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# **Standing Committee on Government Operations and Estimates**

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**EVIDENCE**

**Thursday, December 4, 2014**

—  
**Chair**

**Mr. Pierre-Luc Dusseault**



## Standing Committee on Government Operations and Estimates

Thursday, December 4, 2014

• (0830)

[Translation]

**The Chair (Mr. Pierre-Luc Dusseault (Sherbrooke, NDP)):** Good morning.

I now call to order the 39<sup>th</sup> hearing of the Standing Committee on Government Operations and Estimates. We will be doing clause-by-clause consideration of Bill C-21.

Mr. Vandergrift, who is with us today, will be able to answer specific questions on clauses of the bill and the potential effects of the amendments. He is our resource person.

The legislative clerk is also present; he will also be able to answer questions and decide with me whether amendments are in order.

Without further ado, we will begin our clause-by-clause consideration of the bill. You no doubt have all of the necessary documents in hand.

Consideration of the title, short title and preamble stand postponed. I remind you that you may propose amendments. Twelve amendments have already been tabled, but it is possible to propose others now.

So, we shall begin with clauses 2 to 4.

(Clauses 2 to 4 inclusive agreed to)

**The Chair:** We have received an amendment from the NDP regarding clause 5, NDP-1. I'm going to read it for the members of the committee. Afterward, the sponsor of the amendment may explain it if he wants to, but he is under no obligation to do so.

That Bill C-21, in clause 5, be amended by adding after line 23 on page 2 the following:

“(1.1) Before the regulation referred to in subsection (1) is made, the interested parties must be provided an opportunity to make representations with respect to the proposed regulation.”

Mr. Ravnat, do you want to explain that amendment?

**Mr. Mathieu Ravnat (Pontiac, NDP):** No, I think its purpose is quite clear.

**The Chair:** We will now debate the amendment.

Mr. Albas, you have the floor.

[English]

**Mr. Dan Albas (Okanagan—Coquihalla, CPC):** Thank you, Mr. Chair.

I certainly do appreciate when the NDP brings forward suggestions; however, unfortunately this is a redundant proposal,

as we heard clearly from officials from both Health Canada and Environment Canada. The departments themselves do individual consultations by first putting forward regulatory plans and then meeting with interested stakeholders who are going to be affected.

As part of the prepublication of any amendments, there is a RIAS, which is a regulatory impact analysis statement, which basically covers in layman's terms what is being changed and the rationale. It also includes a 60-day consultation phase. The *Canada Gazette* process has been around since the 19th century. The consultation phase is one of our finest institutions, where anyone interested from any background can submit.

For us to be providing an opportunity to make representations, to be adding some sort of parallel system that is not defined, will actually draw away from the current system. If the NDP had suggestions on how to improve the *Canada Gazette* process, which would be outside the scope of this bill, I would certainly be happy to hear them.

With that, Mr. Chair, I personally would not recommend that members of this committee support this because it's ill-defined and at best, redundant.

• (0835)

[Translation]

**The Chair:** Thank you, Mr. Albas.

Mr. Trottier, you have the floor on the amendment.

[English]

**Mr. Bernard Trottier (Etobicoke—Lakeshore, CPC):** Just to add to Mr. Albas' comments, all regulations in all departments have to go through this process already, so there is no need to put it in the bill. This need to publish regulatory proposals in the *Canada Gazette* and provide interested parties the opportunity to comment is already spelled out in what's called the Statutory Instruments Act.

[Translation]

**The Chair:** Thank you.

Mr. Byrne, you have the floor.

[English]

**Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.):** Dan had me right up until the point when he said that the consultation process is one of our finest institutions. Consultations are not necessarily always that thorough.

[Translation]

**The Chair:** Mr. Ravnat, you have the floor.

**Mr. Mathieu Ravignat:** Ah, there's the rub, if you will. Do we truly believe that the consultation process for this bill is sufficiently robust? The bill could have consequences on the regulations aimed at protecting the health and environment of Canadian men and women. It would be appropriate, I believe, to strengthen the consultation process. Of course, we may have different opinions on that.

**The Chair:** Thank you.

This concludes debate on amendment NDP-1 to clause 5.

(Amendment negatived)

(Clause 5 agreed to)

**The Chair:** We will now move to clause 6.

(Clause 6 agreed to)

**The Chair:** There are several amendments being proposed to clause 7. If amendment NDP-2 carries, this will affect amendments NDP-4, NDP-5, NDP-6 and NDP-7.

We will begin with amendment NDP-2, which I will read for the members of the committee. It reads as follows:

That Bill C-21, in clause 7, be amended by adding after line 13, on page 3 the following:

“(2) Regulations relating to public health, food security, occupational health and safety, and the environment are exempt from the provisions of section 5.”

I am going to yield the floor to Mr. Ravignat, who introduced this amendment.

**Mr. Mathieu Ravignat:** Very well.

Regulations that are in the public interest should be maintained. It is as simple as that. The idea is not simply to exercise theoretical control over the number of regulations; we also have to determine which ones are really useful for Canadians. We heard that comment from the witnesses. We have to focus on concrete measures to help small business people. There is no doubt at all on that.

That said, government regulations aimed at protecting the health and safety of Canadians as well as their environment should in my opinion be a priority at all levels. That is why we suggest that this amendment be adopted by the committee. We need more than the government's word in this regard in my opinion. We want to ensure that deregulation will not apply to regulations that protect health, safety and the environment. I think that this amendment will allow us to do so.

● (0840)

**The Chair:** Does anyone want to comment on the amendment?

Mr. Albas, you have the floor.

[*English*]

**Mr. Dan Albas:** Thank you, Mr. Chair.

I just think that there seems to be a fundamental misunderstanding on the other side—perhaps not the whole other side—as to what this bill actually does. It actually does not look at compliance burden. The whole purpose of regulation is to provide for health and safety as well as clarity to business. That is the compliance burden. This bill has nothing to do with that. The Government of Canada and

individual ministers will continue to put forward regulations that make sure those issues are well looked after. What this particular bill does is work on the administrative burden that is associated with it.

Last meeting, at the request of Mr. Byrne, we had Health Canada, and Mr. Beale came. He specifically said that when they look through and are pulling out another regulation from the perspective of administrative burden, they actually look to see if the information that's being asked for is duplicated somewhere else. They ask to see how often it should be reported. Obviously they make sure that those things are in line with making sure that there are no issues with health and safety—or the environment in this case, because he's an Environment Canada official—and that it has no bearing whatsoever on health and safety or the environment. I gave the example of where they were able to just ask for the VIN only once from importers of foreign cars. That has saved more than \$1.5 million for the industry, again without compromising health, safety, or the environment.

The one-for-one rule has been in practice for the least two years. It has a track record. For the member opposite to come to the conclusion that continually looking to make sure the administrative burden on businesses is kept in check but not the compliance, that is either disingenuous or the member and his party do not understand the bill.

I would just again suggest, Mr. Chair—and I do say this respectfully, I know this gentleman tries very hard to represent the small businesses in his riding—he should be able to go back to his constituents and be able to tell them that this will have no effect on the environment or health and safety at all. I would recommend that all members do not vote in favour of this amendment.

[*Translation*]

**The Chair:** Thank you, Mr. Albas.

I now yield the floor to Mr. Trottier.

[*English*]

**Mr. Bernard Trottier:** I feel like my colleague, Mr. Albas, is the play-by-play man and I'm the colour man, but I'll just add a few comments to clarify.

In clause 4, the purpose of the bill clearly says “administrative burden”. It explicitly says that compliance burden is not subject. I was wondering where the definition for compliance burden would be contained. Apparently the Government of Canada has something called the “Canadian Cost-Benefit Analysis Guide”. It's a formal document, and it clearly spells out the differences between compliance burden and administrative burden.

Examples of compliance burden would be the cost of a business installing emission control equipment or pharmaceutical testing. Those are burdens, but they have to comply with the regulations. It's very clearly delineated from administrative burden.

It's a standard set of definitions that other countries in the OECD have. It's derived from something governments use around the world called the standard cost model. There's a clear definition; therefore, the amendment isn't necessary because clearly health and safety compliance burdens are exempt from these kinds of regulations.

[Translation]

**The Chair:** Thank you.

This concludes debate on amendment NDP-2.

(Amendment negated)

**The Chair:** We will now move to amendment NDP-3, which will have an impact on other amendments, NDP-8, NDP-9 and NDP-10, if it carries. We are not there yet, and so we will study amendment NDP-3.

I'm going to read it for the committee.

**Mr. Mathieu Ravignat:** Mr. Chair, I apologize for interrupting you.

Perhaps we could simplify things? Basically, the same arguments will apply. I am going to say the same thing, and you will say the same thing. It would be preferable to go to amendment NDP-10. Would it be possible to simply vote on all of these amendments just once and to move to debate?

The reasoning is the same. I do not really have any other arguments to present for these amendments. I would be surprised if my colleagues had others as well.

● (0845)

**The Chair:** We are going to vote on amendment NDP-3. If there is unanimous consent, the result of the vote will also apply to NDP amendments 4, 5, 6, 7, 8, 9 and 10.

There seems to be unanimous consent to proceed in this manner.

Amendment NDP-3 reads as follows:

That Bill C-21, in clause 7, be amended by adding after line 13 on page 3 the following:

“(2) Regulations relating to safety management systems, transportation safety and transportation security are exempt from the provisions of section 5.”

**Mr. Mathieu Ravignat:** What point have you reached, Mr. Chair?

**The Chair:** I am on amendment NDP-3.

You did not seem to have anything to add.

**Mr. Mathieu Ravignat:** Are you going to read all of the amendments?

**The Chair:** No. We still have not voted on amendment NDP-3.

**Mr. Mathieu Ravignat:** Fine.

**The Chair:** The result of the vote on amendment NDP-3 will apply to NDP amendments 4 to 10.

**Mr. Mathieu Ravignat:** Mr. Chair, I am confused.

Are we on NDP-3 to clause 7? The same reasoning applies. Okay. Let us add NDP-3 to the lot and that will be okay.

**The Chair:** We will now vote on NDP-3.

The result of the vote on NDP-3 will also apply to NDP-4, NDP-5, NDP-6, NDP-7, NDP-8, NDP-9 and NDP-10.

(Amendments NDP-3 to NDP-10 negated [See *Minutes of Proceedings*])

**The Chair:** We will now vote on clause 7.

(Clause 7 agreed to)

**The Chair:** We will now examine amendment NDP-11 to clause 8.

I will first read amendment NDP-11 before making a decision on whether or not it is in order.

**Mr. Mathieu Ravignat:** Point of order, Mr. Chair.

I thought I had had the confirmation that all of the amendments were in order.

**The Chair:** I received the amendments and I will give you my decision later. It is my prerogative to decide whether they are receivable or not.

**Mr. Mathieu Ravignat:** Very well. They probably are.

**The Chair:** Amendment NDP-11 reads as follows:

That Bill C-21, in clause 8, be amended by replacing line 18, on page 3, with the following:

“done under this Act, except in the case of serious or irreversible environmental damage or an accident causing the death of a person.”

The chair feels that amendment NDP-11 is not in order. I will explain my decision.

The purpose of Bill C-21 is to create An Act to control the administrative burden that regulations impose on businesses. The bill states that the Crown has total immunity from all legal action or any other procedure. The purpose of the amendment would be to lift that immunity in certain cases.

*The House of Commons Procedure and Practice*, second edition, page 766, states the following:

An amendment to a bill that was referred to a committee *after* second reading is out of order if it is beyond the scope and principle of the bill.

The chair is of the opinion that the amendment is contrary to the principles of the bill as adopted at second reading by the House on November 17. Consequently, I declare the amendment not receivable.

Since there are no other amendments to clause 8, we will vote.

(Clause 8 agreed to)

● (0850)

[English]

**The Chair:** In Clause 9, we have an amendment from the NDP, NDP-12. I will read it for the committee in English:

That Bill C-21, in Clause 9, be amended by adding after line 25 on page 3 the following:

“(2) The report must contain the following information:

(a) a list of the regulations that have been made and repealed pursuant to section 5 during the year;

(b) a summary of the impact of each repeal of a regulation, taking into account the economic, social and environmental factors;

(c) the expected and net effects for each repealed regulation; and

(d) a description of the consultations held during the repeal process.”

Is there debate?

[Translation]

I am going to ask Mr. Ravnignat, who introduced the amendment, to explain its rationale.

**Mr. Mathieu Ravnignat:** I will be pleased to do so.

Obviously, it is about transparency. We want to ensure that the public has access to the information needed to know which regulations have been changed and how this was done. Moreover, it would be very useful for businesses to know this. The possible impacts this bill could have are clear, aside from the reduction in regulations affecting SMEs and the evolution of the one-for-one rule in the future.

Rather than spending taxpayers' money for nothing, we should see to it that the report contain obligations to report on how the government is using this act, and those accountability obligations should be clear; it is that simple.

**The Chair:** Thank you.

Mr. Albas, did you want to speak to the amendment?

[English]

**Mr. Dan Albas:** Thank you Mr. Chair.

I can appreciate where the member opposite is coming from; however, if we go back to testimony we heard during our study of this particular bill, there are already provisions.

First of all, all departments carry four regulatory plans so that they communicate in advance of any proposed changes with interested parties. They can go and see what the proposals are for regulations to be reviewed or looked at, so they can contact the department from there.

Then as a part of the regular process, a regulatory analysis impact statement is let out that basically addresses all of proposed paragraph (b), all of (c), and all of (d), so that people can have that kind of transparency. If someone in my riding goes and reads the *Canada Gazette*, they can find out what consultations have already been done with stakeholders. They can already find out what exactly in layman's terms the benefits and the costs of the regulatory change will be and why it's even being brought forward.

Again, the *Canada Gazette* prepublication—that's the *Canada Gazette* part I—will allow someone to be able.... It doesn't matter who you are in this country, you can bring forward your suggestions, and then those suggestions are accumulated and produced in the second *Canada Gazette*. So the government actually says what it will do and what it heard, and if there were any changes because of that.

Finally, once this particular one-for-one rule is applied, it is part of the score card that is put out by Treasury Board every year. It clearly lists all regulations that have been amended under the one-for-one. All that information is clear and available to taxpayers, to business owners, and to the average citizen. So as far as I can see, at best, all of this is redundant and it is indicative that either the NDP does not understand the bill or they do not understand our current processes.

Mr. Chair, I would just like to suggest that no member should vote for this, because, again, adding more of the same is redundant. I thought we were here to try to end redundancies.

● (0855)

[Translation]

**The Chair:** Thank you, Mr. Albas.

Mr. Trottier, you have the floor.

[English]

**Mr. Bernard Trottier:** Yes, just as Mr. Albas said, my understanding is the *Canada Gazette* process already includes the regulatory impact assessment statement. That's a statutory requirement in the Statutory Instruments Act.

I was hoping to hear from Mr. Vandergrift, who has some expertise in this area. The regulatory impact assessment statement, does it contain the information that's included in this amendment already?

[Translation]

**The Chair:** Do you have any information you would like to share with us, Mr. Vandergrift?

[English]

**Mr. Michael Vandergrift (Assistant Secretary, Regulatory Affairs, Treasury Board Secretariat):** Yes, the regulatory impact assessment statement lays out a number of analytical requirements for regulations. That's all spelled out in what's called the cabinet directive on regulatory management. That's a publicly available document. It lays out the requirements for every regulatory impact assessment statement, including such things as consultation requirements, cost-benefit analyses, international cooperation issues, federal-provincial issues, and impact issues for various stakeholders.

The requirements for what is to be in a regulatory impact assessment statement is laid out in this cabinet directive on regulatory management, which is a publicly available document. All regulators follow that document.

**Mr. Bernard Trottier:** Based on that, this regulatory impact assessment statement is done for all regulatory changes, not just those that are done under the one-for-one rule. So why would we have a process for the one-for-one rule different from the rest of our regulatory changes? I think it would make more sense to have a standard regulatory impact assessment statement done across all of government.

Is that a fair statement, Mr. Vandergrift?

**Mr. Michael Vandergrift:** It does apply to the full range of the government regulatory activity, yes.

[Translation]

**The Chair:** Thank you.

I have Mr. Ravnignat's name on my list.

**Mr. Mathieu Ravnignat:** I have nothing to add.

**The Chair:** I have no other names on my list.

We will now vote on amendment NPD-12.

(Amendment negated)

**The Chair:** We will now examine clauses 9 to 11.

[*English*]

(Clauses 9 to 11 inclusive agreed to)

[*Translation*]

**The Chair:** Shall the short title carry?

**Some hon. members:** Agreed.

**The Chair:** Shall the preamble carry?

**Some hon. members:** Agreed.

**The Chair:** Shall the title carry?

**Some hon. members:** Agreed.

**The Chair:** Shall the bill carry?

**Some hon. members:** Agreed.

**The Chair:** Shall the chair report the bill to the House?

**Some hon. members:** Agreed.

**The Chair:** Shall the committee order a reprint of Bill C-21?

No, that is not necessary, as it was not amended.

This concludes our clause-by-clause consideration of Bill C-21.

As the committee has just requested, I am going to report the bill to the House as soon as possible.

That said, there are no further items on our agenda. Members of the committee, we will meet again in January.

[*English*]

Have a good Christmas to all. It will be nice to see you in January.

[*Translation*]

The meeting is adjourned.

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