply come to that organization and you're either qualified or you're not. If you're not, you're told to go away and get the qualifications and come back when you're qualified.

Well, we don't have that luxury because of how we operate our four northern work locations. We have the agreements with the Government of Saskatchewan that I talked about, which hold us to standards for local employment. We do not have the luxury of simply telling people, "I'm sorry, you're not qualified". We actually have to work with them to define those qualifications, and find ways in which the training in and around those communities can benefit them so that they're on a path for employment.

It doesn't always happen and it doesn't always happen instantaneously, so it becomes a challenge for us. As I previously said, when those roles are upskilled, we're simply moving the goal posts out for people. If having a GED or high school diploma was satisfactory for entry-level employment 10 years ago, that's likely not going to be satisfactory in the future. We have that challenge to deal with as well because workplaces automate. There is more equipment there, and there are risks to all employees if people don't understand basic safety manuals or if there are literacy or numeracy gaps. There is a risk to the whole industrial complex if they're not able to follow those written or verbal instructions.

There is no question that remains a challenge for us.

● (1015)

The Chair: Thank you very much. I appreciate your staying with us.

To the witnesses, on behalf of the committee, we appreciate your taking the time to weigh in on this study. I'm sorry we had to cut the meeting short, but we do have to get to the House of Commons for voting.

The meeting is adjourned.

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