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Mr. Massimo Pacetti

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• (1020)

[English]

The Chair (Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.)): Good morning. As you can tell, it's our first day here in Moncton, and our only day here, so we appreciate your having us here. We're here

[Translation]

pursuant to Standing Order 83.1, in the context of the pre-budget consultations 2005.

[English]

I'm going to allow you a seven- to eight-minute opening statement or opening remarks for your presentations. I'm going to try to keep you to seven or eight minutes, but I understand that three groups are going to make one presentation; if that's correct, I'll allow you a little bit of flexibility, if that's okay. But when we get to the second and third groups, I'd like to keep them to seven or eight minutes, because the members are going to ask questions.

We'll start with the Canadian Association of Schools of Nursing, and Ms. Griffin.

Ms. Patricia Griffin (Executive Director, Canadian Association of Schools of Nursing): Good morning.

I'm very pleased to be able to present to the members of the committee today on behalf of the Canadian Association of Schools of Nursing. I think this is the first time our association has actually had an opportunity to present to you.

We represent Canadian schools of nursing that offer all or part of an undergraduate or a graduate degree in nursing, which means that we represent 91 out of 134 schools of nursing. We develop and support national nursing education standards for registered nurses—and registered nurses alone—in Canada. In fact, we are the only accrediting body for schools of nursing.

We strongly promote the baccalaureate degree as entry to practise, and currently, seven of the 13 jurisdictions in Canada do require the baccalaureate as entry to practise.

The education of nurses is tied irrevocably to Canada's prosperity and productivity I think in three major ways.

First, in general, any investment in post-secondary education produces a well-educated workforce. This investment in Canada's human capital is a major key to enhancing productivity and prosperity.

Second, we believe putting in place a workforce of appropriately educated nurses is fundamental to the success of collective governments that are trying to control health costs, to improve access to quality patient care, and to reduce waiting times.

Third, by allaying some of the pressures on the health care system, we will have an additional benefit of having a healthier workforce, which, in combination with a well-educated workforce, will also contribute to prosperity and productivity.

Of the key messages I would like to leave with you today, the very first one is that nursing education is a health human resource issue. We're facing a very real shortage of nurses. It's well documented. It's here now, and it's going to get worse. Of all the reported shortages of the OECD countries, Canada and the United States are predicting the highest shortages, and we know full well how well our American counterparts do in recruiting Canadian nurses to go to the States.

Second, our major inflow to the stock of nurses we have is our nursing education system, so it's imperative that this system be expanded. The payoff for investing in nurses is neither theoretical nor long term. Care led or coordinated by nurses produces outcomes equal to that of family physicians, at significantly lower cost. So educating nurses now will improve health and reduce costs immediately.

Funding for higher education in this country has seriously lagged behind that of funding to health care. Twenty years ago the ratio of provincial spending on health care to post-secondary education was four to one; today, it's six to one. There has recently been some increase in some of the provinces in education funding, but this usually goes to increasing the number of seats without adding the necessary resources, so that in real terms support is lower per student than it was before. If you compare us to the United States, between 1980 and 2002, American governments pumped 25% into their universities while Canadian funding declined by 20%.

In order to maintain the status quo for registered nurses, we need to produce 18,000 nurses by 2011. That's not a growth proposal; that's simply to cover what we will lose in terms of retirement. Our nursing workforce is aging considerably. But in order to do this, we need to expand the capacity of our nursing education system, and there are three major challenges there.

The first is that we have an insufficient number of qualified nursing faculty, because they're aging as well. We also have an inadequate number of masters' and PhD seats across the country.

The second is that we have a diminishing number of clinical placements due to the downsizing and restructuring that happened during the 1990s across the country. The most frequent approach to trying to solve this problem is by creating simulation labs and virtual reality labs within educational facilities, but this takes capital funding and operating funds to cover not only technicians but also computer support.

The third major comment we hear from across the country is that there is an aging infrastructure. Nursing faculties need classroom and lab space, office space, research space, and other administrative resources.

Added to this is the need for tuition support. Nursing students are now graduating with debt loads of between \$20,000 and \$30,000. One way around this, we thought, would be a tax-free tuition rebate, based on one year's rebate for one year's service following graduation. Unless we actually increase our capacity within the nursing education system, we have no capacity to produce the number of nurses we need for the health care system. We have included some figures in the brief I have presented to you; it would turn out to be about \$35 per Canadian for five years.

We suggest that there are two initiatives that we would want you to consider: first, that funds be provided to increase the capacity of the nursing education system in the short term to make sure we can combat the nursing shortage; and second, that we consider a dedicated transfer to the provinces and territories for education—a Canada education transfer.

I would like to sum up so I don't go over my time. We have a current shortage. The best way to solve it is through our education system. Our education system can't do it without the influx of significant resources.

What happens if we don't act now? The shortage of nurses before us will make it impossible for governments to maintain current levels of health, let alone improve health, and there are crucial implications for access to services and waiting times, for maintaining the quality of health services and patient safety, and for the sustainability of the entire health care system. An investment in nursing education is an investment in human capital and in the future of all Canadians.

Thank you for your attention.

•(1025)

The Chair: Thank you, Ms. Griffin.

A quick question. Your nurses who are going to graduate, do they all graduate from university, or are any of them from community colleges?

Ms. Patricia Griffin: There are still two provinces and the territories that do graduate them from community colleges, but in the rest of the country the community colleges are in collaborative programs with the universities, so that you may do a couple of years in the community college and then a couple of years in university. That seems to be the trend, the way things are going. Manitoba and Quebec are the two provinces that have not done that yet.

The Chair: Okay. Thank you.

Mr. Snow, I just want to make sure you're going to make a presentation for the Group of 12 for Social Justice as well as the Justice and Solidarity Diocesan Team,

[*Translation*]

and the Front commun pour la justice sociale - Section de la Péninsule acadienne.

[*English*]

Is that correct?

[*Translation*]

Mr. Claude Snow (Spokesperson, Group of 12 for Social Justice): Yes.

[*English*]

The Chair: Okay.

Ms. Cormier.

[*Translation*]

Madam Auréa Cormier (Coordinator, Justice and Solidarity Diocesan Team): Good morning.

Before starting the brief, I'll introduce our group.

•(1030)

The Chair: All right.

Madam Auréa Cormier: We are three separate groups. There is the Group of 12 for Social Justice, from the Acadian Peninsula, here represented by Claude Snow. There's also the Front commun pour la justice sociale, from New Brunswick, a coalition of some 30 agencies here represented by Jean-Claude Basque. As for me, I'm Coordinator of the Justice and Solidarity Diocesan Team, which covers Westmorland, Kent and Albert counties.

You have the brief that we submitted in August entitled, "Veiller au bien-être des citoyens." While we're sticking to the content of that brief, today we want to present you with some more concrete facts. We're aware that you're working in a pre-budget context and that the information you gather will be used to prepare the 2006-2007 budget. We also know that you're in a position to establish guidelines for the country's future budgets.

The hot topic for us is poverty. The main value motivating our three groups is really solidarity with poor people. Our work is to ensure that no one hurts them. In addition, we think that the greatest evil is not to take care of the poor, to abandon them. This is true at an individual level, but also at a government level. We think it is truly wrong for a federal government to abandon the poor. That has negative effects.

I have in mind a study conducted in Nova Scotia that measured the costs associated with physician services. It was found that the poorest 20 percent of the population used physician services more than other groups in 43 percent of instances. That seriously eats up the health budget. Here we're talking about 43 percent more than people in the upper 60 percent of the economic scale. We also know that the impact of chronic disease rises with poverty. We feel that declining poverty means good government management of the taxes we pay.

To illustrate the ideas outlined in our brief, we'll present a few facts based on tables. Claude Snow will talk to you mainly about the effect that declining federal cash transfers has had on poverty back home. Jean-Claude Basque will mainly tell you about the relationship between poorly paid employment and poverty. Lastly, Linda McClauslin, a woman who knows about poverty in everyday life, will tell you about the effects of inflation on the cost of food.

Claude, over to you.

Mr. Claude Snow: First, I'd like to draw your attention to the first table.

The Chair: Perhaps you could make the presentation. Ms. Cormier could then give us information on the table.

Mr. Claude Snow: That's a good idea.

[Audiovisual presentation]

The first table I'd like to draw your attention to is the one on declining transfers for health, social services and postsecondary education. We know there has been a significant reduction over the years. It's even been about \$75 million a year in New Brunswick alone. So it's a major reduction.

You also know that the government has made changes to tax credits and the Canada Child Tax Benefit, which has increased. However, tax credits don't benefit the unemployed in any way. Consider the example of natural caregivers. These people work, but receive no remuneration. Even though the federal government is increasing tax credits for natural caregivers, that gives them absolutely nothing. Since they have no income, they file no tax returns.

Consider the Canada Child Tax Benefit. It's true the amount has increased considerably, but even if it doubled, it wouldn't be enough. It doesn't meet individual needs. The Canada Child Tax Benefit is calculated on the basis of an assessment of average needs, not the needs of individuals. Its effect is virtually nil for individuals who suffer from major disabilities, who have special housing needs or are in emergencies. We should go back to the Income Assistance Program, which is adjusted to individual needs.

In New Brunswick, lower transfers have resulted in extremely little income assistance. When we complain about that to the province and say that these rates are too low, provincial representatives tell us that it isn't their fault because they're receiving less money from the federal government. We're always told that the problem comes from the federal government.

As you can see in the table before you and the one you have in hand, the rates are extremely low, even though it must be recognized that, in New Brunswick, like in other provinces, individual and

family incomes from tax benefits aren't considered, aren't deducted from income assistance, as is the case in other provinces. In short, when you add up all the amounts, they're still very small amounts that aren't enough to support many families.

The map produced by one of the departments is highly revealing. It shows that there are approximately four major pockets of poverty in the country. As you can see, northern New Brunswick, a large part of which is in red, is one of them. The average individual income in this area is very low, one of the lowest in Canada. We live in one of the major pockets of poverty in Canada.

I'd like to go back briefly to the question of transfer income. This is very important for us, particularly in the north of the province. As many as 24 percent of individuals who live there depend on transfer income to live, whether it be pensions, employment insurance or income assistance. This is even more important in the north than in the south. Even in the south, however, the rate is 14 or 16 percent.

I'm now going to turn the floor over to Jean-Claude Basque.

• (1035)

Mr. Jean-Claude Basque (Front commun pour la justice sociale - Section de la Péninsule acadienne): Good morning. I'm going to talk to you about poverty among working people. Here we have a table showing the minimum wage in each of the provinces. As you'll see, in 2005, New Brunswick had the lowest minimum wage after Newfoundland. Next year, New Brunswick will have the lowest.

It's important to bear in mind that a large part of the economy currently consists of short-term employment, whether it be part-time, contract, low-wage or seasonal. The minimum wage is important for people who hold these jobs. In addition, 13 percent of people who use food banks are in the labour market.

In Canada, roughly one in six workers, particularly among women, earns less than \$10 an hour. On the other hand, you see that the price of houses, food, clothing and transportation continues to rise. The minimum wage doesn't really help people live well. You're no doubt wondering why we're talking about provincial minimum wages and how that concerns the federal government. In fact, we are proposing that a federal minimum wage be established. There used to be one, but it's no longer in existence. We recommend that the federal government establish a minimum wage and that it be set at \$10 an hour. The provinces could then adjust their own minimum wage based on that figure. It should be kept in mind that the minimum wage was introduced precisely so that workers wouldn't live in poverty.

I also want to address the unemployment issue. Statistics show that the 1996-1997 cutbacks had a major impact on the majority of workers, but also on communities. In 1990, approximately 74 percent of people who qualified for employment insurance could get it, whereas the figure today is 39 or 40 percent. That's an enormous drop. In 1990, in a riding like Acadie-Bathurst, an average of 11,480 people received regular employment insurance benefits. In 2001 — and the situation has hardly changed since — the figure was approximately 7,400. In the Moncton region, the number of people eligible for employment insurance fell by approximately 50 percent. That's a loss for individuals, communities, municipalities and society in general. We calculate that, in New Brunswick, there was a loss of approximately \$400 million between 1993 and 2001. That money could have circulated in the provincial economy, but that was not the case.

Our demands in this situation are similar to the proposals submitted by a multipartite committee. We propose that the minimum required in order to qualify for benefits be 360 hours across the province; that the amount of benefits be calculated on the basis of the best 12 weeks; that benefits represent 66.1 percent, not 55 percent, of wages; and, lastly, that the money stolen by the federal government be restored to the employment insurance fund.

The last point I wanted to raise concerns taxes. The federal government's 2005 Estimates show that personal income tax represents approximately 74 percent of federal revenue. According to one projection, the percentage will be 80 % in 2009-2010. So we're talking about an increase. However, corporate taxes represented approximately 23.6 percent of that revenue in 2003-2004, and it's predicted that figure will decline to 17.8 percent in 2009-2010.

• (1040)

We see that personal income tax will rise approximately 6.5 percent, whereas corporate tax will fall 5.8 percent. So there's a complete transfer of the tax burden from corporations to individuals. We're seeking a fairer tax rate allocation and development not only of the private sector, but also all public sector infrastructure.

Linda will tell you about the impact on food.

Madam Auréa Cormier: Ms. McClauslin will tell us about her experience with food price inflation.

[English]

Mrs. Linda McClauslin (Joint President, Front commun pour la justice sociale - Section de la Péninsule acadienne): I'd just like to give you a few items that have increased over the years. This is a very small factor, and everything...[Inaudible—Editor].

[Translation]

Madam Auréa Cormier: She selected about 10 foods in order to show how prices have risen in our region.

[English]

Mrs. Linda McClauslin: In 1997 it cost \$1.45 for two pounds of carrots; today it costs \$2.49.

[Translation]

Madam Auréa Cormier: In 1997, two pounds of carrots cost \$1.45, whereas they cost \$2.49 in 2005.

[English]

Mrs. Linda McClauslin: In 1997 a dozen eggs were \$1.85; in 2005 they are \$2.19.

[Translation]

Madam Auréa Cormier: In 1997, eggs sold for \$1.85 a dozen, whereas they sell for \$2.19 in 2005.

[English]

Mrs. Linda McClauslin: In 1997 two litres of milk was \$2.52; in 2005 it is \$3.25.

[Translation]

Madam Auréa Cormier: Two litres of milk cost \$2.67 in 1997, whereas that now costs \$3.25.

[English]

Mrs. Linda McClauslin: In 1997 a pound of bananas was 59¢; today it is 69¢.

[Translation]

Madam Auréa Cormier: From 1997 to 2005, the price of bananas rose from 59¢ a pound to 69¢ a pound.

[English]

Mrs. Linda McClauslin: In 1997 one orange was 24¢; in 2005 it's 49¢.

[Translation]

Madam Auréa Cormier: During the same period, oranges increased from 24¢ to 49¢ a piece.

[English]

Mrs. Linda McClauslin: In 2003 Blue Bonnet margarine was \$2.49; in 2005 it's \$2.97.

[Translation]

Madam Auréa Cormier: Blue Bonnet margarine rose from \$2.49 to \$2.97 from 2003 to 2005.

[English]

Mrs. Linda McClauslin: In 1997 a loaf of whole wheat bread was \$1.89; today it is \$2.59.

[Translation]

Madam Auréa Cormier: Whole wheat bread increased from \$1.89 in 1997 to \$2.59 in 2005.

[English]

Mrs. Linda McClauslin: In 2003 a jar of peanut butter this size was \$4.49; in 2005 it's up to \$5.49.

[Translation]

Madam Auréa Cormier: In two years, a large jar of peanut butter rose from \$4.49 to \$5.49.

[English]

Mrs. Linda McClauslin: In 2003 a loaf of white bread was 99¢; in 2005 it is \$1.39.

[Translation]

Madam Auréa Cormier: White bread increased from 99¢ in 2003 to \$1.39 in 2005.

[English]

Mrs. Linda McClauslin: In 2003 sugar was \$1.49; today it is \$1.99.

[Translation]

Madam Auréa Cormier: Sugar has risen from \$1.49 to \$1.99 in the past two years.

That gives you an idea of inflation at a time when social assistance has virtually not increased.

I'll close by summarizing the five recommendations in our brief: create more community jobs; fund literacy; fund essential services through legislated public funding rather than leave it to the discretion of public servants; the federal government should attach greater importance to achieve equality of results not of means; lastly, invest in social participation, because it's by working with the people involved that we can make changes.

Our presentation focused mainly on recommendation 4, that is grant more funding to the poor regions of the country so that they can have an equal chance to achieve results. There was an enormous amount of criticism following the Canada Transfer of 1995-1996 for health and social programs, including postsecondary education, which granted less money to the provinces. That criticism had the effect of setting matters right in the health field. That impact did not occur in the social field.

You will have a say in the preparation of the budget. We want you to give priority to the social component in order to restore balance. That's our major recommendation.

•(1045)

The Chair: Thank you, Ms. Cormier. Could you submit the tables you brought to the clerk of the committee?

Madam Auréa Cormier: We gave four copies to the translator, and you can have another one, if you wish.

The Chair: Could you e-mail Richard a copy?

Madam Auréa Cormier: Yes. I could do that since I have your card.

The Chair: Perfect, thank you.

The MacKillop Centre for Social Justice and P.E.I. Alternative Budget Coalition. Ms. Boyd.

[English]

Ms. Mary Boyd (Representative, MacKillop Centre for Social Justice and P.E.I. Alternative Budget Coalition): Thank you very much, Mr. Chairperson.

I want to mark down my time so I don't go over.

I'm sorry Dr. Wimal Rankaduwa will not be here to join me for the alternative budget.

The MacKillop Centre for Social Justice concentrates on issues of social justice that affect people at local, regional, national, and international levels. It addresses the economic, political, and social causes of injustice through research, advocacy, and popular education.

The P.E.I. Alternative Budget Coalition is in its ninth consecutive year of preparing an alternative provincial budget.

When we looked at the background document you circulated, "Enhancing Productivity Growth in Canada", it struck us that we cannot define prosperity in terms of gross domestic product alone. GDP can never be the sole measure of standard of living. The benefits of GDP do not trickle down to the general population, especially to those in lower-income brackets. The growing gap between rich and poor in Canada, and around the globe, is evidence of this.

We are urging you to consider that because using GDP as the main measure smacks of a business-led budget. It points to the problem of an imbalance in this society concerning who pays and who profits. As members of society, we have obligations to each other, which government must deliver on behalf of the country's citizens.

For instance, Canadians have demonstrated that we want our tax money to be used for social programs that build equality in society. Our public health care system is a prime example. Canadians have consistently said we do not want privatization. We've resisted the forces of a privatized system, and we want public money used for public delivery of health care.

From the point of view of workers, Canadian workers are more healthy and productive than their U.S. counterparts.

We also care about the future of our children. We want to build a society that makes the eradication of poverty a main goal, and this is long overdue in this country. These hearings must enable more public, democratic discussion about budget priorities such as overcoming poverty.

The federal government has delivered surpluses for seven consecutive years, yet precious little has been done to tackle the problem of poverty strategically. We are falling behind in this regard.

As far as the Atlantic region goes, an approach of productivity and economic growth as suggested in "Enhancing Productivity Growth in Canada" does not fit the need of provinces like Prince Edward Island—and for that matter, the other Atlantic region provinces. Even when GDP is used as a measure, we fall short in this region.

P.E.I. and Atlantic Canada have a large percentage of small and medium-sized businesses. They must be supported through access to reasonably priced financial support. Tax cuts, such as those proposed by the Prime Minister, tend to help larger businesses and the wealthy, often to the detriment of smaller business and the general public.

In fact, corporate income tax has been cut from 28% to 21%, and there have been cuts also to the wealthy. Without improving productivity, measures like equipment replacement and that sort of thing....

If we had budgets that emphasized sustainability, we would have a different story. We also need to set long-term goals aimed at changing the economy away from producing quantity of goods towards one that meets basic and legitimate human needs in areas of worker training and post-secondary education. If a budget concentrates solely on entrepreneurial capital, it may not be sustainable in the long term and can fall behind in terms of health, education, social assistance, child poverty, living wages, and other areas required to build a sustainable society.

Mr. Chairman, only 12% of GDP is spent on programs at this point, so we hope the upcoming budget will take that into account and increase the program area.

• (1050)

We also ask for a federal minimum wage, because we believe that better wages increase productivity and economic well-being. We believe we need to build a nationwide community of caring, so that instead of concentrating on the pursuit of goods—which have made us more selfish and more wasteful and have caused enormous environmental damage, costing governments and citizens alike more money and more misery, and promising to increase in the future—we change direction and have more programs that are people friendly.

Certainly, our main goal is poverty elimination; we believe it is possible to eliminate poverty in Canada. We see people on social assistance, on fixed wages, on minimum wages, and pensioners and youth falling well behind. The statistics bear this out time and time again. It is also tragic to see that when it comes to child poverty, 15% of our children are still in poverty and that Canada ranks 19 out of 26 countries on the child poverty scale. We ask how 18 other countries can do better than a rich country like Canada? We look ahead to this coming winter, with the high cost of fuel and the high cost of clothing and other basic necessities, and we ask how government can be contemplating tax breaks to the wealthy given this situation people are facing.

Prince Edward Island has very low wages, the lowest weekly average wages in Canada. Our minimum wage is about 22.2% lower in value than it was in 1976. The majority of underpaid workers are lone-parent households, averaging about \$10,000 per year, or half the poverty line for a single parent with a child. And almost half the Island women work at jobs that pay less than \$10,000 a year. Also, there have been huge cuts and changes to EI; like the previous groups we want those restored. This year we expect that demand on the food bank will be up 15%, and so will demand on soup kitchens. We draw your attention to the plight of immigrant families and aboriginal families in this country, who have been left in poverty as well.

I'd like to go on and say more. There is one other thing to mention before I make a few recommendations, which is that an increase in the minimum wage to a living wage, combined with a comprehensive approach to the elimination of poverty, including the creation of long-term stable work in a sustainable society, and an income security system that significantly raises the standards of living of those who depend on it, would go a long way toward eliminating poverty. Add to this affordable housing, affordable child care, help to small businesses, and a more effective system of transfer payments

—including an increase—and we will begin to have a society based on the common good.

We also have concerns about NAFTA, and we hope that our government will get out of NAFTA.

Our main recommendation is to make a country like Canada a country without poverty. We also want the \$1.6 billion earmarked for social housing in the 2004-05 budget to be implemented right away, and we want there to be at least 25,000 new affordable houses, with at least half of those targeted at low-income people.

We've already asked for a federal minimum wage, a living wage of \$10 or more, and that federal and provincial standards be enshrined in labour law to stop employers from having their employees work too few hours to qualify for pension and social benefits, which is the case for a lot of people right now.

We have to do something, Mr. Chairperson, to stop provinces from clawing back the national child benefit supplement, and we ask that the national child tax benefit be increased to \$4,900 in current dollars. We also ask that income taxes be reduced for low- and modest-income families, while taxes for the wealthy be increased.

• (1055)

We ask that the national child benefit supplement be increased.

We also ask that post-secondary education funding be increased and that it be placed in a separate post-secondary transfer.

We ask that the number of hours needed to qualify for employment insurance be reduced from 910 to 360 hours

We ask the federal government to uphold the Canada Health Act by withholding funding from provinces that fail to comply with the act's conditions and by requiring more rigorous reporting and accountability from the provinces. We ask that the practice of public-private partnerships be discontinued in favour of public delivery and ownership of essential services. We also ask that double-dipping be outlawed, by requiring that physicians who wish to practice private delivery of health care be banned from practising in the public system.

Finally, we ask that the Canadian government opt out of NAFTA and that any renegotiations be done in a very public and transparent way.

Thank you, Mr. Chairperson.

The Chair: Thank you, Ms. Boyd.

From the PEI Fire Fighters Association/St. Peters Volunteer Fire Department, Mr. Rossiter. Do you have a presentation?

Mr. David Rossiter (Fire Chief, PEI Fire Fighters Association/St. Peters Voluntary Fire Department): Yes, sir.

Mr. Chairman, committee members, ladies and gentlemen, my name is David Rossiter, and I'm the chief of the St. Peters Volunteer Fire Department from St. Peters Bay, Prince Edward Island. I'm here before you today representing the Prince Edward Island Fire Fighters Association, along with my distinguished colleagues in the gallery from New Brunswick, Nova Scotia, and Prince Edward Island, to voice our support for Bill C-273, an act to amend the Income Tax Act.

I would also like to acknowledge the presence in the gallery of Chief Mike Eddy, director of Halifax regional fire services, who is also the president of the Canadian Association of Fire Chiefs; Chief Andy Yarrow from Pugwash, Nova Scotia, representing the Fire Service Association of Nova Scotia; Fire Chief Fred Kennedy from Blackville, New Brunswick, representing the New Brunswick Association of Fire Chiefs; and, sitting with me here at the table today, past president of the New Brunswick fire chiefs, Doug Hamer. The two provincial fire marshals from New Brunswick and P.E.I. are here as well, Fire Marshal Dave Blacquiére and acting Fire Marshal Ben Laroche from New Brunswick.

I have read some of your committee reports on this bill and have seen the question come up time and time again: what distinguishes these volunteers from other volunteers, and where do we as a government draw the line? I realize as well as my colleagues that this question is being asked by other volunteer groups across Canada. I can only distinguish the difference in this context: when a person is accepted for membership with a volunteer fire department, he or she has signed an unconditional contract that requires that individual to be called at a moment's notice to respond to an emergency and to put their lives on the line in harm's way to protect and save others.

Volunteer firefighters work in some of the most chaotic, hazardous conditions, in all kinds of weather, and under physically and mentally demanding circumstances. This sounds like a job description of our military. The key words here are "at a moment's notice" and "to put their lives on the line in harm's way". Those two small phrases are what makes our volunteer profession unique as compared to other volunteer positions.

Other volunteer organizations provide a valuable service to our communities. However, this bill was introduced to provide some sort of remuneration to those who respond to emergencies and get little or nothing for doing that but at the same time take all the risks and responsibilities our brothers and sisters in paid fire departments face.

In larger centres our profession—and yes, firefighting is a profession, whether you are a volunteer or a career firefighter—provides a good living for those who do get paid to do it. However, in my community my firefighters receive \$100 a year as remuneration. That would not even cover a member's fuel bill in responding to incidents, yet my firefighters fight structure fires and forest fires and respond to medical calls, motor vehicle accidents, hazardous materials incidents, water and ice rescues, rope rescues, and confined space rescues.

Now, I don't respond to confined space rescues, okay?

Voices: Oh, oh!

Mr. David Rossiter: We provide these services to our communities on a volunteer basis simply because our communities cannot

afford to provide paid staff. It is the same story in this country from coast to coast.

One other thing that sets us apart from other volunteer organizations is the emotional scarring emergency service personnel are faced with in the performance of their duties. By this I mean what volunteers see at the incidents, such as medical calls gone bad, with someone passing away right in front of you; the horrors of a motor vehicle accident with multiple casualties and fatalities; and the dismal job of removing a deceased burn victim from a structure fire.

Think about it. These are volunteers. They volunteer to do this, and no matter what is done to try to address and treat the effects of critical incident stress, these volunteers carry this baggage around for the rest of their days.

Our volunteer firefighters are required to provide the same level of service our paid counterparts offer in larger centres, resulting in countless hours of training in a wide spectrum of emergency response. They not only receive initial training but continue throughout their volunteer career to update and sharpen their skills. As an example, a basic level firefighter course is over 200 hours; then there are hundreds of hours of additional training for them to become proficient and to remain ready to respond.

● (1100)

Bill C-273 would be a great asset for the public safety of citizens across Canada in that it would be a great aid for small departments like mine in recruiting and retaining volunteer firefighters. Gone are the days of two-parent families with only one of them working and families who worked in the communities they lived in. Today's realities are two parents working, single parents, bedroom communities, and the stresses of trying to provide an income for their families, and then there's the consideration of supporting their communities through serving as a volunteer firefighter.

Currently my department protects 1,500 citizens and has a budget of \$72,000 with 20 volunteer members. If my community had to pay for the firefighters, we would expect our budget to be in the area of \$700,000 a year, resulting in one of two things happening: either the service would cease to exist or taxes would drastically increase. The municipalities would be looking for assistance from the province, and the province would be looking to the federal government for assistance in the form of transfer payments. I am only one fire department in the 3,832 volunteer departments across Canada. Do the math.

Could you imagine the impact on a community that has no fire protection because they can no longer obtain sufficient numbers of volunteers to do the job and are not able to pay for a full-time paid staff? The sad thing about this is that not many people would notice until an incident happened—no one came, no one responded, and no one was there to handle and solve the problem. When a fire department disappears from a community, the community dies.

In our province, as well as in the rest of the maritime provinces, other first responder emergency services such as police and ambulances are full-time, salaried personnel. The fire service in P. E.I. is 99.8% volunteer, and in Atlantic Canada, of the 21,875 firefighters, 7% are paid firefighters and the remainder, 19,800, are volunteers.

I used the example of a motor vehicle accident, and there you would normally have three emergency agencies responding. Police, whether they're municipal or RCMP, are paid to conduct the investigation and, if they have enough people to do so, do traffic control. This is usually handed off to the fire service as a rule. EMS, ground support ambulance services, is staffed by paid personnel who treat and transport the injured, with the help of the fire service when there are higher numbers of injuries. Then the fire service comes in with, for the most part in Canada, volunteers, who are the ones who cut and bend the mangled car from around the injured victim as well as providing fire protection.

It's interesting to note that in New Brunswick a decade ago, St. John Ambulance provided emergency ambulance service in 25 locations with 500 volunteers. The cost of the ambulance service in New Brunswick a decade ago was \$10 million. Today all of the volunteer ambulance services in New Brunswick have disappeared, and the cost of the ambulance service to the taxpayers of this province is over \$50 million and increasing.

Some provinces have acknowledged the contribution made by the volunteer fire service. For example, in Prince Edward Island and Nova Scotia the current governments have waived the fees for drivers' licences and one motor vehicle registration. Nova Scotia, New Brunswick, and Prince Edward Island also provide training grants for their fire schools, yet it is the thousands of hours of self-dedication by those volunteers who utilize those facilities to train themselves that provide citizens with a cost-effective fire emergency service.

To conclude, Mr. Chairman, I will say that I and my colleagues strongly urge you to support Bill C-273 and to try to do everything you can to make this happen. Bill C-273 is a good thing, which can be felt from the grassroots of every small community across Canada; it can create a positive element for the public safety of this country.

I believe the old saying "an ounce of prevention is worth a pound of cure" applies in this case. Please do not look at it as rewarding volunteer firefighters. Instead, look at it as being an investment in the public safety of all Canadians.

Thank you.

• (1105)

The Chair: Thank you, Mr. Rossiter.

[*Translation*]

A bill on volunteer firefighters has been introduced, and the committee is studying it. That's why they made a presentation.

[*English*]

Your request is also that we present it in our report. Now, I'm not sure what the timing is going to be when we're looking at the bill. We already had one session on it; we had said we were going to have another session on it. We're probably going to try to look at it when we get back. We'll see what happens, but we have to deliberate on the report as well. The timing is going to have us criss-crossing between the private member's bill and the report.

I want to go to the members now.

I just want to remind the witnesses,

[*Translation*]

that they're entitled to six minutes, but that includes questions and answers. We would like you to make very brief speeches.

Mr. Moore, you have six minutes.

[*English*]

Mr. Rob Moore (Fundy Royal, CPC): Thank you, Mr. Chair, and thanks to all the witnesses for their presentations.

My question is for Chief Rossiter or Chief Hamer. I was impressed when you said in your presentation that when the fire department disappears from a community, the community dies. Some of the numbers that you provided us bear out the significant role that volunteers play across the country. I know in my riding of Fundy Royal, which goes from just outside of where we are in Moncton, and has part of the town of Riverview, down to Quispamsis, volunteer firefighters in Albert County and rural areas of Kings County play a huge role, not only in public safety and being first responders and doing what we traditionally think of a fire department doing, but also in being a centre for the community, a kind of lifeblood for the community. We certainly appreciate, in this day and age, the increasingly dangerous role—and maybe you can comment on that in your response—with some of the dangers that firefighters face now that they didn't face 20 or 30 or 50 years ago.

On the way up today, I was driving from Quispamsis to Moncton, and I heard of a major fire in Quispamsis. Some of the responders to that fire were volunteer firefighters. So we know you're playing an important role.

I want to know a bit about what the difference is in the risk that firefighters and volunteer firefighters face now as opposed to then. Also, when we look at the cost of gas today—nearly doubling over the last little while—and the fact that you were saying members in your department get only \$110, which might not cover a week's worth of gas in some cases—those increased costs—I'm wondering if you can give a real life or typical example of what this bill would mean to a volunteer firefighter, what it would mean in real dollars and how it would impact on their lives.

We've already heard from you the tremendous impact and presence that volunteer firefighters have across the country and the role they play, but what will this mean to them as individuals?

•(1110)

Mr. David Rossiter: What it would mean to them is the fact that come February, when they're doing their income tax returns, there'll be some sort of savings there because of the fact that they are volunteer firefighters. When you allude to the gas effect, fire departments usually respond in two different ways—they respond from their home or their workplace either to the station or to the emergency incident. In smaller, rural areas such as mine, my members, because we're becoming more of a bedroom community, are spread over a vast geographic area. I could have members responding to an incident 20 kilometres away. Last year my department did 50 runs. Multiply that by 50. That's a considerable expense to the volunteer right now that he is taking out of his pocket just to provide that service.

To answer your other question about what the differences are in what firefighters face today as far as hazards go from days gone by, they are numerous—and I mean numerous. Take, for example, a simple single-family dwelling today and the materials that are in that dwelling. If a firefighter were to be exposed, by increased smoke or what not...it's not the lung problems right now, it's the cancer problems. I'm speaking to you as a cancer survivor, for that simple fact. I never smoked in my life. How did I develop kidney cancer? My surgeon looks at me across the table and says, well, you were a firefighter for 20 years.

Not to mention our current global climate right now. If you look to our neighbours in the south, the Department of Homeland Security is supporting their fire services in the form of grants and what not to various volunteer levels. It's not the same globe that we were on 20 or 30 years ago.

I'm not sure if that answers your question.

Mr. Rob Moore: Thank you.

I have a question for anyone from this group that pooled your time together. I noticed you were calling for—and we heard this from some of our last presenters—an increase in the minimum wage to \$10. You have a number of products behind you, farming products and so on.

What do you say when people ask the question or point out the fact that if the minimum wage were increased from \$6, \$7, or \$8, depending on the province you're in, to \$10 an hour, those are the very types of products whose cost would also increase. How do you respond to that?

[*Translation*]

Mr. Jean-Claude Basque: I don't believe the present minimum wage enables people to buy products that are on the market. In New Brunswick, the minimum wage for a single person is approximately \$13,000 a year, and the poverty line is \$17,000. We don't think the minimum wage should increase sharply, but, whatever happens, it has to increase. I don't think that'll have a direct impact on staple products. The important thing, I believe, is that workers have slightly higher incomes so that their quality of life is better.

These people, especially those who earn minimum wage, are living below the poverty line. So they must resort to food banks, among other services. Not everyone is in that situation, but a fair number are. We want the minimum wage to be raised to \$10 an hour

simply so that our standard of living is equal to the poverty line, indeed a little higher.

•(1115)

The Chair: Thank you, Mr. Moore.

Mr. Loubier.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Thank you, Mr. Chairman.

I'd like to ask Ms. Cormier a question.

You say we should adopt asymmetrical policies, in that we should focus on equality of results rather than equality of means.

May I translate that idea as follows? In 1996, when Mr. Martin was Minister of Finance, he redefined the three transfers that there were at the time, the social assistance, postsecondary education and health transfers. He made them into a single transfer, but redefined the criteria for it.

For social assistance, for example, that previously meant the needs of the regions. Since they varied by region, amounts varied as well. Mr. Martin changed all that for population criteria. In fact, you ask in your fourth recommendation that we go back to the initial criteria, that is to say that, since needs are different, different means should be used to achieve similar results from province to province.

Is that correct?

Madam Auréa Cormier: You understand very well. That's indeed what we would like.

Mr. Yvan Loubier: With regard to the federal minimum wage, I believe there was a federal minimum wage in the United States to which the states could adjust, but adjust upwards. I don't know whether that measure is still in existence.

Mr. Jean-Claude Basque: It doesn't exist in Canada.

Mr. Yvan Loubier: Does it in the United States?

Mr. Jean-Claude Basque: I don't know, but we'd like the federal minimum wage to be, in a way, the benchmark and so the provinces adjust to it. To appreciably reduce the number of people, families, and children living in poverty — and this is our message — the federal budget must include the implementation of concrete measures.

Raising the minimum wage would be one way of proceeding. However, introducing a federal minimum wage of \$10 an hour would help send a message to all the provinces and to the private sector. A large part of the private sector doesn't pay a decent, subsistence-level minimum wage.

Mr. Yvan Loubier: Ms. McClauslin, with your permission, I'm going to make a suggestion concerning what you presented earlier. In comparing the prices of food products from 2003 and 2005, you'll see that the increase is significant. In percentage terms, we see there was an extraordinary increase in staples prices. However, that could be linked to the income of people who receive social assistance. It can be seen that, in 2003, for example, 20 percent of the incomes of those people was spent on food; two years later, we're talking about perhaps 25 or 26 percent. With the increase in oil prices, if the price of heating oil were part of the envelope... I think these kinds of demonstrations are revealing.

In 1995, if my memory serves me, representatives of the social housing field came to Ottawa and had us members complete a sheet stating monthly incomes. When I entered the eighth income, that of the head of a single-parent family with two dependent children and a welfare recipient, and so on, I noted that this kind of exercise could make us aware of these problems. Considering the cost of food, medication and heating oil, among other things, we wondered how a person or a family with those kinds of obligations could live on so little. I think everyone would do well to do that kind of exercise.

Madam Auréa Cormier: That's an excellent suggestion. Moreover, I'd like the people here to know that the income assistance rate remained constant in New Brunswick between 1997 and 2005. It wasn't until last spring that the province increased social assistance benefits, which is distinctly inadequate. It doesn't enable people to live properly. Furthermore, measures such as the one intended to offset energy costs are also distinctly inadequate. Whatever the case may be, your comment was accurate.

• (1120)

Mr. Yvan Loubier: Allow me to make another suggestion, Ms. Cormier. When you address the issue of food products, you always have to bear in mind that those who benefit most from the situation aren't the producers of those commodities, that is to say farmers. In the past three years, the country's farmers have had negative net incomes. However, we see that there's been a dramatic decline in staples in the food industry. Farmers are on the verge of bankruptcy in many regions of the country.

However, wholesalers, manufacturers and especially retailers, which in a number of provinces are, to all intents and purposes, enjoying oligopolies, are raking it in.

Madam Auréa Cormier: That's entirely true.

Mr. Yvan Loubier: Thank you.

The Chair: Thank you, Mr. Loubier.

Mr. Godin.

Mr. Yvon Godin (Acadie—Bathurst): Thank you, Mr. Chairman.

First, I'd like to say a few words to the volunteer fire fighters. This doesn't count as a question. I want to say that I'm entirely in favour of what you're suggesting about Bill C-273. You're asking that the current amount of \$500 be raised to \$1,000. Having been involved in mine rescue, I know that people panic and want someone to save their lives in that kind of situation. That also endangers firefighters and the people involved in mine rescue. I don't think what you're requesting requires a major study.

In Ottawa, a bill can be passed in one day. So it can be done quickly. Now we're going to see whether the government shows the necessary will. When it had to legislate the Canada Post people back to work, I saw that it could be done in an evening. If it's a matter of taking measures for our citizens, we can proceed very quickly.

Now let's get back to low-income people. This problem doesn't just involve young people, middle class people or those with incomes of \$13,000, which is below the poverty line. There are also seniors living in poverty. But I don't get the impression this subject has been addressed.

I spoke with a lady not so long ago. Sometimes you get this kind of telephone call. That lady asked me how I thought she would be able this year to pay the \$800 that the 200 gallons of oil burned by her furnace would cost, when her income wouldn't even cover her hydro expenses. As a result of the increase in costs you referred to, she can't pay for her food. I believe a mistake has been made. I'd like to hear your comments on the subject.

Mr. Loubier spoke earlier about the three transfers to the provinces that had been combined into a single transfer. We could always start a lengthy debate on the need not to encroach on the jurisdictions of the provinces. I understand the idea. However, it seems that one group in society is currently footing the bill, and here I'm talking about the poorest citizens. They don't have the means to defend themselves. First, they don't have a lot of money to allocate to funding election campaigns. We get the impression that's what counts the most now. When money is distributed in the regions, some people are forgotten. You'd even say this situation is starting to be considered acceptable.

I don't want to spend all my time on comments, but some things have to be said. Poor people don't just live in the riding of Acadie-Bathurst. In Toronto, where you never used to see it, there are people living in the streets; they're homeless. In East Vancouver, the situation has worsened considerably. In Montreal, you can't even move around without someone who says he's in need holding out his hand. That's never been seen before. These transfers currently aren't intended to help certain groups. A sick society is a sick country. I'd like to hear your comments on the situation, which I find deplorable.

Recently, I introduced a motion in the House of Commons concerning the best 12 weeks for employment insurance purposes. It was promptly negated. It could have improved matters, since, in the regions where there is seasonal employment, what employment insurance claimants receive is generally about minimum wage. These people only receive 55 percent of their salary, which is less than social assistance benefits. Furthermore, they're not entitled to benefits like health insurance. That's what we've come to.

I'll leave it to you to comment. It's important that you do so.

• (1125)

Mr. Claude Snow: As a result of the sharp increase in hydro costs, a low-income family earning approximately \$1,000 a month — some earn a lot less, about \$800 — very often pays as much as \$200 for hydro. That's 20 percent of its income. That's a major expense just for hydro and heating.

We get the impression that, over the years, the federal government has increasingly neglected certain segments of the population, particularly those with the lowest incomes. Minor disregard ultimately results in major abandonment. Today, too many people are completely abandoned, not only in the north of our province, but, as you say, elsewhere in Canada as well. It's deplorable that a rich country such as ours has as many poor people and people reduced to panhandling.

As Jean-Claude Basque mentioned earlier, 850 individuals a month use food banks. We find it overwhelming that there are so many. That's equal to the entire population of Nova Scotia. They're among the poorest. Thirteen percent of these people are workers who don't earn enough money to make ends meet. We think that subsidizing the food banks is the wrong route. Instead we should go through Canada's social transfers. We need to transfer more money to the provinces so they have a better income assistance system.

The Chair: Thank you, Mr. Snow.

[English]

Mr. Hubbard, and then I have Mr. Solberg.

Hon. Charles Hubbard (Miramichi, Lib.): Thank you, Mr. Chair.

We've had some really good presentations. In fact a number of points have been raised that I've been trying to make for some time before this committee and before Parliament.

First of all, Mr. Chair, I'm concerned about Bill C-273. We had it before committee last spring. I believe it was tabled and we have to get back to Parliament within 30 working days of the tabling. I'm concerned that if we don't get at that bill, we're going to forfeit it. We've heard some good, strong presentations today that would indicate it is a significant factor.

A few years ago, we did offer, we thought, a concession to volunteer firefighters, but after we passed that legislation, we found it really only applied in provinces where volunteers were paid. We're dealing today with volunteers who are not paid. Despite the busyness of this committee, I think it's important that we get back to Mr. Cuzner's bill, Bill C-273. The finance department indicated at that time they would like to consider it further, and I know the recommendations they made. As chair of this committee, I would hope we will pursue Bill C-273 when we go back to Ottawa.

Secondly, last year I introduced a motion before this committee that would have meant that no Canadian earning less than \$10,000 a year would be paying federal income tax. I wonder if any of the presenters today would disagree with our committee making a recommendation that people in this country earning less than \$10,000 a year should not have to pay federal income tax. I know it's not a lot of tax, but to poor people it is a lot of money. Would anyone disagree with the committee making that recommendation to Parliament?

Thirdly, I'd like to talk in terms of what our anti-poverty groups have brought forward.

Ms. Boyd, you certainly brought forward a lot of recommendations. You talked about NAFTA; you talked about a lot of different things. What would be the two most significant recommendations in

your presentation that this committee should make in terms of its pre-budget presentation?

• (1130)

Ms. Mary Boyd: Mr. Hubbard, I think we really have to look at the approach to budgeting. Instead of looking at gross domestic product and counting prosperity that way, we should begin to change our whole emphasis so that we start looking especially at the people in society who are not able to make it.

Following on the discussion this morning, a woman phoned me last week, and she's a single woman, a burnt-out caregiver. She told me that she will not be able to qualify for anything that's going to be given in relation to the crisis we're facing in energy this year because she's too young for pensions and she can't qualify for UI, so she has nothing to fall back on at all. She says many single people are in that situation across the country. They are the most forgotten and left out because every stipulation, every point of entry for qualifying...they can't get in, so we have to look at that in the context of wiping out poverty. The main thing would be to set a goal in this country. Call it what you want—make poverty history, have a Canada without poverty. That means, then, that it has to be a comprehensive holistic approach—not just one thing but a holistic approach. We can begin, certainly, by raising the wage for working people. We can begin by improving—

Hon. Charles Hubbard: I don't mean to interrupt, but I only have six minutes.

We know that, and we also know the Province of New Brunswick has some of the lowest social assistance programs in Canada. Federally, we can't really intervene with that because we give transfers of money and it depends how the provinces allocate it. So that is a significant problem. We have the child tax benefit, which certainly helps people of low income with children.

Maybe Mr. Basque...he and I have met at other times, on different occasions. I don't entirely agree with the loss of money because of EI. In terms of Canada, we had a 10% unemployment rate a few years back, and now we're hovering down at 7%, or a bit lower, so we can't really measure this entirely. I know that EI is a big factor, and the benefits. Mr. Godin presented his concern with his constituency quite eloquently in terms of Parliament.

Perhaps you would answer, Mr. Snow or Mr. Basque, in terms of the two main things that we might address in terms of this budget to help the people most in need. You did, for example, refer to the poorer regions being offered certain incentives that might enable them to grow and to produce more employment and better living conditions. Could you just elaborate, either of you, or your colleagues, in terms of what you see as major things we could do?

[Translation]

Mr. Jean-Claude Basque: We're making the same recommendations as Mary. In 1996-1997, the federal government grouped together and reduced the funding allocated for health, education and social assistance. We want an amount of money to be allocated exclusively to social assistance and that it be much higher than the present amount.

Our second recommendation concerns modernization of the employment insurance system. There are explanations for poverty. First, the incomes of people who can't work, who receive social assistance or a pension, are inadequate. Second, when those who can work lose their jobs, their incomes are inadequate as well, as a result of cutbacks to employment insurance. These are two major suggestions that this committee could address.

[English]

Hon. Charles Hubbard: Pardon me, Mr. Chair, but in terms of nursing, we've heard from the medical profession before. We have a tremendous shortage of doctors and nurses, but I'm just not clear in terms of all this with nursing. Is it a lack of applicants, is it a lack of facilities, or is it a lack of opportunities? I find a lot of the young nurses from this province graduate and they see an ad in the paper about a job in Georgia or North Carolina or South Carolina. We're losing a lot of our young people, who are leaving the country because they don't think the opportunities are here. Am I wrong in saying it's a lack of applicants, a lack of facilities and training of people? What is the real problem that we're so short of nurses?

It's drastic to see your presentation in terms of the numbers, in terms of how short we'll be by the years 2009-10.

• (1135)

Ms. Patricia Griffin: They say there are three major reasons for the shortage.

The first is that we're not producing enough and that we have limited capacity in the education system. Some provinces have seats go empty, and Ontario is one of those. Most of the other provinces don't. There still are more qualified applicants than there are seats.

The second major reason that we have a shortage is human resources management practices that make it not very nice for nurses to work. Nurses have an 83% absenteeism rate in this country, which is higher than 47 other occupational groups. They work overtime, sometimes mandatory unpaid overtime, and it goes on and on, the litany—you've heard it all. The force we do have could be far more productive than what it is if we could manage those practices better.

The third reason is there simply isn't enough money in the system to hire the number of nurses needed, so nurses are graduating and are not able to find full-time employment. They have to work in two or three different places. Look what that did to SARS in Toronto; we know very well what happened there.

So it's a combination of all three.

Hon. Charles Hubbard: Thank you, Mr. Chair.

The Chair: Thank you, Mr. Hubbard.

Mr. Solberg.

Mr. Monte Solberg (Medicine Hat, CPC): Thank you very much, Mr. Chairman. I want to start by thanking Chief Rossiter and Chief Hamer for being here.

Gentlemen, on behalf of all colleagues, I would like to let you know how much we appreciate the work that firefighters do in this country. I'm proud of the fact that it was my colleague Rick Casson who initiated this. Now he's working with Roger Cuzner, and I think they are both doing a good job. I think I speak on behalf of all members when I say you have our support. We have until November 23 to deal with this, and I can guarantee you that we will bring it back, deal with it, and make sure it's a priority.

I don't have time to ask you a question, but I want to ask a question of Ms. Griffin.

I come from a community where we have a lot of immigrants. I live in Brooks, Alberta, which is in the news these days. I know there are three people who are doctors who trained in Cuba during the period of the cold war and then went back to the Sudan. They're now working as meat cutters on the floor of the packing plant. I'm wondering why your organization and other organizations in the medical field aren't reaching out to these people and getting them into schools. Surely they would have some skills to be helpful in nursing or that could be upgraded. Why isn't that part of your presentation? Why isn't there that type of outreach from organizations like yours?

Ms. Patricia Griffin: Some of it is happening, but probably not enough. One of the things we have to recognize, though... Algonquin College, in Ottawa, has a really good program for foreign-trained nurses coming over here. But if those nurses have to make up courses and all the rest of it, we have to remember that these people are probably coming with families and they need to support those families right away. So instead of taking the additional courses to be RNs, even if they were RNs in their own respective countries, what normally happens is that they will work as licensed practical nurses; they will work one step down. Sometimes they will go on, but most often they don't because they've found a niche for themselves, so it hasn't really added to our RN pool.

You're quite right. I think we have to get much better at looking at how we assess credentials, and we need to do it much quicker and much better. We've even talked about perhaps extending some of our accreditation programs to universities or to schools in other countries, which would really facilitate that whole process.

So there is work being done, but you're probably quite right that it's not fast enough.

Mr. Monte Solberg: To our social justice coalition here, we all want to see people on the low end do better. I think we all agree that the ideal is for the economy to produce as many jobs as possible. For those people who can work, the ideal is to get them in, get them the training, and get them to work, especially if we can find them full-time employment. But I acknowledge that there are times when that's not possible, and in the interim, we have to do some things.

I'm concerned about this idea of raising the minimum wage. Mr. Basque, I don't think you answered my colleague's question. He pointed out that if you raised the minimum wage to \$10, then inevitably you would raise the cost of some of the groceries we're talking about. If you raise corporate taxation, I can guarantee you that those costs will be passed on in the form of higher prices. Of course, then there's the whole other issue of what that does to employment. What happens to small businesses who can't afford to pay \$10 and maybe would have to lay people off?

Can you address those? If you doubt that it would have that kind of impact on employment, then why not advocate raising the minimum wage even higher, to \$20 or \$30 an hour, if it doesn't have those kinds of impacts?

• (1140)

[Translation]

Mr. Jean-Claude Basque: I'm going to answer your second question first. You seem to say that we shouldn't increase business taxes. If you analyze business income and the incomes of rich people in recent years, you see that they make a lot of money. The tendency is for the federal and provincial governments to reduce their direct and indirect taxes. That means less money in the federal and provincial treasuries to support our social programs. I don't think that by further taxing businesses or people who...

[English]

Mr. Monte Solberg: Pardon me, but corporate tax revenues in Canada are on the rise. They're at record heights right now.

[Translation]

Mr. Jean-Claude Basque: In the 2005 document, you see that the anticipated share of corporate tax revenue will decline. It's currently 23.6 percent and will be 17.8 percent during the period from 2003 to 2010. The percentage is falling for businesses and rising for individuals. The situation is reversed: instead of taxing businesses that are making profits, you're taxing individuals.

As regards the minimum wage, the federal government could abolish the GST on commodities if it fears that a higher minimum wage would increase commodity prices. However, I don't know how to answer you regarding the closing of small companies or eventual lay-offs. The matter should be studied. If workers have more money in their pockets, they'll definitely be able to consume more, which will help the economy. In my opinion, as has already been recommended, the GST should be abolished on commodities. That would help poor people and low-wage earners, of whom there are thousands in Canada.

[English]

Mr. Monte Solberg: For the record, it is off groceries now, of course.

The Chair: For the record, we've just heard that the committee is paying for independent consultants. Their projected forecast for the next two years, if I'm not mistaken, is for both individual and corporate revenues to be on the up side. So I'm not sure what study you're looking at for revenues, sir.

Mr. Monte Solberg: They're now at record heights.

The Chair: Anyway,

[Translation]

Mr. Basque, you said that, if the minimum hourly wage were increased to \$10, annual wages would nevertheless remain at \$13,000. Thirteen thousand dollars at \$10 an hour represents 1,300 hours, so 26 hours a week.

Mr. Jean-Claude Basque: No. I didn't say it would be \$30,000...

The Chair: You said \$13,000.

Mr. Jean-Claude Basque: In New Brunswick, people who are working for minimum wage have an annual income of \$13,000. For a single person, that falls below the poverty line, which is \$17,000 in the Moncton region.

The Chair: If the minimum hourly wage were increased to \$10, for example, would that be for a 40-hour week?

Mr. Jean-Claude Basque: Yes.

[English]

The Chair: Ms. Boyd.

Ms. Mary Boyd: I want to mention that three or four years ago I had the good fortune of visiting Australia. They have a federal minimum wage of \$10. They work very well with that, and their productivity is very good. Sweden is another country that has established this kind of wage level. There are studies out showing that as wages increase, productivity increases.

Raising the minimum wage helps the worker, but there are all the other people in this country who are not in the workforce who also need to have raises in income. So you have to look at how one thing affects the other.

• (1145)

The Chair: Thank you, Ms. Boyd. We've got your point. I have to go because we have the next group waiting.

I just want to thank all the groups for appearing. It's difficult for us to ask the questions we want to ask because of the limited time, the varying groups, and the different interests you have. But I want to thank you for allowing us to be here, and for your presentations.

The meeting is adjourned

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