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

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**EVIDENCE**

**Thursday, May 16, 2019**

—  
**Chair**

**Mr. Bryan May**



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

Thursday, May 16, 2019

• (1130)

[English]

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

Mr. Diotte.

**Mr. Kerry Diotte (Edmonton Griesbach, CPC):** Mr. Chair, I would like to table this motion for which notice was given.

I move:

That, pursuant to Standing Order 108(2), the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities accept the Auditor General's offer and invite him to appear before the committee to present the findings of the spring 2019 report related to Call Centres.

**The Chair:** Is there any discussion on the motion?

Mrs. Falk.

**Mrs. Rosemarie Falk (Battlefords—Lloydminster, CPC):** It would be a great opportunity to have the Auditor General come to talk—

**Mr. Dan Ruimy (Pitt Meadows—Maple Ridge, Lib.):** Point of order, Mr. Chair.

It's just a notice of motion; it's not a debatable. It's entered as a notice of motion.

**The Chair:** Fair enough. I'll let Mrs. Falk finish her thought and then we'll move on.

**Mrs. Rosemarie Falk:** Thanks, Chair.

It's just a great opportunity, especially coming out of the AG's report last week. We know that call centres are definitely part of what this committee studies. It's important for us to have a conversation on that to know what's going to be done, what the agenda is or what the objectives are to fix that backlog and delay. There are millions of Canadians who are unable to access somebody on the other end of the phone.

**The Chair:** Thank you.

Pursuant to Standing Order 81(4), the committee will resume its consideration of the main estimates 2019-20, Votes 1, 5 and 10—

**Mr. Kerry Diotte:** Mr. Chair—

**The Chair:** —under Canada Mortgage and Housing Corporation

**Mr. Kerry Diotte:** Mr. Chair—

**The Chair:** —Vote 1 under Canadian Centre for Occupational Health and Safety, and Votes 1, 5, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, 60, 65—

**Mr. Kerry Diotte:** Mr. Chair, this motion was already tabled—

**The Chair:** —70, 75, 80 and 85 under Department of Employment and Social Development, referred to the committee on Thursday, April 11, 2019.

**Mrs. Karen Vecchio (Elgin—Middlesex—London, CPC):** Point of order, Mr. Chair.

**The Chair:** Before us today, we have the Hon. Jean-Yves Duclos, Minister of Families, Children and Social Development and the Hon. Filomena Tassi, Minister of Seniors.

Welcome, to both of you.

**Mrs. Karen Vecchio:** Point of order, Mr. Chair.

**The Chair:** We do have opening statements by the ministers. I'd like to get going with this if that's okay with all of you.

**Mrs. Karen Vecchio:** Point of order, because I do have a question.

The motion tabled today was not a new motion. The motion was something that had already been tabled more than 48 hours in advance. I'm wondering why there would not be a vote on this motion.

**The Chair:** We're going to move on. The member actually said in his statement at the beginning that it was a notice of motion.

**Mr. Kerry Diotte:** Yes. I have another notice of motion—

**The Chair:** We're going to continue with this—

**Mr. Kerry Diotte:** —that has been on the table here for quite some time.

**The Chair:** —and we're going to start with the Hon. Jean-Yves Duclos, for 10 minutes.

**Mr. Kerry Diotte:** Mr. Chair, I move:

That the Committee invite the Minister of Families—

**The Chair:** Mr. Diotte, please come to order. You do not have the floor.

**Mr. Kerry Diotte:** —Children and Social Development and departmental officials to appear to provide an update on the implementation of the seven recommendations found in the Committee's 14th report entitled: "Supporting Families After the Loss of a Child"; that this meeting be two hours long; that this meeting be held prior to Friday, May 31, 2019;

**The Chair:** Mr. Diotte, I'm going to ask you for the second time to please come to order.

**Mr. Kerry Diotte:** —and that this meeting be televised.

**The Chair:** Mr. Diotte, I have asked you for the third time to please come to order. I've recognized Minister Duclos, for 10 minutes.

Thank you.

Minister, the floor is yours.

[*Translation*]

**Hon. Jean-Yves Duclos (Minister of Families, Children and Social Development):** Thank you, Mr. Chair.

It is a great pleasure to be here with my colleague Minister Tassi and, of course, the distinguished members of this committee.

I would also like to remind you that we are currently on the traditional territory of the Algonquin people.

As I mentioned a few moments ago, we are grateful for the excellent work the committee has done in recent months.

As Minister of Families, Children and Social Development, my main objective is to increase the economic and social security of all Canadians. I must say that, at Employment and Social Development Canada, we are extremely proud of what we have done in recent years to help Canadians cope with the various transitions in their lives. We are working and will continue to work for Canadians in the middle class and those working hard to join it. This is a major feature of the platform of the government that was elected in 2015: to grow the economy by growing the middle class and by helping more Canadians to join the middle class. The plan is working.

Since 2015, one million new jobs have been created. We have the lowest unemployment rate since 1976. We have one of the highest growth rates among all developed countries. In 2019, a typical middle-class family has \$2,000 more in its pockets than in 2015. As for the economy, our debt is decreasing and will soon be at its lowest level in 40 years. Finally, in 2019, Canada had the lowest poverty rate in its history.

Some of the programs that have made a difference include the Canada child benefit, which contrasts sharply with the programs of the previous government, Mr. Harper's. The Harper government's programs were poorly targeted and favoured the families of millionaires. In addition, it was difficult to benefit from them. Families often had to wait until their income tax returns were filed to receive assistance and often had to pay taxes on the assistance they had previously received. It was also complicated for the government to manage.

In July 2016, we introduced the Canada child benefit, the most innovative social policy of this generation. It is a program we can be proud of. It is simple for families. They receive one cheque every month, and the amount is tax-free. It is easy for the government to manage. It is fair, because 9 of 10 families receive the Canada child benefit, an average of \$500 tax-free per month. Finally, as I said a few moments ago, this is helping to significantly reduce the level of poverty in Canada.

In addition, yesterday, I had the opportunity to announce that this benefit would be indexed. On July 20, in fact, it will be increased for the second time in two years.

As part of that announcement, I talked about the "20th of the month" effect, which I heard about a few weeks ago when I was in my riding in Quebec City. Middle-class and lower-income families tell me about the "20th of the month" effect. Community organizations find that, starting on the 20th of each month, when the benefit is deposited in the bank accounts of middle-class families, parents are less stressed and children are less concerned about their parents' financial security. Children go to school with a fuller lunch box, containing snacks and good quality food. This is a wonderful social and economic achievement for our country. In 2016, we were already predicting the "20th of each month" effect. We knew that it would have a macroeconomic impact and would contribute to the significant economic growth we have seen since 2015. However, we are seeing that it is also very important at the microeconomic level, affecting families and children.

Of course, we have accomplished a number of other things, such as launching the first poverty reduction strategy in Canadian history. Once again, yesterday and this morning, I met with stakeholders who congratulated us on the fact that, for the first time in the history of the Canadian government, we have serious and rigorous indicators to measure poverty and social exclusion. We also have credible targets, and organizations such as the soon-to-be-established National Advisory Council on Poverty, to monitor and hold the government accountable for achieving its targets.

The national housing strategy, a first in Canadian history, has a budget of \$55 billion and will have a whole host of socio-economic impacts across Canada. Among other things, it will provide more than half a million Canadian families with safe and affordable housing. Without this strategy, many of those families could well have ended up on the street.

● (1135)

There is also a new program to combat homelessness, which will eventually double the budget for federal government support to communities and reduce chronic homelessness by at least 50%.

We are also making very significant investments in programs for seniors, which Minister Tassi will be talking about in a few moments.

In the latest budget, we are going even further. For example, we are making it easier for first-time buyers to own a home. We know how difficult it can be for young middle-class families in Canada to achieve the dream of buying their first home, starting a family, having children and becoming involved in their communities. It is a dream, because it is difficult for them to believe that, one day, they will have the means to buy a home.

In addition to facilitating access to a first home, the measures in Budget 2019 improve the home buyers' plan (HBP) by making it more flexible. For example, some families who already own a first home unfortunately have to separate. When they want to start a new life with a new spouse, these measures give the newly formed families the opportunity to have access to the HBP again.

In addition, Budget 2019 provides a reduction in interest rates on student loans, a new Canada training benefit and an EI training support benefit, which will provide workers with money and time to continue to invest in their skills and support the economic growth of Canadian businesses.

Finally, Budget 2019 contains a substantial increase in the guaranteed income supplement, which will give between \$4,000 and \$6,000 more to seniors who are willing and able to work a little longer after age 65. Minister Tassi will be able to say more about that.

I will keep this short, because I look forward to your questions and comments.

In closing, I would like to mention that, over the past four years, there have been major changes in the ability of middle-class families to support their children and communities. The result has been economic growth that Canadians could not have hoped for before 2015. That's because we made the right choice. When we invest in people and the middle class, the economy grows. We have seen how wonderful, how amazing, the results are. We will continue to provide this program to Canadians.

However, for this program to be implemented, senior officials must work very hard every day. This is the last time I will appear before you in this term, and I would like to congratulate them. Some are here with us today and many others are working elsewhere to deliver the Government of Canada's agenda. I would like to congratulate them because they often receive all sorts of criticism. They work under challenging conditions. Resources are always scarce. The deadlines are tight. The missions are weighty. I would like to congratulate the people from the Canada Mortgage and Housing Corporation and from my department, EDSC, for everything they do, of which Canadians are unfortunately not sufficiently aware. We can be proud of our public service.

Thank you.

• (1140)

[English]

**The Chair:** Thank you very much, Minister Duclos.

Up next, we have Minister Tassi. The next 10 minutes are all yours.

**Hon. Filomena Tassi (Minister of Seniors):** Thank you, Mr. Chair, for inviting me to contribute to the important HUMA committee study on the Government of Canada's main estimates for the 2019-20 fiscal year. I'd like to thank and congratulate all members of this committee. As a number of you know, it was a committee I served on. I really appreciate the very important work you do and your passion for the work here.

As my colleague the honourable Jean-Yves Duclos, Minister of Families, Children and Social Development clearly explained a few

minutes ago, ESDC has made investments to fulfill its mandate to Canadians—very significant investments that have changed the lives of many Canadians. I also want to mention the appearances of my colleagues Minister Hajdu and Minister Qualtrough before this very committee a number of days ago.

The purpose of my appearance today as Minister of Seniors is to speak about this year's main estimates, as well as to provide some clarifications on what the Government of Canada plans to do for seniors. All of you on this committee know that the seniors population is growing. It's estimated that by 2036 seniors will represent one-quarter of Canada's population—25%. We know we have to act now. We have to prepare now. We have to implement programs and put them in place to ensure that the needs of our seniors are met, and also to create opportunities so that seniors can be conscientious contributors to communities and be actively engaged and involved.

We recognize that the Parliament of Canada has the power to do this, but also we want to acknowledge that we have a duty to do this.

In this year's main estimates, you'll notice that there is an increase of \$2.5 billion to the old age security pension and the guaranteed income supplement. This is due to the changes in the average monthly rates and in the increasing number of recipients. This will continue to help support middle-class Canadians and those working hard to join, especially the ones among the seniors population.

I am working very closely with my cabinet colleagues to develop innovative initiatives to ensure that our seniors can have an active and healthy retirement. I want to assure you that I'm also working with our provincial and territorial partners. In fact, I'm looking forward to the next FPT meeting, which will be taking place next week.

If there's a file that overlaps and requires a collaborative approach, it's absolutely this one. I look forward to the contributions of all to ensure that, as we work hard for our seniors, they are going to get the supports that they need and that they deserve.

The government has already implemented a number of measures to improve the quality of life for seniors. First, we restored the age of eligibility of the OAS and GIS from 67 to 65. This measure has prevented 100,000 seniors from going into poverty. We also increased the guaranteed income supplement for the most vulnerable seniors. This has lifted 57,000 seniors out of poverty and has had a positive impact on 900,000 seniors in this country. We've also improved the Canada pension plan so that future retirees all across Canada can enjoy a more secure retirement and have more money in their pockets. It ultimately will result in an increase of up to 50% in CPP earnings. I recognize that this isn't for our present seniors population, but I believe it's critical that we look to the future and prepare for seniors of the future. This measure is going to make a great difference in the lives of our future seniors.

We recognize that income security is very important for our seniors. That's why we have made these investments. In addition, the Government of Canada is preparing to make further investments to ensure the financial security of retirement-age seniors. One measure that I will address is in budget 2019, which proposes to improve the earnings exemption in the guaranteed income supplement. The current exemption sits at \$3,500 a year. What we are proposing in budget 2019 is to increase this exemption from \$3,500 to \$5,000, and then 50% of the next \$10,000 is eligible. Finally, a very important measure is to also include, for the first time, seniors who are self-employed. This is going to keep the hard-earned money of seniors in their pockets, and I think it will also combat ageism.

We recognize the contributions that seniors make to our communities and our workforce. If seniors want to continue working, then we want to incentivize them to do that because we know that we all benefit from their experience, their wisdom and their knowledge.

This is a very significant measure in the budget that I'm very happy about.

• (1145)

Budget 2019 also proposes legislative changes to the CPP that will ensure that Canadian retirees receive the full value of their pensions. We're proposing that, in 2020, we will proactively enrol and register Canadians who are entitled to CPP at the age of 70 if those individuals have not applied. It's interesting that there are a number of Canadians who are entitled to CPP and just don't have knowledge of it. It's estimated there are 40,000 people in Canada who are entitled to this benefit. If seniors are entitled to benefits we absolutely want to ensure that they receive them. This is another measure to make that happen.

In addition to the income security piece, we also know that the health and well-being of seniors is extremely important. I've had the opportunity to travel and engage with seniors across the country, as well as family members and organizations that work with and for seniors. This has been a real honour and a privilege. One of the issues that comes up repeatedly is the issue of social isolation. This is concerning to our government, so we are taking action.

In budget 2019, we are proposing a very significant increase to the new horizons for seniors program. That's an increase of \$100 million over five years. It's \$20 million, and then after that it's \$20 million per year. This investment actually represents a 40% increase in the

new horizons for seniors program. This is going to help support programs that are being offered across this country—both community-based and pan-Canadian. The community-based projects have goals that specifically help combat isolation, elder abuse and elder fraud, which we know are important to combat. They will encourage and promote mentoring and volunteering and provide infrastructure investments to help provide safe and secure spaces for seniors to gather.

As I've said, I've actually had the opportunity in my travels to visit programs that are taking place across the country. When I do that and engage with the seniors who are benefiting from those programs, I can tell you that these investment dollars are second to none. They are really making a difference in the lives of seniors.

I've seen some of what these measures have resulted in. For example, I've seen seniors centres that are able to purchase new equipment and provide exercise, yoga and mindfulness classes, which is something I strongly support and see great value in. They're offering intergenerational activities—that's so important—and providing valuable awareness education and training about elder abuse and elder fraud.

Those are some of the goals that these investment dollars will help us achieve.

In addition to this, we know that most seniors—not all seniors, but the majority of seniors—want to age in place. In this regard, our government has invested \$6 billion in home care and palliative care, so that seniors can stay in their communities if they want to. These transfers, of course, are going to the provinces and the territories; it's the provinces and the territories that will determine how those dollars are spent. The idea is that if a senior wishes to age in place, we want to give them the support to do that.

Budget 2019 also strengthens this initiative through an investment of \$35 million in the assisted living program. This investment will help first nation seniors and people with disabilities retain their autonomy and stay at home in their communities near their families. Budget 2019 also proposes an \$8.5 million investment in the development of a long-term care strategy for first nations and Inuit.

Mr. Chair and members of the committee, it's clear that the 2019-20 estimates represent a significant step forward for those who built this country. We are proud of what we have accomplished as a government and optimistic for the future of Canada's seniors. I can assure you today that we will continue to work tirelessly to implement measures to improve the quality of life of seniors.

I thank you once again for giving me the opportunity to appear before you today. I know Minister Duclos and I are now available to answer questions.

• (1150)

**The Chair:** Thank you, Minister. Thank you to both of you.

Before I continue to introduce the rest of the table and start questions, I'd just like to go back to the beginning of the meeting briefly and explain the process.

We had a motion that was moved—

**Mrs. Karen Vecchio:** On a point of order—

**The Chair:** Unfortunately, the vice-chair who put it on notice is not here. I'd like to give that person's replacement an opportunity, if she wishes, to move the motion.

**Mrs. Karen Vecchio:** I just want to share the fact that the motion we're referring to was tabled by Kerry Diotte. It was not tabled by John Barlow. There is confusion about the motion. This was already tabled.

**The Chair:** Okay.

**Mrs. Karen Vecchio:** I don't want this to take away from my time, but this point of order...or this motion should be dealt with. It has been tabled already. It was tabled on April 30, 2019, by Kerry Diotte.

**The Chair:** You are correct. The first motion, however, the one that I'm referring to, was in fact tabled by John.

If you wish to move the second motion, I will give you that opportunity to do so now.

**Mr. Kerry Diotte:** I'll do that right now, Mr. Chair. Thanks.

I move the following:

That the Committee invite the Minister of Families, Children and Social Development and departmental officials to appear to provide an update on the implementation of the seven recommendations found in the Committee's 14th report entitled: "Supporting Families After the Loss of a Child"; that this meeting be two hours long; that this meeting be held prior to Friday, May 31, 2019; and that this meeting be televised.

Thank you.

**The Chair:** Mr. Long.

**Mr. Wayne Long (Saint John—Rothesay, Lib.):** Good morning to everybody.

Chair, I move that the debate be now adjourned.

**Mr. Kerry Diotte:** With a recorded vote, obviously.

**The Chair:** We'll have a recorded vote.

(Motion negatived: nays 5; yeas 4 [See *Minutes of Proceedings*])

**The Chair:** I just want to make sure there's clarity. Unfortunately, the nays have it—Mr. Hogg voted against—so we are continuing debate.

•(1155)

**Mrs. Karen Vecchio:** [*Inaudible—Editor*] appropriate language, by the way. "Unfortunately" should not be used when we lose a debate.

**The Chair:** Mr. Richards—

**Mr. Dan Ruimy:** Sorry, but on a point of order, I understood that he misunderstood the question. It was clarified, and then he voted for —

**The Chair:** No, he still said "nay".

Mr. Richards, go ahead.

**Mr. Blake Richards (Banff—Airdrie, CPC):** Thank you, Mr. Chair.

I'm really glad that the attempt by the Liberals to shut down the opportunity to have this discussion was foiled. It is important that there be an opportunity to have this discussion.

The bottom line is that the motion is simply asking for the minister to come here. I noticed today that there was one hour, and half of that time was used by the ministers to give opening statements. There isn't much opportunity to ask questions. I know that members have questions about a variety of different areas for two different ministers. The motion simply asks that an update by the Minister of Families, Children and Social Development be provided to the committee on the recommendations that were in your 14th report, "Supporting Families After the Loss of a Child".

There were a number of important recommendations in that report that would be there to benefit and support families who have had the tragic loss of a child. Those recommendations were made by this committee. A number of them were to put in place a number of initiatives, which I'll maybe get to in a second, that would provide these proper supports and these opportunities for families and show the proper compassion that they deserve coming from their government. These would seem to me to be the kinds of measures that I can't imagine there's even a need for any political debate on. They seem like the kinds of things that should be no-brainers, and about which we shouldn't need to have the kind of tricks we saw the Liberal members try to play in order to shut down debate. They shouldn't be the kinds of things where we see the stall and delay tactics that we've seen from this government. This should simply be something where we all understand and recognize that it needs to be fixed and we go ahead and just make the changes that are needed.

That said, does anyone have the date on which the report was tabled?

**A voice:** February 8.

**Mr. Blake Richards:** So it's been since February 8 that the report was tabled. Of course, the government's been aware of these proposals for a long time. Thousands of people across this country have written in, signed petitions and called their MPs. It's not like this was a big surprise, even on February 8, that these were the kinds of recommendations people were asking for. There's been no indication of any action. There's been no indication of even any kind of an update given by this government on what they are doing in this regard.

I think the families deserve that. They deserve that. We're coming very close to the end of a parliamentary session before an election. They deserve that opportunity. I think we saw today how much the government will do to try to avoid giving families what they deserve and giving families even the courtesy of some information or a simple update. That's pretty pathetic, frankly. It's pretty pathetic. I think the least the government could do is have the minister come here and give some kind of an update to these families. Just show them a little bit of courtesy and a little bit of respect. Give them some kind of an update on what's being done to make sure that these needs and these asks are being taken care of.

These are simple asks, right? They're simply asking for some dedicated resources from employment and social development. That's one of the recommendations. They're asking for employees to show some better compassion when dealing with bereaved individuals. I won't even get into some of the stories. We've all heard them. They were here in testimony at the committee. Members heard them. They're asking for some protection of their jobs under labour standards legislation to allow a leave of absence to deal with grief.

**The Chair:** Yes, Mr. Long.

• (1200)

**Mr. Wayne Long:** On a point of order, I just question the relevancy here. Are we not debating a motion to invite the Auditor General here?

**The Chair:** No, we're not.

**Mr. Wayne Long:** Okay.

**The Chair:** Mr. Richards.

**Mr. Blake Richards:** Thank you.

These are simple things, and I don't need to go through them all. They're simply asking for compassion, and the final one, of course, the most important one, is that there has been a desire to see some kind of a bereavement leave created for these parents. It was something that was agreed to by all parties on this committee. It was simply that Employment and Social Development Canada should change the eligibility requirements for employment insurance as they relate to maternity and parental benefits. Bereavement leave is accommodated in the program and provides income support for 12 to 15 weeks for parents grieving the loss of an infant child.

These are asks, and I just can't imagine how anyone could hear the stories that everyone has heard on this committee and not want to try to help.

When we see these kinds of tricks to try to adjourn debate without even having a debate on the motion, these kinds of tricks that we've seen all along to try to stall this, to delay this, to not provide these opportunities.... If this government wants to try to fool these families into believing that they're going to do something if they get re-elected, the least they could do is come here and face the committee and therefore the parents and the families who are affected and just answer why that's the case, why they couldn't find the will to do this, because we all know it's the right thing to do.

I really hope the government members won't try another trick to try to delay and stall this. Let's have a vote on this motion, and we'll see where everyone stands, who stands with these families, who stands behind them, and who wants to show the the proper support and compassion they deserve.

If the members of the government side choose to try to adjourn the debate, we know where they stand.

**Mr. Dan Ruimy:** Point of order.

**The Chair:** Mr. Ruimy.

**Mr. Dan Ruimy:** With respect to my colleague trying to force a vote, my problem here is that the government has 120 days to respond. We have not heard that 120 days' response that is due by

June 7, so trying to push us to vote for something when we haven't heard a response from the government is playing games, in my opinion.

**The Chair:** Sorry, but that's not a point of order.

Mr. Richards, you have the floor.

**Mr. Blake Richards:** I think that possibly shows a misunderstanding on the member's part. The bottom line is that the motion is asking that the minister come to the committee to provide some kind of an update on what's being done with the recommendations, which gives the member exactly what he's asking for, so I certainly hope he'll choose to support the motion.

I really do believe that any member who refuses to support this motion, who tries to adjourn the debate or votes to adjourn the debate is not showing the respect and compassion these families deserve. I really hope there's nobody on this committee who will do that, because it's the wrong thing, and they all know it.

**The Chair:** Mr. Long.

**Mr. Wayne Long:** Chair, I move to adjourn the debate, please.

**The Chair:** All those in favour of adjourning the debate?

**Mr. Blake Richards:** Let's have a recorded vote, please.

**The Chair:** I'll repeat the question. The question is on adjourning the debate.

(Motion agreed to: yeas 5; nays 4 [See *Minutes of Proceedings*])

**The Chair:** Mr. Richards.

**Mr. Blake Richards:** Point of order, Mr. Chair.

I just want to point out to all the families who are listening and hearing this that what we just saw was—

**The Chair:** Is this a point of order, Mr. Richards?

**Mr. Blake Richards:** —a pathetic example of a government not showing you the support and compassion you deserve.

• (1205)

**The Chair:** We have the minister in front of us today—

**Mr. Blake Richards:** I apologize on behalf of all members of the House of Commons—

**The Chair:** —so if you don't have a point of order, we're going to get to questions.

**Mr. Blake Richards:** —for that incredible lack of compassion.

**The Chair:** Up first we have MP Vecchio.

**Mrs. Karen Vecchio:** Thank you very much.

Thank you very much to Blake Richards. I know this is something that he worked very, very diligently on. I had the opportunity to work on this as the shadow minister for families, children and social development—looking at the needs of these families and having the opportunity to speak to them as well.

I recognize that this government wants to come with the sign of compassion, but there are many programs that we see out there that need to have more flexibility.

My first question is with regard to the first-time home buyer incentive. I had put this into the record when I gave my speech on this.

Douglas Porter from BMO indicated:

The program will only apply to those with household income below \$120,000, and with a maximum mortgage and incentive amount of 4-times.... As such, the impact will be contained to the lower end of the market below roughly \$500,000 and, arguably, that's the level where affordability challenges only really begin.

He continued to say that we'll understand the reality of these markets in both the greater Vancouver area and greater Toronto area, seeing that this incentive will actually not have the impact.

I went a little bit further. Last night, at 6:30 p.m. on May 15, there were only six listings on MLS for all of the greater Toronto area that would allow somebody to purchase a home for less than \$500,000. The statistics from April 14 to May 12, covering 5,770 new listings, show that the The average home price in Toronto is \$939,828.

How do you think this program will actually impact the housing market in Toronto and areas like Vancouver when only six homes in the greater Toronto area—only six—are available for this? Can you share with me how this is actually going to help the housing continuum in the area of Toronto?

**Hon. Jean-Yves Duclos:** Helping families, and younger families in particular, have access to safe and affordable homes has been at the core of our mandate since 2015. We know this because we've essentially doubled investments in housing in the first project—

**Mrs. Karen Vecchio:** Specifically, with regard to the city of Toronto, can I have your thoughts on this?

**Hon. Jean-Yves Duclos:** I will come to that in a moment.

As I kind of mentioned already, we know that these challenges for younger families are particularly severe in places like Toronto, Vancouver and other larger cities. As we all know, when those younger families are challenged—

**Mrs. Karen Vecchio:** Minister, this is my time. I have three questions. I want to get specific to Toronto. I want to look not specifically at the affordable, but at the end of the housing continuum, specifically at this first-time home buyer incentive that only allows six homes in the entire Toronto area to be looked at. If you could get specifically to that question....

**Hon. Jean-Yves Duclos:** Although I will be passing the microphone, with your permission, to the CEO of CMHC, Evan Siddall, before I do that, I would signal that these are challenges that go beyond Toronto. However, they are particularly severe in Toronto. That program is going to make a very significant difference in the ability of younger families not only to reach their dreams of owning their first homes, but also to invest themselves in their families and in their communities.

If it is all right, Mr. Chair, maybe I should pass the floor to Evan.

**Mrs. Karen Vecchio:** Since you're going to be passing it over, I will pass this secondary question to you, as well, then, if that goes fine.

Part of the issue is that you're going to be borrowing \$1.25 billion dollars over three years to have this program work. We have people and economists stating—and this is a quote—“If this offer sounds

too good to be true, that's because it is. This is a subprime lending plan that ought to raise red flags with taxpayers, who backstop the CMHC.”

Can you share with me how CMHC is prepared to deal with this risk, as well as specifically the Toronto markets where the affordability issue is key? That's why we're finding this continuum having issues. As we move outside of the greater Toronto area, we see the home prices continue to go up. Share with me how the risk is going to be dealt with and how six homes in Toronto...how that's going to be inflated greatly under this program.

**Hon. Jean-Yves Duclos:** Before Mr. Siddall does that, may I also say that he, being representative of CMHC, could also, if there was time to do that, signal how important CMHC's role is now in 2019 compared to previous...to 2015. CMHC not only has the tools, the knowledge, the data, the research, the staff—

**Mrs. Karen Vecchio:** Okay. Thank you, Jean-Yves.

**Hon. Jean-Yves Duclos:** —but also the policy tools to make a huge difference to the national housing strategy. Of course I will pass the rest—

**Mrs. Karen Vecchio:** Minister Duclos. Thank you very much.

I have a minute and a half. If I could have a succinct answer, I would greatly appreciate it. It should be succinct and go directly to how you are dealing with the risk. I only have a minute and a half, and I have one more question.

• (1210)

**Mr. Evan Siddall (President and Chief Executive Officer, Canada Mortgage and Housing Corporation):** Shall I respond to that, Mr. Chair?

The first-time home buyer incentive is not a subprime lending program. It is not a lending program, in fact. It does not bear interest on the part of the borrower, nor does it require repayment at the insistence of somebody else. Those are both the hallmarks of debt.

The risk inherent in the program could go up or down, depending on house prices. We will manage that risk, as we do other risks.

In response to your first question, in 2018 there were 13,000 homeowners insured in the city of Toronto. The estimated number of those who were first-time home buyers is 11,000. Of those, 2,300 would have qualified for the program. That's in the city of Toronto.

**Mrs. Karen Vecchio:** Excellent. Thank you very much.

In the city of London, 68,000 people between the ages of 25 and 64 are unemployed. Their unemployment rate sits at 5%. There are also 10,000 jobs available, so obviously there is a real problem connecting employers to employees. We recognize that skills are part of the issue.

When the federal government talks about 5%, I'm wondering why it's not talking about the fact that 68,000 people in the city of London are not working at this time. They're not even in those unemployment numbers. Those people are outside those numbers. We recognize that some of them might be on disability. That could be 10% of them. What are you doing for those other 90%?

**The Chair:** I'm afraid that's the time, unless you have a five-second answer.

**Hon. Jean-Yves Duclos:** That's very unfair, because there would be so much to say about what we've done, what we're doing and what we hope to keep doing in the future to help workers be at their full potential in the labour market.

**The Chair:** Thank you, sir.

Mr. Long.

**Mr. Wayne Long:** Thank you to our ministers for being here this morning to share with us your vision for Canada. I want to thank you for what you are doing to change the lives of Canadians.

Certainly, one thing I have learned over my four years as a member of Parliament is that good government and good government policies are for the many, not for the few. Whether it's a program like the Canada child benefit, which is literally changing the lives of hundreds of thousands of people, or whether it's a national housing strategy whereby upwards of \$55 billion is being invested to change the lives of Canadians, these are programs that make a difference in the lives of Canadians.

I'm proud to be part of a government that is delivering these programs, unlike, say, a tax-free savings account, which was proposed to be doubled in 2015 but which only 2.7% of Canadians actually maximized. Again, I thank you for what you're doing.

Minister Duclos, in my riding of Saint John-Rochesay we are making tremendous progress in our fight against child poverty and generational poverty. One of the other programs, though, that I think is transformational and will make a big difference in people's lives is the Canada workers benefit. As I understand it, by automatically enrolling low-income people in the benefit when they file their taxes, our government will help more than two million Canadians keep more of their paycheques.

What impact do you expect the implementation of the Canada workers benefit to have on the already record low poverty levels we have achieved through the introduction of the Canada child benefit and other historic investments in poverty reduction?

**Hon. Jean-Yves Duclos:** Thank you, Wayne, for your hard work. I won't go into details about that, because it would be too damaging to your humility, but you worked very hard with me from the very start to engage with your community. I will keep very good and long-lasting memories of what we've done since then.

"Working for the many" is exactly what we've done since 2015. Investing in middle-class families and lower-income families makes a big difference. I mentioned earlier that we have a million new jobs, the lowest unemployment rate since 1976, middle-class families that are \$2,000 better off than in 2015, the lowest-ever poverty levels in Canada and debt that is falling relative to the economy and will soon be at its lowest level in four decades. This is immensely great news,

and it's because we have the right people in mind when we implement our policies.

The Canada workers benefit is exactly that type of benefit. By automatic enrolment, making it simple for families to receive the benefit, 300,000 low-income workers will receive the benefit, unlike in the previous, complicated, unfair system the Conservatives promoted.

The fact that we are making it more generous means that two million low-income Canadians will receive greater incentives and support to be engaged in the labour force. Of them, 75,000 will be lifted out of poverty. That's just one measure of the Canada workers benefit, which was introduced just a few weeks ago, on April 1.

• (1215)

**Mr. Wayne Long:** Thank you, Minister, for that answer.

I would like to share the rest of my time with MP Morrissey.

**Mr. Robert Morrissey (Egmont, Lib.):** Minister, I want to acknowledge the very progressive changes that our government, under your leadership, made to the EI program, in stark contrast to the draconian measures that were implemented under the Harper Conservative government that we replaced.

One of my constituents wrote to me that getting people back to work and rewarding them for that work while on EI is important, as it puts money in workers' pockets and keeps them active in the workforce.

I am concerned about the most vulnerable of the seasonally unemployed—those working at minimum wage and just above—and I would appreciate your sharing your thoughts on this with the committee. If they find some part-time work while they're on an active EI claim, they really do not see the full benefit of that part-time work because of the clawback.

Following our theme of helping low-income working people, could you share your thoughts with the committee on how we could look at making improvements in that area?

**Hon. Jean-Yves Duclos:** Yes, we have indeed put into place significant improvements to the EI system, because we know that the EI system is absolutely essential for families who are suffering for reasons of loss of jobs, loss of health. They also sometimes go through normal cycles—maternity benefits, parental benefits. Sometimes they need to give help to others—the compassionate care benefit, the family caregiver benefits. All of these are important measures to look after those who can then look after others—children, sick ones, relatives and so on.

We've been doing quite a lot, and I could give you numbers. I am an economist. I like numbers. I could give you all the changes in detail. The simple point is that by helping people have a real and fair chance in life, everyone benefits and we all are better off.

What we need to do now, given the changing economic and social circumstances we see across Canada, coupled with the environmental challenges that are going to have an impact on the ability of businesses and firms and employers and employees to make ends meet, in the context of those important changes is that we'll need to continue investing, especially in areas of our country where we need the participation of everyone.

We need the full participation of the seasonal workers. The flexibility to the working while on claim program, which we put into place just a few weeks ago—and now it's a permanent program—is going to be helping workers who need to transition to a new job. They don't want to lose the hard-earned earnings they are getting while making that transition, so we want to make sure those workers have support and the ability they need to do exactly this sort of transition. Sometimes those transitions are absolutely essential because of the seasonal aspects of the economy.

**The Chair:** Now we will go over to MP Sansoucy for six minutes.

[*Translation*]

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

Mister Minister and Madam Minister, thank you for being with us today for our study on votes.

I was very interested in what you said about the anticipated increase for the new horizons for seniors program. I can actually see the benefits of this program in the riding I represent. However, I'm most interested in what is not in the votes.

I was in the House last week when we debated Motion M-201 for an hour. I was angry. I felt that wanting to take credit for a beneficial reform has its limits. In the past year, I have tried four times to introduce a motion that says essentially the same thing. Four times, what we saw earlier in that meeting happened again. The Liberals, who have the majority on our committee, asked for the debate to be adjourned so that we could not discuss it.

In the past year, our committee could have done the study on the 15 weeks of EI sickness benefits. Four times, the Liberals were not allowed to vote for the motion.

In recent months, we have studied benefits for bereaved parents, a topic we discussed earlier, episodic disabilities, and precarious employment. Each time, witnesses have told us that the employment insurance program needs to be reformed and the sickness benefits improved. Most organizations, most of the public and most unions agree that action must be taken now. There is a broad consensus. In the past year, the committee could have taken action and conducted that study.

You met with Marie-Hélène Dubé, who collected 600,000 signatures. Yesterday, I held a public session in my riding on this issue, which was very popular. The issue affects people. Last week, I asked you about the story of William Morissette, from New Brunswick,

who, in addition to fighting cancer, has to fight the government for his benefits. That's outrageous.

This reflected the many accounts we heard from people in similar situations who have exhausted the 15 weeks of sickness benefits to which they were entitled. Some sick people, like William Morissette, are turning to crowdfunding to survive. This can be seen across the country.

Figures from your department indicate that 150,000 people need more than 15 weeks. Let me stress that we are talking about 150,000 people who have qualified for employment insurance. The distinction is important. As witnesses from your department who appeared before our committee indicated, 6 of 10 people do not qualify for employment insurance.

Mr. Minister, in 2016, you and the Prime Minister said on, Radio-Canada's *Téléjournal*, that employment insurance sickness benefits should be improved.

Sick people are looking forward to hearing what you intend to do about those benefits. So let me ask my question again. Mr. Minister, when exactly will you be improving EI sickness benefits?

● (1220)

**Hon. Jean-Yves Duclos:** Thank you, Ms. Sansoucy.

You know how much I like having these conversations with you. You are a member of Parliament who listens to everyone suffering and struggling to make ends meet, for reasons totally beyond their control in all cases. Not only do you listen, you can also relay the messages you hear, and that I hear too.

As I just said, we know full well that the employment insurance system is fundamental to the economic security of millions of families in Canada. There will always be more to do and always more to say.

However, over the past few years, we have introduced two new special benefits. There is the shared parental benefit, which gives an additional five weeks to families who need some time to take care of their—

**Ms. Brigitte Sansoucy:** I apologize for interrupting you, Minister, but I would prefer to know when the sickness benefits will be increased.

Still, I would like to take the time I have left to ask you a second question, about measuring poverty.

In your strategy, you have chosen a measure that decreases the poverty rate for seniors from 14.2% to 4.9%. According to the economist Andrew Jackson, the low-income measure counted 828,000 poor seniors in 2016, while the market basket measure included only 284,000 for the same period.

In addition, you said that 40,000 seniors—I took careful note—would be entitled to the guaranteed income supplement, but would not automatically receive it yet.

You are therefore choosing a measure that, statistically speaking, reduces the number of poor seniors. However, 40,000 more seniors may be eligible for the guaranteed income supplement.

However, in Budget 2019, there is nothing about the needs of the most vulnerable, no substantial amount for social housing for refugees, no strategy for indigenous people, either urban or rural.

Why are you playing with statistics to reduce the number of poor seniors in Canada? Why are those 40,000 seniors who are entitled to the guaranteed income supplement still not receiving it automatically?

[English]

**The Chair:** Be very brief, please. We're almost out of time.

[Translation]

**Hon. Jean-Yves Duclos:** My colleague Ms. Tassi will be able to answer your question better, but she will not have time to say everything in a few seconds.

In 2015, we introduced a great program for seniors. They have never received so much attention from the federal government or so many positive policy changes.

The Conservatives wanted to raise the retirement age to 67. Reducing the age to 65 again prevents 100,000 vulnerable seniors from living in poverty. This is just one example. Not to mention the increase in the guaranteed income supplement, the increase in the Canada pension plan and the national housing strategy, which will have very significant impacts on seniors. We have also increased health transfers to the provinces for home care and mental health care. Through the new horizons for seniors program, we have made investments to help seniors feel comfortable. In the last budget alone, we increased the program by 50%.

It's a shame we don't have more time. If you wish, Ms. Tassi and I would be pleased to go over with you the long list of investments we have made for seniors. That said, there will always be more to do, because seniors need the support of the Canadian government.

•(1225)

[English]

**The Chair:** Thank you.

Now we go over to MP Ruimy for about five minutes.

**Mr. Dan Ruimy:** Thank you very much to everybody for coming here today.

In my riding of Pitt Meadows—Maple Ridge, when I'm knocking on the doors, here's what I'm talking about: the game-changers of the Canada child benefit, the Canada worker benefit, the doubling of the Canada summer jobs program, the \$55-billion national housing strategy, the first-ever national poverty reduction strategy, the EI compassionate care leave, the family caregiver benefits. That is just to highlight a few of the things.

What I want to focus on, Minister Tassi, is seniors. One of the things that I hear from my seniors is “What about us? What about the seniors?” In 2016, in my riding, 1,490 seniors benefited from the 2016 top-up of GIS and received an average of \$740 more a year.

Through our committee work we heard more, where we could be doing more.

In budget 2016, there was a lot more for seniors. Minister Tassi. Can you break that out for us, please?

**Hon. Filomena Tassi:** Thank you for that question, MP Ruimy. I know you've had strong advocacy with the seniors in your riding, and I deeply appreciate that.

Before I answer your question, I want to respond to MP Sansoucy, who acknowledged a figure that I gave. For clarification, the estimated 40,000 is not OAS or GIS recipients. It's recipients who are entitled to CPP, but who are not aware of it. Most of them are women, which is why we implemented the automatic enrolment at the age of 70 in budget 2019. We're proposing that in the budget so that those seniors who are entitled to CPP but are not aware of it will actually be entitled to that benefit and receive it. That will happen through the automatic enrolment.

That also ties into MP Ruimy's question with respect to income security because that's what this is all about.

Previously we have taken measures. Our government has been working hard for seniors from the day we were elected. The OAS and GIS rollback of the age of eligibility from 67 to 65 prevented 100,000 seniors from going into poverty.

I'm glad to see that you've experienced the impacts of the GIS increase for seniors in your own riding. That's lifted 57,000 seniors out of poverty and had a positive impact on 900,000. That measure was targeted towards vulnerable single seniors, for whom we knew we had to do a little more because they were struggling to make ends meet.

We are building on that in budget 2019. In 2019, with respect to the guaranteed income supplement exemption, we've increased it from \$3,500 to \$5,000, then 50% of the next \$10,000, and then also included seniors who are self-employed. That's a first. It's a significant step to include self-employed seniors.

I'm very happy to see that because, not only does this help with income security—which is very important amongst our seniors population—but it also helps combat the ageism piece. If seniors want to stay in the workforce, it ensures that we are encouraging them or incentivizing them to do that, not because they need to, but because they want to. We know that when seniors are part of the workforce, we all benefit.

The other area I'd like to comment on is ensuring that seniors are getting the benefits that they are entitled to. That's why we have the automatic enrolment now with the GIS and OAS. Now there's automatic enrolment in those programs. If seniors are entitled to benefits, we absolutely want them to receive those benefits. That also goes to the CPP automatic enrolment. I believe I've said that most of those 40,000 recipients that we believe are entitled but haven't applied are women. We want to continue to build to ensure that seniors are receiving the income support that they need and deserve.

**Mr. Dan Ruimy:** Thank you very much.

I do want to point out a lot of the good work this committee has done has led to these kinds of recommendations that we've seen in our budgets and come into play and that are actually impacting the people in all of our ridings.

I'm going to pass on whatever time I have left to Mr. Hogg.

• (1230)

**The Chair:** You have 30 seconds.

**Mr. Gordie Hogg (South Surrey—White Rock, Lib.):** Minister Tassi, you made reference to the Seniors Come Share Society. You visited one in White Rock that's been in existence for 42 years. It's keeping a lot of people in their homes and surviving at home with the supports they get there. You also talked about the growth. In 27 years, 25% of our people are going to be seniors. There's a pressing need with respect to the increase of dementia. Can you talk about how those might be complemented by the works that you're doing?

**Hon. Filomena Tassi:** Do I have only 10 seconds?

**Mr. Gordie Hogg:** Yes.

**Hon. Filomena Tassi:** I had a great visit to your riding. It was fantastic to see the new horizons for seniors program at work and the amazing work that organizations in your community are doing to help provide healthy food for seniors.

The dementia strategy is something that the Minister of Health has the lead on. Although dementia is not limited to seniors, we know that over 400,000 seniors aged 65 and over are facing dementia. I've met with many seniors and their caregivers. This is a very important file. We've committed to a strategy, as you know.

In budget 2019, we've also committed \$50 million to the implementation of this strategy. We look forward to this strategy being implemented. I have great respect for those caregivers who are helping their family members face this very challenging issue.

**The Chair:** Unfortunately, that brings us to the end of our first hour. We are going to suspend briefly. I promise I will introduce those who have been at the table this whole time.

Thank you to both ministers for being here today.

We'll suspend briefly.

• (1230)

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

• (1235)

**The Chair:** We will resume.

I will take a moment to recognize all the appearing witnesses.

From the Department of Employment and Social Development, we have Mr. Graham Flack, Deputy Minister, Employment and Social Development; Leslie MacLean, Senior Associate Deputy Minister of Employment and Social Development and Chief Operating Officer of Service Canada; Mark Perlman, Chief Financial Officer and Senior Assistant Deputy Minister of Chief Financial Officer Branch; and Benoît Robidoux, Associate Deputy Minister, Employment and Social Development.

From Canada Mortgage and Housing Corporation, we have Evan Siddall, President and Chief Executive Officer; and Lisa Williams, Chief Financial Officer.

Welcome, and thank you all for being here today.

Mr. Sangha, for six minutes.

**Mr. Ramesh Sangha (Brampton Centre, Lib.):** Thank you, Mr. Chair, and thank you very much to the officials for coming to the committee and for your valuable input.

Canadians are very happy with what the government has chosen to do. It has made a commitment to fighting poverty and is working in better ways. The reason behind that is its investments that are working, and is going to result in changes in the future too. We know we can also do much more. Can anyone explain the poverty line and the market basket measure? Can you explain it to the committee? How does it work and how was it chosen?

**Mr. Benoît Robidoux (Associate Deputy Minister, Employment and Social Development, Department of Employment and Social Development):** In developing the poverty reduction strategy, the minister and the department consulted broadly with Canadians and experts. There are three measures of low income in Canada. One is called the low-income cut-off, which is based on how much a household spends on food compared with an average household in Canada. You need to spend 20% more than an average household to be considered low income.

There is also the low-income measure that is based on the median income of the family. If your family has an income below 50% of that median income, you are considered to be in low income. We call that a relative measure of income.

The third one that exists is the one you mentioned, the market basket measure that has existed since 2000. This one is more directed at what people think about poverty. It takes into account the basic elements people need to meet their basic needs, which we call a moderate standard of living. I can tell you what is included. It's basically four specific elements: food, clothing, transportation and shelter.

There is also another category, which accounts for about 20% of the expenses that go into the baskets. They are other necessities. The way we view it at the department is that these other necessities bring people a bit above the basic needs. We look at what people need to meet these basic needs and a bit more, and we compare that to the income that people have. In a nutshell, this is the market basket measure. In some sense, it's trying to do a relative measure that's going directly to the concept of what people need to not live in poverty.

I hope this helps. I could go into more detail, but it's kind of complicated and difficult to follow.

• (1240)

**Mr. Ramesh Sangha:** It's obvious that there are significant costs to the government and to society when people live in poverty, particularly with increased spending on health care or the criminal justice system. How will the government's initiatives work effectively for Canadians?

**Mr. Graham Flack (Deputy Minister, Employment and Social Development, Department of Employment and Social Development):** Given the current state of labour shortages, I think one of the most powerful forces in changing the dynamics you just talked about is the market pull we're seeing. Employers in every part of the country are finding skill shortages and are working hard to identify individuals they might not otherwise have looked for to fill those positions. Those market forces are among the powerful factors that make government programs work better, because companies are actively seeking these individuals.

They cover a wide range of areas, and I'd put them in two buckets. One would be the programs designed to help deal with mismatches—that is, you have individuals who are trained, but maybe not for the skills employers are looking for. At our last appearance at the committee, we talked about apprenticeship as one of the examples where the skill shortages are very significant, and where the opportunities for individuals—without necessarily taking multi-year courses to fill those positions—are quite high.

We have a range of programs that recognize that one in five Canadians is actually working in skilled trades. For those individuals who may have been outside the labour market, or haven't had post-secondary education before, this is a really interesting pathway.

I'll give some examples. There's an apprenticeship initiative grant provided to the employers of \$1,000 per level per year for the individuals. There's a grant when those individuals complete the program. There are interest-free loans that can be provided to people doing the apprenticeship programs. That's an example on the mismatched side, and we would be happy to provide the committee with more details on those things.

The area that I think is more challenging, and on which we're making significant effort, is the individuals from groups that have historically not been participating at the same rates in the labour market. I think of indigenous people as a great example of that. That's where we have community-based programs, such as the indigenous skills program, to be able to drive this.

I think it's about working together not only to pull more people into the labour market to reduce the mismatch, but also working with those market forces that are very helpful in terms of employers identifying those skills that are necessary.

**Mr. Ramesh Sangha:** It's a good idea to bring people into the labour market. More people going into the labour market will reduce poverty.

My question is—

**The Chair:** Mr. Sangha, I'm sorry. I have to cut you off, as we're well past time. Thank you.

Up next is MP Falk, please.

**Mrs. Rosemarie Falk:** How much time do I have?

**The Chair:** You have six minutes.

**Mrs. Rosemarie Falk:** Okay. Thank you.

I just want to make a note. This isn't really a question, but more of a statement. Minister Duclos had this term, “20th-of-the-month effect”. I don't know if it was the department that coined that term in

2016, or the government, but I became a mother for the first time in 2013, and I noticed the 20-month effect well before then, under a Conservative government that supported child benefits. I just have to make sure I put that on record.

I have a question regarding new horizons. We know that for years, the new horizons for seniors program has delivered funding to community-based projects and that it has done great work, especially with engaging youth and seniors together. It makes a difference in the lives of both the youth and seniors. Unfortunately, again—just like last week, when I brought up the Canada summer jobs program—several of my colleagues have raised concerns about the delivery of the program this year.

As we know, MP offices are provided with lists of approved projects for funding and are invited to contact the organizations and their recipients to inform them of their successful applications. After MPs' offices were contacted, ESDC informed them that these lists were inaccurate. This happened after phone calls were already made. In some cases, funding was reduced, increased and, in one instance, completely revoked. The errors they have described can obviously have devastating outcomes for organizations, especially if they're already implementing plans to execute these programs and if they were already told that funds were committed to them.

This concern is compounded by an issue I brought up last week—I know that some of the officials were here for that as well—with the AG's report, concerning the government's failure to help the eight million Canadians who are trying to access somebody on a phone and aren't able to do that. It's compounding after compounding—let alone the fact that most of these organizations are run by seniors already. It adds a layer of confusion: you have been approved, now disapproved, and now you can't contact anybody and you're told to call back, but the voice mailbox is full.

I'm wondering if the department has a response for these organizations why these funding errors occurred.

● (1245)

**Ms. Leslie MacLean (Senior Associate Deputy Minister of Employment and Social Development and Chief Operating Officer for Service Canada, Department of Employment and Social Development):** I'd be happy to take the question, and if there's a desire for a follow-up question on the call centre audit, I'd be happy to take those questions as well.

Yes, there absolutely was human error committed by my staff and me. We apologize, and we have reached out to all the organizations that had an incorrect amount of funding.

Very simply, we were extracting the information from our database. It was human error, and we didn't have the dollar amounts aligned. I am not aware of any organizations that were not qualified. I'd be happy to follow up off-line on that. The fundamental issue was the misalignment of dollar values. In all cases, we have been reaching out individually to the organizations to explain our error. Of course, we're apologizing for that error. We've been moving forward quite aggressively. My understanding is that we already have 654 agreements set up as a result of the funding in budget 2019.

If there are organizations that have outstanding questions, it is a Service Canada error. We're happy to correct it with any organization that has outstanding questions.

Again, my apologies.

**Mrs. Rosemarie Falk:** What is being done to correct that? If funding was approved for  $x$  dollars, and then all of a sudden some was revoked, is Service Canada honouring the initial amount?

**Ms. Leslie MacLean:** In all cases where we provided the incorrect amount to the MP, when we follow up to set up the agreement, we're of course using the correct amount and explaining our error. So, there should be no agreements with anyone that have the wrong amount. The error was in the information we provided to members of Parliament to provide to the organizations.

**Mrs. Rosemarie Falk:** So, you're just adjusting it to what the member of Parliament....

**Ms. Leslie MacLean:** That's exactly right, yes.

**Mrs. Rosemarie Falk:** What is the department doing to ensure that this isn't repeated, if it was human error, just to make sure that seniors and members of Parliament don't have to go through this again?

**Ms. Leslie MacLean:** We have an approach we use within the organization of "lessons learned", and we have already had one of those exercises on this, both to understand what factors led to the error in the first place and to make sure that we have a good approach for quality control going forward, so that we don't repeat the error. We do that sometimes after large implementations when things go well, and sometimes when they don't go as well.

We've already had the opportunity to think through what caused the original error, and what things we will be doing differently in the future.

**The Chair:** MP Hogg.

**Mr. Gordie Hogg:** In B.C., we have a number of issues with respect to the homeless and homelessness, both chronic and episodic. I noted that previous plans sought to reduce both episodic and chronic homelessness by 20%. Last year's statistics, I think, showed that it had actually increased by some 6%.

In departmental plans, 20% was to be achieved by the 2018-19. This year, the goal is not mentioned for the episodically homeless. Does that mean the metrics we were using, or the challenges that were there, are no longer part of the budget? How are we now dealing with this? What are the metrics we're looking at? What are the strategies to address chronic and episodic homelessness?

• (1250)

**Mr. Graham Flack:** The target under the Reaching Home strategy remains a 50% reduction in chronic homelessness by 2027-28. You are correct that each year for, I believe, three years now we've done a count. One of the challenges has been measurement. This isn't an area where there is an easy measure. I think there is still room for refinement. The error rate on that measure isn't as tight as it might be with some other samples.

The goal, however, remains the same. The investment in Reaching Home is about \$2.2 billion over 10 years—I think it hits its peak level in 2020-21 of \$237 million per year—and the goal is to move chronic homelessness to less than 50% of its current level by 2027-28.

Did that answer your question?

**Mr. Gordie Hogg:** Yes, but I'm still a bit stuck on the metrics, given how challenging they are to evaluate. I know that during the winter months, when we have a better winter, we see people migrating from other parts of Canada to the lower mainland of British Columbia and Vancouver Island. It's a pretty fluid population, and we've seen a lot of media coverage over this past year on homeless camps.

I'm wondering whether or not there are strategies to deal with this, given the population and the shifts. How do you make determinations with respect to the allocation of funding—where it will go, and where the most dramatic challenges exist?

**Mr. Graham Flack:** The programming has long-standing arrangements with larger communities that have been in place for some time, communities that have had a persistent level of homelessness. In addition to that, with the new resources, the government is doing a call for proposal to add additional communities to that, with an evidence-based assessment of which communities have the greatest need in the next year.

But you are identifying one of the big challenges that we've historically had in this area, which is getting a precise handle on the number of individuals, given that for many, homelessness may be a transitory feature and not constant.

So I'd say that for the bulk of the resources, there's enough stability that the cities and the programs and the community-based programs that are developed are designed to reflect that. But I think you're quite right in pointing out that this is a community that, given weather and other patterns, can move, and the program is not nimble enough on a sub-annual basis to be able to make those kinds of movements.

**Mr. Gordie Hogg:** I think the focus on the homelessness and chronic and episodic homelessness represents about 1% of your budget.

How much did that lever with provinces and community-based organizations? I'm trying to get some sense of the overall quantum that we as a society look at and focus on in this type of challenge. What percentage does the federal government play within that framework? What are the principles being applied? Are there a set of principles that are best practice models applied across Canada, or are there practices that are employed in other parts of the world that we may have learned from?

What are the best practices and what percentage of those does the federal government play a role in? What role do we play in trying to establish best practice models?

**Mr. Graham Flack:** I don't have the precise numbers here, but in terms of spending, we would be the smallest of the spenders of the three levels of government in the area, in the space. The provinces and municipalities would spend larger amounts than we spend in the space, but we will try to follow up and get the most recent global figures so you can get the full percentage for this.

One of the lessons in the new strategy for dealing with homelessness that we took into account was really to have a community, bottom-up approach to homelessness. One of the new features of the program is that community-based design to allow it to be tailored to the unique circumstances of the community and the strategies that have worked there. That is, I think, one of the lessons that has been learned, not only from Canadian but also from international experience of not trying to impose a common approach in each area, given the results.

•(1255)

**Mr. Gordie Hogg:** As a principle of public policy, we generally want to go closer to where it's being implemented and the impact it's having on the communities, so I'm delighted to hear that.

We see quite a reaction in some parts of our province to homeless people being moved around aggressively. I don't know whether there are best practices in that regard. It's a simple principle. Those people who are being impacted should be consulted about the practices and the implementation of the policy.

Are those things looked at? Are there best practice models that we should be looking at that we could be providing guidance to or with?

**The Chair:** A brief answer.

**Mr. Gordie Hogg:** Just as a value statement, rather than as an implementation practice....

**Mr. Graham Flack:** One of the best practices is around coordinated access, to have a common system to allow booking of the rooms. That's something on which a national approach, a national investment in the kind of software that would allow people to do that, can be useful. That's an example of where a national practice rather than just a bottom-up approach may be useful.

**The Chair:** MP Kmiec, please, five minutes.

**Mr. Tom Kmiec (Calgary Shepard, CPC):** My questions are strictly for the CEO of CMHC, and are specific to vote 1 and vote 10.

I'm just going to continue where we left off last Tuesday at the public accounts committee when the Auditor General tabled the report criticizing the board management at the CMHC.

I was told that in the last two or three weeks an email went out from you, Mr. Siddall, to your staff about the management of the shared equity mortgage program. You were canvassing your corporation, the staff, for ideas on how to do the rollout of the program.

Is that true?

**Mr. Evan Siddall:** Not in my recollection, sir, no, it's not.

**Mr. Tom Kmiec:** Is there no such email existing?

**Mr. Evan Siddall:** We're certainly in the midst of operationalizing it. There was not a broad canvassing of my colleagues, though, sir.

**Mr. Tom Kmiec:** Following up from public accounts committee last week as well, you're asking for a large sum of money and you will be asked to be the agent of the Crown. That's what you had told me at committee. I heard from Mortgage Professionals Canada, just downstairs today, and from others as well, that rolling this out would take up to 10 months just to get the IT systems into place on the broker side, on the loan side.

Has that been taken into account at all in the rollout of this program?

**Mr. Evan Siddall:** We're taking all those factors into account, sir.

We intend to, and we will, stand it up by September, as the government promised we would do, for all available people.

**Mr. Tom Kmiec:** Is that still the case even if on the private lenders' side, they won't be able to keep up with you?

You'll be able to deliver the program, but what happens if B lenders, unregulated lenders, credit unions don't have the IT systems in place? They won't be able to offer these shared equity mortgages. However, the big banks with large IT departments will.

Will you still proceed ahead?

**Mr. Evan Siddall:** We will not proceed ahead in a way that discriminates against lenders.

In fact, our solution, sir, is to fulfill the funding on our own, as opposed to through lenders, because of this particular technical difficulty.

**Mr. Tom Kmiec:** Okay, then, we talked briefly about the B.C. home ownership plan at the public accounts committee and you mentioned that it was a different program.

I've been told now by several groups—and it's on the record at the finance committee—that it was a much more generous program than the shared equity mortgages being offered right now. Additionally, there was a 43,000-person target to reach. It only reached 3,000 after 15 months, and it was dropped as a program. The B.C. government abandoned it.

It shares a lot of similarities with the shared equity mortgage program as it's being proposed right now. Do you think that this is a mistake then to proceed with it?

**Mr. Evan Siddall:** I don't, sir. It was different program in one very important respect: The B.C. home ownership plan was a loan of down payment money. This is not a loan. This is a form of equity.

**Mr. Tom Kmiec:** The difference is that this is government borrowing. It's \$1.25 billion from the Crown borrowing programs. It is borrowing.

**Mr. Evan Siddall:** It is borrowing by the government. I did not speak specifically enough.

On the part of the homeowner, the homeowner is not subject to a claim on that amount by us until they make that decision, nor do they have to pay us interest. Both of those would have applied in the B.C. home ownership plan.

**Mr. Tom Kmiec:** Pardon, you just said on the homeowner's side... but that specifically hasn't yet been declared by the government.

Has that public policy decision been made, that when the homeowner sells the home, it will trigger the government's equity stake in it to then get the proceeds back?

• (1300)

**Mr. Evan Siddall:** The terms and conditions have not been finalized; that is true.

However, it is certainly consistent with the shared equity mortgage program generically, sir. It would be a sharing of gains and losses as recognized at the point of sale, or other circumstances that are yet to be determined.

**Mr. Tom Kmiec:** I have a stack of responses to information requests made of the B.C. Freedom of Information office from that time period.

In a December 19, 2016 email between you and Gregory Steves, deputy minister for the Office of Housing in the B.C. government... There was an exchange with staff at CMHC and you as well. There was also joking around at one point about how public servants aren't always able "to set the direction" of public policy.

It sounds like the combination of what I've heard at the public accounts committee, and I—

**Mr. Wayne Long:** On a point of order, Chair, we're here to talk to the department about the mains. I don't know the relevance of this.

**Mr. Tom Kmiec:** On the point of order, Mr. Chair.

**The Chair:** I can rule on this, but if you wish—

**Mr. Tom Kmiec:** I'm happy to do so.

To Mr. Long, under vote 1 and vote 10, the department is being asked to act as an agent of the Crown. Therefore, the salary spending that the department will be doing and the \$2.6 billion is what we're about to approve at this committee.

That's why it's relevant to this discussion.

**The Chair:** Agreed. Thank you.

**Mr. Tom Kmiec:** How much time do I have, Mr. Chair?

**The Chair:** We paused your time, so you have 41 seconds left.

**Mr. Tom Kmiec:** Hopefully, we'll have another round then.

In that exchange, though, it sounded like you were saying that the CMHC did not agree that the B.C. home ownership program could not set the direction. You were unhappy with it, and others in your department were as well.

However, it seems like you, CMHC, are going to be deciding on a lot of the public policy terms and conditions of this federal shared equity mortgage program.

**Mr. Evan Siddall:** Those decisions will be made by the Minister of Finance, not by me at all. We will implement them, but they'll be made by the Minister of Finance.

The particular exchange I think you're referring to, sir, relates to the fact that we, as an insurer—CMHC—had to make a decision about the applicability of the B.C. home ownership program as a form of adequate down payment or not. We charge a surcharge in the case of unconventional down payments, such as a loan. Because it was a loan, as opposed to the shared equity mortgage program, we thought it was unconventional and we charged a premium on top of it.

**The Chair:** MP Benson, please, for three minutes.

**Ms. Sheri Benson (Saskatoon West, NDP):** Mr. Flack, I just want to make one comment about trades training and apprenticeship for your consideration. For many people, especially indigenous folks and women, or non-traditional people in the trades, they often have to live on employment insurance in order to take the training portion, which is 50% of their income, and it doesn't sustain them. That is a barrier.

The other barrier, especially for folks in Saskatchewan, is the ability to get to trades training. The fact that we no longer have an inter-city provincial bus service is a big deal. I just mention that to encourage your looking at issues from a holistic perspective, because sometimes when we do that, we tend not to blame the victim, but ask, "Why aren't you in it?"

There are lots of reasons, so I just wanted to tell you that. I've been around that conversation for a long time, and I'm sick of hearing that there's a skilled trades shortage. We've been listening to that for over 20 years, so I'd like something to really happen there, and I think those are some of the issues.

Mr. Siddall, I just want to ask you to respond. I've raised in the House of Commons—and now Adam can't say anything—some of the challenges people are having with the co-investment fund. I don't have enough time, but I have a list of some of the challenges that I've raised them in the House. I've been assured that they've been addressed. I just want you, as succinctly as you can, to let me know what some of those issues were and whether you've dealt with them, because it's been very unsubscribed, especially in my province.

Thank you.

**Mr. Evan Siddall:** As of April 15 of this year, there have been 49 letters of intent signed in nine provinces and two territories for more than \$180 million under this particular fund. We are in the ramping up phase. One of the things we've done is to have allowed letters of intent to count earlier so that people can secure that and get additional funding. We've accelerated our own processes, even as we stand up the—

**Ms. Sheri Benson:** What about some of the challenges with applying for it? I know some groups have abandoned the process because of the long application. It was difficult to navigate. You're at the end of the application, and you have to go back to the beginning, and you couldn't. You had to erase all of it.

I guess I'm looking for some basic things you've done to improve the process. Are you saying you allowed more options around those who can be co-funders or supporters of an application?

• (1305)

**Mr. Evan Siddall:** The essential thing we've—

**The Chair:** A brief answer, please.

**Mr. Evan Siddall:** The essential thing we've done is to set up a client solutions function where people will do outreach to applicants and effectively hold their hand through the application process, or do the work on their behalf that they can approve.

**Ms. Sheri Benson:** But you haven't changed the application?

**Mr. Evan Siddall:** The application, unfortunately, requires information that, by law, we need to have in order to risk the investment.

**The Chair:** Thank you.

That brings us to the end of the round. We will start another round.

Up first we have Mr. Kmiec.

**Mr. Tom Kmiec:** All my questions are for the CMHC and to the president again. Vote 1 and vote 10 are why I'm asking these questions, because you're going to be managing a \$1.25 billion program for the government.

I've been told by multiple members on the government caucus side at the finance committee that this program is transformational. On BNN, on May 8, in an interview, sir, you said that it was "marginal"; you were saying this was marginal. Which is it? Is this a transformational change or is this marginal?

**Mr. Evan Siddall:** When I made the reference to it having a marginal impact, what I meant was that it was directed to the particular people who were affected by being excluded from the home ownership market. One can call that transformational for that

group. It is, in market terms, a program that works at the margin, and it directed surgical attention to that particular issue.

**Mr. Tom Kmiec:** Can we walk through the numbers, then, together because the government has used 100,000? The Department of Finance has used it, and we've had a conversation about this at the public accounts committee. I have asked multiple groups how they got to 100,000.

This is the back of the napkin math I have used in doing it. There are 100,000 people who are supposed to be helped by this program, but the average home price in Canada is \$455,000. If we just assume past builds and nothing new, at 5% it would help about 54,945, and that's assuming a home price at \$230,000. The average price in Canada is \$455,000. The average in Ontario is \$594,000, and in B.C. it's \$686,000. I don't think \$1.25 billion is enough money to help 100,000 people. Do you know where that number comes from?

**Mr. Evan Siddall:** It comes from some math that was done of the universe of people who could be affected.

One of the things that's important is that we don't use average prices. In fact, the average price in Canada, for example, is \$470,000. The average insured price is \$284,000. For starter homes it's even less than that.

It's different in certain markets, certainly, but using average house prices to do this calculation is not the right basis.

**Mr. Tom Kmiec:** Those calculations that you just mentioned, are they internal to CMHC?

**Mr. Evan Siddall:** The numbers that I just gave you are not internal to CMHC. Those are average house prices for the country.

**Mr. Tom Kmiec:** But in terms of the calculation to get to the 100,000 estimate, have you done any of that work already on behalf of the government?

**Mr. Evan Siddall:** I think, sir, those calculations were done by the Department of Finance.

**Mr. Tom Kmiec:** Actually, they said the opposite. They said CMHC did them.

I'm sorry, this is the situation now. They said it was you, and you said it was them. We'll try to figure out who it was.

**Mr. Evan Siddall:** I can attempt to explain it to you.

I'm trying to get a chart that I was looking at earlier in order to talk you through it. Here it is. Splendid.

This is eligible first-time homebuyers in the country, using 2018 data. I should say that this does not include the effect of the program, which could introduce new potential homebuyers. This is based on the old restrictions. At that time, the total number of insured people in the country was 184,000. Of those, 118,500 were first-time homebuyers. The eligible number of those—those who would have qualified under the program, sir—was 75,600. Over two and a half years, that would be 189,000. The percentage of those who might be eligible for the program was around 64%—this is some math that was done. The maximum recipient number was 39,000. Over two and a half years, that's approximately 100,000.

**Mr. Tom Kmiec:** Is the document you just read from publicly available?

**Mr. Evan Siddall:** What I just read to you is now publicly available. The document itself is not.

**Mr. Tom Kmiec:** The document isn't. Would you be able to provide it to this committee?

**Mr. Evan Siddall:** I'll investigate whether I can.

**Mr. Tom Kmiec:** Okay. That happened at the public accounts committee, and CMHC didn't want to follow up with some of the information you had committed to provide. I'm just a little concerned that I may not get it in the lead-up to the vote on the budget.

**Mr. Evan Siddall:** If it's not otherwise protected, we'd be pleased to send it to you.

**Mr. Tom Kmiec:** What kind of protection would it have?

**Mr. Evan Siddall:** It could be confidential advice to ministers.

**Mr. Tom Kmiec:** Okay.

You mentioned that you were going to be giving advice to the finance minister on this. Is CMHC charged with determining all the terms and conditions for this program prior to its release in September?

• (1310)

**Mr. Evan Siddall:** No, we are not.

**Mr. Tom Kmiec:** Will some of it come from the Department of Finance, or from the Minister of Finance, or the minister that you are responsible to?

**Mr. Evan Siddall:** I think that's a question for them.

I will tell you that we will be giving advice.

**Mr. Tom Kmiec:** Policy advice, or administrative advice on the terms of the program?

**Mr. Evan Siddall:** Policy advice on the terms, and administrative advice on the operationalization of the program—both.

**Mr. Tom Kmiec:** To go back to those stacks of emails that were exchanged between you and the B.C. government about the B.C. home ownership plan, there was talk there of a premium for these unconventional down payments.

**Mr. Evan Siddall:** Yes, sir.

**Mr. Tom Kmiec:** Will you be suggesting to the government to charge a premium on any mortgage ensured by the CMHC that has a shared-equity component of the property?

**Mr. Evan Siddall:** No, because it's not borrowed money.

**Mr. Tom Kmiec:** You believe that it was not borrowed money.

**Mr. Evan Siddall:** It doesn't create a financial burden on the part of the homeowner, sir. That's the difference.

What we're worried about in charging that premium is that there's an increased risk because of the burden of leverage or indebtedness, and the shared-equity mortgage program was designed, of course, not to be that.

**Mr. Tom Kmiec:** Could I ask you one last question? It's on the administrative component of it.

You're saying there is no additional risk to the homeowner component, but that there is additional risk to the taxpayer, because the taxpayer is footing, through a Crown borrowing program, these equity stakes that will be going out. Would that not, then, engender a premium to be charged just in case? Are you saying there's absolutely zero risk to the taxpayer as well? Or is it just to the homeowner that there's zero risk?

**The Chair:** Make it a brief answer, please.

**Mr. Evan Siddall:** Zero risk is a thing that I want to be careful not to endorse.

In answer to your question, sir, there will be no additional premium charged to the homeowner. That's correct.

**The Chair:** Up next is MP Ruimy, please, for six minutes.

**Mr. Dan Ruimy:** Thank you all for still being here.

There are a lot of interesting conversations going on, but I want to come back to and follow up on comments made by my colleague Gordie Hogg on homelessness.

We know this is a subject that has blown up, so to speak. We see it everywhere, in a lot of small cities and in a lot of big cities in this country. We are almost at a breaking point.

In my riding of Pitt Meadows—Maple Ridge, there's actually a standoff happening between the province and the municipality, for lots of different reasons. It's unfortunate, because both sides want to see progress being made. The question is how that progress is being made. What are the challenges they face, and how can they move forward with this? It's an almost impossible situation to be in.

There's a program called Reaching Home. That's where I want to come from, because when people talk to me about homelessness.... You have to break it up into silos. You have people who have addiction issues, and they're deeply entrenched. You have seniors who just can't afford to pay any more; they're stuck and they don't have a home. You have single-parent families that just aren't making enough money. You have youth who are couch surfing; they are totally left behind and they have no place anymore.

One of the things I always say is that those are separate issues. What I want to tackle, if we really want to prevent homelessness, is this: How do we catch the young people so they don't fill the pipeline of future homeless people?

I think the Reaching Home program is speaking to that. Can you help me out, Mr. Flack?

**Mr. Graham Flack:** You're right about unbundling the elements of homelessness. One of the big elements of the government's plan, as members are aware, is actually Evan's very ambitious plan of access to a home for everyone. The homelessness piece.... As you make the possibility of homes more affordable for people, you can move people into that market. As you say, if seniors have enough income, they are able to rent and not rely on this.

You specifically focused on youth and not creating a new pipeline for that. I would unbundle that problem by saying that it isn't simply a homelessness problem. If we have those youth successfully transitioning to school, so that they have a source of income when they come out of that, then they have the means to avoid homelessness.

That's an example of one of the things that members are voting on in the mains—the Pathways to Education program. It's an exceptional program in many communities in Canada that has had tremendous results in moving people who are at risk in the high school area into education pathways that, as you say, cause them not to join that cycle; otherwise, they may be homeless because their parents were in a precarious economic position.

I think the real hallmark of the Reaching Home strategy is this bottom-up community approach to determining how best to do that. There are different approaches that may work in different communities, in terms of how to avoid homelessness and what to do. Rather than there being, in the federal strategy, rules we're imposing on how to do that, the communities are developing their own approaches to that.

For example, in indigenous communities that are more remote, the answers to how to address homelessness in that youth component could be quite different from those in a larger city.

• (1315)

**Mr. Dan Ruimy:** If the mayor of my city is faced with a very divisive issue that has been going on for the last three and a half years, what resources could that person access? There are the housing strategy, temporary modular housing and all those things, but they don't speak to a large portion of it.

How do we help municipalities get over the hump they're facing?

**Mr. Benoît Robidoux:** That program is community-based. This is one of the rare programs at the department that is community-based. It's not with the provincial government and it's not directly to people but to communities. This is a first. The way it's designed is that we provide incentives for everybody to sit together as a community and figure out together the right thing to do. I have to say too that the government would have doubled by next year the funding for most of the regions.

Again, this provides for more to be done. With regard to the health component, we know that in the past, with the old program, prevention was not really prioritized the same way. The community could decide that prevention would be one big part of their plan. The national housing strategy has a big component for affordable housing that will feed into trying to find homes for homeless people. That's part of the investment that will complement the homelessness strategy.

I could go on and on about the training side in regard to the other programs we have that are supporting this community—in the case of youth, for example, finding them a job and a house, putting them on a stable path and maybe providing them with some health support too if they have drug additions or other issues. There are lots of programs. Again, as we were saying before, provinces put a lot of resources into that. The idea is to create some complementary things and to move forward, but with the community.

The answer is really within the community. As the DM mentioned before, I believe, the coordinated intake that we're trying to implement with the community, where they know where these people are so that they're not being treated many times at different places but in kind of a coordinated way, will help a lot in terms of having more success and delivering better outcomes for these people.

**Mr. Dan Ruimy:** Do we have any results as of yet, or is it too soon?

**Mr. Benoît Robidoux:** It was launched in March, so it's a bit early for the results. We'll have them at some point.

**Mr. Dan Ruimy:** Thank you.

**The Chair:** Next is MP Benson, please, for six minutes.

**Ms. Sheri Benson:** With regard to both the internal evaluation by your department and the community consultations, I might get in trouble for this, but when communities asked for an ability to have some flexibility on their end to deal with it, I don't believe that equated to ending the criteria to use Housing First as an approach. That's an evidence-based approach to ending homelessness, one of the only ones in the world. I think it was a huge mistake for you to back off from that.

Now, I realize that the federal government provides only a very small amount in the whole scheme of things, but that's the point. What happened in most communities, what happened in my community, was that there wasn't enough to do Housing First because there wasn't enough from the provincial government for the supports. Communities were struggling. They had to choose. It was either-or. I'm trying to say that it has to be both. I'm not blaming anybody for saying get rid of the criteria because it really hampered their community. Those folks are on the front line, and those people are standing in front of them. I acknowledge that. I just think that's very unfortunate.

I had a conversation this morning about a program started under a previous government. I don't really care whether it was Conservative or Liberal. To be able to actually respect community development, there needs to be some consistency when people are interacting with the federal government. I think it was a huge mistake to take that away, as some communities were just starting to realize.

Some of the pieces that you've kept in Reaching Home, the coordinated assessment and all those things, grew out of communities starting to look at the solution to homelessness as easy: It's a home, a safe and affordable place to call home. Whether you're addicted, whether you can't go to school, you need a place to live. The fact that students in my riding live in cars and still go to school—I mean, they deserve a medal, but they shouldn't be having to go to school that way. They hang in there.

When it comes to social programs, I find that the federal government doesn't give community groups the same respect they give business. You had people at the table, you did your own internal evaluation, and none that said to remove this great piece of work, an intervention that actually has been proven to make a difference. I don't know if you want to comment. Obviously, you can tell where I'm coming from. I don't like people who say that Housing First is a program. It is not a program. It has principles and values that allow a community to get somewhere. I guess I'm imploring you to reconsider or to do all you can to encourage those communities who have.... Like, the Medicine Hats will continue on with Housing First, because that changed that community.

• (1320)

However, I would like to see the federal government again championing that evidence-based research intervention. That's the next piece of work that we needed to do, and now we can't. How does it work for women fleeing violence? How does it work for young people? We know that young people are homeless for very different reasons. They would have liked to stay at home. They've left home because it's dangerous, because they've been assaulted or because there was violence. I know groups are coming forward now to say they'd like to look at those other aspects.

I'll give you a chance to comment on my.... I don't know what you'd call it. It's not a rant; it is really a plea. Speaking as someone who was part of that transition in her community—I'm speaking that way, not as a parliamentarian—it made a big difference. We needed to keep going, and now I can't.

• (1325)

**The Chair:** Be very brief, please.

**Mr. Graham Flack:** We appreciate the comments. I just want to be clear. Communities can and, as you indicated, still are using housing first as an approach. The change in the program, though, was to allow communities to take the decision on which approach to use. It also doubled the funding.

I just wanted to highlight that. Thank you.

**The Chair:** MP Long, for a very brief round, maybe just under three minutes.

**Mr. Wayne Long:** Thank you, Mr. Chair, and thank you to everybody for coming in.

I lived this one first-hand. My mom is a senior citizen, obviously. She's in her early eighties, and she does some odd jobs here and there; she still works a bit. All I've heard, really, over the past four years is, "Well, you know, I can't work too much because they're going to take my GIS away, and they're going to do this. Come on, you must be able to change that limit," and things like that. I'm happy to say that through budget 2019 there were some changes: full

or partial exemption up to \$15,000, and full exemption on up to \$5,000 annual employment from the current \$3,500.

Can somebody comment on those changes and what they'll mean to seniors, and give us the impact of those changes? Thank you.

**Mr. Graham Flack:** I'll pass it over to Benoit to explain the change, but let me just start by saying that, as public servants, of course we are here to serve members, but when we can serve their mothers as well that is a particularly gratifying thing to hear.

**Voices:** Oh, oh!

**Mr. Wayne Long:** My mom's happy.

**Mr. Benoît Robidoux:** The whole idea of this proposal, as Ms. Tassi mentioned before, is to provide income security to seniors, but also to encourage and support them when they work. The big difference here is that for those who already work a bit—those who work part-time, for example—this will mean they will keep a lot more of their GIS than they did before. Before, after \$3,500, they were clawed back at either 75% or 50%, depending on where they were, on every dollar they were earning. Now they will have an exemption on the first 50%, and they will be clawed back on the remaining 50%.

To give you an example, for the maximum, which is in the zone of about \$15,000 per year, for a single senior this is about \$4,000 more in their pocket at the end of the year. That's pretty substantial.

We were talking about poverty before. Most seniors right now are not living in poverty, but they are barely above the official poverty line. With this measure they're going to move quite a bit higher and have more than a modest standard of living, in our view, so it will really improve their lives. We're looking at the threshold of poverty, but we're also looking above the threshold at people who are only just above it. For those people it will be quite helpful.

Again, for those who are not working now because they fear they're going to get a clawback on their benefits, this may change their decision and they may want to participate. As the minister was mentioning, when we do round tables about social inclusion, often we see that for seniors who want to stay partially in the labour market, it has helped them to live better and healthier and longer. We hope this measure will have an effect on these people.

**Mr. Wayne Long:** No question. Thank you.

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

That brings us to the end of the hour.

Before we get to votes, I believe MP Vecchio, you have a motion.

**Mrs. Karen Vecchio:** Yes. Thank you very much.

Although I would love to hear more about Wayne's mom, I recognize there are a number of estimates that need to be voted on today. I would like to ask the committee if we could proceed by just grouping them as one whole vote, rather than going on individually.

•(1330)

**The Chair:** Do we have unanimous consent to group the estimates?

**An hon. member:** That sounds very reasonable.

**Mrs. Karen Vecchio:** Thank you.

**The Chair:** We'll move to the votes on the main estimates.

CANADA MORTGAGE AND HOUSING CORPORATION

Vote 1—Reimbursement under the provisions of the National Housing Act and the Canada Mortgage and Housing Corporation Act.....\$2,624,301,333

Vote 5—Expanding the Rental Construction Financing Initiative.....\$18,124,501

Vote 10—Introducing the First-Time Home Buyer Incentive.....\$14,705,104

(Votes 1, 5, and 10 agreed to on division)

CANADIAN CENTRE FOR OCCUPATIONAL HEALTH AND SAFETY

Vote 1—Program expenditures.....\$4,117,347

(Vote 1 agreed to on division)

DEPARTMENT OF EMPLOYMENT AND SOCIAL DEVELOPMENT

Vote 1—Operating expenditures.....\$702,802,917

Vote 5—Grants and contributions.....\$2,728,809,482

Vote 10—Boosting the Capacity of the Federal Mediation and Conciliation Services.....\$1,098,000

Vote 15—Empowering Seniors in their Communities.....\$20,000,000

Vote 20—Enhancing Supports for Apprenticeship.....\$3,000,000

Vote 25—Ensuring Income Security Benefits are Fair and Efficient.....\$31,800,000

Vote 30—Establishing a Permanent Global Talent Stream.....\$6,360,000

Vote 35—Expanding the Canada Service Corps.....\$34,710,557

Vote 40—Expanding the Student Work Placement Program.....\$75,529,000

Vote 45—Improving Gender and Diversity Outcomes in Skills Programs.....\$1,000,000

Vote 50—Inclusion of Canadians with Visual Impairments and Other Print Disabilities.....\$1,500,000

Vote 55—Investing in Service Canada.....\$91,100,000

Vote 60—Resolving Income Security Program Disputes More Quickly and Easily.....\$400,000

Vote 65—Supporting Black Canadian Communities.....\$5,000,000

Vote 70—Modernizing the Youth Employment Strategy.....\$29,500,000

Vote 75—Supporting Employment for Persons with Intellectual Disabilities including Autism Spectrum Disorders.....\$4,000,000

Vote 80—Supporting Indigenous Post-Secondary Education.....\$3,000,000

Vote 85—Participation of Social Purpose Organizations in the Social Finance Market.....\$25,000,000

(Votes 1, 5, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, and 85 agreed to on division)

**The Chair:** Shall I report the votes on the main estimates to the House?

**Some hon. members:** Agreed.

**An hon. member:** On division.

**The Chair:** On division. Okay, thank you for that, Karen.

Thank you very much, everybody. We really appreciate all of the work you do and the fantastic work you did today to make sure we have the information we need.

Again, thank you to everybody who makes these meetings possible, and a special thanks to my clerk. This will be her official last day with this committee.

**Some hon. members:** Hear, hear!

**The Chair:** The meeting is adjourned.







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