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Chair: Mr. Robert Morrissey

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• (0815)

[English]

The Chair (Mr. Robert Morrissey (Egmont, Lib.)): Good morning, committee members. We certainly have a full house.

[Translation]

Welcome, everyone.

[English]

The clerk has advised me that we have a quorum.

Those appearing online have been sound tested. Those who will be participating have been cleared that they're fine.

Before we begin, I want to remind all members appearing today to follow the procedure of only using the black headset. Keep it away from the microphone and at the appropriate position to prevent hearing damage to the interpreters, and keep it face down when you are not using it.

Today our meeting is taking place in a hybrid format. As you know, this is meeting number 113 of the House of Commons Standing Committee on Human Resources, Skills, Social Development and the Status of Persons with Disabilities.

For those appearing virtually, as well as in the room, you have the choice of speaking in the official language of your choice. Interpretation service is available in the room using your headset. For those appearing virtually, please click on the globe icon at the bottom of your screen and choose the official language of your choice. If there is an interruption in interpretation services, please raise your hand, and I will suspend while it is being clarified.

As well, I want to remind all members to please direct your questions and comments through me, the chair, and wait until I recognize you by name.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on February 26, 2024, the committee is commencing its study of the subject matter of supplementary estimates (C) for 2023-2024, and the main estimates for 2024-2025.

I would like to welcome our witness, Minister Sean Fraser.

Welcome Mr. Minister.

Attending with the minister are Nadine Leblanc, interim chief financial officer and senior vice-president, policy; as well as Kelly Gillis, deputy minister; office of infrastructure Canada.

Mr. Minister, you have five minutes to make opening comments, and then we will open the floor to questions.

[Translation]

Hon. Sean Fraser (Minister of Housing, Infrastructure and Communities): Thank you, Mr. Chair.

Dear colleagues, I'm here to discuss very important matters.

• (0820)

[English]

I'm here technically to discuss the estimates, although I understand that there is a study on housing that the committee has undertaken and, of course, we recently released a national housing plan. I'm happy to take questions on whichever of those issues you may deem appropriate.

I'll spend a few moments going over the bones of the recently released housing plan to give you an idea of where we're coming from and what we're trying to achieve.

There are three main things the housing plan seeks to accomplish. The first is to build more homes, the second is to make it easier to rent or buy a home in this country and the third is to ensure those who cannot afford a home nevertheless have a roof over their heads.

Some of these measures will have a shorter-term impact. Others will take time to fully mature and to realize the potential we have as a country to solve the national housing crisis.

Under the first pillar—to build more homes—there are a few key things we're seeking to do.

The first is to reduce the cost of homebuilding through a series of different measures, including tax measures such as the GST rebate and the changes to the capital cost allowance to allow it on an accelerated basis. We're also moving forward with low-cost financing programs such as the apartment construction loan program, as well as an opportunity to partner directly with provincial governments through bilateral deals through the Canada builds program. We're not limiting the low-cost financing to large institutional builders and we are launching a program that's designed to help individual homeowners add accessory dwelling units with a low-cost loan to help them with the start-up costs.

In addition, there's a major opportunity to reduce the input costs of home construction by leveraging public lands. We are seeking to do something different by maintaining ownership of public lands and entering into long-term leases, which will protect the public interest and public lands. At the same time, we have an opportunity to further reduce the costs for construction and, potentially, the costs for the person who lives in the home that will be constructed at the end of the day.

It's not enough, though, to reduce the cost of homebuilding. We have to make it easier. We're working with different municipalities across Canada to help change their zoning and permitting practices through the housing accelerator fund.

We have other different tools we're using to negotiate improvements to the ways homes are built, including by addressing things like development cost charges through our infrastructure funding to support housing-enabling infrastructure, such as water and waste water. Similarly, we'll be negotiating deals with major metro regions across Canada to improve density near transit stations, through our transit infrastructure funding.

Even if we have a perfect suite of policies on cost reduction and municipal zoning reform, we're going to run into another bottleneck, and that's the capacity of the Canadian economy to actually produce the homes we need. We intend to address this through a series of measures, including training supports for Canadian workers, targeted immigration programs and, of course, incentivizing the scale-up of home manufacturing facilities—building more homes in factories. We intend to do this by creating a pipeline of demand for the businesses that will be able to produce homes in factories and by creating specific incentives to help with their scale-up.

The second pillar of the fund is designed to help make it easier to rent or to buy a home in Canada. There's a series of measures to help protect renters, such as the renters' bill of rights, which will require co-operation with provinces, but we also want to ensure that we have an opportunity for people to transition to home ownership if they choose. We intend to do this in a few key ways.

The first is to help renters establish a credit score, for those who face that as a particular bottleneck, by allowing them to use their rental history to establish credit, but a bigger stumbling block for more people trying to get into the market is saving up for a down payment. We want to help by creating a tax-free opportunity for people to save money for that down payment, including through the adoption of the first home savings account, which now has more than 750,000 Canadians who have signed up, and changes to the RRSP homebuyers' plan that will make it easier for people to take

advantage of a tax-free opportunity by scaling up the amount they can put towards their home and extending the grace period during which they do not need to make repayments.

We also want to help by reducing the monthly mortgage payment, and we've started by increasing the amortization period for new builds from 25 to 30 years, which will have a positive impact on the monthly bottom line for someone who enters into a mortgage over a longer term. This is a particularly useful opportunity for a younger first-time homebuyer, who will still be in their working life at the time the mortgage has completed.

There are other measures that we want to move forward with to help free up stock that already exists, including measures targeting short-term rentals and attacking the issue of mortgage fraud, and a series of other measures. It's not enough to simply deal with the housing market; we have to improve things for non-market housing in this country. Canada has about 4% of homes in our country that exist outside the market. The OECD average is about 8%. We need to do better.

We are scaling up the investments in affordable housing for low-income families, including not just support for new builds but an acquisition fund that will help more organically affordable housing that exists in the market to be transferred to non-profit actors so they are maintained at a level of affordability forever. There's additional funding through the reaching home program to support communities that are seeking to support those who do not have a place to live, with additional supports to help communities that are struggling with encampments to help transition people to durable housing solutions.

Mr. Chair, there's much more to share, but I see that I'm out of time. I'm happy to take what questions my colleagues may have.

Merci.

● (0825)

The Chair: Thank you, Mr. Minister.

We'll now begin with Mr. Aitchison for six minutes.

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

Thank you, Minister, for being here. I appreciate it.

I'll get right into it. I wonder if you would agree that development charges, which you mentioned in your opening remarks, actually make homes more expensive. It's a tax.

Hon. Sean Fraser: I do.

Mr. Scott Aitchison: Okay. The housing accelerator fund, which I know is a signature policy of the government, is a \$4-billion fund designed to speed up home approvals and get more homes built.

Is there anything in those agreements with any of those cities about development charges in cities that increase development charges at the same time as receiving federal dollars?

Hon. Sean Fraser: The development cost charges that we seek to address are dealt with through the Canada housing infrastructure fund, not through the housing accelerator fund, so in order to access the infrastructure supports, you won't be able to increase your development cost charges.

That said—just a bit of nuance on the housing accelerator fund—it's an outcomes-based program. We both get measures that you agree to implement, but you also have to produce the permits. To the extent that a community increases development cost charges to a degree that doesn't allow them to meet the milestones baked into the agreement, they would jeopardize their funding under the agreement.

Mr. Scott Aitchison: You would agree, though, that the housing crisis we have in this country is not just a supply crisis, but an affordability crisis.

Hon. Sean Fraser: Yes, certainly.

Mr. Scott Aitchison: Then why wouldn't this housing accelerator fund also include some kind of language in these agreements, which we've still yet to see, about the cost at the local level?

Hon. Sean Fraser: It's an interesting question. We wanted the right tool for each job. The housing accelerator fund was targeting specific changes that we wanted to see made around municipal zoning reform and the process of permitting so we could build faster.

I agree with you that development cost charges create a real challenge on affordability. What we're saying with the infrastructure programs we're putting in place is that if you're going to benefit from federal money for the infrastructure, you can't also be increasing your development cost charges that go towards building that infrastructure.

We've chosen unique tools for each of the problems that we're trying to solve. The housing accelerator fund, in my view, is having a tremendously positive impact, but we're tackling the development cost charges issue through a different federal program.

Mr. Scott Aitchison: Let's take Ottawa, for example. They just proposed to increase their development charges by almost 30%. They've backed off a bit: They're only going up by 11%. The notion that they're going up at all anywhere in the country is absolutely mind-boggling in an affordability crisis.

These accelerator funds are not paid out all at once. They're paid out in quarterly payments. We haven't seen the agreements, but from reading the staff reports, it would appear as though you and your office have the final say on whether they get their next payments and whether they get that each quarter.

Ottawa already has received \$44 million, I guess. The next chunk will be another \$44 million. Would you be prepared to address Ottawa or any of the other cities that are recipients of this money to

say that we need to focus on affordability as well, and to pro-rate the next payment or even not make the next payment, if they keep increasing development charges?

Hon. Sean Fraser: Because development cost charges are being dealt with through a different fund, we would need to see them fail to meet their obligations under the binding agreement we have with each city. In this case, if they increase development cost charges to a degree where it impacted the permit milestones that they've agreed to achieve, then certainly we would withhold funds. No permits, no money: That's my approach to some of these conversations.

However, if they increase the development cost charges, still implement the zoning reforms, continue to speed up the process of permitting and actually get the permits out the door, we're not saying that we're not going to touch the development charge issue: We're saying that we're going to use a different fund to tackle the development charge issue. If they fail to produce the permits as a result of those changes they make, they would jeopardize their funding.

Mr. Scott Aitchison: In an affordability crisis, I don't know why you wouldn't use all of your funds to attack this affordability issue. Nobody makes more money on housing than governments. The average across the country is about 33% per unit.

I don't know how big your infrastructure fund is, but on your accelerator fund of \$4 billion, why wouldn't you use that fund too?

● (0830)

Hon. Sean Fraser: It's interesting.

Scott, as you know, I've got an immense respect for you. You're one of my favourite colleagues on the other side of the aisle. I'd invite you to have this conversation with your leader. There is no—

Mr. Scott Aitchison: Some of my colleagues are offended by that, I think—

Some hon. members: Oh, oh!

Hon. Sean Fraser: I like all of them.

I like all of them, but truth be told, it's curious that I get these questions from the Conservative side when there's no such plan in your housing plan that actually attacks the development cost charge issue.

You were the mayor in Huntsville and you had a modest increase in development cost charges at the time as well—

Mr. Scott Aitchison: I used to fight development charge increases all the time as a municipal mayor, and we gave land away and we waived fees and charges.

Hon. Sean Fraser: We're seeking to address the costs through a number of different measures. We can't just deal with it through one fund. We have to pull a number of different levers.

We're trying to deal with this by reducing taxes, by putting low-cost financing programs forward and by putting public land on the table that we're going to be able to use to reduce the development costs by not selling it off to the highest bidder.

On the housing accelerator fund, we wanted to have a targeted approach to tackle very specific problems around municipal zoning and around the time for permitting. We do want to address the development cost charge issue—

Mr. Scott Aitchison: Can I cut you off there then and ask you another question? Do you think it's working, then, if cities are increasing their development charges so much? Toronto just increased them by 20%. In the City of Vaughan, it's \$153,000.

Hon. Sean Fraser: The Canada housing infrastructure fund is a fund that we've just funded through the federal budget. If cities have made these increases.... We've put the date as April 2, and if they don't abide by a freeze as of that date, they're going to jeopardize their eligibility to tap into these funds going forward.

Separately, I do think that the housing accelerator fund has been effective, and we're starting to see some of the cities that have had deals actually increase the rate of issuing permits. It's too early to tell the specific degree to which this is going to pan out, but the projections over the next decade from cities—not from the federal government—indicate a projected increase of 750,000 building permits over and above what was scheduled to be the case.

The Chair: Thank you.

Mr. Collins, for six minutes, please.

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

Minister, welcome.

I'm going to pick up where Mr. Aitchison left off in terms of the accelerator fund.

The Leader of the Opposition was in Hamilton last week as part of his “make Canada great again” tour, and he went down the nonsensical path of talking about gatekeepers and demonizing municipal councillors and municipal mayors over the whole issue of their efforts to block housing development.

Anyone who has served for one budget cycle around a municipal council—we have, I think, three mayors in attendance here today, and a couple of former city councillors—knows that new assessment is the lifeblood of a municipality. It pays for the existing services and helps pay for new services that a municipality wants to provide. It is counterintuitive for municipalities to block any kind of development, whether it's residential, commercial or industrial, so this whole narrative in terms of gatekeepers and municipalities blocking and preventing us from building new housing supply is nonsensical.

As part of the 2024 budget, we topped up the accelerator fund to get at the whole issue of new housing supply and incenting changes at the municipal level. There are a number of municipalities, Minister, as you know, that want to take part in that program. Langley is one of them. In Sudbury, our colleague is fighting hard to ensure her municipality gets its fair share.

Can you share with the committee why it is important to work with municipalities rather than demonize them for their efforts in terms of trying to build new assessment in their municipalities?

Hon. Sean Fraser: Some municipalities are better than others. My sense is that no one I've met who serves on a municipal council says they want to block housing, but you do see that some of the attitudes that are reflected in certain districts at a given council table reveal themselves to be in an anti-housing position because they don't want to have an apartment building in the community where they live.

My experience with the housing accelerator fund has been illuminating, because it has demonstrated to me that communities across Canada want to embrace the growth opportunity, but it comes with certain challenges, and having a federal incentive on the table makes it easier for them to address those challenges.

What I was blown away by when we published the list of best practices that emerged through the early applications we assessed through the housing accelerator fund was the degree to which communities were willing to increase their ambition when it came to doing the things that we know will produce more houses, including adopting four-unit, as-of-right zoning, more density near post-secondary institutions and transit stations and digital permitting processes that will speed up the process.

We started getting letters and phone calls from municipalities that were saying, “What more can we do in order to give ourselves a chance to succeed in the housing accelerator fund?” The cream rose to the top. There are other good applications from some of the communities you've mentioned that may not have qualified because so many of the competitor communities decided they wanted to do even more.

We have a \$400-million top-up in the recent federal budget that's going to allow us to partner with additional municipalities. We're going to work with those most ambitious cities. From my perspective, although I have gotten into a few disagreements with municipalities across the country, overwhelmingly my experience has been one of willing partners who want to do more but need help.

We need to have different levels of government pulling in the same direction. I find that although you may find yourself in a disagreement once in a while, if you don't have the conversation or you shut down the possibility of the conversation at the outset, you miss out on an opportunity to make a meaningful difference.

• (0835)

Mr. Chad Collins: I'll continue on the theme of working with other levels of government. I think we're all in agreement that it takes all three levels of government to get us out of the housing crisis.

I want to speak to the issue that you referenced earlier in terms of our relationship with the provinces. We have a reluctant partner in the Province of Ontario. There are no affordable housing programs. In fact, there is no plan. The only part of the province's housing plan that has worked out is a very successful "stag and doe", as you know. I would say that it's pretty hard to create funds like the encampment fund, Canada Builds and the infrastructure fund.

They've recently defaulted on their bilateral agreement with us. What is the plan in terms of dealing with a problem like Premier Ford in the Province of Ontario when they've shown over the last number of years that they're really not interested in assisting?

Hon. Sean Fraser: I'm not here to demonize partners at any level of government. I want to find a way to work with them. I don't want to be engaged in public spats with people we need to work with. At the same time, I have a responsibility to use the authorities that have been vested in me in a manner that Canadians would see as responsible.

I actually think that with Ontario we have a unique opportunity to partner through the Canada builds program. I think they sincerely want to build more homes. We have different perspectives when it comes to putting money behind affordable housing projects in some instances, which led to the default that you mentioned on the national housing strategy bilateral agreement.

We initially saw a plan put forward that only demonstrated that they would achieve 6% of the target they'd agreed to. They went back to the drawing board and got to 28%. We offered a conditional acceptance on the basis that they would have to provide details on how they would achieve the target they agreed to, and that was a bridge too far for now, but we remain engaged with them, and I hope to find solutions.

We're going to make sure that the money we've budgeted for affordable housing in Ontario supports affordable housing in Ontario. Whether we do that in partnership with the province will depend on their willingness to come to the table as well. I like all of the people involved at a personal level. I want to work with them to find solutions. I think we have unique opportunities, because it's not just the bilateral agreement. It's working with the province for infrastructure funding opportunities, for low-cost financing programs, for transit solutions. We can't dismiss partners at any level of government. We have to work together.

When we step up and put money on the table in an area that has traditionally been viewed as the responsibility of the provinces, we're saying we want to lead, we want to be a partner, but a true partnership involves more than one party.

The Chair: Thank you.

[*Translation*]

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

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

Thank you, Minister.

I also thank the witnesses for being here to talk about the important issue of the right to housing in our society. We must always keep in mind that housing is a right.

Thank you, Minister, for not demonizing provinces or cities.

It's rather spectacular, what we can see here or in the government's announcements. We get the feeling that there will be an election soon. That means more frequent housing announcements. I won't go on about it.

Regarding the series of announcements you've been making daily, Minister, would you say they're an admission of failure of the National Housing Strategy that your government set up?

Hon. Sean Fraser: Thank you for your question.

No, I do not agree with your point of view. I think that the national strategy surpassed its initial objective. For example, nearly 500,000 housing units benefitted from the National Housing Strategy. The target was therefore surpassed. As for affordable housing, the 2023 target was 120,000 housing units and the result was more than 150,000.

That means, in reality, that we have to step up our efforts because things have changed.

• (0840)

[*English*]

When I look at the challenges we were facing—

[*Translation*]

Ms. Louise Chabot: I think you summarized your answer effectively.

Since I only have six minutes, I will ask you more questions, if I may.

You know the situation in Quebec. You know that in Quebec, we are a nation with its own programs, with an ecosystem of programs to set up measures for affordable and social housing. Furthermore, Quebec is just about the only place where those kinds of projects are happening. You mentioned that only 4% of housing in Canada is social housing, compared to the average of 8% among OECD countries.

As for the amount of money you're going to invest, how much will be given to Quebec?

Are you ready to give this money directly to Quebec so that it can complete projects?

Hon. Sean Fraser: Thank you.

Normally, funding granted to Quebec is based on its population. That's an example, but I think we have the opportunity to consider Quebec's fair share in terms of currently existing programs. It's different for trade programs contingent on economic requirements. Moreover, when it comes to support programs for affordable housing, it's important to support those kinds of efforts, especially because Quebec is a national leader in this area. That's why we're investing \$900 million directly to accelerate housing construction. Furthermore, Quebec is the only province investing the same amount to build 8,000 affordable housing units.

I've had a lot of conversations with my counterpart, Minister Duranceau, to discuss the new program and make sure Quebec gets its fair share.

Ms. Louise Chabot: If Quebec is a leader—it's well known—a significant number of programs, between the announcement and the willingness to go forward, still take months or even years to launch. That's because the federal government imposes conditions on Quebec which, as you know, has its Civil Code and Régie du logement, as well as a lot of infrastructure and an ecosystem for housing.

Why not transfer funding directly to Quebec, respect its jurisdictions and accelerate implementation of everything to do with housing? We need social and affordable housing and that's what we have to focus on. Why not transfer funding directly to Quebec, rather than impose conditions on cities and municipalities?

You recognized that Quebec is a national leader in this area; don't you think that should translate into concrete measures?

Hon. Sean Fraser: During discussions with my counterparts in Quebec, I saw better results not in terms of defining conditions, but in terms of establishing shared priorities. My discussions with Minister Duranceau led to us defining opportunities for Quebec to improve matters that fall under the province's areas of jurisdiction. Furthermore, these discussions created an opportunity to determine partnership opportunities with Quebec.

I want the process to go faster, but I also want to get the best results. In my experience, conversations and negotiations lead to better results, even if there are a lot of conditions attached.

Thank you, Mr. Chair.

The Chair: Thank you, Ms. Chabot.

[English]

Mr. Angus, you have six minutes.

Mr. Charlie Angus (Timmins—James Bay, NDP): Thank you, Chair.

Thank you, Mr. Fraser. It's good to see you.

When I was a little boy in Timmins, my Irish granny used to call my Scottish granny, and we'd go uptown. All the old mining widows would sit at the Woolworths, and the kids would go window shopping. Nobody wants to go into the downtown anymore because

we're hit with the triple crisis—mental health, opioid addiction and homelessness.

The city is doing extraordinary work, but they are not equipped for this job, so they rely on Reaching Home. However, that program funding is spread across Cochrane District, which is 144,000 square kilometres with over a dozen communities and numerous first nations.

They are doing all this on \$944,696 a year, and yet you've told them that they're going to get a 50% cut, so they're going to do all this on \$465,000. Why would you walk away on northern Ontario when this crisis is hitting us full force in the face?

• (0845)

Hon. Sean Fraser: Thanks very much, Mr. Angus.

As I've shared with you before, I'm familiar with the situation in Timmins. My sister is a resident and runs a business in town, and has been trying to do her part to participate in community efforts to help address some of these circumstances.

First of all, thank you to the service providers who are helping vulnerable people.

I have what I believe will be good news. It will take a few months to sort out the final details at a community level.

The reason that there was a drop in funding was not a cut to the program but the exhaustion of the pandemic-era increase that we saw through Reaching Home to help address short-term pressures. We've decided that in the recent federal budget, should it pass, we want to re-establish that higher level of funding.

We expect, in the months ahead, to be able to notify communities of what that increased funding will mean at a local level. Given that you've reached out to my office, we'll be sure to provide you with an answer as quickly as we can as to what it means for the communities in your constituency.

Mr. Charlie Angus: That would be really important, because in the Kenora district, 33.5% of children live in poverty. That's staggering. They're facing cuts of over 50%. North Bay DSSAB have been trying to create this integrated homelessness hub, yet their funding is scheduled to drop by 70%, so they would get by on \$245,986. What are you going to buy with that? Nothing.

Can I go back to northern Ontario and tell our communities that they're not being left behind and that the funding is going to be bridged? They're being told right now to prepare for cuts, so they're having to make decisions now about walking away from programs that help the homeless.

Hon. Sean Fraser: If I had the specific amount for each community, I would give you that information today. You'll see in the budget that there was a major top-up through Reaching Home. That will translate into an increase. I will get the specific dollar amount to you as soon as we have it.

We should also discuss the other opportunities through newly funded programs, including addressing encampments and challenges with homelessness, over and above Reaching Home, that are in the current federal budget. I'm glad you're using your voice to draw attention to this problem, because it is a real problem. It's not fair that people in a country as wealthy as Canada go to bed without a roof over their head.

I want to help. I can tell you that we're putting money behind that desire to help as well and we're going to work with members across the country to help ensure that community organizations and their regions are supported.

Mr. Charlie Angus: I appreciate that, because I see what's happening in my community of Timmins and I know it's as bad, and worse, in other northern communities. In northern Ontario, we've always known that if we don't stick together, we fall really hard.

One of the efforts was by the Thunder Bay Social Services Administration Board. They have the highest opioid-related mortality rates in all of the Ontario public health unit region—77.2 per 100,000. They've reached out to work with Cochrane district. They've reached out to work with Kenora. Everybody's coming to the table to try to find solutions. It's the one thing that's really inspiring in this crisis.

They've asked to have the government recognize the work they're doing through Reaching Home, because they're also taking the enormous pressure off Treaty No. 9 communities, in which we have 18 to 20 people living in three-bedroom homes. Kenora, Thunder Bay and Cochrane district are under enormous pressure from the housing crisis that is 10,000 times worse up in Treaty No. 9 territory.

They've been reaching out to Mushkegowuk and to NAN. Would the federal government be willing to sit with them and to say that it recognizes the larger northern Ontario issue? A single municipality simply can't take this on.

Hon. Sean Fraser: When communities come to understand that they can care about one another as much as they do about themselves, that approach is going to help more vulnerable people.

If your request is that we make time, we will make time. If your request is to personally sit down with me to go over some of these details, I will make time.

Mr. Charlie Angus: It's on the record now, folks. Charlie Angus just asked him to sit down and make time. You're all watching. You're all witnesses. We're going to sit down and we're going to make time.

Hon. Sean Fraser: I look forward to it immensely, Charlie.

Mr. Charlie Angus: Thank you very much.

The Chair: Mr. Angus, you have 50 seconds left. Are you finished?

• (0850)

Mr. Charlie Angus: I got my answer.

The Chair: Thank you. Mr. Angus. You are the first one to end on time.

We will now go to the second round.

Mr. Jivani, you have five minutes. Go ahead, please.

Mr. Jamil Jivani (Durham, CPC): Thank you, Mr. Chair.

Minister Fraser, I believe I heard you say to our colleague from Quebec that you believed the national housing strategy had exceeded its objectives. The Nanos Pocketbook Index numbers that came out this week showed that young Canadians are at an all-time low in the history of the index with respect to how they feel about their personal finances.

Do you consider that to be exceeding your objectives?

Hon. Sean Fraser: To be clear, I was partway through an answer but I wanted to respect Madame Chabot's opportunity to move on to the next question.

It has exceeded the targets that were set at the time. We need to change the policy approach because the landscape has changed. When we launched the national housing strategy, it was focused disproportionately on affordable housing for low-income families back in 2017.

In the last few years, things have fundamentally shifted. Young people and middle-class families are feeling the affordability pinch. The housing shortage is impacting all of us, which is why we've seen such a rapid increase in the policy adoption baked into the national housing plan that we put out recently.

We understand that we need to do more and do differently.

Mr. Jamil Jivani: Would it be fair then to say that your government, which promised affordable housing to young people in 2015, continues to promise it now and that perhaps your objectives have been wrong over the past nine years and that young Canadians may be right to not believe your promises today?

Hon. Sean Fraser: I'm not asking anyone to believe promises. I'm asking them to compare the plans that different folks are putting on the table; and there's no contest. We're the only party that's put forward a serious plan to address the national housing crisis, and those who work in the housing space are saying so.

I do think we needed to do more. Had we moved sooner, we would have been further along. However, it was the first time in 30 years that the federal government stepped back into the affordable housing space, and the national housing strategy was a positive development in that regard.

In particular, since 2021 and the latter part of the pandemic, we've seen a lot of the housing stock built up. We've seen that the supply has been exhausted, and the cost of building, with inflationary pressures, has increased, which has a negative impact on the pace of building. Therefore, we need to do more.

I'm not going to look anybody in the eye and tell them things are perfect when it comes to housing. I'm going to be the first to say that I know we need to do more, but then I'm going to be the person who actually goes and does it.

Mr. Jamil Jivani: As you say, you want to do more. I would like to draw your attention to an example from the Edmonton area, a young man named Harley, who I think is an example similar to many young people I hear from and many of our colleagues hear from. He explained that he did everything right, everything he was asked to do. He worked hard. He went to school. He got a high-paying job. Now he wants to move into a bigger place, and rent has become so high that he says, "If I move into a nicer place, it's basically like I'm working a minimum wage job just trying to make ends meet."

Where does Harley fit into you exceeding your objectives?

Hon. Sean Fraser: Harley is the kind of person we had in mind when we developed the national housing plan. I'll be the first to say that, although we may have exceeded the objectives that we set in terms of number of units at the outset of the national housing strategy, we now need to do more because the circumstances have changed, and Harley's not the only person in that situation.

Harley fits into our plan to help build more homes by accelerating the pace of home building, by reducing the cost of building and by making it easier to build more homes. Harley fits into our plan, when we're looking at helping people transition into home ownership. Harley fits into our plan when we look at the renters' bill of rights we're putting forward. There are a number of different—

I'm sorry. Go ahead, Mr. Jivani.

Mr. Jamil Jivani: Would it be fair to say, though, that Harley has every good reason to be concerned, perhaps hearing you speak? Under your government, mortgage payments have doubled and rent payments have doubled, yet you seem to have a very different tone and message, when you talk about housing in this country, than a lot of young people do. When I hear young people speak, I hear words like "stuck", "trapped" and "unfair", and you're out here saying that you're exceeding objectives. That seems very tone-deaf to what's going on.

Hon. Sean Fraser: To be clear, I don't think there has been enough done on housing, and we need to do more. I'm not trying to say that, because we exceeded a target that was established in 2017, all problems are solved, and I don't want to be misinterpreted in that regard. We need to do more.

I find it ironic, when I hear some of these arguments being advanced by the Conservative side, whereas you don't have measures in your plan to increase the pace of homebuilding.

• (0855)

Mr. Jamil Jivani: Forgive me if you have frustrations with what you regard to be our party's position, but I think young people across this country are rightly frustrated that we were promised af-

fordable housing in 2015, when you first got elected. It's nine years later, and the promises you're making are identical, while things have only gotten worse.

Hon. Sean Fraser: With respect, the policies we're committing to are not identical. This is—as many observers will tell you—the most ambitious housing plan that Canada has seen in half a century. This is a different and more substantive plan than what was put out in 2017, because we've seen, in the last few years, affordability challenges mount at an extraordinary pace.

We want to do more to address this changing landscape. That's why we have significantly more tax measures to increase the pace of homebuilding. It's why we're working with municipalities to reduce barriers to building. It's why we're putting measures on the table to help young people get into the market, if they want to become owners, and to help build more rental stock to bring the price down, if they want to remain renters.

There are unique challenges that exist today that are different fundamentally from what existed even three years ago and not just nine years ago. We need to continue to adapt and increase our ambition if we're going to meet the needs of young people today.

I'm not asking them just to believe our words. I'm asking them to look at our plan and to see themselves in it.

The Chair: Thank you.

Mr. Long, you have five minutes.

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

Good morning to my colleagues.

Minister, thank you so much for coming. I certainly want to thank you personally for your leadership and the programs that have come to my beautiful riding of Saint John—Rothesay, whether it's through the housing accelerator fund, the co-investment fund or the rapid housing initiative. All of those federal programs are making a major difference in my riding.

Just let me say this, Minister. It does puzzle me when we look at the Conservatives and how critical they are, with really a lack of a plan to address this issue. They just don't put a plan forward. I mean, there are half-hearted measures. The leader of the Conservative Party just wants to fight with municipalities.

Obviously, the leader of the Conservative Party, in my opinion, has been hiding his plan and delaying debate on his private member's bill. If his plan is so great, why doesn't the Conservative leader just share his plan with Canadians?

Hon. Sean Fraser: Mr. Long, I can't speak for him, but I find it curious that the private member's bill he has put forward continues to be delayed. I expect it's because it has been widely criticized by folks who operate in the housing space. It's been very poorly received.

They did publish a plan, but it doesn't have any policies around some of the issues we've been asked about today. It doesn't have any policies that address municipal zoning reform. It doesn't have any policies that address development cost charges. It doesn't have any policies that address homelessness or affordable housing. What it actually does is very curious. It increases taxes on new rental construction by putting the GST back on units.

When you look at the proposed super fund, it represents a nearly 98% cut to funding to support municipalities to increase their targets. It applies in only 22 communities across Canada, none of which in my region would benefit. I look at some of the members represented here. Their plan specifically excludes some represented by the Conservative members here, including Muskoka, Durham and Kelowna. They don't benefit from the Conservative plan.

We see that it's got some bizarre policies around a NIMBY snitch line to hire a lot of public servants to answer the phone if somebody doesn't like their neighbour's housing policies.

When it comes to public land, it has a plan to sell off 6,000 properties to the highest bidder—with no control for affordability—that will forever release them from public ownership.

I expect, because the plan would have a severe negative impact on homebuilding in Canada, that's likely the reason why Mr. Poilievre won't bring it forward for debate in the House of Commons.

Mr. Wayne Long: Thank you for that.

I want to pivot to an article on CBC that came out this morning. I'll read the title: "Housing starts in New Brunswick lagging further behind Maritime neighbours in early 2024". Here, I'm going to quote you from about five minutes ago. You said that "true partnership" includes "more than one party."

True leadership is actually coming forth with programs. I find it curious that last September we dropped the GST on new rental builds, and provinces like Nova Scotia and Prince Edward Island dropped their part of that tax also. The stats show that, in the last three months, Nova Scotia and Prince Edward Island have had triple the new apartment starts. New Brunswick says they can't afford it. I would argue that they can't afford not to do it. Again, it's frustrating to me when we all know that, really, housing is a provincial jurisdiction.

We've shown tremendous leadership in acknowledging that there's a massive problem and coming forth with programs. Minister, I wonder if you could comment on New Brunswick and Premier Higgs not dropping their share of the tax. We can see straight-up the impact that's having.

• (0900)

Hon. Sean Fraser: Starts may be up in New Brunswick, but they're not increasing at the same rate of other provinces that have made those measures. The assessment of the first three months in

Nova Scotia, for example, shows that in the first quarter there have been more than 2,100 housing starts compared to, I think, 837 last year. It has blown by the all-time record, and some of the analysis I've reviewed attributes that to both the federal and the provincial decisions to remove the GST on new apartment construction in my home province.

We've seen significant increases in other provinces that have previously made similar decisions around GST. I saw Minister Nixon in Alberta a few years ago. In the past three years, there have been more housing starts in his province than in the previous 15 combined.

Working together, leveraging one another's opportunities to build on the work that we each can do, will allow us to accomplish a far greater level of homebuilding.

Mr. Wayne Long: Thank you for that.

My last question for you—

The Chair: Mr. Long, you're well over five minutes.

Thank you, Mr. Minister.

[*Translation*]

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

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

Minister, unfortunately, the homeless encampment crisis is the often subject of editorials and news stories.

In your last budget, you announced approximately \$1 billion to fight homelessness and fund the Reaching Home program. Unfortunately, most of that money won't be released until fiscal year 2026-2027.

Last year, the Reaching Home program was cut by 3%. In my riding, which covers the Thérèse-De Blainville RCM, the main organization that fights homelessness got a 13% budget cut for that program.

Considering that 80% of the \$1 billion will be spent in 2026-2027, how are you going to manage the Reaching Home program? Is this new money going to re-establish the funding slated for this program?

[English]

Hon. Sean Fraser: The goal is to re-establish the stable level of funding that communities experienced when they had higher funding during the pandemic. Because those decisions have not been finalized, I hesitate to broadcast what it may mean for an individual community. As I offered with Mr. Angus, I'd be happy to provide information about these specific communities as soon as it's available.

Just for clarity, you've seen a drop not because there was a decision to cut the program. It was the end of the increased level of spending during the pandemic to address certain public health-related challenges that a lot of service providers were facing. We have decided to put more money into the program because the problem has worsened in a lot of communities and we want communities to have predictable funding over the next few years to be stable and to be able to provide a higher level of service.

[Translation]

Ms. Louise Chabot: You also announced \$250 million in funding over two years, I think, for homeless encampments, with the condition that provinces and territories invest the same amount. Concretely, how are you going to take action on this in the short term?

The budget includes significant investments, I don't deny it. That said, what should the government's share of the endeavour be? Moreover, how can we accelerate things to solve these crises?

Hon. Sean Fraser: When it comes to Quebec, I want to provide funding that reflects its population. I want the provinces to invest on the same level as the federal government to get the benefits. At the same time, to support the most vulnerable, it's important to find other programs that promote affordable housing and address the issue of homelessness in communities.

Recently, I had a conversation with the Quebec minister for housing, Ms. France-Élaine Duranceau. We talked about opportunities to work with Quebec. In the short term, we will have the opportunity to conclude significant agreements.

• (0905)

The Chair: Thank you, Ms. Chabot.

[English]

Mr. Angus, you have two and a half minutes.

Mr. Charlie Angus: Thank you, Chair.

We have huge opportunities right now in northern Ontario. The mines are booming, and we have a lot of interest in immigration, but what's stopping us is housing.

We need fourplexes, co-op housing, seniors' residences and enormous amounts of urban first nations housing. Yet, for example, in Timmins, Mario Cortellucci and the Montemarano group just don't seem to want to come north because they can get everything they want from Doug the grifter in the Greenbelt.

How do communities like Timmins partner with the federal government to get these housing projects off the ground? They're ready to go, and this is holding our economy back.

Hon. Sean Fraser: There are a number of different ways. It depends on which kinds of housing projects you want to talk about.

We have low-cost financing opportunities that could apply in Timmins, as they could in Toronto, but those are driven by the market. There will be decisions by private sector developers who may want to take that low-cost financing opportunity.

There may be opportunities to negotiate a bilateral agreement with the province and to discuss the importance of workforce housing in strategically important locations, which I would suggest northern Ontario certainly is.

With respect to affordable housing opportunities, we have the chance to work directly with service providers or non-profits, which can apply directly through the affordable housing fund, for example. I don't want to just rhyme off 100 programs for you, but there are many opportunities.

Mr. Charlie Angus: The concern is that the private sector hasn't done the job and it's not going to do the job. That's been clear ever since Paul Martin promised it was going to do the job, and that's why we're in the crisis we're in.

At the same time, Doug Ford has hit only 19% of the targets. He claimed that houses that were already built should be counted as new. I mean, it's ridiculous. This man is failing our region in a dramatic way.

We have mayors ready to get to the table, and they're looking to the federal government. We know you're cutting deals with cities, but what about municipalities that are smaller? Doug Ford is not going to come up and do anything for our northern communities, but the communities are ready to go.

Hon. Sean Fraser: Not every community has benefited from direct deals with the federal government, but some have. There are indigenous communities in the Thunder Bay region that have benefited. There's additional money that we budgeted through the housing accelerator fund that presents opportunities for potentially fast-growing, economically important cities and communities in northern Ontario that could benefit as well.

The analysis is not complete, and I don't want to promise an outcome before the analysis has been conducted, but we do have opportunities to directly engage with cities in northern Ontario.

In addition, there's a unique opportunity, as we negotiate potential bilateral agreements with provincial governments, to look into regional fairness. That's important to me. I come from a part of Nova Scotia that for my whole life has existed outside of Halifax and that tended not to get the same public investment that our largest urban centre got.

I think fast-growing urban centres like Halifax deserve attention, but so do smaller communities, because people live there too, and they deserve to be treated fairly.

The Chair: Thank you.

I'm now going to use my prerogative as chair, unless somebody overrules me, to allocate the few minutes we have left in this round. I will give three minutes to the official opposition and I will give a question to Mr. Morrice, unless I'm overruled by the committee.

I'm not hearing anything.

Monsieur Berthold, you have three minutes, please.

[*Translation*]

Mr. Luc Berthold (Mégantic—L'Érable, CPC): Thank you very much, Mr. Chair.

Mr. Fraser, July 1 is an important date in Quebec. Do you know why?

Hon. Sean Fraser: Why?

Mr. Luc Berthold: July 1 is chaotic in Montreal because most Quebecers move on that day.

According to organizations that work in housing, they expect a 15% increase in relocation assistance requests on July 1 this year. More than 1,000 people will have to find a new home. According to these organizations, “it’s a disaster waiting to happen” and “we’re currently heading into the worst July 1 of our entire lives”.

After nine years, your government has failed. When it comes to housing, you have failed every step of the way. Furthermore, you aren’t even able to tell us that you know why July 1 is such an important date.

Mr. Fraser, how many housing units did your housing construction accelerator fund actually build? How many housing units will be available to Quebecers on July 1 of this year?

• (0910)

Hon. Sean Fraser: As you know full well, the process for building homes and housing units takes a few months. It can take more than a year for the biggest buildings. However, that’s not the only program in place to support housing construction.

Mr. Luc Berthold: I will ask you a simple question.

The Liberal government has been in power for nine years, and we’re about to see the most chaotic July 1 ever experienced in Montreal.

How many housing units will be available for people who are outlining real plans for suicide, who are living in despair, who don’t see a solution and who want to end it all because they don’t see any housing available for them on July 1?

How many housing units have you built for those people?

Hon. Sean Fraser: I don’t have the number of housing units for Quebec right in front of me. Throughout the country, there are about 500,000—

Mr. Luc Berthold: Mr. Fraser, if you don’t have the number—

Hon. Sean Fraser: You asked me a question. Could you let me answer it?

Mr. Luc Berthold: The question was on the number. But if you don’t have the number—

[*English*]

The Chair: There's a problem. One speaker at a time, and direct the questions through me as chair.

Mr. Fraser, you can—

[*Translation*]

Mr. Luc Berthold: Mr. Chair, I give the remainder of my time to Ms. Gray. I didn’t get an answer.

[*English*]

The Chair: I'll give the minister a chance to respond. Then I'll go to Ms. Gray.

Minister, please go ahead.

[*Translation*]

Hon. Sean Fraser: We supported the construction of nearly 500,000 housing units throughout the country. I will send you an email on the details for Quebec.

There’s also a lot of opportunities for the future.

Mr. Luc Berthold: How many housing units were built—

The Chair: Thank you, Mr. Berthold.

[*English*]

Ms. Gray, you have one minute, one question.

Mrs. Tracy Gray (Kelowna—Lake Country, CPC): Minister, the federal housing advocate told CBC News on February 14 that homelessness encampments represent “a physical manifestation of exactly how broken our housing and homelessness system is from coast to coast to coast in Canada”.

Would you agree that encampments show how broken our housing and homelessness system is in Canada under your government?

Hon. Sean Fraser: A number of different factors go into challenges around homelessness. What I find curious consistently is that all of the questions I'm receiving from my Conservative colleagues are about subjects where they don't have any proposals—

Mrs. Tracy Gray: Minister, you're not answering the question.

Hon. Sean Fraser: —to actually address the challenges.

Mrs. Tracy Gray: You're diverting. You're not actually answering my question—

Hon. Sean Fraser: There is not a single policy that the Conservatives have put forward.

Mrs. Tracy Gray: —so I'll go to another question.

Mr. Peter Fragiskatos (London North Centre, Lib.): I have a point of order, Chair.

We just want to hear the responses. We're hearing the question. The responses matter as much.

The Chair: Thank you.

Ms. Gray, I'll ask you to wind up with your last question and I'll give the minister the chance to respond. Then we will go to Mr. Morrice.

Mrs. Tracy Gray: Minister, you haven't shown any results even in your own home province. It was reported that in Halifax, homeless encampments are at double capacity. The City of Halifax is now looking for more land to build more encampments.

I'll ask you again. You've been in government for nine years. There are 16 months until the next election. By what month will Canadians see fewer homeless encampments in our communities?

Hon. Sean Fraser: I think it will depend on the specific community. I expect that we'll see serious progress in the near future, because we're putting serious resources on the table. There is more money going towards addressing very serious challenges in Halifax to address encampments specifically, in fact. There is more money being put towards building more affordable housing, not just in Halifax but in Kelowna as well, as you would know.

Mrs. Tracy Gray: Serious progress isn't a date, Minister.

The Chair: Mr. Morrice, you have two minutes.

Mr. Mike Morrice (Kitchener Centre, GP): Thank you, Chair.

Thank you, colleagues.

Minister, as you know, my community has been hit particularly hard by the housing crisis that we are in, including the number of people living unsheltered having tripled in recent years.

I appreciate that you've at least talked about how non-market housing is deeply affordable and a really important part of the solution. Your statistic is a little bit high. It's 3.5% of the total number of social housing. As a country, we are at the bottom of the G7 right now.

I also appreciate that you've made time to meet with some non-market, non-profit housing providers in my community that are ready to build: KWhabilitation House of Friendship, Indwell, The Working Centre and oneROOF.

They were looking at this year's and last year's budgets. In budget 2023, there was nothing. In the fall economic statement 2023, there was nothing. In budget 2024, the rapid housing fund that they were looking towards has been cut. It's \$100 million down...from...\$750 million a year. We missed a year, and now it's cut. The rental protection fund is important, but there's only \$5 million for the whole country there, and then the reaching home strategy is \$225 million across the country in this year's budget.

Why cut the rapid housing fund when it's been such a critical program for non-profits to build housing?

Also, can you commit to those reaching home program dollars reaching Waterloo region? We need them.

● (0915)

Hon. Sean Fraser: Thanks very much.

I would just disagree with your characterization as to some of these cuts. With the rapid housing fund, for example, that was the end of one program; we haven't just gotten rid of it. We have now put more money into non-market housing through the affordable housing fund, which includes a rapid housing stream.

One reason we wished to do that is to leverage money from other levels of government. The rapid housing initiative was a great op-

portunity during the pandemic to move quickly with buildings that could be 100% financed by the federal government. Now that we have an opportunity to bring other levels of government on board quickly, as we know what the shared projects are, I think we can do more. Although the year-over-year spend may go down under one program, the total on affordable housing will go up. That's a reflection of one program ending, not a decision to cut funding within that program, if that makes sense.

The Chair: Thank you, Mr. Morrice.

Thank you, Minister.

That concludes the first hour.

Thank you, committee members. We're right on time.

We'll suspend for a few minutes while we transition to the next hour.

● (0915)

(Pause)

● (0922)

The Chair: Committee members, we will resume the second hour of the HUMA meeting this morning by welcoming Minister Sudds, Minister of Families, Children and Social Development.

As well, from ESDC, we have Paul Thompson, deputy minister; Karen Hall, associate assistant deputy minister; and Brian Leonard, director general and deputy chief financial officer.

The minister and staff are here to take questions on supplementary estimates (C) for 2023-24 and main estimates for 2024-25.

We will begin by giving the minister five minutes for an opening statement.

Madam Minister, you have the floor.

Hon. Jenna Sudds (Minister of Families, Children and Social Development): Thank you very much, Chair.

I'm accompanied today, as you mentioned, by Paul Thompson, deputy minister for ESDC; Brian Leonard, director general and deputy chief financial officer; as well as Karen Hall, our associate deputy minister. We are here to talk to you today about our responsibilities regarding the supplementary estimates (C) and the main estimates and to update you on the progress that pertains to my portfolio as Minister of Family, Children and Social Development.

Making investments to support families is not only the right thing to do; it's also about building our communities' futures. We're focused on programs and on policies that make life better for Canada. We've made important progress in supporting parents and kids. With budget 2024, we've demonstrated that the government remains committed to improving children's lives and ensuring fairness for every generation.

With too many kids trying to learn on an empty stomach, we're taking action. We're creating a national school food program, providing meals for up to 400,000 additional children to ensure that kids across the country are not hungry at school.

[Translation]

Ensuring that we provide the best possible start in life for children is also at the core of our Canada-wide early learning and child care system that we announced in 2021.

[English]

After just three years, over 750,000 children across the country are benefiting from affordable, high-quality child care, with some families saving up to \$14,000 per child per year. We know that as fees have decreased, demand has increased. Some families are still waiting for spaces, and there is more work to be done.

Under the agreement signed with every province and territory, the federal government is supporting the creation of nearly 250,000 new child care spaces across the country by March 2026. Measures already announced by provinces and territories have supported the creation of over 100,000 new spaces to date, and we are not slowing down.

● (0925)

[Translation]

Budget 2024 also includes new proposed measures to create more affordable spaces.

[English]

The child care expansion loan program will enable public and non-for-profit child care providers to build new spaces or to renovate existing ones.

Funding for indigenous early learning and child care is enabling indigenous governance and partnerships in this sector and supporting program delivery, including by expanding access to culturally relevant early learning and child care for indigenous children within the Canada-wide system.

It does take more than bricks and mortar to make a space. We need the talented and dedicated educators who are the cornerstone of this system that we are building.

[Translation]

That is why we continue to work with provinces and territories, except for Quebec, to support a qualified early childhood educator workforce. Efforts to invest in the early childhood educators' training, their recruitment and the retention of those already in the system remains top of mind for us all.

[English]

Therefore, budget 2024 further proposes to invest \$48 million over four years to offer student loan forgiveness for early childhood educators in rural and remote communities. Additionally we announced our intention to increase training for ECEs. This year's budget proposes \$10 million over two years to train more ECEs and build up the talent required for expansion of affordable, high-quality care.

This is in addition to nearly \$64.2 million being invested to support early learning and child care initiatives through supplementary estimates (C) as part of the federal government's "Action Plan for Official Languages 2023-2028". It will help improve access for high-quality child care for children and their families in francophone minority communities across the country.

Investing in our kids is a no-brainer. It's good for kids, it's good for parents and it's good for the economy. These investments are meaningful investments for Canadian families, and we will continue to be there to support Canadian parents and to give kids the best possible start in life.

Thank you very much. I look forward to your questions.

[Translation]

The Chair: Thank you, Madam.

[English]

We'll begin with Madame Ferreri. You have six minutes.

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

Thank you, Minister, for being here.

Minister, Lisa Beddow runs 10 day cares in Nova Scotia and thinks she could add 100 to 200 spaces.

You've pointed out that we have a significant gap across the country in terms of people not being able to access child care.

She said, with reference to you, "in February, she was clear to say that Nova Scotia has never asked to have the terms of the agreement changed, almost implying that Minister Druhan", who's the minister in Nova Scotia, "should ask to include private operators to expand, only to have her request denied."

We know, Minister, that they did write a letter to you. You are on the record saying, "If the provinces would be more flexible, or if they come and ask, I will work with them." The minister from Nova Scotia has said, "She indicated that the federal government has no appetite to renegotiate the agreement."

You have entrepreneurs, female entrepreneurs, willing and able to increase access to quality, affordable child care, and you're shutting them down. Why?

Hon. Jenna Sudds: I would actually wholeheartedly agree with that premise, respectfully. The child care workforce across this country is 96% female.

Ms. Michelle Ferreri: You said that you'd agree with it wholeheartedly.

Hon. Jenna Sudds: I disagree with it wholeheartedly.

• (0930)

Ms. Michelle Ferreri: You said “agree”.

Hon. Jenna Sudds: I disagree with that premise wholeheartedly in that, first of all, the workforce is 96% female—

Ms. Michelle Ferreri: Sorry, but my time is limited, and it is my time, Minister.

You're disagreeing that the province has come to you and asked for help. You have these private operators....

For the record, Minister, this is your Liberal MP colleague, Kody Blois from Kings—Hants, who wrote an email on April 22, 2024, stating, “I am receiving a considerable number of calls from families who are unable to find a child care space in their local area. Minister, when I look at the expansion projects across the province, we have tremendous privately incorporated operators alongside not-for-profit organizations already playing a crucial role in service delivery.” He says, “I am supportive of the concept of having more participation from the private sector.”

Why are you not listening to your own Liberal colleagues and the operators who are primarily female? You're taking away choice. You are actively destroying these women's lives.

They are closing down across this country, and you're saying that's not true. They've come to you and pleaded. They're not asking for more money. They're asking for you to be flexible in the agreement, and you've said no.

Why are you not listening to anyone?

Hon. Jenna Sudds: You've asked a lot of questions but haven't given me a—

Ms. Michelle Ferreri: It's one question. Why are you not listening to anyone?

Hon. Jenna Sudds: No, there are about five there.

Having said that, you are professing that we are ruining women's lives.

Ms. Michelle Ferreri: Yes, you are.

Hon. Jenna Sudds: It's absolutely the contrary. I speak to women across this country every day who are benefiting—

Ms. Michelle Ferreri: One in three families can access this program.

Hon. Jenna Sudds: May I answer the question?

The Chair: Ms. Ferreri, please wait a moment. I will remind you that the questions must be directed through me, the chair.

Madam Minister, you have the floor.

Hon. Jenna Sudds: Thank you, Chair.

As I said, there are a lot of questions there. I'll do my best to touch on all of them, if given the opportunity.

Ms. Michelle Ferreri: It's just one question, Minister. Perhaps you could just answer that one question. Why are you not negotiating the agreements when asked? You've said in your statement that you're about fairness. This is fairness for everybody. It's including all people.

Hon. Jenna Sudds: It's absolutely fairness for everybody.

Ms. Michelle Ferreri: Why are you not including them?

Hon. Jenna Sudds: As we build this national system—

Ms. Michelle Ferreri: It's just a question. Why?

Hon. Jenna Sudds: We have seen the whole—

The Chair: Ms. Ferreri.

Ms. Michelle Ferreri: If she would just answer the “why” question, that is it.

The Chair: Give her the opportunity to answer it, then.

Madam Minister.

Hon. Jenna Sudds: Thank you very much, Chair.

As I was saying, this national system we're building.... So far we've seen 750,000 children and families across this country benefiting. Who's benefiting? Obviously, it's the children but also the parents and, I would argue, predominantly the women, who, as we have seen in the data, are increasingly able to re-enter the workforce. Not only that, but as was pointed out—

Ms. Michelle Ferreri: Mr. Chair, I just need to—

Hon. Jenna Sudds: —the majority—

Mr. Peter Fragiskatos: I have a point of order, Chair.

Ms. Michelle Ferreri: It is my time, Mr. Chair. She's not answering the question, and it is my time—

Hon. Jenna Sudds: I haven't been given a chance to.

Ms. Michelle Ferreri: “Parents are giving up their jobs as hundreds remain stuck”—

Mr. Peter Fragiskatos: I have a point of order, Chair.

The Chair: Ms. Ferreri, please—

Ms. Michelle Ferreri: “B.C. mother says lack of child care could leave her homeless”—

The Chair: Please, Ms. Ferreri, I have a point of order.

Mr. Peter Fragiskatos: As in the first session, but particularly here, we need to hear the answers. The questions matter as much as the answers.

The Chair: Thank you, Mr. Fragiskatos.

Again, I'll remind all members to direct your questions through the chair. If you fail to do it, I'll move on to the next questioner.

Ms. Ferreri.

Mr. Charlie Angus: I have a point of order, Chair.

Ms. Michelle Ferreri: Through you, Mr. Chair—

Mr. Charlie Angus: On a point of order, this is, I think, the first time I've been at your committee. When the chair is speaking, do other people have to stop talking? Is that your rule?

The Chair: Yes.

Mr. Charlie Angus: Okay. Because you were speaking but Ms. Ferreri continued, so I just encourage you to...so that we can actually hear what's happening.

The Chair: Thank you, Mr. Angus, for reminding us.

I will go to Ms. Ferreri to conclude her question, and I'll give the minister the opportunity to respond.

Ms. Ferreri.

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

Yes, I am being assertive and fairly aggressive here because you have families.... "Parents are giving up their jobs as hundreds remain stuck on day care wait lists in" Newfoundland and "B.C. mother says lack of child care could leave her homeless". These are the articles that I have in three days. Families are in chaos and distress, and, through you, Mr. Chair, I will ask one last time, and I just want an answer, Minister, on behalf of the parents and families that you say you represent and to whom you want to offer fairness.

These operators are closing down. Please, with all due respect, answer them directly: Why are you not allowing provinces that are asking you in desperation—and your own Liberal MPs, who say they want you to—to include private operators? Why are you not doing that?

The Chair: Thank you, Ms. Ferreri.

Madam Minister, I'll give you the opportunity to respond.

• (0935)

Hon. Jenna Sudds: Thank you very much, Chair.

The agreements that were negotiated with every province and territory are intended to build a public system, a public system in which, as I mentioned, 750,000 families are benefiting from to date. By the time these agreements finish in 2026, we'll have seen 250,000 new spaces created. At no point in history have we ever seen the expansion or the creation of spaces at this scale, and what does that translate to? That translates to more families being able to return to the workforce.

Thank you, Chair.

The Chair: Thank you, Ms. Ferreri and Madam Minister.

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

Mr. Michael Coteau (Don Valley East, Lib.): Thank you very much, Mr. Chair.

Thank you to the Minister for joining us today.

Minister, I want to start by saying congratulations. The child care plan in my home province of Ontario and across this country is really revolutionary, and it has taken decades of talk for many different governments to get to this point. You're the minister responsible

for a file that's really changing lives in this country, so I want to say thank you and congratulations.

In my home province of Ontario, there have been some challenges. I've met with stakeholders, including parents, folks from organized labour and people who work within the sector—providers—and the big challenge they have is that Ontario seems to not be fulfilling its end of the agreement. In fact, I read an article back in February that talked about how if you compare when the Ford government took power to now, there's \$85 million less being spent on child care by that very government. To make things even worse, the \$10 billion plus that has been allocated to the province is not being spent on the specific file.

Is Ontario fulfilling its end of the bargain and is the money being spent in the province?

Hon. Jenna Sudds: I also am a member of Parliament here in Ontario, and I can certainly attest to the fact that....

First of all, it's important to note that the Province of Ontario, as every province did, signed on to this five-year agreement with expectations and outcomes that they're accountable to achieve in order to, of course, continue to work with us and receive the funding that we are providing. It is a partnership, and we do need to work together to make this successful, but ultimately, child care is provincial jurisdiction. When our colleagues point out some of the challenges, I implore us to continue to work with the province and to work with the respective MPPs in your area to raise these challenges.

You're very right that in Ontario we funded \$10.2 billion over five years. In the most recent year, as our funding does increase year over year, it increased by 17%. We're seeing that the Province of Ontario has not yet entered into a long-term funding formula with the operators here on the ground in Ontario. In fact, this is very much stifling the operators' ability to consider adding spaces and consider growing, which is what we need.

The work that I continue to communicate, as I know many of my colleagues do as well, is that we need a province that is willing to fulfill their commitments and to work collaboratively to ensure that these spaces are created. Here in Ontario there is a commitment by the province to create 86,000 new spaces by 2026. We need to get to work. Already, admittedly, it is changing lives here in Ontario. Families are saving on average \$8,500 each and every year per child. I get to speak to families across the country and here in Ontario. The stories are incredibly impactful about what this translates to in young families' lives with these savings. We've seen in Ontario 300,000 kids benefiting to date.

We need to keep pursuing and doing the work to ensure that those spaces get created and that Ontario gets a funding formula in place that works for operators.

• (0940)

Mr. Michael Coteau: Thank you so much, Minister, for that answer.

Again, these programs are national. They're new. No government in recent decades has brought forward new national programs at this rate. The student nutrition program for this country is a huge game-changer. When we have young people going to school who don't have the right type of nutritional value in their food, it can affect their behaviour. It can impact their cognitive abilities. It can impact performance and attention.

When you're out there talking to people in this sector, what are the biggest gains we'll make by having a program like this nationally across the country?

Hon. Jenna Sudds: I think you're absolutely right. As we are moving forward with this national school food program, we will see an additional 400,000 children receive food at school. What does that mean? What does that translate to? That means kids are able to focus on what they should be focusing on. They can focus on learning and focus on their social interaction, having lunch with their friends.

I recall a recent conversation here in Ontario with a teacher who was sharing how a little boy in her class is always off to the side at lunchtime. He doesn't have a meal to eat and he's embarrassed. He misses out on not only, obviously, the health and well-being of being well fed and being able to learn. He also misses out on the social interactions, being able to sit with his friends at lunch and have conversations and form friendships.

There are incredible gains. Obviously, when we invest in our children, we're investing in our future. The national school food program is poised to ensure that our kids are set up for success.

Mr. Michael Coteau: Thank you, Minister.

The Chair: Madam Chabot, go ahead for six minutes.

[Translation]

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

Minister, good morning to you and to the members of your team.

Welcome once again to the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities.

I can't help but give a little context when I hear about Canadian policy on day care services. As we've often said in the Chamber, it is a matter of societal choice. Indeed, it's complicated for the federal government to tell the provinces to create day care spaces, because that choice belongs to the provinces. It's up to them to manage training for day care workers, set ratios and decide whether services will be public or private. Every province makes choices, and some provinces never made the choice that Quebec did over 25 years ago. Quebec is a leader.

When the federal government says that creating day care spaces is good for families and for women's return to the labour market, it is correct. That's also the model we created for ourselves. If some aren't satisfied with what's happening at home, all they have to do is make the same choice and invest in this model. It's a social pro-

gram. The federal government is imposing a model, but the federal government won't be the one to create a universal day care policy.

You said the system helped 750,000 children since its inception, but I would imagine you're including Quebec in there, which we shouldn't do.

If we exclude Quebec, how many spaces were created?

Hon. Jenna Sudds: Thank you very much for your question and for your work.

[English]

You are correct in stating all of what you've said, in that Quebec is very much a leader. Quebec had a lot of success with the work that was done more than 25 years ago in creating the system there, and we've looked at the successes in Quebec as we've built out this system. In particular, you see the impact on women's participation in the workforce in Quebec and all that that has been able to accomplish.

The numbers that I quoted, 750,000 children and their families that have been able to access the system, does not include Quebec.

• (0945)

[Translation]

Ms. Louise Chabot: I want to know how many spaces were created outside Quebec.

[English]

Hon. Jenna Sudds: That is a number that does not include Quebec.

As I'm sure you know, our agreement with Quebec is an asymmetrical agreement, and we do not have that data to include.

[Translation]

Ms. Louise Chabot: I just wanted to make sure that it didn't include Quebec.

As you said, services for families fall under the jurisdiction of Quebec and the provinces, just like education. However, you want to set up a \$1 billion school food program. I think you even announced it in your election platform. You're implementing it now, but you know that in Quebec, food programs for children in school have been in place for a few years already. That's because it is in fact up to Quebec and the provinces to set up those kinds of programs. We can bemoan the fact that there are children in need, you're right, but the federal government decided to give the provinces a helping hand there, even though that falls outside its jurisdiction.

Within the framework of the bill we are going to study later, will you recognize the same thing, meaning that Quebec is a leader in this area, and respect its right to opt out with full compensation?

Hon. Jenna Sudds: Thank you for your question.

[English]

We are quite fortunate when you look across the provinces. There are a number of provinces that have done some great work when it comes to school food within the province.

I looked at P.E.I. when I had a chance to visit not that long ago, and they have an incredible system on the island in which children are receiving hot food for lunch each and every school day.

Having said that, when we are proceeding, obviously, with the national school food program, we will be entering into agreements similar to what we have done with the early learning and child care with each province and territory. That work has not yet begun for obvious reasons as we move forward with the budget, but we will engage in those conversations in the near future.

Thank you.

[Translation]

Ms. Louise Chabot: My question was rather simple. Measures already exist in Quebec. I don't know if the other provinces have any, but if they do, so much the better.

You decided to provide support in a sector that falls under provincial jurisdiction. Education definitely falls under Quebec's and the provinces' jurisdiction. It was therefore not a matter of collaborating.

Are you ready to say that your bill will include the right to opt out with full compensation?

[English]

Hon. Jenna Sudds: Those discussions obviously will transpire in the coming months and over the summer with an aspiration of reaching agreements very quickly, as we'd like to ensure that children are able to have access to food at school as quickly as possible.

Again, I respect the comments, and would agree that Quebec has done some great work, but we'll enter into those discussions in the near future.

[Translation]

The Chair: Thank you, Ms. Chabot.

[English]

Mr. Angus, you have six minutes, please.

Mr. Charlie Angus: Thank you, Chair.

Certainly New Democrats have been very supportive of a national school program. We know in our regions children who go to school without food. Right now 31.5% of children in Kenora are living in poverty. Those children are not getting proper food to go to school and nurture their brains.

What concerns me is that you've mentioned a couple times your figure of 400,000 students. Where did you come up with that number?

Hon. Jenna Sudds: Undoubtedly, I think, we all agree that ensuring that kids at school have access to healthy and nutritious food is incredibly important. The number that you're referring to, the 400,000, is an estimate based on the work that's already under way

in provinces and territories. There are various programs and groups, whether it be Breakfast Clubs of Canada or healthy school food coalitions, doing this work already, so there is some data that has been accessed in order to give us grounds, as we look at a billion dollars and at the school-age population across the country, to decipher that we expect that it will be approximately 400,000 additional children over and above those already receiving food supports at school.

• (0950)

Mr. Charlie Angus: Right now there are over three million children in kindergarten to grade 8. The 400,000 would fit the cohort of grade 6 and nobody else.

My question is about whether or not this will be a stopgap. What about regions that are doing programs and paying for them and then a nearby region isn't? Are you going to compensate? Is this going to be a universal program or is this a series of stopgap measures?

Hon. Jenna Sudds: You're quite right; approximately \$200 million across the country is being spent currently by provinces and territories in school food programs. You could expect, obviously, as we roll out our contributions to that, that we would expect the current levels of investment by provinces and territories to be maintained and that our dollars are additional, to increase the number of children who will be reached.

All of that is to say that we fully expect that as we enter into these agreements with provinces and territories, ultimately it will be up to the provinces and territories how they administer on the ground within their province. We will be moving forward with a policy that's informed by consultations that happened over the last few years and then, of course, negotiating those agreements with respect to the financial contributions as well.

Mr. Charlie Angus: Thank you for that.

One of the things I've spent most of my political career dealing with is the huge inequity faced by first nations children, particularly in the far north. Our greatest resource in this country isn't oil. It's not gold. It's not copper. It's this generation of indigenous children, and they've been failed at every single level.

I was very excited in 2017 when the government announced the indigenous early learning child care plan, yet we waited five years: In 2022 they announced a framework. I mean, five years is an enormous time in the life of a child. The communities I'm talking to are still waiting.

Why is this delay in place in communities where these children have greater needs, I would argue, than pretty much any other section of the country in terms of childhood education and opportunity?

Hon. Jenna Sudds: I can address the piece about moving forward, because obviously the national school food program is inclusive. One of my counterparts, Minister Hajdu, is very much engaged in this work. There is a portion of funding that will absolutely be supporting indigenous populations and Inuit and Métis populations. That work will be moving forward as we negotiate the agreements that I mentioned—

Mr. Charlie Angus: I'm sorry. I'm talking about the early child care learning strategy that was announced. You waited five years to say there was a framework, and it's still not really out the door. That's what I'm concerned about.

Hon. Jenna Sudds: My apologies: I thought you were on to the school food program.

With respect to the early learning and child care, yes, you are correct. We do have agreements in place and are working with the leadership—Métis, Inuit and indigenous leadership—on rolling that forward in the spirit of nothing for us without us.

The work does continue. We've seen some progress, undoubtedly, particularly, I think, to a recent—

Mr. Charlie Angus: I'm sorry, but what's the holdup? In any community I've ever been in, they're begging for this money. It doesn't sound like they're sitting around. The bureaucracy is holding it up. Why is it not getting out the door?

• (0955)

Hon. Jenna Sudds: I would suggest that it is getting out the door. Perhaps it is not as fast as we would all like it to happen, but it is moving. The conversations are ongoing. We have strong relationships with the indigenous leaders and Métis and Inuit as well.

Most recently, one of the big challenges, I would suggest, is infrastructure and building new centres, whether that be an entire new centre and the infrastructure dollars required for that, or looking to license home centres as well. We do have progress on that front with respect to infrastructure agreements to have funding rolling specifically to fund new builds, and that work continues collaboratively.

The Chair: Thank you.

Now we have Ms. Gray for five minutes.

I just want to remind you again—I'll hold all the members to the same standards—to direct your questions through me, the chair.

Ms. Gray.

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

Through you, to the Minister, thank you for being here.

Illicit drug overdoses are now the leading cause of death among youth in British Columbia aged 10 to 18, according to figures by the BC Coroners Service. This is obviously heartbreaking.

As the minister for families and children, have you spoken up in your Liberal cabinet against the failed drug policy experiment your government approved of in British Columbia?

Hon. Jenna Sudds: Through the chair, thank you for the question.

I'm not going to disclose cabinet conversations for obvious reasons and, respectfully, I'm here to speak about items within my portfolio and estimates today.

Mrs. Tracy Gray: Well, Minister, in your opening statement as the minister for families and children, you talked about policies that make life better for families in Canada, so my questions are quite relevant.

Have you been pushing back to ensure your government rejects support for illicit drug legalization in Toronto and Montreal?

Hon. Jenna Sudds: Thank you.

Through the chair, as my colleague would know, Minister Saks has been leading on this file very well from my perspective. We've heard from her a number of times, both in the House and throughout, and I think I'll continue to rely on her leadership as we move this forward.

Mrs. Tracy Gray: Thank you, Minister.

Through the chair, if any province requests what B.C. did with respect to the legalization and open use of illicit drugs like fentanyl and crack, would you, as the minister of families and children, support that?

Hon. Jenna Sudds: Thank you very much.

Again, through the chair, I appreciate the question.

Again, I will refer to the fact that this is work that is being led not by me, but by Minister Saks. I'm not going to disclose cabinet conversations—again, for obvious reasons.

Mrs. Tracy Gray: Minister, you're the minister for children.

You're the minister for children, so do you agree that open drug use in public spaces is dangerous for families and children and that your government should never have allowed it? Will you commit today to never allow it again in another province or area?

Hon. Jenna Sudds: Thank you very much.

Through the chair again, I appreciate the advocacy of my colleague here. I am here to speak about my file, about estimates. Minister Saks continues to lead when it comes to this issue.

Mrs. Tracy Gray: Minister, you are the minister for families and children, so are you saying that you do not speak up for families and children within your caucus, within your cabinet?

I'll give you an example here. The RCMP in Campbell River, B.C. and in Prince George, B.C. seized thousands of prescription drug pills, many of which were diverted from the B.C. government's safe supply program. Global News did an investigation where, within half an hour in Vancouver, the journalist acquired nearly 20 tablets of hydromorphone. The Vancouver Police deputy chief told Parliament last month that your government-funded hard drugs were ending up on the black market.

As the minister for children, have you taken any action on this government-supplied illicit drug diversion to protect children?

The Chair: I would caution committee members of Standing Order 11(2) on relevancy to the matter before the committee. The committee is studying the supplementary estimates.

Madam Minister, it's your discretion.

Hon. Jenna Sudds: I feel that I've already answered this question, Chair. Thank you.

Mrs. Tracy Gray: Minister, you are the minister for families and children, and to be pushing this off is really unfortunate. You are the minister for families and children.

• (1000)

Mr. Peter Fragiskatos: I have a point of order, Chair.

The Chair: Ms. Gray, we have a point of order.

Mr. Peter Fragiskatos: On a point of order, Chair, you just referenced a standing order. These matters can be raised at committee, but it has to be the relevant committee.

The Chair: Thank you, Mr. Fragiskatos.

Ms. Gray, I will again remind you of Standing Order 11(2) and the relevancy of the subject matter before the committee.

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

You know, I'll let the minister know—I'm almost out of time here—that I speak to students in schools in my community quite often. In fact, I've spoken to six classes in the last six months. One class project occurred where the teacher had students write to me questions about the most important things to them. Do you know what the top two items were? Equal as number one were crime and drugs and affordability. After nine years of your government and you as minister of families and children, this is your legacy, isn't it?

Hon. Jenna Sudds: I'm not sure what the question is, but I will agree when it comes to affordability. I will point to our Canada child benefit, providing families up to \$7,000 each and every year per child to support them in raising their young families. I will point to a national child care system that is achieving 50% savings in every province and territory and \$10 a day in eight. These are thousands of dollars each and every month that families are saving, and that translates to better outcomes for their children and more dollars left at the end of the day, whether that's for extra food or the new pair of shoes we know our kids need every other month. That's affordability. Those are the measures that we are taking.

The Chair: Thank you, Ms. Gray.

I have Mr. Fragiskatos for five minutes.

Mr. Peter Fragiskatos: Thank you, Chair.

Thank you to the minister and officials for being here.

Minister, you just mentioned the Canada child benefit. What are the most recent numbers on the number of kids who have been lifted out of poverty as a result of the benefit?

Hon. Jenna Sudds: Undoubtedly, the Canada child benefit has been incredibly impactful, and we're seeing 3.5 million fewer people in poverty as a result.

These are dollars that help families each and every month, offsetting what we know are the expensive costs of raising a family. Most of us around this table have children. We experience that. It's expensive to have a young family. We have the Canada child benefit coming in each and every month, which I will point out is indexed to inflation each July, and our national child care program, saving thousands of dollars for child care if you need it, if you participate, and the Canada dental benefit, and now, of course, we're moving forward with pharmacare. Our government has a record of ensuring that we support families through all stages of their life.

Mr. Peter Fragiskatos: Thank you very much.

I want to pivot to child care now. Could you speak to the fact that the child care program that we see unfolding across the country is quite nuanced and takes into account the fact that we have different approaches to child care and seeks to support those models wherever they exist? There are not-for-profits that benefit. There are for-profit organizations that benefit and home care models as well.

Could you speak to that? I think sometimes, when people hear about a child care program, they might think that it's just one thing. In fact, our government has realized that it's nuanced on the ground and that we have to recognize those nuances and offer support accordingly.

Hon. Jenna Sudds: You're absolutely right; when we look across this country at how child care is delivered and the preferences of families across the country, there are differences. Whether you're rural, remote or urban, things are different. The system we are working to build with our partners, with the provinces and territories and indigenous partners, offers parents incredible choice.

First of all, it's not a mandatory system. You have the choice of whether you choose to participate or not. If you do choose to seek child care through our system, there's still an abundance of choice. You could choose to put your child in a child care centre. You could choose to put your child in a family home day care. There are various options when it comes to for-profit or not-for-profit centres or care. You could choose to leave your child with a relative. You could choose to have in-home care with a nanny. All of these choices that existed prior to 2021 all exist. The difference is that they're now affordable.

Prior to the fee reduction, many families couldn't obtain child care. They couldn't afford to pay the rates. Arguably, they have more choice now, because they realize that it's within reach and they're able to afford the options we've put out.

• (1005)

Mr. Peter Fragiskatos: I have one minute left, Minister, and I want to turn to the school food program.

I have constituents in London who are quite interested in this. Colleagues around the table will have been asked the same, I'm sure. What can we tell constituents back home on what to expect moving forward? There are 400,000 kids who stand to benefit as a result of what the government announced in budget 2024. What can we expect in the next few weeks and months as the school year comes around? When can that support be offered, and what would you tell organizations? For example, we have Growing Chefs! in London, a great not-for-profit that is already involved in helping with breakfast programs. How can they be further involved?

Hon. Jenna Sudds: Through the chair, thank you for a great question

In the near term and our next step, obviously we need to get through our budget process here. Having said that, come early summer we will begin engaging with provinces and territories to negotiate those funding agreements. We will be putting forward the national school food policy in the next few months as well.

The opportunity for organizations such as the one you mentioned in your community is to ensure that the province recognizes the work they do and ensure that they grow the impact through the funding that we will be flowing through the province.

The Chair: Thank you, Mr. Fragiskatos.

[Translation]

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

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

Minister, what is Canada's experience with school food? What do you know about it? What are you managing there? I think the answer will come down to "nothing," because it falls under Quebec and the provinces.

That said, I will ask you some more questions.

What do you know about this area, about the terrain?

How many provinces other than Quebec have programs to support school food?

Hon. Jenna Sudds: Thank you for your question.

[English]

Through the chair, you're absolutely right; at current, the provinces and territories have ownership and jurisdiction and have rolled out some form of school food.

Every province and territory is quite different. Quebec, to your point, has done fairly well. P.E.I. has done incredible work. We're seeing different provinces and territories start to step up and grow their investments alongside a number of non-profits and some corporate donations to help fund.

All of that is to say that our intention is to work with provinces and territories to increase that impact. It is ultimately, as you have said, the jurisdiction of the province to roll out and to oversee implementation of school food within the education system. But you have a willing federal government who is here and ready to support, ready to put dollars into building out a national system so that families across the country and children across the country can benefit.

[Translation]

Ms. Louise Chabot: Thank you, Minister.

Do I still have some time, Mr. Chair?

The Chair: You have 30 seconds left.

Ms. Louise Chabot: Of course, everyone agrees with the principle that no child should go to school on an empty stomach. I think that's undeniable, and that's why we invested in it. We can do it even better in Quebec.

You said you've not yet worked with Quebec and the provinces, even though it's a 2021 campaign promise. We want Quebec to benefit from the right to opt out of this file with full compensation.

• (1010)

[English]

The Chair: Please provide a short answer, Madam Minister.

Hon. Jenna Sudds: One point I would like to add is that you are correct. This was a commitment that was made in 2021 during the campaign. This is not the start of the work. This work has actually been ongoing over the last few years. There were extensive consultations undertaken across the country involving parents, involving kids, involving a number of key stakeholders. As we heard, last October we put out a report summarizing that, which will help to inform the policy as we move forward.

The Chair: Thank you, Madame Chabot.

Mr. Angus, you have the floor for two and a half minutes to conclude.

Mr. Charlie Angus: Thank you, Chair.

The issue of child care is definitely one of the key drivers of lack of affordability. We know that in Toronto it was about \$1,000 a month per child. That just drove families out of the city.

The change to \$10, I think, is dramatic. I think it's very progressive. The problem is that it's not addressing other elements of inequality and affordability, particularly for the people working in the sector.

I see two problems here. Since the \$10 announcement was made, the wait times have just gone through the roof. Niagara region is up 76%. Prior to 2022, Kawartha Lakes had a 3.7-year wait to be on the list for a child. Now it's over 6.4 years, which means those children are going to be out of the system by that time.

What steps are you taking to deal with this massive backlog that we're seeing in our communities?

Hon. Jenna Sudds: Great question. I noticed your reference was mostly Ontario.

Mr. Charlie Angus: Yes.

Hon. Jenna Sudds: Okay, so in that case, speaking to what we are doing here in Ontario, we have an agreement with the province. I don't need to get into the details again. The province has committed to creating what I believe are 86,000 new spaces by the end of the agreement.

The biggest barrier as it stands right now—I will cite two perhaps. One, again, the province has not sat down with operators and hammered out a long-term funding formula that not only gives operators the assurance that they are sustainable and can cover their costs but also the certainty that they will be able to grow.

Mr. Charlie Angus: I have to interrupt you because I only have a few seconds left.

There's a March 15th report that just came out that talks about the perfect storm that's hitting child care in Ontario. One of the key indicators is that the wage paid is \$19 an hour, which is not even close to a living wage. Twenty-five dollars is what you need. We're asking people to step up and look after children while paying them a pittance, and we cannot attract people.

What are the negotiations about ensuring that people have a proper wage so that we bring qualified people into the system?

Hon. Jenna Sudds: Undoubtedly, we can't build this system without the workforce, without qualified, well-respected, well-compensated early childhood educators. Here in Ontario, to date, there has been some incremental progress.

I would point to Nova Scotia most recently, which brought forward wage increases as well as benefits and a defined pension contribution plan. We are seeing various provinces step up, not quite all, but there is work, obviously, to continue to support that and engage.

The last point I would make is that I convene a federal-provincial-territorial table on an annual basis. At the last table, there was a commitment by all provinces and territories to work together on a workforce strategy focused on retention, recruitment etc. That work is ongoing. I would expect that we will hear more about that in the

fall, but there is wholeheartedly a need and a focus to make sure that the workforce is well supported and well compensated.

In our budget this year, 2024, we've also made some investments around student loan forgiveness for ECEs who choose to practise in rural areas.

I see that the chair is giving me my time.

• (1015)

The Chair: Thank you.

Committee members, we have a few points to conclude before you leave.

Thank you, Madam Minister, for appearing, and thank you for recognizing the vision of my home province on food.

We'll excuse the minister and her staff.

The whole reason why we're here pursuant to Standing Order 81(4) is that a total of six votes for the main estimates were referred to this committee. The committee may choose to render decisions on each vote one at a time or, with unanimous consent, to call all the votes together. Is there unanimous consent to group the votes that we all discussed? I'm sure you were paying detailed attention to the numbers that were referred to here.

Some hon. members: Agreed.

The Chair: Shall vote 1 of the Canada Mortgage and Housing Corporation, votes 1 and 5 of the Canadian Accessibility Standards Development Organization, vote 1 of the Canadian Centre for Occupational Health and Safety, and votes 1 and 5 of the Department of Employment and Social Development, less the respective amounts granted in interim supply, carry?

CANADA MORTGAGE AND HOUSING CORPORATION

Vote 1—Reimbursement under the provisions.....\$5,620,208,332

(Vote 1 agreed to)

CANADIAN ACCESSIBILITY STANDARDS DEVELOPMENT ORGANIZATION

Vote 1—Operating expenditures.....\$11,999,820

Vote 5—Grants and contributions.....\$8,500,000

(Votes 1 and 5 agreed to)

CANADIAN CENTRE FOR OCCUPATIONAL HEALTH AND SAFETY

Vote 1—Program expenditures.....\$6,320,572

(Vote 1 agreed to)

DEPARTMENT OF EMPLOYMENT AND SOCIAL DEVELOPMENT

Vote 1—Operating expenditures.....\$1,296,715,593

Vote 5—Grants and contributions.....\$10,185,640,405

(Votes 1 and 5 agreed to)

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

Some hon. members: Agreed.

The Chair: Thank you, committee members, for the unanimous consent.

With regard to the study on housing, does the committee wish to invite the public to submit briefs for this study?

Mrs. Tracy Gray: Yes.

The Chair: Yes? Submit briefs...? Public...? Okay. I would suggest that a deadline could be the end of the day on Friday, June 21. Is that agreeable to everybody?

Some hon. members: Agreed.

The Chair: Good.

With regard to the study on housing, what deadline does the committee wish to set for the submission of the lists of witnesses for this study? A suggestion that I will give is the end of day on Friday, May 17, which would be next week.

Madame Chabot.

[*Translation*]

Ms. Louise Chabot: I suggest Tuesday, May 21.

The Chair: Yes.

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

[*English*]

The Chair: Madame Chabot suggests Tuesday, May 21, so we'll go with that.

There is one final item.

If any member of the committee wants to consider travel attached to any motions that we may look at in the fall, currently the internal Liaison Committee will look at travel requests for the period from the end of June to the end of December 31.

What I'm advising is that if any member wishes to request such, we would need to receive the final details by Wednesday, May 22. Should HUMA wish to travel, the committee will need to submit its detailed budget by May 31.

When we come back, if any member wishes to suggest that, at our first meeting you would need to know the locations and how many locations you would look at, because the staff has to prepare an estimated budget.

I will give you a little heads-up: I do sit on the committee that chooses where you go or don't go.

With that, committee members, I see no further business before the committee.

Mr. Peter Fragiskatos: My apologies, Chair, just to confirm, May 21 is the the deadline for parties to submit witnesses for the housing study, and then June 21 is the deadline for organizations to submit briefs.

The Chair: Yes, June 21 to submit written briefs on the housing study that will begin shortly, and we chose Tuesday, May 21, as the date for witnesses.

Is that good?

Seeing nothing else, is it the wish of the committee to adjourn?

Some hon. members: Agreed.

The Chair: The committee is adjourned.

Thank you, committee members.

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