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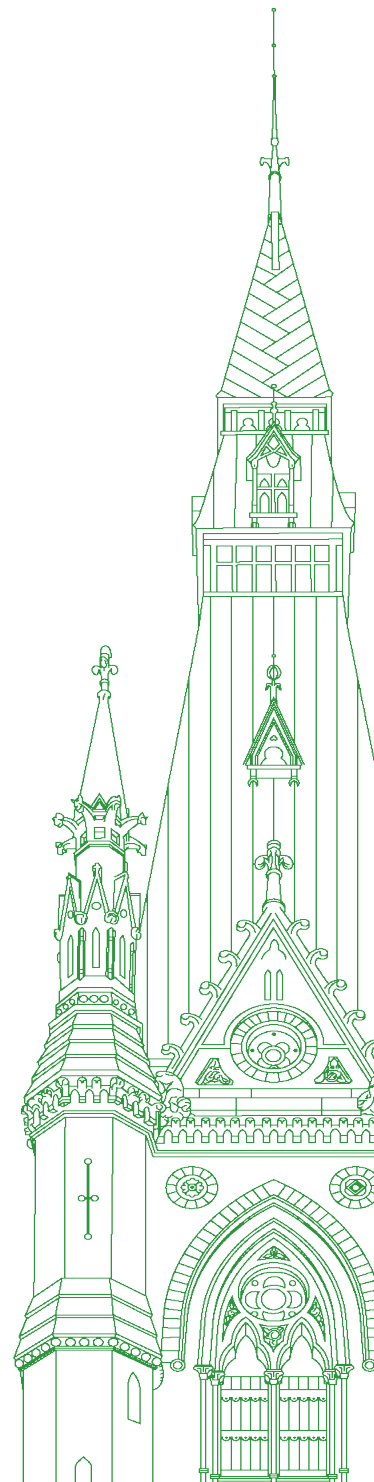
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Chair: Mr. Robert Morrissey

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

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• (1530)

[English]

The Chair (Mr. Robert Morrissey (Egmont, Lib.)): It being 3:30, I call the meeting to order.

Welcome to meeting number 55 of the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities. Pursuant to Standing Order 108(2), the committee will resume its study of the subject matter of supplementary estimates (B), 2022-23: vote 1b under Canada Mortgage and Housing Corporation, as well as votes 1b and 5b under Department of Employment and Social Development, and the service standards for passport renewal.

Today's meeting is taking place in a hybrid format, meaning there will be members and witnesses appearing in the room and virtually online.

I would ask you to direct all your questions or inquiries through the chair and wait until I recognize you before speaking. You have the option to speak in the official language of your choice. If interpretation services are interrupted or there is a problem, please get my attention. We will suspend while they are being corrected.

I will remind those attending virtually that if there's an issue with your headset and it has not been approved by the House of Commons, then I will not recognize you. You will be able to participate for voting but not verbally in the meeting. That's for the benefit of those providing translation services. Again, all comments must be addressed through me.

We will begin with the subject matter of supplementary estimates (B).

I would like to welcome our witnesses, beginning with Minister Karina Gould, Minister of Families, Children and Social Development. We have in the room Jean-François Tremblay, deputy minister; Karen Robertson, chief financial officer and senior assistant deputy minister; Catherine Adam, senior assistant deputy minister; Tammy Bélanger, senior assistant deputy minister; Cliff Groen, associate deputy minister; Karen Hall, associate assistant deputy minister; Mary Crescenzi, assistant deputy minister; and Mary Ann Triggs, assistant deputy minister, Service Canada.

We will begin. I will advise committee members that we have a 15-minute extension to this first hour because of a communication problem at the last meeting. That 15 minutes will be added to the end of the first hour.

We'll begin with Minister Gould.

Minister, you have up to five minutes to make an opening comment. You have the floor.

Hon. Karina Gould (Minister of Families, Children and Social Development): Thank you so much, Mr. Chair and committee members.

It's good to be back here.

First of all, I want to apologize. I had every intention of being there in person. Unfortunately, I appear to have come down with a rather nasty bug, and I didn't think it would be kind to infect everyone with whatever it is that I have.

I will now speak to the supplementary estimates (B) for 2022-23 that pertain to my portfolio as Minister of Families, Children and Social Development Canada.

ESDC is the largest federal service delivery organization in Canada. As demonstrated during the COVID-19 pandemic, the programs and services ESDC delivers are essential and make a difference in the lives of Canadians. The requests today aim to strengthen protections and continue building a stronger, more inclusive country.

[Translation]

The old age security program paid more than \$60 billion in benefits to 7 million claimants last year. Since 2004, the number of clients has increased by 67%, and the number of clients is expected to rise to more than 10 million by 2035. Each week, the department receives about 62,000 new applications.

Employment and Social Development Canada is requesting \$46.4 million to serve Canadians effectively and increase the capacity of the pension call centre to better respond to applications and reduce wait times.

To help seniors, we need to be able to effectively deliver the old age security program. We are requesting an additional \$13.5 million for operating expenses to modernize the computer system and improve the delivery of old age security. These funds will facilitate the creation of a new contact centre model that will have a well-trained and integrated workforce to provide a high quality of service.

EDSC's computer systems are at risk of failure. We are requesting \$16.3 million to stabilize computer systems to improve network performance and mitigate risks.

• (1535)

[English]

Let me quickly mention other initiatives for which we seek funding.

The Black-led philanthropic endowment fund is a budget 2021 initiative under the Minister of Housing and Diversity and Inclusion. It seeks to create a sustainable source of funding for Black-led, Black-focused and Black-serving non-profit organizations and registered charities.

Minister Qualtrough also spoke about this initiative the last time she was before this committee. With approximately \$200 million, ESDC will support the implementation and provide one national recipient organization with the means to establish and operate the endowment fund, beginning in the 2022-23 fiscal year. This investment will work to reduce anti-Black racism and improve the social and economic outcomes in Black communities.

Second, the investment readiness program is a \$50-million initiative to advance social innovation and social finance. Approximately \$4.4 million will help social purpose organizations build their capacity and skills to find innovative ways to tackle social inequality, reduce poverty and fight climate change.

[Translation]

Third, I would like to mention the historic early learning and child care agreements that the federal government has signed with all the provinces and territories. These agreements aim to reduce regulated child care fees, create high-quality, flexible and inclusive child care spaces, as well as support early childhood educators.

\$4.4 million will support the early learning and child care innovation program, as well as other child care research and data collection projects. This additional funding will be used to explore, test, and develop ways to help families access child care, as well as to fill gaps and improve the knowledge needed to build a Canada-wide system.

Finally, I will discuss indigenous early learning and child care.

We know that culturally appropriate early learning and child care services designed by and in collaboration with indigenous partners give indigenous children the best possible start in life.

The \$1.9 million requested will be used to advance the commitments outlined in the jointly developed indigenous early learning and child care framework and to support strategies developed by first nations, Inuit and Métis governments and organizations.

[English]

Finally, there is the need for public health measures at Service Canada centres. Since Service Canada centres reopened in 2020, in-person client interactions have doubled. ESDC is seeking \$5.9 million to address public health requirements to protect both clients and staff.

There is no doubt the financial resources requested will improve the standard of living and quality of life for all Canadians.

Thank you. I am now happy to take your questions.

The Chair: Thank you, Minister.

We'll now open the floor for questions, beginning with Ms. Ferreri for six minutes.

Ms. Michelle Ferreri (Peterborough—Kawartha, CPC): Thank you, Mr. Chair.

Thank you, Minister, for being here today.

Minister, can I ask you what your service standards are for funding programs for jobs, training and social development projects within Employment and Social Development Canada? What is that time frame? How many weeks does it take for a response?

• (1540)

Hon. Karina Gould: Ms. Ferreri, thank you for the question.

I'll defer to my officials, because it's actually Minister Qualtrough who's responsible for that area of the department.

Ms. Michelle Ferreri: Okay, that's fine. I'll tell you that it's 22 weeks.

The reason I ask you that, Minister, is that we know from your mandate letter that the community services recovery fund is critical. We know these charities and not-for-profits desperately rely on this, especially as they recover from the pandemic.

I wrote you a letter and handed it to you in the House on January 24, 2022, asking for an update, as many of these organizations had come to me because they hadn't heard. Based on your service standards, they should have heard back, with the 22-week period being July 26. However, the fund wasn't announced until January 6, 2023—so just over a month ago. These not-for-profits and charities have just over a month and a half—less than two months—to apply.

I have two questions here, Minister. Why are you not able to maintain your own service standards, and why the delay?

Hon. Karina Gould: First of all, Ms. Ferreri, thank you for the question and thanks for raising this issue.

Unfortunately, you're mixing up two different issues. The 22-week service standard is for the grants and contributions programs that the department runs. The CSRF is a separate initiative. It's unique. It's a one-time initiative that we are running, so the same kind of service standards don't apply because it's not the same kind of program.

It's a \$400-million fund, as you know. It's being delivered by three national funders, which are the Canadian Red Cross, the Community Foundations of Canada and the United Way. We had to negotiate with these partners to make sure we had a fund that was ready and available.

Because it is new and different, it took a little bit longer than we had anticipated. However, what I have heard from the charitable sector is a real excitement about it and gratitude because it's a fund that is doing something that is very different.

Ms. Michelle Ferreri: Thank you.

I'm sorry, Minister. I only have so much time, so I do apologize for interrupting.

Hon. Karina Gould: Sure. If you would like, I can explain the CSRF to you more.

Ms. Michelle Ferreri: No. That's okay.

I think where the frustration lies, from what I'm hearing back, is that we have seen repeatedly through your government that the time frame in which to apply and to deliver the money is so short and so rushed that things are being wasted. It's not done properly.

What are your service standards then, Minister? You're giving us an example and you're trying to take us in another direction, but you're not taking accountability for this major delay.

What are your service standards? Do you have any? Do you think that less than two months is a fair amount of time to apply, for a group of people who, quite frankly, cannot survive without this money?

Hon. Karina Gould: Again, Ms. Ferreri, you're mixing up two different issues here.

The service standards you're talking about are for things like Canada summer jobs, the grants and contributions initiatives—

Ms. Michelle Ferreri: What are your service standards? That's the question I asked, Minister. I asked for your service standards for this, then.

I hear that you have cleared that up, so what is the service standard for this?

Hon. Karina Gould: This is a different initiative. This is based on consultations with the charitable and not-for-profit sector.

As I was explaining to you before you asked the question again, this is something the charitable sector has asked for. What I have heard from them, right across the country, is that they are very grateful for it because it's providing funding for core activities that aren't normally funded through other kinds of Gs and Cs initiatives.

This is being delivered through our partners—through the Red Cross, the United Way and the Community Foundations. We launched the program in response to the asks of the community. They asked us to do it following the Christmas period because that's one of the most busy periods of time for them. They also said there was a need for this to roll out quickly.

Ms. Michelle Ferreri: I do appreciate that. I think we're having two different discussions here.

The answer I'm trying to get from you is.... These folks—maybe they are telling you different things than they are telling me—are at your mercy, Minister. You say you're going to get this \$400 million rolled out to them, but they don't know when and they don't know where. They assume it's going to be in a timely fashion.

I think, honestly, that there's an opportunity here for you to say that maybe you could have done this better and given it more time.

I guess that's what I'm asking. I'm speaking on behalf of a lot of these organizations. This money absolutely is important.

● (1545)

Hon. Karina Gould: Ms. Ferreri, all of that information is publicly available. Over the past two months, our three national funders have been doing extensive online workshops and reaching out to their local communities to make sure they have all of that information.

We listened to them in the sense that they asked us to please not launch this before or during the Christmas period, because that's a very busy time for them. We have been engaged with the charitable and not-for-profit sector the entire time. We have listened to them and their needs.

The fund will close on February 23. We have received thousands of applications already, which is really exciting because, as you say, this money is really important and needed in the charitable and not-for-profit sector. The three national funders are going through doing those assessments. They will be rolling out those funds in the coming months.

The Chair: Thank you, Ms. Ferreri.

Ms. Martinez Ferrada, you have six minutes.

[*Translation*]

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

Minister, thank you for participating in the meeting despite the flu or virus that you have.

In my riding, many families have received or are receiving the Canada child benefit. One of the reasons our government put it in place was to tackle poverty. Trying to lift children out of poverty is a priority of our government.

Can you tell us what the initiatives are in this area and how the Canada child benefit is actually supporting families today?

Hon. Karina Gould: Thank you very much for the question, Ms. Martinez Ferrada.

By the way, it was truly a pleasure to be with you in Montreal a few weeks ago when we visited the folks at the Cirkaskina project, who are doing extremely important work for vulnerable children and youth.

With respect to the Canada child benefit, the results are really incredible. Over 3.5 million families receive that benefit, which has helped many children get out of poverty. The child poverty rate was 16.3% in 2015. By 2019, within just five years, it was down to 9.4%.

Of course, there is always work to be done, but these results are extremely important. There is a direct link to the Canada child benefit.

Ms. Soraya Martinez Ferrada: Minister, let's now make a connection with child care and education for children. As we know, we have established child care across the country.

Can you tell us how the early learning and child care innovation program is advancing work with young children?

How is the government's child care initiative working, overall? What can you tell us about the programs and innovation projects we currently have?

Hon. Karina Gould: I had the great pleasure of announcing some 16 innovation projects last year. For a number of them, I had the opportunity to visit the sites.

One program that I think stands out a lot is the GRIT program in Alberta. It really plays a leading role in the inclusion of developmentally delayed children with disabilities. The people in the GRIT program are now doing research work based on what they have learned and looking at ways to bring that to the whole country.

Projects like this, which target groups of children who may be more vulnerable or excluded, are innovative. We're trying to find ways to disseminate the information we've gathered and the lessons learned across the country.

There are many really interesting initiatives.

Ms. Soraya Martinez Ferrada: Thank you, Minister.

The committee has undertaken a study on the supporting black Canadian communities initiative. You spoke earlier about the fund for community organizations, whose model requires going through an intermediary. Yet we hear that this model is very popular.

What do you think of the current operation of the supporting black Canadian communities initiative? What do you think that program's future looks like?

• (1550)

Hon. Karina Gould: I would like to thank the committee for undertaking a study on the supporting black Canadian communities initiative.

Canada is currently celebrating Black History Month. I had the opportunity last week to speak to a number of people who receive funding from that initiative. That funding is making a huge difference for them.

It is important to work with intermediaries because those organizations are on the ground, and they know the community stakeholders and needs. So they are in a good position to make sure that these funds are spent appropriately and that they go to where they are needed.

These funds will be provided for another year. I know there is still a demand. I hope the funding continues, as it really does make a difference.

Ms. Soraya Martinez Ferrada: Minister, I have only about 30 seconds left. Do you want to add anything regarding the topic that has brought you before our committee today?

Hon. Karina Gould: Concerning the community services recovery fund, I would just like to add that organizations across the country have until February 21 to apply.

I hope that all the committee members, as well as all the other members of Parliament, will share this information with community organizations in their riding.

[English]

The Chair: Thank you, Ms. Martinez Ferrada.

[Translation]

Ms. Chabot, go ahead for six minutes.

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

Thank you for being here, Minister.

You are responsible for Service Canada. That is an important service for Canadians. Your department issues passports, pays out employment insurance benefits and manages old age security pensions. In the first two cases, we know it's a fiasco, both for passports and for EI processing times.

I will tell you about an email I received from a mom on February 6. I want to tell you what she says, so I can ask you a question afterwards. This is one case too many.

She says that she is contacting me to ask for my help. She is a mom who, on December 16, was let go from her job. In order to take action, she immediately applied for employment insurance, since, only a few days before Christmas, she could not afford to be without an income with a family. The reason she is contacting me is that, to date, her application was still not processed and the clerk informed her that a six month delay is possible, given the increases in EI applications since the beginning of 2023.

She asks how is it that families can be left without income for six months. What happens to the bills that need to be paid, that pile up, and the stress that is created?

She states that she has already been faced with uncertainty and waiting for over five weeks. She was told that she must be patient and that she is not alone in this situation. She goes on to say that she is an understanding, respectful person, but that she now feels helpless in the face of the system that keeps telling her that delays are to be expected, without even being able to conclude her case.

She then asks me whether something can be done to speed up the process, so that families like hers do not end up in a fragile and unstable financial situation.

Minister, do you think it is normal for workers who pay into employment insurance to wait six months for a response? During that time, they have to go without groceries or struggle to pay their rent. Do you think this is normal, yes or no?

• (1555)

Hon. Karina Gould: Absolutely not, Ms. Chabot.

I would like my office to send you some statistics, after the committee meeting. Not many people wait six months. If they do, there are other problems.

As far as this particular case is concerned, I hope you will share it with my office. My office is working with all members of Parliament—including the Bloc Québécois members, of course—on passport cases. We also want everyone to receive their EI benefits on time.

I can also confirm—

Ms. Louise Chabot: Minister, we really do not live on the same planet. You have only to look at all the reports that have recently appeared in the newspapers.

Hon. Karina Gould: Ms. Chabot, we can send you the statistics.

Ms. Louise Chabot: We have the numbers, Minister. We have even asked for more numbers through an access to information request, to which we still do not have a response. There is a very significant backlog of EI claims. It is close to 750,000 cases. Those are people who have been waiting for 90 days, for 60—

Hon. Karina Gould: Yes, Ms. Chabot, but this is not—

Ms. Louise Chabot: You will talk to me about the service standard, but there is a backlog behind the service standard. Behind your statistics, Minister, there are people, workers who are waiting.

Hon. Karina Gould: Ms. Chabot, I am very committed to people. As you know, we've been working with your office and the offices of all members of Parliament to resolve these cases because we don't want people to have inappropriate waiting periods before they receive their EI benefits. We know how important this is.

As far as the Quebec region is concerned, I can also assure you that, for the month of January, 85% of people received their EI benefits within the 28-day target.

In addition, it is important to know that we are doing a lot to improve the system. We have already hired 330 people in Quebec alone, 220 of whom have already started working. We're doing this because we don't want anyone, and I mean anyone, to be in this situation.

Ms. Louise Chabot: There are plenty of people in this situation, Minister. You don't seem to see the same reality that they see.

Hon. Karina Gould: Ms. Chabot, if you can send those cases to us, we will get them sorted out. We are working with all members of Parliament to ensure that people get the help they need.

Ms. Louise Chabot: Minister, you are answering exactly what you answered a year ago, and no situation has yet been resolved. It was even decided to reduce the work hours of employees in Quebec City. Fortunately, you decided to change that, as it didn't make sense. You don't jump ship when there is such a high volume of applications.

For all regions, things are not going well at Service Canada, in terms of service delivery. The delays are unbearable and there has been no real change. All you are doing is telling us again that 80% or 70% of the time you are meeting the service standard of processing applications within 28 days, but you are not talking about the backlog. When someone applies for a review, their file hasn't even

been assigned to an agent yet. The situation at Service Canada is chaotic in terms of processing times.

What steps will you take to correct this and help people like this mother who wrote to us? A father also wrote to me today because he has been waiting for two months. These are all very recent cases, not to mention others.

Hon. Karina Gould: Ms. Chabot, I hope you will submit these cases to my office. Otherwise, we will not be able to help these people. So I encourage you, as well as all the other members, to do so.

The fall economic update announced a \$1.4-billion investment over three years precisely to ensure we have as many tier 2 agents as needed to meet the needs. As I mentioned, we have already hired 330 people in the Quebec City region and over 1,300 people across Canada to ensure we meet the needs. They are being trained. In the Quebec City region, in the last two weeks, 220 new employees have already started working.

From the moment you raised these situations last year, we recognized that we needed to do better. I submitted a request for funds, which the Finance Minister approved, and we hired people because we want the same thing you do, which is for people to get the help they need.

• (1600)

Ms. Louise Chabot: Minister, I am amazed at your zen attitude. It is your responsibility to deal with the cases; it is not our responsibility to send them to you.

Hon. Karina Gould: Ms. Chabot, I'll always be ready to help you.

[English]

The Chair: Thank you, Madame Chabot and Madam Minister.

We'll now move to Ms. Zarrillo for six minutes, please.

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

I know that the minister spoke about first nations, Inuit and Métis, and I just want to speak specifically about poverty eradication and also food security as laid out in the mandate letter.

I note that, in the supplementary estimates, in about a third of them, the funding is focused on reconciliation. We know that racialized and indigenous children are more likely to be living in poverty according to our most recent census data. The Campaign 2000 report that was published this morning showed that Canada's child poverty rate dropped during the CERB payments, but we know that kids are still going hungry and that one in eight children are still living in poverty in this country.

My question is around this food security issue. I want to ask specifically about the national nutritious school meal program and where it's at. Could you give us an update and a timeline? Also, how are we reaching the most vulnerable kids, including those in first nations, Inuit and Métis communities?

Hon. Karina Gould: Thank you very much, Ms. Zarrillo.

The national school food policy is something that is a shared mandate item between Minister Bibeau and me. We launched consultations in November 2022. They concluded publicly in December 2022, although we're still receiving input from a number of community organizations as well as first nations, Inuit and Métis communities.

We're engaging directly with indigenous partners on this. In fact, ITK has an Inuit-specific proposal when it comes to school food, so we're also collaborating and engaging with Indigenous Services Canada.

Right now there's a patchwork across the country. Every province and territory and many indigenous communities have some kind of school food program, but it's not even, so we're trying to collect this information to find a way to level the playing field and raise all boats—we don't want to go to the lowest common denominator—to make sure that kids across this country have access to healthy and nutritious food.

I think at this point the latest statistics say that one in five kids in Canada go to school hungry.

Ms. Bonita Zarrillo: Minister, I understand it is a shared mandate, and I think that's problematic. It's been shown to be problematic in the past—mandates not sitting with one desk, but shared. Often, there's a lack of definition in responsibilities.

I'm interested in understanding the action on the ground. When can we expect those numbers you just quoted to me, the sad reality of one in five kids going hungry...? I fully agree with you that it's a piecemeal effort, right now, in communities. Too many kids are going hungry. When can we expect some real movement? Instead of, potentially, just passing reports back and forth, when will we see some real movement on food for kids who are going to school hungry?

Hon. Karina Gould: Ms. Zarrillo, I hope soon. We're collecting and analyzing all the information from the consultations, and we'll be coming out with a “what we heard” report in the next couple of weeks, hopefully—soon. Then, we'll continue to do that engagement.

As I'm sure you and others know, this is traditionally a responsibility of the provinces and territories, so we're also engaging with our PT counterparts. There are some amazing models in Canada. P.E.I. is the only province that has a truly universally accessible breakfast-and-lunch program, so we're collecting information from them. My hope is that we'll be able to engage in partnerships with provinces, territories, first nations, Métis and Inuit to deliver school food across the country and make sure it's zero out of five kids—no kids in Canada—going to school hungry.

• (1605)

Ms. Bonita Zarrillo: I agree fully, and I hope we can get there quickly.

The NDP has been doing a lot of work on the price of food. There is even more food insecurity in this country because of the price of food. I checked the Dimensions of Poverty hub again, this week, as I was preparing for this meeting. We're seeing a decline in rates of poverty in this country, but we know there are still so many people living in poverty. I note that, at the same time as we're working towards lowering poverty rates, food insecurity is on the rise.

How can we square that, Minister? How can we address that reality and potentially modify those measurement tools for poverty eradication, since food is a fundamental need?

Hon. Karina Gould: I think that's a good question. As we discussed on Friday, it's one of the reasons why our poverty reduction council and food policy council are getting together to talk about this. I think that, for too long, food was not included when we talked about poverty, and this is something we're working to address. This is where having a shared mandate between the Minister of Agriculture and me is actually a good thing. Working together, we can help solve some of these issues, because, on our own, neither of us has the tools to do it.

I'm looking forward to the outcomes of that work and the collaboration between those two councils.

Ms. Bonita Zarrillo: Very quickly, Minister, is there an opportunity to get some visibility on that new shared working round table? I'm interested in getting some additional details about it.

Hon. Karina Gould: Certainly. We can follow up with you after the committee meeting.

The Chair: Thank you.

We'll now go to Mrs. Falk for five minutes.

Mrs. Rosemarie Falk (Battlefords—Lloydminster, CPC): Thank you, Mr. Chair.

Minister, in your exchange with Madame Chabot, you said each of us can bring the cases we have to your office. Will you please table, with this committee, the preferred contact in your office, so we can do that?

Hon. Karina Gould: Absolutely.

Mrs. Rosemarie Falk: Wonderful.

In your mandate letter, you were tasked with implementing “modern, resilient, secure and reliable services” for Canadians and ensuring those services and benefits “reach all Canadians regardless of where they live.”

What is specifically being done within Service Canada to better serve rural Canadians?

Hon. Karina Gould: Thank you for the question. It's an important one.

I've had the opportunity, in the past year, to visit over 30 different Service Canada sites across this country. One thing that became very clear during the passport crisis was that, particularly for rural Canadians, doing a mail-in application was often the only opportunity, unless they travelled several hours to get to a passport office.

One thing we did was open passport services in 13 additional offices across the country. We're on track to open passport services in an additional 25 across the country, in order to make that more accessible for Canadians.

Mrs. Rosemarie Falk: I represent a rural riding in Saskatchewan, as I'm sure you know. My office is receiving an increasing number of phone calls with respect to the limited services that are available to them through Service Canada. I've had complaints that there is only a single person working at our local office and that walk-ins, who have driven very long distances to get there, are being turned away because of that limitation.

I've also had a complaint from a constituent who got turned away from receiving service for not being masked—today—despite having a medical exemption.

When can Canadians living in rural Canada expect to see the service delivery standard of Service Canada, if not improve, at least return to the prepandemic service standard?

Hon. Karina Gould: Thank you, Mrs. Falk.

I'm sorry to hear about those instances. I'll certainly follow up with the regional ADM responsible to make sure we can address those challenges, because no matter where Canadians are across this country, they should be able to get good accessible services. It's something that's really important for me but also for Service Canada in general, so I'll be happy to follow up on those instances.

Mrs. Rosemarie Falk: With that, why is a mask mandate appropriate for Service Canada but not necessary in other federal government settings?

Hon. Karina Gould: Service Canada follows the public health advice of the Public Health Agency of Canada. My understanding is that masks are now encouraged but are not required, so we will follow up with that specific Service Canada as needed.

• (1610)

Mrs. Rosemarie Falk: Has that been a policy change?

Hon. Karina Gould: That's been a very recent policy change.

Mrs. Rosemarie Falk: When did that change?

Hon. Karina Gould: I will have to defer to Cliff on that for the specific date, but that has been a very recent change.

Mr. Jean-François Tremblay (Deputy Minister, Department of Employment and Social Development): It was announced by the Treasury Board on Friday.

Mrs. Rosemarie Falk: When will the website reflect that?

Mr. Jean-François Tremblay: We need to discuss it with each of the health and security groups for the implementation, but that should be in the coming days and weeks.

Mrs. Rosemarie Falk: Have all the staff who are in a customer-facing role returned to work?

Hon. Karina Gould: Yes, that's been since almost a year ago.

Mrs. Rosemarie Falk: When will walk-in services resume in rural Canada?

Hon. Karina Gould: There should be walk-in services everywhere across the country, and that would have been the case for over a year.

Mrs. Rosemarie Falk: That might not be happening in every Service Canada, since those are some of the complaints we are getting. Like I said, there are constituents who have to drive long distances and then are being turned away.

I just want to quickly touch on your passport comments. My office assisted constituents with their passport applications during your government's backlog, and it was very clear to me, actually, that rural Canadians were given very little or no consideration in the solutions implemented to speed it up. Constituents were expected to drive long hours, pick up their passports—in Saskatoon, in our case—and often given a very narrow timeline to pick this up before they were set to travel. There was no consideration for the added cost of the travel or for some of the unfeasibility of that expectation, whether that be access to transportation, time off work or the distance between Saskatoon and their travel departure point.

When considering solutions to the record passport backlogs in your department, did you apply a rural lens to this program?

Hon. Karina Gould: Mrs. Falk, I think that's one of the key lessons learned, actually, out of this crisis—

Mrs. Rosemarie Falk: It seems to be consistent with your government. You don't seem to put a rural lens on anything.

Hon. Karina Gould: That's why we opened passport services in an additional 13 locations across the country, and we're going to be opening the services in another 25 locations over the course of the next year to make sure those services are available closer to where people live, including for rural Canadians. That's been something I have asked the department—

Mrs. Rosemarie Falk: Canada is a very big country and there are a lot of rural aspects to Canada. That doesn't help my constituents, and it also wouldn't help the ridings that are to the north or south of me either.

The Chair: Please give a short answer.

Hon. Karina Gould: That's exactly why we're providing more services in more locations across the country. One of the things I recognized and feel very strongly about is that we weren't adequately serving rural Canadians.

We're helping to change that. There will be about 38, all told, put in new locations across the country that will help serve Canadians who live in more rural areas. I really appreciate your raising that, because I think it's a really important point.

Mrs. Rosemarie Falk: Thank you.

The Chair: Thank you, Mrs. Falk.

Mr. Van Bynen, you have five minutes, please.

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

Thank you for being here, Minister.

In my province of Ontario, I've spoken to parents who are already experiencing fee reductions as a result of the government building out its national early learning and child care system. We know that one of the major challenges remaining is the creation of new spaces and how critical this is to ensuring that the system is there for all the parents who need care for their children.

Could you please update us on how this is going in my province and across the country in terms of space creation? What are you doing to make sure this will be a success?

Hon. Karina Gould: Absolutely. Thank you very much, Mr. Van Bynen, for the question.

You're absolutely right. Lowering fees is extraordinarily important. It's making a huge difference in the lives of Canadian families right across this country. The stories that I'm getting from people are remarkable in terms of how this is changing their lives and the lives of their families.

We recognize that reducing fees is not sufficient in and of itself. We have to grow the system. That's why we committed to increasing the number of spaces by 250,000 over the next four years. Across Canada so far, in partnership with provinces and territories, we have been able to increase the number of spaces by just over 50,000 in the last year and a half. In Ontario, that's about 33,000 additional spaces. That's where we are right now.

Mr. Tony Van Bynen: Thank you.

We all saw in our committees how difficult the pandemic made it for community service organizations and the not-for-profits, both in placing additional demands on their operations and in the challenges that they were facing in supporting the pandemic recovery. Many of them relied on donations that simply weren't materializing.

Could you please share how you see them coping with these additional demands, and the role that a program like the community service recovery fund can play in supporting their networks?

• (1615)

Hon. Karina Gould: Certainly.

I'm sure every member of this committee heard from their local community organizations in the charitable sector that they, too, were hugely impacted by the COVID-19 pandemic. At a time when we were asking them to do even more and communities were relying on them more than ever, they had—

Mrs. Rosemarie Falk: I have a point of order. There's a problem with translation. I'm hearing French.

The Chair: Mrs. Falk, did you have your hand up? Is it the translation? I was getting feedback.

Mrs. Rosemarie Falk: I'm hearing French, and I'm on the English channel.

The Chair: We'll hold for a moment. It has been corrected.

Minister, you have the floor.

Hon. Karina Gould: They were relied on at a point in time when they had even fewer resources. My predecessor in this role,

Minister Hussen, did some very extensive consultation and engagement with the charitable sector following the initiation of the emergency community services fund to see what was next.

What we heard loud and clear from them was that they needed support to help recover from the pandemic, particularly for budget items that don't normally get supported through grants and project funding. Whether that's with regard to HR, IT or mental health supports for their staff, they were asking for a fund that would help them get their organizations back on track and help them be transformative for the 21st century.

That's what the CSRF is all about. I think there's a huge opportunity here for the charitable and not-for-profit sector to help them move into the 21st century in a more sustainable way.

Mr. Tony Van Bynen: Thank you, Minister.

I know that the budget provides for a significant investment in benefits delivery modernization. Can you tell me what safeguards are in place to avoid the pitfalls that are characterized in large IT projects?

Similar to that would be what was experienced with the Phoenix pay system. What types of defence mechanisms do you have in place to avoid significant breakdowns?

Hon. Karina Gould: The benefits delivery modernization initiative is a really important one. Currently, our old age security platform is over 60 years old. It's really in need of an upgrade. BDM is looking to have a more modern way to deliver the over \$100 billion in benefits that we deliver to Canadians every single year.

The government has learned a lot of lessons from previous IT procurement. I think the top one is that you need to run both systems in parallel. You can't turn one off until you're very confident that the other one is functioning. There are many different initiatives that are in place to ensure that the government is doing things in the right way.

This is a very large IT procurement. It's a very large IT project that is vitally important for Canadians.

The Chair: Thank you, Minister.

[Translation]

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

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

Madam Minister, in our previous exchange, I found it interesting that you acknowledged that it makes no sense for people to wait six months to receive their employment insurance benefits. However, I find it disturbing that you deny the problem, that you deny that this phenomenon is prevalent right now in the Service Canada system.

You tell us that this is unacceptable and that we should forward problematic applications to your office. That is not the point, Minister. If I could, I would table the entire relevant press review for the last 18 months. This is not a new problem. The processing times are unacceptable, and it is quite widespread. Currently, a total of 975,000 files are still pending in the system, whereas the usual norm is 200,000. That would be a backlog of about three years.

You have asked for funding. Of course, the economic statement announced \$1 billion to improve Service Canada, but that will have to be passed in the budget.

I just have one question for you: what do you intend to do to ensure that the processing time for applications is reasonable for all workers?

• (1620)

Hon. Karina Gould: With all due respect, Ms. Chabot, I never said there were no problems. I was saying that the figures needed to be clarified. I believe that the figures you are putting forward exceed the real numbers. I have always said that it is unacceptable for a person to wait six months. There is no doubt about that.

I have applied for the funds, and they are already in the budget. We don't have to wait for it to be accepted, because it was in the fall economic update, which is the equivalent of a budget. The point was indeed to improve the situation.

The backlog you are talking about is not people waiting for benefits. A majority of them have received their benefits, but there are changes that need to be made in their file. For some people it's one payment more or less, but in the vast majority of cases it's personal information that we have to update. These are not necessarily people who are waiting for benefits.

Service Canada's main objective is to ensure that people receive their benefits as quickly as possible. For me, as for you, the most important thing is to fix the system. What we see...

Ms. Louise Chabot: What are you going to do, Minister? That was my question.

Hon. Karina Gould: As I said, Ms. Chabot, we are going to...

[English]

The Chair: Thank you.

Ms. Zarrillo, you have two and a half minutes.

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

I wanted to go back to eradication of poverty and Canada's commitments to the SDG 2030 agenda.

As you know, the NDP are in favour of a guaranteed livable basic income. This call was certainly a test case when CERB came to be. I was just reading today the annual B.C. child poverty report card from First Call Child and Youth Advocacy Society. They mentioned that "all provinces and territories saw large decreases in their child poverty rates between 2019 and 2020" because of pandemic benefits. It goes on to say that "without continuing investments into children and families" rates will likely rise again.

Minister, what lessons will this Liberal government take away to maintain and to build on the gains made in poverty reduction

throughout the pandemic and to ensure that half a million children—at least—do not fall back into poverty?

Hon. Karina Gould: Thank you, Ms. Zarrillo.

I share your passion for reducing poverty amongst children in Canada. It's one of the reasons I'm so proud of our government for bringing forward the Canada child benefit. It has had such a dramatic impact on reducing child poverty rates in this country.

I'm also really proud about the \$30 billion that we've invested into early learning and child care. We know—and I've heard from so many women across this country—that when child care fees were as expensive as they were just a year ago, it meant that so many women couldn't enter the workforce. I've heard from women in every province and territory who have said that, because of the child care fee reductions, they can go back into the workforce for the first time, earn a living and support their families in a way that just wasn't possible before. I think that's a really exciting initiative.

Then, of course, there are lots of lessons to be drawn from the pandemic in terms of how we can have a more fair and more equitable society. I think those are being analyzed right now

Ms. Bonita Zarrillo: Minister, you mentioned the Canada child benefit. As you know, my colleague out of Winnipeg Centre, Leah Gazan, has been really fighting hard against the clawbacks to the Canada child benefit. I wonder if you could update us on whether the government is actively ensuring that those families do not lose any of their very important income supports.

• (1625)

Hon. Karina Gould: It's certainly something that has been drawn to my attention. Of course, the decision on this rests with the Canada Revenue Agency and with Finance Canada.

As you know, the CCB is income-tested. As someone's income increases, the amount of the CCB they're allocated decreases. This is a really important aspect of the program. However, I understand that this does have an impact on families who saw only a temporary increase to their incomes. It's something that we continue to explore.

The Chair: We'll now conclude the first hour with Ms. Ferreri for five minutes, and then we'll do the 15-minute add-on.

Ms. Ferreri, you have five minutes, please.

Ms. Michelle Ferreri: Thank you, Mr. Chair.

Thank you again, Minister. I'd like to talk about your mandate letter and the part where it says to "ensure the voices and needs of children are represented in our Government's agenda, as we work to make Canada the best place to grow up" and to "ensure mental health supports are accessible to children and youth as they recover from the impact of the pandemic."

The “Raising Canada” report of 2022 from Children First Canada sheds light on the reality that “one-third of kids in Canada do not enjoy a safe and healthy childhood.” Canada ranks 30th out of 38 affluent nations for protecting the well-being of children, according to UNICEF, which is a significant drop from 12th place in 2007. “As a country, we have been going in the wrong direction for far too long.”

Minister, I know you love to talk about child care, but that is for up to age six. I'm curious to know what policies your ministry has updated to support the mental health of children over the age of six.

Hon. Karina Gould: Thank you very much for the question, Ms. Ferreri.

I think one of the things that we all saw throughout the course of the COVID-19 pandemic was the significant impact that it had on mental health, particularly that of our children and youth.

We are working with Minister Bennett, the Minister of Mental Health and Addictions, as well as Minister Jen, the Minister for Youth, on these issues in particular. I know that Minister Bennett recently announced funding, particularly on children's mental health, so we support her in that work.

In terms of including children's voices, we are engaging in a children's consultation, particularly with regard to school food but also to make sure their voices are part of any policy that we are developing. It's one thing, I think, for us as adults to say, “this is what you need”, but it's more important to make sure that we're listening to children and making sure their needs are included.

Ms. Michelle Ferreri: Thank you for that.

I guess I'm curious. One of the things we've been really pushing for and that a lot of advocates have been pushing for is the promised \$4.5-billion mental health transfer. You've said that you're working alongside Minister Bennett, which is great.

In terms of mental health, where do you stand as a minister in ensuring that money is delivered when we have children in the crisis that we know they're in? Why hasn't that money been transferred? Do you have any influence over ensuring that it does get there?

Hon. Karina Gould: Thank you for the question.

As I'm sure you saw last week, the Prime Minister met with all of the premiers on the Canada health transfer. Within that, one of the areas is with regard to mental health and, of course, with regard to pediatric care as well, with \$2 billion to go specifically to pediatric hospitals to address the challenges in pediatric care.

Then, of course, we're working with the provinces and territories to ensure that mental health supports, particularly for children and youth, are included. Minister Bennett is leading it—

Ms. Michelle Ferreri: I'm sorry, Minister, but I only have so much time. I know that it always seems like we're interrupting here.

None of that announcement included mental health. There was actually zero mention of mental health.

Hon. Karina Gould: No, that's not true. Mental health was included in that announcement.

Ms. Michelle Ferreri: Can you table that to the committee to show or—

Hon. Karina Gould: I think you can read it in the news release, but we can certainly share that with you.

Minister Bennett is leading on that, obviously, as a Health Canada minister, but we're supporting her in that work.

Ms. Michelle Ferreri: I would like to see more. I guess I'll put that on the record, and I'd like to see more push for that promised \$4.5 billion because it just isn't adding up. I know you're a mom. I know you know this. I think you must have the idea of how serious this is.

The Parliamentary Budget Officer last week had quite a scathing review. He appeared at a Senate committee and had quite a few things to say about your leadership and the department you're responsible for. We've heard a lot about that today in this committee. The Canadian Federation of Independent Business has awarded it's 2023 Paperweight Award for the worst red tape to Service Canada's passport mess.

The Parliamentary Budget Officer said things such as the following: “I think if you ask anybody who has recently applied for a passport...Old Age Security and the list goes on, they are probably very well aware that the level of service Canadians are getting is not what one would expect from a world-class public service.”

Can you please explain how this is filling your mandate letter obligation to “development and implementation of modern, resilient, secure and reliable services and benefit delivery systems for Canadians”?

• (1630)

Hon. Karina Gould: At no point will I pretend that we didn't go through a very big challenge when it came to passport delivery over the last spring and summer. However, I will say that Service Canada and I worked extremely hard over the course of that time to get the passport system back on track—and it is now.

We're delivering passports 97% of the time on time. For those that aren't, it's because there are additional circumstances. When it comes to EI and OAS, we're delivering those at the service standards as well. We can always do better, which is why I asked for and received \$1.4 billion in the course of the fall economic statement to make sure that we keep those services on track and we improve those services for Canadians, because this is critical for delivering entitlements and benefits to Canadians.

I can say that everybody is hard at work to make sure that the impacts of the pandemic and the challenges we faced last spring and summer don't occur again.

The Chair: That concludes the first hour.

We will now refer to the service standards for passports with Minister Gould as well for 15 minutes.

We will begin with Madame Chabot.

[*Translation*]

You have the floor for two and a half minutes.

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

I am grateful for the time allocated to us so that we can continue our work.

Madam Minister, as I said earlier, I'm a little bit amazed at how candid, or at least very zen, you are about everything that's happened.

In your speaking notes from the last meeting, which was on passports, you mention that in your testimony of May 30, 2022 before this committee, you told us that you had a plan to address the situation of passport processing delays. However, everyone's interpretation is that there was no plan, that the situation was managed on a day-to-day basis, and that the department was overwhelmed. Now the situation has calmed down, but at the time of the crisis, which was predictable, it was pure improvisation.

When I say it's Service Canada's responsibility, that's another example of where things got out of hand, and seriously. It breaks the trust of citizens in a service they have a right to expect.

The idea of the motion to convene you was also to see how we can get accountability for this situation. Of course, you apologized, but we're used to apologies from the Liberal government.

Beyond the apology, Madam Minister, I heard you on 98.5 FM when Mr. Lagacé asked you what grade you would give yourself for managing passport applications. I will ask you the question in turn.

Hon. Karina Gould: With respect, Ms. Chabot, there was a plan and we put it in place. That is why there is virtually no backlog in the processing of passport applications.

What we said when we appeared before the committee last May is exactly what we did. We had to speed up the pace, of course, when there were unforeseen situations. We didn't expect to see 750 people waiting outside a Service Canada office the week before Saint-Jean-Baptiste Day.

I have found that every time we have had the opportunity to work with you, with Bloc Québécois MPs, to ensure that your fellow citizens receive their passports, we have had good results. I am pleased to work with you and your colleagues, because we want to resolve difficult situations, such as the ones we are talking about here. I am grateful to you for bringing these cases to my attention, precisely because I want to help people.

• (1635)

Ms. Louise Chabot: So you are saying that everything went well, Minister.

The Chair: Thank you, Ms. Chabot.

[*English*]

Ms. Zarrillo, you have two and a half minutes.

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

I just want to take this time to get some clarity on our agenda going forward. Bill C-35 is going to be coming to this committee. I want to get some clarity on our first meetings back that are potentially addressing Bill C-35 and on what the plan is.

The Chair: On what particular item, Ms. Zarrillo?

Ms. Bonita Zarrillo: It's on Bill C-35.

The Chair: The agenda is that we begin with a technical briefing with the minister on the first day.

Is that what you're referring to?

Ms. Bonita Zarrillo: I'm looking on the website, and I don't see anything.

It's my understanding that we will have a technical staff briefing potentially on the first day back, but I just.... The minister is here, and I think there's an opportunity to invite the minister potentially later that week at the very beginning.

The Chair: With regard to that, I'm in the hands of the committee.

She will be invited. She hasn't been invited yet, but it's the intention to invite the minister.

Ms. Bonita Zarrillo: Although it's not necessarily on the website, I'm anticipating that we will have a technical staff briefing.

I would like to take this opportunity to invite the minister to come later in the week, perhaps March 10, to talk about Bill C-35.

The Chair: Go ahead, Ms. Martinez Ferrada.

We're a bit off, but it's your time, Ms. Zarrillo, which is running out.

[*Translation*]

Ms. Soraya Martínez Ferrada: Mr. Chair, I would like to ask you a quick question. Will the technical briefing be on March 7 and the minister's appearance be on March 10? Is that what we agreed to?

I would like to have that clarified, because it is not clear.

[*English*]

The Chair: There was a discussion about the first day being March 7. There was some discussion back and forth on the date. We settled with starting on March 7 with a technical briefing. My information is that it's for the first hour, and then the minister will be invited for the second hour. However, it's the committee that determines its scheduling.

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

It was my understanding that it was a two-hour technical briefing. I would like to take the opportunity to invite the minister today. I could put a motion on the floor, or we could just have unanimous consent.

You let me know how you'd like that to proceed.

Mrs. Tracy Gray (Kelowna—Lake Country, CPC): Mr. Chair, we decided what our schedule was. We're questioning the minister on passports right now. The member's time is up, so I'd like to move on, please.

Thank you.

The Chair: Mrs. Gray, yes, we can raise that at the end of the meeting.

Ms. Zarrillo, I have to move to Mrs. Gray as per the schedule and the agreement of the committee.

Mrs. Gray.

Mrs. Tracy Gray: Thank you, Mr. Chair.

Thank you, Minister, for being here today.

Minister, do you know—

[*Translation*]

Ms. Soraya Martinez Ferrada: On a point of order, Mr. Chair.

If I understand correctly, Ms. Zarrillo made a motion while she had the floor. If that is the case, does the motion not take precedence over the debate?

[*English*]

The Chair: Yes, you are correct. The motion is entertained at any time, but I did not get a motion from Ms. Zarrillo.

Ms. Soraya Martinez Ferrada: She did mention that she wanted to move a motion.

The Chair: Ms. Zarrillo, are you...?

Mrs. Tracy Gray: I have a point of order, Mr. Chair.

If someone wishes to move a motion, then it should be during their time. There was no motion moved during the member's time, so I respectfully ask.... That time is up, and we've moved on.

Thank you.

• (1640)

Ms. Bonita Zarrillo: I'm sorry, Mr. Chair.

Maybe I was being too collaborative in my approach to ask for permission, so I would ask the member to give me the opportunity. I have a very quick motion to read. Next time I won't ask for collaboration up front. I'll just go ahead with my motion.

The Chair: Does the committee agree that Ms. Zarrillo can move her motion?

We do not have unanimous consent, Ms. Zarrillo, but at your next speaking opportunity you can.

Mrs. Gray, you have five minutes.

Mrs. Tracy Gray: Thank you, Mr. Chair.

I'm starting my time now.

Thank you, Minister, for being here.

Minister, do you know what the closest urgent passport pickup location is for people who live in southern British Columbia, specifically the Okanagan region?

Hon. Karina Gould: Is that for urgent passport pickup?

Mrs. Tracy Gray: Yes.

Hon. Karina Gould: I guess it's somewhere in Vancouver or Calgary.

Mrs. Tracy Gray: You're correct. It would be either Calgary or Surrey, British Columbia.

Do you know how long the drive is from Kelowna—Lake Country to Surrey, British Columbia, in good weather conditions?

Hon. Karina Gould: [*Inaudible—Editor*]

Mrs. Tracy Gray: The amount of time in good weather conditions is five hours.

I'd like to read you some media quotes. The first is, "The Coquihalla Highway in the BC Interior is closed in both directions between Hope and Merritt due to heavy snowfall". The second one is, "These are severe weather conditions that are pretty unpredictable".

Minister, I could read hundreds just like this, even from over the past few years. Would you recommend someone venture on this road to pick up a passport—yes or no?

Hon. Karina Gould: No—for safety reasons—but I can take this information back with me, Mrs. Gray. We can see what we can do to make sure it's more accessible for folks in Kelowna. That's something that's really important for me right across the country.

Mrs. Tracy Gray: Thank you, Minister.

Just to add onto this, have you heard of the documentary TV series *Highway Thru Hell*?

Hon. Karina Gould: I actually have not.

Mrs. Tracy Gray: It shows real-life heavy vehicle rescue and tow truck company hardships in one of Canada's harshest regions for winter driving, including the high-summit Coquihalla Highway.

Minister, what's happening right now is that you're asking about 700,000 people who live in the southern interior, including the 350,000 from the Okanagan, to drive this dangerous winter highway to pick up a passport.

Hon. Karina Gould: We're not asking them to do that, actually. There is a passport office in Kelowna, but I do take your point, Mrs. Gray, and I will take it back. I'd be happy to look into this for you.

Mrs. Tracy Gray: Thank you, Minister.

Just to tag onto that, I've actually been asking you about this for quite some time. In May of 2022 I wrote you regarding expanding passport service at the Kelowna passport office to provide urgent pickup. I highlighted how municipalities and regions with smaller populations have urgent pickup. I also noted economic reasons and driving safety reasons. In July of 2022 I wrote you a follow-up email. In August of 2022 I wrote you for a third time, this time joined by community leaders in the British Columbia southern interior from 37 local municipal governments and business and tourism groups.

You have not responded to any of this communication. Why have you not responded?

Hon. Karina Gould: I can assure you, Mrs. Gray, that we have taken it all under advisement.

One thing I can also clarify for you is that, when we're looking at how passport services are distributed across the country, B.C. is one of those areas that are underserved, so we're taking that into account as we look to expand those additional 25 offices across the country.

Mrs. Tracy Gray: Minister, I can appreciate that, but none of this communication has received even so much as a response from you or from your office.

Can you table for this committee what the metrics are to determine whether a passport office should be upgraded to urgent service for passports?

Hon. Karina Gould: Yes. We are looking into this, and I can say that one of the first things I asked about when I became minister was how we determined where passport offices were located. It had been a really long time since we had expanded those services. I'm pleased to say that we have 13 additional Service Canada offices across the country—

Mrs. Tracy Gray: Thank you, Minister.

Hon. Karina Gould: —and we'll continue to expand them.

Mrs. Tracy Gray: Those upgrades weren't for urgent.

Hon. Karina Gould: They were for 10-day service, which was still something that wasn't available to those folks. We have—

Mrs. Tracy Gray: This is my time, Minister. Thank you. This is my time.

What I'm asking is for you to table for the committee what the metrics are in order to justify increasing to an urgent passport office. Do you have metrics?

Hon. Karina Gould: Mrs. Gray, we would be happy to do that.

The other thing I can say is that until recently, or actually for a little while longer, we were limited by that because of the current printers we have. We are working to upgrade them to make sure we can provide that urgent service to folks right across this country.

I can assure you that I am going to take your community into consideration.

• (1645)

Mrs. Tracy Gray: Thank you.

Based on what I've mentioned to you today, and based on all the information that I've provided to you today, will you commit to upgrading Kelowna's passport office to provide urgent pickup service?

Hon. Karina Gould: Again, Mrs. Gray, we'll have to get back to you. What I can say is that we are looking across the network right now at where we need to have urgent service and where we need to have additional 10-day service—

Mrs. Tracy Gray: I'll be following up with you again.

Hon. Karina Gould: —and I can assure you that we'll take this into consideration.

Mrs. Tracy Gray: Thank you, Minister. My time is up.

Hon. Karina Gould: Thank you, Mrs. Gray.

The Chair: Thank you, Mrs. Gray and Ms. Gould.

We'll now go to the government for the final five minutes.

Mr. Van Bynen, go ahead, please.

Mr. Tony Van Bynen: Thank you, Mr. Chair.

Minister Gould, I'm one of the individuals who took early advantage of the 10-year renewal for passports. I'm eager to see where we'll be going with that. Then I'd like to share my time with Ms. Zarrillo so that we can clarify the motion she was contemplating earlier.

Can you give me a very brief summary of what advice you would have for Canadians who might be applying for renewals as part of the 10-year cohort? Do you feel you're ready to handle the volume?

Hon. Karina Gould: Yes, certainly.

I think it's really important because there was some confusion, particularly from the Conservatives, about when the 10-year renewal was happening. They seemed to indicate that it was last year, but that's actually not the case because the first 10-year passports were issued in 2013. Last year had nothing to do with the 10-year renewal, despite what the Conservatives were saying.

This July will be the first time that there will be renewals for the 10-year passports. Because of the doubling of the workforce, the changes in the passport system and the additional offices that are providing services, we feel very confident with Service Canada that we can manage this volume.

We also have a simplified renewal process for anyone who had a passport issued in the last 15 years. I think Canadians can have quite a bit of confidence when it comes to renewing their passports, whether they are part of that first 10-year cohort or any other time.

Mr. Tony Van Bynen: We certainly faced an unprecedented pandemic. That's led to a number of the changes you are implementing.

Are there any specific changes that you feel will have a significant impact on that service delivery?

Hon. Karina Gould: Certainly.

There were a lot of changes. Implementing a triage system at passport offices and improving line management was really important, particularly at the height of the crisis, but it continues in busy offices to this day. There are also internal processes to make sure that things are more efficient.

Ensuring that we have adequate staff is the number one issue. The passport system did not have the capacity a year ago to handle the volume that it saw starting in February 2022, so these are important changes.

We've also enabled the network to speak more to each other in a way that it didn't before.

Mr. Tony Van Bynen: Thank you.

I think I've run out of my time. I'll share the rest with Ms. Zarrillo.

The Chair: You have 15 seconds to share.

Ms. Bonita Zarrillo: I really appreciate it because it wasn't clear in the information. It says that we are going to commence the study on March 7, but it doesn't have any timing.

Mr. Chair, I'd like to move a motion. I move:

That the committee amend its study on Bill C-35, an Act respecting early learning and child care in Canada, by amending the motion adopted on Friday, February 3, 2023, to hold a 2-hour technical briefing on Tuesday, March 7, 2023, with the relevant department officials, that the committee invite the Minister of Families, Children and Social Development, accompanied by officials, to appear for one hour on Friday, March 10, 2023, and for the witnesses from the list provided by committee members to appear during the following hour.

That adds clarity, Mr. Chair. Thank you.

[*Translation*]

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

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

Indeed, I think this needs to be clarified. I thank my colleague for bringing this motion forward.

I think that the bilateral agreements we have with all the provinces and territories need to be looked at from a jurisdictional perspective. On our side, we agree to have a two-hour technical briefing on Tuesday, March 7, and to invite the minister to testify for one hour on Friday, March 10.

Since time is running out and another minister is waiting to appear before us, I ask for a vote on the motion. I think the motion is quite clear.

• (1650)

[*English*]

The Chair: Is there any discussion?

Mrs. Gray.

Mrs. Tracy Gray: Thank you, Mr. Chair.

Do we have that motion in writing?

The Chair: It's being circulated shortly.

Mrs. Tracy Gray: Was it emailed?

The Chair: It's coming.

Mrs. Tracy Gray: Just to clarify, would that cut into witness testimony on the 10th?

We were really clear that we wanted to have a certain number of witnesses' testimony. I'm unclear on what's being asked until I have it in front of me.

The Chair: My understanding, for clarification, was that, for the first meeting, the full meeting would be devoted to a technical briefing.

Mrs. Falk, did you had your hand up? No.

[*Translation*]

Ms. Chabot, you have the floor.

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

I think this motion misrepresents the motion that we passed. I think it's a bit of a stretch for the committee to have a two-hour technical briefing. It could be done outside of the committee's sitting hours.

What I understand from the motion is that it postpones the minister's appearance.

[*English*]

The Chair: Mrs. Gray.

Mrs. Tracy Gray: Thank you, Mr. Chair.

I respectfully agree with Ms. Chabot. Any member can request technical briefings from staff. I know I just did it myself for something else. If any members want to get more in detail with technical briefing, they can do that themselves. That's always an option to members of Parliament.

The Chair: Okay, but there is a motion on the floor. It's the motion from Ms. Zarrillo. It's to have a two-hour technical briefing on the first day. I'm going to put it to a vote, unless there's any other discussion.

(Motion agreed to: yeas 6; nays 5)

The Chair: With that, we conclude the 15-minute round. We'll suspend for a moment while we transition to the next panel.

I want to thank the departmental staff for appearing. Thank you for your time.

Thank you, Minister Gould, for your presence to conclude the 15 minutes from the other day. Thank you so much.

We will suspend while we transition to the next hour.

• (1650)

(Pause)

• (1700)

The Chair: Committee members, I call to order the second hour of committee meeting number 55. Welcome back.

The committee will resume its study of the subject matter of supplementary estimates (B), 2022-23, vote 1b under the Canada Mortgage and Housing Corporation and votes 1b and 5b under the Department of Employment and Social Development.

I would like to make a few comments for the joining witnesses, who are all appearing in the room in person in this round. Please direct your questions and comments through me, as chair, and I will recognize you. At that time, you will have the floor.

As well, everyone has the option of speaking in the official language of their choice. If there is a disruption in the translation service, please get my attention and we'll suspend while it's rectified.

I'd like to begin by welcoming the Honourable Ahmed Hussen, Minister of Housing and Diversity and Inclusion. From CMHC, we have Romy Bowers, president and chief executive officer, and Michel Tremblay, chief financial officer and senior vice-president of corporate services. From the Department of Employment and Social Development, we have Nisa Tummon, assistant deputy minister in the programs operation branch. From the Office of Infrastructure of Canada, we have Janet Goulding, assistant deputy minister of the community policy and programs branch.

We'll begin, Minister, with a five-minute opening statement from you. You have the floor.

[Translation]

Hon. Ahmed Hussen (Minister of Housing and Diversity and Inclusion): Thank you, Mr. Chair.

[English]

Thank you for welcoming me today. I am pleased to be here to outline the plans of our government for housing, supported by the supplementary estimates (B) referred to this committee.

We know that far too many people in Canada struggle to find a home that is affordable and that meets their needs. Quite simply, it is a struggle that should not be there. Every time someone is forced to choose between paying for food and paying for shelter, or is forced to live in unlivable conditions, we all suffer. It is everyone's problem, because everyone benefits from a housing system that is fair and that leaves no one behind.

When we provide people with suitable homes, they succeed, and when they succeed, we all succeed. It is our government's view that every dollar we spend on housing is an investment. It is an investment in people and in communities, and it is an investment in our common prosperity.

That is why we've prioritized housing since the beginning of our mandate in 2015, and why we've made it a cornerstone of our most recent budget. The plans laid out in budget 2022 drive the supplementary estimates that we have provided here today. The estimates contain a number of funding re-profiles to support key planks in our housing plan.

One of the major focuses of our housing plan is to support the most vulnerable. This is why we introduced the rapid housing initiative. Because of the success of the first and second rounds, we introduced in budget 2022 the third round of the rapid housing ini-

tiative to build an additional 4,500 units, on top of creating over 10,000 units of deeply affordable housing.

The estimates also include \$15 million re-profiled from future years to support the first-time homebuyer incentive, which is a really key program for first-time homebuyers to access the dream of home ownership.

Additional items include the re-profiling of \$21 million for the national housing coinvestment fund. This is our flagship program that helps build deeply affordable housing across the country in partnership with municipalities and non-profits.

We are also re-profiling \$38 million to support the delivery of the federal lands initiative, which enables surplus federal lands and properties to become available to non-profit organizations to build affordable housing.

These, of course, are just a few examples.

[Translation]

The estimates also include new funding for other budget items, including the Affordable Housing Innovation Fund and the third round of the Rapid Housing Initiative, which is very effective, as I have said before.

These requests are all about making our plan to increase the supply of housing a reality, and ensure that everyone in Canada has a safe and affordable home.

• (1705)

[English]

Our plan is grounded in a human rights-based approach to housing and makes it clear that we believe the federal government has a strong role to play in this sector. Indeed, it was our government that appointed the national housing council and the first-ever national housing advocate to advise the federal government as we strive to ensure that all Canadians have the right to a safe and affordable place to call home.

It prioritizes collaboration across the housing system, and the reality is that we cannot do this alone. We need collaboration from other orders of government, the private sector and the non-profit sector.

As always, I appreciate this committee's attention to issues on housing. It is truly one of the biggest challenges we must all work together to tackle.

I'm happy to come back to this committee and answer any questions committee members may have.

[Translation]

Thank you very much.

The Chair: Thank you, Minister.

[English]

Mr. Aitchison, you have six minutes, please.

Mr. Scott Aitchison (Parry Sound—Muskoka, CPC): Thank you, Mr. Chair.

Minister, thank you for being here. Thank you for being here in person too. I appreciate very much seeing you again in person, and I think the committee does too.

Minister, would you agree that Canada is facing a housing crisis right now? Would you characterize it as a crisis?

Hon. Ahmed Hussen: I think we are, as a country, experiencing challenges with respect to everyone having access to a safe and affordable place to call home. It is what motivates, I think, all of us to really pay attention to these issues and to make sure we're doing everything we can to help Canadians access housing that not only is affordable, but actually meets their needs.

Mr. Scott Aitchison: Would you not call it a crisis?

Hon. Ahmed Hussen: I would say it's a challenge faced by many Canadians, and we have to work together to make sure we address those challenges.

Mr. Scott Aitchison: But you wouldn't call it a crisis.

Hon. Ahmed Hussen: I think I have answered the question, Mr. Chair.

Mr. Scott Aitchison: Minister, how many homes does the CMHC say we need by 2030, not just to meet targets but to actually meet some affordability targets? Do you know?

Hon. Ahmed Hussen: I would say 3.5 million, but I will turn to—

Mr. Scott Aitchison: That's 3.5 million more than the 2.3 million we're probably on target to build as of right now. Do you know that works out to just over one home completed a minute for the next seven years?

Hon. Ahmed Hussen: I will take your word for it, but what I can say is that the housing supply issue is—

Mr. Scott Aitchison: You don't have to answer that. That's some quick math. I didn't do it very quickly myself. Parker did it for me.

That's a lot of homes. We have a crisis, not just in housing but in labour. There are not enough people to build these homes. We're struggling there. We have a situation where the affordability situation in this country is only getting worse. In fact, RBC just reported in their most recent report that it has never been so unaffordable to buy a home in this country.

However, when this government came into office it came up with this national housing strategy, Minister. You weren't the minister at the time, but I'm sure you remember there was great fanfare. This was a generational change in housing. It was going to be the first ever. You just described it as the first-ever truly national housing strategy, yet the situation today is worse than it has ever been.

The number of homeless people in Toronto has gone up dramatically. The number of homeless people who have died in Toronto doubled year over year. The number of young people who have given up the hope of ever even owning a home is nine out of 10 right now in this country.

The CMHC has received all kinds of funds for these various different programs that they deliver in the national housing strategy. We have found out from the Parliamentary Budget Officer, though, that for three or four of those programs they hadn't even spent half of their allocated funding over the first three years of the program.

Now, of course, we're looking for more money for a new program, yet the situation isn't improving.

I'm wondering how you can't agree that we're in a crisis in this country. The number of people who are homeless is going up. The tent cities are growing. The number of people who have given up on the dream of owning a home continues to go up. We're desperately short of purpose-built rentals in this country.

Then, of course, we also heard from the Auditor General that the CMHC and Infrastructure Canada on their various different housing programs weren't exactly sure if their programs were even working. In fact, when we asked the Auditor General about that, if there is someone who is going to be coordinating this effort, she reported back to us that she was actually disappointed to report that the response back was that by the end of this year there would be a champion who would actually coordinate the efforts of these agencies.

Your government has committed \$70 billion. We're just about to give you a bunch more. The situation is worse than it has ever been. The number of people dying in homeless shelters is growing. How can you not see that as a crisis?

• (1710)

Hon. Ahmed Hussen: There's a lot to unpack there, Mr. Chair, but I'll make an effort in the time remaining to address some of the issues.

I would really remind the member that our national housing strategy has been having an impact, and we have been measuring that. For the investments that we've made so far... Remember that it's a 10-year program, so of course we haven't spent all the money. The fact that it's a 10-year plan is an effort we're making as a government to show our partners that the federal government is not only back in the space after a long period of absence, I may add, under your party, but that we want to be a reliable, dedicated, long-term, stable funding partner. So far, we've invested \$36 billion, which is a significant amount of money, to build or repair over 480,000 homes. That is not an insignificant number—

Mr. Scott Aitchison: But it's not enough.

Hon. Ahmed Hussen: Of course it's not enough. There's more work to be done, but that is a lot of progress that we've made.

In addition to that, as we're building and repairing more affordable housing units and purpose-built rental units, we're also providing direct rental supports to tens of thousands of Canadians through the Canada housing benefit. I would say, yes, more work needs to be done, but we've done a lot.

Mr. Scott Aitchison: We're out of time, unfortunately, but we're going to come back to this in a minute.

Thanks.

The Chair: Thank you, Mr. Aitchison.

Mr. Collins, you have six minutes.

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

Welcome back, Minister and officials.

I don't have any questions for the minister, but I do for the staff who are present here.

I had the opportunity about a year ago, sitting in this same chair, to ask questions of CMHC, and my experience with CMHC historically hasn't been a positive one. Of course, I was a long-time city councillor since the mid-1990s. I chaired our municipal non-profit for many years, and I have to say that I share in the frustration of many of the service providers who have sent issues to my office over the last year since I've been in in this new chair in this position here in Ottawa.

It's important to recognize, as the minister pointed out, that there were decades when the federal government was not involved in the federal housing scene. They were completely absent. In fact, they downloaded those responsibilities to the provinces and municipalities, and in turn, the province, under the Harris government, for those of us in Ontario, downloaded the responsibility of affordable housing to municipalities. Then municipalities and non-profits have since been left to their own devices in terms of trying to find resources to make this situation better. Of course, that's almost impossible to do on the backs of local ratepayers.

Within that context, I think it's important to understand that a lot has changed with the plan that was put forward. As a councillor wearing a different hat, I celebrated the release of the national housing strategy. It is historic, notwithstanding what you might have just heard. The funds that were attached to that document are historic. These are record amounts of resources that have been provided to assist municipalities and non-profit housing providers across the country.

Where things have stalled, in my personal opinion, is in its implementation, so I have some questions to CMHC along those lines. I would start with some of the complaints from service providers from my riding and my municipality who have complained that the applications are long and onerous and that they're costly to municipalities and non-profits. They complain that verbal commitments are provided at the start of that process, and by the end of the process, which might take 18 months to two years, what was first promised by CMHC representatives at the start of the application process doesn't transpire at the end and the amounts provided, either in a loan or grant form, fall far short of what was originally promised by whomever they were dealing with at CMHC.

The concern that I have is that there's a lot of room for customer improvement here, and I asked you at previous meetings about whether you do surveys to applicants. Of course, I think many are reluctant to bite the hand that feeds them, so I would question the results along those lines.

I must share with you my frustration in terms of dealing with applicants in the last six to eight months, since the last time you were here. I might as well be talking to myself in the hallway against the wall, because the responses I get, if I get them, don't assist. I question why we've given so many resources to an organization that just can't seem to help service providers or help us with what many would call a crisis. I think it's a crisis in municipalities, whether you're rural, urban or whatever. There's a crisis in this country, and

I think that, for whatever reason, CMHC is unwilling or unable to provide the services that many require.

Along those lines, we recently talked about the housing accelerator fund. Almost to a witness, people who appeared before this committee talked about how those funds should be distributed, and almost to a stakeholder they went on to say that it should go directly to municipalities. They said it should go directly to FCM. They said it should go directly to the provinces. What they didn't say is that CMHC should receive those funds, and I found that quite telling.

To start with the housing accelerator fund, are CMHC reps concerned about the fact that stakeholders from across the country provided information to the committee that suggested that CMHC should not be in charge of the housing accelerator fund?

● (1715)

The Chair: That's for Ms. Bowers.

You have two minutes.

Ms. Romy Bowers (President and Chief Executive Officer, Canada Mortgage and Housing Corporation): Mr. Chair, thank you for that question.

I do appreciate the question because customer service is very important to CMHC. I'm very disappointed to hear about the recent experience the MP has had with CMHC. There's no doubt that CMHC has been out of direct housing delivery for many decades. There were many lessons learned, especially in the early days of the delivery of the national housing strategy.

We have made very dedicated efforts to improve our delivery. We've cut our delivery times by up to 50%. We do survey our clients at every step in the application process. We measure client satisfaction and their feelings about the efficiency of our process. We have a feedback loop to make sure that any criticism or feedback is acted upon. We reward our employees on the actual value of these scores.

I'd like to explore some of the specific instances of very bad client experiences that are cited here. Just looking at CMHC delivery as a whole, it's not to say we're perfect, but we're measuring the feedback that we get from our clients and acting on any disappointments or dissatisfaction with our services.

Mr. Chad Collins: Thanks for that, Ms. Bowers.

The Chair: You have time for just a short question.

Mr. Chad Collins: I have one short one. They're back next week, so that's fine.

My concern is that this was the answer provided last year. How many budget cycles does it take to get it right from an application perspective?

We're now five or six budget years into.... For sure, they're back in the affordable housing game. My question would be, is it in year seven, year eight...? When are they going to nail this down?

The Chair: Give a short answer.

Ms. Romy Bowers: If I could provide an example, in response to criticism from clients about the length of our application process, we instituted a new process for a contribution-only stream. Under that stream, applicants can complete applications in less than 10 minutes, and CMHC can provide within four weeks.

This is a significant improvement in turnaround times. We've received very positive feedback from our clients on that part of the initiative.

The Chair: Thank you. I'm sure we'll revisit that.

[Translation]

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

Mr. Denis Trudel (Longueuil—Saint-Hubert, BQ): Thank you, Mr. Chair.

My thanks to all the witnesses.

Ms. Bowers and Mr. Hussen, thank you for being here to discuss this important issue.

Earlier, one of my colleagues asked you if there was a housing crisis. You did not answer. I'm going to get to it more directly.

Mr. Hussen, is the National Housing Strategy a failure?

• (1720)

Hon. Ahmed Hussen: No.

Mr. Denis Trudel: Fine.

You talked about a plan to address the need to build 3.5 million homes over the next 10 years. A CMHC study even said that we need to build about 3 million homes in Canada by 2030. A CMHC economist said that, in Quebec alone, we would need 1.1 million housing units over the next 10 years and that the market alone could build 500,000 units. So there is a shortfall, just in Quebec over the next 10 years, of 600,000 units to be built to address the two priority issues of access, which is providing housing for people, and affordability, which is providing housing that people can afford.

According to the Federal Housing Advocate, at the midpoint of the National Housing Strategy, 35,000 units have been built and 65,000 units have been renovated. That's 100,000 units. Again, just in Quebec, we need the government or someone else to step in and build 600,000 units over the next 10 years to meet the need.

You say that the National Housing Strategy is not a failure, all in all. Can you explain that statement to me, please?

[English]

Hon. Ahmed Hussen: It's very simple. Since the introduction of the national housing strategy, we've invested \$36 billion to build or repair over 480,000 units across the country, including in Quebec. We have put in place the Canada housing benefit, which is now available—

[Translation]

Mr. Denis Trudel: Excuse me. You talk about 480,000 units in Canada, but can you tell me approximately how many units have been built in Quebec in the last five years?

Hon. Ahmed Hussen: Since 2015, we have invested more than \$5.3 billion in Quebec to help more than 409,000 families and individuals get the housing they need.

Mr. Denis Trudel: Since the strategy was launched in 2017, how many housing units have been built in Quebec?

[English]

Hon. Ahmed Hussen: That would be 480,000 affordable homes—homes that were built or repaired across the country. I'm very sure a significant portion were included. I would be able to get those numbers.

[Translation]

Mr. Denis Trudel: Do you not have any figures for Quebec, Mr. Hussen?

[English]

Hon. Ahmed Hussen: I don't have those specific numbers, but I would be happy to get back to you.

[Translation]

Mr. Denis Trudel: You understand the issue: you can spend money, but if housing is not being built, it doesn't achieve much.

[English]

Hon. Ahmed Hussen: First of all, we are building. I challenge your assertion. This program has been very effective in building affordable housing across the country, including in Quebec. You can say we need to build more, but to say we just spent money and nothing was built is completely untrue. I can't let you say that without challenging you.

[Translation]

Mr. Denis Trudel: Fine.

I repeat that right now, according to the CMHC economists themselves, the government must intervene to build 600,000 housing units just in Quebec. We need some kind of Marshall Plan to deal with this huge crisis. Is that something you're considering?

You must be able to see for yourself that the results are not there in terms of the needs. According to the latest CMHC figures, vacancy rates have fallen in Quebec and rental prices have risen by 14.5% in Montreal alone. These are figures that jump out at us and show that the crisis is ongoing. It is in fact worse than ever. You must know that.

Hon. Ahmed Hussen: As part of our commitment to ending chronic homelessness, we are contributing more than \$400 million to Quebec under the Rapid Housing Initiative. We have partnered with the Government of Quebec to invest \$563 million to create 346 new housing units in the province.

Mr. Denis Trudel: Is it 346 or 346,000 new housing units in Quebec?

Hon. Ahmed Hussen: I meant 3,146 new units in the province.

Mr. Denis Trudel: I'm not sure I understand, but I'll go and look at the minutes.

In January, British Columbia launched a \$500-million program for housing non-profits to buy units in order to take them off the market. In a context where it is clear that not enough housing is being built to meet current needs, the idea of taking existing units off the market to protect affordability is an interesting one. In Quebec, at least, housing organizations are telling us that this is an interesting measure.

So British Columbia has invested \$500 million in this program. Would the federal government consider investing in something like that?

• (1725)

[English]

Hon. Ahmed Hussen: You highlighted a very important point about the importance of helping non-profits, as well as municipal and provincial governments, get the same amount of capacity to compete with the private sector when it comes to securing property and land with the potential for affordable housing. It's an idea I've heard from non-profit stakeholders who are very concerned about the private sector always getting their hands on property that could potentially be used for affordable housing.

It's a good idea, and I'm happy to discuss it with you further.

[Translation]

The Chair: Thank you, Mr. Trudel.

[English]

Ms. Kwan, you have six minutes.

Ms. Jenny Kwan (Vancouver East, NDP): Thank you very much, Mr. Chair.

Thank you to the minister and officials for being here.

Speaking of slowness, I have many issues. First off, and to set the record straight, the federal Liberal government cancelled the national affordable housing program in 1993. That was succeeded by the Conservatives gutting the dollars for housing. As a result, we lost housing altogether from the federal government. Consequently, we have a housing crisis, and it's been escalating. That's just to be clear.

I want to get very specific about the programs in the national housing initiative. There is the codevelopment fund. We already talked about what a disaster it is in terms of its rollout.

I want to raise this question with the Minister: If you look at the numbers, the distribution of about 100,000 units have gone out across the country. However, there are about 115,000 units that have received funding commitments, but the money has not yet rolled out. Why?

Hon. Ahmed Hussen: The national housing coinvestment fund has been an amazing tool to help with affordable housing, and—

Ms. Jenny Kwan: Could I just get a direct answer?

Hon. Ahmed Hussen: I'm trying to. You are the one who said that this program has been a failure, and I'm trying to show you that it hasn't. Can I do that, Mr. Chair?

Ms. Jenny Kwan: No, I'm asking the question—Mr. Chair, if I may—very specifically. Why has the funding that has been committed for projects not been rolled out?

Hon. Ahmed Hussen: Which funding commitments are you talking about? We have so many programs that flow funding for affordable housing. I would like to answer your question but I—

Ms. Jenny Kwan: If you were listening to my question, I'm talking about the codevelopment fund. Some 115,000 units have received funding commitments but have not received the funding for the non-profits. They're sitting there, and as we twiddle our thumbs, the cost is going up and those projects will become unviable. Why hasn't the funding flowed?

Hon. Ahmed Hussen: No one is twiddling their thumbs. This is a very serious matter. I can show how successful this program has been. Of course there's always more to do, but I'll turn to Ms. Bowers for a more technical answer on the flow of the money.

Ms. Romy Bowers: Thank you very much for that question.

We're halfway through the rollout of the coinvestment fund, and we have conditionally committed half the funding for the 110,000 units that are referred to here. We provide funding to proponents as the construction proceeds. To this date, the construction is completed on about 27,000 units and all the funding has been disbursed.

For all of the other programs, we provide funding, as the construction proceeds, in the form of many advances. During the period of COVID, there was a slowdown in construction activity, but CMHC is very committed to making sure that, as soon as a project advances or asks for it, the funds are provided. It's funding that's provided not all at once but during a gradual cycle as the building project comes to fruition.

I would just comment that, halfway through the program, we've committed half the funds and have achieved half the targets committed.

• (1730)

Ms. Jenny Kwan: I can tell you that I'm talking to non-profit groups, and I'm sure there are other MPs who are talking to non-profit groups, and their projects are ready to roll out. They even have matching funds.

In the case of British Columbia, there is a project in the riding of my colleague Richard Cannings. There's a letter from the Lower Columbia Affordable Housing Society in South Okanagan—West Kootenay. They're ready to go. They got their commitment, but they can't get the funding. Lo and behold, what's happened? The government—CMHC, through to the minister—made a decision that, instead of getting an estimated up to \$50,000 to \$75,000 per unit, they're now limited to only getting \$25,000 per unit. As the cost is escalating, these projects will become unviable.

Various colleagues asking for help with projects were all responded to on February 8 with different responses signed by the minister. I have one letter signed by the minister to my colleague Leah Gazan, regarding the situation in Winnipeg, telling people to go look to the coinvestment fund for funding. The people from the Lower Columbia Affordable Housing Society have been advised by CMHC that the money from the codevelopment fund has been depleted. There is no money to be had.

Back in November of last year, around the same time, I wrote to the minister about the codevelopment fund, asking about the \$25,000 limitation—when that kicked in and who made that decision. I got a response on February 8 as well, signed by the minister, talking about everything except the answer to that question.

First off, I would dispute the notion that money is flowing when they're ready, because this project is ready. They're about to lose the funding. They're about to actually lose the project if they don't get the funding. This is the reality. They're ready to roll. The only ones holding them up happen to be CMHC on the codevelopment fund.

On the issue of the \$25,000 limitation, who made that decision and when did it come into play?

Ms. Romy Bowers: I can't comment on the specific project that's been mentioned here, but I'm very happy to take the details and follow up on the particular circumstances of that project.

With respect to the \$25,000 limit, I recognize that it is challenging for non-profits to work with lower levels of contribution, but in some ways there has been such a demand for the contribution of funding that we've had to ration it to ensure that the contribution of funding gets to as many projects as possible.

The Chair: Thank you, Ms. Kwan.

Mr. Aitchison, you have five minutes.

Mr. Scott Aitchison: Thank you, Mr. Chair.

Minister, I want to go back to the Auditor General's report, where she reported that neither the Canada Mortgage and Housing Corporation nor Infrastructure Canada felt that they were really accountable for the achievement of the strategies targeted to reduce chronic homelessness by 50%. No one was really accountable, but it was reported that somebody would be named accountable by the end of the year.

There is no one really quarterbacking what's going on between these two ministries and the multi-billion dollar programs they're supposed to be offering. We've also heard from your own colleagues here, Minister, that the CMHC is often where projects go to die because community groups just can't get any money out of it.

Who is the quarterback? Is it you?

Hon. Ahmed Hussen: There's a lot to unpack there, again, so let me try to do my best to answer that question.

The member referred to the Auditor General's report. I want to begin by saying that we came out very clearly thanking the Auditor General for the recommendations, the performance audit. We agree with the findings. We are implementing the recommendations. However, Reaching Home is a very important program that delivers direct supports to the frontline organizations that are serving those

experiencing homelessness. What the Auditor General highlighted was the need for more efforts to collect the data and then analyze it and transfer it to—

Mr. Scott Aitchison: Minister, I'm going to cut you off there.

What the Auditor General pointed out was the need for someone to be accountable. We've pointed out that, apparently, we'll have someone accountable by the end of this year, halfway through the national housing strategy.

My question is very simple: Who is accountable?

Ultimately, I assume it's you, sir.

• (1735)

Hon. Ahmed Hussen: I'm happy to answer that question.

Of course I am accountable, but what the member refers to is the Auditor General's report. That report focused on one program, which is Reaching Home. The report was not looking at the CMHC or the broader national housing strategy, so I think the member is kind of mixing and overlapping two different issues.

Mr. Scott Aitchison: Thank you. You've claimed accountability. That's great. I think that's excellent, so I'm going to move on. I think it's great that you've accepted accountability for this even though you won't accept that it's a crisis, even though some of your colleagues agree.

For interest's sake, I did look up what a crisis is. It's a time of intense difficulty, trouble or danger. I guarantee you that the people trapped in the tent cities that are growing all across this country would call it a crisis. The number of young people who have given up hope of ever owning a home would call it a crisis. The number of people who simply cannot find a place to rent would call it a crisis.

Minister, what is it? If it's just a challenge and we're going to have a quarterback by the end of the year, coordination of things halfway through this program.... If you don't call this a crisis, what is a crisis?

Hon. Ahmed Hussen: I'll tell you, if I may, what the impacts of the federal investments to tackle homelessness are. The member kind of alluded to the Auditor General's report.

The Auditor General's report recommended that we collect data better, that we analyze better. However, the fact of the matter is that those investments are making an impact. Sixty-two thousand people were prevented from joining the ranks of those experiencing homelessness. Thirty-two thousand people were given permanent housing solutions through our federal investments. We're supporting over 3,000 projects run by over 1,000 organizations.

Mr. Scott Aitchison: Minister, I'm going to interrupt again to say that I agree with you that it's having an impact. There's no question about it. It is having an impact. The question is this: How are we going to make sure it has enough of an impact—because it's clearly not enough?

In a crisis—in a challenge, as you refer to it—like this, it's an all-hands-on-deck approach. It has to be. It has to be an all-of-government, all-levels-of-government approach.

Hon. Ahmed Hussen: Absolutely.

Mr. Scott Aitchison: For example—quickly, because we're running out of time—would you support efforts at the federal level to tie federal infrastructure funding to municipalities to results on the ground, getting approvals in place, speeding up the process? Even the CMHC reports that we need to speed up the approvals process at the municipalities.

Would you agree with that kind of approach?

Hon. Ahmed Hussen: Mr. Chair, I think the member hasn't really looked at what we have presented in terms of the housing accelerator fund. That's exactly what we intend to do: to help municipalities remove the barriers that prevent them from adding more housing supply across the country.

It's unfortunate because I was hoping that your party would actually support that effort because you always talk about gatekeepers. That was an effort for us to work collaboratively with municipalities to remove those barriers to development. You all voted against it, and here you are talking about municipalities' preventing development. We have a \$4-billion program that is meant to help deal with exactly the problem you highlight—which I agree with—but you won't support the solution.

It's very ironic—

Mr. Scott Aitchison: Would it matter if—

Hon. Ahmed Hussen: —and I hope you change your mind.

The Chair: Thank you, Mr. Aitchison.

Mr. Long, you have five minutes.

Mr. Wayne Long (Saint John—Rothesay, Lib.): Thank you, Chair.

Good afternoon, colleagues.

Thank you to the minister and everybody else for coming this afternoon. I appreciate what you do for us and for all Canadians.

I'll give you a hockey analogy. I do that often—maybe too much. You know, if I inherited a hockey team that, for the previous eight years, didn't spend a cent on marketing or enticing season ticket holders, and then I took that team and came up with a plan to increase my fan base and sell more tickets.... Those plans take time.

I know Ms. Bowers made the point last time we talked to CMHC, and it did stick with me, that CMHC wasn't in the housing business until 2015-16. These programs do take time. Sure, we have a serious situation across our country. People do need homes and people need homes that are affordable. I certainly applaud what we're doing. I think we're on the right track. We're making the right investments.

I came into politics when housing agreements were basically expired. Non-profits didn't know what was going to happen next. We came forth. We renewed and extended those agreements. We came up with a Canada housing benefit and the federal coinvestment fund. I don't know of a project in my riding.... Sure, it's bureaucratic.

Ms. Bowers, we talked about how I want to see CMHC become more entrepreneurial and less bureaucratic, and I know you take that point. I can name many projects in my riding that have benefited from CMHC's investment and from our government's investment.

Minister, you've been in the riding several times. I want to focus right now on the rapid housing initiative. I know we've had two successful rounds. We have round three. We just recently announced a \$3.6-million investment to support 12 transitional housing units for Coverdale Centre for Women. It's a wonderful project. I want more of them in the riding. I certainly recognize that through budget 2022 we've made historic investments through the extension of the rapid housing initiative. I think it's a great program.

Minister, can you provide us with an update on the rollout of the investments made in budget 2022? Thank you.

• (1740)

Hon. Ahmed Hussen: In terms of the national housing coinvestment fund, you've heard from President Romy Bowers that, halfway into the 10-year national housing strategy, that program has been able to get half of the results. They have the results that they were supposed to get halfway through the strategy.

In terms of the rapid housing initiative, because of the success of the first and second rounds, we're seeing that budget 2022 has again allocated \$1.5 billion to the third round of the rapid housing initiative. This has been a really successful program for municipalities and non-profits to rapidly build deeply affordable homes for the most vulnerable. If you look at the money that we're bringing forward through the national housing coinvestment fund, it's \$2.9 billion from future years to now, so that we can get more money out the door and build over 22,000 deeply affordable housing units.

I would say on all of the efforts and allocations in budget 2022, the effort is being made to either get the money out the door or to build the partnerships that are necessary to then flow the money. I'm very excited about the housing accelerator fund. I think it will make a huge and sustained difference beyond the life of the program, for example.

Mr. Wayne Long: I'm going to let you continue.

I just want to talk about the accelerator fund. Certainly, my community of Saint John—Rothesay is excited about that fund. I think it will be very helpful, whether it's through organization or land acquisition, or what have you.

In your best estimate, when do you think we'll see that fund?

Hon. Ahmed Hussen: I would say in the next few weeks we will come out with a public announcement on moving forward. I expect, following that, there'll be engagement with municipalities, local governments and indigenous communities on how they can access that program.

This is a key commitment that we made to Canadians. The federal government will be there to become a partner to municipalities, not just in investing in affordable housing, which is what the rest of the national housing strategy programs do, but in creating systems changes so that we can unlock additional housing supply across the spectrum, from deeply affordable homes to rental units to attainable homes. That \$4 billion will be invested in those system barriers that prevent more housing from being built in Canada.

You heard previously the reference to the need to build 3.5 million additional homes by 2030. We have a gap in supply, and the housing accelerator fund is one of the ways in which our government is ensuring that we not only build more housing through our other programs, but we also invest directly in local governments, municipalities and indigenous communities to create those systems changes that will unlock additional housing. Even beyond the life of the program those changes will result in more housing supply over many years to come.

The Chair: Thank you, Mr. Long.

[*Translation*]

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

• (1745)

Mr. Denis Trudel: Thank you, Mr. Chair.

I'm sorry, Minister, but it's a little bit mind-boggling to hear you say that halfway through the National Housing Strategy, we've achieved half of what we wanted to achieve and in five years we'll have achieved the other half. It's not that simple.

The Federal Housing Advocate, whom you yourself appointed, said that 35,000 units were built and 60,000 were renovated in the first five years. So we're a long way from 480,000.

I would very much like to hear you explain to me how you are calculating the 480,000 housing units that you mentioned, because I have no idea what you are talking about.

Let's look for solutions anyway. We have admitted that there is a crisis and that the strategy is not working, but there are some things that are working.

The Rapid Housing Initiative, or RHI, has been applauded by many housing organizations in Quebec and around the world. It is a program that allows for the rapid creation of housing, but is seriously underfunded.

Have you considered rethinking the whole strategy and redistributing the money from the programs in a different way?

For example, I don't see how the National Housing Co-Investment Fund, which creates \$2,000 rental units in Montreal, helps us. The poorest people can't afford such housing. We could rethink the whole strategy, take all the money invested and put it into a program like the RHI, which forces developers to build housing quickly that people can live in quickly.

Is this an option you have considered, Minister?

[*English*]

Hon. Ahmed Hussen: Mr. Chair, there's a lot in there.

I don't agree with the member's characterization that housing that is built through the coinvestment fund is unaffordable. The whole point of the coinvestment fund is to build deeply affordable homes, so I don't agree with that.

He also talked about how we have established that the national housing strategy's not working. I don't agree with that. The numbers show that not only have our investments so far resulted in 480,000 homes built or repaired through \$36 billion in investments, but we know the number of families that have been helped in Quebec. Over 409,000 families in Quebec have been impacted by our federal programs directly, either through rental supplements or through housing.

[*Translation*]

Mr. Denis Trudel: Minister, do you consider a \$2,000 rental unit in Montreal to be affordable housing?

[*English*]

Hon. Ahmed Hussen: I was referring to the coinvestment fund.

You said the coinvestment fund results in a \$2,000 unit. That's not the case. It's much more affordable than that. I think you're referring to another program or some other building.

[*Translation*]

Mr. Denis Trudel: No. I could send you the article that appeared in the newspaper about this.

[*English*]

The Chair: Thank you, Mr. Trudel.

Ms. Kwan, to conclude, you have two and a half minutes.

Ms. Jenny Kwan: Thank you very much.

I want to turn to a different issue: the Canada housing benefit.

The Canada housing benefit is clear in that it is meant to target people with the lowest incomes. However, the government changed the criteria. On the government's own website in November 2020—and even as late as December 27—it did not say that people on social or rental assistance who are having their rent paid directly to the landlord would be excluded from this program. This was added, I think, around February 3. Consequently, people now applying are no longer eligible.

Why is the government excluding people on income assistance and disability from being eligible for the \$500 housing benefit? When was this decision made, and by whom? Why was this only posted on the government's website in February? The overriding question is this: Who is this housing benefit for, when the government is intentionally excluding the lowest-income people? It's not that they aren't qualified because of their income. They're not qualified because their rent is paid directly to the landlord, as a result of the program they're in—it's usually income assistance.

Why is that?

Hon. Ahmed Hussen: This program is crucial for helping almost two million Canadian renters with the cost of rent. This \$500 top-up will help people. It's on top of the existing Canada housing benefit.

In terms of the income thresholds, they're intended to—

Ms. Jenny Kwan: I'm sorry, but I'm going to interrupt you for a second.

It's not about the threshold. It's not in the legislation. It does not say that people on income assistance, or in provincial or territorial rental assistance programs—those having their rent paid directly to the landlord—would be disqualified from this program. It does not say that in the legislation. However, in or around February, the government changed the criteria and added that to the website.

How come that was put in there? Who made that decision?

• (1750)

Hon. Ahmed Hussen: The eligibility criteria for this benefit is the same across the country. It is meant to ensure access to the benefit in each province and territory.

In terms of the particular nuance brought up by the member, I'm happy to have officials get back to her on that. However, I know the

criteria were set up in consultation with folks to ensure equal access to—

Ms. Jenny Kwan: Is the minister saying he didn't make that change?

The Chair: Thank you, Ms. Kwan. That concludes your time.

Ms. Jenny Kwan: Perhaps I can get the answer in writing from the minister.

The Chair: That's fine. He can provide the answer.

Thank you, Ms. Kwan.

Thank you, Minister and departmental officials, for appearing.

Committee members, before we adjourn, we have the news release on the Black community study. Is it the wish of the committee to accept it? You all received it a couple of days ago. It's about the report being tabled in the House.

Some hon. members: Agreed.

The Chair: Go ahead, Ms. Kwan.

Ms. Jenny Kwan: Thank you, Mr. Chair.

On the questions I just asked—which the minister deferred to his officials—could we get the answer before the Friday meeting? I think it's very important we get that information.

The Chair: The minister will provide the answer when he can.

Thank you, Minister.

Thank you, members.

I have approval. Seeing no dissent on the news release, the meeting is adjourned.

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