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Monday, March 21, 2016

—
Chair

Mr. Bryan May

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

Monday, March 21, 2016

• (1530)

[English]

The Chair (Mr. Bryan May (Cambridge, Lib.)): We're going to get moving here as we have a very busy schedule. I thank everybody for being on time. We are going to have to be on time if we're going to get through everything. So, without any preamble, I believe we have a motion.

Mr. Robillard.

[Translation]

Mr. Yves Robillard (Marc-Aurèle-Fortin, Lib.): Thank you, Mr. Chair. Good afternoon everyone.

The motion I am submitting reads as follows:

That, pursuant to the order of reference of Monday, March 7, 2016, the committee undertake a study of Bill C-4, An Act to amend the Canada Labour Code, the Parliamentary Employment and Staff Relations Act, the Public Service Labour Relations Act and the Income Tax Act, which should include the following:

That four meetings be scheduled for the consideration of the bill, including this meeting;

That this first meeting be devoted to a briefing from the Minister of Employment, Workforce Development and Labour, and department officials;

That the second and third meetings be devoted to hearing various panels of witnesses;

That the clause-by-clause consideration of the bill be scheduled for the fourth and last meeting; and that any amendment proposed by members of the committee be submitted to the clerk of the committee no later than 48 hours prior to the start of clause-by-clause consideration of the bill;

That each witness meeting consist of two panels of witnesses consisting of up to three witness organizations who shall be selected by the committee using the regular witness apportionment and selection formula based on House of Commons representation and that members of the committee submit their witnesses lists to the clerk by no later than 5:00 p.m., Friday, March 25, 2016;

That the study commence immediately following the passing of this motion, as legislative studies take precedence over other activities for the committee and because the minister is readily available;

That the clerk of the committee be directed to work with the chair to ensure witnesses are invited and ready for the start date for the study and subsequent meetings as identified by the chair.

[English]

The Chair: Thank you.

Are there any debate, questions, or concerns before we move to a vote?

(Motion agreed to)

The Chair: We are going to pause while we get the cameras all set up. We'll get back here as soon as the minister and the technical people tell us we're ready to go.

Thank you.

• (1530)

(Pause)

• (1540)

The Chair: On behalf of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities, I would like to extend my thanks to Minister Mihychuk for joining us today. Thank you very much.

Minister Mihychuk, without any preamble or further ado, I turn it over to you for your introduction.

Hon. MaryAnn Mihychuk (Minister of Employment, Workforce Development and Labour): Thank you very much. It's a real pleasure for me to be here with so many of my colleagues who are obviously interested in one of the most important areas of our work, the welfare of Canadians.

One of the relationships that's very important is our relationship with organized labour, and so we will be talking about Bill C-4 and exactly that, building a stronger relationship with our organized labour movements in Canada.

I'm proud to be here today to present for your consideration Bill C-4, an act to amend the Canada Labour Code, the Parliamentary Employment and Staff Relations Act, the Public Service Labour Relations Act and the Income Tax Act. This bill, if passed by Parliament, would repeal Bills C-377 and C-525, both of which have been a detriment to unions and labour organizations.

Bill C-4 helps deliver on our commitment to restore a fair and balanced approach to labour relations in this country, one that balances the rights of unions with the rights of employers. Bill C-377 and Bill C-525, two bills adopted during the last session of the 41st Parliament, upset that balance, and we believe must be repealed. These bills have serious ramifications for workers and unions in Canada. They put unions at a disadvantage. They also bypass the tripartite consultation process involving employers, unions, and governments, a process that has traditionally been used for federal labour relations law reform in Canada and which contributed to stable labour relations in the federal jurisdiction.

Fair, balanced, and evidence-based policies must be developed through real consultation and engagement. Our government believes this is essential for the prosperity of workers and employers, Canadian society, and the economy as a whole. When it comes to labour law reform in the future, we are firmly committed to meaningful engagement with unions, employers, other stakeholders, the provinces, the territories, and the Canadian public.

To make sure the federal labour policy works in the best interest of Canadians, we felt it was our duty to seek the repeal of Bill C-377 and Bill C-525. These bills were a solution in search of a problem. First let me explain what these bills do. I'll start with Bill C-377.

Bill C-377 amended the Income Tax Act to require all labour organizations and labour trusts, including those under provincial jurisdiction, to file detailed financial and other information with the Minister of National Revenue which would then be made publicly available on the CRA website.

This raises significant privacy concerns because it would include detailed information on organizations, assets, and general financial health as well as liabilities. This includes individual transactions over \$5,000, the salaries of certain officers, directors, and trustees, as well as time spent by certain personnel on political or non-labour relations activities. Failure to comply with these reporting requirements could result in a fine of \$1,000 for each day of non-compliance up to a maximum of \$25,000 per year.

In addition, Bill C-377 creates unnecessary red tape for unions that are already financially accountable to their members. Section 110 of the Canada Labour Code requires unions as well as employer organizations to provide financial statements to their members upon request and free of charge. Most provinces have similar requirements in their labour laws, so Bill C-377 duplicates accountability measures that already exist. The bill also puts unions at a disadvantage during the collective bargaining process by giving employers access to key information about unions without being required to reciprocate.

• (1545)

Bill C-377 has tilted the playing field in favour of employers. For example, employers would know how much money the union has in a strike fund for a possible work stoppage and how long they could stay out if it came to a strike; so, the union's most important negotiating lever is undermined. There have also been concerns raised about the constitutionality of Bill C-377, because the objective of the bill could be seen not as taxation, but as the regulation of unions, which is in large part a matter of provincial jurisdiction. Seven provinces spoke out against Bill C-377 for that very reason. Bill C-377 is problematic for many reasons, but if it is inconsistent with the Constitution then that alone should be reason enough to repeal the legislative changes it made.

This brings me to Bill C-525. This bill changed the unions' certification and decertification systems under the Canada Labour Code, the Parliamentary Employment and Staff Relations Act, and the Public Service Labour Relations Act. The bill replaced the existing card check system with a mandatory vote system, despite the fact the old system worked well for decades and there was little pressure to change it. Bill C-525 makes it harder for a union to be certified as a collective bargaining agent, and makes it easier for a

bargaining agent to be decertified. Previously, the Canada Labour Code required at least 35% support to trigger a union certification vote. If the organization could show they had the majority's support, they were automatically certified as a bargaining unit. Now under Bill C-525, a party seeking to become a certified bargaining agent faces more difficult odds. To be certified as a bargaining agent, they need to demonstrate the support of at least 40% of the employees and must proceed to a certification vote in all cases, even if majority support is expressed. Previously, decertification was possible if the party seeking the revocation of the unit certification demonstrated majority support. Now representation votes must be conducted in all cases when at least 40% support for decertification is demonstrated.

When we asked stakeholders what they thought of the new certification rules, many said the previous card check system not only was faster and more efficient, but it was also more likely to be free of employer interference. Some have suggested that moving away from the mandatory vote system and reverting to a card check system is undemocratic. Statistics show that from 2004 to 2014 the Canada Industrial Relations Board dealt with 23 cases involving allegations of intimidation or coercion during an organizing campaign, and only six were upheld. That's six cases in 10 years. Of these six cases, four involved intimidation and coercion by an employer. The other two were situations where two unions were competing to represent the same group of employees, and one union made allegations against the other. The card check system is a perfectly democratic way of gauging support as it ensures that an absolute majority of employees support the union, not just those who come out and vote. In addition, the Canada Industrial Relations Board and the Public Service Labour Relations and Employment Board can order a vote if there are doubts about employees' support for unionization. A union will not be certified unless the labour board is satisfied that there is support for it by a majority of employees.

• (1550)

By repealing Bill C-377 and Bill C-525, our government would restore a fair and balanced approach to labour relations in Canada. Successful collective bargaining and fairness in the employer-employee relationship are at the foundation of our economy. They provide stability and predictability in the labour force, two vital elements of a strong economy. To put it simply, good labour relations are good for everyone. The issue is simple: Bill C-377 and Bill C-525 diminish and weaken Canada's labour movement.

Bill C-4 would help return balance to labour relations and restore positive relations with provinces and territories. Our government strongly believes that Bill C-4 should be passed. I look forward to the committee's review of this important piece of legislation.

Thank you.

The Chair: Thank you, Minister. I failed to recognize and introduce the deputy minister of labour, Lori Sterling, so I want to take this opportunity to do so.

Thank you for joining us as well today.

I believe our first question is coming from Mr. Deltell.

Mr. Gérard Deltell (Louis-Saint-Laurent, CPC): Thank you, Mr. Chairman.

Madam Minister, welcome to the committee.

[Translation]

Good afternoon, ladies and gentlemen.

Mr. Chair, today we are considering Bill C-4, whose objective is to undo two bills that had been adopted under our government. These bills were based on transparency and democracy, with a secret vote and accountability.

When you join a union, you get tax credits. If we subscribe to the principle that tax credits are public, in our opinion, accountability should be as well.

[English]

Since union fees receive a big tax break, we really think they should be made public, so the unions should be required to make them public, but when we look at some clauses of the bill, they say exactly the reverse. Let's talk about clause 12, which talks about the the organization's assets, liabilities, income, and expenditures.

I am wondering why the minister wants to keep those hidden. Why does she want to be sure that those assets and that information will not be made public?

Hon. MaryAnn Mihychuk: I want to thank the member for asking the question. Really we are not about hiding information; in fact, we are about having disclosure for the members. What was involved with the bill was onerous legislation that required fiscal reporting that jeopardized the business state of the union, and was cumbersome, exceeding what is the norm for other non-profit groups. For example, if we look at the registered charity information return, this is the normal. It's about 10 pages long. The previous government suggested that unions should have to provide 300 pages of fiscal reporting. That is burdensome, full of red tape, unacceptable, and completely not needed.

Mr. Gérard Deltell: In clause 12, precisely, we're talking about... I will say it in French.

[Translation]

This is about the remuneration of certain leaders.

My question is clear. Why does the minister want the salary of union leaders to remain confidential?

•(1555)

[English]

Hon. MaryAnn Mihychuk: Any member of any union can ask what the union boss's wages are. In the private sector, it's not so clear. If a worker wants to know how much the boss is making, that is confidential information. What's good for employers is good for the unions. We're talking about fairness and balance.

Mr. Gérard Deltell: I will recognize the minister's experience in the NDP, but the point is that if you're talking about public business, well, it's public. We can't ask about the high salaries at Bombardier, just to give you an example. On the other hand, my question is also about the next point of clause 12.

[Translation]

This is about the time devoted by staff to political activities and lobbying and non-labour-related activities.

Why does the minister not want the unions to account for their partisan activities?

[English]

Hon. MaryAnn Mihychuk: The purpose of the legislation is to restore fairness and balance. The two bills were an attempt to make unionization more difficult at a time when we saw Canadians choosing free will to unionize or not. In fact, the overall unionization rate was dropping. The attack on unions was political, unwarranted, and unnecessary.

Mr. Gérard Deltell: I would like to know how the minister can explain that it is more difficult to have good information and transparency. We are talking about transparency. We are talking about *reddition de comptes*, as we used to say in French, you know, in the democracy. When you receive tax breaks, union fees with tax breaks, you have to be transparent. My question is whether the minister thinks that the public money is well-served if you hide the political activities of the union bosses.

Hon. MaryAnn Mihychuk: Thank you for the question. In most jurisdictions where I've had the opportunity to participate politically, donations from businesses and unions are actually prohibited. Where they are not prohibited, the standard for disclosure needs to be fair and reasonable. What was expected here was unfair and unreasonable, and it jeopardized the business security of the union itself.

Mr. Gérard Deltell: Let me read the clauses to the minister—

The Chair: You have about 10 seconds.

Mr. Gérard Deltell: —because what she said was not important is quite important: “time spent by certain personnel on political, lobbying and non-labour relations activities”.

What is wrong with that? How come some union bosses will not tell the people how much time they spend on political activities?

The Chair: That's your time, sir.

Hon. MaryAnn Mihychuk: The suggestion by the member that somehow union leaders are choosing to withhold information, which would put them in contravention of the Lobbying Act or other disclosures of jurisdictions, is controversial and I would suggest unreasonable.

Union leaders and trade unions are subject to the laws and rules of the Lobbying Act, and each individual provincial jurisdiction has made it very strict. Whatever system occurs must be fair for employers and employees, and most jurisdictions actually prohibit active campaigning for parties. This issue perhaps is a bit of a red herring, as they say.

The Chair: Thank you.

Mr. Ruimy, go ahead.

Mr. Dan Ruimy (Pitt Meadows—Maple Ridge, Lib.): Thank you, Mr. Chair. Thank you, Minister.

We were talking about transparency. My understanding is that this information is available through most provinces already. Is it not?

Hon. MaryAnn Mihychuk: Absolutely. Most provinces have this in their own provincial requirements, and all the information is available to any member on request.

• (1600)

Mr. Dan Ruimy: Thank you.

When you spoke with stakeholders, how did they react to Bill C-377 when it was passed last year? Did you discuss proposed amendments in Bill C-4 with stakeholders, and what was their response?

Hon. MaryAnn Mihychuk: Thank you for the question.

First, the key labour organizations, including the Canadian Labour Congress, criticized Bill C-377 on the basis that it would upset the existing labour relations balance between unions and employers by requiring unions to publicly disclose key financial information, including the strike fund, without requiring employers to reciprocate. Second, it creates unnecessary and redundant financial disclosure obligations, since union financial disclosure is already addressed in the Canada Labour Code and in many provincial labour statutes. Third, the bill is biased against unions and ignores other types of organizations, such as professional associations, which also receive favourable treatment under tax law. Finally, the bill invades the privacy of labour organizations and their members.

Several labour organizations indicated their intention to challenge the provisions enacted by Bill C-377 on constitutional grounds. The Alberta Union of Provincial Employees, AUPE, has launched a constitutional challenge to Bill C-377, which is before the Alberta Court of Queen's Bench. Due to the government's stated intention to repeal the Income Tax Act provisions enacted by the bill, the Alberta Union of Provincial Employees has agreed to adjourn the application without any further dates for hearings being set.

The Canadian Bar Association, not normally known to be particularly heavily unionized, and the Office of the Privacy Commissioner raised concerns that Bill C-377 could breach individual privacy rights. The Bar Association suggested the bill may be subject to legal challenges on these grounds. Many provinces—Alberta, Ontario, Quebec, Manitoba, New Brunswick, Nova

Scotia, and P.E.I.—allege that Bill C-377 was potentially unconstitutional by encroaching upon provincial jurisdiction over labour issues. British Columbia did support the bill.

Some business organizations, such as the Canadian Federation of Independent Business, the Canadian Taxpayers Federation, and Merit Canada, did express support for Bill C-377. Market-orientated think tanks like the Fraser Institute and the Montreal Economic Institute had previously expressed support for expanding statutory union financial disclosure requirements.

The Chair: Thank you.

Mr. Sangha, you have time for a quick question.

Mr. Ramesh Sangha (Brampton Centre, Lib.): Thank you, Mr. Chair.

Many supporters of Bill C-377 and Bill C-525 have dismissed the criticism that they harm, not help, labour relations because they were done through private members' bills, outside the established tripartite process that has been followed for decades to make major amendments to the Canada Labour Code.

Could you explain to the committee the normal process to make major amendments and the importance of the process for stability in labour relations?

The Chair: You have about one minute, Minister.

Hon. MaryAnn Mihychuk: Let me try to understand the question. What is the difference between card check versus voting, or...?

Mr. Ramesh Sangha: No, no. My question is simple. Generally our laws are not made through private members' bills. These bills are both private members' bills with remedial law, remedial enactment. I'm wondering about the effect.

• (1605)

Hon. MaryAnn Mihychuk: Okay. I understand.

The process of any kind of labour law change requires the involvement and participation of three major constituents. Typically we would work with the labour movement, industrial associations and business groups, and government. All three would then come forward with a system that is vigorously reviewed and is beneficial to all three models.

In this case, that process of consultation was exempted. That resulted in difficulties between all three parties, quite frankly.

The Chair: Thank you.

Ms. Ashton.

Ms. Niki Ashton (Churchill—Keewatinook Aski, NDP): I'll be giving my time to my colleague, our critic for labour, Sheri Benson.

The Chair: Welcome.

Ms. Sheri Benson (Saskatoon West, NDP): Thank you very much.

Welcome, Minister, and congratulations on your appointment.

I want to give a big shout-out to communities right across Canada, trade unions, labour unions, and citizens groups who spoke out against the two bills we're talking about, Bill C-377 and Bill C-525.

Having come from the charitable sector and having experienced the previous government's sort of chill on the work we did, and of course the pieces under the guise of accountability around first nations, to me this is something along those lines that we need to repeal. We're on side, and I'm glad we're doing it. It's unfortunate we have to spend time going backwards to get where we were 10 years ago. However, I commend you on that.

You did bring up the Canada Labour Code, and I did want to take this opportunity to speak about that. We know the Canada Labour Code is about 60 years out of date. There was a review with some recommendations that were never implemented. I'm wondering if I could take this opportunity to ask the minister about a possible timeline or some idea for the committee about updating and modernizing the Canada Labour Code.

Hon. MaryAnn Mihychuk: I am aware the labour code needs revision, and we intend to bring in changes. We have already started the discussion on changes on flex time and the fact that we have a huge number of Canadians who are vulnerable workers no longer protected by trade unions and no longer protected and supported by EI. Unfortunately, a lot of them disproportionately are women and single mothers who are trying to juggle family and work.

We will be consulting and bringing in changes to the labour code so it becomes more sensitive to the new realities. We will be consulting with Canadians on those changes. They include things like flex time and parental leave, looking at somehow ensuring that fathers can participate more fully, looking at helping women who wish to pursue their careers and perhaps for family reasons are more likely to stay at home.

We will be coming out with changes. I'm hoping we'll see something by the fall session.

Ms. Sheri Benson: Thank you very much, Minister.

I'd like to take the opportunity to suggest that for a lot of Canadians, life is becoming unaffordable. We know that one important thing when we talk about labour rights and the rights of workers is the right to earn a living and to afford to live. That's more of a comment, but I'd like to hear your thoughts on it. Part of that would be to look at the Canada Labour Code.

I think we need to start the conversation about having a federal minimum wage. We're the only jurisdiction in the country that doesn't have that for federally regulated workers. Could you offer us a comment on whether that will be part of your work this year and in the fall?

• (1610)

Hon. MaryAnn Mihychuk: When we look at any program federally, we need to be cautious. If you look at temporary foreign workers, the whole idea that there's one standard system that's applicable for the whole country hasn't worked. Even if there are other programs that are dependent on the business climate of a jurisdiction, we need to be very careful. At this time that issue is addressed by the provincial standards on minimum wage.

The Chair: You have time for a quick question.

Ms. Sheri Benson: I hear what you're saying. I do think it is our role as a part of the federal jurisdiction to provide the same protection of minimum wage that we do to those workers who work provincially.

I'm strongly urging a \$15 minimum wage. It's 2016 for a lot of things. I think one of those things is a federal minimum wage.

Thank you.

The Chair: Next, we have Ms. Tassi.

Ms. Filomena Tassi (Hamilton West—Ancaster—Dundas, Lib.): Thank you, Mr. Chair.

Welcome, Minister, and thank you for your presence here.

Has the department done any research on card check versus mandatory vote?

Hon. MaryAnn Mihychuk: Yes, we have. In fact, the department produced a report back in 2013. At that time the minister was Kellie Leitch, who said, "In this study, we examined the link between the adoption of a mandatory vote regime and this decline in business sector union density."

As I mentioned before, we've seen a decrease in unionization over the last few decades. We found the use of the mandatory voting, MV, regime has been an important factor in the decline in union density in the Canadian business sector. It was estimated that, had all Canadian jurisdictions not used an MV regime for union certification starting in 1997, business sector union density would have been substantially higher in 2012. Simulations show that union density would have increased by around half a percentage point from 1997 instead of dropping by four percentage points.

I'd like to table the report for the committee. I think it's very interesting to see the statistics on the effects of mandatory voting versus card check. The card check system has been proven over the years to be very satisfactory, very efficient, and democratic. It has worked well. The change actually reduced unionization.

Ms. Filomena Tassi: Thank you, Minister. To follow up on that, you mentioned that the report is dated November 2013. Is that right?

Hon. MaryAnn Mihychuk: November 2013.

Ms. Filomena Tassi: Okay.

Bill C-525 was passed in April 2014. Is that correct?

Hon. MaryAnn Mihychuk: Yes.

Ms. Filomena Tassi: Was the department's research publicly available? I'm just wondering why the report was dated November 2013 and the bill was passed in 2014.

Hon. MaryAnn Mihychuk: No, it was not made publicly available. It was internal departmental research. It was of course available to the minister, to exempt staff, and one would assume to the Prime Minister's Office. This would have been part of the rationale for bringing in the bills when they did.

Ms. Filomena Tassi: Okay, thank you. I'm just curious as to why, if you have a report that actually supports the card check process, the evidence-based report would be hidden or kept from the public when this was the very issue that was being discussed.

Do you have any further comments on why a report that would support the current system would be hidden and not be circulated and supported? It's based on evidence and research that's been done. Do you have any reason or knowledge as to why it was not made public?

•(1615)

Hon. MaryAnn Mihychuk: This is a bit of speculation, and I wasn't in the Conservative caucus, although there were members that I came to officially see in my role as a member of the exploration industry in Canada. I know many of the members of the former government. Business people generally want harmony in the workplace.

There are sometimes political agendas that go well beyond what business would find reasonable or even asked for. In this case I think the bills were clearly an attack on organized labour at a time when it wasn't called for and wasn't merited.

The decision to unionize really comes down to Canadians themselves. More and more of our young generation are looking at new models of employment and are not choosing to become unionized. That's by their choice. They don't need a heavy-handed government to bring in tricks that make unionization more difficult. They have the intelligence and we have the faith that Canadians are choosing the right way. It seemed to be a purely political decision because the overall trend, as the report shows, is that Canadians were choosing not to become unionized. This isn't a serious threat to businesses, and in fact, the report indicates that it wasn't warranted.

One would have to conclude that it was a political agenda.

The Chair: Thank you, Minister.

Mr. Gérard Deltell: Mr. Chairman, on a point of order, I think that usually when someone wants to table a document you have to ask permission to do so.

The Chair: Fair enough.

Mr. Gérard Deltell: I want to tell the member that I welcome any document. I have no problem with that, but I wish, I want, and I hope that the government would be inspired by us when in question period we want to table very important documents.

Thank you.

The Chair: Fair enough. That is in the House. In committee, as long as it is given to the clerk, which it has been, and as long as it is in both official languages, what Minister Mihychuk has done is actually proper.

Thank you.

But in the House, you're absolutely correct.

We'll move to Mr. Long.

Mr. Wayne Long (Saint John—Rothesay, Lib.): Thank you, Madam Minister, for coming, and congratulations on moving so forcefully forward on Bill C-4.

In 2012, Mr. Cuzner, as labour critic, wrote to the Canada Revenue Agency and asked that they provide the same information on its employees that Bill C-377 would require of labour organizations. They said they could not provide the information because the Privacy Act precludes the CRA from disclosing personal information about its employees.

Do you find it strange that the Conservatives were asking unions to provide private information that their own agency, CRA, refused to provide because of privacy concerns? Could you elaborate on that? Thank you.

Hon. MaryAnn Mihychuk: Once again, the idea that we have to provide information to the public is now a standard principle. In fact, even with something like this, I was involved with many small businesses, and most small businesses would find this cumbersome. This is about 10 or 20 pages long. The idea that you would be required to submit hundreds of pages of financial information annually not only would cause a huge red tape administrative burden for the unions, but in fact it also would have cost government itself, CRA, an extra \$2 million annually to go through these reports to ensure that every box was checked off, that every little box was filled out.

Was that necessary? No. It created a cost burden for government and a huge cost burden for trade unions and trusts that were going to be impacted by that. That is why in December we indicated that we were moving forward with this bill to relieve the financial pressures on CRA, which did not think the reports were a good idea, and to indicate to trusts and unions that they would not be required to submit tombs of information that, for their members, was already public and available.

•(1620)

Mr. Wayne Long: Madam Minister, are there any other instances within the CRA or, to your knowledge, within the federal government where citizens have their name, salary, and the detailed reasons for receiving it posted on the World Wide Web?

Hon. MaryAnn Mihychuk: Well, I'm not familiar with anywhere else where that is submitted and provided. This is clearly an issue of privacy and is not normally a requirement.

Mr. Wayne Long: Thank you.

I'll share my remaining time with Mr. Robillard.

The Chair: Mr. Robillard.

[*Translation*]

Mr. Yves Robillard: Thank you, Mr. Chair. I welcome all of the witnesses.

First of all, I want to say that I am going to be speaking French.

Madam Minister, may I thank you for your presence among us here today. I also thank you, as well as your colleagues, for the information you are sharing with us before this committee.

It goes without saying that this bill is important for the riding I represent, Marc-Aurèle-Fortin, and for the country as a whole. From coast to coast, the important role unions play in protecting the rights of Canadian workers touches all of us, directly or indirectly. And so I am going to ask you the following question.

Madam Minister, will Bill C-4 make it easier for employees to organize, and how will it affect union dues?

Hon. MaryAnn Mihychuk: Thank you for the question.

[*English*]

Unfortunately, I'm going to have to speak in English.

Mr. Yves Robillard: No problem.

Hon. MaryAnn Mihychuk: Will it make it easier to unionize? The answer to that is yes. I don't think businesses or Canadians need to be afraid of that.

In fact, let's reflect on the value that unions have provided. Over the decades, unions have been the stalwarts of fighting back on child labour, on improving workplace occupational health standards, on calling for equal pay for equal work, and on bringing in a place for women and indigenous people. They fight for the disabled, and of course for minimum wage.

As you know, in Winnipeg we had the big strike in 1919, when unions and the business community had two views. What resulted was a better understanding. Unfortunately, it came head to head, but unions, from that time, have been a centrepiece not only of human rights here in Canada but of human rights around the world. Even though unions are no longer as prominent and prolific as they were, they are still inspirational leaders when it comes to rights and benefits for workers, and for all workers, whether they're in a union or not.

I think this bill would facilitate unionization. I don't think we can expect to see a massive increase in unions. I think they deserve our respect. The fact is they have a strong history of representing Canadian workers, and they have a very strong role internationally. I would not expect to see a huge number of unions, and I wouldn't expect to see union dues going up either. I think things will be the status quo.

The Chair: Thank you, Minister.

Mr. Warawa.

Mr. Mark Warawa (Langley—Aldergrove, CPC): Minister, it's a treat to have you here. Congratulations on your very important ministry. We look forward to working with you.

I was a member of a union for many years. Are you or have you been a member of a union?

• (1625)

Hon. MaryAnn Mihychuk: Yes, I have been a member of CUPE. I was an earth scientist, a geologist with the Manitoba government, and then was an employer, both as a provincial minister in Manitoba and as an employer in a small business. I am not a union member, but I have been, yes.

Mr. Mark Warawa: Minister, you held up two documents, one with many pages and one that was very small. I think the larger one represents typical annual reporting for an average-sized union. Is that right?

Hon. MaryAnn Mihychuk: This is a report form disclosure. It's called form LM-2 Labor Organization Annual Report. In the U.S. the Screen Actors Guild has 237,000 members, and I'm informed that this was the model used for Bill C-377. This is a report that we would have seen coming in this year.

Mr. Mark Warawa: Are you speaking hypothetically? Bill C-377 was given royal assent just before the last Parliament ended. Since it was given royal assent, has there been any annual reporting through it?

Hon. MaryAnn Mihychuk: No.

Mr. Mark Warawa: Is this an example of what you think it might be?

Hon. MaryAnn Mihychuk: That's correct.

Mr. Mark Warawa: The smaller one is for an NGO doing annual reporting. Is that right?

Hon. MaryAnn Mihychuk: This one is a registered charity information return from the Canada Revenue Agency. This is the standard non-profit return, which is still a bit heavy in the documentation. It would have fulfilled the requirements presented in Bill C-377.

Mr. Mark Warawa: So you are saying one is fair and the other one is onerous. Are you suggesting then that under Bill C-4 we use the smaller model?

Hon. MaryAnn Mihychuk: I'm suggesting that red tape is not good, and I'm big on streamlining regulations. Having been in small business, I can tell you that these kinds of forms are time-consuming and take up a lot of resources. I'm not even saying that these 20 or however many pages are easy to fill out.

Mr. Mark Warawa: Minister, then why were you using that as an example? I thought that was your example of fairness. So you're suggesting fairness is nothing. Is that correct?

Hon. MaryAnn Mihychuk: This document is what is required of non-profit organizations. This was potentially what the past Conservative government intended unions to present. This is exactly why it's not fair. In fact, I am in favour of fairness and balance—

Mr. Mark Warawa: Minister, was Bill C-377 a government bill or was it a private member's bill?

The Chair: Can we let the minister finish answering the question?

Mr. Mark Warawa: Well, I have limited time, Chair, and so I'm —

The Chair: I understand, and we're going to—

Mr. Mark Warawa: Minister, you said it was a Conservative government bill. In fact, it was a private member's bill by Russ Hiebert. He was number one in the last Parliament, and Ted Falk is number one in this Parliament. Being number one is very important. It took him four years to get it through, and in those four years, there was lots of debate and lots of consultation. It was not a government bill. It was a private member's bill. I was fortunate enough to get number 79 in the last Parliament and was fortunate enough to introduce.... It's a lot of work and it's very important. You represent your community. Mr. Hiebert, who is no longer an MP since he didn't run again, worked very hard for four years to get that through. There was a lot of consultation.

You touched on the importance of consultation, that fair, balanced, and evidence-based policies must be developed through real consultation and engagement. You also went on to say that you're firmly committed to meaningful engagement with unions. You mentioned that—and I'm proud to have been a member of a union—and then you went on to say that you want to consult meaningfully with employers, other stakeholders, provinces, territories, and the Canadian public. Russ Hiebert spent four years.

Bill C-4 has been one of the pilot pieces of legislation from the Liberal government. Could you tell us how this is creating jobs, since that's your number one mandate? What did the consultations look like? Did you consult with more than unions?

• (1630)

The Chair: Very briefly, Minister.

Hon. MaryAnn Mihychuk: We consulted with millions of Canadians. We indicated right from the start of the election that these two bills were not only punitive, but they also were not required. They caused unfairness to the relationship between business and unions.

During the election in 2015, Canadians spoke out against an agenda of attack on unions and workers in Canada, and voted for change.

Yes, we consulted with the provinces. Even more importantly, we consulted with Canadians.

The Chair: Mr. Ruimy.

Mr. Dan Ruimy: Thank you, Mr. Chair.

Speaking to my colleague on the other side, what concerns do you have that the reporting requirements found in Bill C-377 interfered with the internal operations of labour organizations or actually even forced unions to disclose information that would disadvantage them during collective bargaining?

Hon. MaryAnn Mihychuk: By giving employers access to unions' financial information, including strike funds, without requiring employers to reciprocate, the reporting requirements included in Bill C-377 could upset the existing labour relations balance and disadvantage unions in the collective bargaining process.

If two parties are at the table, there are certain measures you wish to hold confidential if you're in a bargaining situation, and that includes how much you have in your strike fund, or how much you have in your replacement worker fund. This information is confidential. The bill would have made it not so, and therefore, significantly negatively impacted the unions in their ability to negotiate.

The Chair: Mr. Sangha.

Mr. Ramesh Sangha: Thank you, Mr. Chair.

Is the union certification and decertification process different at the provincial and federal levels?

The Chair: Do we want to come back to that one? We can move on to another question.

Ms. Tassi.

Ms. Filomena Tassi: Minister, the past two privacy commissioners raised serious concerns about the information that Bill C-377 requires. Mrs. Jennifer Stoddard said, "Requiring the names of all individuals earning or receiving more than \$5,000, as well as the amounts they receive, to be published on a website, is a serious breach of privacy." The current commissioner, Mr. Therrien, said that the bill goes too far.

The president of the Canadian Police Association, Tom Stamatikas, said that he was deeply concerned for his police officers and their safety, and security if this information was to be released.

Do you agree with the comments that were made, and do you have concerns about the amount of private information that would be revealed because of Bill C-377?

• (1635)

Hon. MaryAnn Mihychuk: Absolutely. The disclosure of salaries is one of those controversial issues.

We used to have a radio station in Winnipeg that would read out on the radio to a million people the salary of every government civil servant. Not only was it difficult for those individuals, but it also caused strife within the workplace itself.

We're much more sensitive to privacy now and the fact that what we make, for the most part, is confidential. It seriously impacts, obviously, work sites, which I'm familiar with, personal lives, and relationships within families. This legislation would have caused much more disharmony, a situation which was clearly not required, did not benefit labour relations in any way, which was punitive, and looked to seemingly want to cause trouble for unions.

The privacy commissioners raised the issue; our provinces raised the issue, and individual Canadians felt it was outrageous. So, yes, I agree that disclosing that kind of information for anything over \$5,000 is completely unwarranted.

The Chair: Do we have a follow-up with the previous question? If not, we'll move on.

Just very briefly, about 30 seconds.

Hon. MaryAnn Mihychuk: All right.

Yes, there are a number of different jurisdictions. They're different across the provinces, so we have put together the fact that, depending on the triggering vote, it varies. For Alberta, it's at 40%. B.C. is 45%. Manitoba is 40%. New Brunswick, Newfoundland, Nova Scotia, and Ontario are 40%. For P.E.I., it's at the discretion of the labour relations board. Quebec is 35%. Saskatchewan is 45%. It varies from jurisdiction to jurisdiction.

The Chair: Thank you very much.

Mr. Zimmer.

Mr. Bob Zimmer (Prince George—Peace River—Northern Rockies, CPC): Thank you, Chair.

Thank you, Minister, for appearing with us today.

I have three questions and I'll try to get through them all.

I'll start with a statement you made that organizations “provide financial statements to their members upon request and free of charge”. You said that this is something that's available now. Why then would it be onerous to do that publicly? It's the same information, so why would it be onerous?

Hon. MaryAnn Mihychuk: What was required in the bill was much more onerous than what is available at the present time. Something of this size not only caused enormous administrative headaches for any organization, but it also was far more than what CRA would recommend, and in fact it would have ended up costing us \$2 million a year.

Information that's available to the members is provided by unions, and that's the standard. I don't think there's any requirement to make it anything else.

Mr. Bob Zimmer: That brings me to the next question about accountability.

During the last election, the party across the way talked about accountability as being paramount. This is a bill that makes unions accountable for the union dues that are collected from union members, a bill that brings back accountability to its members. Why would you immediately reverse such legislation that encourages such accountability?

Hon. MaryAnn Mihychuk: Unions are one of the most democratic institutions that I know of. They often have regular membership meetings with financial disclosure available at any time. This exceeds the norm, for instance, for small business or the business community. I think being accountable has been a principle of the unions since they were established. They are a members organization and believe in being open and accountable. I think that the system works well.

• (1640)

Mr. Bob Zimmer: I have one last question.

I refer to a document that we received from the Library of Parliament talking about Bill C-377, etc., which states, “Countries like the United States and Germany have had cases of union corruption. Disclosure schemes have led to the recovery of massive amounts of money, and forced individuals who had committed offences out of the offending unions.”

It seems to be a choice of choosing accountability to combat corruption or choosing corruption, or that's what seems to be the choice for me, so my question for you as minister is, if given the choice between accountability and corruption, what would be your choice?

Hon. MaryAnn Mihychuk: I find the example enlightening, and you're definitely trying to suggest that unions are corrupt, but we haven't had this situation in Canada. You're picking jurisdictions in Germany, and I believe you said the U.S.A. or United Kingdom. I'm sorry—

Mr. Bob Zimmer: Minister, this is precisely why we had the legislation in the first place, to combat corruption at these levels. By making the accounts public, we're able to address corruption. That's exactly what the legislation was meant to do. It strikes me as in contrast to accountability when a government that talks about accountability does something where the appearance is to hide something.

It brings me back to my question. If the choice is between accountability and corruption, what would be your choice?

Hon. MaryAnn Mihychuk: I think if the member has some idea of corruption in the trade union movement, he is required, or I would encourage him to report such activities—

Mr. Bob Zimmer: I didn't say “trade unions”. I don't know if you know something I don't, but I didn't say “trade unions”.

Hon. MaryAnn Mihychuk: That's the norm in the Canadian government. In fact, if there are allegations of some kind of corruption, it should be clearly reported, and action would be taken.

I think that this hypothetical case, where you're trying to bring in a bill to stem something that doesn't exist, is clearly a political objective, rather than one based on the facts.

Mr. Bob Zimmer: On the contrary, Minister. The document actually states, “Countries like the United States and Germany have had cases of union corruption. Disclosure schemes have led to the recovery of massive amounts of money...”.

These are facts. We're talking about accountability legislation being able to combat corruption. My question for you is, do you support accountability or corruption?

Hon. MaryAnn Mihychuk: If the member is suggesting that unions in Canada are corrupt, I recommend that he name them.

Mr. Bob Zimmer: What about the Charbonneau commission? It took a commission to bring this up, to make it accountable so that we saw it publicly.

Hon. MaryAnn Mihychuk: [*Technical difficulty—Editor*] corruption. In that case, not only were there individuals who were charged, there were also political individuals involved. If there's any law-breaking, I think it must be reported, and action would be taken.

The Chair: Ms. Ashton.

Ms. Niki Ashton: Mr. Chair, I want to make a comment.

My Conservative colleagues remind me of generals fighting the last war. In the last election Canadians spoke overwhelmingly against the politics of division of the previous government. There were major flashpoints, including the way in which working people and their leaders in the union movement spoke out against anti-democratic bills that were being imposed on them. It was an approach that was, I would say, profoundly un-Canadian, given that we are in a country where people benefit from the struggles that the labour movement has waged. To hear the reference that this is somehow disrespectful of private members' bills is absurd. I was here, and we saw the way in which the government touted this: yes, it was a private member's bill but it was in accord with the government agenda.

I believe it is time to move on. Like my colleague Ms. Benson, I want to signal our support for this action by the government. I want to acknowledge the struggle that was waged by many in the labour movement, from the Canadian Labour Congress to the firefighters unions, to associations representing people in sectors where they can't unionize. People overwhelmingly spoke out against this horrifying, undemocratic assault on their rights.

As we go forward, I would hope we continue to support the demands being made by many in the labour movement. While we applaud this action from the government, we realize that it's not just about repealing bad bills put forward by the previous government, but it's also about making progress.

What we are hearing about from members of the labour movement is the need to make progress when it comes to employment insurance and expanding pensions, including the Canada pension plan, when it comes to supporting the federal minimum wage, and when it comes to investing in programming, like a national child care plan. Those are things we're hearing about from the labour movement. We support them in these matters, and we hope that the government will see fit to support them as well.

I want to touch on a theme raised by my colleague and reflected on by the minister, namely, the rise in part-time, temporary, and self-employed workers in our country. We know that this is changing the nature of work and the workplace. What we're talking about is a rise in precarious work. We know that precarious work, certainly at the rate we're seeing it, leads to growing inequality and threatens the future of an entire generation. We're seeing that the trend is particularly acute in my generation, the millennial generation.

There are major barriers to people claiming what they deserve, whether it's the recognition of independent contractors or the way in which EI is currently set up. I'm wondering what the minister can tell us about her plans to address the situation that many young people and many Canadians are facing when it comes to the rise of precarious work.

● (1645)

The Chair: Before we hear from the minister, that's actually all your time, I'm afraid. It was a three-minute question, but that was impressive.

If the minister wishes to answer the question, that's fine. I was going to give you a moment, if you wish, to close, and to bring anything forward that you feel is necessary.

Hon. MaryAnn Mihychuk: Member Ashton's comments are true and illustrate the challenges that we face when we look at changing massive structures like employment insurance.

I look forward to working with all of you on making the system more responsive to Canadians. I encourage you to look to passing Bill C-4. I look for your support, because we do want to re-establish positive, harmonious relationships between our business groups and our union groups through a mutually respectful relationship. Bill C-4 would do that.

Thank you, Mr. Chairman.

The Chair: Minister, on behalf of the committee, I want to thank you for attending today. We went quite a bit beyond the time that we had. I really do appreciate your sticking around for all the questions.

We do have some department officials who will be taking your seat in just a moment. Thank you again, and we really do appreciate your attendance today.

We're going to suspend while we play musical chairs.

We'll be back for the next round.

● (1645)

(Pause)

● (1650)

The Chair: I want to welcome the department officials. You're not sitting in the order that I have written down here, but that's okay.

From ESDC, we have Chantale Clarke, policy officer, strategic policy and legislative reform, labour law analysis, labour program. You must have a very large business card. We also have Anthony Giles, assistant deputy minister, policy, dispute resolution, and international affairs, labour program.

From CRA, we have Costa Dimitrakopoulos, director general, legislative policy directorate, legislative policy and regulatory affairs branch.

From the Department of Finance, we have Blaine Langdon, chief, charities, personal income tax division, tax policy branch.

Thank you all for joining us today. We have you for only about 20 or 25 minutes because we have some other business that we have to attend to before the end of the day.

I believe our first question goes to Mr. Deltell.

[Translation]

Mr. Gérard Deltell: Thank you, Mr. Chair. I welcome the witnesses and their contribution to the work of this parliamentary committee.

Let's look at the bill clause-by-clause. In the notes we were given, we find very relevant explanations concerning certain sections. I want you to look at three sections among others, and especially at verbs and the terms that are used.

I direct your attention to clause 4. It states that "the Canada Industrial Relations Board (CIRB) would have the discretion to inquire into the application, *either* by way of a representation vote *or* in other way considered appropriate [...]"

I would like you to describe what is meant, technically, by the term "discretion"?

Mr. Anthony Giles (Assistant Deputy Minister, Policy, Dispute Resolution and International Affairs, Labour Program, Department of Employment and Social Development): Technically, discretion signifies that the board must consider all of the circumstances surrounding the situation at issue and decide, given the circumstances, which method will reflect the views of the workers.

It is up to the board to determine its own rules. I cannot answer more specifically in their stead.

•(1655)

Mr. Gérard Deltell: Fine.

Let's go further. Let's look at clause 5.

Clause 5 deals with the Public Service Labour Relations and Employment Board. A new paragraph would also be added to give the PSLREB the discretion to order that a representation vote be held. Once again we see the same discretionary power. This is a very subjective power for a body made up of unelected people, who can decide what is right or wrong.

Is that correct?

Mr. Anthony Giles: Yes, if memory serves, that provision has been a part of the law for decades and has worked very well.

The federal public sector is slightly different from the federal private sector, in that it involves important organizations and very complex negotiation units. At the time, legislators had decided to give this board, which is made up of experts, the discretion of deciding on the appropriate method.

Mr. Gérard Deltell: We could continue a long time like this.

Clauses 7, 8 and 9 discuss matters that are left to the discretion of the board. Clause 11 states that the board would have discretionary powers. We can see that a lot of subjective powers are being given to an independent organization. We cannot really oppose that as such, but we want to highlight the fact that decisions which may be the object of a secret consultation by the members of a union using secret ballots could be subject to the discretion of unelected people who may decide if a provision is advantageous for the members or not.

Let's go back to clause 12, which was discussed earlier in the questions addressed to the minister. The minister has said repeatedly that this makes no sense, that this is red tape, and that a lot of research has to be done.

Clause 12 refers to the assets, liabilities, income and expenditures of the organization. I would like the officials to tell me whether the unions must disclose that information to their members.

Is this information already in the public domain?

Mr. Anthony Giles: There is a long-standing provision in the Canada Labour Code that entitles members to ask for free copies of the financial statements of their union. The form and content of these statements are not described in detail.

Mr. Gérard Deltell: However, that can include the assets, liabilities and income and expenses of the organization, correct?

Mr. Anthony Giles: Normally, that is included. If the information is not sufficient, the board has the power to ask the union to provide more detailed information.

Mr. Gérard Deltell: According to section 149.01, which will be repealed, this is already in the public domain. We can see that the members of the union may have access to that information.

Moreover, I would like to know if the salaries of the union executives can be disclosed to the members.

Mr. Anthony Giles: I don't know.

Mr. Gérard Deltell: To my knowledge, they can be. This concerns the trustee as well as certain employees, and it says that a unionized worker has access to that information when he or she requests it. That is exactly what we were proposing.

It also talks about the time the staff spends on political activities and lobbying as well as other non-labour relations activities.

Can a unionized worker have access to that information?

Mr. Anthony Giles: I expect that that varies according to the union. The union may make that choice, or the members may ask questions on that, but to my knowledge there is no law forcing the union to disclose that information.

Mr. Gérard Deltell: Yes, I understand. The law exists, but you want to repeal it.

From what we understand, all of the information that could be requested under these laws is already accessible to unionized workers.

[English]

The Chair: Thank you.

I believe we are going to Mr. Robillard.

[Translation]

Mr. Yves Robillard: Will Bill C-4 have repercussions on the Canada Industrial Relations Board and the Public Service Labour Relations and Employment Board?

•(1700)

Mr. Anthony Giles: Yes, of course, because if Bill C-4 is adopted, the number of votes held by these two boards will certainly decrease, which will reduce their expenses or the funds allocated to these matters.

Mr. Yves Robillard: Very well. Thank you.

[English]

The Chair: Mr. Ruimy, go ahead.

Mr. Dan Ruimy: Thank you very much, Mr. Chair.

Independent research in Canada supports the department's own research that mandatory vote contributes directly to a declining rate of unionization. Studies by researchers such as Sara Slinn and Chris Riddell have demonstrated that under a mandatory voting system, employer interference, and more so employee fear of employer interference, is a real phenomenon. It's effective, and it's more effective under votes than under card-based mechanisms. The department's studies reference some of these studies.

Can you comment on this point at all?

Mr. Anthony Giles: I would say the majority of studies that have been conducted into this question, certainly those in Canada, indicate as you suggest, that the introduction of mandatory voting does reduce the number of applications for certification, their success rate, and ultimately the union density rate in the jurisdictions combined.

As for why that is, there are various theories, one of which you've just stated. In the context of an election, because the election takes a certain amount of time, there's always the scope for employer interference or attempts to persuade employees to vote against. There are competing theories that votes reveal true preferences.

None of the studies I'm aware of are able to determine which of those reasons is the true one, or whether indeed, as is most likely the case, it's a mix of the two.

Mr. Dan Ruimy: May I ask a follow-up question?

The Chair: Yes, absolutely. You have about three minutes.

Mr. Dan Ruimy: I want to ask Mr. Deltell a follow-up question. In his comments he was referring to information that's already available.

The Chair: Mr. Ruimy, you shouldn't refer questions to Mr. Deltell. You can ask the witnesses their opinion on a question.

Mr. Dan Ruimy: Oh, I'm sorry.

My colleague on the other side said a lot of this information is already publicly available. If that information is already available, and putting more burden back onto the unions, what's the sense of doing that in your opinion? How does that affect their own operations and administration? Do you find that as being over-burdensome?

Mr. Anthony Giles: I won't comment on whether it's over-burdensome, but it is clear that compared to the reporting requirements under the Canada Labour Code, which are to provide members with existing financial statements, that entails less effort on the part of a union than it would be to respect all of the reporting requirements that were adopted in Bill C-377.

The Chair: Thank you.

Ms. Benson.

Ms. Sheri Benson: Thank you, Mr. Chair. Thank you to the folks for coming to help us look at the issue a bit further. I'm not sure whom to address this question to, so perhaps you can share your expertise.

My background is in the charitable sector, and I know about the idea that you are receiving some kind of benefit through donations. People are getting the benefit. They're applying for a credit. There's this obligation to file information so it's transparent. It gives people some good information about where those charitable dollars are going.

It's also my understanding there was opposition to some of those changes in there and sharing more information than was felt necessary. I feel like this is a continuation of that.

To me there's no difference. Large corporations receive tax credits, and they receive subsidies and all kinds of exchanges with government funding in order to do things. There's a requirement that they file their income tax, and we see that.

I'm wondering if someone could comment on some of the differences. This was going to be around reporting requirements for the fact that individuals were getting...like if you were an engineer in the engineering association. You were a professional. You were part of the accounting association. You paid your annual dues to be a part of that group, and you got a tax credit. That's the individual piece, and then you participate in your association, and that kind of thing.

I'm interested in your general comments on the differences I feel are going to be overly burdensome. That's a hard word late in the day.

•(1705)

Mr. Blaine Langdon (Chief, Charities, Personal Income Tax Division, Tax Policy Branch, Department of Finance): Maybe I'll take that one.

You're right. In terms of registered charities, there is public disclosure of the information. We saw a copy of the return here earlier. It's a 10-page form that is available on the Canada Revenue Agency's website. The reason registered charities are required to file and have their information publicly posted is that there is an enhanced public interest in knowing where donations go and knowing which organizations the public wants to support. That's part of the rationale.

In terms of the overall reporting requirements for registered charities, there's a particular set of rules that registered charities have to abide by in order to maintain their registered charity status. They file that information, and the CRA uses that for the purposes of determining whether or not they're complying with the rules.

In terms of other types of organizations, there are a number of different types of taxes and organizations. There are non-profit organizations, labour organizations, and a variety of other exempt organizations. Different reporting requirements apply to them depending on what rules apply to them and on generally what information the CRA needs in order to determine whether or not they continue to qualify for the exemption or whether or not they're meeting the particular rules.

With the exception of charities, and currently for labour organizations and labour trusts, the information about those organizations is not generally available to the public. As with other taxpayers, be it an individual, a corporation, or a non-profit in the sense of the true non-profit, that information is not disclosed to the public. It wouldn't be available on the CRA's website or anything like that.

Ms. Sheri Benson: Right. I guess what I'm trying to get at is there are individuals who are part of an organization who are getting similar benefits, but we're just talking about one organization among those organizations that we're asking for a much larger reporting requirement. Is that correct?

Mr. Blaine Langdon: I would agree with that.

Ms. Sheri Benson: Right, and it's a particular group. It's a labour group.

Mr. Blaine Langdon: I would agree with that.

There are a number of different deductions that businesses are entitled to take. Just to give a very basic comparison, labour organization union dues are deductible. If you paid to be a member of a professional organization, that would also be deductible. Currently, only for labour organizations and registered charities is the information publicly displayed.

Ms. Sheri Benson: Right, and there was another look at doing that same thing around first nations government, around sort of making an increase.... There's the assumption that somehow they're not accountable. Being part of the charity movement, I'd say that does come out when you start to do that, and I feel that part of this piece was there to say that they're not accountable and that's why we're doing more. That is the impression the public gets. I think some of that is being shared around here, which is that somehow union members don't have enough brain cells to be part of the union and be part of a convention, but they get financial information, they get to set the direction of their organization, and they get to set the policies and all that kind of stuff.

I guess I'm making more of a comment.

Are there any other comments about the constitutionality of either one of the bills and the problems they would cause both the government and unions as far as that goes?

• (1710)

The Chair: Incredibly briefly, please.

Mr. Blaine Langdon: I won't comment extensively on constitutionality. I know that it was raised during the Senate hearings, and I think before the House, but that's really up to the courts to decide.

The Chair: Thank you.

Mr. Long.

Mr. Wayne Long: Thank you, Mr. Chair.

Welcome, everybody.

I want to drill down on a question that I actually asked the minister.

I think I'll direct it to you, Mr. Dimitrakopoulos. Was my pronunciation close there?

Mr. Costa Dimitrakopoulos (Director General, Legislative Policy Directorate, Legislative Policy and Regulatory Affairs Branch, Canada Revenue Agency): That was perfect.

Mr. Wayne Long: I'll get your comment or your opinion on this.

In 2012, the CRA was asked to provide the same information on its employees that Bill C-377 would require of labour unions. The CRA's response was that they could not provide the information because the Privacy Act precludes the CRA from disclosing personal information about its employees.

Again—obviously, I wasn't in politics at that time—I found it hypocritical that the Conservative Party was asking unions to provide private information that their own agency, the CRA, refused to provide because of privacy concerns. I want to get your comments and opinion on that.

Mr. Costa Dimitrakopoulos: With Bill C-377, once it became law, it was the power of Parliament and the will of Parliament that that information be shared. The information that was requested of the CRA in terms of the employees of the CRA was not something that was the will of Parliament.

Mr. Wayne Long: In your opinion, will Bill C-4 have any financial implications for the Canada Revenue Agency?

Mr. Costa Dimitrakopoulos: Bill C-4 would not have implications for the Canada Revenue Agency. The Bill C-377 aspect would have had a financial burden of about \$2 million annually. That would be the cost.

Mr. Wayne Long: With respect to the requirements of reporting for Bill C-377, could you share with us what areas beyond what is asked of charities now, what additional requirements would unions have had to comply with?

Mr. Blaine Langdon: I will take that question.

There are similarities in the categorization of reporting, but generally speaking, registered charities report on expenditures in the aggregate. The major difference between registered charity reporting and the reporting required of labour organizations and labour trusts is that they would be required to report specific transactions over \$5,000, itemized with the name of the payer and the payee. That's one major difference, and if you actually go through the schedules, there are a number of different categories that don't apply to charities, but I would say the major difference is the amount of information in terms of itemization.

Mr. Wayne Long: Thank you, Mr. Chair.

The Chair: You're very welcome.

Thank you very much to the panel.

I do have to cut it off there. We have some committee business we need to attend to.

Thank you again to our panel.

[Proceedings continue in camera]

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