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Chair: Mr. Robert Morrissey

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

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• (1630)

[English]

The Chair (Mr. Robert Morrissey (Egmont, Lib.)): I will call meeting number 36 of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities to order. Today's meeting is taking place in a hybrid format, pursuant to the House order of June 23, 2022.

To ensure an orderly meeting, I would like to make a few comments for the benefit of the witnesses and members.

Before speaking, please wait until I recognize you by name. For those participating virtually, please use the "raise hand" function. Before speaking, click on your mike to activate the microphone. For those in the room, the microphone will be activated in the room.

You may speak in the official language of your choice. For those of you participating virtually and in the room, if you detect a loss of interpretation services, please get my attention. The meeting will be suspended until the issue is resolved. I'd like to also remind members participating that no screenshots are allowed of committee proceedings. Should any technical challenges arise, again, advise me and we will suspend to correct them.

Currently, the committee is studying the supporting Black Canadian communities initiative, pursuant to Standing Order 108(2) and the motion adopted by the committee on Thursday, February 3, 2022.

I would like to welcome our witnesses to begin our discussion, but before I do that, I want to acknowledge that we have two substituting members from the official opposition. Welcome to the committee. I believe those are the only changes.

At this time, I would like to introduce Karen Hall, associate assistant deputy minister, income security and social development branch; Katie Alexander, director general, program operations branch; and Sandra Charles, director, supporting Black Canadian communities initiative.

I didn't get this correction. Is one statement being made or are all three making statements?

Ms. Karen Hall (Associate Assistant Deputy Minister, Income Security and Social Development Branch, Department of Employment and Social Development): It's just one statement, Mr. Chair.

The Chair: Thank you.

Before we begin, I want to acknowledge that the regular clerk of the committee is not with us. We have a substituting clerk, and I'd ask her to introduce herself to the committee.

[Translation]

The Clerk of the Committee (Ms. Dancella Boyi): Good afternoon, everyone.

[English]

My name is Dancella Boyi and I'm subbing in for Danielle. Thank you for having me.

The Chair: Ms. Hall, you may begin.

Ms. Karen Hall: Thank you very much for the invitation to be here today. It's lovely to be here in person with you.

As the chair noted, my name is Karen Hall. I'm the associate assistant deputy minister of the income security and social development branch at Employment and Social Development Canada. I'm joined by Katie Alexander, who's a director general in the program operations branch, and Sandra Charles, who's the director for the supporting Black Canadian communities initiative.

[Translation]

I would like to start by providing you with some context and an overview of the supporting Black Canadian communities initiative.

Anti-Black racism impacts the lives of millions of Black people in Canada every day. It creates significant inequities and barriers that prevent the full inclusion of Black communities in all areas of life.

We also know that the COVID-19 pandemic has had disproportionate impacts on Black communities, heightening existing inequities faced by these communities.

• (1635)

[English]

Despite this, Canada's Black population is among the fastest growing and continues to make significant contributions to Canadian society, with the potential for an even greater impact in the future.

In response, and as part of Canada's recognition of the United Nations International Decade for People of African Descent, in budget 2019, the government provided \$25 million over five years to establish the supporting Black Canadian communities initiative. In budget 2021, an additional \$100 million was provided for the SBCCI to address systemic inequalities and support capacity building. Finally, budget 2022 provided an additional \$50 million over two years for the continued empowerment of Black-led and Black-serving community organizations and their work in promoting inclusiveness. In that budget, the government also stated its intention to explore further options to continue supporting capacity building within Black-led and Black-serving community organizations in the long term.

The SBCCI is key in meeting Canada's commitments to the UN International Decade for People of African Descent. The SBCCI's implementation is informed and led by the voices of Canada's Black communities, aligning to the principle of "by us, for us". This principle was emphasized at the National Black Canadians Summit in Halifax this past July, which I was very pleased to attend.

The SBCCI operates under three pillars. The first pillar, capacity building, strengthens foundational infrastructure and sustainability for more evidence-based decision-making, and fosters more enduring supports within communities. The second pillar, systems change, supports projects and initiatives that address the systemic barriers and inequities faced by Black Canadians. The third pillar, emerging priorities, is to address emerging gaps in priorities, as identified by Black community stakeholders and other community of practice networks.

I'll speak about these in turn, Mr. Chair, but I'm not sure how I'm doing for time.

The Chair: You have two and a half minutes.

Ms. Karen Hall: Thank you.

On the first pillar, capacity building, the SBCCI works with communities to support a sustainable ecosystem of Black-led and Black-serving organizations.

[Translation]

As you heard on Monday, to ensure that community voices are centred, funding is provided to high-capacity Black-led organizations that act as national funders, and in turn provide funding for capacity building to smaller Black-led community-based organizations.

[English]

The four national funders, as you heard, are Tropicana Community Services in Toronto, the Black Business Initiative in Halifax, Groupe 3737 in Montreal and the Africa Centre in Edmonton. To date, the national funders have together awarded over \$25.7 million to more than 705 Black-led and Black-serving grassroots organizations across Canada, helping to build community-based capacity.

The SBCCI has also invested directly in more than 1,370 projects under the capital assistance stream of the initiative, which is administered by ESDC. A total of almost \$82 million was invest-

ed to help organizations more effectively deliver programs and services to the communities they serve.

Turning to the second pillar, systems change, there are a couple of elements designed to support the projects and initiatives that address systemic barriers. One of those is the external reference group, which is a commitment the government made and is in train. There is also the national institute for people of African descent, for which a call for proposals was launched. Again, a selection process is under way and in train.

Under emerging priorities, there are a range of initiatives that have taken place, including with regard to one place that I was able to visit this summer, just outside Halifax. It's the former Nova Scotia Home for Colored Children, which has been returned to the community. The project has funded significant renovations to turn that space into a community hub for the Black community in Nova Scotia.

To wrap up, the last thing I'll note is a complementary initiative, which I think you heard a little about earlier this week as well. That is the Black-led philanthropic endowment fund. This sits alongside the supporting Black Canadian communities initiative and is designed to build capacity and put funding in the hands of Black-led and Black-serving organizations in the future.

Thank you, Mr. Chair. I'm happy to take questions.

• (1640)

The Chair: Thank you, Ms. Hall.

I will now open the floor to questions, and I would ask questioners to identify who they are directing their question to, even if it's to everybody.

We'll begin with Mr. Dalton for six minutes.

Mr. Marc Dalton (Pitt Meadows—Maple Ridge, CPC): Thank you for sharing that information, Ms. Hall.

I'm wondering about measuring the effectiveness of the supporting Black Canadian communities initiative. Can you tell us how you do that?

Ms. Karen Hall: Absolutely. As part of the initiative, as with any program, the results framework is a key portion of the program and the measurement of the results. There is a set of outcomes that we're seeking short term, medium term and long term.

I'm going to turn to Sandra to give us a high-level overview of what those indicators are.

Ms. Sandra Charles (Director, Supporting Black Canadian Communities Initiative, Department of Employment and Social Development): As Karen mentioned, one of the tools we use to measure effectiveness is, indeed, the performance results framework. For example, what we're seeking to achieve through the SBCCI is really the social inclusion of Black communities, and in particular the most vulnerable. In order to measure that, we have identified immediate and intermediate outcomes along the theory of change, making sure that we are achieving the result we are seeking, which will help us identify the efficiency of our initiative.

We have also used our engagement with the community. As you heard from other witnesses this week, we are working very closely with the community. We have an opportunity to hear from them. I was personally able to attend the congress of Groupe 3737 and was able to interact and hear from the community.

Mr. Marc Dalton: I am hearing that you are meeting the objectives. Is the program meeting all the objectives that you've laid out?

Ms. Hall, I'll let you direct how you want the questions to be answered.

Ms. Karen Hall: Thank you.

I'll turn to Sandra for that one.

Ms. Sandra Charles: I wouldn't say it's meeting all objectives, but it's definitely on track. SBCCI has been in operation for three years, so we're currently collecting results and learning more, so yes, we are on track to meeting our objective, but certainly there is still work to do.

Mr. Marc Dalton: Could you maybe share what the administrative costs are of the program? Obviously less administration and getting more into the field is really important, so can you maybe talk about that?

Ms. Karen Hall: I'll turn to Katie for that in just a moment.

I would underline the unique or more innovative model that we're using for this program, which I think you heard a bit about earlier in the week. We're using the intermediary model. A portion of the program is delivered by ESDC through our program operations branch. That's the capital assistance project, with the 1,370 grants that were issued. We're also using the intermediary model in order to have decision-making on the grants for the community-based capacity stream situated in communities and with the voices of the Black community. Together, those two models provide an effective blend of the standard model and the approaches taken through the more innovative approach.

Katie, is there anything you'd like to add?

• (1645)

Ms. Katie Alexander (Director General, Program Operations Branch, Department of Employment and Social Development): Yes, I'd be happy to.

I'll maybe just touch on administrative costs. The way we set up our grants and contributions agreement is that up to approximately 15% is allowed for the organization's administration of the funds that have been afforded to them. That would cover things like the cost of staffing for their organization to administer the Gs and Cs and the funding they've been provided so they can work with com-

munity members to do the outreach necessary to invest the funds they've been given. It's typically up to 15%.

Mr. Marc Dalton: How long does it take for organizations, once they've been approved, to get the funding? What is the time frame?

Ms. Karen Hall: To clarify, do you mean from the time of application or from the time of decision?

Mr. Marc Dalton: I mean the whole process from the time of applying or from the cut-off time and then for the approval. How does that work?

Ms. Karen Hall: I'll turn to Katie for that again because we have two different approaches. Maybe we'll speak to both, if that's okay.

Ms. Katie Alexander: In the department, typically we call it an open call for proposal process. It's when we post a notification of a call for proposals on our website.

It takes approximately six to eight months for a project to be signed and realized in the community. That's in large part to provide applicants with enough time to prepare themselves to apply for the process, as well as for the department to take the necessary time to review the applications and do the necessary assessment to then make recommendations.

Once a recommendation is made, we work with the successful recipient to finalize the terms of the agreement before we can flow the funds to them.

Mr. Marc Dalton: You mentioned that 705 grants had been approved, if I'm correct. What is the average amount given for a grant? What is the range?

Ms. Karen Hall: I can tell you that the average is \$36,000.

For the range, I may have to turn to Sandra to see if she has that at her fingertips. If not, we'd be happy to come back to the committee with that in writing.

The Chair: Ms. Charles, do you have an answer?

[Translation]

Ms. Sandra Charles: Yes, pardon me.

[English]

The Chair: If you submit it to the committee in writing, Mr. Dalton will receive it.

We'll now move to Mr. Coteau, for six minutes, please.

Mr. Michael Coteau (Don Valley East, Lib.): I want to say thank you to the officials joining us today.

From what we've heard from past witnesses—the recipients and the folks involved in the administration of the funding—I know this is an innovative, first-of-its-kind type of program in Canada. Many of the organizations in communities like mine in Toronto and across the country know that this program is making a huge difference in their communities. For some of them, it is the first time they've had a funding relationship with the federal government.

Ms. Hall, of the 705 recipients, how many are first-time recipients of federal funding?

Ms. Karen Hall: I don't have an exact number at my fingertips. What I can tell you today is that the number is very large. These organizations are small, have not generally had previous investments and require additional assistance to build their own organizational capacity in order to be considered for larger grants or other grants.

The funding is going to things like equipment facilities, board planning, strategic planning and helping hire new full-time staff so that it's not only volunteers. These sorts of efforts then allow an organization to be in the running for larger grants and contributions, or to leverage funding from other organizations in the future.

• (1650)

Mr. Michael Coteau: We heard from Alica Hall, who is the executive director of the Nia Centre for the Arts. I think it was a week and a half ago. She said that for every \$100 that foundations across the country spend, about seven cents goes to Black-led organizations.

Do you think the investments we're making today will better position the 705 recipients to compete in an alternative space outside of government in the future by building capacity to seek funds from organizations like the YMCA and the United Way?

Ms. Karen Hall: Yes, I would say the funding is going to make a difference and better equip organizations to be in the running for additional funding opportunities. We took note of Ms. Hall's testimony last week or the week before, and would underline her point that funding investment is necessary in order to have the capacity to be part of larger granting contribution programs.

I would say, too, that the launch of the call for proposals for the Black-led philanthropic endowment fund earlier this week presents another source of funding and another stream of investment for Black-led organizations. This \$200-million fund will go, as an endowment, to Black-led and Black-serving organizations. It will function as a foundation and, in turn, as a grant to other organizations. In doing so, it will provide a stable and permanent source of funding for Black-led and Black-serving organizations in the community. That will, again, help to shift some of those numbers we saw, for example, in the "Unfunded" report that you cited.

Mr. Michael Coteau: I know that as more organizations start to build capacity, more competition builds as well, along with more expertise and more service delivery. Sometimes—and this is way into the future—there may be some overlap by building more and more capacity.

Have you explored any future methods or programs to analyze the work that organizations are doing—for example, collective impact models or any types of specific models—to help better posi-

tion the government to amplify things that are working and downsize things that may not be working? Is there anything there in the forefront? I know I'm going way into the future, but is there anything the department is thinking of?

Ms. Karen Hall: Collective impact models are used in other programming within the department.

In terms of the SBCCI initiative, in budget 2022, the government signalled its interest and intention.... It's thinking about the future of the program. As the development or work continues in that regard, different models may be an option, including on collective impact, but there will be more to come.

Mr. Michael Coteau: Do I have time for a final question, Mr. Chair?

The Chair: No, you do not, Mr. Coteau. That concludes your six minutes.

Mr. Michael Coteau: Thank you so much.

[*Translation*]

The Chair: Madame Chabot, go ahead.

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

I would like to thank the three witnesses for their testimony.

This is the second session we've had dedicated to this matter. We haven't heard from many witnesses so far, but still, three of the people who appeared represented intermediary groups that receive funding under this initiative.

Let me say from the outset that I have no reservations about this initiative and the program the government has put in place. The objectives are good. What I am wondering about, however, given some of the evidence we've heard, are the objectives related to inequality and capacity building, since these kinds of things are more qualitative. How can those supports be measured, whether they come from Employment and Social Development Canada or the intermediary groups? How can we measure the effects of the investments, which are significant, but which may seem less so when brought down to the level of the provinces and Quebec?

Please understand, I'm not asking whether more money needs to be invested. That is not for you to answer. Rather, it would be up to one of my colleagues here to address that, but we aren't allowed to direct questions to our fellow MPs.

So how do we measure whether the objectives are being met? I realize that there are more specific objectives, but there are also overall objectives. When we talk about inequality and capacity building, some results are more difficult to measure than others.

What tools do you have to measure that?

• (1655)

Ms. Karen Hall: I will ask Ms. Charles to answer that question.

Ms. Sandra Charles: Thank you for the question.

Let me start by saying that we have developed tools with the intermediaries, tools that include evaluation plans and strategies. At the same time, we are working collaboratively on capacity building, specifically on data collection and evaluation. Clearly, collecting data is very important. One of the ways to measure the impact of our initiatives will certainly be to have evidence-based data collection in that regard.

Another tool we use is conversations. Many of these changes are qualitative. We are talking about a sense of belonging and social inclusion. It's really through engagement, discussions with people and the statistical data that we'll be able to show that we're making a difference.

Ms. Louise Chabot: I have another question, which is about fairness in terms of how money is allocated. In my view, there is a double challenge in terms of fairness when we talk about groups from Black communities, which are perhaps not evenly spread out across the country. There are perhaps more in some provinces than in others.

Is there fairness among the provinces and Quebec in terms of how money is allocated, considering the demographics of groups from Black communities? I realize that some of the money is administered by intermediary groups, but is a sense of fairness taken into account?

You don't have to answer me right away, but do you know how many groups could have been targeted in each province and in Quebec, and how many received money?

My concern is whether the money is allocated with a sense of fairness in mind.

Ms. Karen Hall: Thank you for the question.

We don't have those numbers at the ready today, Madame Chabot, but we'd be happy to provide that information in writing.

Ms. Louise Chabot: Thank you.

My next question is about the budget. I'm trying to understand. An additional \$100 million was allocated to the supporting Black Canadian communities initiative in 2021, as well as \$50 million in 2022.

Are those investments for the same things? In other words, are there three programs or just one?

We also heard some discussion this week about the possibility of a Black-led philanthropic endowment fund, which would target long-term and sustainable funding. So that fund is separate from the one we're talking about here, which ends in 2024, but does it have the same objectives and does it target the same groups? Is this fund meant to provide long-term funding?

Ms. Karen Hall: Thank you for the question.

The three investments I mentioned are all part of the program. The fund I mentioned runs in parallel. The two programs have complementary goals, but are separate programs.

• (1700)

Ms. Louise Chabot: I have one last question.

It has to do with the program, which will end in March 2024, so in two years. We asked the witnesses we heard from, who represented three of the intermediary groups, how they saw things going forward. I realize that it's up to the government to decide what happens next with programs. However, it seemed important for the intermediary groups to be involved in reviewing the program and any progress being made.

Is this part of the mechanism you want to put in place through the intermediary groups? At least that's what I'm calling them; I hope I'm using the right term.

[*English*]

The Chair: Give a short answer, Ms. Hall.

[*Translation*]

Ms. Karen Hall: Thank you for the question.

The government is in the process of determining the future of the program. That said, I'm sure that the voices of those communities will be at the centre of future activities.

The Chair: Thank you.

Ms. Zarrillo, go ahead for six minutes.

[*English*]

Ms. Bonita Zarrillo (Port Moody—Coquitlam, NDP): Thank you, Mr. Chair.

I'm going to follow on the topic that Madame Chabot was speaking to.

Ms. Charles, you mentioned earlier that there's more to do, so my question is about capacity and momentum. This initiative has an expiration date. How can the government ensure that the capacity and momentum that have already been built can move forward even after the expiration date of the program?

Ms. Sandra Charles: I'll start by saying that when we look at the "Unfunded" report, we can see the need is huge. With that initiative, we have definitely laid a good foundation.

With the collaboration of the intermediaries, we really wanted to create a foundation to build the ecosystem so that indeed, moving forward, as I heard other witnesses mention, the government can continue to work with the community, listen to the community and, with it, determine how we can build on the very important momentum the initiative has created.

Ms. Bonita Zarrillo: Thank you for that. I hear there are still more connections and there's more information to hear about from the communities that have experienced using the fund.

That goes with my next question. We heard some testimony that more connections are needed in western Canada. I'm from B.C. and I know that although there might not be as many organizations, there are still lots of organizations in B.C. that would like to see some funding come their way. How do we get British Columbia involved in this initiative?

Ms. Karen Hall: I would say at the outset that national coverage is exceedingly important for this program. We have four intermediaries across the country—Edmonton to Halifax—and through them, we're seeking to ensure there is broad coverage across the country.

[Translation]

Would you like to add anything, Ms. Charles?

[English]

Ms. Sandra Charles: I would add that the mandate of our intermediary to the west is really to cover the region, so it's about collaboration, paying attention to where our fund is distributed and identifying other regions that need attention. It's definitely an opportunity that we can explore with our intermediaries.

Ms. Bonita Zarrillo: That's great.

I have a question on intermediaries. Is there any potential to expand the number of intermediaries or talk about how they get transferred into the endowment fund? Is there any talk about expanding them and making the network wider?

Ms. Karen Hall: There are two points there.

On the question of adding intermediaries, initially, the program started with three intermediaries, and then a fourth, in the west, was added after a bit of time. I would say that in the future, there is the potential for other high-capacity organizations to join as intermediaries. That remains to be determined and decided, but I think it is in the range of possibilities.

In terms of the endowment fund and how it is going to work, once the foundation is selected to, in effect, run the endowment and manage the funds, that organization will be making granting decisions across the country. The call for proposals was quite clear about the need for regional representation, regional bodies and regional feedback to ensure that a broad range of communities across the country are heard and that the funding is accessible very broadly.

• (1705)

Ms. Bonita Zarrillo: Earlier, Ms. Hall, you mentioned hiring and said that some of the funding was used to help organizations hire permanent staff instead of having to rely exclusively on volunteers.

How can the federal government do more to support operating funding, which really is needed to build capacity?

Ms. Karen Hall: As Katie mentioned earlier, there is an operational component included in the grants and contributions agreements—normally up to about 15%—and those funds can be used for the administration of the program.

Now, we have heard calls for more permanent operating funding. Generally, the funding model that has been taken up more broadly for grants and contributions programs is that the funding is directed on a more project-specific basis rather than to fund the core operations of organizations. There are some exceptions, but in general, that's the approach that has been taken.

The Chair: You can ask a short question, Madam Zarrillo.

Ms. Bonita Zarrillo: That's great.

In some of the testimony we heard, organizations said they would like a bigger percentage to go toward operating, and you're saying that's a possibility, so that's great.

Thank you.

The Chair: Thank you.

Now we'll go to Madam Gladu for five minutes.

Ms. Marilyn Gladu (Sarnia—Lambton, CPC): Thank you, Chair.

Thank you to the witnesses for being here today.

I want to echo what Ms. Chabot asked for regarding quantitative measures of the success of the fund. Could you table those with the committee and include the baseline of where you started and where we are today so we can see it? I think Ms. Charles indicated that you're on track, and I just want to see what specific quantitative measures you have.

There was a reporter from the CBC last year, Desmond Brown, who identified that concerns were being expressed by Black-led organizations that their funding applications were being rejected because they didn't qualify. I want to know how the department defines "Black-led organizations". Was there consultation with Black-led organizations and Black communities to establish the definition?

Ms. Karen Hall: There were concerns raised last year about the decision-making for this initiative. The department listened, and listened carefully, to the feedback that was received.

I think Katie can speak to us a bit about what we heard, what we've learned and the changes we've made.

Ms. Katie Alexander: I think you're referring to the initial call for proposals that we had for capital assistance. That was the direct funding provided to organizations to improve and renovate their facilities. That call was run in July 2020, and it was majorly oversubscribed. At that time, the department realized, following some engagement with stakeholders, that with the oversubscription, we provided a bit of an administrative burden to organizations by requiring that they explain to us how they are Black-led or Black-focused.

What we did then was began to revisit all of those applications. We reviewed all of them, the over 1,700 that we received, and ended up funding over 1,300. That also led to a review of our internal systems to figure out how to improve the way we manage our processes moving forward. Three main areas were improved.

Our application process was improved. We provided more clarity in our applicant guides to make sure they're clear so that organizations can understand how to apply and what eligibility criteria we're looking at.

We also looked at improving our application form by moving to an attestation-based indication of being Black-led. This means self-identifying as Black-led so that it's not being determined by the department.

The third element was a bit more client-centric and about doing a little more through a call for proposal, with information sessions, for example, and providing an opportunity for organizations to contact the department if they have questions, and, on the tail end, expanding the opportunities for organizations to come back to us with missing information. Typically, that's 10 days, and we expanded it to 15 days so that new organizations that aren't used to doing business with the government are able to allow a little more time.

• (1710)

Ms. Marilyn Gladu: Thank you for that.

We did hear some testimony from some of the smaller organizations. They said they didn't have experience in applying to the government and needed some help with that. We also heard, to Ms. Zarrillo's point, that they were looking for more flexibility in operational funding—I think you said 15% is allowed—and the ability to be flexible depending on the project. I think we heard about that.

You talked about the three pillars: capacity building, systems change and emerging gaps. What are the emerging gaps you see going forward?

Ms. Karen Hall: We are relying on the voices of the community to hear about the gaps they see. Their voices are really essential for us in identifying those gaps.

One of the gaps we heard about was in Nova Scotia related to the former Nova Scotia Home for Colored Children, which had fallen into disrepair. It certainly is a very important though complex site in the history of the Black community in Nova Scotia.

Some of that funding was used by the Akoma Foundation to renovate the home and turn it into a hub for the community. Sandra and I visited there over the summer. It has become, and will be, a very effective and welcoming place for the community. We heard from the community that this was an important priority.

The Chair: Thank you.

Now we'll go to Madame Martinez Ferrada.

[*Translation*]

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

I also want to thank the witnesses for their presentations.

I have a few quick questions.

As my colleague Madame Chabot said at the outset, the purpose of the program is to tackle inequalities and target capacity building. You talked about how data can be used to evaluate the effectiveness of the program. Does the data also illustrate how this fund has helped SMEs or smaller entrepreneurs? Consider a neighbourhood hairstylist, for example. Not every small business owner has the means to come up with a business plan. Plus, let's face it, they have been subject to a lot of racial profiling, even by banking institutions. From that perspective, how can this fund better support these small business owners?

Also, how is the risk assessed? Some witnesses wondered whether they could get funding through the program in situations where banks wouldn't give them a loan. I'm comparing this situa-

tion to what's happening in some other countries, specifically initiatives involving microcredit. How can risks be assessed in a way that builds capacity in a population that for years has been racially profiled by financial institutions?

Ms. Sandra Charles: Thank you for the question.

I will not attempt to answer on behalf of businesses, since the program is aimed primarily at non-profit organizations. We don't consider an organization's application from a risk assessment perspective. Rather, we look at the organization's potential and whether it meets the needs of the community it serves, among other things.

Consider the following example. I know of one organization that was new and had a really hard time getting any funding, because it had never dealt with any government or private entities. We funded the launch of that organization, which had a program and objectives. We helped them design a strategic and organizational plan, develop their activities and establish their governance structure. This new organization received funding through our initiative and was able to offer its services to the community. This company offers support services on starting up a new business. It had planned to fund only five start-ups in the first year, but thanks to our investment, it was able to fund 12.

That's the kind of effect the initiative can have. Our support is not given directly to businesses, but rather to organizations that have a mandate to serve the Black community.

• (1715)

Ms. Soraya Martinez Ferrada: You mentioned two programs. Can you talk about the differences between Quebec and the other provinces in that regard? What exactly is the process? Why are some wait times longer?

Ms. Sandra Charles: I'm not in a position to properly answer that, but I'd be happy to provide you with a written answer.

Ms. Soraya Martinez Ferrada: Thank you.

You talked about how to make the support offered by this fund sustainable, in keeping with the goal of better supporting these organizations and targeting capacity building. I know this is a very popular program, and yet there are people in my riding who have never heard of it.

How do you inform people about the fund? In order to invest money in these organizations, people need to know that the fund exists.

[*English*]

Ms. Katie Alexander: There are couple of things. We really are leveraging our national funders to help us promote some of the initiatives for supporting Black Canadian communities. We're also doing more, as I mentioned, to try to have information sessions and promote when calls for proposals open. We're availing applicants of a contact in the department where they can ask questions.

We're trying to make sure that we are making those connections in communities and then offering opportunities to promote those calls for proposals and opportunities for additional funding.

[*Translation*]

Ms. Soraya Martinez Ferrada: I'd like to make one last comment. It would also be a good idea to work with organizations outside of Black communities in order increase awareness of this fund. As I said, there are organizations in my riding that didn't even know this fund existed. There is work to be done in that regard.

[*English*]

The Chair: Thank you, Madame Martinez Ferrada.

[*Translation*]

Madame Chabot, go ahead for two and a half minutes.

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

I would also like to make a comment, and I would go even further than what my colleague said. Even parliamentarians, who all do constituency work, aren't aware that this initiative and the new philanthropic fund exist. I knew very little about them. However, there are several groups that can act as ambassadors and promote these programs. We also asked the witnesses representing the intermediary groups about this.

The intermediary groups were chosen for certain reasons, specifically for their capacities for example, but there are nevertheless some limits. As we know, non-profit organizations generally have more than one mission. They often hope to secure funding for their independent mission, which is totally fine. However, some kind of outreach mechanism must be considered so the program can be publicized, especially if there are other priorities that need to be addressed in the future. Ignorance is no excuse. We are talking about pretty important programs that deserve to have a higher profile.

Now I'd like to ask a question. Organizations certainly have to meet a multitude of criteria to qualify for funding, but have the needs been properly assessed? I realize that targets have been set, but where are the greatest needs in terms of funding? Is it capacity building or something else to support the community? I'm not sure if my question is clear. What specific needs are you hearing about from these groups?

• (1720)

Ms. Karen Hall: Thank you for the question.

We launched the initiative in 2019 following discussions with the communities, from whom we learned a lot.

Ms. Charles, could you summarize those discussions and the needs?

Ms. Sandra Charles: Yes, I'd be happy to.

In discussions with Black communities, they sent a clear message that they still have enormous needs, not only in terms of funding, but also all the work that needs to be done in the area of social inclusion, as we mentioned, and to tackle racism.

What we're hearing from the communities is consistent with what you heard from the witnesses who appeared. We're hearing a great deal about the need to create more partnerships, connect more

networks and develop the ecosystem so that it generates positive spin-offs across Canada.

We're also hearing a lot about organizations' operating budgets and their desire to expand their programs. All of these organizations provide extraordinary programs to the community, whether in the area of education, food security or welcoming newcomers. These people are frontline workers for many of these efforts, and they see what's happening on the ground, so they want to do more.

The Chair: Thank you, Ms. Charles and Madame Chabot.

We will now go to Ms. Zarrillo for two and a half minutes.

[*English*]

Ms. Bonita Zarrillo: Thank you, Mr. Chair.

We heard again today that the need is great. I want to just revisit something Ms. Alexander said about the eight-month window for grants to get out the door.

I have two questions. First, how can the government speed up the disbursement of these grants, or can they at least say that a project has been approved in a more timely manner so that plans can be made for that eight-month window? Second, how will Employment and Social Development Canada be using the unspent funds that were allocated in 2021-22?

Ms. Katie Alexander: I'll answer your first question.

I think what we're learning from lots of these calls for proposals is the need to be more transparent with how long some of these processes take. We do, in the publishing of our applicant material, try to manage expectations about when the funding will be approved and when we expect projects will begin. From the start, we're really trying to change and be a bit more client-centred, making sure that we're managing expectations as an applicant applies to the program.

When there are delays, which do happen at times, we're also proactive in making sure that we contact applicants. If we're expecting a delay that is out of the ordinary, we are taking measures to contact applicants to let them know that timelines will be adjusted.

Ms. Bonita Zarrillo: I'll go to Ms. Hall on the question about the unspent funds that were allocated in 2021-22.

Ms. Karen Hall: I'll just ask for clarification.

Budget 2022 has allocated funding for this fiscal year and the next. I'll just say that planning is under way to ensure that funding is spent in this fiscal year and the next.

Ms. Bonita Zarrillo: Do you anticipate that it will all get spent, just because there are so many requests?

Ms. Karen Hall: The intention would be to fully disburse the funding. We know the needs are high and the calls that the intermediaries held were oversubscribed. We know there is demand, and work is under way to determine the way forward there. I anticipate there will be more information available in due course.

Ms. Bonita Zarrillo: That's great.

The Chair: Thank you, Madam Zarrillo.

To conclude the first hour, which is our last one with witnesses, I'll go to the official opposition for roughly two and a half minutes, and then to the government side for two and a half minutes, if that's agreeable to the committee. There is agreement.

Madam Gladu, I take it you're taking that section.

• (1725)

Ms. Marilyn Gladu: Thank you, Chair.

I just want to confirm for my partner here—remember you had the average and he wanted the range of funding—that you'll table that for the committee. That's perfect.

Just to let you know, we did hear testimony that the use of an intermediary that is familiar with the communities is a really good deal. People think this is helping to make sure that funding opportunities are identified and they can get a bit of help applying to the fund.

One of the pillars you talked about was systems change. We have heard the need for the targeted funding, education, a bunch of different initiatives and incentives to address the systemic discrimination that goes on. What kind of systems change is being done as part of that pillar?

Ms. Karen Hall: I can speak to a couple of initiatives, and then I'll turn to Sandra for a bit more on that.

Included in that pillar are two initiatives that are under way. The first one is the external reference group, which is intended to be a long-term advisory body that will provide advice to the Minister of Families, Children and Social Development. That will be an ongoing source of insight, advice and reflection for the department going forward when designing programming and funding processes, and really for any other matter that touches those areas. A call for applications has been put out, the selection is under way and more information will be available in due course on the group.

The second initiative is the national institute for people of African descent. The intention there is to provide funding for an independent institute that will serve a similar function more broadly. The institute would be able to provide advice, undertake research, procure information and provide an external source of insight and advice for government, but also more broadly in a permanent fashion as an institute in and of itself.

The Chair: That's your time, Madam Gladu.

We'll now go to the government side with Mr. Coteau.

Mr. Michael Coteau: Thank you so much.

Over the last couple of years, as the program has been built and there have been more recipients, have you noticed as a department some emerging trends for other needs that may not be part of the

initial three pillars, things that are presenting themselves that you're thinking about as a department?

Ms. Karen Hall: Certainly, as the initiative has rolled out, we have greatly benefited from the connections and insights provided by the intermediaries, but also through our contacts with the organizations. The things Katie has spoken of regarding our internal processes and a more client-centric approach have been very helpful.

More broadly, in terms of our programming, I would highlight the investment readiness program, which is part of the social finance fund. That also falls within our branch as officials. Included in that program is a \$1.5-million set of funding, specifically administered by the Foundation For Black Communities, for Black social purpose organizations to help them with their readiness to participate in social finance and that broader ecosystem. The needs there were brought home to us through the work we've done through SBCCI, so yes, we are seeing those broader impacts.

Mr. Michael Coteau: Have you done any type of analysis of pre-existing programs that Black-led organizations may have applied to in order to see if there has been a decrease in funding through more long-term, permanent funding sources versus the newer initiatives? Has there been any analysis of intake outside of the programs that are specifically designed for Black-led organizations in regard to an increase or a decrease in other programs?

• (1730)

Ms. Karen Hall: As the program is still in its early days, we are beginning to see meaningful results. We have not yet taken the opportunity to do that research. Going into the future, I think those impacts will begin to become evident and we'll have more data there.

Mr. Michael Coteau: What we've seen in other jurisdictions is that sometimes when specialized programs are created, you start to see a shift internally to push organizations specifically to that program. Sometimes it can have the reverse effect of taking away the ability for organizations to tap into the more traditional long-term funding lines that exist. If you are collecting data, it's a nice thing to be aware of and to be conscious of to ensure that you don't have a collapse of interest outside of these specific programs. These programs should be complements to larger funding lines as well. That's more of a comment than a question.

Thank you very much, Mr. Chair. I'm finished.

The Chair: Thank you, Mr. Coteau.

Ms. Karen Hall: Mr. Chair, if I may, I have a quick response to that.

Thank you for the comment and feedback. The programs are absolutely intended to be additional to existing programming, but that is something we will be watching for in the future.

The Chair: Thank you, Mr. Coteau.

Thank you to the witnesses from the department for appearing today and providing these answers.

This concludes the first hour.

Madam Zarrillo, are you signalling me?

Ms. Bonita Zarrillo: I am signalling you, Mr. Chair. I had a motion that I wanted to bring to the floor. Do you want me to bring it up after we come back from the suspension?

The Chair: Yes, please. I will recognize you when we resume.

Ms. Bonita Zarrillo: Thank you.

The Chair: I remind members who are appearing virtually that you have to log off and then log back on again for the second hour.

We'll suspend for a few minutes while the witnesses leave and the members log out and log back on. If anybody wants a health break, we'll get about four minutes.

[Proceedings continue in camera]

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