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Mr. Bryan May

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

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• (0850)

[English]

The Chair (Mr. Bryan May (Cambridge, Lib.)): Good morning, everybody.

It's a pleasure to have everybody here again today. I'm looking forward to getting this under way.

Pursuant to Standing Order 108(2), and the motion adopted by the committee on Monday, June 13, 2016, the committee is commencing its study on poverty reduction strategies.

It is my absolute pleasure to welcome Minister Duclos here today.

Good morning, Minister.

Hon. Jean-Yves Duclos (Minister of Families, Children and Social Development): Good morning.

The Chair: I understand that you have a brief presentation. Before that, I just want to recognize the others in the room.

We have, from the Department of Employment and Social Development, Louise Levonian and Jacques Paquette. Louise is deputy minister and Jacques Paquette is senior assistant deputy minister, strategic and service policy branch. Also with us today from the Canada Mortgage and Housing Corporation are Michel Tremblay, senior vice-president, policy, research and public affairs; and Carla Staresina, vice-president of affordable housing.

Welcome to you all.

Just as a reminder to everybody, we are televised this morning.

Mr. Duclos, without further ado or pomp and ceremony, I turn it over to you, sir.

Hon. Jean-Yves Duclos: Thank you, Mr. Chair and members of the committee.

Thank you for granting me the privilege and the pleasure of being with you this morning. Thank you also for signalling the presence of some of our key officials at ESDC and CMHC.

[Translation]

We share a vision for Canada that is both positive and ambitious. We all believe in a country that is diverse, prosperous and inclusive, a country where individuals have real and equal opportunities to participate fully in our society and our economy to their full potential.

Reducing poverty is the first step to putting all Canadians on an equal footing.

[English]

I understand the committee is beginning its study on the issue of poverty in Canada. While this is also an important part of my mandate and of great personal interest to me, it is a complex issue that no single government, organization, or individual can tackle alone. With that in mind, I would like to table a discussion paper entitled "Towards a Poverty Reduction Strategy".

[Translation]

This document is designed to open a dialogue on the subject of poverty reduction in Canada. It includes perspectives and issues that, and I say this very respectfully, may be helpful to you as you conduct your work.

Let us start from the beginning. About one in every 10 Canadians lives in poverty. We know that these Canadians are less likely to have access to nutritious food, adequate housing and safe working conditions. They experience shorter life expectancies and higher rates of chronic diseases, certain cancers, stress and mental health problems.

We have the ability to help change this, and we will do so by working together.

[English]

That's why we intend to work with community and not-for-profit organizations, indigenous people, universities, companies and, importantly, those people who themselves have direct experience with poverty.

Mr. Chair, as we develop our strategy, we are mindful of the poverty reduction strategies and initiatives that have already been implemented by provinces—all of them except one—territories, and municipalities. It will be important for our Canadian poverty reduction strategy to build on and align with these existing efforts. Let me signal that we will also build on the many parliamentary studies that have been produced in recent years. That again signals the important work that you're about to do.

[Translation]

You also probably know that I have recently announced our new “Tackling Poverty Together Project”. It is to no one's surprise that a large number of innovative and groundbreaking initiatives to tackle poverty are taking place in towns and cities across the country. This project consists of case studies in six communities across Canada that will help us better understand poverty and how to reduce it by establishing direct and inclusive partnerships with community organizations that play a vital role in delivering programs and services that support our people and our communities.

At the same time, this project will allow us to learn directly from people who know first-hand what it is like to live in poverty.

[English]

As I signalled earlier, Mr. Chair, and as you know, poverty is a complex social issue. There is no single cause and no single solution. If we are going to reduce poverty effectively in Canada, we need a multi-dimensional approach.

The discussion paper that I just mentioned highlights a range of areas that you might want to look at, which affect and are affected by poverty, including income, social participation, security, housing, employment, and health. For example, too many Canadians still lack an adequate income to meet their basic needs. An estimated three million Canadians are living in poverty—that's about 1.9 million families.

[Translation]

One of the things I would like to point out is that poverty is not synonymous with unemployment. Over 700,000 Canadians live in an household where the main income earner is considered working poor. Canadians in this group of working poor work similar hours to the average, yet they earn less money and are more likely to face unpredictable work hours, making it especially difficult to balance work and family responsibilities.

In addition, income is so deeply connected to other aspects of poverty that a change in status can signal the start of a dangerous spiral that is a problem not only for those people, but also for their entire family. For example, a significant loss of income can make it impossible for an individual or a family to keep a stable housing situation. As we know, without stable housing, it becomes difficult to find and keep employment.

● (0855)

[English]

In our poverty reduction discussions, we have to admit that safe, adequate, and affordable housing is vital for one's well-being.

Our objective in that regard is clear. We want to re-engage the federal government in improving the housing conditions for all Canadians, including those living in the north and in indigenous communities. For that purpose, we are currently developing a national housing strategy, which is going to be the first housing strategy in four decades.

This strategy is supported by existing collaboration among the various levels of government, indigenous and private sector organizations, not-for-profit groups, and housing experts. In that

regard, budget 2016 signalled a milestone, the historic reinvestment of \$2.3 billion, the first such reinvestment in over 20 years, in new funding to improve access to more affordable housing for Canadians.

Budget 2016 also provides significant additional funding to increase affordable housing for seniors, housing in northern communities; to support the renovation and retrofit of existing social housing stock, often in difficult conditions; and to build and renovate shelters for victims of family violence.

We are also taking steps to ensure that those low-income households living in non-profit and co-operative social housing projects, where operating agreements will expire over the next two years, can continue to live in their rent-geared-to-income units. Up to \$30 million is available to renew subsidies for all federally administered social housing units until the end of March 2018.

Budget 2016 also included two important new initiatives to encourage the construction of affordable rental housing and to fight poverty.

Through the rental housing financing initiative, up to \$2.5 billion in low-cost loans will be made available over five years to municipalities and housing developers during the earliest and riskiest phase of developing affordable rental housing.

Just last week, on Friday, I announced that over \$200 million is being provided by CMHC for an affordable rental housing innovation fund to test innovative financing, partnership, and business approaches to encourage the construction of up to 4,000 affordable rental housing units.

[Translation]

Budget 2016 also announced additional funding of nearly \$112 million over two years, which represents the first investment in 16 years in the Homelessness Partnering Strategy, or HPS.

[English]

The Chair: Excuse me. We seem to have an issue with the translation.

If you could go back maybe two sentences, that would be great. Thank you.

Hon. Jean-Yves Duclos: It's a good story, so I will repeat it.

Some hon. members: Oh, oh!

[Translation]

Budget 2016 also announced additional funding of nearly \$112 million over two years, the first investment in 16 years into the Homelessness Partnering Strategy, or HPS, to strengthen the work done in communities to support homeless Canadians in finding stable housing.

In short, Budget 2016 puts in place a number of significant housing measures for two key reasons. The first is that we knew there was a crying need for them. The second is that we wanted to send a clear signal that the Canadian government's leadership is being reestablished in response to our families' housing needs.

Speaking of Budget 2016, we would of course be remiss if we did not mention the new Canada Child Benefit, which will ensure that nine out of 10 Canadian families will receive higher benefits than before. On average, these nine out of 10 Canadian families will now receive nearly \$200 more per month, and this amount is not taxable. This new monthly benefit is more equitable, simple and fair. Thanks to this new benefit, about 300,000 children, along with 200,000 of their parents, are transitioning out of poverty.

The poverty rate among our children and families will decrease from 11.2% to 6.7%, the largest drop in our country's history, and will result in the lowest child poverty rates in the entire history of our nation.

In addition, we are actively working with our partners in order to find out how this benefit can best support families and First Nations living on reserve and in the North. We are also looking to eliminate all obstacles that could prevent our First Nations families from accessing the Canada Child Benefit.

Moreover, in Budget 2016, we also increased the Guaranteed Income Supplement for Single Seniors. This measure will considerably improve the financial security of about 900,000 seniors throughout the country and lift about 13,000 of them out of poverty through an increase in the Guaranteed Income Supplement benefit, which could reach nearly \$1,000.

Finally, we have also concluded an agreement with the provinces to improve the Canada Pension Plan to make up for the fact that many Canadians will likely not save enough for retirement, putting them at risk of poverty in their later years.

● (0900)

[English]

As you know, the CPP provides workers with portable, fully indexed, lifetime benefits, and it does so with low administrative and personnel costs.

As lifespans increase, enhancing the CPP will reduce the risk that Canadians will outlive their savings. It will also protect them from market downturns and provide a steady and secure stream of income when interest rates are low.

From a poverty reduction perspective, this enhancement is good news. It will help low-income workers, both now and in the long term. While low-income workers will make contributions for the enhanced CPP, these higher contributions will be more than offset by an increase to the working income tax benefit, also called the WITB, which will lift almost 6,000 Canadians immediately out of poverty in the next few months. In addition, this enhancement will give low-earning households more financial protection in the event of a disability or the death of a wage earner, through higher disability and survivor benefits.

As a result, low-income workers will be better off during their working years, thanks to the WITB, and better off when they retire

because the enhanced CPP will boost their total retirement income. For example, if the enhancement were fully in place right now, the number of Canadian families at risk of not saving enough for retirement would be reduced by 25%, from 24% to 18%. Nearly 300,000 families would no longer be at risk. For those still at risk, the degree of under-saving will be reduced substantially. Analysis by Finance Canada indicates that the median after-tax retirement income gap will be cut from \$8,300 to \$3,700, that is, by more than 50%.

Therefore, not only will the enhancement help to ensure a more secure retirement for middle-class Canadians, it will also contribute to our efforts to reduce poverty now and in the future.

[Translation]

All of these actions I have discussed reflect our determination to reduce social inequality and to ensure prosperity for all Canadians. The study you will be carrying out in the committee will play a large role in achieving this goal.

Mr. Chair, members of the committee, as we continue to partner on addressing poverty reduction in Canada, I would like your views on the questions we have included in our discussion paper.

For example, how do you define poverty? How should it be measured? Are there data gaps that need to be addressed to help improve our understanding of poverty in Canada? What targets should we pick to measure progress?

● (0905)

[English]

Reducing poverty requires concerted action. An economist whom I got to know in my earlier life, Amartya Sen, who is also a winner of the Nobel Prize in economic science, said that the success of a society is to be evaluated primarily by the capability that members of a society enjoy, and that poverty is not just a lack of money, but not having the capability to realize one's full potential as a human being.

This all supports our collective and ambitious vision of a prosperous, diverse, and truly inclusive country, a country where all can profit from real and fair chances to succeed.

[Translation]

In closing, I look forward to your contribution, the contribution of your committee in developing a strategy to reduce poverty.

I will be pleased to answer any questions and hear what you have to say.

Thank you.

[English]

The Chair: Thank you very much, Minister.

It's great to hear your opening remarks. I think they really reflect a lot of what this committee has already discussed in considering how to develop this study. It's a pleasure to chair this committee and to move forward to start this study.

Without further ado, we're going to get going with questions. I believe member of Parliament, Bob Zimmer, is up first.

Mr. Bob Zimmer (Prince George—Peace River—Northern Rockies, CPC): Thank you, Minister, for coming before us today.

I respect you as an economist and have some questions for you based on some of the costing, particularly of the carbon tax that was announced yesterday.

I just want to start by talking about Joe and Jane Taxpayer. They make about \$75,000 a year, taking home about \$40,000 a year. They have a mortgage of \$2,000 per month, including municipal taxes; a car payment of about \$500; an electricity bill of \$400; a water bill of \$100; a grocery bill of \$800; and a fuel bill of \$200. There is nothing left at that particular point.

As the minister charged with a poverty reduction strategy in Canada, has there been a discussion with the Prime Minister on a carbon tax? There is no money left to pay for it. I just want to know your response to that, Minister.

Hon. Jean-Yves Duclos: As you know, the strategy of this government addresses three areas of development. I would call them inclusive development, economic development, and sustainable development.

What you're signalling to us this morning is that to make a better society, we need to work on all three aspects. Sustainability of development is certainly a key aspect, for which we have announced measures that will enhance the opportunities for middle-class Canadians, both to earn a secure level of living and to contribute to a society where our economy and our firms will benefit from the type of investment that the challenges, and the opportunities, of climate change pose to us.

As you know—

Mr. Bob Zimmer: I respect the ideas, and your compassion is evident as minister. I understand that you want to make a difference, and you want to reduce poverty in Canada.

The reality, though, is that the carbon tax per family, for heating fuel alone, is problematic. In Nova Scotia, there's an estimate that it will cost \$612 per year. Joe and Jane taxpayer are already maxed out and have no money left to pay for any extras. That's another \$600 on top, not to mention another \$600 on fuel for their vehicles. You're talking about an extra \$1,200 per household. I just want to know, how are Joe and Jane taxpayer going to pay the bill?

Hon. Jean-Yves Duclos: In light of the broad mandate we have as a government and a society, which you are part of, to improve the lives of our middle-class families, as well as those who'd like to be part of the middle class and are working hard to get there, we're moving very fast towards a more inclusive society through the middle-class income tax, which 9 million Canadians have been benefiting from since January.

The Canada child benefit for that particular family might mean an additional, non-taxable \$200 per month. A family of that income

with two children has big grocery costs. It will probably give them around \$700 per month, non-taxable, because of the way we have restructured our transfers to families. If that person retires in a few years from now, she will benefit from an increased guaranteed income supplement of up to \$1,000, if she lives alone and happens to be among the more vulnerable seniors. If she is 65 or 66, she will not fall into poverty, because we've moved the age of eligibility back to 65 years. These measures show how much we care about having a more inclusive society, one that's going to experience less poverty, while we are engaging on other fronts.

The economic front is clear. We need to develop an economy that is more sustainable, one that will be better able to take advantage of the opportunities created by climate change. We want to be the first in the world to build those jobs everywhere. We want to provide the middle-class jobs and revenue that we all want to see.

● (0910)

Mr. Bob Zimmer: With all due respect, Minister, we've seen the government table a budget with a \$30-billion deficit. At some point, Joe and Jane taxpayer will have to pay the bill, and that bill will not stay stagnant. It's going up. The taxes are going to go up. We all know that they're going up. Payroll taxes are going up dramatically.

As an economist, I understand the platitudes, and what you're planning to do sounds great. Ultimately, though, Canadians have to pay the bill, and that's what I'm concerned about. That's what Conservatives are concerned about. Our compassion derives from the fact that at some point Joe and Jane have to pay the bill for all these plans. As an economist, I want to know whether we have had a deep conversation about the impacts that a carbon tax would have on Canadian taxpayers. You've talked about it generally, but the long-term effects are explained in platitudes. This question hasn't been answered substantially. That's what concerns me dramatically.

Hon. Jean-Yves Duclos: These are not platitudes. These initiatives will make real changes in the lives of families. The CCB, the middle-class income tax cut, the increase in the GIS, and the moving of the age of eligibility back to 65 to prevent seniors from falling into poverty—all of these are positive changes. They are not platitudes; they are real changes in the lives of our families. We're thinking about the future of our economy, our society, and our planet. These are real policies designed to make a real change in the families of our country.

The Chair: Thank you, Minister.

We are now going to Filomena Tassi.

Ms. Filomena Tassi (Hamilton West—Ancaster—Dundas, Lib.): Thank you, Minister, for your presence here today, and my thanks to the departmental officials.

Thank you for your excellent work thus far, for the many initiatives you've undertaken. I've heard from constituents in my own riding that what you've done has helped middle-class families. Some of this you've mentioned this morning. Thank you for all of your excellent work thus far.

I'm a proud Hamiltonian, and I'm proud of my city for a number of reasons. With respect to the study we have before us today, I want to note the passion, the commitment, and the dedication of a number of stakeholders in my community in alleviating poverty and helping the poor. I've met with a number of groups, most recently the Hamilton poverty reduction round table, and I'm impressed with their level of experience, commitment, and dedication. We have great resources in our own communities. How does the government plan to engage those stakeholders in the development of a poverty reduction strategy? There are great resources in our communities, and I don't want them to be missed.

Hon. Jean-Yves Duclos: The greatest privilege I've had in the last few months has been to engage with these types of individuals and groups, of which we are so fortunate to have so many in Canada. The municipalities, communities, non-profit organizations, and the private sector are all there to support whatever energy and vision this government is able to signal when it comes to inclusive social development. This is the great privilege that I have had over the past few months. I know that all of us in this room also see this regularly, how ready and able our communities are to support the type of work we're going to be doing around this table in the next few weeks. We both have to do it and to have the right actions and the right attitudes when it comes to poverty reduction.

We also know that although our poverty reduction strategy at the federal level will be the first one ever, there are other poverty reduction strategies elsewhere in Canada at the provincial, territorial, and municipal levels. We want to be respectful of both the content and the outcome of those strategies so that we don't repeat anything. We draw from what already exists and we build, in a very consistent and respectful manner, on that existing work, and demonstrate, as you said, the great level of energy, expertise, and experience that we feel everywhere in Canada on that topic.

• (0915)

Ms. Filomena Tassi: When I was canvassing and knocking on doors, there were a number of people, particularly seniors, who were having a hard time staying in their homes because they weren't affordable. We know the end result is better if they stay in their homes. They're happier and healthier. There are so many other ramifications too.

You mentioned some things, but is there anything you want to add to what the government is doing to make housing more affordable for lower income Canadians?

Hon. Jean-Yves Duclos: Very good.

As you heard earlier, we are building, partly with your support, the national housing strategy. All MPs, all stakeholders, and all Canadians are invited to contribute to that. It's a very important strategy, as I signalled earlier. It's the first in four decades. It's there for a very simple reason. It's there to tell us in Ottawa how we can re-engage our federal government in assisting the housing needs of our families.

We've been relatively absent over the past years. That's not a partisan comment, because this dates back some years. Now we want to know how to get back again. To do that, we need to engage again with our stakeholders, communities, and other levels of governments.

In that area particularly, our country is ready. The signals I receive are clear: people have been waiting patiently, and now they want to engage with us to work in partnership for all kinds of Canadians, including lower income Canadians. The housing condition spectrum ranges from homelessness, which is the most dire circumstance Canadians can find themselves in, through to shelters and transitional housing, covering, among other things, the needs of victims of family violence. Also, there are the very difficult conditions in which many of our indigenous sisters and brothers find themselves in regard to social housing, which has been neglected for some years by our governments. There is also the need to address, as we did yesterday, some of the challenges we find in markets where house prices are both high and, perhaps, non-sustainable.

Ms. Filomena Tassi: I know I'm not giving you enough time to answer this question in the 10 or 15 seconds you're going to have, but what is the role of a national daycare plan in this? I've heard from a number of my constituents on this issue. Could you comment briefly on that?

Hon. Jean-Yves Duclos: It's going really well. We had our first social services forum in 10 years in February in Edmonton, so that we could launch the re-engagement of the federal government in assisting early learning and child care. That's done in very close, though respectful, collaboration with provinces and territories. They have, as you know, a diversity of circumstances and ambitions in that particular regard.

The Chair: Thank you very much, Minister.

We'll go over to MP Sansoucy.

[*Translation*]

Ms. Brigitte Sansoucy (Saint-Hyacinthe—Bagot, NDP): Thank you, Mr. Chair.

Mr. Minister, I would like to begin by thanking you for speaking with us today and the manner in which you did so.

I am an eternal optimist; in that spirit, in the context of this study, I join this committee with great conviction. I acknowledge your sincerity and motivation, which will surely influence all those with whom you work to achieve results.

As you pointed out, we need to look at what has already been done. We know that, in 2000, if memory serves, the House of Commons unanimously adopted a resolution to eliminate child poverty. Yet, as we all know, 16 years later, children are still living in poverty.

So we must consider what has already been accomplished. In your presentation, you mentioned that, five years ago, a committee such as ours conducted a study on poverty which led to a series of recommendations. In its report, the committee mentioned that, five years later, any actions taken should be reviewed. It seems clear to me that our committee should begin with this oversight effort that was already begun.

You ended your presentation by inviting all Canadians to participate in the discussion. A few months ago, last February 26, I decided to participate myself by introducing at first reading, Bill C-245, an act concerning the development of a national poverty reduction strategy in Canada. That bill followed 10 years of discussions. I am the third MP to introduce an anti-poverty bill, following similar bills by my fellow MPs Martin and Crowder. We held consultations across the country. So anti-poverty groups have been considering this for the last 10 years, and this bill is the combination of all that thinking. I already have the support of the main organizations, and currently, 3,000 organizations from across the country are reviewing the bill.

I therefore hope Bill C-245 will be adopted at second reading on October 31. Indeed, I would be pleased if this committee could at least consider the validity of this approach towards reducing poverty.

I would like to know if I can count on your support and that of your government on October 31 when my bill will be studied at second reading.

• (0920)

Hon. Jean-Yves Duclos: Thank you, Ms. Sansoucy. I would like to begin by thanking you for all your efforts. You spoke about sincerity and will. I believe those two words describe you quite well. Over the years, even before you entered politics, you worked very hard at several levels to make our society more inclusive, more respectful and more mindful of the needs of middle class Canadian families as well as those who would like to improve their lot.

You have already done excellent work and I encourage you to carry on. I know that you have already introduced a bill that aligns itself well with the discussion we plan to have over the coming weeks as well as the mandate I was personally given as Minister of Families, Children and Social Development. Once again, I am grateful to you for your parallel efforts, which you made even before our official process began.

I know these efforts will lead to substantial contributions with respect to the work with which I have been entrusted. I am looking forward to telling you, a little later on, about the ways in which we can work together so that our efforts are complimentary and mutually strengthening.

Today, I especially want to congratulate you and thank you once again for everything you do. I hope you will continue your efforts.

Ms. Brigitte Sansoucy: So I will take your answer as a “maybe” and remain hopeful.

Many poverty reduction strategies can be adopted at the same time. I am, however, happy that, in your remarks, you talked about “the” strategy. In fact, I think it should be what I call an “umbrella strategy”, equivalent to what the Government of Quebec does as part of its sustainable development strategy: each time a department takes action, it must assess whether or not the action contributes to sustainable development.

You say that we need indicators, but we also need assessment mechanisms. Each time the government or a department takes action, we must be able to use a comprehensive strategy to assess whether or not that action reduces poverty. That is what I propose in my bill. We need a mechanism that enables us to report annually to the House of

Commons on how we contributed to poverty reduction over the course of the previous year.

Without mechanisms like that, we will be unable to determine down the road that, for example, the 2015-2016 committee, through its recommendations, helped reduce poverty. That would also help verify whether your department fulfilled its mandate.

Do you agree with me that saying both strategies helped reduce poverty and being content with that is not enough, and that instead we need to ensure that all of our strategies help reduce poverty?

• (0925)

Hon. Jean-Yves Duclos: That is a very good question. As you know, as a matter of fact...

[*English*]

The Chair: I'm sorry to interrupt. Please make it very brief, because we're out of time for the question.

[*Translation*]

Hon. Jean-Yves Duclos: That is one of the major issues raised in the document I submitted to you this morning. It is, in fact, an invitation to participate in the debate on the nature of indicators and goals, and the way that we are going to ensure that those goals are truly being met in the work we do and our public policies. Over the coming months, your comments and those of all Canadians will be an important factor in developing this anti-poverty strategy.

[*English*]

The Chair: Thank you, Minister.

[*Translation*]

Mr. Robillard, you have the floor.

Mr. Yves Robillard (Marc-Aurèle-Fortin, Lib.): Good morning, Mr. Minister, welcome.

Many seniors in our country are living in poverty, a problem for which we can and must find a solution. Minister, can you tell us how you plan to help seniors avoid falling into poverty rather than having to get out of it? What preventive solutions are you proposing?

Hon. Jean-Yves Duclos: Thank you, Mr. Robillard.

As I was trying to say a bit earlier, this support program for those living in poverty is part of a broader program by the Canadian government based on three elements: economic development, sustainable development and inclusive development. Inclusive development, a key aspect of the program, is for everyone, especially seniors whose living conditions can vary a great deal. We must recognize that seniors' living conditions can be quite different, whether we are talking about health, economic security or family, and that diversity means we must demonstrate great scientific and social sensitivity.

For example, we brought the age of eligibility for the Old Age Security Pension back down to 65. That does not necessarily mean everyone must retire at the age of 65, it is not a fixed retirement age. Retirement age is a personal decision made according to one's capacity for work, and as a function of conditions that are often unrelated to that capacity: each person's working conditions, state of health and family circumstances. Bringing the eligibility age back down to 65 demonstrates a social sensitivity that will prevent seniors aged 65 and 66 from living in a society in which the poverty rate for that age group would go from 6% to 17%; in which 20% of the most vulnerable seniors would lose 35% of their income; in which 40% of the burden resulting from the former government's reforms would be born by 20% of the weakest and poorest of our seniors; in which middle-class women in that age group would lose 34% of their income, whereas men would only lose 11%. One hundred thousand seniors would fall into poverty. So this is an important social sensitivity given the context of disparity amongst seniors.

One of the elements that contributes to that disparity is income security. Over time, reforming the Canada Pension Plan will go a long way to strengthening that security. For the most vulnerable amongst us, increasing the Guaranteed Income Supplement will also play an important role. That measure alone will pull 13,000 seniors out of poverty.

Finally, there is the issue of investing in housing. Seniors' housing conditions are crucial for their well-being, and in the context of our considerable investments in housing, we have clearly indicated that a substantial portion of those funds be allocated for seniors.

Mr. Yves Robillard: Thank you, Mr. Minister.

Can you tell us more about your task of developing a new price index for seniors that would be used to index Old Age Security and Guaranteed Income Supplement Benefits? What are the specific details of this approach?

• (0930)

Hon. Jean-Yves Duclos: The main message is that we are working to improve income security for seniors, and provide them with physical security and better security to face the health problems that are a natural part of aging. Income security is therefore important. Within the framework of guaranteed income security, there is the insecurity seniors feel about the cost of living. For seniors, incomes are often fixed and the ability to increase their income is limited, especially in the context of low interest rates.

So the biggest threat to security comes from an increase in the cost of living, which can have a greater impact on seniors than on the rest of the population. During the election campaign, we made a commitment that we will keep, to develop a price index for seniors in order to protect them from the risk of the cost of living increasing more quickly for them than for the rest of the population given the fact, I repeat, that seniors' incomes are quite fixed after they retire.

[English]

The Chair: You have about a minute and a half.

Mr. Yves Robillard: I'll share with my colleague.

Mr. Wayne Long (Saint John—Rothesay, Lib.): I need more than a minute and a half.

First, welcome, Minister. It's great that you're here, and I certainly applaud you personally and your department—certainly, Dan, Josée, Mathieu, Ariel, and Terry—for the work that you're doing to help Canadians in need.

One of the things I constantly see—and we talked about this at our last committee meeting—is poverty study after poverty study throughout Canada. They are on shelves everywhere, and we can always pull them out and read them, yet I find it frustrating to see the lack of innovation with respect to poverty reduction.

If you want to compare poverty to, say, the environment, you can look at how far we have come, despite what some members opposite might say, in thinking about carbon and greenhouse gases and things like that. There has been a lot of innovation with respect to things like that. But if you look at the poverty side, there really hasn't been a lot of new thinking.

I'd like to get your comments on how important innovation is for poverty reduction and what incentives the government could potentially give to groups and organizations that are innovative in reducing poverty.

Thank you.

The Chair: I'm afraid he didn't leave you much time to answer that question, Minister.

Hon. Jean-Yves Duclos: How much time do we have?

The Chair: You have less than 20 seconds. Go ahead.

Hon. Jean-Yves Duclos: Good. That should be all right.

There are three levels at which we want to innovate.

First is the ability to dive into communities, as we are doing with the Tackling Poverty Together project, to understand fully the incredible depth of actions and attitudes of our communities towards reducing poverty. It's so comforting to see this dedication in so many of our communities and families towards making their society and their environment more inclusive. That's the first step. The second step, once we've done that, is to build our poverty reduction strategy together, which ideally will be an important document, and, therefore, perhaps even more important than the earlier documents you mentioned.

Once we've done that, then the two levels of additional innovation will be to partner in our actions with all of these groups and folks who are so willing to work with us, and to do this in a different manner by trying to connect better the different dimensions of the lives of our families—housing, child care, training, labour force participation, public transit, and green infrastructure.

Mr. Wayne Long: Maybe, with respect, I'll get another chance in the next go-round, so we'll continue on that.

The Chair: Mr. Ruimy's up now. Maybe he'll share some of his time if you're lucky.

Mr. Dan Ruimy (Pitt Meadows—Maple Ridge, Lib.): Thank you very much for that.

Thank you very much, Minister, for being here. This is a very important study for us, as well as for the whole country.

In my riding of Pitt Meadows—Maple Ridge and in communities across Canada, we are seeing not-for-profit and private organizations playing imperative roles when it comes to poverty reduction. These organizations have often filled the gap that governments of the past have been unable or unwilling to address.

I know you mentioned in your initial comments things you can do, but I'd like to know a little bit more about how you intend to work alongside some of these non-profit organizations to support the work of these organizations in the fight against poverty.

● (0935)

Hon. Jean-Yves Duclos: We look to you for an indication of how we will do this. We will do it because we know it's how our government can work best to reduce poverty, given that our resources will always be limited and the needs and the expectations of our citizens will always be very high. To make the most effective and inclusive use of those resources, we know that we need to work with communities, the non-profit sector, the social sector, the social economy. I count on you to guide us in that process.

We'll be receiving all sorts of other input. I alluded earlier to the work of other MPs who have supported this type of initiative earlier. So we know that other sources of engagement will also be fundamental, but your views and your input will be key in that exercise.

Mr. Dan Ruimy: You mentioned certain housing initiative funds. Could you elaborate on how that would work? If you were a non-profit, when would you be able to access those funds?

Hon. Jean-Yves Duclos: That's a very good question. It's what I announced on Friday. The non-profit sector, the private sector, and municipalities are all invited to join forces to make use of that innovation fund. Again, we're going to support more strongly initiatives that will be innovative in terms of partnerships, leveraging resources and energies across our communities in a co-operative and self-reinforcing manner, and projects that will create synergies in our communities. An example is seniors: how can we build housing for seniors that is innovative and takes into account the diversity of needs and circumstances of our seniors population to make sure that their social participation, physical security, and mental and physical health are best addressed by our housing investments?

Mr. Dan Ruimy: Across the table we know that homelessness is a complex issue that is rooted in various social conditions and experiences, such as poor mental health and addictions. In the past we've seen attempts to address homelessness and poverty that have not really considered the importance of these social factors. Could you please speak to your intention, to your approach to homelessness and poverty in an innovative way that is mindful of the root causes of poverty?

Hon. Jean-Yves Duclos: That's right. As you know, and as we know, homelessness is caused by two major factors. The first is mental health and the second is addictions, which afflict some groups more than others. We know who they are. We know ways and means that make our use of resources more effective. That's often done best at the community level.

The communities vary, again, according to their needs and circumstances, and their abilities to address homelessness challenges. We know that community decision-making is important, but

the federal government needs to be there to provide support through resources and signals.

We did announce in last year's budget the first reinvestment in the homelessness partnering strategy since 1999, a 50% increase. Part of that increase announced last week is designed to support innovative techniques and attitudes in addressing the homelessness challenges. It's very similar to the housing file. We want to encourage partnership and we want to encourage synergies, both to prevent and to cure, and to try to avoid the recurrence and/or the incidence of homelessness.

Mr. Dan Ruimy: I have just under a minute left.

Again, we know that everybody is involved in this process. Can you tell us a little bit more about how you intend to work with all of our partners, because the municipal, provincial, and federal levels have to start to work together? Can you speak to that, please.

Hon. Jean-Yves Duclos: For homelessness?

Mr. Dan Ruimy: Yes, for homelessness and poverty reduction.

Hon. Jean-Yves Duclos: For homelessness, we have a good start. The homelessness partnering strategy exists. It will need to evolve. We have collaborative mechanisms with provinces, territories, municipalities, and collectivities, which can be used to channel those additional resources rapidly and efficiently.

For the poverty reduction strategy, the table is to be set. Again, I re-signal to you the importance of your work. We really count on you to make us, the federal government, better able to engage inclusively and efficiently with other levels of government and with the social and private sectors. Those sectors have a role to play, and they know it, and they're able and willing to play that role and to sustain it over the longer term. The longer term is key for the poverty reduction strategy. As member of Parliament Sansoucy said earlier, there's been initial work over the years. Now we're ready to build on that initial work to have a longer term agenda for the Canadian government to be a key and helpful player in that initiative.

● (0940)

The Chair: Now we're over to member of Parliament Warawa.

Welcome back, sir.

Mr. Mark Warawa (Langley—Aldergrove, CPC): Thank you, Chair, and thank you, Minister, for being here. I want to give kudos where they are deserved. I sent you a letter regarding New Horizons and seniors' issues, and within a few days I had a response from you. You are the fastest responding minister, by far. I still have letters from last November waiting for a response from a minister, so to get a response in three days was fabulous.

Minister, as the critic for seniors, I've had a number of opportunities to meet Canadians across the country on various seniors issues. Seniors poverty and elder abuse are very important, but the number one issue that I'm hearing about from seniors groups is the need for a minister for seniors and a national seniors strategy. Canada has a grey tidal wave coming. We know it's coming, and Stats Canada has told us it's coming. Indeed, we see it now with the baby boomers. I'm in that group. I'm 66 years old. There's this tidal wave of grey coming, and considering the unique needs of Canadian seniors, we have to deal with it.

In hindsight, we probably should have come up with a national seniors strategy 15 years ago, or 10 years ago when we were the government.

Minister, I plead with the government to come up with a national seniors strategy, because without a strategy, and without working with all levels of government to come up with a proper strategy, we are going to be in trouble as a country. Please, make that a priority. Dr. Avery, with the Canadian Medical Association, is going around and also saying that. It's a number one priority.

When it comes to poverty, there are some very wealthy Canadian seniors, but there are also seniors who are living in poverty. The Library of Parliament provided each of us with a document that indicates that there's been a significant decrease in poverty among seniors over the past few decades. It's dropped from 29% of Canadian seniors to 3.9% in 2014. There has been a significant drop, and there have been some good successes, not just by the previous Conservative government but also by previous Liberal governments. There have been significant successes.

The discussion paper by the Library of Parliament downplayed that and said that we've only seen "some" successes. Well, there have been significant successes, not just "some" successes. The discussion paper zeroes in on single seniors. The statistics show that 30% of poor seniors are couples, and 70% of poor seniors are single. The government is focused on just the single seniors, and yet we've seen in the news over the last many years, and almost every few months, couples who are being separated. It's heartbreaking.

I'm asking the minister to comment on this. Would the government be willing to expand its focus from single seniors to any seniors living in poverty? The Prime Ministers made a promise during the election campaign. He mentioned single seniors, but if you're a senior and in poverty, then you also need help, even if you've been together as a married couple for 50 to 60 years. Would the government be willing to reconsider and expand that, so that if you're a senior in poverty, as a couple or as a single, then you would get the help? You'll get that GIS because \$1,000 a year does help. For the 30% of Canadians who are in poverty and are not going to get the help they need because they're living together, would the government show compassion and expand its focus to include them?

● (0945)

The Chair: You have a little over a minute, sir.

Hon. Jean-Yves Duclos: Thank you. I was going to spend that much time thanking you for complimenting my team on the speed with which is responded to you. I didn't hear from you anything about the quality of the letter you received. Speed is an issue, but quality, I suspect, is also one. So if you have any guidance for us, or appreciation about, the quality of the letter you received, that would be kindly received.

On elder abuse, I must acknowledge that a previous government, in collaboration with the provinces and territories, did serious work in building our understanding of the causes and consequences of elder abuse. I had the privilege of getting to know that work earlier this year.

The poverty reduction strategy and the national housing strategy—key elements of my mandate letters—have obvious and direct relevance to the well-being of our seniors. The quality of the work we do around this table, when it comes to building the poverty reduction strategy, will feed into the quality of our ability to support our seniors over the long term. That's true for the poverty reduction strategy, and that is also true for the national housing strategy. For seniors, housing needs are key to their well-being and to their ability to look forward to spending the rest of their lives with income security and physical security.

I take note of your suggestion of a national seniors strategy. This is a very important idea that we should be discussing in this context.

How do we fight seniors poverty? Eighty per cent of seniors living in poverty are single and living alone. Seventy per cent of those seniors in poverty are women. So basically, the most significant poverty challenges faced by our seniors are faced by single women. They are, of course, vulnerable from an economic perspective, but they are also vulnerable from an elder abuse perspective, from a physical security perspective, and from a family security perspective. That broad vulnerability is very concerning. I meet so many of these single women. It is often very challenging to feel the degree of their natural anxiety and to feel their need for us to be supportive of their living conditions, circumstances, and needs. That is why the GIS was targeted for them. However, the CPP expansion, the restoration of the age of eligibility for old age security and GIS benefits to 65, the significant housing investments we are going to make, and the seniors price index that we're going to construct are all measures that will have a key, tangible impact on every senior, whether living alone or not.

The Chair: Thank you, Minister. That hour went by way too fast. I think we can all agree that the information you brought here today is incredibly valuable. We're very excited to see this paper, to delve into it, and to have it support and guide us in our study.

I think I speak for the committee as a whole when I say that we recognize how important this is and how critical it is to get this right. To echo MP Long's comment that there has been study after study after study, we want to make sure that we're not simply rehashing old studies. We've definitely been doing our homework to make sure that we're using those as a launching point and not just putting them through the grinder again. We really want to see results, and we're very hopeful and thankful for the opportunity to be able to contribute to the work that you're doing.

I checked with our clerk, and for those who have additional questions for you—with your permission, of course, Minister—we'd like to collect those by the end of the week. We could send them to you and then report back to the committee.

We know you're incredibly busy, so we will not take any more of your time. Thank you very much, sir, for being here this morning.

• (0950)

Hon. Jean-Yves Duclos: Thank you, Chair.

The Chair: We will suspend for about five minutes just to bring some more people in, and then we'll be back.

• (0950)

_____ (Pause) _____

• (0955)

The Chair: Welcome back, everybody.

We would like to welcome to the table, from the Department of Employment and Social Development, Paul Thompson, senior assistant deputy minister, skills and employment branch; and Kathryn McDade, senior assistant deputy minister, income security and social development.

Welcome to both of you.

For those of you who stayed on, thank you.

We're going to dispense with any opening remarks and get right back into questions.

First up is Mr. Deltell.

M. Gérard Deltell (Louis-Saint-Laurent, PCC): Mr. Chair, thank you very much.

[*Translation*]

Ladies and gentlemen, I'm pleased to meet with you.

I think that we all share the same goal, of serving our fellow citizens and fighting poverty. According to our reading, the best way to fight poverty is to give people the tools they need to get out of poverty. As they say, it is better to teach a man to fish than to give him a fish. I'm sure that my friend and colleague Mr. Long, from Newfoundland and Labrador, would agree with me, because before he was an MP and before he was in the hockey world, he worked in the fishing industry. We believe that the best way to fight poverty is to give people the tools they need.

I would like the people here to tell us which of the measures put forward by the government would allow people in difficulty to get the resources and the means they need to get out of poverty themselves, once and for all, with the help and support of the government. The government is there to give them the tools they

need to get out of poverty, and not to give them money, because that would mean that they would not necessarily be able to develop the skills and the independence necessary to get out of poverty.

• (1000)

Ms. Louise Levonian (Deputy Minister, Department of Employment and Social Development): Thank you very much.

Thank you very much, Mr. Chair, for having invited us here today. We are very happy to be here to answer your questions.

This is a very good question. I think that the study this committee will be conducting is exactly the type of thing that will allow us to have all the information we need to develop a good strategy that will exactly answer this type of question.

A lot of tools have now been made available by the government, but there are also tools available at the provincial and municipal levels. We can give you some examples. I know there are a lot of tools like this, and that is exactly what is required.

I think that the study, the engagement and the consultations that will be happening in the coming months will help us respond to these questions and develop a good strategy. We need to work in collaboration with our partners to have an overarching strategy. I believe it was Ms. Sansoucy who described the strategy that way. We need to collect all the information in order to have a good strategy that will cover all of the different aspects, to reach that exact goal.

Mr. Gérard Deltell: I would like to give you a few specific examples to give you inspiration.

As MPs, we are all asked to contribute to Christmas hampers during the holiday season. We distribute food to those who are less fortunate than us. We all do it and we do so in good faith.

I will always remember one occasion where we went to deliver a Christmas hamper to a family that didn't even have a refrigerator or an oven. I have been in politics for eight years. So it happened when I was a provincial MNA, not a federal MP. I wondered what the point was of giving these poor people a huge turkey or a huge steak, when they didn't even know what to do with it.

It led me to take the following action. In provincial ridings, MPs have a very high discretionary budget, around \$80,000. I had been to the food banks to say that I was ready to help them, but that I wanted them to use my money to hire a nutritionist who would give courses in the communal kitchens every week. In those classes, people would actually be taught how to cook. That would be better than giving them a frozen turkey that they wouldn't know what to do with and that might end up in a landfill in March.

There's something else I want to tell you, but I don't want to say exactly at what point it happened in my political career. I remember that a completely destitute woman came to see me. We tried to help her. She lived in Sainte-Foy, and I lived in Loretteville, about 20 minutes away by car. I had told her that this worked out well and told her which bus to take from her house to come and see me. She answered that that wouldn't be necessary because a taxi was waiting at the door. This poor woman had paid \$30 to take a taxi and she had been with me for half an hour. So she probably had to pay \$150 for the taxi. She didn't understand. That's when I said to myself, for Heaven's sake, even if we gave her money, I'm not sure it would help.

That's why I think if we want to help people get out of poverty, we need to give them the tools necessary to take control of their own lives.

As for the food strategy, are you in favour of the idea of helping food banks? The government could support these people by offering classes led by nutritionists, who would teach them how to eat well and how to cook properly. What do you think?

• (1005)

[English]

The Chair: Actually he's out of time, but I'm going to give you a few moments to respond very briefly.

[Translation]

Ms. Louise Levonian: I will say two things very briefly.

First, I hope that innovation will be part of the strategy. The things you just mentioned are a little innovative. There are things that we can try, and if they work well, we will have to see how to implement them to have a better strategy.

Secondly, the document that we have before us today mentions exactly those things that you just mentioned. This is not just about ensuring income security, it is also about doing some of the things that you just mentioned. We hope that this document will inspire more discussions that will lead to future documents.

[English]

The Chair: Thank you.

Mr. Long, please.

Mr. Wayne Long: Thank you to everybody for coming this morning.

As I said before, poverty certainly is near and dear to my heart. My city, Saint John, New Brunswick, leads the country in childhood poverty and is at the top of the numbers in a lot of other categories, too.

I will focus my question on CMHC right now. Obviously, there was the announcement here on September 30, and I quote, "New Fund Aims to Revolutionize Affordable Rental Housing in Canada". I spoke for about a minute and a half in the last session about innovation and how important innovation and new thinking are. Can you elaborate a bit about what that announcement means, how it's going to be implemented and how important you see innovation being in the fight against poverty?

Mr. Michel Tremblay (Senior Vice-President, Policy, Research and Public Affairs, Canada Mortgage and Housing Corporation): As Minister Duclos mentioned, there are a lot of variables that affect poverty, whether they be education, health, or housing, which is a key component of it. Indeed, affordability of housing is an issue in a lot of Canadian cities.

The innovation fund is meant to stimulate the supply of rental housing, and we're looking for innovative ways of doing that. It's actually going to be a call. People are going to come in and submit proposals of innovative strategies they have to facilitate the building of rental housing—an increased supply, obviously.

Mr. Wayne Long: Another issue that I certainly have, living in Saint John, has to do with project financing. If I'm working on affordable housing or a mixed housing project with seniors, I'm a rookie MP and I'm learning as I go, but a lot of times I'll hear, "Well, I love the project, and a lot of my colleagues love the project," but then it ends up that it's provincial and the money goes to the province, and then obviously the province decides how to allocate that money.

Can you comment on whether you think that system can be improved? Is there potential for more input from the federal government on that?

Again, I'll just leave you with this. There are projects that I personally like in Saint John, for example, but I can't just get the money for them or to move forward with those projects, because the money flows to the province and then out from the province.

Can you comment on how you see that structure? Can you see improvements being made to that, and what would you suggest?

Mrs. Carla Staresina (Vice-President, Affordable Housing, Canada Mortgage and Housing Corporation): As you know, we are in the midst of the national housing strategy, so we anticipate getting a lot of feedback on the mechanisms we have in place right now.

The mechanism we have right now with the province is the investment in affordable housing initiative, wherein the provinces cost-match the federal dollars that go into those agreements. With the 2016 budget announcements, we signed a new agreement, an additional agreement, in New Brunswick in September.

As you said, the province decides, designs, and delivers those programs that meet the local needs and they have some common reporting that they do to us. In budget 2016, there are some very important tracks that the federal government thinks are important to invest in, including seniors housing, victims of family violence, and investments in the north. Those are not cost-matched by the provinces, but the provinces will deliver that money for those specific needs.

• (1010)

Mr. Wayne Long: Do you see, though, a potential opportunity to get more involvement from those who are ultimately on the ground? Again, the frustration that I think a lot of groups have right across the country is that, between here and there, the message isn't quite getting through.

Mr. Michel Tremblay: As my colleague mentioned, the national housing strategy consultation is all about determining whether there are new and innovative ways of delivering housing in Canada. As the minister mentioned, it ranges from homelessness all the way to market housing. It's going through all the different levels, and we're certainly looking at various ways that could be achieved. What we have been hearing, though, from all experts and stakeholder groups is that housing is very much a local issue. So whichever way we decide to deliver it, who's involved, and so on, we still have to have enough flexibility to recognize local needs also.

Mr. Wayne Long: Right.

I have one minute, and so my question for Mr. Thompson will be very quick.

Our government has come out and talked a lot about skills training and putting more money into that bucket. Can you comment on how important you think an innovative initiative on skills training is in the fight against poverty?

Mr. Paul Thompson (Senior Assistant Deputy Minister, Skills and Employment Branch, Department of Employment and Social Development): As has been noted, the development of skills is critical to alleviating poverty and getting out of poverty. There are a number of measures that we have, both federally delivered programs and also programs delivered through the provinces and territories. We're working on both fronts. There is a range of federally delivered programs targeted at under-represented groups such as youth and indigenous Canadians, but we're also working on renewing the four transfer agreements with provinces. The two biggest are the labour market development agreements, which involve over \$2 billion in EI funds, plus the Canada job fund. We're working on both fronts, and provinces have a strong interest in looking at the barriers facing those who are farther from the labour market, and helping them get into more sustainable and higher-paying jobs. There are some supports on that front.

The Chair: Madame Sansoucy, please.

[Translation]

Ms. Brigitte Sansoucy: Thank you, Mr. Chair.

I would like to thank everyone who has come today to contribute to our committee's work. I thank you for being here this morning.

Part of your work consists in analyzing bills that are brought to the attention of MPs in the House of Commons and, depending on your respective areas of expertise, in recommending that the minister support or not support a particular bill.

I asked the minister this question earlier. I would like to have your analysis of Bill C-245, which aims to create a national strategy to reduce poverty. Could you tell us about your recommendations?

Ms. Louise Levonian: As you know, we give our opinion to the minister. As the minister just said, the content of the bill is consistent with the direction taken here today. It is very clear that they are both going in the same direction.

Ms. Brigitte Sansoucy: Thank you.

As the minister said earlier, in 2010, the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities considered a study on poverty reduction. At

the same time, a Senate committee was studying the same thing. Both of those committees published reports containing a series of recommendations. We know that the government issued a response to these reports.

However, aside from that government response, I would like to know what measures are taken in your department when such a report is published, in order to analyze and implement each of the recommendations.

Five years on, can you say that certain recommendations have been implemented and others have not for a given reason? I would like to know what the process is and how these recommendations have developed in each of your respective sectors over the past five years.

● (1015)

Ms. Louise Levonian: I will give a general answer, and my colleagues can add more details if they wish.

As a rule, we look at the recommendations and study each of them. Is it a fact-based recommendation? Is it a good recommendation? We document it all and we provide an opinion to the minister. After that, all of this information is taken into account in the response. However, that really depends on the recommendations.

In the case of recommendations that the government agrees with, we ensure that they are implemented. However, in the case of recommendations that the government does not accept, we do not check whether they have been implemented five years on.

Once again, if the recommendations are accepted and measures taken, we check to make sure that they have been properly implemented. At the end of the day, it all depends on the recommendations.

I don't know whether there is anything to add.

Mr. Jacques Paquette (Senior Assistant Deputy Minister, Strategic and Service Policy Branch, Department of Employment and Social Development): Briefly, I would add that, in this case, for example, when the document was prepared for the minister, the various reports were analyzed, both those from Parliament and those from non-governmental organizations. As you pointed out, a number of things were written, and we tried to determine how well the initiatives put forward by the current government addressed some of the recommendations formulated in the past. In the document, you will probably find a number of elements that in fact address some of those recommendations.

To answer your question, a number of recommendations were implemented immediately, or, under the current government, additional measures will be put in place to address some of the recommendations made in the past.

Ms. Brigitte Sansoucy: If I understand correctly, we will find answers in the document, but there is no official report. The 2010 Report said that a review would be conducted after five years, but there is no official report concerning the number of recommendations that were implemented or shelved. We don't have that. As the chair pointed out, we should use this work and build on it. We must find our answers in your documents and not in each of your respective sectors.

There were also recommendations concerning housing. There is a clear commitment. Housing is an important element. We know how much households have to spend on accommodation. This is an important component of every household's budget, as some of my colleagues have pointed out.

In the housing sector more specifically, how do you operate with any recommendations we may formulate? Basically, I would like to know how the results of our work will be used at the end of this year of study.

[English]

The Chair: I'm afraid we're out of time on that question. I apologize.

[Translation]

Ms. Brigitte Sansoucy: The question is out there.

[English]

The Chair: Very good.

Now we'll go to MP Ruimy.

Mr. Dan Ruimy: Thank you to our guests for coming here today.

The question I'm going to start with is for the CMHC. We heard today about the new fund of \$2.5 billion over five years to encourage building. Is that fund going to be managed through CMHC?

Mr. Michel Tremblay: That's correct.

Mr. Dan Ruimy: If I'm a non-profit who wants to build a building, I don't have to go through the provinces. I go directly through you.

Mr. Michel Tremblay: Yes. We'll have a call for applications, and people will submit it through our organization.

Mr. Dan Ruimy: Can you tell us about any parameters as to how that might be used?

● (1020)

Mr. Michel Tremblay: Sorry?

Mr. Dan Ruimy: Are there any parameters as to who might use those funds and how?

Mr. Michel Tremblay: Yes. We have some parameters. Obviously, it will have to be demonstrated that it's going to increase rental housing in a particular area. We'll also be looking at certain measures for affordability, although it is not what is called a "deep subsidy" program. It's really to increase the supply.

I think we've landed on a good balance. It's going to be, I think, 90% of the market rent of the certain area. For example, if you're in Vancouver, the rent will be substantially... Also, a certain number certain number of the units must be affordable for the median income in that area. I can't remember the precise number. I apologize, but we can get you answer.

Mr. Dan Ruimy: Do I understand that this is a loan? Or is it a grant?

Mr. Michel Tremblay: It's a lending initiative. It's lending at a low cost.

Mr. Dan Ruimy: Lending at a low cost? Okay.

I know of an organization that is building one big complex. As far as I know, just to get the shovel in the ground costs about \$5 million. Would they be able to access those funds for part of that?

Mr. Michel Tremblay: If they make an application, we will review the application, and depending on where they are in process, yes.

Mr. Dan Ruimy: My esteemed colleague on the other side mentioned a parable in French about how when you give a man a fish, you feed him for a day, and when you teach him to fish, you feed him for life. It works the same in French as in English.

One of the themes we're going to be exploring is financial literacy. That is a challenge out there that is real. We have a bunch of folks who are already in their prime and who don't have that financial literacy. How can our government speak to financial literacy for those of a younger age?

Ms. Louise Levonian: That's interesting. It's a good question. Thank you.

I want to make sure I understand your question. Is it about how the government can get to financial literacy more directly, potentially at the high school level, etc.?

Mr. Dan Ruimy: The challenge we're going to run into is that education is a provincial mandate.

Ms. Louise Levonian: Right.

Mr. Dan Ruimy: That seems to be one of the cruxes of the problem we face. Is there something we can do as the federal government that won't necessarily cross that line?

Ms. Louise Levonian: Our department isn't responsible for this, but I know that there was a financial literacy strategy that was put in place. It's about outreach, making sure that there's consensus building, and that the issue is raised among provinces, but it's not run out of ESDC, so I'm not that familiar with it.

That, for example, is the kind of thing that can be done. It can be more about raising awareness, convening power, and sharing best practices. Definitely, there are mechanisms, without entering, I believe, directly into provincial jurisdiction.

Mr. Dan Ruimy: The Canada child benefit has been in effect for a couple of months now. Is there any feedback? Any idea of how it's working? Can you speak to that?

Mr. Jacques Paquette: What I can say is that it's working as expected. The cheques are going out. Families are receiving money. The administration or the delivery is done by the Canada Revenue Agency. That's how it is being done.

We haven't heard of any issues. What we understand is that it is going as planned and is having the impact that it's supposed to have.

Ms. Louise Levonian: As the minister mentioned, there's also concern around certain more vulnerable groups not being able to access it. A lot of work is being done to try to get to the people who are less likely to access it, to provide information, to facilitate, and to find ways to make fewer barriers to accessing the Canada child benefit.

Mr. Dan Ruimy: In the 30 seconds I have left, could you speak to anything in relation to mental health? That seems to be a big challenge behind all of this. Is there anything you can speak to from your department with regard to mental health?

• (1025)

Ms. Louise Levonian: What I would say, as the minister said, is that all of this is multi-dimensional. It's not just about mental health. It's not just about food security. It's not just about income. It's all interconnected. Hopefully this will happen over the next number of months.

That includes the study you will do, which will be extremely important in providing input into creating that overarching poverty reduction strategy that will be connected with hopefully the provinces, the municipalities, and other organizations that are doing that. Hopefully part of what your feedback will be will itself lead into the strategy.

Mr. Dan Ruimy: Thank you very much.

The Chair: MP Sangha, please, for six minutes.

Mr. Ramesh Sangha (Brampton Centre, Lib.): Thank you very much to the departmental officials for being here today.

This question would probably be best answered by you, Mr. Thompson. As a committee, we are supposed to be studying the promotion of education and training. In my riding of Brampton Centre, I feel there are huge groups of youth who are not in university. They either leave education or they don't want to go to university.

Do we have the facilities to give those types of kids basic training for things like construction work? Billions of dollars are spent in the construction industry. Do we have programs for youth who leave school and want to do something in the construction industry? Do we have anything for those kids?

Mr. Paul Thompson: As I mentioned in my previous response, there are two tracks of federal investments in training, one through provinces and territories. That is one avenue where we're working on collaborating with all provinces and territories to meet the changing needs of Canadians with respect to training and youth. It's a very widely shared priority for provincial and territorial investments of those transfer programs.

We're also working very actively in federally delivered programming. I would highlight the youth employment strategy, particularly a stream called Skills Link, which is aimed at vulnerable youth, particularly those who have perhaps dropped out of high school or are not pursuing education. We're in the process of doubling that program across the country. It does invest with partners in programs that try to provide broad-based supports to get people the essential skills to move into better-paying jobs.

More specifically on your question about the trades, there's also a mandate commitment to work on pre-apprenticeship training. A lot of trades require a little bit of advance training, such as upgrading your essential skills so that you can get into the actual technical training. We're in the early stages of work on pre-apprenticeship training to deal with that target client group.

Mr. Ramesh Sangha: Will we be giving them training in the schools, or will there be some new schools? In terms of apprentice-

ships, will we putting them alongside those who are already working in the industry so that they can start working there as apprentices?

Mr. Paul Thompson: We're working on improving the training that exists but also making it more accessible for other people to get into it. The pre-apprenticeship training will help make it more accessible for individuals who are struggling to qualify for trades training.

There's also the commitment we're working on to strengthen union training centres, to increase the number of spaces and improve the technology available in union-based technical training. There's some capacity enhancement as well that we're working on in the training system there.

Mr. Ramesh Sangha: The Canada child benefit aims to take 300,000 children out of poverty. It will provide more than three million families with more support than before it was implemented. Is this target of poverty reduction still a priority? If so, what is the time frame for achieving this aim?

• (1030)

Ms. Louise Levonian: I'm sorry, just to clarify, you asked about the priority of children in poverty reduction, or generally?

Mr. Ramesh Sangha: I'm talking about poverty reduction for children.

Ms. Louise Levonian: The 300,000 number remains the expected outcome of the Canada child benefit. However, part of the paper or study that would be undertaken here, and part of what the poverty reduction strategy in the end would try to articulate, would be on the kinds of targets and indicators that we would want to have in place to ensure that poverty reduction is actually taking place.

The Chair: You have one minute, Mr. Sangha, for some closing thoughts.

Mr. Ramesh Sangha: How is the government helping children living in poverty in general?

Ms. Louise Levonian: The foremost thing that I would say, as the minister said, is that it's the Canada child benefit that was put in place. It shifted the previous programs into one program that really targets families that are more in need than were supported previously. That is a first big step in reducing child poverty. As we said, the expected outcome for that is that 300,000 children will be removed from poverty.

Are there other things that you would mention, Jacques?

Mr. Jacques Paquette: I could add, as the minister said, that the government is working with the provinces and territories to develop an early learning and child care framework that would help the development of children. We know that will also have an impact on reducing poverty. We're working closely with the provinces and territories, given that this is their jurisdiction. They have the tools, but the government announced some funding in the last budget to support that.

The Chair: We'll go quickly over to Mr. Warawa.

Mr. Mark Warawa: Thank you to the departmental officials for being with us today.

I want to focus on seniors housing. In the different forms of consultation, I've heard a number of times the importance of taking care of our seniors at the end of their lives. I was at a care facility, where the manager of that facility said that Canadians cannot afford to build enough housing to take care of our aging population, and that we have to think of how to do it differently. The average stay in a care facility at end of life for a senior is 18 months. He said that if we can reduce that to nine months, we can afford to take care of our senior population in the last days of their lives, providing dignity, pain management, and the care that Canadians deserve.

The government had made a number of comments about providing housing. That's good. Yes, we can improve and we're going to have to improve, but I think it's a combination of both. Providing better home care would be an issue for the Department of Health, not for you, but in the strategies of different departments of government federally, is there any thought given toward that? There's a limit to what we can build, and we need to change how we're providing care. A lot of this is provincial jurisdiction. Are there negotiations and discussions going on provincially, federally, and municipally? That's why I believe it's so important that we have a national strategy. Without a strategy, we're not going to get it done, so are discussions happening?

Ms. Louise Levonian: Mr. Chair, let me just answer at a very high level, and then I'll turn it over to my colleagues.

The poverty reduction strategy is meant to be, as the minister indicated, a collaborative effort. He said it is not for one jurisdiction, not for one level of government, not for one other stakeholders, but for everybody to work together to come up with a solution for it. Part of all of that is interacting with provinces and municipalities.

I don't know if there's anything that you would add on the housing part, Michel.

• (1035)

Mr. Michel Tremblay: Certainly, thank you.

The national housing strategy, as I mentioned and as Mr. Duclos mentioned, covers the whole continuum of housing. As part of our consultation process, we're obviously collaborating closely with our provinces and territories, our partners, as well as others. We also held expert round tables specifically on seniors housing in Ottawa a few weeks ago. We are looking for innovative ways and different solutions to address seniors housing, in particular.

Mr. Mark Warawa: On that, two constituents of mine who are seniors have been living together as a couple in mobile home with a leaking roof for three years. They're on fixed incomes and don't have the money to replace the roof. This is an individual case, but it is example of people who could become homeless because they do not have the resources to fix something as basic as a roof. It's not provincial; it's not federal. As a country, I think we need to look at better ways of making sure that we are taking care of people, because in that specific example, I don't know what to do to help those seniors, because there's no resources for doing so.

We are going to have to go to the Rotary club or the Lions club and try find a creative solution for this. That said, I reiterate that we need to change and expand how we're taking care of our Canadian seniors.

It's good news that we are discussing this here, but I think I'll end my time with that comment. I think we need to do better.

The Chair: You have about a minute left.

Mr. Mark Warawa: I'll give my time to Bob Zimmer.

The Chair: One minute, sir.

Mr. Bob Zimmer: Thanks for the opportunity. I won't go through a big preamble, but I just have one question.

There has been discussion, especially by the minister previously, Mr. Duclos, about a basic income guarantee. Have you costed what that program would cost Canadians?

Ms. Louise Levonian: My colleagues are saying, no, we haven't costed that.

Mr. Bob Zimmer: I hear there are some test cases that are going forward. I know there's one in Ontario, and I believe there are even some federal ones. Have these individual programs not been costed either?

Ms. Louise Levonian: I understand that there's one in Quebec and one in Ontario. I believe they're pilot projects. You'd have to ask the provincial governments whether they've been costed.

Mr. Bob Zimmer: I've seen estimates that it would cost Canadians as much as \$1.4 trillion to broadly establish a basic income guarantee. I would look forward to hearing what that number would actually be if you were to cost it, because it's a great concern. Certainly, we want to make sure that people are taken care of; but again, in talking about Joe and Jane Taxpayer, they, ultimately, will have to pay the bill for this, and it's a big one.

Ms. Louise Levonian: You'd ultimately have to define what you mean by "basic income" to be able to, in the end—

Mr. Bob Zimmer: I think what's proposed by the ministry is around \$22,000 per individual in basic income for the year. The understanding is supposed to be that other social programs would be reduced or eliminated as a result, so that it would be an offsetting thing. We've heard, with some concern, that Ontario's proposed study is talking about giving the money but not cancelling some of the other programs to offset the cost. Of course, that's going to be a dramatic increase in cost to everybody.

The Chair: Thank you very much. It has been a pleasure to hear from you again this morning.

Thank you very much for being here and allowing us to kind of pick your brains for a little bit.

If you don't mind sticking with us for a few more moments here, it's an absolute pleasure to announce that this committee has made a decision with respect to the eternal flame fund. For those folks who have ever walked by the eternal flame outside and wondered what happens to the money that gets thrown in there, it's up to this committee to determine where that money goes. It is an absolute pleasure to welcome Brian Hill, the recipient of the 2016 edition of the Centennial Flame Research Award.

Welcome, Mr. Hill.

Quite simply, this annual monetary award is given each year to a person with a disability to enable him or her to conduct research and prepare a report on the contributions of one or more Canadians with disabilities to the public life of Canada or the activities of Parliament.

Born with a genetic retinal disorder, Mr. Hill is widely considered one of Canada's best Paralympic swimmers, competing successfully in multiple Paralympic games. Mr. Hill's research will focus on the impact of sport upon the lives of persons with a disability, and how access to sport at different stages of life empowers persons with a disability. In addition, Mr. Hill will consider what obstacles exist that prevent disabled Canadians from accessing sport.

We do have a few people who would like to speak, but very briefly, because we have a very—

• (1040)

[*Translation*]

Ms. Brigitte Sansoucy: Mr. Chair, before you continue your acknowledgments to Mr. Hill, who has my congratulations, I would like you to ask the department officials to send our clerk the written answer to the question that I asked at the end of my intervention, please.

[*English*]

The Chair: That's a good question. Thank you for reminding me.

If there are additional questions, please get those to the clerk by Friday and we'll distribute them as well.

I believe Mr. Zimmer has a quick comment.

Mr. Bob Zimmer: It's only a brief comment, Mr. Hill.

I simply want it to be known that we were unanimous in deciding that you should receive this award. We like your story, and it's well-deserved. Thank you.

The Chair: Thank you.

I would like to take this opportunity to invite all members of the committee to attend the eternal flame outside, where we would like, with Mr. Hill's permission, to get a photo with him that we can include in a press release we will be sending out about this.

Thank you very much everybody. Thanks again to those who brought us all kinds of information today.

Thank you to the clerk, the analyst, and the translators of course, as always, and the technical folks.

Thank you very much.

The meeting is adjourned.

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