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Chair: Mr. Robert Morrissey

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• (1440)

[English]

The Chair (Mr. Robert Morrissey (Egmont, Lib.)): I call the meeting to order.

[Translation]

Good afternoon, everyone.

[English]

It's good to see everybody at this meeting. It was a bit uncertain this morning if we would be having a meeting, as there were issues for the majority of our witnesses. Those have been clarified, though.

Welcome to meeting number 26 of the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities. Today's meeting is taking place in a hybrid format, and I believe all participants are appearing virtually.

Am I correct, Madam Clerk? At least members are, so we will follow whatever health protocols are required.

I want to advise committee members that you have the option of speaking in the official language of your choice. If we have a loss of interpretation services, please get my attention by signalling me with the “raise hand” icon, and we will suspend the meeting while we correct whatever issues there are.

I would also remind all participants to address their questions through me, the chair. Please identify who you will be questioning.

Today, pursuant to Standing Order 108(2) and the motion adopted by this committee on Monday, May 16, the committee will commence its study on the subject matter of part 5, divisions 26, 27, 29 and 32 of Bill C-19, an act to implement certain provisions of the budget tabled in Parliament on April 7, 2022 and other measures. This is a subject matter study, not a clause-by-clause review of these sections.

I would like to welcome our witnesses. From the Department of Employment and Social Development, we have Annik Casey, director general of employment insurance benefits processing at the benefits and integrated services branch; Rouba Dabboussy, director general of the benefits and integrated services branch; Saajida Deen, director general of employment program policy and design at the skills and employment branch; Zia Proulx, director general of the strategic policy, analysis and workplace information directorate; Anamika Mona Nandy, acting director general of employment in-

sureance at the skills and employment branch; George Rae, acting executive director of employment insurance policy at the skills and employment branch; James Scott Patterson, acting director of the benefits and integrated services branch; and Fariya Syed, director of employment program policy and design at the skills and employment branch.

I'm going to ask at this time which one of the witnesses is going to give an opening statement.

Do we have anybody? Is there no opening statement from any of the witnesses who are appearing?

The Clerk of the Committee (Ms. Danielle Widmer): There is no opening statement, Mr. Chair.

The Chair: I will go directly to the questioning of the witnesses. To begin, I will go to Madame Kusie for six minutes.

Madame Kusie, you have the floor.

Mrs. Stephanie Kusie (Calgary Midnapore, CPC): Thanks to the witnesses for being here today.

Ms. Casey, a change in division 26 is the eligibility to qualify for EI. Previously, the requirement was that an individual had to have paid into the program for at least five of the last 10 years. It is being changed to only three of the last 10 years. Why does the department want to make a change to three years from five years?

Ms. Saajida Deen (Director General, Employment Program Policy and Design, Skills and Employment Branch, Department of Employment and Social Development): My name is Saajida Deen. I'm the director general in the skills and employment branch responsible for these changes to the Employment Insurance Act.

As outlined in budget 2022, these changes are being proposed to broaden eligibility for skills and employment training under part II of the EI act. Previously, for an individual to receive intensive training supports under EI part II, they would have had to be either an individual who is in receipt of employment insurance benefits or someone who had received the benefits in the last five years, or they would have had to pay a minimum level of premiums in five of the last 10 years.

This change is being proposed to reach those individuals who are further removed from the labour market and who have made contributions for—

• (1445)

Mrs. Stephanie Kusie: Okay, that's clear now. Thank you.

Do we know what financial impact these changes will have on the EI fund, Ms. Deen?

Ms. Saajida Deen: These changes will be in effect only once new agreements are negotiated with provinces and territories. In budget 2022, the government signalled its intent to negotiate new agreements. At this time, the existing provisions of the EI act will continue until such time as new agreements are in place.

Mrs. Stephanie Kusie: It sounds like we won't know the financial impacts until the new agreements are in place.

What consultation process took place regarding the changes in division 26? Can you please provide an overview?

Ms. Saajida Deen: Absolutely. Extensive consultations took place in 2016 and 2017. About 700 labour market stakeholders took part in those consultations across Canada.

These changes are also being proposed due to ongoing consultations with provinces and territories that currently implement 13 sets of... There are bilateral labour market transfers with each of the provinces and territories. As part of the ongoing implementation of those agreements, which serve about a million Canadians a year, we have heard from labour market stakeholders that there is a need to reach those who are further removed from the labour market.

Mrs. Stephanie Kusie: I'm going to move to division 32 now. Why did the government decide to create a new body—the employment insurance appeal board—to deal with appeals?

Ms. Rouba Dabboussy (Director General, Benefits and Integrated Services Branch, Department of Employment and Social Development): In 2012, the former tribunal was dissolved and the SST was created. Following that, in 2017 there was a review of the SST. It was decided that there was a need to improve the tribunal to make the first level of hearings easier to navigate and more responsive to the needs of Canadians, and to eliminate the legalistic approach to those hearings.

Mrs. Stephanie Kusie: Can you provide an overview of the consultation process taken regarding the creation of the new employment insurance appeal board?

Ms. Rouba Dabboussy: I'll turn that over to my colleague, Scott Patterson.

Mr. James Scott Patterson (Acting Director, Benefits and Integrated Services Branch, Department of Employment and Social Development): While I don't have a list here of all the consultations that were done, a number of consultations were done during the third party review and following that. If you would like a list of those, we can provide them.

Mrs. Stephanie Kusie: It would be helpful if you could table that with the committee. Thank you, Mr. Patterson.

Why couldn't appeals be successfully dealt with through the employment insurance appeal board?

I'll go back to Ms. Dabboussy for that response, please.

Ms. Rouba Dabboussy: The current appeal board has one panel. One big concern we heard through the consultations and the review

was the need to have a tripartite model. One would represent the commission, one would represent employers and another would represent employees. That's one of the biggest drivers behind the creation of the new board of appeal.

The Chair: You have 10 seconds.

• (1450)

Mrs. Stephanie Kusie: What kind of new supports does the department intend to provide through these new measures in division 26?

The Chair: Sorry, the time is out. You'll have to answer that question at another session.

Mrs. Stephanie Kusie: Thank you very much, Chair, and thank you to the witnesses.

The Chair: We'll move to Mr. Long for six minutes.

Mr. Wayne Long (Saint John—Rothesay, Lib.): Thank you, Mr. Chair, and good afternoon to my colleagues.

Thank you to all the witnesses who are on my screen here this afternoon. Thanks for what you do for our country.

My questions will go to whoever is the appropriate person. I'm not sure who would answer. First, though, I have a few comments. I'm going to ask some questions on division 27, which is extending the temporary measures for seasonal claimants from October 30, 2022, to October 28, 2023.

We realize that the pandemic has exposed the need for modernized employment insurance. I think we have all seen in our ridings how it exposed weaknesses in the program. We need an EI program that aligns with the realities of today's labour market and is capable of quickly responding to changes in the economy, as we've just seen, obviously, in the pandemic.

To inform long-term development of a plan for the future of EI, budget 2022 reiterated the government's commitment to continuing consultations with Canadians on what needs to be done in the EI program to meet the current and future needs of workers and employees. The temporary nature of the proposed one-year extension to the support measures for workers and seasonal industries provides the flexibility to complete consultations before implementing a permanent approach for this important group of workers.

As a sitting government member, I certainly recognize the seasonal employment industries. I can name many, whether it be tourism, fishing or what have you. It's an important part of Canada's continued prosperity. The temporary measures to support workers in seasonal industries ends in the EI act on October 29, 2022. The proposed amendments would extend the current legislative provisions for one year, until October 28, 2023. This will enable eligible workers in the 13 targeted EI regions with highly seasonal economies, currently covered by the temporary measures—including workers in the seasonal industries whose seasonal claiming pattern was disrupted by the timing of temporary COVID measures—to continue to access up to five additional weeks of EI regular benefits in their off-season.

Again, this is for whoever is the appropriate person to answer. What are the biggest gaps and issues with EI that you discovered due to the pandemic? What lessons have been learned for improving EI specifically, as we are focused on modernization?

Thank you.

Ms. Anamika Mona Nandy (Acting Director General, Employment Insurance, Skills and Employment Branch, Department of Employment and Social Development): In terms of the biggest gaps and in terms of EI modernization, the consultations are ongoing, as you may know. We had phase one of the consultations from August 2021 to February 2022. We are currently in phase two, which will extend from April to July of this year.

In terms of the lessons learned from those consultations and even from the pandemic, as part of the consultations we will get that future evidence from stakeholders. Some of the areas that were notable during the pandemic in terms of gaps were in terms of access to the EI program, eligibility, adequacy of EI benefits, supports for seasonal workers and supports for the self-employed. Hence, those are some of the key topics for the current and ongoing EI consultations.

Mr. Wayne Long: Thank you for that.

I guess the question is this: Why did you not continue with the previous temporary measures introduced in budget 2021?

Ms. Anamika Mona Nandy: In terms of the previous temporary measures introduced in budget 2021, at the start of the pandemic the government responded rapidly by introducing temporary and emergency income support measures that ensured that people could continue to make ends meet even as the pandemic prevented them from working. Following this, recognizing that many workers were impacted by the COVID-19 pandemic—they lost their jobs or worked reduced hours—a set of temporary measures was introduced through budget 2021 to facilitate and maintain access to EI as the economy recovered.

A number of temporary measures were introduced in budget 2021, including certain common entrance requirements and EI simplification measures. These temporary measures facilitated greater access to a more simplified EI program during the pandemic and subsequent waves of unemployment. However, as Canada's economy continues to recover from COVID-19, the lessons learned from those temporary measures, as well as from the pandemic and ongoing consultations, will inform the long-term plan to modernize the EI program.

• (1455)

Mr. Wayne Long: Thank you so much for those answers. Again, thank you for everything you do for all Canadians.

The Chair: Thank you, Mr. Long.

[Translation]

Ms. Chabot, you have the floor for six minutes.

Ms. Louise Chabot (Thérèse-De Blainville, BQ): Thank you, Mr. Chair.

I thank the witnesses for being here to answer our questions.

For my part, I would say that we are in a fog. It was foggy this weekend, and we are in a fog with respect to comprehensive employment insurance reform, for which a framework was supposed to be presented to us by June 2022. Now we understand that we will have to wait again. Yet the solutions are known.

Why, in the bill, is the government simply extending the pilot projects for seasonal workers once again without improving them? Why not take the opportunity to improve these programs? Clearly, the extra five weeks of benefits is not enough.

[English]

Ms. Anamika Mona Nandy: As I mentioned, the consultations are ongoing. Those consultations will continue to inform the government's work on EI modernization. Once those consultations are complete, including on the very important topic of supports for seasonal workers and the development of a permanent measure to support this important group of workers, that will move forward as part of the long-term modernization considerations.

[Translation]

Ms. Louise Chabot: Why then did they not do the same with the easing of insurable hours, which was temporary and will end in the fall?

[English]

Ms. Anamika Mona Nandy: There was a decision in budget 2022 to provide for a one-year extension for workers in seasonal industries to support this important group of workers. At the same time, those other temporary measures are in effect—

[Translation]

Ms. Louise Chabot: This is an important group of workers, but you will agree that it is not enough.

My next question is about division 32 of part 5 of the bill.

The government tells us that employment insurance reform is coming, that there are still consultations and that there are many things to worry about. Why did it not pay as much attention to the appeal board? Both employers and unions had high expectations of this reform.

In an omnibus bill of more than 400 pages, we see a section that deals with the appeal board, which is tripartite in name only, because it does not at all meet the objectives and commitments the government announced in 2019.

How has the government come to propose this now? As far as we know, the main groups involved have not really been consulted. In fact, so far the government is unanimously opposed.

What motivated the government to include in Bill C-19 the new Employment Insurance Board of Appeal, which does not meet the government's 2019 targets?

• (1500)

Ms. Rouba Dabboussy: By way of background, I would like to clarify that in budget 2019, the government committed to making it easier to navigate employment insurance programs to access benefits and to making programs more responsive to the needs of Canadians. The government also committed to a tripartite model to ensure that decisions made represent the groups it serves.

Ms. Louise Chabot: Yet the groups concerned would like us to take the time to consult them. With respect, despite what you say, the formula does not simplify the process at all, but rather promotes inequity. Also, it does not allow providers to have a real voice, as the model is centralized rather than regional.

This therefore raises several questions. Groups are calling on the government to withdraw division 32 from part 5 of the bill so that it can be dealt with separately and considered in its own right, with all that that entails. Would the government be open to this idea?

Ms. Rouba Dabboussy: There have been many consultations so far. We will certainly provide the information from these consultations afterwards.

I can tell you that the model that we have set out and that the government has promised meets exactly the needs that came out during the consultations. This includes the regional model. There will be members who represent all regions.

[English]

The Chair: You have 10 seconds.

[Translation]

Ms. Rouba Dabboussy: There will be approximately 100 members from each group, that is, members of the Employment Insurance Commission, members who represent employers and members who represent employees, and these people will come from across Canada.

The Chair: Thank you, Ms. Chabot.

Mr. Boulerice, you have the floor for six minutes.

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Thank you very much, Mr. Chair.

I thank all the witnesses for being with us.

I will also use my time to talk about employment insurance. Because some of the issues are quite troubling, I want to take this opportunity to share with you the reality on the ground and what people are telling us in our constituency offices.

This past January, there were 300,000 overdue employment insurance files in Canada. On average, these files were three to four months behind schedule. Some people still had not received a response after five months, and in some cases after seven months. While these people are waiting for a response from EI, they remain without benefits, without cheques.

Earlier, you opened the door a little bit by saying that, because of the crisis, you had put in place temporary measures to help people pay their bills. But how do you think people can pay their bills when the system that was put in place is three, four or five months late? How do people pay their bills?

Ms. Annik Casey (Director General, Employment Insurance Benefits Processing, Benefits and Integrated Services Branch, Department of Employment and Social Development): Thank you very much for the question, Mr. Boulerice.

[English]

We have dealt with unusual volume increases in EI claims over the last year, in large part because of the pandemic of omicron. We also have seasonal peaks that give us peaks and valleys in how we receive claims.

That being said, we have been able to process payments, meeting and exceeding our service standard of being able to pay claimants within 28 days 80% of the time. For the last fiscal year, our service standard was 85.4%, which exceeds our service standard and is the highest result in the last 15 years, if we exclude the period of COVID-19.

The majority of our claims are processed within two weeks for those that are beyond the 28-day service standard, so the 14.6% of remaining claims are processed within two weeks. For the last fiscal year, 2021-22, fewer clients waited beyond 28 days to receive their benefits. The average time it took for clients to receive EI payments was 18 days, and again, excluding the COVID-19 period, this is the best result since tracking began over 13 years ago.

• (1505)

[Translation]

Mr. Alexandre Boulerice: Fine, but maybe the previous 13 years had not been glorious. Sure, if you don't run very fast and then start running a little faster afterwards, you can always pat yourself on the back.

The reality is that people who are unlucky enough to be in the 20% who don't get their cheques have to go into debt. Because they can't get a service, they have to borrow money from friends or family members, or pay for their expenses with their credit cards and pay interest. I find this distressing. These are desperate people knocking on the door of our offices. I hope you will continue to improve your system.

Ms. Dabboussy, could you please send the committee a list of the groups and organizations that you consulted in the creation of the appeal board?

Ms. Rouba Dabboussy: Absolutely.

Mr. Alexandre Boulerice: Thank you.

How is it that on this appeal board, the government representatives are appointed full time, but the employer and union representatives are only appointed part time?

I understand my colleague Ms. Chabot when she says that this tribunal is tripartite in name only. It is not at all like the arbitration boards, which worked well at the time.

Ms. Rouba Dabboussy: I would like to clarify that the model was originally thought of as a part-time appointment for all members. The difference is that the position of director of the appeal board and the six coordinator positions are full-time. The rest of the positions are part-time, according to the established model. This is because we want to make sure that when the new board is up and running, the current members of the Social Security Tribunal whose term of office has not ended will be in place to offer their services and knowledge. So this is a temporary measure.

Mr. Alexandre Boulerice: All right. Thank you for the clarification.

Will people who want to appeal a decision and defend their case be entitled to in-person and regional hearings or, on the contrary, will the tribunal be rather centralized and not allow in-person hearings?

In reality, it matters a lot to people to be able to defend their case in person. It helps them enormously. It's also very important to them that they don't have to pay to travel.

[English]

The Chair: You have 10 seconds. Please give a short answer.

Ms. Rouba Dabboussy: The short answer is clients will have both options.

The Chair: Thank you, Monsieur Boulerice.

Now we'll go to Mr. Ruff for five minutes.

Mr. Alex Ruff (Bruce—Grey—Owen Sound, CPC): My first question will build off MP Kusie's earlier question on division 26 and the answer, which was about the negotiation with the provinces that needs to happen and the timeline.

To the witnesses, do you think it's actually going to be in this budget year that those negotiations will be completed?

Ms. Saajida Deen: In the budget—let me just pull up the exact language now—the government signals its intent to intensify discussions with the provinces and territories, and it says, “over the

coming year”. That's the direction we have out of budget 2022, so it's certainly our hope for that to take place.

• (1510)

Mr. Alex Ruff: If I understand that, they're hoping that the negotiation will intensify and it will get done in this budget year.

The next question is on division 29. According to the legislated employment equity program, the government does not keep records of federal companies with fewer than 100 employees. Is that correct?

Ms. Zia Proulx (Director General, Strategic Policy, Analysis and Workplace Information Directorate, Labour Program, Department of Employment and Social Development): This is Zia Proulx from the labour program. I'm not sure I understand the question related to division 29.

Mr. Alex Ruff: Does the legislated employment equity program keep records of companies with fewer than 100 employees?

Ms. Zia Proulx: I will turn it to my colleague Douglas Wolfe, who may have an answer to this one, because this is not in the proposed changes included in division 29.

Mr. Douglas Wolfe (Senior Director, Strategic Policy and Legislative Reform, Strategic Policy, Analysis and Workplace Information Directorate, Labour Program, Department of Employment and Social Development): The employment equity program would normally apply to companies that have 100 employees or more.

Mr. Alex Ruff: Does the legislation apply to employers that have fewer than 100 employees?

Mr. Douglas Wolfe: As of December 1, the legislation will apply to all employers within the federally regulated jurisdiction.

Mr. Alex Ruff: It will, then, if they're under federal jurisdiction, even if they have fewer than 100 employees. That's perfect. Thank you.

Mr. Douglas Wolfe: That's correct.

Mr. Alex Ruff: In some skilled trades, employees work for more than one employer if they have different contracts. In a situation in which a worker has multiple employers, how will this bill provide paid medical leave for the worker?

Ms. Zia Proulx: One change that we included in C-19 was to make sure that employees whose employers change as a result of a transfer of business or a contract retendering process would not lose their earned days of paid sick leave during the year if they're working in the same job. That was one of the changes proposed in BIA 1 that was not proposed in the original Bill C-3, which received royal assent in December.

Mr. Alex Ruff: Again, I don't know if that really answers the question.

Who's responsible, then, for that paid medical leave, if they're doing it for multiple different...? Is it that they earn that time with the first contract and then once they get to the second or third...? Can anybody provide clarity on that?

Ms. Zia Proulx: If they're doing the same job and it's a result of a transfer or contract retendering process, then the new employer would be responsible for their paid sick leave.

Mr. Alex Ruff: Super.

I guess my final question will likely be for multiple officials.

With respect to each division we're discussing today, what do you think is the greatest risk to the changes being proposed with C-19?

The Chair: Mr. Ruff, do you want to identify someone?

Mr. Alex Ruff: Whoever of the officials is the best suited to reply to division 26 and then divisions 27, 29 and 32.

The Chair: A question has been put. Who is going to answer it?

Ms. Saajida Deen: I'm so sorry. My audio cut out on the question on division 26.

The Chair: Mr. Ruff, please repeat it and I will extend your time.

Mr. Alex Ruff: Thank you, Mr. Chair.

For each division, what do you think the greatest risk is with the changes that are being proposed in Bill C-19?

Ms. Saajida Deen: For the division 26—and I guess I can speak more generally—we proposed these changes in anticipation, based on all of the data and information we have right now. The context that we're in right now is a situation of labour shortages, so with the changes in division 26 we're trying reach those who are furthest removed from the labour market.

As we've seen how the pandemic has been unfolding, the biggest risk is that another shock or another change occurs. Then we would have to go back and see how to address that. Particularly for the changes in division 26, we hope our projections and the changes we're introducing will have the impact we hope for. Again, the labour market is such right now that there's so much unpredictability that we can't be sure.

That's the risk I would flag for the changes on division 26.

• (1515)

The Chair: Thank you, Mr. Ruff.

We'll now move to Mr. Van Bynen for five minutes.

Mr. Tony Van Bynen (Newmarket—Aurora, Lib.): Thank you, Mr. Chair.

I want to thank all the witnesses for participating in the discussion today.

This question could be directed to Ms. Casey or Ms. Dabboussy.

We've committed to enhancing our employment insurance system for the 21st century. We've paired these commitments with programs to enable employees to acquire skills and best practices that fit our labour markets. I'd be interested in knowing why, despite the

offering of these programs and those during the COVID-19 pandemic, a modernization is necessary, in your opinion.

Ms. Casey.

Ms. Anamika Mona Nandy: I can take that question.

In terms of modernization, the EI program has not been reformed as a whole. Although numerous improvements have been made to the program over the years, it hasn't been reformed as a whole for multiple decades. As such, it is important.

Something we clearly heard from stakeholders during phase one of the consultations is that the program is in need of comprehensive reform, hence the continuing consultations on EI to inform the government's long-term plan for EI modernization.

Mr. Tony Van Bynen: As a follow-up question, how would these proposed changes affect the programming currently under EI part II? Why is it a good idea to broaden eligibility?

Ms. Anamika Mona Nandy: For that question, I will turn to my colleague who leads on EI part II to respond.

Ms. Saajida Deen: On the changes to EI part II, we are reducing the amount of time you would have had to pay premiums in the past, as I mentioned earlier. Currently in the EI act, you can be eligible for extensive training if you are in receipt of EI benefits at that point in time, if you've claimed EI in the last five years and if you've contributed to premiums in five of the last 10 years. By reducing the bar for premiums paid, we will be reaching more individuals. The goal, as I said, is to reach those who have a weaker labour force attachment.

Mr. Tony Van Bynen: With respect to division 27, I'm wondering what "monies on separation" means. What was the monies on separation temporary measure announced in budget 2021? Why is a transitional amendment needed for monies on separation as a temporary measure?

Ms. Anamika Mona Nandy: In terms of what monies on separation is, it's the money that is paid to an employee following separation from their employment. It can include things such as severance pay and accumulated vacation pay, and is paid out to the employee upon their job separation.

Under pre-pandemic EI rules, those monies paid to a claimant following their job separation were allocated as earnings. That led to payments of EI benefits to a claimant not starting until after their separation monies were exhausted. What that means in the pre-pandemic context is that in cases in which a claimant began to receive EI benefits before they received a separation payment and the employer did not indicate that on the initial record of employment, an overpayment of EI benefits could result and the claimant would need to return the amount of overpayment. That's what monies on separation is.

To continue with the second question—on what temporary measure on monies on separation was announced in the budget—that measure was a one-year temporary measure implemented as of September 26, 2021. It was to enable workers to receive their monies on separation sooner. Again, it's vacation and separation pay. They could get their EI regular or special benefits as soon as possible and at the same time as having monies on separation. This temporary measure also applied to self-employed workers who had entered into an agreement with the commission to receive special benefits coverage.

• (1520)

Mr. Tony Van Bynen: Thank you.

The Chair: Thank you, Mr. Van Bynen.

[*Translation*]

Madame Chabot, you have the floor for two and a half minutes.

Ms. Louise Chabot: Thank you, Mr. Chair.

We have heard your responses regarding division 32 of part 5. According to you, these measures meet the expressed needs. However, this does not reflect the state of play. Many groups, both from the trade unions and from the unemployed and employers, have intervened. Indeed, everyone was surprised to see this section appear in Bill C-19. Everyone would like to see some consultation to be able to discuss this, so that it actually reflects the government's announced intention in 2019.

Two years and nine months after the government's commitment, what motivated the addition of this very important section in Bill C-19? What would prevent us from removing it and studying it separately?

As you so aptly put it, employment insurance reform is announced and expected. Why not look at reform in a comprehensive way and include the important issue of the appeal board? With all due respect, contrary to what you are telling us, what is proposed here does not at all respond to the very spirit of what constituted arbitration boards at the time.

Is the government open to the idea that this important issue should be the subject of full, proper consultation?

Ms. Rouba Dabboussy: I'm going to answer the question in English.

[*English*]

During the 2017 third party review of the Social Security Tribunal and subsequent consultations with stakeholders, worker groups especially expressed a strong desire to return to regionally

based tripartite decision-making panels for the first-level appeals. That is similar to the previous pre-SST board of referees.

Through the consultations and the analysis it was argued that this system would help improve the accountability of decision-makers to workers and employers, while making the recourse process more compassionate and informal for appellants.

The board of appeal is intending—

[*Translation*]

Ms. Louise Chabot: My dear lady, why then are there worried and disappointed people intervening?

The Chair: You have 10 seconds left, Ms. Chabot.

Ms. Louise Chabot: These people are saying the opposite of what you just said. How do you reconcile that? If you want a happy and fruitful dialogue, you have to allow the parties to be truly consulted on the new version.

The Chair: Thank you, Ms. Chabot.

Mr. Boulerville, you have the floor for two and a half minutes.

Mr. Alexandre Boulerville: Thank you very much, Mr. Chair.

I would like to use my time to say that I am pleased to see that in Bill C-19 the federal government is providing paid medical leave. We worked hard and for a long time to make that happen, so I'm pretty happy with that.

I'll come back to the appeal board. I would like to better understand why a deputy minister, who is in a political position, is given the management of the appeal board.

What is the process for appointing candidates to the appeal board? What control does the deputy minister have over the list of candidates? Are there not concerns about the independence of the appeal board, which would really be in the hands of the deputy minister?

• (1525)

[*English*]

Ms. Rouba Dabboussy: The decision on reporting was based on a need for accountability. It was recognized that under the former board of referees model the accountability was dispersed and vague and was to be strengthened moving forward.

The direct reporting relationship of this position to the chair of the CEIC, of the commission, who is also the accounting officer for the commission, would ensure that one individual is ultimately responsible and accountable for both the funding and the day-to-day administration of the board of appeal. This ensures accountability to Parliament for the effective functioning of the new board of appeal. The accountability is clearly defined and rests with one person.

However, the commission, as most of you are aware, is made up of the chair of the commission as well as the two commissioners, so there would be natural consultation and engagement for all the members of the commission.

[Translation]

Mr. Alexandre Boulerice: All right. I understand the logic to an extent. However, some people are concerned that there is political interference or a lack of independence.

I have a more concrete question in relation to the website of the future appeal board.

The Social Security Tribunal website works quite well and people are quite happy with it. As far as Service Canada is concerned, it's a different kettle of fish. They say it's hard to find the right button or page to apply for employment insurance on the website and you can't find your way around.

The Chair: You have ten seconds left.

Mr. Alexandre Boulerice: Are we going to take into consideration people's digital literacy and create a website that is easy to use?

Ms. Rouba Dabboussy: The aim is indeed to simplify the language and access to information on the website.

The Chair: Thank you, Mr. Boulerice.

[English]

Now we'll conclude this group with a five-minute round for the official opposition and five minutes for the government.

I don't have the questioner. Is it Madam Gladu?

Ms. Marilyn Gladu (Sarnia—Lambton, CPC): It is. Thank you so much, Chair, and thank you to the witnesses.

I'm going to start with a question similar to Mr. Boulerice's. In my riding we are seeing a lot of people without cheques for many months because of the backlogs in EI, even a single mum on maternity leave who didn't have any money for five months and lost her house.

What is the government doing, specifically, to take action to make sure it has the capacity to implement the changes that are proposed here? The question is for Ms. Deen.

Ms. Saajida Deen: That is not my area of responsibility; mine is training and EIA part II. I'll turn the floor over to one of my colleagues, who will be better placed to answer that.

Ms. Marilyn Gladu: Very good.

Whoever can answer that, please go ahead.

Ms. Annik Casey: At EI benefits processing, we work very closely with our policy colleagues to make sure we have the resources, based on the resource determination model, to be able to both forecast and ensure that we have the capacity in our networks to be able to deal with the proposed changes here. Our area would be the seasonal workers. That has been built into the processes and the proposals that are being brought forward today.

Ms. Marilyn Gladu: Very good.

I'm going to continue the line of questioning by my colleague Mr. Ruff, who wanted to know what the biggest risk is. We got the

answer for division 26, but for divisions 27, 29 and 32, for the people responsible, what is the biggest risk you see in implementing this legislation?

• (1530)

Ms. Anamika Mona Nandy: I can answer for division 27. I would say that the risk is minimal. We are proposing a temporary further one-year extension of the seasonal measure that was part of the budget 2021 temporary measures—it will extend it to October 2023—and a transitional measure for monies on separation. Given that all of EIA part I is being reviewed as part of the comprehensive consultations on EI, the risk to the program is minimal.

Ms. Marilyn Gladu: Very good.

What is the risk for division 29?

Ms. Zia Proulx: I can speak to that. There is no identified risk to flag at this time, but I would go back to December, when Bill C-3 was introduced and passed. Some employers raised the fact that they needed time to implement these changes in their systems and collective agreements. These amendments now bring the coming into effect date to December 1, 2022. This should provide them enough time to make payroll changes and discuss with unions to adjust their collective agreements.

Ms. Marilyn Gladu: Very good.

What is the risk with division 32?

Ms. Rouba Dabboussy: The risks that we can see are really associated with making sure that we're launching within reasonable timelines. We do not want to see the same challenges that the SST faced back in 2012, when they launched with big backlogs. We are establishing a process to ensure that we do not face that, by transitioning the BOA and the SST within a one-year period. Otherwise, we are delivering on the commitments that the government has made, exactly as was committed to.

Ms. Marilyn Gladu: Excellent.

Finally, there were consultations done on this legislation. One of you talked about that. Has there been any input to suggest that perhaps the extra days for sickness are in conflict with Quebec's jurisdiction in terms of the medical aspects there?

Ms. Zia Proulx: You're talking about paid sick leave, I think. Is that the question?

Ms. Marilyn Gladu: That's right.

Ms. Zia Proulx: What Quebec does is actually two days of paid leave per year. Ten days is a bit more generous than what the Province of Quebec is providing.

Ms. Marilyn Gladu: For sure, but did they not express any concern that the federal government was doing something different?

Ms. Zia Proulx: Our minister reached out to his counterparts in different provinces in February, and he's going back to talk to them at the end of June. People are interested and are curious to know how these changes will unfold.

Ms. Marilyn Gladu: Good.

I think I'm out of time. Thanks.

The Chair: You're right on time, Ms. Gladu. Thank you so much.

To end this grouping, I will turn to Mr. Collins for five minutes.

Mr. Chad Collins (Hamilton East—Stoney Creek, Lib.): Thanks, Mr. Chair.

I'll go right to my questions on division 32, if I may, under the Social Security Tribunal reform and the EI board of appeal. What legislative changes are being proposed? Can I get a brief summary of that on division 32?

Ms. Rouba Dabboussy: Certainly. The key proposed changes to the legislation include changes to other legislation as well—the Department of Employment and Social Development Act, the Federal Courts Act and the Employment Insurance Act. The big changes include, one, establishing the EI board of appeal to replace the Social Security Tribunal general division and EI section. The second big change is to define the board membership for decision-makers. The third is to eliminate low-value legalistic provisions, including the requirement to apply for leave to appeal EI decisions to the appeal division.

In terms of number two, which is the board membership, really the biggest change is to bring in tripartite decision-making, as I mentioned earlier, and to provide appellants with the ability to choose whether they would prefer in-person or virtual, which is obviously a pandemic allowance.

• (1535)

Mr. Chad Collins: Thank you for that brief summary.

Through you, Mr. Chair, how would the current EI recourse process change? For those who might be familiar with the current process, what would the new process look like?

Mr. James Scott Patterson: Do you want me to touch on that one, Rouba?

Ms. Rouba Dabboussy: I'm not clear if the question is on division 32 or on EI.

Please go ahead.

Mr. James Scott Patterson: In essence, the big difference with the board of appeal versus the current recourse process.... The same levels of recourse are still in place. The same number of levels of recourse are still in place. Somebody who does not get benefits would have the right to request reconsideration. Currently, somebody who was dissatisfied with that decision would appeal that to the Social Security Tribunal, general division, for EI. The second level would be to the appeal division.

The same thing would be in place with the introduction of the board of appeal. It's simply that the reconsideration decision would get appealed to the board of appeal, and then the appeal right for a board of appeal decision would be to the SST appeal division.

It's a replacement, a one-for-one replacement, with all of the additional benefits that Rouba has already discussed with regard to the tripartite nature of the new tribunal.

Mr. Chad Collins: Thank you for that.

Why is an EI board of appeal secretariat being established?

Mr. James Scott Patterson: Any tribunal has two portions to it. One is the decision-makers, the people who actually hear the client's side of the story and render the decision itself. Then there's the whole administrative side of that. Any tribunal will have what's called the "registry" function. They receive the appeal. They pull the information together. They provide the client with any additional information. They provide the members with support—HR, finance support, training, quality reviews and reporting. All of that functionality takes place within the secretariat itself.

There are really two parts to the tribunal. There are the decision-makers who report to the executive head, and then in support of that is the secretariat, doing all of the administrative function to put the tribunal in a position where it can actually render those decisions that need to be made.

Mr. Chad Collins: Great. Thank you.

What's the cost of the proposed changes?

Mr. James Scott Patterson: I'd have to go back and look at the original. This is part three of a number of changes that have been made, going back to 2019. I can't tell you how much has been spent to date, right off the top of my head, but I can say that we are within the spending envelope that was originally detailed back in budget 2019.

Mr. Chad Collins: Okay.

Finally, when will the EI board of appeal be implemented?

The Chair: Please give a short answer.

Ms. Rouba Dabboussy: The plan is to launch the tribunal at a later date that will be established by an order in council.

The Chair: Thank you, Mr. Collins.

With that, we'll conclude the first grouping.

I would like to say a special thank you to all of the witnesses for appearing. I gather there were some obstacles to appearing virtually with us today at the committee in this important work that the committee is undertaking. I thank you on behalf of the committee for being available under some trying circumstances in Ottawa. Thank you, all.

We will suspend for a couple of minutes while we transition to the second grouping.

Clerk, advise me whenever the second grouping is ready.

• (1535) _____ (Pause) _____

• (1540)

The Chair: I call the meeting back to order.

Welcome to the second panel on the study of the subject matter of part 5, divisions 26, 27, 29 and 32 of Bill C-19, an act to implement certain provisions to the budget tabled in Parliament on April 7, 2022.

We're appearing virtually. I will advise all witnesses that they can speak in the official language of their choice. Interpretation is available with the icon at the bottom of your Surface. If you're in the committee room, use translation. If translation fails, please seek my attention and we'll suspend while it's being corrected.

I would like to remind the witnesses that they have five minutes for an opening statement, and to direct it through me as the chair. I would ask you to speak slowly for the benefit of translation services. I will indicate when your time is running out by indicating that 10 seconds are left.

[*Translation*]

We'll start with Mr. Bolduc, from the Fédération des travailleurs et travailleuses du Québec.

Mr. Bolduc, you have the floor.

Mr. Denis Bolduc (General Secretary, Fédération des travailleurs et travailleuses du Québec): Thank you, Mr. Chair.

Members of Parliament and members of the committee, thank you for having me here today and for the opportunity to provide my organization's comments on Bill C-19, specifically on division 32 of part 5.

The Fédération des travailleurs et travailleuses du Québec is the largest central labour body in Quebec. With approximately 600,000 members, it represents over 40% of unionized workers in Quebec.

Our union is the main voice for salaried workers in Quebec. It is their privileged place for collective action and solidarity. The FTQ has members in every region and every sector of activity in Quebec, whether in offices, factories, shops or construction sites, in both the private and public sectors. In fact, we have members in public institutions. I would also like to point out that one third of the FTQ's members are women.

Division 32 of part 5 of the budget implementation bill tells us more about reforming the employment insurance appeals process.

In light of what was announced via press release in August 2019, we expected good news. However, it turns out that the bill is rather a source of concern for us. It does not correspond to what was stated in the press release. We are therefore greatly concerned about the way the reform is being set in motion by the Minister of Employment, Workforce Development and Disability Inclusion.

The first point I want to make is that the reform of the employment insurance appeals process is included in an omnibus bill that has five parts, the fifth of which has 32 divisions and three schedules. One would be hard-pressed to find a better way to bury the issue. Our fears that this reform will not get the attention it deserves are real, because of the number of topics included in the bill.

The number of places available in parliamentary committees, as we know, is not unlimited. So there is a real possibility that organizations with an interest in reforming the appeals process will be overlooked and not invited. So, we believe that division 32 of part 5 of Bill C-19 should be removed from this omnibus bill and be the subject of a separate bill. This is what we recommend in order to ensure that the reform receives proper consideration and deliberation.

I would like to draw your attention to a second element: the bill on the reform of the appeals process must contain provisions for the new appeal board to report to the tripartite structure of the Employment Insurance Commission, not just to its chair. The government had promised a return to a tripartite body for the first level of appeal. This is a significant change in direction and a serious departure from the promise that was made. In our opinion, there must be a direct line of accountability to the Employment Insurance Commission. Why? In order to monitor how union and employer representatives are deployed and to ensure that people are properly trained and fulfilling their mandate on the appeal board.

In addition, provisions still need to be added to the appeals process reform bill to give employment insurance claimants the right to regional representation and the opportunity for an in-person hearing. In 2018, we understood that reforming the employment insurance appeals process required reforms that were client-centred, flexible, and could accommodate diverse situations.

With respect to the appeal board, the bill provides for two categories of members: full-time and part-time. The reform bill should provide for all members of the appeal board to be appointed on a part-time basis. Giving separate employment status to different members of the appeal board may result in different levels of commitment and effectiveness for full-time and part-time members. Full-time appeal board members are deemed to be employees of the public service and members of the public service pension plan, but part-time members are not. Full-time members of the appeal board may be appointed as chair, vice-chair or coordinating member, but not part-time members. In our view, this is a perfect recipe for leaving room for unequal and inequitable information-sharing and for creating inequalities among appeal board members in terms of commitment and effectiveness.

• (1545)

The final point I want to make is that the reform bill must include language that specifies that the Employment Insurance Commission will oversee the selection process for the employee and employer members of the board of appeal.

The Chair: You have 10 seconds left.

Mr. Denis Bolduc: The board of appeal will not be truly tripartite if the social partners are not directly involved in the selection and appointment of employee and employer members.

Thank you for your time.

The Chair: Thank you, Mr. Bolduc.

We will continue with Camille Legault-Thuot, from the Quebec network of the Mouvement autonome et solidaire des sans-emploi.

Ms. Camille Legault-Thuot (Research and Communications Manager, Mouvement autonome et solidaire des sans-emploi - réseau québécois): Thank you, Mr. Chair.

Ladies and gentlemen, thank you for having me here today.

The Mouvement autonome et solidaire des sans-emploi (MASSE) is an association of groups defending the rights of the unemployed in close to 10 regions of Quebec. MASSE has been campaigning for more than 20 years for a universal and fair-access employment insurance system.

We have read Section 32 in Part 5 of Bill C-19 and we wish to voice our concerns regarding the reform of the appeal process that may be implemented this year.

My remarks are going to be similar to those of several speakers today. I will make sure it is not repetitive, but MASSE still wishes to share a number of observations that must be considered before the bill is passed.

Let's first point out that MASSE is disappointed that the government chose to reveal its intentions regarding the new board of appeal for the first time when it introduced Bill C-19, that is, nearly 3 years after it announced reforms. By breaking its silence in this way after so many years, not only is the government now presenting stakeholders with a *fait accompli*, but it's also admitting that it deprived itself of a wealth of expertise, and this will undoubtedly influence the people's confidence in the quality of administrative justice.

Given the precarious situation of unemployed individuals who wish to challenge a decision by the Employment Insurance Commission, the government must ensure that the new appeal process is simple, quick, efficient, transparent and, above all, tailored to the needs of the unemployed. However, based on the information provided in Bill C-19, there is nothing to indicate that the new board of appeal will truly represent a step forward in terms of access to justice for the unemployed. Moreover, it hardly constitutes a solution for the problems observed on the Social Security Tribunal. On the contrary, MASSE fears that, in an effort to reform an already fragile structure from the ground up, the new board of appeal will discourage the unemployed from asserting their rights, because it reflects too little of the recommendations submitted by the various stake-

holders in the working group set up in 2018, in which MASSE was an active participant.

I'd like to make a few short points about the actual content of the bill, which will resemble those already mentioned.

In its current form, the new board of appeal seriously undermines the tripartite spirit that was, you will recall, central to the boards of referees. We must remember that an appeal process better adapted to the reality of the unemployed must certainly have employee and employer representatives, along with members familiar with the regional particularities of the labour market, but it must also ensure that unemployed workers have access to in-person hearings and that it appoints enough members to meet needs within a reasonable time frame. Remember that in the board of referees days, 300 people were appointed to represent workers. I understand from earlier comments that this number would now be about 100.

We make the same comment with respect to the independence of the new board of appeal. We have good reason to call its independence into question because the deputy minister of Employment and Social Development, not the EI Commission, would be responsible for managing the board of appeal.

What we at MASSE are wondering is, why are so many powers being taken away from the EI Commission? In the new bill, the commissioners only play a symbolic role. Contrary to what one of the speakers said, we believe that, in its current form, the EI Commission will have members recommended by the chair, but they will only be able to appoint them on a part-time basis. As an independent federal institution representing the rights of employees and employers, the EI Commission should have the same central role in organizing the appeal process to ensure that it represents those who pay into the regime. It should therefore have more say in the training and appointment of board of appeal members.

• (1550)

The same thing goes for accountability. In this context, how does the government intend to ensure the exchange of information between the EI Commission and the body that allows these decisions to be challenged? Right now, that is a major issue. The EI Commission is unable to become associated with the decisions of the Social Security Tribunal.

The Chair: You have 10 seconds left.

Ms. Camille Legault-Thuot: In closing, we too are calling for reform to be addressed in a separate bill. In other words, we would like Section 32 in Part 5 of Bill C-19 to be removed. If passed in its current form, it will undermine any opportunity for meaningful review with stakeholders, and it stands in the way of achieving the goals set forth by Minister Duclos in summer 2019.

The Chair: Thank you.

Mr. Laliberté, you have the floor for five minutes.

Mr. Pierre Laliberté (Commissioner for Workers, As an Individual): Thank you, Mr. Chair.

My name is Pierre Laliberté and I've been a commissioner for workers at Employment Insurance Commission since 2016. I was therefore present for many of the deliberations on this issue. Having followed all of this quite closely, I have to say that it's a bit disappointing to be here conveying our concerns to you about what is being introduced in Section 32 of Part 5 of Bill C-19, rather than celebrating the creation of the new board of appeals. It's too bad, but it is what it is.

I really like the remarks that have been made before me. I think they do a good job of pointing out the concerns and issues in connection with this reform.

The reform was announced in 2019 after a long process of study and consultation. Here, I will respond to Mrs. Kusie's comment about whether consultations took place. Consultations were held across Canada. They were facilitated by KPMG, which was mandated by the government to do a field investigation. I attended the seven or eight meetings held at the time.

Based on KPMG's observations, which were absolutely terse about the performance of the Social Security Tribunal, the minister at the time, Mr. Duclos, convened a working group that brought together stakeholders from the business community, the labour community, the community in general and the department, of course, to come up with a compromise and find something that could work.

The objectives were clear. The first was to reinstate a fast, unencumbered process that would meet people's needs. It must be said that at the time, the backlogs were horrible, in the style of what Mr. Boulerice mentioned earlier. Next, they wanted to bring back a peer justice system with the participation of community members. Finally, they wanted to bring back community-based justice by facilitating in-person hearings.

While cost was not central to the exercise, but it was an underlying issue. They discovered that, despite the fact that the Social Security Tribunal was created to save money, exactly the opposite was true. Right now, a decision by the Social Security Tribunal, which operates much more efficiently today than it did four years ago, still costs \$4,000. When we had the boards of referees, which were local tripartite groups, it cost about \$700 per decision. You can do the math. As you can see, even though the objective was to reduce costs, they didn't succeed.

Among all the organizations involved in this issue, I have not found a single one aligned with what's being recommended here. My colleague Nancy Healey, who is the commissioner for employers, and I sent a letter to Minister Qualtrough to voice our concerns. My colleague also made an effort to consult with her stakeholders and found that they did indeed have concerns about this. This led us to recommend that Section 32 be removed from Part 5 of the bill, rather than trying to amend it on the fly, and get the job done appropriately.

I'm not going to go into everything that has already been said. But I will talk about one thing in particular, and that is the role of the Employment Insurance Commission.

• (1555)

The Chair: You have 10 seconds left, Mr. Laliberté.

Mr. Pierre Laliberté: Okay. I will stop here then.

I'm ready to answer your questions.

The Chair: Thank you, Mr. Laliberté.

[English]

We'll now begin the first round, with Madam Kusie.

Madam Kusie, you have the floor for six minutes.

• (1600)

[Translation]

Mrs. Stephanie Kusie: Thank you, Mr. Chair.

I'd like to thank the witnesses for being with us today.

Mr. Laliberté, I'd like to give you the opportunity to finish your presentation.

Mr. Pierre Laliberté: Thank you for that.

I simply wanted to point out that in the last reform in 2012, the Commission was put on the sidelines, which placed it in the spotlight, and that kept us from playing our watchdog role with respect to appeal system operations. When serious malfunctions occurred around 2013, 2014 and 2015, much like everyone else, we found ourselves watching the rather dismal spectacle without being able to do much about it.

Management of the Social Security Tribunal has tightened up greatly since then. The fact remains that the Commission has virtually no say in operations, and we feel that is a pretty significant issue. The problem was recognized by Minister Jean-Yves Duclos at the time. Bringing management back to the Commission was part of the 2019 announcement. That's why many organizations, and even we commissioners, were surprised that it was dropped in the end. It was done rather brazenly. They said the Commission president was involved, but in actual fact it was the deputy minister.

Why single out the Commission? It's a mystery to us. The lady, whose name I cannot recall, and I apologize to her for that, said that it was because there had to be a decision-maker. However, I would point out that the Commission can play that role very well.

Mrs. Stephanie Kusie: Thank you.

You commented on the consultations, Mr. Laliberté, but I wondered if you had more to say.

Mr. Pierre Laliberté: Absolutely. Once again, thank you.

There was a common thread in everything that was said at the consultations. When people were asked what the most important thing was, they all said we should go back to the old system. The old system was the boards of referees. Another thing that's quite important, but is not covered in Part 5, section 32, is the administrative review process. During that process, someone appealing a decision could have their case reviewed.

In the past, the system worked that way. As soon as you challenged a case, you went straight to the appeal stage. So within 30 days, we would have a hearing. The department would do an informal administrative review to decide on the merits of cases. When the Commission could not win a case, they would step back and change the decision. In cases where the individual was not right, the next step was a hearing.

It took 30 days. Right now, you're lucky if the administrative review process is finished in 30 days. Then you can appeal the decision. If you're lucky, a decision will be rendered in the next 45 days. There are a lot of if's in this scenario. That's why many of the stakeholders who spoke out asked for a return to the old system, which triggered the appeal process at the outset. This would in a way force the department to review cases in a timely manner for the benefit of everyone involved.

We're talking about quite modest amounts, but they are nonetheless significant to the individuals. Getting them three or four months later makes a big difference to them. So it's important that the system be fast and unencumbered.

• (1605)

The Chair: Thank you, Mr. Laliberté.

Mr. Pierre Laliberté: Thank you.

The Chair: Thank you, Mrs. Kusie.

Mrs. Stephanie Kusie: Thank you.

The Chair: Ms. Martinez Ferrada, you have the floor for six minutes.

Ms. Soraya Martinez Ferrada (Hochelaga, Lib.): Thank you, Mr. Chair.

I'd like to thank all the witnesses for being here today.

I heard you talk a lot about the announced reform and the consultation work that has been done, particularly on the issue of employment insurance.

I'd like your thought on a few things.

Our committee is studying several sections of the bill. Earlier, my colleague referred to 10-day sick leave payments for workers. I think that work has also been done to improve consultation and work with the provinces.

I would like to know what you find good in the sections under consideration. What are the potential effects of the changes being presented, particularly on how Quebec and the federal government will be able to interact with regard to the provision of employment benefits and the other measures presented?

I would also like to hear your comments on the type of criteria we could put in place in for Governor in Council appointments, to

ensure that Quebec will be properly represented on the Employment Insurance Board of Appeal.

I would like each witness to answer the question briefly because the time for questions and answers is limited.

Mr. Bolduc, you can go first. Then, Ms. Legault-Thuot can answer.

Mr. Denis Bolduc: When it comes to appointments, it is important to have people who represent the regions well. Some time ago, I heard some concerns from the government about diversity representation, for example. I've been hearing less about it for quite some time, specifically with regard to appointments.

On both the worker and employer sides, diversity concerns need to be clear and defined, without setting quotas. Everyone needs to be aware of this concern and consider it. I think we are capable of doing this work.

Ms. Soraya Martinez Ferrada: Mr. Bolduc, with regard to negotiations and interaction with the Province of Quebec, for example, do you think that what has been presented opens the door to better co-operation, collaboration or exchange?

Mr. Denis Bolduc: Are you talking specifically about the appointment of members?

Ms. Soraya Martinez Ferrada: No, not necessarily.

We are talking about offering sick leave to workers, but what Quebec and the federal government are offering is different. Would the consultation process presented in the bill make it possible to work better with the province?

Mr. Denis Bolduc: Today, I'm focused on division 32 of part 5 of the bill.

Ms. Soraya Martinez Ferrada: I understand.

Mr. Denis Bolduc: If you'd like, I can send you a response in writing.

Ms. Soraya Martinez Ferrada: Yes, if you wish. Thank you for that.

Mr. Denis Bolduc: Thank you.

Ms. Soraya Martinez Ferrada: Is Ms. Legault-Thuot still there?

• (1610)

Ms. Camille Legault-Thuot: Yes.

Ms. Soraya Martinez Ferrada: Okay.

You can answer the question.

Ms. Camille Legault-Thuot: Like Mr. Bolduc, I am prepared to talk about division 32 of part 5 of the bill.

In this regard, it is clear that the government is taking note of some of the demands of union and community groups. It has understood the need for tripartism.

Our concern in this regard is the understanding of all the implications of this tripartite approach to administrative justice accessible to vulnerable people. That has not been understood in its entirety. That's why we want the bill to be split up to ensure that every dimension and the spirit of tripartism are respected. It's not enough to have only workers' representatives and employer representatives.

The Chair: Thank you, Ms. Martinez Ferrada.

Ms. Soraya Martinez Ferrada: Thank you.

The Chair: Go ahead, Ms. Chabot. You have six minutes.

Ms. Louise Chabot: Thank you, Mr. Chair.

I'd like to thank the witnesses.

Everyone has talked about the pandemic and the difficult time we've been through. In terms of employment insurance, I'd like to acknowledge all your work and efforts with workers and the unemployed. Thank you for that. The Employment Insurance Commission plays a major role in our structure.

We keep talking about consultations.

Mr. Laliberté, we were promised that there would be consultations, and you confirmed that there have been many. However, if everyone is asking for division 32 to be removed from part 5 of the bill, it's because between those consultations and the end of the work, there were no consultations.

The groups concerned were consulted on what the government wanted to implement in 2019. Three years later, it's in an omnibus budget implementation bill. Between then and now, there have been no consultations, and that's why you are asking for a separate bill so that consultations can be carried out properly. Is that a good analysis?

My question is for Mr. Bolduc and Mr. Laliberté.

Mr. Denis Bolduc: I agree with you in the sense that this subject is receiving a lot of attention. We have been calling for the modernization of the employment insurance system for years.

This bill contains a section on the creation of appeal boards, but it is buried in an omnibus bill. Because of that, there isn't the discussion, exchange and consultation required to properly analyze the bill. It may be a little difficult to respond to this request, but I think it would be really wise to remove this section and make it a bill. It would allow for a focused discussion on the matter, which is of great importance to many people in Canada.

Ms. Louise Chabot: Thank you.

As I understand it, there have been several consultations and reports. We are now being presented with a bill, but there has been no consultation on what is before us, which is why it would be interesting to do this work. It will be difficult to do it in the time available to us, so I understand why division 5 should be removed from part 5 of the bill.

In addition, according to some stakeholders, this affects several pieces of legislation, including the Employment Insurance Act, and we need time to study this whole process.

I have a very important question. It is all well and good to include the word "tripartism" in the text of a bill, but we must consid-

er its meaning. Why is it important that the appeal process provide EI claimants with the right to regional representation and the option of an in-person hearing? As far as we can see, this is not included in this bill.

• (1615)

Mr. Pierre Laliberté: Allow me to answer your question.

This was one of the most important issues. In fact, Mrs. Kusie asked me what had come out of the consultations, and one of the key things was that people wanted that close relationship with the process. Minister Duclos said at the time that it was to somewhat humanize this whole administrative apparatus. You're right to point out the lack of details in this regard.

We don't want to relive what we went through with the SST with a new structure that would be autonomous, that would do more or less what it wants. We want to avoid being told that full-time members are only there temporarily, that everyone will be part-time next year and that the structure will be well distributed across the territory.

However, once the machine is gone, when you no longer have any leverage or oversight, you are in trouble. We were in that situation with the SST. It's important to remember that the minister had to ask for an independent inquiry in order to get the facts, because he might not have had them elsewhere.

We are asking that the necessary time be taken to do the exercise properly this time. I don't think it's in vain, because I think it's important to make sure that all parties are involved in the process and that the outcome reflects the intentions and objectives that were set out initially.

The Chair: Thank you, Ms. Chabot.

[English]

Monsieur Boulerice, go ahead for six minutes.

[Translation]

Mr. Alexandre Boulerice: Thank you very much, Mr. Chair.

I'd like to thank the witnesses for being with us this afternoon. My first question will be for Mr. Bolduc and Ms. Legault-Thuot.

You both emphasized the right of workers to an in-person hearing before this new appeal board and to regional representation, so that access to rights isn't limited by burdensome transportation and accommodation costs, for example. I don't know if you had a chance to listen to the people who were with us in the last hour, but I asked this question and was told that there would be these opportunities. Is an opportunity a right? I'm a bit skeptical.

Based on what you've heard, does this give you some comfort, or do you still have concerns with Bill C-19?

I would ask Mr. Bolduc to answer first. Then I'd like to hear from Ms. Legault-Thuot.

Mr. Denis Bolduc: I didn't hear the comment that was made earlier, but until it's written in black and white, there is certainly concern. People prefer to speak to stakeholders who know their region. They have to understand the reality of the market people are in. For example, seasonal work in the Gaspé is not the same as seasonal work in Quebec City or Abitibi-Témiscamingue. However, this is called seasonal work.

This means that the stakeholders need to have a thorough knowledge of the area where the people who use the appeal board are located and of the local labour market. The selection process should be designed with criteria that are similar to that.

Mr. Alexandre Boulerice: Go ahead, Ms. Legault-Thuot.

Ms. Camille Legault-Thuot: With regard to the need for in-person hearings, to give you an overview, the MASSE member groups have been representing unemployed workers who have wanted to challenge decisions of the Social Security Tribunal for several years. One of their findings, which is difficult to quantify, is the fact that hearings that are held virtually or by telephone have an impact on the unemployed person's understanding of their situation or on the empathy they may have for them. Understanding their limitations in literacy, language or use of technology has a significant impact, not on judgment, but on assessing their credibility. In many cases, in making a decision, the Social Security Tribunal will ask itself whether the person made a reasonable choice.

• (1620)

Mr. Alexandre Boulerice: It's an important factor.

Ms. Camille Legault-Thuot: Exactly.

As for the second question on regional representation, I would say that the reality of seasonal work in the various regions is quite difficult. Whether we are in Saguenay—Lac-Saint-Jean, where forestry is very important, or on the North Shore, where crab fishing and processing represent a significant part of economic activity, unfortunately, the lack of understanding of the reality of seasonal work does not allow all members to properly weigh the credibility of certain claimants or applicants when they talk about the barriers they face in their search for work or their availability to work. At the tripartite board of referees, there were people who understood what was going on in the regions.

We often talk about the independence of the tripartite board, but the neutrality of a board doesn't mean that its members come from outside and do not understand the realities. On the contrary, greater neutrality can be achieved if the reality of the regions is understood.

Mr. Alexandre Boulerice: Thank you very much.

I'd like to come back to the famous tripartite boards of referees, which we have been hearing a lot about for a while now.

Mr. Laliberté, if I understand correctly, the boards of referees were faster, fairer and less expensive.

This may be a very naive question on my part, but why don't we go back to what worked well?

Mr. Pierre Laliberté: That's an excellent question, and I think it should be asked of the architects.

To be brutally honest, there is a sense that the senior officials responsible for the file are biased toward the status quo. We are trying to preserve as much as possible of what exists. In fact, I think it reflects that very much.

Yet the spirit that was conveyed during the discussions with the minister was that everything was on the table. Unfortunately, there was a bottleneck, and the maze led us into a corner. I think that—

The Chair: Thank you, Mr. Laliberté and Mr. Boulerice.

[*English*]

We'll now have Madam Gladu for five minutes, and we'll end with Madame Martinez Ferrada for five.

Madam Gladu, you have the floor.

[*Translation*]

Ms. Marilyn Gladu: Thank you, Mr. Chair.

I'd like to thank all the witnesses.

My first question is for Ms. Legault-Thuot.

As the government created a problem by offering those who work for the federal government 10 days of sick leave, while all the other companies offer only two?

Ms. Camille Legault-Thuot: To be honest, that question is beyond my area of expertise.

MASSE brings together groups that advocate for the rights of the unemployed. So we focus on those issues.

Ms. Marilyn Gladu: Okay.

My second question is for Mr. Bolduc.

Mr. Bolduc, you said that you prefer to have provisions related to tripartite consultations. Could you explain that in more detail?

• (1625)

Mr. Denis Bolduc: I'm not sure I understood your question, Ms. Gladu.

[*English*]

Ms. Marilyn Gladu: You talk about preferring a tripartite approach, so I was wondering if you could explain a little more, for the appeals coming forward, why what we have in this bill is not going to deliver the benefits of that.

[*Translation*]

Mr. Denis Bolduc: Indeed, I would like to understand why the government wants the appeal board to report to the president or the deputy minister. I don't see the benefit of that.

It seems to me that the message the government would send about the independence of the appeal board would be much better if it were under the tripartite commission, for example. In the tripartite structure, the interests of each party are represented: those of the government, those of the employer and those of the workers. By reporting to the commission, the board would be accountable to the stakeholders. That would give a better overall impression of non-political or lack of political interference in the process.

Ms. Marilyn Gladu: Thank you very much.

[English]

Monsieur Laliberté, it looks to me that the system proposed will not give independence. Do you agree? The deputy minister is going to have some views that may not be impartial. At the same time, we've increased the cost of the appeal. Do you have any further comments on this?

Mr. Pierre Laliberté: There's a lot to be talked about there. First, I think what was said on the commission versus the commission chair is correct.

I think there is a clash of philosophy sometimes when we deal with the civil service, an idea that somehow centralizing decision-making and having one expert in the room is better than having all the stakeholders, so to speak, or the people who have different but probably complementary viewpoints on things. That is a different governance model.

Over the past number of years that I've been in this position...I think it's difficult for some people to even get that there is value to this. To me, strictly on the notion of governance.... In this case I don't need to remind you that we're talking about employers' and workers' contributions. The very basis of the institution is the fact that this program is paid for by workers and employers, so they should have a voice.

Ms. Marilyn Gladu: They've put their money into it.

We have already heard testimony about the capacity issues, so at the end of the day, do you worry that the new model will make the delays to get an appeal and to get a decision even worse?

The Chair: Give a short answer, please.

Mr. Pierre Laliberté: This isn't a political question in that sense. I think some extra changes will be needed of the nature I referred to earlier, about the appeal kicking in immediately when a file is contested, instead of waiting for the *révision administrative* to be done.

[Translation]

The Chair: Thank you, Ms. Gladu.

[English]

We go now to Madam Martinez Ferrada for five minutes.

[Translation]

Ms. Soraya Martinez Ferrada: Thank you, Mr. Chair.

I want to share my time with my colleague Wayne Long.

I want to come back to division 32 of part 5 of Bill C-19.

Ms. Legault-Thuot, you referred earlier to a few elements from division 32 of part 5, which have surely been discussed or heard about during consultations.

Could you tell us what those elements from division 32 of part 5 are right now?

You also brought up a new system, which is more effective, faster and more transparent. I would also like to come back to that quickly, as I am sharing my time with my colleague.

• (1630)

Ms. Camille Legault-Thuot: I can answer your first question, but you will have to repeat the second one.

For the time being, the elements presented in the bill concern tripartism and chairmanship.

I will digress. People were wondering earlier why it took so long to introduce this bill. There is an impression that the government is operating in a vacuum and is not talking to stakeholders who use that appeal system.

Right now, MASSE is noting that many improvements have been made to the Social Security Tribunal of Canada, SST. Those improvements should be integrated into the mandate of the new Employment Insurance Board of Appeal. One of the things I'm thinking of are all the outreach activities to make information more accessible to the unemployed, the form the SST uses to communicate with the unemployed and the calls it makes to them to give them information. Despite all those improvements, when we read the current bill, we feel that there is an intention to start from scratch. But that seems out of touch with the reality on the ground, as improvements made by the SST and the possibilities provided by the board of referees should actually be combined.

There you have it. I know that this does not answer your question.

Ms. Soraya Martinez Ferrada: No problem, Ms. Legault-Thuot.

I will share my time with Mr. Long. I know that he won't have much time.

I would ask you to think about the following question and submit your answer in writing.

If you had to amend division 32 of part 5, instead of removing it, what elements would you amend? You can send us your answer in writing if you like.

Thank you, Mr. Chair. I will yield the floor to Mr. Long.

[English]

The Chair: You have two minutes.

Mr. Wayne Long: Thank you, Chair.

Good afternoon again to everybody. Thank you so much to our witnesses who have just testified.

I'll throw this question out to anybody who wants to grab it, just for the committee's knowledge. I'm looking for you to elaborate more on how federal paid sick leave requirements and regulations will put pressure on non-federally regulated businesses and provincially regulated sectors to do more on their end to improve workers' benefits. Can you comment on that, please?

The Chair: Who do you want to direct it to, Mr. Long?

Mr. Wayne Long: It doesn't matter; perhaps Mr. Bolduc.

The Chair: Go ahead, Mr. Bolduc.

[*Translation*]

Mr. Denis Bolduc: I gather from the question that employers are concerned about the number of sick days, which is 10. That said, I did not hear the question well, as the sound was very low.

I prepared for this meeting by thinking about division 32 of part 5, which concerns appeal boards. I did not go over the entire bill, because, as I said in my opening remarks, it is a brick of a bill.

That is why it would be worthwhile to remove division 32 of part 5 of this omnibus bill in order to discuss this specific issue or other issues, for those who may be interested.

I am sorry that is the only answer I can give you.

The Chair: Thank you, Mr. Bolduc.

● (1635)

[*English*]

Mr. Long, our time has gone by.

At this time, I would like to thank all the witnesses for appearing before the committee today and sharing their expertise in their various fields.

Is it the pleasure of the committee to adjourn?

Seeing no dissent, the committee is adjourned until Thursday.

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