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Chair

The Honourable Wayne Easter

Standing Committee on Finance

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•(1000)

[English]

The Chair (Hon. Wayne Easter (Malpeque, Lib.)): This meeting in Regina, pursuant to Standing Order 83(1), is part of our pre-budget consultations in advance of the 2017 budget.

We're pleased to be here and thank all of the witnesses here today. We appreciate all of the briefs that were presented at an earlier time. We'll go through all of them and see where we can go in terms of recommendations.

As well, people know from the questions that we sent out that beyond the pre-budget consultations, the theme we are working on is how we can achieve better economic growth in Canada. If you have any ideas or any suggestions on that, we're open to them.

Before we start the official presentations, I will ask members of the committee to introduce themselves and just say where their riding is.

I'm Wayne Easter, chair of the committee, and member for the riding of Malpeque in Prince Edward Island.

Mr. Erin Weir (Regina—Lewvan, NDP): I'm Erin Weir, for Regina—Lewvan, just a few blocks west of here.

I want to welcome the rest of the committee to Regina. We got the snow out early for you this year.

Mr. Ziad Aboultaif (Edmonton Manning, CPC): I'm Ziad Aboultaif, for Edmonton Manning.

Mr. Ron Liepert (Calgary Signal Hill, CPC): I'm Ron Liepert. I'm the member of Parliament for Calgary Signal Hill. I'm a Conservative member of Parliament.

Mr. Steven MacKinnon (Gatineau, Lib.): I'm Steve MacKinnon, member of Parliament for Gatineau, which is just across the river from Ottawa.

Thank you, Erin, for your hospitality.

Ms. Jennifer O'Connell (Pickering—Uxbridge, Lib.): I'm Jennifer O'Connell. I'm the member of Parliament for Pickering—Uxbridge, just east of Toronto in Ontario.

Mr. Raj Grewal (Brampton East, Lib.): Good morning. My name is Raj Grewal. I'm the member of Parliament for Brampton East.

Thank you, Erin, for the warm welcome to Regina. The Jays won, so I'm in a very good mood today.

The Chair: He's as bad a Jays fan as the Roughriders fans are out here. He's pretty near as passionate....not quite.

At the front, we have the analyst and the clerk as well.

We will start. We hope that people will stick to about five minutes, or pretty close to that, so we will have ample time for questions.

Mr. Moran from the Gabriel Housing Corporation, the floor is yours.

•(1005)

Mr. Doug Moran (Chief Executive Officer, Gabriel Housing Corporation): Thank you, Mr. Chairman.

It's a great pleasure to be in front of the committee today. We really appreciate the opportunity to participate in this exercise.

Our presentation specifically addresses question number one, and it also leads into questions two and three, because housing will lead to aboriginal Canadians participating collectively in the Canadian economy.

You are well aware of the statistics, facts, and figures for vacancies, as well as the high rental rates across the country, so we won't bore you too much with those. We will, though, highlight the reasons and the need for more social housing assistance, as well as the initiatives from the federal government for aboriginal Canadians and the shortcomings faced in bringing social housing to these same aboriginal Canadians.

Our perspective on how to increase aboriginal Canadian participation in the Canadian economy starts with access to safe, stable, and affordable housing. This will provide them with the stability and confidence to raise their families and participate in community affairs, while accessing local services and securing their families' safety and well-being. As well, stabilizing the home of aboriginal Canadians will give them the confidence to enter into further training and education, and give them the ability to gain employment, acquire jobs, start new businesses, gain home ownership, and ultimately participate in the Canadian economy and business sectors.

Over the course of the past few centuries, first nations, Inuit, and Métis people have been subjected to Indian residential schools, the sixties scoop, the reserve system, road allowance, and the big one: systemic racism. The sixties scoop is just beginning to make its way through the court system, and the latest atrocity added to this list is homelessness.

As a result of these atrocities, aboriginal Canadians still carry these societal, social, and economic disparities with them today. These individuals and families are now our tenants, and every day we deal with the people and the issues. They are hard to house, and that is why they apply and stay with aboriginal housing providers. They are not wanted by housing authorities and private landlords, as they come with a lot of issues. Often paying rent is not a priority for them due to economic and social hardships. We understand these issues and concerns, and we work with them while others don't.

Homelessness, especially among the aboriginal population, has recently exploded. In Regina, almost 100% of homeless people are of aboriginal descent, yet programs and services are operated by non-aboriginal people and organizations that still believe that they know what's better for aboriginal Canadians. This is contradictory to what Prime Minister Justin Trudeau promised in his victory night speech.

This population is hard to house. The aboriginal housing and service providers know this as fact, but each and every time we are again asked to define who is hard to house. When we submit funding proposals to the provincial government and the homelessness program, we are asked to redefine and re-explain the reasons we are eligible to receive funding through their programs. It's tiresome, especially when the picture is so clear and is right in front of them. That is why we need the federal government to stabilize funding and priorities for aboriginal social housing.

Your questions numbered one, two, and three describe most, if not all, aboriginal people, because they just can't compete at this level with the rest of the population, and it has been like this for years. The first step to continuing to improve on this is by providing quality, safe, and affordable housing, and stabilizing the family unit.

The current Canadian economy is limiting our ability to access funds to meet the demands of affordable housing, for example, with the role of the private sector. Profit-making companies' resources are low and that limits their participation with the non-profit charitable sectors. At one point, they were quite active in their communities, but this has drastically changed. Housing development is very expensive, even to build one new house. When we talk about constructing or purchasing multi-family units, such as duplexes and apartments, it's a very expensive proposition. This limits the kind of profit-making companies and investors that can even consider these types of requests. This is where we require government intervention.

Private non-profit corporations such as ours have limited resources to make the kind of impact that is needed in our communities. We need to draw on collaborative partnerships to get the work done, but with the state of the Canadian economy now, it makes it very difficult. This is why we need the federal government to get back into the game. The province could do more when it comes to social housing, but its priority at this time is the private sector. The municipality does what it can, but housing is not its role, so we appreciate whatever it does manage to contribute. We need the federal government to come back to the table with some creative housing initiatives.

• (1010)

The Chair: I don't want to interrupt you, but I do note that you're about halfway through and already at your time limit, so could you just highlight the other points? People will have access to the brief, as well.

Mr. Doug Moran: Okay, I'll just go right into why Gabriel Housing Corporation needs some assistance in trying to provide housing to aboriginal Canadians.

Our operating agreements and ongoing subsidies are expiring. We need the federal government to look at them and to renew them.

A novel idea would be to provide housing corporations such as ours with capital grants to provide us the means to purchase new houses, and even to purchase older ones and renovate them. That would be an ongoing program that we could certainly utilize to meet the demand.

A training and education fund program would be nice, because then we could train our own people in the trades to build and renovate our own houses, which would create employment and a profit to subsidize our own operations.

We need a repair and retrofit program. We have such an aging housing stock that it costs money to repair and retrofit them, so we ask the federal government to come up with a program to assist us with that endeavour.

On devolution, we need the federal government to take back responsibility for social housing. We experience many shifts in federal and provincial government policy in support of our programs, shifts that are onerous and time-consuming for us, which take away from the efforts we could be making elsewhere.

We need the government to come back to the table. A national housing strategy, of course, would stabilize our funding and our priorities for social housing. That would definitely be helpful.

On aboriginal control, we need more direct control of housing and homelessness, especially homelessness. Almost 100% of the homeless people in Regina are aboriginal, but we have no say when it comes to assisting our aboriginal clients. There needs to be some give there in letting the experts do what they do. At Gabriel Housing, we look after aboriginal Canadians.

The end result, Mr. Chairman, is that aboriginal people will come to us before they go to other housing providers. We have the cultural awareness of what our clients are dealing with on a daily basis. We deal with their issues every day. That's why, when we look at our strategic planning, we build that into our planning, and I'm sure it works out, so we need to continue that process.

By providing the core housing needs of aboriginal Canadians, we will participate in the Canadian economy, but until the Government of Canada takes a stronger lead, we'll continue to see rising homelessness and a further reduction in the quality of life for aboriginal Canadians.

That's my presentation, Mr. Chairman.

The Chair: Thank you very much.

We now have Ms. Schwann, the president of the Saskatchewan Mining Association.

Ms. Pamela Schwann (President, Saskatchewan Mining Association): Thank you.

Good morning, Mr. Easter, members of the committee, and fellow witnesses. My name is Pam Schwann. I am the President of the Saskatchewan Mining Association, and our representatives include industry funded organizations. Our members are mining companies in Saskatchewan and exploration companies active in Saskatchewan.

Thank you for the invitation to present here today asking about what federal activities and measures could be undertaken to assist in the economic growth for Canadians, businesses, and communities throughout Canada. We have six specific measures that we would be looking for. I will name them, and then I will come back to three of them in a bit more detail, time permitting.

The Saskatchewan Mining Association would encourage the federal government to undertake measures that would support building on Saskatchewan's and Canada's natural mineral advantages, and we think more mines would address all three questions. This would also advance the government's priority commitments to improving the socio-economic conditions for indigenous communities and developing a lower carbon intensive economy, given the commodities that Saskatchewan mines.

There are six measures that we are looking at. The first one is establishing a regulatory framework that enables sustainable resource development. The second one is investing in the socio-economic capacity of indigenous communities. The third one is incentivizing investment through taxation tools, such as enhancing access to capital for junior companies through things like the mineral exploration tax credit, and also having tax tools that would incentivize investments in clean technology. The fourth one is ensuring a competitive, reliable, and responsive rail transport system to get products to market. You know that the CTA review report is in, and Minister Garneau is looking at that right now. The fifth one is the promotion of the role of uranium-sourced nuclear power, and carbon capture and sequestration in a low-carbon economy. The sixth one is continuing federal trade missions to emerging markets.

Before I speak on the six measures that I have identified, I would like to address the refrain that we regularly hear about the need to regain public confidence in resources development projects. I felt it

was important to let the members of the committee know that public polling data from the 1,000 Saskatchewan residents we've already polled—we're just in a third tranche now, and we've done two already—indicates that nine out of 10 respondents are supportive of the mining industry, including 50% who are strongly supportive and 84% who think the mining industry is very important to Saskatchewan. I do believe we have the public support in Saskatchewan for mining development.

I would like to speak to the measures of the regulatory framework, the measure of investing in socio-economic capacity of indigenous communities, and the promotion of uranium-sourced nuclear power and CCS, if I could.

Establishing a regulatory framework that enables sustainable resource development is the first one. The constant review of federal environmental regulation and legislation, and the increasing involvement in federal regulators in resource development, is contributing to increased investor certainty.

The SMA supports a regulatory framework that is proportional to the environmental risk of a project, which is one that is fair, science-based, and offers clarity and predictability in its process. That's what we're looking for.

The second measure is investing in socio-economic capacity of indigenous communities. I would like to spend some time on this, because mining is one of the few sectors that delivers jobs and economic growth to indigenous people in Canada. Mining helps foster and build economic and social capacity within indigenous communities. This is particularly true in Saskatchewan where there is a decades long constructive relationship with indigenous communities built on pillars of workforce development, business development, community engagement, environmental stewardship, and community investment. Mining provides wealth creation, economic development opportunities, and improved educational outcomes in communities that have systemically high poverty rates, particularly in northern Saskatchewan.

In 2015, 45% of all the northern Saskatchewan mine workers were of first nation or Métis heritage. That's 1,526 individuals. This represents an annual payroll of \$107 million. It also means that in that broad geographic, but sparsely populated, region of about 37,000 people, one in five jobs is directly related to mining. In 2015, \$388 million, or 41% of all goods and services purchased from mines in northern Saskatchewan, were purchased from first nations and Metis-owned companies, joint ventures, or individuals. Mining operations in southern Saskatchewan have not come as far as the ones in the north, but they have more recently focused their efforts on engaging aboriginal communities as employees and suppliers, and also in building educational and community capacity more locally.

The one budget measure that I would like to speak to is the promotion of the role of uranium-sourced power and CCS in a low-carbon economy, along with the financial incentives to invest in clean technology. The Saskatchewan mining industry can be a primary contributor to the government's priority of addressing climate change by promoting the use of nuclear power sourced by uranium mines from Saskatchewan and the use of CCS. Nuclear power provides 11% of the world's electricity. Saskatchewan has the highest grade uranium mines in the world. Our two mines at McArthur River and Cigar Lake provide 20% of the world's uranium and clean energy for the world by reducing global GHG emissions. Value-added processing of Saskatchewan uranium also occurs in Port Hope and Blind River, Ontario, where it offers high-quality jobs and economic activity. Saskatchewan uranium is also helping Ontario meet its clean energy plan, as one in two homes in Ontario is fuelled by nuclear energy.

Similarly, coal provides 41% of the world's electricity and will continue to be a primary source of the world's electricity for decades. China continues to invest in thermal coal plants, as well as additional nuclear power generation capacity. Coal fired electrical generation is not going away. Saskatchewan has made significant investments in CCS technology to reduce GHG emissions—not necessarily just in Saskatchewan, but in technology that could be exported. We have a population of just over a million people. Last year the Boundary Dam CCS project took the equivalent of 240,000 vehicles off the road in a population of a million people. That's significant.

Our recommendation is that to facilitate the transition to a lower-carbon economy throughout the world, we need measures to promote and invest in the use of nuclear power and carbon capture sequestration technology, which can be utilized in Canada and exported globally to help mitigate global climate change.

Thank you.

- (1015)

- (1020)

The Chair: Thank you, Pamela.

From SARM, we have Mr. Raymond Orb, the president.

Ray, the floor is yours.

Mr. Raymond Orb (President, Saskatchewan Association of Rural Municipalities): Good morning. I'm pleased to be here to give the presentation this morning.

For those who aren't familiar with us, SARM represents all of the 296 rural municipalities in the province. The membership is voluntary.

I have a 10-minute presentation that I'm going to cut to five minutes. I will make sure that everybody on the committee has our deposition. I'll touch on the highlights.

I want to answer question number one and to talk briefly this morning about mutual aid agreements and emergency response funds. This is because of the fact that municipalities are reliant on service agreements with businesses, local land owners, parks, and first nations. First nations communities often do not have their own emergency service providers.

We're making a pitch to the federal government and to the Province of Saskatchewan that there be an emergency response set up. That would provide the first responders and the emergency firefighters, who are often volunteers, with a fund to make sure they are covered not only for a liability, but also covered for reimbursement of their costs.

We also think that with any surplus funds at the end of each year, a fund could be recreated to be used to build local infrastructure, including first nations infrastructure, and to give them the capacity to respond to emergencies as well.

I want to talk briefly to question number two and mention the farm support program AgriStability. I know that Chairman Easter is familiar with that program. We're now talking about Growing Forward 3, the next phase of farm support. We're asking the federal government to reinstate the margin levels back to 85%. They've been lowered to 70%. We're concerned about that. We're asking the government to reinstate the margin levels to where they were before. We're also asking the same with AgriInvest. We're asking the federal government to take away the cap and to reinstate it to its previous coverage.

Broadband obviously is really important to rural Saskatchewan. We're pleased that the federal government has put up \$500 million for rural Canada to enhance the coverage in rural and remote communities around the country. We feel that it needs to be carried further. Without a reliable connection, it's often difficult to participate in the Canadian economy, as so much is found online now. The result is that many rural Saskatchewan people aren't able to meet their economic potential. So we're asking the federal government to update the current tier 4 service areas that are home to numerous economic drivers, and to cover larger areas. These areas have sparse populations, so we're asking for them to receive adequate service.

We also believe that there should be increased collaboration between the federal government and each province and territory, so it's necessary to come up with a plan for service that takes each province's population and geography into account. And, of course, the definition of "rural" is not the same across Canada.

Finally, the government should ensure that any spectrum allocated for rural areas that is unused by an Internet service provider for two years after acquisition be accessible to Internet service providers who are willing to bring service to rural areas. That's called the "use it or lose it" provision.

To answer the third question, I want to talk a bit about phase two and the new building Canada fund, particularly the small communities fund. We realize that the federal government has already committed to at least 50% funding. So we're asking our province to kick in 25%, which leaves 25%. For any federal priority project that is also a municipal priority under a federal program, we're asking for a different split. We're asking for 35% for the province, which would leave 15% for rural municipalities. We also feel that the threshold for small communities should not be the same across Canada, because the number that is used now is 100,000 and we want the federal government to realize that we're asking here in Saskatchewan that the threshold be lowered to 4,999, which is below the threshold for a city. So it puts the villages and the towns, the rural municipalities and the small urban centres, all in the same pool.

• (1025)

Under the disaster financial assistance arrangements and natural disaster mitigation, we're asking that the federal government undertake a thorough review of the DFAA guidelines. More importantly, SARM is requesting funding to municipalities for disaster-related mitigation and recovery, which are very important.

These initiatives are realistic and, in summary, we think that they will help to grow our economy while ensuring that environmental sustainability occurs. Whether it is with regard to the need for stable farm income support to assist middle class families in Saskatchewan, disaster assistance to help the most vulnerable, or increased infrastructure investment to help employ first nations in our communities and to ensure the consistent and reliable movement of grain across the Prairies to get our exports to market, we look forward to a continued dialogue to help support families and communities in Saskatchewan.

In closing I have one further remark to make. I know this has been the hot topic in the news lately and I just want the committee to know that SARM is really concerned about the possibility of having a carbon tax of some sort imposed on our province. We believe—and we've been very vocal about this—this could affect the average-sized farmer in our province who has between 2,500 acres and 3,000 acres. It could impose a tax of \$10,000. This is a concern of ours because we feel farmers are already sequestering carbon. They're doing a good job with zero till right now and they should be credited, not penalized.

That brings my remarks to an end. Thank you very much for your time.

The Chair: Thank you, Mr. Orb. I do expect you'll likely get a question on that last point. It would surprise me if you didn't.

With VIDO-InterVac, we have Mr. Potter and Mr. Hodgson.

Mr. Andrew Potter (Director and Chief Executive Officer, VIDO-InterVac): Thank you very much, Mr. Chair.

I would like to thank you for the opportunity to present and also welcome you to winter on the Prairies. It's absolutely delightful.

I'm going to change gears a little bit and talk about the issue of infectious diseases, and specifically Canada's role in what is a global threat from both agricultural and human health perspectives.

The threat of infectious disease continues to be a major issue on this planet. Up to half of all deaths each year are caused by infectious diseases, depending on which statistics one uses. About two-thirds of deaths in children under the age of five are due to infectious disease. This is something that is important on a global basis. We often think this problem is only in less developed countries, and that is not true. Canada is at risk in the human health field. Infectious disease is always among the top 10 killers every year and, in fact, it can be as high as number three on the list.

In Saskatchewan, the prevalence of tuberculosis in first nations communities is about 50 times higher than it is elsewhere in the province. If you go to Nunavut, that goes up to over 200 times higher. Those figures rival what you see in sub-Saharan Africa, and yet we're very complacent about it.

Of course, in the animal world the threat of infectious disease continues to be a problem as well. We've seen influenza in British Columbia and depopulation of birds in the Fraser Valley. BSE cost the country over \$6.3 million and, of course, the social upheaval in rural communities that went along with that is not taken into account.

We also see new pathogens arise every year. The most recent in the agricultural field was a pig virus, porcine epidemic diarrhea virus or PEDV, which entered Canada in 2014 and has caused between \$900 million and \$1.8 billion in losses. This is very significant. I might add that VIDO-InterVac has actually come up with a vaccine for that disease, which is currently being used to control outbreaks in Manitoba.

We have relied on things like antibiotics for disease control for decades. However, we're being challenged now by the emergence of drug-resistant pathogens and a variety of other factors. We believe vaccines represent a sustainable and cost-effective method of disease control, one in which Canada has historically taken a leadership position, going back to the smallpox and polio vaccines all the way up to those of the current day. However, we're starting to lose that competitive advantage, and this has gone on over the last 10 to 15 years. Part of it is due to key gaps in our infrastructure in this country, and one of these is found in the manufacturing of vaccines.

This affects all public sector as well as private sector researchers. Indeed we usually go south of the border when we want things done. We're doing that right now. The Ebola virus vaccine that came out of Canada was developed in 2005 and couldn't be made in this country. The vaccine that was tested in West Africa came out of the United States. We need to do something in this field.

• (1030)

Dr. Paul Hodgson (Associate Director, Business Development, VIDO-InterVac): I thought I'd give the committee a brief overview of our organization. We are an infectious disease research and vaccine development organization. We're part of the University of Saskatchewan. We were established just over 40 years ago, with a partnership between the western provinces and an original mandate to serve the agricultural sector. We have since expanded to the human health sector.

We have approximately \$200 million worth of infectious disease research infrastructure, which makes us one of the most advanced containment level labs in the world. The Government of Canada has invested heavily in that infrastructure.

Our accomplishments include the development of a number of vaccines for animal health and technologies to protect humans from infectious diseases, most of which were the first of their kind in the world. To build on this we are planning pilot-scale, good manufacturing practice-compliant manufacturing units, which are required to make vaccines. We urge the government to assist in filling this critical gap to help all of Canada's technologies to reach the marketplace.

Mr. Andrew Potter: To finish off very quickly, we're recommending that the government support the installation of a GMP-compliant manufacturing unit, which will serve all Canadians, public sector Canadians as well as those in the private sector. This can happen, obviously, in our facility. We have some wonderful infrastructure, but our facility is also partnered with other manufacturers across the country.

In addition, if this is set up, we are recommending that the government provide operating funding to cover the first five years of the facility as well as critical systems compliance if we need level three work, or high-level containment.

We believe that if this happens, it will ensure the health of Canadians, and in particular underserved communities that are susceptible to emerging and re-emerging infectious diseases, who can benefit from the rapid deployment of vaccines.

Furthermore, it is going to increase the competitiveness of Canadian business. We've seen the collapse of the Canadian biotech sector as it relates to vaccines since 2008, and we need to rebuild that. I would add in the vaccine space that return on investment is about 25:1, so it makes good business sense. Most of it goes south of the border right now.

Finally, in the agriculture sector, we need to proactively mitigate the threat of infectious diseases, and in particular the non-tariff trade barriers that we've seen with things like influenza, BSE, etc., but as well, to reduce the impact on rural communities.

I will stop there.

• (1035)

The Chair: Thank you, both.

We have, from the Saskatchewan Seniors Mechanism, Mr. Wuschenny and Ms. Schick.

Mr. Robert Wuschenny (President, Saskatchewan Seniors Mechanism): Thank you for the opportunity to present to the committee today. The Saskatchewan Seniors Mechanism, or SSM, is the umbrella organization representing 16 seniors organizations, including about 100,000 seniors. I'm pleased to be able to highlight for you the importance of age-friendly communities and how strategic investments in this initiative can reduce costs to our public systems while improving quality of life for Canadian seniors and communities as a whole.

The age-friendly communities initiative, as you probably know, is a global initiative started by the World Health Organization. It's a process that promotes healthy, accessible, inclusive communities by applying an age-friendly lens to key areas of community life, including such aspects as transportation, housing, social participation, community support, health services, outdoor spaces and buildings, communication, and education.

Helping communities become more age-friendly is key to creating communities where older adults are included, respected, valued, and less isolated. This approach demonstrates tremendous benefits for our community, business, and older adults, including increased access to and use of services. It helps governments meet the needs of citizens. It supports older adults to remain in the community and engage in volunteer or paid work and civic activities. It reduces mental and physical illness, social isolation, and dependence on the public health system, and mobilizes communities to work in partnership.

Since implementing this initiative, we see positive change. We have visited a number of communities, some 15 or so in total, including the Regina International Airport, where we see increased customer satisfaction and reduced accidents from older adults using the airport by improving signage.

The Saskatchewan Seniors Mechanism is working hard to share this initiative with communities across Saskatchewan. Increased federal government funding for the age-friendly community initiative would help to ensure that the communities are able to maximize the benefits. Government support would also assist in building community capacity and in raising the profile of age-friendly communities through promotion of the initiative and by sharing success stories of communities that have embraced age-friendly concepts. If they have embraced age-friendly concepts, that also applies to other age groups, so it indeed becomes intergenerational.

Thank you for the opportunity to profile the benefits of age-friendly communities and the importance of federal support.

Ms. Holly Schick (Executive Director, Saskatchewan Seniors Mechanism): Again, thank you for this opportunity to make a presentation. I'm going to briefly touch on three areas.

The first of those is home care. Home care helps people maintain health and independence in their homes and in their communities. It reduces the need for long-term care. It facilitates the appropriate use of community services, and recognizes and supplements the care provided by family, friends, and other volunteer caregivers. Home care helps to reduce the overall costs to the health system and to communities. We believe it should be included as part of the Canada Health Act to ensure consistent and comprehensive services being provided across the country, accessible to all who need them.

The second point I'd like to touch on is that we believe a national pharmacare program would provide universal access to needed medications, fair distribution of the costs of prescription drugs, and safe and appropriate prescribing, and would maximize the health benefits per dollar spent. Older adults are particularly vulnerable to the financial burden of prescription costs with many of them living on fixed incomes and faced with the need for increased prescription medications.

The third point is that we believe the government should expand and enhance CPP, OAS, and GIS. An adequate income for all is key to ensuring health, well-being, and quality of life for older adults, and it is the way to ensure that they are able to continue to be active contributing participants in the life of their communities. Increases to these basic pension sources of income for older adults are the most effective way to ensure that all Canadians have an adequate income in their retirement.

Thank you for your time.

• (1040)

The Chair: Thank you both.

We will now turn to Dale Eisler from the University of Regina. I'll bet he misses being consul general with the excitement in the U.S. these days.

Mr. Dale Eisler (Senior Advisor, Government Relations, University of Regina): Thank you, Mr. Chair, and thank you, members of the committee. Like the other presenters have said, it's a great opportunity to be here this morning.

I just want to say that in a previous life I used to be with the Department of Finance in Ottawa, and I know full well how

important these national consultations are when shaping the federal budget. At the department, we would always await the report of the finance committee with a lot of anticipation because it gave a very good perspective of what Canadians were thinking and what their priorities were. Your work is obviously very important.

As senior adviser on government relations to the University of Regina president, Vianne Timmons, I'm going to focus my brief remarks on how the federal government and the university sector can together build a more innovative, stronger, and cohesive economy and society in the country, and why that partnership really matters.

Briefly, let me preface my remarks with a few facts about the University of Regina. The university's five-year strategic plan is built on three pillars: student success, research with impact, and commitment to our communities. There are two themes that knit the strategies altogether, and they are indigenization and sustainability.

During the past decade, the U of R has grown dramatically. Our student enrolment has reached almost 15,000. Last week it was at about 14,900. It's our eighth straight year of growing enrolment, with an increase of more than 20% since 2009, so it's a very dynamic, growing campus. We have more than 2,000 international students from over 80 countries, and our international student enrolment has grown by 11% since 2009.

U of R is a leader in indigenous post-secondary education in Canada. More than 12% of our students self-identify as indigenous, and with the First Nations University of Canada on our campus, the U of R has carved out a national reputation as an institution that is focused on indigenous education and enhancing educational opportunities for first nations and indigenous students.

With regard to research among Canadian comprehensive universities, the U of R has emerged as a leader in research impact and international collaborations. With a budget of almost \$300 million, a staff of 3,000, and a growing student population, the university is obviously a key player in the Regina and provincial economies. The university is responsible for generating more than 4,500 jobs, and it accounts for roughly 3% of the total regional economy. The university, directly and indirectly, through personal, corporate, sales and excise taxes in 2014-15, contributed approximately \$82 million to federal government revenues and \$69 million to provincial government coffers.

●(1045)

In terms of public policy going forward, support for universities is absolutely critical in building the economy and society we want. Education is at the intersection of economic and social policy. If governments want to ensure growth and stability, an educated population is key. Individuals who have the education and skills they need will be productive citizens who generate economic growth and social cohesion. The importance of the university sector in building an innovative economy was clearly identified by the Government of Canada in its last budget. Specifically, the post-secondary strategic infrastructure fund and the commitment of \$800 million over four years to support innovation networks and clusters are key steps forward. For its part, the University of Regina received \$30 million from the infrastructure fund to support the renewal of our historic College Avenue campus and improvements to our laboratory building.

As the committee considers budget priorities going forward, I would like to identify two areas of research that are particularly relevant, I believe, to the government's agenda, and where the First Nations University of Canada is considered a national and international leader. The first is post-traumatic stress disorder, or PTSD. Professor Nick Carleton, in the U of R department of psychology, is recognized as a leading national and international expert in the study and treatment of PTSD. Recently the Canadian Institutes of Health Research selected Professor Carleton to receive funding so he can devote his time to overseeing research projects from teams around the world that focus on PTSD.

I know that the Government of Canada has made a national strategy for the support and treatment of PTSD sufferers one of its policy priorities. In fact, the development of a national treatment program was included in the mandate letter for public safety minister Ralph Goodale who, of course, is from Regina. In pursuit of that objective, earlier this year the University of Regina, in partnership with the Department of Public Safety and Emergency Preparedness, staged a national round table that included first responders, academics, and other stakeholders from across the country. There was unanimous agreement that a national program for PTSD treatment was urgently required, and that with support from the Government of Canada, Professor Carleton and the University of Regina would be the logical hub to deliver the program.

Last year, Dr. Carleton told the House of Commons committee on health that work is being done at the U of R "to develop a dedicated Canadian first responder hub to support evidence-based policies, practices, and programming for mental health." The hub would also act as support for a "multi-university team of interdisciplinary researchers" at RCMP Depot in Regina, which is a potential laboratory for research into PTSD. A team led by University of Regina researchers is working with the RCMP to make the project a reality.

The second and final area of research where the University of Regina has unique international expertise is climate change and energy policy, specifically carbon capture and storage. Several factors make the U of R a world leader in this area. One is the work being done by our petroleum engineering researchers in conjunction with the Petroleum Technology Research Centre, which is located on campus. The other is the proximity of SaskPower's Boundary Dam,

home to the world's largest successfully operating carbon capture plant. With climate change as a global challenge, not surprisingly the Boundary Dam project has generated global interest with researchers from around the world regularly visiting this site, and the U of R.

As a result of the U of R's research expertise and the accessibility of the SaskPower project, we have become the hub for a clean energy academic network that includes the University of Texas, the University of Edinburgh, Imperial College London, Kyoto University, North China Electric Power University, and the University of Melbourne. We believe that the work being done by the University of Regina in clean energy supports the Government of Canada's agenda to support innovation and to address climate change.

The university is thankful for the support it has received in the past from the Government of Canada. With the support of the government in next year's federal budget, the University of Regina looks forward to continuing to play an important role in addressing national policy priorities.

Thank you very much.

The Chair: Thank you very much, Dale.

Turning to the Agricultural Producers Association of Saskatchewan, we have Mr. Hall, the president.

Go ahead, Norm.

Mr. Norm Hall (President, Agricultural Producers Association of Saskatchewan): Thanks, Wayne.

Agriculture is a strategic sector in the Canadian economy. Nationally, agriculture and agri-food products generate \$55.4 billion in export sales for Canada and also one in eight jobs in Canada. With over 40% of Canada's cultivated land in Saskatchewan, our agricultural exports generated \$15 billion in export sales for Canada. Saskatchewan producers are amongst the most efficient in the world, and we are always investing in our farms to increase productivity. Our investments here spur economic growth across the country, creating jobs and opportunities in all regions of Canada and all economic sectors. Investment in agriculture is an investment in Canada's economy.

Budget 2017 presents an opportunity to address key challenges facing agricultural producers. This presentation will provide a very brief overview and recommendations for the committee's consideration.

Issue one is generational change. Canadian agriculture is in a state of transition, with over \$50-billion worth of farm assets to be transferred within the next decade. Ninety-five per cent of farms in Saskatchewan are family operations, and we want to maintain this for future generations. One starting point is in Canada's Income Tax Act. We need changes to that in order to help facilitate the transfer of farm assets to the next generation. In particular, APAS supports initiatives like Bill C-274 and other tax measures aimed at levelling the playing field for those operations seeking to transfer assets to the next generation. A resolution very similar to Bill C-274 was passed at the 2011 APAS AGM, and this has been forwarded through the Canadian Federation of Agriculture, the Saskatchewan Chamber of Commerce, and the Canadian Chamber of Commerce. This not only affects agriculture but all small businesses across Canada.

Issue number two is infrastructure and communications. Proximity to markets and access to services has always been a major issue for Saskatchewan agricultural producers. Being so far away from port and export positions, we rely heavily on Canada's transportation infrastructure, principally the rail network, to move our products to market in an efficient manner.

Access to digital infrastructure is also essential for agricultural businesses. Today, download speed and coverage levels in rural Saskatchewan lag behind the rest of the country. Inadequate access to Internet services directly affects our businesses. We need reliable access to broadband Internet to conduct our daily business transactions.

Our recommendations for infrastructure include the following. Funding for rural roads and highways must keep pace with increased productivity and the evolving transportation needs of Saskatchewan producers. Grants and tax incentives should be used to encourage investment in the short-line rail networks, thereby ensuring that more grain moves by rail as opposed to truck.

● (1050)

Federal funding should also be targeted to expand broadband Internet in rural Saskatchewan. In particular, APAS supports the goal of 25 megabytes per second by 2020 and the development of a new funding mechanism supplemental to the existing national contribution fund designed to directly target expansion rather than maintenance of existing services.

Issue three is the environment. Climate change is a major priority for the federal government, and action is required to deal with carbon, but decision-makers must understand that farmers cannot pass along increased costs from carbon taxes to our customers. We just don't set our own prices. Agriculture is a low-margin business, and raising the price of our inputs simply reduces our margins and makes our farms less viable without reducing carbon.

Producers in Saskatchewan have been real world leaders in developing management practices that reduce our carbon footprint. Research shows that zero-till agriculture in Saskatchewan sequesters 8.5 billion additional tonnes of carbon annually. This is equivalent to one million cars. We're the largest sector of private land managers in Canada, and we would like to see those efforts recognized.

We need more federal support to help with beneficial management practices, like planting trees and protecting and expanding native grasses and wetlands.

Budget 2017 is a chance to take positive action, including restored funding for agro-forestry initiatives, including in particular the Indian Head Shelterbelt Centre, to provide producers access to affordable trees; the creation of a grassland trust to provide federal support for ranchers operating in the former PFRA pastures, who are managing grasslands and providing access to grassland landscapes in the interest of all Canadians; and increased funding for federal water management initiatives, including federal partnerships to map flood plains and develop water infrastructure in rural Saskatchewan, including dams and reservoirs.

Thank you for this opportunity to present today.

The Chair: Thank you very much, Norm.

We have covered the map. We'll try to get everybody on. We are running a little behind time.

The first round of questions is five minutes.

Mr. MacKinnon.

● (1055)

Mr. Steven MacKinnon: Thank you, everyone, for being here.

What strikes me and all members of this committee is that when we come to a province or a city to hear from a panel of witnesses, we get a very good snapshot of what's occurring, all the bright spots—certainly all the challenges as well—in Saskatchewan and elsewhere. It's pretty clear that a lot is going on in this province. For that, I salute you.

I want to ask SARM, perhaps Mr. Hall as well, and frankly anyone else who would care to comment, to perhaps expand a little on the following. We have phase two of infrastructure funding coming. Certainly this government has made infrastructure of all kinds a priority, not just traditional water, sewer, roads, and so on, but also social infrastructure of the kind that Mr. Moran addressed in his presentation.

Could you just comment a little more on funding formulas for rural communities?

You mentioned there's a cost-sharing arrangement, Mr. Orb, that you're looking for. How is that going with the province? Are things working smoothly? Is the framework in place so that those funds can be spent quickly? I'd ask you to comment on that, and perhaps Mr. Moran and Mr. Hall as well.

Mr. Raymond Orb: Yes, I'd like to comment on that. We have actually been working closely with the FCM, the Federation of Canadian Municipalities, and I am the chair of the rural forum. Actually, we had Mr. Easter on one of our panels at the AGM in Winnipeg.

We're working with the province, in my case the Province of Saskatchewan, and we're looking at seriously changing the criteria so that smaller communities can qualify. The threshold of the population is a big factor, because right now 100,000 or fewer is considered rural, which puts us, in the province of Saskatchewan, in the same pool as every city except the cities of Regina and Saskatoon, and we can't compete.

We realize, though, that water and wastewater projects are high priority, and so is transit, especially in some of the larger cities like Saskatoon and Regina. We are asking for a rural infrastructure fund to be created. I was on a conference call yesterday with Minister Sohi's political staff, and we gave the pitch on behalf of FCM. SARM also supports us, so we think we're making some good headway with the federal government. They realize that they have already committed to at least 50% funding, so it leaves it all up to the provinces. Each province may have different criteria, which is a good thing to have because it's flexible. What works in Ontario might not work in Saskatchewan. I think we are off to a good start with phase two. It's very promising.

Thank you.

Mr. Steven MacKinnon: Very good.

Mr. Moran and Mr. Hall, do you have a comment?

Mr. Norm Hall: I want to focus on electronic infrastructure. I mentioned broadband, but it's also cell coverage. As you may or may not know, rural Saskatchewan is getting more and more rural as there are fewer and fewer people outside of the towns and we're working further and further from the population. It used to be that if you broke down or had an accident on this corridor, you only had to walk maybe a mile or two to get help. Now it's miles and miles that you're going.

The need for good cell coverage across Saskatchewan, across Alberta and Manitoba, is a safety issue. It's also business, because you're doing business in your mobile offices, the tractors, combines, swathers, or whatever; but it's also about safety. If you have an accident, as Ray brought up, with emergency services, then you can call. But right now if you don't have the cellphone coverage and you don't have the emergency services, you're dead.

I ask that you just encourage more investment in electronic coverage.

• (1100)

The Chair: You have time for one quick supplementary, Steve.

Mr. Steven MacKinnon: I wanted to ask a question on another topic.

Mr. Potter and Mr. Hodgson, this is a very interesting project you have going on there, obviously. Have you had discussions with Western Economic Diversification in respect of their ongoing programming, or even the Public Health Agency? Is this something that could fit under their respective mandates?

Mr. Andrew Potter: The short answer to that is yes. We've been talking to WD now for the last two years, I believe it is. They are extremely supportive, but so far the timing hasn't been right for funding. We've also had the support of Minister Goodale, who has been a strong supporter of this facility, obviously, and how one moves forward. I would add that we are about to sign an agreement for a joint venture with a non-profit group in the province of New Brunswick, as well as a small company, to join New Brunswick and Saskatchewan together in the infectious disease field, so this facility is absolutely key. Not only is WD a potential but ACOA in the Maritimes comes into play as well. It's all about partnerships.

The Chair: Mr. Abouttaif.

Mr. Ziad Abouttaif: Good morning, and thank you all for the wonderful presentations.

We're in Saskatchewan and I think we need more Saskatchewan in Canada for the prosperity, the economic performance, that you guys are having. Saskatchewan is agriculture, resources, mining, and oil, which all sound good. I heard from SARM and I heard from Mr. Hall and we know that we're facing a different world. Environmental responsibility is a key to going into different markets and coping with where the world is going, especially with our economic friends on the other side of the world.

The question is on the carbon tax and how we can remain competitive, because at the end of the day, no matter how good our products are, we have to be competitive enough to be able to sell and to expand and, if anything, for Saskatchewan to be able to expand beyond labour opportunities. Because we have the ground and we have the infrastructure and we have the product, the population will be the important element in growing a bit beyond and contributing further to the total Canadian economy.

In your opinion, Mr. Hall, and SARM's too, what's the alternative to a carbon tax? If we have to deal with that, do you see an alternative that could deal with environment and, in the meantime, not require us to put a levy on the businesses we operate?

Mr. Norm Hall: Thank you, Ziad.

As we've said, in the direct heating sequesters, we've had an extra 8.5 million tonnes of carbon per year. The last thing we heard from any federal officials on this carbon tax, and this was months ago, was that this was going to be considered business as usual and that we would not be credited for any of the carbon we have sequestered over the last 20 years, or anything into the future. It is the same within the livestock sector. There are efficiencies in the production of livestock that are reducing their carbon footprint.

We've done all of this already, but we're not going to be credited for it. That's a really hard pill to swallow because agriculture is part of the solution to the problem, as we do produce carbon. As Ray said, the cost for the average-sized farm from this tax would be about \$10,000. The figures I've seen for this tax were \$40 a tonne, and as the Prime Minister said, it will go to \$50 a tonne by 2022. At \$40 a tonne, the average-sized farm would see about a \$10,000 hit directly out of our bottom line, because, as we said, we don't set our own prices. You said it directly too, that we need to be competitive. Those prices will not be reflecting that dollar figure.

Overall in Saskatchewan that's going to affect us to the tune of \$300 million to \$400 million per year, coming directly out of producers' pockets. That comes directly out of our investment in our farms and our efficiencies. Without recognition of the work we have done already in sequestering carbon and trying to do more, you're going to see a de-evolution of agriculture in Saskatchewan.

• (1105)

Mr. Ziad Aboultaif: Mr. Orb, would you like to comment on that too?

Mr. Raymond Orb: Yes, thank you. I would.

Very briefly, if I said anything different from what Mr. Hall said it would be simply the fact that farmers, of course, can't pass the costs on. That is a big problem because it comes out of their bottom line and there are already costs.

We're not denying that something needs to be done with climate change. We're onside with that, but we need to be able to consult with the province and to be able to consult with the federal government, because we feel that with anything that's rushed...2018 is not that far away and we need to sit and think about this before we do anything.

One of the things that we're promoting, which is in our submission, is we believe that as much as possible, federal infrastructure money should be put into short-line railroads to mitigate greenhouse gas reduction, to take trucks, vehicles, off the highways. We have a lot of these short-line railroads in this province, more than any other province in Canada. I think we have 14 short-line railroads operating right now and we believe there needs to be a thoughtful plan put through on this. We need some more time to think about this.

Mr. Ziad Aboultaif: Mr. Chair, will you allow me to have Ms. Schwann comment on this briefly?

The Chair: Go ahead, Ziad. We may run over time a little.

Mr. Ziad Aboultaif: I would also like Ms. Schwann to comment on the same topic.

Ms. Pamela Schwann: Sure. I do really want to echo the same perspective from the agriculture sector here. We have a lot of best-in-

world technology already, so it will be very challenging to have the emission reduction targets. It's not that there is not more we can do—we can look at that—but we think it has to be a consideration. When you're already the best in the world at something in terms of energy efficiency, it's pretty difficult to get any lower than that, particularly when you have other countries that do not have emissions targets, will not have a carbon tax, and we're increasing our input costs and can't control the price we've getting at the end of the day. So this has to be thought through.

We're being challenged by a lot of potash development in Russia. They don't have these same input costs and they're already telling us that they can produce at half our cost per tonne, so any increase in costs that is not transferrable is difficult for us, and the carbon leakage that you hear about is very real.

Thank you.

The Chair: Mr. Weir, we'll give you five minutes if we can. It's pretty tight.

Mr. Erin Weir: We're here in the birthplace of medicare, Ms. Schick, so I greatly appreciated your comments about home care and pharmacare. Could you speak to the importance of significant and predictable annual increases in the Canada health transfer to extending public health care into those areas.

Ms. Holly Schick: Certainly we need to have consistency and, in fact, expansion of services such as home care. At the moment in Saskatchewan, for instance, different services are provided in various health regions. In most cases it is medical needs that are being met through home care, and we need to see that expanded.

People need a variety of services to be able to stay in their own homes. They need help with home maintenance and with looking after their homes and yards, and they need access to all kinds of services to help them stay in their own homes. In order to do some of those things and in order to deal with rising drug costs, significant funding needs to be available to provinces so they can work together with the federal government to find ways to address these ongoing needs among the increasing percentage of our population that is made up of older adults.

That is very important.

• (1110)

Mr. Erin Weir: Indeed. Of course, the federal government was elected with the promise of a new health accord, but the health minister indicated that she was accepting the same formula for health transfers that the previous government used. In fact, because that formula ties the Canada health transfer to growth in GDP, health transfers are actually lower for future years under budget 2016 than they would have been under budget 2015.

I wonder if you could just say a little bit more about the importance of knowing how much money the province is going to receive for health care from one year to the next, rather than having it tied to the vagaries of external economic conditions.

Ms. Holly Schick: Certainly longer-term visioning and planning are very helpful. Knowing what kinds of finances are available for health care and for other needs is of key importance.

I believe that we also need to think about what is included in the Canada Health Act and what is being funded through those transfer payments and through the health accord. We are going to be talking about some of the seniors issues, in relation to the health accord, that come up at forums across the country. I think it is very important for the government to hear some of those concerns and to know that in order to provide the kind of consistent services that help people to remain healthy, contributing members of their society and to reduce costs for things like long-term care, we do need to have consistent funding coming into the province and consistent ways of working together.

Mr. Erin Weir: Mr. Eisler, as a University of Regina graduate, I greatly appreciated your presentation. I'm also struck by how much more expensive it is to attend the institution now than it was when I was a student. The federal government has provided some welcome funding for specific infrastructure and research initiatives on campus, but, as you know, Statistics Canada recently reported that Saskatchewan has the third-highest tuition fees in Canada, so I wonder if you could say a word about the importance of increasing the Canada social transfer as a way of paying for universities' operating costs and reducing their reliance on tuition fees.

Mr. Dale Eisler: Thank you, Mr. Weir.

There's no question that the cost of education is steadily rising year over year. Our operating costs now are funded by the provincial government. It's provincial funding that supports our operating costs, and roughly speaking 53% to 54% of our operating budget is paid for by the province. The federal funding comes mostly through research grants, funding agencies, and things like that, which of course are very helpful, and other avenues such as the strategic infrastructure fund, from which our university captured \$30 million just this year.

In terms of access to education, we see increasing numbers of students all the time, so in a macro sense there doesn't appear to be a huge impediment from in terms of the cost of tuition because enrolments keep rising, but we are fast approaching a point where I think it's not going to be sustainable. If we do not receive adequate public funding from the government, we can't keep turning to tuition to fill that gap. It's just not feasible.

We're definitely facing funding pressures, and anything that the federal government can do to support the university in terms of research and infrastructure capital needs would take a lot of pressure off. We're always hopeful that we're going to see more from the federal government.

• (1115)

The Chair: Thank you, both.

Mr. Grewal.

Mr. Raj Grewal: Thank you to the witnesses for coming today.

I will continue on my colleague's point about tuition. I recently graduated and carry a lot of student debt from doing a JD/MBA from Schulich-Osgoode. However, I was very pleased with, and one of the reasons I chose to run for the party I ran for was, their commitment to helping students. I just want to mention for the record that the Liberal government has increased access to Canada student grants by about 50%, and Liberal members continue to put pressure on our own government to ensure that post-secondary education is accessible to all Canadians across the country.

Moving right along, Mr. Raymond Orb, I just had Minister Sohi in my neck of the woods in Brampton. Now Brampton is by no means a rural area, but infrastructure is a big part because it is a growing area in the GTA. From your perspective, we made a commitment that phase two infrastructure funds would be more accessible to smaller areas in the country. What are you guys doing on your end to make sure that projects are approved, are ready to go, and that the last piece of the puzzle is just the federal funding?

Mr. Raymond Orb: From our end and I guess from that of SARM too, we haven't been able to access much money. To be honest with you, this is why we're asking for the changes to the small communities fund.

I will give you an example. In the first round—I'm talking about phase one—there were only two rural municipalities in this province that qualified for the funding. That was because they're up against big projects in some of the cities as far as water and waste water go, and we realize those are important. We have that concern and we're relaying that concern to the federal government through the FCM as well.

That's why in phase two we're asking the federal government to change the criteria to lower the population threshold, but to also allow backing of other program funding, including the gas tax funding and any provincial funding that's available. The federal government is really interested in this because it realizes there are lots of small communities, like you're talking about, that don't qualify for the funding.

Mr. Raj Grewal: Minister Sohi made a point of this, and I met with his staff as well and we relayed the concern that there has to be more discretionary authority at the local level because they understand their needs more than the federal government, where it becomes a bit of a macro play. I very much echo your sentiments.

We recognize that phase one funding wasn't available to small cities because the criteria were transit and ridership numbers. Obviously, small cities wouldn't qualify for that. We really will take your comments here seriously.

One thing I have been very surprised by in western Canada is that nobody is talking about pipelines, which seem to dominate the debate in Ottawa. That's a take-away point for me.

Ms. Pamela Schwann: Oil capacity is taking up that rail capacity that we need for bulk commodities like fertilizer and agricultural products.

Mr. Raj Grewal: I know my colleague would like to talk about that, so I will leave it to him.

Since I have a little bit of time left, I want to talk about the fact that our carbon tax policy, which seems to be of concern to a lot of you, is revenue neutral. The money collected from it will be reinvested back into the province to build infrastructure and to build stronger and more sustainable communities.

Moving right along to Mr. Hall, you're asking for a change to the Income Tax Act because 95% of farms in Saskatchewan are family owned. What would be the impact on the government treasury of that change to the inheritance tax?

Mr. Norm Hall: I must admit that I don't have the exact numbers. It's more that small business in Canada stays small and family owned, instead of going to the world of Mad Max where one company owns everything. We're seeing that in so many parts of our economy in the mergers of mega-giants.

Mr. Raj Grewal: I don't want to cut you off, Mr. Hall, but I'm doing this because they're going to cut me off.

I just want to get to the point. The point is that if you're advocating, in my humble opinion, for an Income Tax Act change, the number one question that any government official will ask you is, what will be the financial impact on the treasury from that income tax change? I could not agree with you more, coming from a family that used to own a small business at one time. We want to keep these businesses small. There's a certain pride in owning your own farm and a certain history there. I totally agree with you, but there has to be advocacy on your part and your organization's part to say that 95% are family-owned farms, but how many of them are truly small businesses in the sense that they're making less than \$5 million a year? Studies like that would go a long way to show how the change would affect the government treasury and how it would affect the economy.

• (1120)

Mr. Norm Hall: I know we have that information. I don't have it here, but I will get it to you.

The Chair: Thank you, Norm. When you have the information, just send it to the clerk, and she will distribute it to the rest of the committee.

Due to the weather and a family emergency, a couple of people from the next panel will not be here. To relieve the stress in not getting everything you need in, we will go with this panel for another 10 or 15 minutes longer.

Spinning off that question, Ray, is SARM requesting that stacking be allowed for communities less than a certain threshold? It's a complaint I hear all the time. I heard it when I was at your convention. Are you specifically requesting that stacking be allowed through the use of the gas tax?

Mr. Raymond Orb: Yes. We're asking that the gas tax be one of the programs that we use for stacking. We're asking the federal government to really create a rural infrastructure fund. That would be something new. We're not exactly sure how that would work. We know there are federal programs as well, so we're leaving it up to the provinces and the municipal organizations like ours to deal with each province, because most municipalities can't really go beyond that. I mentioned that 17% to 25% is something that's affordable for most municipalities, especially the ones that don't have the finances available.

It is really important that the federal government get this message. They are receptive to it. Minister Sohi asked us a lot of questions about it. I think they know that they have to make some kind of a change. It's a big factor.

The Chair: Mr. Liepert.

We'll give you six minutes.

Mr. Ron Liepert: Six and a half.

I would like to ask you folks about the carbon tax and so on, but I think by now our government colleagues have probably got the message that Brad Wall is representing his constituents when he's talking about the lack of support for a carbon tax. I won't continue to beat on that. I'll give my colleagues a break across the way.

Dale, first of all, you used to be a *Leader-Post* guy, didn't you?

Mr. Dale Eisler: Yes.

Mr. Ron Liepert: Yes, that's what I thought. Same guy, right?

Mr. Dale Eisler: Yes, in a previous life.

The Chair: If you give him any bad press, Dale, you may be in trouble.

Mr. Ron Liepert: Oh, no, no.

In fact, I think he and I both worked in the media at the same time way back when. I started my career in radio at CHAB so I think we were at the *Leader-Post* at about the same time. I don't want to burn up all my time talking about history.

Mr. Dale Eisler: Under Premier Lougheed.

Mr. Ron Liepert: Yes, that's right.

Dale, I want to talk a little bit about CCS, because I had the privilege of being the energy minister in Alberta when we launched a couple of CCS projects. I think the one thing that is misunderstood about CCS is that there is a significant up-front capital cost, but I believe the project in Estevan is being used now for enhanced oil recovery, is it not?

Mr. Dale Eisler: That's right. Carbon capture storage and usage is that project, so it is used for enhanced oil recovery in the Weyburn-Midale oil fields.

Mr. Ron Liepert: That's right. I think it's an important acknowledgement that those who are opposed to CCS always talk about the subsidization or the up-front costs. At the end of the day, it's also a way of getting the heavy oil out of the ground. That is a revenue generator, which is important. Do you see any prospects of other CCS projects in Saskatchewan?

• (1125)

Mr. Dale Eisler: I'm not aware of any at this point. Boundary Dam has become a model in terms of carbon capture, and it is attracting a great deal of global interest. I don't want to speak for what SaskPower and the provincial government might be planning, but I'm not currently aware of any other carbon capture projects.

The university's involvement in this, of course, is because our researchers believe that climate change is a global challenge. There's no question about that. The belief is that carbon capture is part of the solution to the global issue. We may be diminishing the use of coal in Canada, but certainly in Alberta, Saskatchewan, and Atlantic Canada, coal is still an important baseload for power generation. Beyond that, globally, coal remains a major source of energy and will for decades to come. This is the case particularly in developing and third world nations, which need cheaper energy to raise their standards of living and the quality of life of their people. In that kind of a world where coal is going to be a source of power—a diminishing source of power, but nonetheless a source of power—we need to be able to address the climate change aspects. We believe that carbon capture is an important part of the solution.

Mr. Ron Liepert: I agree.

Pamela, I come from Alberta where we've been hit hard by the energy downturn. Saskatchewan has been hit equally hard, although its energy sector is probably a lower percentage of that province's gross domestic product than ours. For a number of years, we've had some really good years in agriculture. I don't know if we can continue to expect those same really good years, but I know that in Alberta, we have some issues around beef. We have renewal of the softwood lumber agreement pending, and it could be devastating for our province and the country if we don't get a renewed softwood lumber agreement.

Mining has gone through some struggles in the last few years, especially in potash. Can you give me an update of where you see the economy? Potash especially, but also mining, are big parts of Saskatchewan's gross domestic product. Give us an overview of that.

Ms. Pamela Schwann: Thanks for the opportunity to provide a snapshot. Mining provides about 6% directly to Saskatchewan's economy. That's direct employment and not spinoff value-added. There are over 30,500 people directly and indirectly employed by the Saskatchewan mining industry. There's additional information in my package, but the royalties and taxes are over a billion dollars, and over \$2.5 billion is spent annually on wages, goods and services purchased by the industry. It's significant.

The main commodities that we mine in Saskatchewan—and we're world leaders—are potash and uranium. We provide 30% of the world's potash and 22% of the world's uranium. Both have been under extreme pressure from price declines. Uranium is down about \$22 a pound right now from highs of around \$80 a few years ago. It's the same with potash. We were above \$800 a tonne, but now we're

around \$230 a tonne, so there are significant price challenges on that front.

Fortunately, the world is looking for improved quality of life, particularly the middle class, so the use of potash to help support better food production and the uranium to provide cleaner energy are things that have good long-term fundamentals.

Mr. Ron Liepert: I'd like to ask one very brief question, Mr. Chair.

Do you have any comment or position on the Agrium-PotashCorp merger?

Ms. Pamela Schwann: I think that's the reality of how companies have to react to the pressures they're under. For these companies to remain viable, they have to look to strengthen themselves. Agrium is not a big potash mining company. They have one potash mine, but they have a lot of value-added down the supply chain, so it will strengthen the companies.

When we're looking at places like Russia that don't have the environmental standards and the associated costs, we need to make sure that our companies in Canada remain competitive. I think this is really a response to that pressure.

Mr. Ron Liepert: Thank you.

• (1130)

The Chair: Thank you, Ron and Pamela.

Could I ask a question?

Three or four times it has been mentioned what Russia does in terms of...I guess what little they do. Is there anywhere that information is accessible, so we can get a good comparison?

Ms. Pamela Schwann: I can forward that information. The most recent article is from Bloomberg on two new potash mines a Russian company is going to put into production at significantly reduced operating costs.

The Chair: If you could send that to the clerk, Pamela, it would be useful information for the committee to have. Then we'd have a direct comparison.

Ms. O'Connell.

Ms. Jennifer O'Connell: Thank you very much, Mr. Chair.

Thank you all for coming. I want to follow up on what my colleague, Mr. Grewal, talked about with regard to our government's plan to tax carbon pollution. As you mentioned, it is cost neutral in the sense that the provinces would keep all the revenues and be able to use them as we move toward this low-carbon economy.

Mr. Hall, you mentioned your priorities for funding. With this revenue that the provinces would receive from this program, what would be your priority in how they can flow that back and create infrastructure? You talked about pricing margins in the agricultural area. What should be the priority use of this tax revenue from the carbon pollution? What would be your priority for the use of those funds?

Mr. Norm Hall: Now you've got me.

I guess there are a number of areas that can be looked at. As I mentioned earlier in my presentation, there are ecological goods and services that can be used in the grasslands area, in planting trees, in storage of water. That's simply off the top of my head. We haven't gone further on this. As I said, this announcement was made on Monday and with the huge dollars we're talking about on an annual basis, there would be a number of places it could be spent.

Ms. Jennifer O'Connell: Fair enough. I know I put you on the spot there.

I would only say that in thinking about this in your sector, in particular—and I would recommend that all provinces think about this—you talked about those tight margins. However, the right kind of investment, moving toward a low-carbon economy, using these funds on the right kind of investment could increase your margins. You could invest in other things, like infrastructure, that would ultimately help those costs, so I would start thinking about those priorities to move in this direction.

I have a question for Mr. Moran with regard to housing. I'm from Ontario, so I'm not sure if our situation is different from that facing your corporation, but an interesting proposal that was brought to my attention in my region was about the ability to use one's capital assets. If you've owned some of these assets—in my region there are corporations that have owned housing assets for a long time and the mortgages are essentially paid off—and if they could access some of them, 20% let's say, they could use those funds to reinvest in retrofits, or potentially for new programs or expansion. Is that something that would be of interest to you? Would that not work for your corporation?

I'm simply trying to get a little bit of feedback.

Mr. Doug Moran: Simply put, we do that right now. We can only borrow about 60% of our total asset base to do anything, but it is something we're looking at right now, how we could utilize the money we already have to do other things, like purchase other apartment buildings or get involved with the private sector. If we can convince somebody to build a 12-unit apartment building, we certainly could utilize some of that money.

We do have options, but we need additional help as well.

• (1135)

Ms. Jennifer O'Connell: Great. Thank you.

I have one last question for Mr. Potter or Mr. Hudson. I was having a conversation with my colleague at breakfast the other day about tracking in this country, and I would assume in rural communities that it's even worse. We don't really have a way to track how many people get sick or who is getting these diseases, because doctors don't have a universal coding system. Although I would never advocate for the U.S. model, when every doctor has to submit every claim to insurance, they have a universal coding system, so, at the very least, that information can be used in national standards to know how many people had the flu this year or something like that.

How do you get this information? Do you feel that your numbers are under-representing some diseases in certain areas? How do we really know what's out there when we don't really have a universal system to track?

Mr. Andrew Potter: You raise a very good point. We don't have a good system in this country. We have a lot of very good provincial systems that don't talk to each other, which doesn't do us a whole heck of a lot of good as a country.

If you look at something like influenza, nobody knows how big a problem it is in this country. We all tend to say, "It's just the flu." It's not just the flu; it's the number one killer among infectious diseases in developed countries, and we simply don't have the information.

There was a central study done by a very good scientist in this country, Mohamed Karmali, that suggests that the rate of most diseases is about 25 times higher than reported. That study was done in the Hamilton area, and there's no reason that it would be any different anywhere else. You raise a great point, and I would argue that when you try to tie that to immunization records and that type of thing, you confound the problem.

Ms. Jennifer O'Connell: I'll just squeeze in a follow-up there. Would a recommendation be, for example, when we're looking at our health care system, some national leadership on standardizing of reporting and things like that? I know, again, that each province is really doing something different, but at least we might recommend having some guidelines. I would assume that would help your work in your research as well.

Mr. Andrew Potter: There's no question about that. Anybody involved in disease surveillance and that type of thing relies on this type of information. I do believe there is a void waiting to be filled there at the federal level. I don't think you'll find anyone in the infectious disease field who would disagree.

The Chair: Thank you both.

We will take a couple of more questions, a quick one from each party, if you want.

Mr. Moran, you have eight really good recommendations in here that really relate to aboriginal communities and housing. It seems to me some of these should be funded out of Indigenous Affairs. Do you have any discussions with Indigenous and Northern Affairs Canada on these kind of points?

Mr. Doug Moran: Not at all.

The Chair: Okay. One of our members on the committee, Robert-Falcon Ouellette, would be questioning you intensely about these recommendations if he were here. We will give him a copy as soon as we get back to Ottawa, and he can look into that as well. Thank you for that.

I have one other question, Ms. Schwann. Your recommendation five is to facilitate the transition to a low-carbon economy by promoting and investing in the use of nuclear power and carbon capture and sequestration technology. How do you suggest we do that in budget 2017-18?

Ms. Pamela Schwann: On the CCS front, Boundary Dam was the model in response to the federal legislation that was passed, which basically said that thermal coal power stations of a certain age had to be shut down unless they went to CCS.

Possibly supporting funding for additional CCS power stations to leverage the existing technology would be one area that could then be... And assistance in exporting the existing technology, quite frankly, would also maybe tie into the trade missions.

On the nuclear front, we provide 22% of the world's uranium. Supporting the advancement of nuclear power throughout Canada, and also the world via the trade missions, would be helpful.

Also useful would be moving towards really looking at small modular reactors that could be used in remote areas throughout Canada, and even at mine sites, to help achieve reductions in diesel energy and things like that. They have started to look at doing this in Japan now, and in the United States. We know that regulatory approval for that would probably take seven years, but it's a new and emerging technology that would definitely address greenhouse gases.

I think there has to be a lot of thought about what's going to happen to northern Canada with climate change. There are not a lot of options out there. You can't just run natural gas to the north, so what is the power infrastructure going to be like when you have eight months of winter and no solar and no reliable wind? What are the options going to be?

I think that maybe some thought could happen around those two fronts.

• (1140)

The Chair: We'll take one question from Mr. Aboultaif, and one from Mr. Weir.

Mr. Ziad Aboultaif: I have a question for Robert and Holly from SSM.

You mentioned the benefit of expanded CPP, GIS, and all that. The tone sounds like you are probably looking to an immediate, positive impact on seniors, while the expansion of CPP is going to be years down the road.

We see the expansion of CPP as a tax levy, and that it's going to quite a negative impact on businesses.

How do you see that happening? Are you looking for an immediate solution to pensions? And on the pension or GIS side, it seems that you are in support of the CPP expansion.

Ms. Holly Schick: Not yet, certainly. I think it's both immediate and long term. There is a combination of those that we'd like to see.

In the long term, yes, increasing people's CPP contributions in small ways will help.

In the more immediate term, though, we have people who are living just on pension incomes that put them below the poverty level. We'd like to see things that happen immediately to help increase CPP and OAS for the people who are currently receiving those pensions.

We get comments lots of times from folks who talk about their pension going up by one dollar a month, or something of that sort, and that it's really not helping them keep pace with the cost of living. We often also hear stories of people who are making decisions between whether they can afford their medication or to put their money toward buying food or paying the rent.

If we have people who don't have the adequate, basic living income that we need as Canadians, we need to address that, be they older adults on pensions or other people as well, and certainly low-income folks of any sort.

Mr. Ziad Aboultaif: Just to clarify, the current CPP expansion, as it's being presented, is more or less a tax levy on the businesses and will not provide an immediate solution to pensioners and seniors right now. That's just to clarify that point.

Am I good?

The Chair: Yes, you're good, but that's your point of view.

Mr. Weir.

Mr. Erin Weir: Ms. Schwann, you spoke about the number of people employed in mining across the province. Of course, that workforce would include people who live here in Regina but work at mines in other locations.

The federal government extended employment insurance benefits for certain regions in response to the drop in commodity prices, but left out Regina. So of the eight EI regions across Alberta and Saskatchewan, seven currently have extended EI benefits; Regina is the only one that doesn't.

I wonder if you could speak from the perspective of your members and their employees about the importance of including our city in the extended EI benefits.

• (1145)

Ms. Pamela Schwann: I think the short answer is that we've been fortunate that in our sector in the Regina region, we haven't seen the degree of layoffs that perhaps the oil and gas sector has seen. I think Estevan was the leading place in Canada for expansion and they rapidly lost a lot of employment. I think it was very important that those changes were made to include the Estevan area, and certainly if Regina has the same employment statistics, and I'm not sure they do, it would be important that this benefit also be extended.

The Chair: We'll have to leave it there. We are a little over time with our panel, but the next one will be a couple of members short.

As I said in the beginning, I do want to thank everyone for their presentations, for answering questions, and for the briefs that they forwarded to us previously.

Additionally, there is an open-mike session after the next panel. Anybody who wants a couple of minutes to make their point on the record without questions to follow is welcome to do so. We just ask that they register with the desk outside by 11:30.

Again, thank you.

The meeting is suspended for 15 minutes.

• (1145)

_____ (Pause) _____

• (1215)

The Chair: All right, we'll reconvene. As I indicated earlier, pursuant to Standing Order 83(1), the committee is holding pre-budget consultations in advance of the 2017 budget.

I thank those for coming here through the inclement weather. Some have presented briefs in August and the committee has those. Some others haven't, but that's fine.

We will try to keep our presentations to about five minutes, if we can. Then we'll go to questions.

We will start with the Regina and District Chamber of Commerce, Mr. Hopkins, the chief executive officer.

Mr. John Hopkins (Chief Executive Officer, Regina and District Chamber of Commerce): Thank you very much for the opportunity to be here.

I tried to answer the questions that were posed in the paper, which I condensed a little bit.

Question number one asked about what federal measures would help Canadians maximize their contributions to the country's economic growth. First and foremost would be increased funding for education and skills training to meet the needs of the country, given the demographic shift that's occurring throughout the country due to the retirement of the boomers.

I also chair the Regina Trade and Skills Centre—I'll talk about that a little bit later—which I think is a model for the country. An active and vibrant economy where both career and business opportunities are around is very important.

On competitive personal taxation, I did look at taxation rates across the OECD, and we are relatively competitive, but there are probably some areas that we could look at. The ship may have already sailed, but we should allow Canadians their choice as to whether to direct their increased retirements contributions to either the CPP or to a locked-in RRSP.

Question number two asks what federal actions could assist Canadian businesses to meet their expansion, innovation, and prosperity goals. I think you've already heard this today; it's a really hot topic in this province. The answer would be to delay the national carbon tax to allow for future consultation with all stakeholders to determine if we're not better off to look at focusing our research and development to meet the challenges we have and to develop global solutions to help us reduce GHGs, as opposed to the 1.5% to 2% global emissions targets. A recognition that natural resources are a vital part of our national economy is very important to our members. A streamlined, predictable, and accessible regulatory environment is important. I'm not saying that there hasn't been work done on that, but more needs to happen, I would say.

Access to tidewater is absolutely vital. I listened in a little bit to the last presentation, and I would say that it is really important to have enough pipelines. Energy east is absolutely vital to us, and I'll go off my notes a little bit here to say that I considered what kind of media stunt we could pull in response to what happened in Montreal, to the point where I almost thought that if I got arrested, perhaps we would get the same kind of media exposure. I mentioned that to the chair of my board, who is a lawyer, and he said, "I recommend you don't do that". It's not something we are doing, but I want to assure you that Energy east, and the pipelines, and getting our products to tidewater is absolutely vital to our economy here in Saskatchewan. I just want to make that point. If there is any point I can make here

today, that's the point I really want to make. That is absolutely vital to us.

A return to balanced budgets, or at least a signal when we might return to balanced budgets, is important for us. The continued pursuit of international trade agreements, given that we're the most export-dependent province in the country, is really important.

On competitive taxation, again, EI should be a pure unemployment insurance program. I've heard that from our members.

In response to question number three, we favour access to education with a strong emphasis on educational alignment with industry demand. Here's where I'll just go off a little bit on the Regina Trades and Skills Centre. At our centre we do not offer any programs unless industry has come to us and said "We need to hire people that have these specific skills". We train for those specific skills, and our success rates are extremely high, depending on what the course might be. Even during these challenging economic times, we've have some good success rates, and that's something we think is a model for the country.

With that, I'll just leave it there.

The Chair: Thank you very much, John.

We'll turn then to Friends of the Canadian Wheat Board, and Stewart Wells.

• (1220)

Mr. Stewart Wells (Chair, Friends of the Canadian Wheat Board): Thank you, Mr. Chair, for the opportunity to be here today. I don't have my presentation translated, but it will be coming shortly. I do have copies in English if anyone would like a copy after the meeting.

By way of introduction, the Friends of the Canadian Wheat Board was formed back in 2006 to facilitate opposition to the illegal order in council intended to remove barley from the jurisdiction of the Canadian Wheat Board. The successful court action launched by the friends at that time resulted in more than \$400 million extra being distributed to western barley farmers over the next four years.

My purpose here today is really to request that the Government of Canada act on recommendation number 48 that was passed by the finance committee back in March of this year. That recommendation read:

The federal government provide Western Canadian grains and oilseed farmers with a full and transparent accounting of the disposition of the Canadian Wheat Board's assets since the Marketing Freedom for Grain Farmers Act received Royal Assent, and of the effects on the grain handling and marketing system since that time.

The reasons this is important is that during the destruction and subsequent give-away of the Canadian Wheat Board to foreign interests, the Conservative government of the day went to great lengths to confuse the public and farmers about the value of the Canadian Wheat Board and the amount of taxpayer money that was gifted to foreign beneficiaries. The examples that I will use this morning come from documents. The first one that I have with me is a letter by Conservative member of Parliament Leon Benoit to a constituent. This letter was dated October 29, 2014. There are many false statements in this letter. In the second paragraph, Mr. Benoit says:

The Canadian Wheat Board never owned the 3400 rail cars. Those actually belonged to the Canadian Grain Commission on behalf of the government, and the Canadian Wheat Board only painted its logo on them.

On May 10 of this year, a man named Mr. Greg Meredith appeared as a witness before this committee. I have with me his comments that are in the committee evidence. Mr. Meredith is self-described as "the policy lead on the removal of the single desk and the eventual commercialization of the Canadian Wheat Board". In paragraph 3, Mr. Meredith says:

The hopper cars likewise had debts secured against them; even though they were donated by the Government of Canada they used these as equity to build the corporation.

The third page I have with me today is page 59 of the audited annual report of the Canadian Wheat Board for 2011-12. The text says that "The Corporation purchased 2,000 hopper cars in 1979/80" and that "The corporation purchased an additional 1663 cars...in 2005/06". In short, the audited annual report says that farmers' grain purchased all the hopper cars operated by the Canadian Wheat Board and that the net book value of these cars was \$34.5 million at the end of July 2012.

The Conservative MP says that the hopper cars were never owned by the Canadian Wheat Board, but rather by the Canadian Grain Commission. The policy lead on the destruction of the Canadian Wheat Board told this committee that the hopper cars were donated to the Canadian Wheat Board by the government; and the Canadian Wheat Board itself, in an audited statement produced solely by directors that had been appointed by then Minister Ritz, says that in fact farmers' grain paid for these hopper cars, owned by the Canadian Wheat Board with a net book value of \$34.5 million.

That's three different versions of the same story. This example alone underscores why it is imperative that your recommendation number 48 be followed.

•(1225)

Secondly, there are hundreds of millions of taxpayer dollars unaccounted for. In the summer of 2011, before any new Canadian Wheat Board legislation was tabled, an internal analysis conducted by the Canadian Wheat Board showed that a complete dismantling of the board, as what happened, would result in restructuring costs in the order of \$400 million. This number was publicly disputed by then Minister Ritz, but the audited annual report of the Canadian Wheat Board for 2011-12 showed that the government did transfer \$177 million of taxpayer money over to the Ritz CWB in 2012. Online government estimates seemed to show that large sums of taxpayer money were transferred to the Ritz CWB in the following years, 2013 and 2014, but Minister Ritz refused to table any financial numbers for the Canadian Wheat Board after 2011-12. It is possible that \$400 million or more of taxpayer money was in this way transferred ultimately to foreign interests, namely the Government of Saudi Arabia and the multinational grain company Bunge. How many taxpayer dollars were used to prop up the Ritz CWB before they were gifted to foreign interests? Again, taxpayers and farmers have a right to know, and the remedy would be the implementation of recommendation 48.

The third and last example goes back briefly to Mr. Meredith's statement to this committee on May 10, 2016. He says that "the

building was encumbered to slightly more than \$1 million or \$2 million than its worth."

They're talking about the Wheat Board building. The building is still there, at 423 Main Street in Winnipeg.

He said that the building was encumbered to more than its worth. Lawyers acting on behalf of the Friends of the Canadian Wheat Board have conducted a land titles search for the encumbrances mentioned by Mr. Meredith, and those lawyers have found that no mortgage was ever registered against that building while it was owned by the old CWB or the Ritz CWB.

The Benoit letter said, talking about the same building, "the old CWB had no net assets", but that they leased the buildings. The audited annual report of the Canadian Wheat Board from 2011-12 said that the Wheat Board did own the building, and the net book value was listed at \$13 million.

Again, there are three completely different stories coming from these two examples.

The previous government and its MPs did everything possible to devalue and undervalue the Canadian Wheat Board's farmer-paid assets. By refusing to release any financial information after 2011-12, the previous government was involved in a deliberate cover-up.

The current government included transparency as a cornerstone of its election platform. Ministerial mandate letters included specific directions regarding transparency. Nowhere is this transparency more vital than with the Canadian Wheat Board issue. A refusal to act on recommendation 48 would simply mean carrying on with the cover-up initiated by the previous government.

I look forward to any questions.

The Chair: Thank you, Stewart, for keeping within the time. I didn't have to cut you off.

Next is Mr. Harrington, with Northern Lights School Division No. 113. The floor is yours.

Mr. Tom Harrington (Secretary Treasurer, Northern Lights School Division No.113): Thank you for the opportunity to present today.

I am Tom Harrington, the secretary treasurer of Northern Lights School Division.

I'll go into the background of the school division. We have about 4,500 students. We cover the northern half of Saskatchewan, and about 87% of our students identify as first nations and Métis.

I chose to focus mainly on question three, and mainly around remote communities and how they can prosper, because we're spread out and have a lot of concentrated remote communities whose needs we've seen.

It mainly comes down to two things: we need more support available locally, and we need to expand the opportunities that people have in their communities.

Almost all northern communities have a lack of services, which is well known. There is no stable food supply. There is often no fresh food, or there is fresh food that is unaffordable, so people can't access it. There are not enough health services, mainly mental health support, social services, or programs for early-years intervention for kids to get a good start in life, and people have to travel out for a lot of services.

In most communities the school is the hub. We are often the only physical presence in the community, so we have to provide more than just education. We have to try to provide as many services as we can.

If you combine the lack of services with the high unemployment rates, basically the residents are just trying to survive. They're not on the road to prosperity, but simply trying to survive. We need to remove a lot of these barriers and provide them with assistance. By that I mean there are always provincial-federal barriers, with different agencies doing different things. We need to drop those barriers as much as we can and just focus on helping people and providing opportunity.

A success story right now is the demonstration program currently running in the community of Sandy Bay, a family resource centre. There are also two other demonstration sites, one here in Regina and one in Yorkton. In all of the communities, they're very well received and well utilized. Sandy Bay, Regina, and Yorkton are very different communities, but basically the resource centre is a place where young families can come to get a wide variety of services. They can take parenting classes, and they can go to activities with their kids. In Sandy Bay they bring in fresh food. They have a program called the Good Food Box and they bring in fresh food to the community for a fair price. There are no barriers—anybody can come.

I've also provided information on the Sandy Bay resource centre. Basically in Sandy Bay, 60% of the community has registered and is participating in this place. It's a model that works, so everything is in one place and if you could expand the services available there, things like.... You can't just parachute services in, because people don't trust people who come from the outside. You need to have a physical presence there. There have been so many programs that start and then end, start and end, that people are leery of participants from elsewhere. But this program has worked very well.

The problem is that we need to find a way to sustain this model. Currently it's funded through the Kids First program, which I believe is federally funded. The federal government gives money to the province. I'm not sure about this program, but there is no sustainable funding for the resource centre right now.

The other thing is opportunity. In many of our communities there are good jobs. There are jobs in the schools. We need to find a way to have locals fill these jobs, because right now.... The school is always going to be there. It's stable employment. We need to bring training to the community.

Currently in La Loche they've started a DTEP program, a Dene teacher education program. They're going to teach local people in La Loche to be teachers, who will then go into our schools and local people will be taught by local people.

In a lot of our communities currently, we have to bring in teachers from Ontario and from the east, probably 30 or 40 teachers a year, who we bring in from out-of-province. They stay for a year or two and then they're gone, so there is no stability for the students and they don't see those role models who they can look up to and know that they could also become a teacher or go into nursing or social work.

Another program is the northern teacher education program. This is a teacher education program that has been running for 40 years in La Ronge. Over the years they have probably had 100 to 200 teachers teaching in the north in both federal and provincial schools. Currently, that program is under review. They want to attach that funding to another organization so they can save some administrative costs, but we just need to make sure that the program keeps running as is, because it's been a success.

● (1230)

Mainly it's about providing, as much as we can, training in the community so people can stay there, because when they go out, they have to move their whole family to a city, and the training success rate just isn't great. If we, as much as we can, have local training, that would allow people to step up and we'll start to see the benefits of having local people in those important positions.

Thank you for the opportunity today.

The Chair: Thank you, Mr. Harrington. What are you north of?

Mr. Tom Harrington: Where do we cover? Basically it's from just north of Waskesiu all the way up. There's also Meadow Lake, which is a bit further north.

The Chair: Okay, thank you.

From All Nations Hope Network, we have Ms. Poitras.

Go ahead, Margaret.

● (1235)

Ms. Margaret Poitras (Chief Executive Officer, All Nations Hope Network): I will greet you in four languages.

Tansi, Cree; aaniin, Saulteaux; tanshi, Michif; bonjour, French.

[Witness speaks in Cree]

Thank you, Creator, for this day.

First and foremost, I would like to acknowledge the land and the indigenous people of the land. My spirit name is *Okisewâtisiw nôtinikêwiyiniw iskwew*, which means kind-hearted warrior woman.

Today I will speak about *pimâtisiwin*—life. As a Cree grandmother, I hold much responsibility for my children, my grandchildren, and the future generations. I want to leave good footprints for them to follow and to pave the way forward in a good way, just as my ancestors have.

The resiliency of the indigenous peoples of this land is evidenced by the fact that we are still here. We are continuing to remember who we are, as the first peoples of the land, and to understand the impact that colonization and residential schools have had on many nations.

All Nations Hope Network is a non-profit corporation incorporated under the Province of Saskatchewan as a charitable organization. The network strives to promote spiritual, mental, physical, emotional, and social well-being for the people living with or affected by HIV/AIDS and hepatitis C. The organization respects diversity, equity, and equal partnership. The network is an inclusive service provider, and it offers holistic perspectives that incorporate different genders, ages, nations, and life experiences.

The vision was created in 1996 and incorporated in 2004. Since the beginning, the foundation has been based on indigenous ways and knowledge. Living documents over the years have identified the importance of keeping the tradition and teaching life as we move forward in working with the indigenous peoples of Saskatchewan.

Today the House of Commons is creating a living document that will bring *pimâtisiwin*—life—to indigenous peoples of the land called Canada. The network is leading with an indigenous perspective incorporating indigenous languages, ceremonies of healing and celebration, medicines, teachings, dances, songs, drumming, arts, and indigenous science. The engagement and involvement of first nations and Métis elders promotes ownership among indigenous peoples. We envision healthy individuals and communities where the physical, mental, emotional, spiritual, and social well-being of indigenous people is met, and where they are meaningfully involved in decision-making processes that affect their lives.

The network has assisted in the creation of, and will continue to support, the Saskatchewan Indigenous Council on HIV and AIDS, which has been instrumental in developing, releasing, and implementing the Saskatchewan indigenous strategy on HIV and AIDS that was released December 1, 2014. The council consists of many experts and experienced members from across Saskatchewan. The council has engaged and consulted with many groups in Saskatchewan and on many health and social issues related to HIV and AIDS. The council envisions indigenous people exercising their inherent right to determine their holistic health. The mission is to develop, promote, and implement action on prevention, care, treatment, and support to lower the impact of HIV and AIDS and other related issues such as hepatitis C, sexually transmitted diseases, mental health, and comorbidities from HIV and AIDS experienced by indigenous people.

We value adaptability, functionality, and sustainability as part of life and being. In 2011 the network, in collaboration with the Public Health Agency of Canada and the Regina Qu'Appelle Region, conducted a behavioural and biological survey to determine the prevalence of HIV and associated infections, behaviours, and social demographic factors among the aboriginal population in Regina. The A-track system recognized that aboriginal peoples shared control over the data. It also reflected aboriginal customs and was based on the tenets of mutual respect between all stakeholders, recognition of shared responsibilities, aboriginal community involvement, and utilization of local existing expertise.

A strong relationship—

The Chair: Could I get you to slow down a little because the people in the translation booth are having trouble keeping up.

Ms. Margaret Poitras: I just wanted to make sure I could get all of my vision in for today. Thank you.

There was a strong relationship between the cumulative effects of historical trauma and current trauma, including sexual abuse and higher incidence of HIV infection. Among the 1,045 participants who provided a blood sample for testing, 5.2% were HIV 0 positive, and 55.8% of these were aware of their HIV status. At least half do not know their status.

Aboriginal people are disproportionately affected by the HIV/AIDS epidemic in Canada. The findings from the A-track pilot survey can be used to inform and evaluate prevention and treatment services for HIV and other related infections among aboriginal people. The lessons learned from the pilot survey could also be used to guide the possible implementation of another A-track survey in another urban or reserve location in Canada.

The Truth and Reconciliation Commission released its 94 calls to action in 2015. This living document speaks to *pimâtisiwin* for indigenous people in Canada. The network has been involved in many of these calls over the past 15 years. In its summary report released earlier this year, the commission published 94 calls to action urging federal, provincial, territorial, and aboriginal governments to work together to change policies and programs in a concerted effort to repair the harm caused by residential schools and to move forward with reconciliation. Indigenous peoples have solutions for what we are faced with today in Canada. It is time to work together in unity to begin the healing and the restoration of indigenous peoples across the nation.

Nation-to-nation building is important in the way forward for wellness and healing. We do not want any more more Band-Aid solutions for the people. It's time to dig deep within indigenous people to seek, through indigenous ways, knowledge, ceremonies, language, and science. Indigenous knowledge keepers speak about the great mystery. This is a way forward for the indigenous people of Turtle Island. We are spiritual people. We understand the way forward is through kinship with all.

Hai Hai.

• (1240)

The Chair: Thank you very much.

Turning to Mr. Korneychuk, just for the information of members, he was going to present tomorrow in Winnipeg, but he is here today.

Go ahead, Kyle.

Mr. Kyle Korneychuk (Spokesperson, Canadian Wheat Board Alliance): Thanks, Mr. Chair.

I appreciate your giving me the opportunity to speak.

The Canadian Wheat Board Alliance is a voluntary prairie-wide organization of grain farmers who recognize the value of collective marketing, the independent and impartial quality assurance provided by the Canadian Grain Commission, and the importance of public plant breeding.

Prairie farmers export approximately 70% of their annual production to the global market. In the absence of the single-desk Wheat Board, access to that global market is now controlled by four giant grain companies called the ABCD group: Archer Daniels Midland, Bunge, Cargill, and Louis Dreyfus. Freedom to market grain is myth. You either work through the four companies or you don't sell your grain. It's that simple.

Consequently, prairie farmers face several competitive disadvantages. Our average distance to port is 1,524 kilometres through the mountains, while the Australians have an average distance of 280 kilometres, largely downhill to port. This is very similar to the other major grain producers in Argentina and Ukraine. When you talk about market factors you can't change that. That is a disadvantage that we have to gain back in some other area. Prairie farmers no longer have direct access to end-use customers. Prairie farmers have lost their competitive advantage of supplying quality-assured grain. There's no more overseer of the entire system. Every grain company operates independently and information is not shared. Individual prairie farmers have no market power to deal with either the railway or grain company oligarchies.

Before some people start jumping on me, I will point out farmers don't have the right to organize. It was really interesting to hear the mining company lady sitting over there saying that the two largest fertilizer companies can combine to ensure their viability. I really find it indicative of the type of politicians we have in the arena we're working in right now that it's okay for large companies to work together, join up, not be competitive among themselves but when farmers want to do it, it's somehow seen as bad.

Most farmers also feel that the Wheat Board and its assets were unjustly seized from them. To clear the air, a full audit of that seizure needs to be undertaken as soon as possible. In the interim, we would call on the Minister of Agriculture to release the unredacted audit of the final year of operation of the CWB, which the former minister withheld from Parliament.

Your committee has asked what federal actions would assist Canada's businesses in all regions and sectors to meet their expansion, innovation, and prosperity goals, and thereby contribute to economic growth in the country? We would answer this way: with the end of the single-desk CWB, prairie farmers lost the beneficial ownership of their wheat and barley from the farm gate to the end-use customer. In August 2015, Dr. Richard Gray, an agricultural economist at the University of Saskatchewan, explained the losses in 2013, 2014, and 2015 by noting that the increase in the basis that farmers lost to the beneficial ownership for their wheat and barley from the farm gate to the end customer amounted to \$5.05 billion.

For people who don't understand what the basis is, it is the difference between the futures price of the grain and the price that what farmers get. Some people call it "spillage" or "tuckage" from the grain companies. In the Wheat Board era, it used to be in the \$30 to \$50 a tonne range. After the Wheat Board was destroyed, it went up as high as \$170 to \$270 a tonne. That money was extracted from farmers and went to the grain companies. That essentially meant the transfer of more than one-third of the end-use value of wheat and barley from Canadian farmers into the pockets of the international grain trade.

Protein premiums are in addition. If you grow good quality wheat, protein increases and with that increase you usually get an increase in price. The grain is worth more. That disappeared because there was no marketing of that. It was blended out for the grain companies' benefit and not the farmers'.

I'd like to make six recommendations.

First, give priority to funding a single-desk marketing agency for prairie grains. Historically, this type of organization has been shown by many trade challenges to maximize returns to prairie farmers and, consequently, to their communities.

Second, restore full funding to the Canadian Grain Commission to reclaim Canada's quality advantage. This would provide customers, whether they are the customers of the giant grain companies now marketing prairie grain, or any future marketing board, with objective and impartial quality assurance.

Third, reduce the costs of inspection and handling by re-instating kernel visual distinguishability, or KVD, so buyers can see that they are getting good Canadian quality.

• (1245)

Fourth, the amalgamation of seed and agro-companies creates a clear conflict of interest that must be eliminated if we are to continue our long tradition of producing the highest quality wheat, barley, and other grains that are expected by our international and domestic customers. Therefore, we would recommend that all funding of new seed variety development be undertaken as a partnership between the prairie producers through the Western Grains Research Foundation and a fully funded Agriculture and Agri-food Canada, with all patent rights being held in trust by the crown for the sole benefit of prairie farmers.

Fifth, the continuation of the maximum revenue entitlement for the two railways is crucial to prairie agriculture. The MRE must include any expansion of interswitching distances. This is a really crucial point. The reason it's so crucial has to do with the policy on transportation within this country. I see some new MPs here and I see some older ones, but I don't think either is going to be able to answer this question: could somebody show me where the transportation policy is? There is none. I think that needs to be changed.

Sixth, given the implementation of our first recommendation, we would further recommend that the federal government nationalize the railway and grain facilities at the Port of Churchill to allow prairie farmers in the Churchill catchment area to once again capitalize on its financial advantages for that region. I think that's a crucial point. We now have a corporation that dictates to us, through some financial dealings that I can understand, that farmers in that area must pay an extra \$30 a tonne to move their grain out because they decided to close the port because it wasn't beneficial to them. But it's beneficial to me; who represents me, the farmer?

The Chair: Kyle, could I get you to sum up fairly quickly? We're a minute and a half over the time.

Mr. Kyle Korneychuk: Sorry. I knew this would happen.

I'll try to use an example. You're probably saying, well, what does all of this have to do with finance? I want to use the example of AgriStability. We have a situation in which the grain coming off this year is fusarium-infected. It's not high-quality grain. Some areas have it and some areas don't. Each grain company is going to operate independently and sell that grain. In some areas the farmers will get nothing for it. In the old system when you had the Canadian Wheat Board, it looked at the entire crop. It could blend out northwest Saskatchewan to southeast Manitoba. That isn't happening now. So what's going to happen is that the entire wheat crop is going to have reduced value. I'm going to take a hit. What does that matter to you? Well when Agri-Food Canada comes and says "hey, we need a few hundred million to fix up the AgriStability, because these farmers are claiming their losses" it's going to affect you directly.

I would like to close by saying that if it's an important economic issue that two fertilizer companies can join to remain viable, I would make the argument to you that Canadian prairie farmers should have the option of working through a collective system to sell their grain so that we can actually compete with other countries.

Thank you.

• (1250)

The Chair: Thank you very much, Kyle.

We will turn to questions. Before we do that, however, we usually have MPs introduce themselves so you know what riding they're from and where they represent. I didn't do that at the beginning of this panel.

Raj, you can start.

Mr. Raj Grewal: My name is Raj Grewal. I am the member of Parliament for Brampton East. Thank you all for coming here.

Ms. Jennifer O'Connell: I'm Jennifer O'Connell, member of Parliament for Pickering—Uxbridge in Ontario, just outside of Toronto.

Mr. Steven MacKinnon: I'm Steve MacKinnon for Gatineau, Quebec.

The Chair: I'm Wayne Easter, the member of Parliament for Malpeque, Prince Edward Island.

Mr. Ron Liepert: I'm Ron Liepert for Calgary Signal Hill.

Mr. Ziad Aboultaif: I am Ziad Aboultaif from Edmonton Manning. It's the northeast Edmonton riding.

Mr. Erin Weir: I'm Erin Weir from Regina—Lewvan. I want to welcome not only the committee but most of the panel to Regina. It's interesting to have people from so many different parts of the province here today.

The Chair: Thank you for your presentations.

Mr. Grewal is first.

Go ahead for five minutes, Raj.

Mr. Raj Grewal: Thank you, Mr. Chair.

Let's talk about pipelines.

Mr. Hopkins, you spoke about the importance of Energy east. Energy east is a \$15.7 billion project as you know. What is the financial impact on Saskatchewan from building it?

Mr. John Hopkins: I don't have those numbers off the top of my head, but that infrastructure project alone would create thousands of jobs across the country and have a huge impact on people.

Let me back up for one second. I would say that Energy east would have a fairly dramatic impact on this community, far more than one would originally think, given the fact that EVRAZ is here. EVRAZ is here making pipe for pipelines. EVRAZ employs about 700-plus people in this community, so it would have a very significant impact.

In addition to that, we would be able to get some Saskatchewan oil to tidewater, which is a huge problem. I wish I remembered the numbers off the top of my head, but right now we are taking a significant discount when we ship and sell our oil, because we can't get it to where it needs to be. We have only one customer, and that is the United States. If we were able to get our product to tidewater, that would greatly enhance our ability to get at least the fair market price for the products that we have here in Saskatchewan, plus the other jobs that would come as a result of Energy east.

We're not just saying Energy east; Trans Mountain is also important. The Line 3 replacement is actually very important.

There is the whole Nimbyism type of thing. I live a half a block away from all the Enbridge pipelines, and I have never had any problem whatsoever, and those pipelines have been in the ground, I believe, since the early sixties.

We think this is a very important infrastructure project for this country.

Mr. Raj Grewal: At what price per barrel of oil is a product profitable?

Mr. John Hopkins: That's a good question because it will really depend on where it is, what type of oil it is. I've heard everything from \$50, at this point, being a price at which people could start to do some things again, and then not that long ago, at least \$70 or \$80 a barrel.

I think there have been a lot of efficiencies brought into the system because they had to... So the price at which you could actually make money has decreased quite a bit, but there is still room. I'm not sure where this question is going to come, but I'm sure it's coming somewhere. That's why there is some concern about the carbon pricing. It's all related to this, given the fact that this is a very energy-dependent province, whether it's mining, or oil and gas.

Any time we're adding to the cost of that is a concern for us. I do understand and appreciate that the money will come back to the province and that it will be revenue neutral to the Government of Canada, but we're concerned about it.

But I'll go back to pipelines. Pipelines are absolutely vital in the future, from our perspective, for us to get our products to tidewater.

•(1255)

Mr. Raj Grewal: With regard to pipelines, we can debate this, but it's a financial question. You're not going to invest \$15.7 billion from a private sector perspective unless there is a profit margin at the end of it. You can turn the oil prices in the forecast, but in my humble opinion, if this thing is slated and does get approved to be built by 2020.... Correct me if I'm wrong, but I think construction will start in 2018.

Again, it is this forecast of the price of oil. Yes, pipelines are important, but I am surprised that you didn't talk about how to diversify the province's economy and the importance of that, because innovation and diversification of the economy are extremely important to Saskatchewan, and to all the west, and across the country, to be honest.

As you see new disruptive technologies coming up, and manufacturing or old blue-collar jobs falling by the wayside, what are your comments on Saskatchewan's potential to innovate going into the future?

Mr. John Hopkins: Thanks for that.

I think we have done a fairly good job at diversification over the last number of years. Can we do more? There is no question about that.

I think clean coal is very innovative and we're proud of it here in this province, so that's one area.

Perhaps I can just segue to the area of Regina, where we've diversified, there is the global transportation centre. We've become an inland port. Loblaw has a major presence here in this community and distributes throughout western Canada. That's been very positive.

Instead of just putting raw product on rail cars and shipping it out, AGT Foods has moved up the value-added chain and has done very well and grown pretty much from the garage, at home, into a very large company right now.

Brandt Industries, another major manufacturer here in Regina, have gone, again, essentially from a garage and built themselves all the way up to a major international manufacturer and player here in Saskatchewan.

Mr. Raj Grewal: Lastly, do you have any statistics or knowledge on your ability to retain immigrants in the region?

Mr. John Hopkins: That's a great question. I don't have the statistics, but I can tell you some of the stories.

One employer that has done a fantastic job at retaining people from around the world is Loblaw. If you go to Loblaw here in Regina—and Erin, I'm sure you've been there—it is unbelievable what you'll see. You'd think you were somewhere else, to tell you the truth. Loblaw has done a fantastic job at that. There are people from around the world who are so happy to be here in Canada with a good job and to bring their families here. Loblaw is a model in Regina that has worked very well. They have continued to work in that area and it has been great for Regina.

Thank you.

The Chair: Thank you, both.

Mr. Liepert.

Mr. Ron Liepert: Thank you, Mr. Hopkins. You were very brief, so I want to pursue a few questions with you.

You represent the chamber of commerce, and I'm presuming that you have a fairly good grasp of the general Saskatchewan economy. Certainly, I come from Alberta, and it's grim and the prospects are even grimmer.

What would your assessment be of the Saskatchewan economy and where we're headed over the next couple of years? I want to get into this a little bit further. The reality of it is that most of the things we're advocating for are not going to show real returns for a few years. Even if Trans Mountain were approved tomorrow, the benefit of that is going to be further down the road.

Give me your general sense of where you see the Saskatchewan economy going. Clearly, Saskatchewan and Alberta have had a lot to do with the strong growth of the country over the past few years and I'm nervous about what's going to be happening because of that with the downturn.

•(1300)

Mr. John Hopkins: Thanks for your question.

First of all, not as much as Alberta, but we've been very challenged because of what has happened with the energy sector, particularly south of this city in Weyburn and Estevan. Hotels were running at 80%; now some of them are at less than 50% and some are even lower than that. There are major challenges in those areas, as well as in Lloydminster and places where the energy sector is very important. There are some significant challenges there.

I've heard different things about OPEC and what's going to happen in terms of price. Hopefully, there's price stability somewhere along the line, which would help a lot of us. It would help the country, actually, if we had some price stability. That's one area that we're concerned about. We're not as reliant on energy as Alberta, but it's still very important to Saskatchewan.

Obviously the next area is the potash industry, which is very important to Saskatchewan. The price is not great right now. Hopefully we'll see prices move, but that will really depend on the global economy. There is some optimism there, though. We have the K+S mine that's being built here just outside Regina, not too far. The Yancoal project that has been talked about quite a bit—50 or 60 kilometres from Regina—is another major project. There has been expansion in a lot of potash mines throughout the province. That has been good and it has helped carry us through some of these challenging times in the economy.

There's one thing, though. Not all that long ago, people looked at agriculture and said, okay, all right, because agriculture didn't do that great. Agriculture has really been, in many ways, saving Saskatchewan, but is that going to last forever? I don't know. It's a good question. Thankfully, we do have agriculture that has been helping. The crops this year seem to be good. The prices seem to be less because the U.S. crops seem to be much better.

In terms of our outlook on the future, it's really difficult to say what's going to happen, because we are very much a commodity-based economy. I think that's a great thing in some ways; there's no question about that. We need to continue to diversify to ensure that we have an economy that's not so boom-bust reliant. We're not the only province in Canada that goes through that. I know in the Maritimes it's the fishing industry, and there are other places where the mining industry is very important.

For us, what's really important as we move ahead is that we have the environment that is conducive to continued growth. My fear, with the utmost respect, is if the western Canadian economy doesn't perform to where it has been. I don't think that's going to be good for the country. That's my concern.

Mr. Ron Liepert: Just to put it on the record, you mentioned in your response to Mr. Grewal that you weren't sure of the differential, but it's about \$15 that we lose on every barrel of oil that we can't get to the international marketplace. I just want to put that on the record.

One of the other things that isn't mentioned very often is the fact that because we lack pipeline capacity, so much of our oil is going by rail. A lot of the southern Saskatchewan oil is going by rail. There is only so much rail capacity, which means that if they're shipping tankers of oil, they're probably not shipping carloads of grain.

I wonder if you want to make any response to that?

Mr. John Hopkins: It certainly wasn't all that long ago that it was a massive issue. We had a bumper crop, a great crop, and how do you get the crop to market if there is no capacity? I believe there has been some work done in that area.

If I can just come back to the whole concept of how we move oil, or how we move energy in this country, I've looked at this a little bit and I think it's fair to say that we're going to continue to see oil on rail. That's the way it is, but the more we can get off rail, the better off we're going to be in the long run. That would be our view. That is why we hope that things like the Line 3 replacement program will get approved and that they can get on with that. Energy east, hopefully, will get approved and we can move on with that. Trans Mountain, all of those major projects, we hope will get approval subject to the conditions of whatever the NEB says needs to be done. We have to say, okay, let's make sure that safety is taken care of, that all of the things that need to be taken care of are taken care of.

Some of those projects are so important not just to western Canada but also to the Canadian economy and to our future.

• (1305)

The Chair: Okay, we're nearly at seven minutes.

Mr. Weir, and then Ms. O'Connell.

Mr. Erin Weir: Mr. Harrington, one of the things I've been advocating for in Parliament in cooperation with other opposition MPs has been an exemption for school boards from the goods and services tax. Could you just speak to the assistance that would provide to your school division?

Mr. Tom Harrington: Yes, we provided our data to the local provincial agency to compile it. For us, it would mean probably \$200,000 or \$300,000 more dollars in savings that we could then spend on other things. It would be more resources for children, either

for nutrition or supplies or whatever. It would get more resources for kids. That is what it would mean to us.

Mr. Erin Weir: Mr. Wells and Mr. Korneychuk, you've made a very compelling case to open the books on the destruction of the Canadian Wheat Board. We've had a different government in office for a year. I wonder if you have any thoughts on why this government has not disclosed the information it possesses, let alone initiated an audit.

Mr. Stewart Wells: The short answer is that I can't speak for them. I don't know why they haven't acted. I do know that within days of the election approximately a year ago, Mr. Goodale was doing print interviews in which he supported the idea of an audit to find out what had happened, where the taxpayer money went, where the farmer-paid assets went. However, as you say, there really hasn't been anything happen that I'm aware of.

Mr. Kyle Korneychuk: The only thing I'd like to add as a taxpayer is that there is essentially at least \$400 million that's not on the books. I am disappointed and, certainly, I can't speak for them either, but I'm certainly hoping that they do the right thing. I hate to say this, but as a farmer I'm beginning to maybe walk around with Linus in the black cloud. I think if it were in another sector of society, the books would have been opened immediately. I'm sorry to say that, but that's how I feel.

The Chair: I'll just interrupt you for a second here.

When was the last official audit of the Canadian Wheat Board made public? Was that in 2012?

Mr. Stewart Wells: It was for the crop year 2011-12. The document was published in the spring of 2013.

The Chair: I'm sorry, Erin. Go ahead. I'll give you that time back.

Mr. Erin Weir: That is much appreciated.

Mr. Korneychuk, you made the point that the lack of orderly grain marketing may push more farmers to turn to the AgriStability program. Do you or Mr. Wells have any comment on the changes that the previous government made to that program? Have any suggestions about how it could be improved going forward?

Mr. Kyle Korneychuk: Thanks, Mr. Weir.

It was basically gutted. I actually got a payment for the 2014 crop. Basically, the program is half of what it used to be, because they just keep taking eligible expenses out and reducing the coverage. The first 15% you lose is just gratis. Let's just call it a premium. Call it whatever you want. The next 30%, I don't know what you'd call that. Basically, you get half of your losses back.

It's not a great program. I guess what it does is allow you to stay in the game. It certainly doesn't get you back to the income level that you were at. People are flocking away from that program because it's not providing the benefits. I see some analysts here; I'm not sure if they're with Ag Canada or not. This year it's going to be even worse, because if the people who do remain have fusarium-infected grain, the value of the grain is going to be reduced. Even though the program is flawed, the dive in the grain price is going to be so rapid that it's still going to trigger payments out.

Mr. Stewart Wells: The question of how to support farmers has always been contentious and there has been no perfect answer. I can say that I'm guilty of having criticized pretty well every government program that has been developed to try to support farmers, but the one that was there that was brought forward by the previous Liberal government, prior to 2006, was much better than what we have now. When Mr. Ritz undermined that program, he did it without any consultation whatsoever of provincial ministers of agriculture or farm organizations. His statement was unilateral and a real surprise. I think the program in place now is not going to provide the kind of support that farmers are going to need in western Canada going out over the next 12 to 18 months. I'm not going to be surprised at all if there are calls from farm organizations for ad hoc cash payments.

• (1310)

Mr. Erin Weir: Ms. Poitras, Saskatchewan is one of the only places in the industrialized world where people are still dying of HIV. Given the inadequate response of our provincial government to this public health emergency, what are the key things the federal government could do to respond?

Ms. Margaret Poitras: We are working at a national level with the National Aboriginal Council on HIV/AIDS, giving direction to the Minister of Health in addressing HIV in Saskatchewan, primarily around the indigenous people. We're looking at approximately \$100,000 a year for care, treatment, and support for somebody who is newly diagnosed with HIV. At the rate that HIV is increasing in this province, Saskatchewan could go bankrupt if all the indigenous people we're looking at had access to treatment or even to diagnosis. We would see something very great in this province that we would not be able to take care of cost-effectively.

Everyone recently received information that there were 30 doctors in Saskatchewan who declared a state of emergency, yet the provincial government is not doing anything about it. The Public Health Agency of Canada just released an HIV and hepatitis C program for 2017 and has cut operational funding to many long-time AIDS organizations in Canada and in Saskatchewan. We're faced with that today in looking at how we can take better care of human beings who are living with HIV, diagnosed or undiagnosed. In the city of Regina, one of the infectious disease doctors, Doctor Wong, has done research comparable to Calgary. Indigenous people who walk in the door are walking in one day and dying the next day or the same day with AIDS. AIDS is a disease that is a chronic illness in Canada, yet in Saskatchewan last year there were three babies born with HIV. Why is that? We question. Those three young ones who were born in this province with HIV have every right to ask as they grow, why they were born with HIV. What happened within the institutions, the systems, and the agencies that are supposed to be providing care, treatment, and support? Why are they growing up with HIV?

Those are questions that we ask, and questions that we want the government to ask in terms of how they're addressing care, treatment, and support for indigenous people. We're at twice the national average in this province. If we look at the rates, 13.8 per 100,000 people in Saskatchewan are infected with HIV; in Canada, it's 7.8 per 100,000. The majority of the people presenting are indigenous.

The Chair: Thank you.

Ms. O'Connell.

Ms. Jennifer O'Connell: Thank you all again for coming.

Mr. Korneychuk, on the previous panel, the Agricultural Producers Association raised the point about farmers' margins and our government's plan to tax carbon pollution.

I want to ask you the same question I asked him. As you know, part of this program would be cost neutral, in the sense that the provinces, in moving towards this clean economy, would receive the funds and be able to create programs and use those funds.

As a farmer and a producer, what would you suggest, or what would be a priority for these funds to move to a green economy?

Mr. Kyle Korneychuk: That's a great question and it's a very simple answer. You put it into rail.

It makes absolutely no sense to me. I know we're going to have this argument of whether the carbon tax is beneficial or not, but just think of this for a second. We're shutting our rail lines down so we can move commodities by truck, which are 12 times less efficient, and nobody is squawking, nobody is saying anything. Everybody complains about the roads, but nobody wants to pay for them and nobody wants to fix them, so we have increased taxes for that. That money should go to ensure that grain—and I am speaking specifically for grain—is moved in the most efficient manner, and that's on railways.

My partner and I own an elevator. The railway track goes right past our elevator, no further than I am from Mr. Easter. The only way we're going to get that train to stop at our elevator so that we can load grain is if I lay in front of the track. It's going to go by otherwise.

The railways don't care. They're working with the grain companies to consolidate the system and to make the producers move their grain as far as possible, at the highest cost, creating the most emissions.

There are some problems with the carbon tax, but I understand the initiative, and I'm in favour of it. What I don't agree with is the fact that nobody is looking at the overall efficiency.

We can move grain a lot more efficiently on the rail than we can by truck, and nobody wants to tackle that elephant, but to tackle that elephant you also have to tackle the grain companies.

Our little elevator was closed down and we have to haul grain 100 miles. That elevator still works efficiently, just as well today as it did 15 years ago, and the railway still goes by it three times a week, but we can't load. Does that make any sense?

• (1315)

Ms. Jennifer O'Connell: Great. Thank you very much.

Ms. Poitras, my colleague asked my exact question, so I made notes on what we can recommend to deal with HIV and AIDS, so thank you for that.

Ms. Margaret Poitras: We would add that, as another way forward, there are the 94 calls to action by the the Truth and Reconciliation Commission. We're challenging institutions, systems, and agencies that are receiving funding right now for care, treatment, and support in Canada and Saskatchewan. Which ones of those calls to action are they implementing within their institutions and their systems and their agencies, so they can provide better care, treatment, and support for the indigenous people who are presenting themselves there?

Our challenge in ins Saskatchewan is this. We've had a provincial strategy over the past four years, yet it was very clinical and didn't include indigenous people. Therefore, it failed us. That's why our own Saskatchewan indigenous strategy on HIV/AIDS rose out of the community, out of the nation. It said that we need to do more for indigenous people; we need more care, treatment, and support that will make a difference in their lives. This is a chronic illness that needs to be addressed in this province, and people need to be treated in a respectful manner when they're presenting themselves for care, treatment, and services in our own institutions, our hospitals. We're not seeing that.

To move forward, we need to say this is an indigenous problem. We need indigenous people to provide indigenous solutions that are going to bring life to the people. Having to say that over and over again is like being a broken record in Saskatchewan. This is a very racist province, which our people face on a regular basis. Racism is alive and well in the Prairies—in Manitoba, in Saskatchewan, and in Alberta. Where HIV persists, there is an indifference to how they're accessing care, treatment, and support, services, which should be available to every citizen in this land called Canada. We're not seeing that.

As we work forward, it's about moving forward and reconciling with some of the institutions and systems and agencies, and talking about indigenous ways so that we can work together to have respect for one another, because it's nation-to-nation building.

I think that's the most important thing I can say. We have to work in unison to address what we're seeing with human beings in this province and in Canada.

Ms. Jennifer O'Connell: Mr. Wells, in terms of programs for farmers, you just said that under the previous Liberal government, prior to 2006, I think that's what you just said.... Could you very quickly highlight one of those programs, for example, that you would like to see something implemented in regard to, or that you considered valuable?

Mr. Stewart Wells: The program that's now called AgriStability went through several different name changes over the past 15 years.

The chair would remember lots of them, but CAIS was one acronym. The program was sort of evolving but it had these different names. The Conservatives again changed the name in 2006-07 to AgriStability. Changing the name didn't really hurt the program, but a few years later at the summer meeting in Whitehorse, the minister changed the triggers. It's fairly complicated to try to describe, but as a result of what the minister did, farmers' losses had to be much worse before they could trigger a payment and the payments themselves were much smaller than they would have been previously. So any kind of change that would at least return the program to what it was under the Liberal administration would be a step in the right direction and, naturally, there are probably other improvements that could be made at the same time.

• (1320)

The Chair: Mr. Abouttaif.

Mr. Ziad Abouttaif: Thanks to all.

I'm a small business owner. I'd like to turn to Mr. Hopkins and ask how many small business owners there are in the Regina area.

Mr. John Hopkins: Our membership is 1,200. In Regina there would be 6,500 businesses, something like that, which would have employees and then there are all the numbered companies, which are probably double that too.

Mr. Ziad Abouttaif: There are major big businesses, big corporations, in Saskatchewan in certain areas, for example, in potash and the oil industry. How effective is the small business industry and the retail industry in the region?

Mr. John Hopkins: For the businesses that are in Regina, I'll try to break it out the best way I know how. There are the steel mills, a major industry here in Regina, so there are a lot of businesses that will cater to the steel company, whether it's pipe or sheet or whatever it might be they manufacture there. Then there are the refineries—obviously another major player in the Regina region—and there are a lot of people servicing that, whether in the service industry, pens and paper, or whatever it might be. Then there are the mines, which aren't that far out of Regina. There is the potash mine. Mosaic has a mine that's 15 or 20 minutes away. That's another major one.

And there's government. As the chamber of commerce, I'm very happy that we are in the seat of government, because there's a lot of business that takes place because we are here. A lot of our small businesses will work with government and all of the other players.

One of the things I can tell you—and I'm sorry to continue to come back to the energy sector—is that we have seen an impact here in this community from the downturn in the energy sector. Things like engineering companies that would work almost solely in the energy sector, and that previously didn't want to do any municipal planning or get involved in any of that, are now bidding for those jobs. They want those jobs, and that is some of the impact we've seen. We've seen a major company, Halliburton, that used to reside here move shop back to Calgary. We have seen some of those things and, of course, that's going to impact small business, but by and large, in challenging times, we're still doing fairly well.

Mr. Ziad Aboultaif: We're doing pre-budget consultations for the 2017 budget. What would you advise the committee is the most important thing this government should do to make sure that businesses continue to prosper and operate efficiently and competitively?

Mr. John Hopkins: Again, not to always segue to the energy sector, but that's what I'm going to do. What's really important to continue to move this province and the west ahead is for the federal government to continue to work on these pipeline approvals and get some of the energy sector moving again. It's extremely important. Is the price always going to be at rock-bottom prices as it is today? No, I don't think so. It's probably going to increase.

Just for the record, I planned to say that the Leap Manifesto is something that we are not at all in favour of. We want to get our resources to market. We want to make sure that they get to market, so we need to make sure that.... I understand and appreciate that the Government of Canada wants to have a process to ensure that the NEB is doing what it needs to do. All of those processes need to do what they need to do, but at the end of the day, we hope we can get our products to tidewater.

Mr. Ziad Aboultaif: You mentioned taxation. Any business owner always looks for a favourable taxation system that can give a competitive edge and provide continuity, because we always look for long-term survival in order to be able to continue to bring businesses and create jobs.

What do you recommend the government do on that side? We see the expansion of the CPP expansion and we can see that EI is also increasing. Again, I'm a business owner and I know what the effect will be.

•(1325)

Mr. John Hopkins: As a change of tack, I'm not going to the energy sector this time, but I would say, from our perspective as the chamber of commerce, what we would like to see a focus on is a return to balanced budgets. That is probably the priority for us. We would like to see the government move in that direction.

I'm not sure there is an appetite for this whatsoever, but I'll put on the table that there should be a review of the suite of taxes that we have. Are we taxing in the right way? I look at some of the OECD countries, and in a place such as Sweden, their VAT is 25%, but then their income tax rates are quite low, very low. In Canada, it's 5%, and then our other rates are higher. I won't even tell. You all know what the rates actually are, but there may be an opportunity to ask whether we are taxing things the right way.

Not that this has anything to do with this committee or the finance department at all, but as a country, we continue to levy property tax. It's the most archaic tax we could possibly have, yet that's what we fund our municipalities and education with. Isn't it time that we really stopped and said this is something that may have worked 150 years ago but doesn't really work today because it's a capital tax? It's arguably the worst form of taxation that you could have.

Anyway, I've gone on and on. I'll stop there. Sorry, Mr. Chair.

The Chair: I'm sorry, you're out of time. You may have gone on and on, but you certainly perked up Mr. MacKinnon. As soon as you

said "a review of...taxes", he nearly jumped out of his seat. He's onto that.

Go ahead, Mr. MacKinnon.

Mr. Steven MacKinnon: I want to thank you all for being here. As I said earlier this morning, it's wonderful to go from place to place in this incredibly large country of ours and get a snapshot of not just the needs, but also the views of people all over the country.

Indeed, as the chairman alluded to, I do believe that a competitive and simpler tax system is one of the keys to Canada's prosperity. With the cooperation of my colleagues around this table, I suspect that we'll be undertaking a review of that in the late fall.

I do have a question for Mr. Hopkins. Needless to say, we are all sensitive and alive to the debate that we're having and will continue to have over taxing carbon pollution.

Very simply, do you see a link between the possibility of gaining acceptance nationally and internationally for pipelines, and tax and carbon pollution?

Mr. John Hopkins: It would be my hope that Canadians from coast to coast would actually understand the pipeline industry a lot better and how good we are in Canada at what we do. I don't think there is an appreciation across the country for that. We are one of the global leaders in terms of how we do business here in Canada, yet sometimes I see people acting as though we don't know what we're doing. I don't think that's the case at all.

As far as carbon is concerned, let me get to that. Our view is this: Do we have a problem on the planet? I don't think there's any reasonable debate that we don't have a problem. We do have a problem. We need to get our house in order globally. Our view is this: Do we think we are now in a place where we need to have a carbon tax? We respectfully disagree with that. It probably is going to happen. It sounds as though it's going to happen, although I'll let the Prime Minister and our premier do what they're going to do on that.

I'll leave that alone, but here's what we think: It would be something bold, if I can put it that way, as a country if we were to say we're going to develop centres of excellence throughout this country. Let's partner with our universities. Saskatchewan has more sunlight than any other province in Canada. Why are we not a centre of excellence for solar power?

A voice: That's not today, though.

Mr. John Hopkins: It is not today. Today, apparently, we're the snow capital.

For Atlantic Canada, why do we not have a centre of excellence for tidal power? Why aren't we working on that?

Mr. Steven MacKinnon: Could I just stop you there?

I understand that there are folks who would like to develop the energy industry—and that's a view shared around this table and throughout the House of Commons—and also to have no measures that would curb carbon emissions in the country. I understand that is a view.

What I'm asking you—and perhaps through you to your members and even the business community and the provinces—do you see no link between the two? For example, do you see no link between a country's choosing to act to limit its carbon emissions and then finding favour both within and outside its borders for actions such as pipeline development to develop its energy industry? I get it that there are folks who would like to see no taxation of carbon pollution, or cap on trade, or whatever, and full development of the energy industry. Do you see a link where one may lead to the other?

Mr. John Hopkins: Our view is this. What we need, first and foremost, is an economy that is moving straight ahead and gaining momentum. We need to develop a plan to deal with carbon. I'm not saying we don't. There is no climate change denier here, but the way we should fund our climate change agenda is through an economy that's moving. We should take revenue from whatever it is, perhaps the economy itself in general, and develop these centres of excellence across the country.

• (1330)

Mr. Steven MacKinnon: Would it not be within the purview, for example, of the Government of Nova Scotia to take the revenues that would be derived from a taxation plan on carbon pollution, or the Government of Saskatchewan to take the revenues garnered in-province from a similar system, and devote those revenues to the kinds of things you are proposing?

Mr. John Hopkins: I hear exactly what you're saying, and I come at it a little differently. Our view would be that we need to become centres of excellence, and not just for the country. That's not the point, as far as we're concerned. Our point would be that things like clean coal, which have global impacts, need to be our focus, because we generate 1.6% or 2% of emissions.

What we really need to do... I'm glad you asked this question. I saw the technology yesterday, where they're working in Beijing and taking the carbon from the atmosphere there and turning it into diamonds, of all things. It's unbelievable. It's hard to know if it's true, or not true, because it seems too good to be true. My research didn't land me where I found out how much that costs, and I'm not sure. Usually those things are too good to be true, but to go back to the point, we think we should develop these centres of excellence to have an impact globally, as opposed to just focusing provincially and, a lot of times, just locally.

Mr. Steven MacKinnon: What would limit such efforts to Saskatchewan only, or Canada only? Could the Government of Saskatchewan not choose to take some portion, or all, or some part of those revenues and devote them to becoming a global leader in CCFs, in diamonds from carbon, in solar, whatever. Would you support that?

Mr. John Hopkins: We could. Right now, without any carbon tax, I would say we are a leader locally on clean coal.

The Chair: Is that it?

Mr. Steven MacKinnon: We could probably continue because it's a very—

The Chair: All right, we don't want to go down this road too much further.

I have a couple of questions before we adjourn.

Kyle, in your presentation, in recommendation 5, there is one point I really don't understand. It says that the continuation of the maximum revenue entitlement, which is commonly known as the revenue cap, for the two railways is critical to prairie agriculture. It also says that the MRE must include any expansion of interswitching distances. Can you explain the latter sentence?

Mr. Kyle Korneychuk: Yes, I'll try. There are a few places in Saskatchewan and Alberta, and I believe two places in Manitoba, where you can go from one railway to another, but you have to traverse the other province's railway. It's like a capital monopoly, but the railways didn't allow it because it's their tracks. We're saying that for any expansion of that, the MRE should also cover it, because if I allow you to come on my railway line, but I charge you 10 times what the rate should be, I've effectively stopped you from doing that.

• (1335)

The Chair: I understand interswitching, but I see your point. The revenue cap has to apply to the interswitch as well.

Mr. Kyle Korneychuk: Correct.

The Chair: Okay.

On the transportation end, when I used to first come to Saskatchewan, there were a heck of a lot of rail lines. An awful lot of them are gone now. Several of you mentioned transportation. What would be the key recommendation that could be made in transportation that would help economic growth from your point of view, whether it's moving potash, or moving grain, or whatever it might be. What would be the key recommendation?

Mr. Kyle Korneychuk: The key recommendation from my point of view for grain is that you'd have to clean house at the CTA. The place is too polluted with the railways views. I'll give you a very simple example. We had our little elevator, and we shipped about 25 to 30 cars. We were not big enough to get the railway's attention, and so we got producers in the area together and we said, "Okay we'll do about 1,000 cars". That's roughly \$30 million to \$40 million of economic activity. We approached the railways again, and they said, "Yes, now we're interested, but we're not interested in your site. If you move it 100 miles to another spot, then we'll pick them up there." For us, that wasn't the point. We were trying to keep money in our local communities. When we approached the CTA—I approached two individuals, a man and a woman—the woman didn't have the time of day for me, but the man said, "It sounds like a reasonable compromise to me."

What people don't understand is that moving grain is not like sending an email. It costs at minimum \$5 a tonne to load the grain, and at least \$2 to \$3 a tonne per mile to move it. It's an expensive adventure, and we're forced to do it because we have no market power. The grain companies and the railways understand that. We move it further for them, and they get the gravy. It's just that simple.

The Chair: Are there any last comments anybody wants to make?

John, and then Stewart.

Mr. John Hopkins: Our recommendation on the transportation side is to approve the pipelines, and we'll free up some cars.

The Chair: We hear you, it's been said a lot.

Stewart.

Mr. Stewart Wells: I want to go back to the previous question asked by Ms. O'Connell. I'm a farmer as well. What would you do in agriculture to try to make it more efficient or less carbon intensive? The first thing that Mr. Korneychuk said about rail is that it stands, but farming has become an incredibly energy-intensive business at the moment. The majority of farming and agriculture have been moving that way. Tremendous amounts of fertilizer and herbicides are being used. Huge machinery, which is replacing human resources in most cases, is being manufactured, and farmers are using it. There are a lot of ways that farming could be less energy intensive. Looking at a big picture view, government should be doing some research on that. Federal research stations, such as the ones in Swift Current, Indian Head, and across the country have gone through some really tough times in the last 10 years. They've had libraries destroyed by the previous government, with all sorts of research that had been done in the past decades when farmers were using less energy-intensive types of farming. All that research was very valuable, and there should be attention paid to how to do things better.

For all the discussion about the carbon tax, it's going to open up a lot of space for people to talk about how they should be doing things in energy-intensive industries like farming. There are ways now that farmers can grow legumes crops, for instance, to produce a lot of the nitrogen that they'll need for the following year. There are different production methods that deserve some research and attention.

● (1340)

The Chair: Kyle, you wanted to make one more point, and then we'll adjourn.

Mr. Kyle Korneychuk: I'd just like to add a small point. There's been a lot of criticism of the railways for not moving the grain in 2013 and 2014. I'd just like to make the point that they moved 18% more grain than the previous year. It wasn't so much a transportation issue. It was a logistical issue where the grain companies couldn't deliver and they decided to gouge. It's in our report, and it's on the web page so you can read it further.

The Chair: Okay. We thank the panel for their presentations.

There are two people registered for the open mike. We will suspend for a minute so we can officially get their names, and then we'll go to their statements.

Thanks to the presenters for this presentation, and all the best.

The meeting is suspended.

● (1340)

_____ (Pause) _____

● (1345)

The Chair: We'll go to the open mike session. We have two presentations. As you know, you can come up to the mike. We'll start with Ms. Raedeke.

Ms. Anne Raedeke Mackenzie (As an Individual): I'm Ms. Raedeke, and my fellow presenter is Ms. Aman.

The Chair: Okay Ms. Raedeke and Ms. Aman, go ahead.

Seeing that you're making it jointly, we'll not hold you to just the two minutes. You can go for three or four.

Go ahead, Ms. Aman.

Ms. Maria Aman (As an Individual): We're here to represent Engineers Without Borders, the Canadian NGO that invests in people and ventures to create a thriving and sustainable world.

The Chair: I'll get you to slow down, or the translators will be coming and be tapping you on the shoulder.

Ms. Maria Aman: There is a network of 40 chapters and 2,500 members nationwide. Engineers Without Borders provides seed funding, talent, and mentorship. We're here today on behalf of the University of Regina chapter.

We'd like to begin with a quote from Prime Minister Justin Trudeau's address to the 71st session of the United Nations General Assembly, that "We are Canadian. And we're here to help."

We're here today to talk about increasing Canada's international assistance envelope for budget 2017.

• (1350)

Ms. Anne Raedeke Mackenzie: In budget 2016 the Government of Canada committed to restoring and renewing international assistance to refocus on the poorest and most vulnerable people. Canada has already taken initial steps on a long journey to actively re-engage on the world stage.

In September, the Prime Minister successfully hosted the fifth replenishment conference of the Global Fund to Fight AIDS, Tuberculosis, and Malaria. As part of a collective effort, donor countries raised \$13 billion and Canada committed \$108 million to combat these diseases that predominantly effect developing countries.

More recently, Canada has announced \$2.6 billion for the Green Climate Fund; welcomed 31,000 Syrian refugees; adopted the UN Declaration on the Rights of Indigenous Peoples; and announced its intention to bid for a 2020 seat on the UN Security Council.

We welcome all these announcements, but Canada's recent levels of development assistance are the lowest for any modern Canadian Prime Minister. They lag behind in comparison to our G-7 counterparts, and that has the potential to impair our ability to implement the 2030 agenda for sustainable development. Making a strong official development assistance commitment, beginning in budget 2017 would not only signal a reframing of Canada's international assistance and make a global statement of progressive Canadian values, but it would also align with the ministerial mandate. It is a decisive stepping stone toward early progress on the agenda for sustainable development. It would also lead to achieving key results for women and girls, continue to reduce early childhood deaths, and increase equality and economic opportunities for all.

Predictable increases in the international assistance envelope should be continued toward matching our G-7 partners' contributions

to official development assistance and toward filling the global gap in sustainable development funding. This funding should be directed to deliver long-term development programs to the poorest and most vulnerable peoples, particularly those living in fragile and conflict areas. Canada must increase the level of its international assistance envelope funding to match our ambitions to deliver an evidence-based, long-term development strategy and to deliver it in a predictable manner.

We would like the Canadian government to commit to long-term, predictable increases with a publicly available timeline that emphasizes poverty reduction. We feel that in budget 2017 Canada should commit to increasing the international assistance envelope by 10% annually for 2019 and 2020, and commit to a timetable to double the that envelope by 2023 to reach the UN target of 0.7% of GNI before 2030.

We're asking you to write to the Prime Minister and the Minister of Finance to ask for a commitment in budget 2017 to predictable increases and new additional funding for the international assistance envelope of 10% annually to the end of the 42nd Parliament, with a publicly available timetable to double the envelope by 2023 to ensure that Canada can deliver on implementation of the 2030 sustainable development agenda.

In this age of globalization, it's our duty as a thriving nation to lend our help where we are able and where it is desperately needed.

Thank you for your time.

The Chair: Thank you very much. It's great to see young people come before the committee and make their point of view.

Thank you very much, ladies.

The meeting is adjourned.

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