



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

## **Standing Committee on Finance**

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FINA • NUMBER 215 • 1st SESSION • 42nd PARLIAMENT

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**EVIDENCE**

**Monday, May 27, 2019**

—  
**Chair**

**The Honourable Wayne Easter**



## Standing Committee on Finance

Monday, May 27, 2019

• (1105)

[English]

**The Chair (Hon. Wayne Easter (Malpeque, Lib.)):** I'll call the meeting to order.

Pursuant to the order of reference of Tuesday, April 30, 2019, we are examining Bill C-97, an act to implement certain provisions of the budget tabled in Parliament on March 19, 2019, and other measures.

We'll start with clause-by-clause consideration of part I.

I'm pretty confident everybody knows the procedure. We have officials here if you have any questions as we go through it. I'll go through the various clauses, and the officials are open for discussion.

On part 1, which deals with clauses 2 to 69, we have officials here.

We have Mr. McGowan, Director General, Tax Legislation Division. It's not his first time here for sure.

We have Mr. LeBlanc, Director General, Personal Income Tax Division.

We have Ms. Lavoie, Director General, Business Income Tax Division.

Finally, we have Mr. Langdon, Director, Charities, Personal Income Tax Division.

That is our list of witnesses for part 1.

Pursuant to Standing Order 75(1), consideration of clause 1, the short title, is postponed.

There are no amendments for clauses 2 to 22.

Is it agreed that we carry those on division?

**An hon. member:** Agreed.

(Clauses 2 to 22 inclusive agreed to on division)

(On clause 23)

**The Chair:** Turning to clause 23, we have amendment NDP-1.

Go ahead, Pierre.

[Translation]

**Mr. Pierre-Luc Dusseault (Sherbrooke, NDP):** Thank you, Mr. Chair.

Greetings to everyone who is here today for clause-by-clause consideration of the bill.

My first amendment pertains to clause 23, which deals with the assistance being made available to print media. The purpose is to change the formula used to calculate the labour tax credit for eligible newsroom employees, by replacing line 14 on page 18. The current formula in the bill is based on an amount of \$55,000, which I am proposing be raised to \$85,000.

The motion addresses the comments we heard from the Fédération nationale des communications representatives. Ms. St-Onge and her team took a detailed look at the tax impact of the three proposed measures targeting print media: the labour tax credit, the tax incentive to encourage charitable donations to journalism organizations and the tax credit for digital new subscriptions.

According to the Fédération's estimates, amounts flowing from the digital news subscription tax credit and the charitable donation tax incentive would be well below the government's projections. Therefore, even if the salary cap for the labour tax credit increases, it wouldn't affect the overall envelope for the media support fund, which is nearly \$600 million. Some might say that it would cost more, but the Fédération estimates that the overall amount would stay the same.

The amendment would bring the salary amount more in line with what an average unionized newsroom employee in Quebec makes, \$76,000. The officials who appeared before the committee—and who are here again today—referenced an average salary of \$55,000 for journalists in Canada, as per Statistics Canada, but it's \$76,000 in Quebec.

That is my rationale. I hope that my fellow members will support increasing the salary cap in the bill, which will have no impact on the overall envelope of the support program.

[English]

**The Chair:** Thank you, Mr. Dusseault. This amendment, however, requires a royal recommendation and therefore would be inadmissible. This part of Bill C-97 seeks to amend the Income Tax Act by establishing a formula to calculate the qualifying labour expenditure, and this amendment attempts to modify that formula.

*House of Commons Procedure and Practice*, third edition, states on page 772:

Since an amendment may not infringe upon the financial initiative of the Crown, it is inadmissible if it imposes a charge on the public treasury, or if it extends the objects or purposes or relaxes the conditions and qualifications specified in the royal recommendation.

Therefore, I rule the amendment inadmissible.

(Clause 23 agreed to on division)

(Clauses 24 to 42 inclusive agreed to on division)

(On clause 43)

**The Chair:** We have amendment CPC-1.

• (1110)

**Mr. Tom Kmiec (Calgary Shepard, CPC):** I'm going to speak to this one.

After hearing from the officials on the creation of this tax credit and this subsidy program, we're proposing to delete the definition of "qualified Canadian journalism organization".

That's pretty simple. That's what deleting these lines would do. You all saw the announcement that Unifor is in this whole group that's going to be appointed to the panel, so we have absolutely no faith whatsoever that this will be non-partisan based on their past behaviour.

**The Chair:** Just to clarify here, NDP-2 and LIB-1 cannot be moved if CPC-1 is adopted.

Is there any discussion on the motion by Mr. Kmiec?

Peter—or Mr. Fragiskatos.

**Mr. Peter Fragiskatos (London North Centre, Lib.):** Peter is fine also, Mr. Chair.

First of all, thank you very much.

The amendment is not something that I can support and is not something that our side can support. The reason is that by removing a definition that's necessary for all three journalism measures in the bill—namely, "qualified Canadian journalism organization"—and a definition that's necessary for the measures that extend "qualified donee" status to certain non-profit journalism organizations—namely, "registered journalism organization"—the result is that it would effectively render the proposed journalism measures impossible to administer.

Further to this, the definition of a "qualified Canadian journalism organization" is critical for the administration of these measures, because it outlines key eligibility criteria, such as being Canadian owned and controlled and that eligible organizations must produce original news content of general interest to Canadians.

**The Chair:** Is there any further discussion?

Mr. Kmiec.

**Mr. Tom Kmiec:** I'll just say that after seeing Unifor appointed to the group, that's the point: They'll determine who is on the panel. It totally undermines the supposed non-partisanship. That was originally what the government talked about.

That is exactly the point: to not proceed with this media bailout plan, because it will be partisan. Unifor is an ally of a political party that the government is part of: the Liberal Party of Canada. Because of Unifor's participation, there is absolutely no way that in good conscience we can allow this tax credit to go through. They are not in any way a non-partisan organization. They're not neutral in any

way, and now they'll be deciding who is going to get access to this panel group. They'll be deciding who is appointed. It's absolutely ridiculous, and I can't believe the government is insisting on proceeding with it.

(Amendment negated [*See Minutes of Proceedings*])

**The Chair:** On NDP-2, we have Mr. Dusseault. If this amendment is adopted, LIB-1 cannot be moved.

The floor is yours, Mr. Dusseault.

[*Translation*]

**Mr. Pierre-Luc Dusseault:** Thank you, Mr. Chair.

The amendment I'm proposing obviously deals with the topic we were just discussing, media support, but in this case, it has to do with qualifying journalism organizations.

The amendment seeks to remove all references to the famous "body" appearing at the end of subclause 43(2) on page 36. This body came up a number of times during the committee's study of the bill, and, as we speak, the term has still not been defined. Last week, we heard from the panel of experts that may clarify the nature of the body as well as the eligibility criteria.

I don't think the body is needed, plain and simple, so the amendment would remove that provision and retain only the objective criteria already contained in the bill. Therefore, a Canadian corporation, partnership or trust would be eligible if it met the following criteria: it was resident in Canada; a certain value of the interest was held by individuals; it published a certain type of content; and it was not a Crown corporation, municipal corporation or government agency.

Those are very objective criteria based on which, the minister responsible for enforcing the Income Tax Act, the Minister of National Revenue, is entirely capable and fit to determine the eligibility of an organization. The minister would merely have to check whether an organization met the criteria to determine whether it qualified for support under the program. Since the Minister of National Revenue is entirely capable of making that determination, it isn't necessary to establish an undefined body. Doing so would be akin to giving the government carte blanche to determine who would evaluate the applications submitted by organizations and their eligibility for tax credits.

Hence, the amendment seeks to remove the reference to the body to streamline the process and get right to the point. In other words, the Income Tax Act sets out criteria and the Minister of National Revenue is responsible for determining whether they are met. It's as simple as that.

• (1115)

[*English*]

**The Chair:** Mr. Sorbara.

**Mr. Francesco Sorbara (Vaughan—Woodbridge, Lib.):** Thank you, Mr. Chair.

Good morning, everyone, and happy Monday.

I wish to thank my honourable colleague for putting forward the amendment. However, having read it over, I disagree in terms of the intent of the amendment. This amendment should be rejected, in my view, because obviously, it would remove the requirement for journalism organizations to be designated before they could qualify for the purpose of the three journalism tax measures.

Also, it would remove the requirement for the participation of a body of experts who would then be able to apply their expertise to questions such as what constitutes original news content.

[*Translation*]

Finally, Budget 2019 is very clear about the independence of the media, indicating that an independent body must determine whether journalism organizations are eligible for the three tax measures.

[*English*]

Chair, those are my remarks.

**The Chair:** Thank you.

Is there any further discussion?

(Amendment negatived [*See Minutes of Proceedings*])

**The Chair:** We will turn to amendment LIB-1. Who is speaking to the amendment? It is assumed to have been moved.

Mr. Sorbara.

**Mr. Francesco Sorbara:** Chair, with this amendment to clause 43, we recognize that for a well-functioning democracy, a strong and independent news media is critical. Budget 2019 was clear in enunciating that an independent—and I emphasize independent—administrative body would be involved in recognizing eligibility of journalism organizations for these measures.

What this amendment does is it clarifies the process for designating journalism organizations by requiring the Minister of National Revenue to consider the recommendations of an independent body when determining whether an organization qualifies for these measures.

Thank you, Chair.

(Amendment agreed to [*See Minutes of Proceedings*])

(Clause 43 as amended agreed to on division)

(Clauses 44 to 52 inclusive agreed to on division)

(On clause 53)

• (1120)

**The Chair:** There's a proposed amendment to clause 53. It's LIB-2.

Ms. Bendayan.

**Ms. Rachel Bendayan (Outremont, Lib.):** Mr. Chair, the amendment to clause 53 would allow plug-in hybrids with a battery capacity of at least seven kilowatts, rather than 15, to be eligible for the zero-emission vehicle writeoff or rebate. This amendment to the battery size threshold better reflects the current market availability of plug-in hybrids while still ensuring that the tax incentive remains effective.

[*Translation*]

I would add that amending the battery size threshold is reflective of the current plug-in hybrid vehicle market. It is a fact that hybrids equipped with smaller batteries still provide significant environmental benefits as compared with their traditional counterparts given that they can still run solely on battery power for a decent range.

That is the reason for my amendment.

[*English*]

Finally, if I could, I would add that expanding this eligibility to more plug-in hybrids further encourages businesses to transition to a zero-emission fleet, thereby contributing to meeting our country's greenhouse gas emission reduction targets.

**The Chair:** Mr. Dusseault.

[*Translation*]

**Mr. Pierre-Luc Dusseault:** Thank you, Mr. Chair.

I'd like to thank my fellow member for her amendment.

That said, it makes me wonder about the direction we are moving in. I'm trying to figure out whether we are indeed talking about zero-emission vehicles here. Plug-in hybrids are already allowed, and now, the government is proposing that the battery threshold size of those vehicles be reduced.

The bill refers to zero-emission vehicles, so I have a hard time wrapping my head around how a hybrid vehicle—plug-in or not—equipped with a 7 kilowatt per hour battery can classify as a zero-emission vehicle. By definition, a hybrid vehicle is going to emit greenhouse gases from time to time, just as a traditional vehicle would. It won't be the entire time it is running, of course, but I'd still like to hear where the officials stand on how a “zero-emission passenger vehicle” is defined.

What's more, doesn't reducing the battery size threshold, as proposed, call into question the very title of the measure, which is meant to support the purchase of zero-emission passenger vehicles? We are talking about vehicles that emit greenhouse gases, after all.

[*English*]

**The Chair:** Ms. Lavoie, I believe you're prepared to go.

[*Translation*]

**Ms. Maude Lavoie (Director General, Business Income Tax Division, Tax Policy Branch, Department of Finance):** Thank you for your question.

It is true that vehicles with larger battery capacity will tend to run on electric power over a longer range. However, even vehicles with a smaller battery capacity, whether the kilowatts per hour are 10, 14 or 15, can still run solely on electric power, at least initially.

The question is how many kilometres will these vehicles be able to run on electric power for, and that depends on the model. Once the battery is charged, it is effectively a zero-emission vehicle. Once the battery power fully runs out, though, the hybrid vehicle will run on gas power. How many greenhouse gases it emits will depend on how much long-range driving the vehicle is used for. That is the variable.

**Mr. Pierre-Luc Dusseault:** Why, in that case, wasn't the term "low-emission vehicle" used? Why refer to "zero-emission passenger vehicles" when the definition includes hybrid vehicles?

**Ms. Maude Lavoie:** That is the choice the government made. That is the definition it opted to use. It was initially proposed that the battery threshold size be set at 15 kilowatts per hour to enhance the environmental benefits. I see that a seven kilowatt per hour battery threshold is now being proposed, the presumption being that such a threshold would still yield environmental benefits.

• (1125)

[English]

**The Chair:** I think Ms. Bendayan wants in, and then Mr. Kmiec.

**Ms. Rachel Bendayan:** Mr. Chair, it is just a point of order to clarify that the amendment we are putting forward is to reduce the battery size of eligible vehicles.

I believe that my colleague opposite is talking about the definition of a zero-emission vehicle, which is not within the scope of this amendment. I would just ask whether he is against reducing the battery size to seven kilowatts. Perhaps we could stay focused on that proposal.

**Mr. Pierre-Luc Dusseault:** I'll vote on it later.

**The Chair:** Okay.

Mr. Kmiec.

**Mr. Tom Kmiec:** That wasn't a point of order, but Mr. Dusseault had exactly the same questions I had. I wanted to ask the officials what the impact of moving this would be. The way I read this, the government wants to make plug-in hybrids eligible for this tax credit.

How much would the cost be increased by? Does the department have an estimate of what the increase in cost would be from doing this?

**Ms. Maude Lavoie:** We do not at this point, no.

**Mr. Tom Kmiec:** You don't have one, so you don't know what would happen if you changed the eligibility requirement and broadened it for this tax credit. The government has no estimate whatsoever.

**Ms. Maude Lavoie:** We're not expecting the cost to increase by a lot if we do this. Usually the businesses will be selecting those cars that have higher autonomy, so those cars that have higher battery sizes. We don't have a precise estimate at this point.

**Mr. Tom Kmiec:** When do you think you would make an estimate? If this amendment to the budget passes, how soon would the Department of Finance be able to calculate the expected cost of the tax credit?

This is a significant change. This is going from zero-emission vehicles, which I thought were Teslas or Tesla-type vehicles and Chevrolet Volts, and moving to plug-in hybrids. To Mr. Dusseault's point, I think that defeats the title. The title is then completely irrelevant here. This is also a way of getting around the ministerial warrant required for changes to tax credits in amounts, which was amendment NDP-1. You're going after the criteria here. This, to me, defeats the purpose of the title and the original intent of the

government by changing it to plug-in hybrids. I want to know what the cost would be and how soon you would have an estimate.

I think it's a pretty significant change. Plug-in hybrids have been around for quite a few years now. This would encompass quite a lot of fleets of taxi vehicles especially. Nearly the entire taxi fleet in Calgary is plug-in hybrid at this point. I think it's nearly all of it, at least for associated cabs.

Do you have an estimate or a ballpark number you could maybe provide? If you don't, how soon could you provide it to the committee?

**The Chair:** Mr. McGowan, go ahead.

**Mr. Trevor McGowan (Director General, Tax Legislation Division, Tax Policy Branch, Department of Finance):** Just to clarify, the bill currently—and this was announced in the budget—would qualify certain plug-in hybrids for the accelerated capital cost allowance measure, provided they have a battery capacity of 15 kilowatt hours. This amendment would not introduce plug-in hybrids as a class of vehicle that could qualify for the measure. Rather, it would change the battery size criterion from 15 kilowatt hours to seven kilowatt hours. It's not introducing a new type of vehicle; it's changing the battery size.

Under the measure in the bill, with regard to this amendment, plug-in hybrids could qualify provided they have a greater than 15 kilowatt hour battery size. This would simply expand the number of or the class of vehicles that could qualify for the measure, or expand the class of plug-in hybrids, I should say, that would qualify for this measure rather than introduce a new type of vehicle.

As my colleague was saying, in terms of costing the measure, one might choose a car with a 16 kilowatt hour battery as a result of this measure, whereas with this, they might be incentivized to choose that over a car with a 14 kilowatt hour battery. In terms of the effect of the cost of this measure, as I understand it, it relates in part to the incentive created for that 15 kilowatt hour threshold.

It's not as though you'd decide... If you'd decide between a 16 kilowatt and a 14 kilowatt hour car, you'd still be buying a car and it would still qualify for the—

• (1130)

**Mr. Tom Kmiec:** I'm sorry, but I'm going to interrupt you for a second.

My staff has a wonderful list here. Moving to a seven kilowatt an hour car would make a BMW i8 eligible for this tax credit, the accelerated capital cost writeoff, as well as a BMW 330e and a BMW 530e. It would make eligible an Audi e-tron. It makes eligible a bunch of luxury vehicles. That's what it looks like to me.

I'm just trying to understand this. I understand that it's the battery size, but then you would have a bunch of vehicles that weren't eligible before and will be eligible now, because they will meet the battery capacity criteria. By definition, this will increase the eligibility. I'm telling you now that the BMW i8 has a seven kilowatt battery capacity. That's what it says from the manufacturer. This makes the Audi e-tron available and also the BMW 530e and BMW 330e. That's what happens when you move it down. There are a lot of other vehicles that are full electric vehicles and will be eligible for the 15 kilowatt accelerated capital cost allowance.

I'm concerned about the types of vehicles that will be eligible for it, and then the costs associated with this as well. These are higher-end vehicles, obviously, so they'll have the full allowance that they'll be able to take advantage of.

**The Chair:** Okay. I think Ms. Bendayan wants in again, but I'll first go to the officials.

Ms. Lavoie.

**Ms. Maude Lavoie:** Under the income tax rule, there's a limit to how much can be deducted for the purchase of a vehicle, which is being increased by this bill to \$55,000. But I believe that for these vehicles that are significantly above the threshold, there will still be a limit to \$55,000 in terms of what can be deducted, even though they could be vehicles priced much above that threshold that will become eligible.

The question here is, how much do businesses tend to use these vehicles when compared to other types of hybrid vehicles in order to determine the cost? Our estimate is that it's not significant at this point, which I believe was the objective of your question.

**The Chair:** Tom, are you okay?

**Mr. Tom Kmiec:** No, I'm not okay, but....

**The Chair:** Okay. Well, that wouldn't be the first time.

**Voices:** Oh, oh!

**The Chair:** Ms. Bendayan.

**Ms. Rachel Bendayan:** Mr. Chair, I would just like the record to reflect that all of the other requirements provided in the legislation continue to apply, including the limit of a \$45,000 vehicle purchase price. Therefore, I believe that many of the examples provided, if not all, would not qualify, even with the proposed amendment.

**The Chair:** Is it \$45,000 or \$55,000?

**Ms. Maude Lavoie:** It's \$55,000. I believe you're referring to the point-of-sale rebate for consumers, which is a different measure, but it's the first \$55,000, so all the vehicles purchased up to this amount would qualify for the....

**The Chair:** All right.

Mr. Dusseault, did you have your hand up?

**Mr. Pierre-Luc Dusseault:** Just to clarify that, it's not the rebate to consumers. I think Ms. Bendayan was looking at the other measure that was announced for vehicles that need to be under \$45,000 or \$55,000 with options.

**The Chair:** Okay.

**Mr. Pierre-Luc Dusseault:** This is any car at any price, but you can deduct up to \$55,000 for the car for businesses.

**The Chair:** Okay. Is that it for discussion on this point?

Ms. May.

**Ms. Elizabeth May (Saanich—Gulf Islands, GP):** I love my plug-in hybrid. It has an 8.8 kilowatt hour battery. I just thought I'd let Tom know that it's fantastic. I didn't get any rebates.

**Mr. Tom Kmiec:** You can buy a new one with the rebate soon.

**The Chair:** You could give Tom a drive in it and then he would know what it runs like.

**Mr. Tom Kmiec:** I have a Jeep Commander. Drive in mine and we'll drive in yours after.

**Ms. Elizabeth May:** We could carpool.

**Voices:** Oh, oh!

(Amendment agreed to [*See Minutes of Proceedings*])

(Clause 53 as amended agreed to on division)

(Clauses 54 to 110 inclusive agreed to on division)

**The Chair:** We have a different group of officials.

The officials coming forward on division 2, for clauses 98 to 126, are Mr. Patterson, Director, Corporate, Insolvency and Competition Policy Directorate; and Ms. Davidson, Senior Project Leader, Financial Crimes Governance and Operations.

Welcome to the table, folks.

(On clause 111)

**The Chair:** We have amendment LIB-3. Mr. Sorbara is speaking to that.

● (1135)

**Mr. Francesco Sorbara:** Mr. Chair. I'd just like to comment that in the media recently, there has been much talk about the reports recently issued by the Government of British Columbia with regard to money laundering. As a committee, we were tasked to do a five-year review of anti-money laundering and terrorist financing. It was an exhaustive study that we did for a number of months. We travelled here in Canada and abroad. The review is something that the committee was tasked to do and did quite judiciously, and it is something that our government has obviously dedicated resources to in budget 2019.

It concerns all Canadians from coast to coast to coast that Canada has become or is a centre point for money laundering. It's very fitting to see that in budget 2019 we are continuing to undertake a number of measures, which I think all parties would applaud, in terms of fighting money laundering whether with regard to its impact on house prices in Vancouver or Toronto, or with regard to the impact in general of lost tax revenues for our government to fund the services we need.

The proposed amendment would add a reference to compliance agreements in the provision that makes public naming automatic in certain circumstances with respect to violations related to the proceeds of crime, money laundering and terrorist financing.

It's also being proposed that a level playing field be ensured so that all regulated entities that commit a violation will be named, including when a compliance that remains in place between the reporting entity and Financial Transactions and Reports Analysis Centre of Canada, otherwise known as FINTRAC, would also ensure that there is no advantage for regulated entities to enter into a compliance agreement with FINTRAC to avoid naming.

Chair, this is generally a housekeeping amendment, which is aligned with the spirit of the proposed legislation.

**The Chair:** Okay, so moved. Is there any discussion on amendment LIB-3 to clause 111?

Mr. Kmiec.

**Mr. Tom Kmiec:** May I just ask the officials to tell us what the impact of this amendment would be on the operations of the centre?

**The Chair:** Ms. Davidson.

**Ms. Charlene Davidson (Senior Project Leader, Financial Crimes Policy, Financial Systems Division, Financial Sector Policy, Department of Finance):**

Thank you very much for the question.

We do not anticipate a large impact on FINTRAC for this. The decision of whether to enter into a compliance agreement or not is a decision that is normally part of the process in issuing an administrative monetary penalty by the centre, so with this amendment, it will carry through in that same process.

**The Chair:** Does that clarify it, Tom?

You're okay.

(Amendment agreed to [*See Minutes of Proceedings*])

(Clause 111 as amended agreed to on division)

**The Chair:** There are no amendments to clauses 112 to 128.

(Clauses 112 to 128 inclusive agreed to on division)

**The Chair:** Do we still have the same group of witnesses? No, we don't.

Thank you very much, Mr. Saint-Denis and Ms. Davidson.

We'll go to division 3, the Employment Equity Act. There's division 4 as well.

We have with us Ms. Zagler and Ms. Choudhury.

As well, we have Mr. Millar, who is Director General, Corporate Finance, Natural Resources and Environment, with the Department of Finance.

(On clause 129)

**The Chair:** The first amendment is CPC-2. Who's speaking to it?

• (1140)

**Mr. Tom Kmiec:** It's pretty simple. It's to amend the formula. I also think it might be a little mislabelled. Sorry, it's CPC-3. I have it here. It removes the "D" out of the calculation. That was from when the officials were here last time and they explained to us what was going to happen.

**The Chair:** CPC-2 is the one we're dealing with.

**Mr. Tom Kmiec:** Sorry. They're all in a bunch. It was all at the same time for me.

Basically, what this would do is not consider the monies paid out in this program for the carbon rebate. During the discussion with officials it came out that in the different provisions inside that, in the different parts of this algebraic formula that's been agreed to, all the monies collected by the carbon tax as a backstop on all the provinces which are being forced to have a carbon tax can be dispensed with in any way the government wishes.

I know there have been political things said and commitments made publicly, but the law that's being passed, which has an impact on people, is that the government can issue an infrastructure program or set up a new social program of any sort and all the money spent within it would be considered as having been rebated to the public. I think that's the opposite of the impression the public has about what they're going to be getting.

My next three amendments deal with different components of that fact. This one would amend the formula to not consider the monies paid out of the CRF to ministers for federal programs when computing the carbon rebate for provinces. This was long debated. Algebra is not my forte. I went over it a lot just to make sure this does work. I don't think removing just that one part of the formula breaks it. It just makes certain that there's some honesty involved in this so that it's very clear that what the government committed to publicly is what the law actually says is going to happen.

**The Chair:** Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** Thank you, Mr. Chair. There are a few issues here.

First of all, by removing the definition and references to "other specified ministers", the proposed amendments would limit, I fear, the authority to return direct proceeds from the carbon pollution fuel charge to the Minister of National Revenue and the Minister of Finance. The proposed amendments, as such, should be defeated as they undermine the purpose of the provisions, namely, to allow ministers other than the Minister of National Revenue and the Minister of Finance to return direct proceeds from the carbon pollution fuel charge to provinces under the federal pollution pricing system.

I'm sure my colleague will offer a rebuttal to what I've said. It almost goes without saying, Mr. Chair, that I'll disagree with him in advance.

• (1145)

**The Chair:** Never.

Okay, it's open for further debate.

Mr. Kmiec.

**Mr. Tom Kmiec:** I see my microphone is on so I can't help myself.



The one I am proposing to eliminate here would actually not do that. I am specifically trying to eliminate the ability of the government to designate a program and say that it is as if it were equal to the rebate. I think most people are expecting to get the rebate. I think the government has committed to it on their taxes, so that's what this change would be.

I just want what was said publicly to be what is legislated. That's all. It's just keeping it consistent to that point. I think the vast majority of the public, especially in the province of Alberta, don't like the carbon tax. Our carbon tax in our province is ending as of later this week and the backstop begins June 1.

The vast majority of the public in Alberta at the very minimum are aware that they are supposed to be getting it as a rebate on their income taxes. That's what the government has committed to. I don't want programs and infrastructure programs to be created and there be the pretense that's the rebating mechanism by which it will be done.

That's the last point I want to make on that.

**The Chair:** Mr. Sorbara.

**Mr. Francesco Sorbara:** Mr. Chair, I do wish to point out to all my colleagues that, as has been reported, over 97% of Canadians, when filing their income taxes, also checked off the box for receiving the climate action incentive rebate. That is wonderful to hear.

**The Chair:** There's not much relation to the discussion here, but that's information.

**Mr. Tom Kmiec:** An editorial.

**The Chair:** Does anybody else want to speak to this, or are there any questions for the officials?

(Amendment negated [*See Minutes of Proceedings*])

**The Chair:** Next is CPC-3.

Mr. Kmiec.

**Mr. Tom Kmiec:** It's basically the same point as before.

I'm eliminating lines 31 to 38 on page 91. That's the back end. I have the algebraic formula here; I won't cause you pain by taking you through it. Basically, it would delete entirely the deemed rebate fuel charges section.

That goes back to the rebating. If the editorial that Mr. Sorbara was so kind to share with us is correct, the 97%, I think it's incumbent upon the government to make sure that the Canadians who ticked off the boxes actually see it as a line item when they get their rebate, as opposed to it being delivered to them through some type of government program or infrastructure program, which this mechanism continues to allow.

**The Chair:** All right, CPC-3 requires a royal recommendation, so the amendment is inadmissible. I'll explain for the record why.

Clause 129 of Bill C-97 establishes a formula to specify amounts that may be paid out of the consolidated revenue fund for the climate action support. Amendment CPC-3 attempts to modify the formula.

*House of Commons Procedure and Practice*, third edition, states on page 772:

Since an amendment may not infringe upon the financial initiative of the Crown, it is inadmissible if it imposes a charge on the public treasury, or if it extends the objects or purposes or relaxes the conditions and qualifications specified in the royal recommendation.

In the opinion of the chair, the amendment proposed is a new formula which seeks to alter the terms and conditions of the royal recommendation and therefore, amendment CPC-3 is inadmissible.

We're now on CPC-4

• (1150)

**Mr. Tom Kmiec:** Again, it's following my attempt to try to make honesty in talking points amendments, just to make sure that what the public expects to see is what the public will actually get. This series of amendments attempts to achieve that purpose.

**The Chair:** Is there any discussion?

Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** Much like before, Mr. Chair, with CPC-2, the proposed amendment ought to be defeated. The reason is that the clause is needed to provide clarity that the payments made out of the consolidated revenue fund by ministers other than the Minister of National Revenue for a specified province for a specific time count as the government's return of direct fuel charge proceeds and do not have to be returned again to provinces.

**The Chair:** Okay. Is there any further discussion?

(Amendment negated [*See Minutes of Proceedings*])

**The Chair:** Amendment CPC-4 is lost.

Shall clause 129 carry without amendment?

**Mr. Tom Kmiec:** I'm sorry, Mr. Chair, but what about CPC-5?

**The Chair:** It applies to clause 131.

Shall clause 129 carry?

(Clauses 129 and 130 agreed to on division)

(On clause 131)

**The Chair:** On clause 131, we have CPC-5.

Go ahead, Mr. Kmiec.

**Mr. Tom Kmiec:** This is to increase transparency. I'm adding in a section, basically, to have the tabling within three months after the end of the fiscal year. It's the same thing: It's for greater clarity and more transparency. I don't think anybody would be opposed to having the Minister of Finance table more reports in order to provide complete information to the House of Commons.

I don't see how that's a problem. I struggle with the ATIP system already, and I've put in lots of complaints to the commissioner. This would be a way to go around that, to provide information up front and save me the trouble of getting responses to my \$5 access to information requests 180-plus days after they're supposed to be given to me.

**The Chair:** Just think of the staff time it would save, too.

Go ahead, Mr. McLeod.

**Mr. Michael McLeod (Northwest Territories, Lib.):** Thank you, Mr. Chair.

Mr. Chair, this amendment proposes a function that already exists in the reporting framework of the recipient. The FCM, the Federation of Canadian Municipalities, has a reporting framework for the green municipal fund and has been producing reports since the year 2000, so I don't think this amendment is required.

**The Chair:** Mr. Dusseault is next, and then Mr. Kmiec.

[Translation]

**Mr. Pierre-Luc Dusseault:** I would like some clarification. Perhaps the officials could provide some assistance.

Do the FCM's reports go only to the ministers, or are they tabled in both houses of Parliament?

[English]

**The Chair:** Can the officials...?

[Translation]

**Mr. Pierre-Luc Dusseault:** I imagine they are published. Publishing them online is good, but it's not the same as tabling them in both houses. That's different.

[English]

**The Chair:** Can anyone answer that question?

Go ahead, Mr. Millar.

**Mr. Samuel Millar (Director General, Corporate Finance, Natural Resources and Environment, Economic Development and Corporate Finance, Department of Finance):** I'm sorry, Mr. Chair. I am here specifically on clause 129. I don't believe I'm in a position to speak to clause 131.

**The Chair:** Is there anybody here who can speak to clause 131?

Go ahead, Mr. McLeod.

**Mr. Michael McLeod:** Mr. Chair, the FCM is required to make an annual report on the fund's activities and performance no later than five months after the fiscal year and must convey it to the ministers of natural resources, infrastructure and communities, and environment and climate change for tabling in Parliament.

**The Chair:** The report goes to ministers, and they table it in Parliament. Is that what I'm hearing?

**Mr. Michael McLeod:** That's my understanding, yes.

**The Chair:** Can we get that confirmed by anyone?

Mr. Dusseault, are you satisfied with that, or do you want us to stand this clause and have an official come in? We can do that if necessary.

[Translation]

**Mr. Pierre-Luc Dusseault:** I appreciate the answer, but it's still unclear. I understand what you're saying, but it hasn't been confirmed beyond all doubt. Doubt still lingers.

•(1155)

[English]

**The Chair:** Go ahead, Mr. Kmiec.

**Mr. Tom Kmiec:** The FCM is not government, though; it's a third party organization. This amendment would require the Minister of Finance to do it. I don't think it's too much of a problem to require a minister to table a report for information that he or she supposedly

will get from FCM. They also likely generate internally, so I don't see a problem with this.

I don't doubt that Mr. McLeod is correct in saying that the minister does table documents, including the FCM's documents, but I would like it confirmed by officials that in fact this is the case right now.

**The Chair:** All right.

Can we table it for the motion, and come back to it? Is that the procedure?

**The Clerk of the Committee (Mr. David Gagnon):** Yes, we can.

**The Chair:** Are we in agreement to table this amendment? We'll ask whoever is in charge of officials in the room to ask an official to come in to clarify the points that Mr. McLeod raised.

**Mr. Michael McLeod:** Trust me.

**The Chair:** Everybody says they trust him, but they want clarification.

We will hold on CPC-5 for clause 131 until we get an official for further clarification. Then we'll come back to it.

(Amendment allowed to stand)

(Clause 131 allowed to stand)

**The Chair:** There are no amendments on clauses 132 to 216.

Did you have a question, Mr. Dusseault?

[Translation]

**Mr. Pierre-Luc Dusseault:** I have a question about clause 141. Do we have any officials who can speak to it?

[English]

**The Chair:** There's a question on clause 141. Can we agree to carry clauses 132 to 140 on division?

(Clauses 132 to 140 inclusive agreed to on division)

(On clause 141)

**The Chair:** Your question is on clause 141. Are there any officials here on this one? It is in division 5, clauses 133 to 152.

We have Mr. Patterson, Director of the Corporate, Insolvency and Competition Policy Directorate with ISED, and Mr. Disend, Senior Policy Analyst, who is with ISED as well.

You have a question, Mr. Dusseault.

[Translation]

**Mr. Pierre-Luc Dusseault:** I'd like to echo the concerns expressed by the Quebec bar representatives who appeared before the committee. We may have some members of the Quebec bar at the table, I don't know.

The Quebec bar expressed concerns over clause 141, which amends the Canada Business Corporations Act by adding factors that the directors of a corporation may consider when acting with a view to “the best interests of the corporation”. In addition to the interests of shareholders, the directors of the corporation may take into account the interests of employees, retirees and pensioners, creditors, consumers and governments. They can also take into account the environment and long-term interests of the corporation, which the Quebec bar said was comparable to taking account of the interests of the corporation's stakeholders.

The Quebec bar was most concerned about whether the potential impact on future case law had been assessed. In other jurisdictions where these factors exist, the case law is different, to say the least.

Was an in-depth analysis done in order to fully understand the consequences of adding these criteria to the Canada Business Corporations Act?

• (1200)

[English]

**The Chair:** Go ahead, Mr. Patterson.

[Translation]

**Mr. Darryl C. Patterson (Director, Corporate, Insolvency and Competition Policy Directorate, Marketplace Framework Policy Branch, Department of Industry):** Thank you for your question.

[English]

There were extensive consultations done for the retirement security project in general. We consulted the Canadian Bar Association, among a plethora of other groups that provided their views on all of the provisions, but on this provision in particular, I think there are a couple of things we would want to note.

Essentially, the department views this provision as a codification of the common law that's been enunciated in the BCE case by the Supreme Court of Canada, which lists almost verbatim these stakeholders as being able to be considered when the directors are fulfilling their fiduciary duty to act in the best interests of the corporation. The only change in the language would be the addition of retirees and pensioners, which we don't feel changes the tests. It just adds another one.

The other thing to keep in mind is that it's a permissive provision. Directors are not required to consult and consider the interests of all of these stakeholders in every instance. It's up to them as the directors of the corporation to assess what's in the best interests of the corporation, and this merely codifies what the Supreme Court has already said—that in acting in the best interests of the corporation, depending on the circumstances, it is possible that you would consider these interests.

[Translation]

**Mr. Pierre-Luc Dusseault:** That explanation will no doubt satisfy the people at the Quebec bar. They mentioned the precedent set in People's Department Stores Inc. (Trustee of) v. Wise. I imagine that's the decision you're talking about. This is about entrenching in legislation the case law established by the Supreme Court. I hope the Quebec bar will find this satisfactory.

Thank you.

[English]

**The Chair:** Thank you, officials and Mr. Dusseault.

Shall clauses 141 through to 216 carry on division?

Do you have another question partway through there? We're looking right up to 216, Pierre.

[Translation]

**Mr. Pierre-Luc Dusseault:** Actually, Mr. Chair, I'd like—

[English]

**The Chair:** Are we okay?

Clauses 141 to 216—did you have a question?

[Translation]

**Mr. Pierre-Luc Dusseault:** I don't have a question. Actually, if I may, I'd like to have separate votes for clauses 198 through 213. They pertain to changes to the Hazardous Materials Information Review Act. I'd like a recorded division for each clause.

[English]

**The Chair:** Let's back up a little. Can we see fit to carry clauses 141 through to 197 on division?

(Clauses 141 to 197 agreed to on division)

(On clause 198)

**The Chair:** Turning to clause 198, do you want a recorded division on each of these?

[Translation]

**Mr. Pierre-Luc Dusseault:** I'd like to say something before we continue.

[English]

**The Chair:** Just one second. We have to get the officials in here, Pierre.

Could we have officials on division 9, which covers clauses 160 to 221? We'll start with clause 198.

We'll wait until the officials get here, Mr. Dusseault, before we have your comments.

Now we have officials here. If we have to bring others in, we will.

Mr. Flint is Director General of Policy, Communications and Regulatory Affairs with Health Canada. That really relates to subdivision J.

In any event, on clause 198, you have some comments to make, Mr. Dusseault, and did you say you want a recorded vote right through to clause 212?

• (1205)

[Translation]

**Mr. Pierre-Luc Dusseault:** That's right. I'd like a recorded division for each of the clauses amending the Hazardous Materials Information Review Act.

We received a letter signed by Canadian Labour Congress President Hassan Yussuff. In the letter forwarded to all committee members, some extremely important issues were brought to the committee's attention. They concern the proposed measures to relax—which I think is the right term—the true copy requirement set out in the Hazardous Products Act. Suppliers of hazardous products are required to always prepare and maintain a document containing a true copy of the label affixed to the product, and that information must be made available to all workers who come into contact with the product so that they know how to respond in the event of an incident or it emerges that the product could be associated with certain illnesses. The purpose is to have all the necessary information to ensure the safety of workers.

According to the letter, the industry lobbied the government, and, clearly, the companies that lobbied, in relation to these hazardous products, won out because they got their way. In other words, the requirement was relaxed. The companies found the requirement to be cost-prohibitive. The Canadian Labour Congress submitted that, even if that were the case, it would be a small price to pay to keep workers exposed to these hazardous products safe in the workplace.

Mr. Yussuff also mentioned in his letter that having to keep a document containing a true copy of the product label for a period of six years was not an onerous requirement for suppliers. He indicated that the requirement ensured essential information was available should workers fall ill after being exposed to a hazardous product.

In fact, because numerous occupational illnesses may not manifest for a long time, the time frame for the keeping of labels should be significantly extended. The Canadian Labour Congress is in favour of keeping the current requirement and is therefore opposed to the proposed changes.

I would like a recorded division on this because it would clearly show where members around the table fall on the issue. Are they on the side of workers, or do they support the hazardous products industry and its demands? Will they agree with the Canadian Labour Congress and support the safety and protection of Canadians in the workplace?

For that reason, I would like a recorded division.

[English]

**The Chair:** Is there any further discussion on clause 198, or any further questions to officials?

We have an additional official here, Mr. Yalkin.

Could you give us your title?

**Mr. Tolga Yalkin (Director General, Consumer Product Safety Directorate, Department of Health):** Certainly, Mr. Chair. I'm Director General of Consumer Product Safety at Health Canada.

**The Chair:** Thank you.

Are there any questions to officials or any further comments on clause 198?

Go ahead, Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** I will say this because I see an opportunity to raise it here, even though it's not within the scope of the BIA.

Since we are hearing from Mr. Yalkin at Health Canada, there were concerns raised about true copy in the deliberations that we had two weeks ago. Again, I know that's not within the scope of the BIA, but there were serious concerns around the table about the issue.

I have 3M in London, Ontario, which employs hundreds of people; it's a pillar of our economy locally. I simply hope that those conversations continue and I hope Health Canada listens to the issues raised.

• (1210)

**The Chair:** Go ahead, Mr. Sorbara.

**Mr. Francesco Sorbara:** Thank you, Mr. Chair.

In a similar vein, in the area that I represent as one of the MPs from York Region, we have a very robust manufacturing base, and with that a number of organizations spanning the spectrum from agri-food companies to auto parts suppliers to health providers of products and services relating to CCSPA.

With our government's frame of reference on regulatory modernization and lifting unnecessary regulatory burden from industries is well noted. My reference is that there are some unnecessary regulations that need to be looked at and that folks in various departments, including Health Canada, need to work in a more collaborative fashion with industry stakeholders and understand their concerns and needs.

Thank you, Mr. Chair.

**The Chair:** I think most of this relates to subdivision H, so we'll stick with clause 198 and go to a recorded vote.

I don't know whether you want to respond to any of that, Mr. Yalkin. It all comes under this whole section, but I do know that all members have been approached by the CCSPA over the concern about the cost to business around this issue. We've had pressure for amendments, if I could put it that way, but it falls outside the scope of this BIA. It may come forward in the future.

I guess I'd express to you as chair that from what I've heard, we hope Health Canada can deal with this issue in a constructive way, and deal with the concerns that have come forward, if I could put it that way, and not add that burden of cost onto business.

All right. Shall clause 198 carry? We will have a recorded vote, Mr. Clerk.

(Clause 198 agreed to: yeas 8; nays 1)

**The Chair:** On clause 199, is there any further discussion you want to add, Mr. Dusseault, or do you want to go to a recorded vote?

**Mr. Pierre-Luc Dusseault:** I would like a recorded vote.

(Clause 199 agreed to: yeas 8; nays 1)

**The Chair:** On clause 200, a recorded vote has been requested.

(Clause 200 agreed to: yeas 8; nays 1)

**The Chair:** That's carried as voted.

We will have recorded votes right up to clause 212, I believe?

**Mr. Pierre-Luc Dusseault:** Yes.

**The Chair:** Shall clause 201 carry?

(Clause 201 agreed to: yeas 8; nays 1)

**The Chair:** That's carried as voted. Now we go to clause 202, please, Mr. Clerk.

(Clause 202 agreed to: yeas 8; nays 1)

•(1215)

**The Chair:** On clause 203, we will have a recorded vote, Mr. Clerk.

(Clause 203 agreed to: yeas 8; nays 1)

**The Chair:** On clause 204, it will be a recorded vote, Mr. Clerk.

(Clause 204 agreed to: yeas 8; nays 1)

**The Chair:** On clause 205, we will have a recorded vote, Mr. Clerk.

(Clause 205 agreed to: yeas 8; nays 1)

**The Chair:** On clause 206, we will have a recorded vote.

(Clause 206 agreed to: yeas 8; nays 1)

**The Chair:** On clause 207, we will have a recorded vote.

(Clause 207 agreed to: yeas 8; nays 1)

**The Chair:** On clause 208, we will have a recorded vote.

(Clause 208 agreed to: yeas 8; nays 1)

**The Chair:** On clause 209, we will have a recorded vote.

(Clause 209 agreed to: yeas 8; nays 1)

**The Chair:** On clause 210, we will have a recorded vote.

(Clause 210 agreed to: yeas 8; nays 1)

**The Chair:** On clause 211, it will be a recorded vote, Mr. Clerk.

(Clause 211 agreed to: yeas 8; nays 1)

**The Chair:** On clause 212, we will have a recorded vote.

(Clause 212 agreed to: yeas 8; nays 1)

**The Chair:** Go ahead, Mr. Dusseault.

•(1220)

[*Translation*]

**Mr. Pierre-Luc Dusseault:** I have something to say before we finish with this. The members of the committee should thank me because I could do this for every clause we study in the bill. It's simply a matter of principle. I wanted to see who committee members would side with—workers or industry—and I got my answer.

[*English*]

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

(Clauses 213 to 216 inclusive agreed to on division)

(On clause 217)

**The Chair:** We still have the same officials on this clause. I believe we're at amendment LIB-4.

**Mr. Peter Fragiskatos:** That's mine, Mr. Chair.

**The Chair:** Okay. Go ahead, Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** Thank you very much.

These amendments are rather straightforward.

They would help to ensure the transparency of the process for avoiding duplication in conducting special reviews. In particular, they would add text to clause 217 to clarify that the minister would always consult on a new aspect of concern that was added to an ongoing post-market review.

**The Chair:** Is there any discussion?

The motion is on amendment LIB-4.

(Amendment agreed to [*See Minutes of Proceedings*])

**The Chair:** Amendment PV-1 can't be moved since LIB-4 was adopted, so that amendment is out of order now. NDP-3 is the same.

(Clause 217 agreed to on division)

(On clause 218)

**The Chair:** We will move to clause 218.

Go ahead, Mr. Manly, but first of all, welcome to the House of Commons after your recent election. Welcome to this committee.

**Mr. Paul Manly (Nanaimo—Ladysmith, GP):** Thank you.

This amendment is based on a joint brief from the Canadian Environmental Law Association, the David Suzuki Foundation, Ecojustice Canada, Environmental Defence and Équiterre. This amendment is necessary to ensure that the minister will make public any decision not to initiate a special review that would otherwise be required when an OECD member country prohibits all uses of a pesticide.

Subsection 17(2) of the Pest Control Products Act mandates a special review if an OECD member country prohibits all uses of a pesticide for health or environmental reasons.

Proposed subsection 17.1(2) would introduce an exception allowing the health minister discretion to determine whether additional information is available that warrants a special review under section 17(2) of the act. With no clear criteria set out for making such a determination and no notice or consultation requirement, this provision lacks transparency and could prevent appropriate consideration of the environmental and health information that another jurisdiction relied on in deciding to prohibit all uses of a pesticide. This lack of transparency runs contrary to efforts to enhance confidence in Canada's pesticide regulatory system.

**The Chair:** Okay.

Did you have your hand up, Pierre?

**Mr. Pierre-Luc Dusseault:** Yes.

**The Chair:** We will go to Mr. Dusseault and then Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** Just to clarify, is this PV-1?

**The Chair:** No, it's PV-2. PV-1 was ruled out after LIB-4 passed.

Mr. Dusseault and then Mr. Fragiskatos.

•(1225)

[Translation]

**Mr. Pierre-Luc Dusseault:** Thank you, Mr. Chair.

I'd like to thank the new member at the table for his contribution.

You'll notice that my NDP amendment.... I don't know which number it is.

[English]

**The Chair:** It's NDP-4.

[Translation]

**Mr. Pierre-Luc Dusseault:** Okay. You'll notice that amendment NDP-4 is identical. It is based on the same sources of information. I am therefore delighted to support amendment PV-2.

As my fellow member indicated, when a decision is made not to initiate a special review of a pest control product—or pesticide—the least the government can do is give Canadians access to the information that prompted the minister's decision. Canadians, overall, have doubts about these products and their health effects. I think they would welcome the minister having to justify his or her decision.

Very often, Canadians may not agree with the decision, but at the very least, there would be some transparency. Canadians could see the reasons why the decision was made and, then, determine for themselves whether they were satisfied with their government and felt it was making the right decisions to protect them. Building that transparency into the legislation is entirely appropriate.

[English]

**The Chair:** We have officials here as well. I think this is your area, isn't it, Mr. Flint? If there are any questions related to these amendments, this is Mr. Flint's area.

Go ahead, Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** Thank you very much, Mr. Chair.

Congratulations also go to our new colleague. Mr. Manly, welcome to the committee today.

Unfortunately, I am of the view that amendment PV-2 should be defeated. The reason is that amendment LIB-5—and I'm biased because that's the one I'll be introducing momentarily, Mr. Chair—proposes that the minister make public decisions not to initiate a special review under subsection 17(2).

In addition, though—and this is the substantive point, Mr. Chair—amendment LIB-5 also requires the minister to make public decisions to expand the scope of a re-evaluation or special review, rather than initiate a special review under subsection 17(2). This additional requirement addresses a specific concern raised by stakeholders.

What we're left with is that amendment LIB-5 would provide for greater transparency than amendment PV-2. That is why I'm of this position.

**The Chair:** Is there any further discussion? Are there any questions for the officials?

All those in favour of amendment PV-2, please signify.

(Amendment negated)

**The Chair:** That will also apply to amendment NDP-4, so both are lost.

Now we're on amendment LIB-5 to clause 218.

**Mr. Peter Fragiskatos:** Thank you, Mr. Chair.

What we have with amendment LIB-5, which I have alluded to already, is that the proposed amendments here would ensure transparency of decisions made to avoid duplication when conducting special reviews. In particular, they would add text to clause 218 to clarify that the minister would make public decisions not to initiate a special review in response to an OECD member decision to prohibit a pesticide's active ingredient when such a review would duplicate the work of an ongoing review or a previously completed review.

There you have it.

(Amendment agreed to [See Minutes of Proceedings])

(Clause 218 as amended agreed to on division)

**The Chair:** There are no amendments to clauses 219 to 221. Are we agreed to see those as carried on division?

(Clauses 219 to 221 inclusive agreed to on division)

**The Chair:** Do you want to suspend for 10 minutes and have a bite to eat?

**Some hon. members:** Agreed.

**The Chair:** Okay, we'll suspend for a few minutes and have a bit to eat. It's pretty hard to both concentrate and eat, so we're suspended for 10 minutes.

•(1225)

(Pause)

•(1245)

**The Chair:** We're starting at clause 222 in division 10.

With us as officials we have Mr. Koops, Acting Assistant Deputy Minister, Community Safety and Countering Crime Branch with Public Safety Canada, as well as Mr. Talbot, who is Legal Counsel with Public Safety Canada's legal services, Department of Justice.

First up is amendment NDP-5.

Go ahead, Mr. Dusseault.

[Translation]

**Mr. Pierre-Luc Dusseault:** Thank you, Mr. Chair.

My first amendment concerns the first changes proposed further to the Royal—

[English]

**The Chair:** I'm not getting the translation. It's just coming through in French. Try it again.

[Translation]

**Mr. Pierre-Luc Dusseault:** All right, Mr. Chair.

If it's working, I'll continue.

[*English*]

**The Chair:** Yes.

[*Translation*]

**Mr. Pierre-Luc Dusseault:** This amendment is further to the four amendments related to this division, all of which stem directly from the recommendations made by the Standing Committee on Public Safety and National Security. I don't think the members wrote the recommendations, themselves, but they put forward possible amendments based on their study. We'd like to thank them for examining these clauses. They issued some very useful recommendations, which served as the basis for these four amendments.

The first amendment seeks to clarify the mandate of the management advisory board of the Royal Canadian Mounted Police, or RCMP, established by the bill. The purpose is to ensure the transformation and modernization plans “take account of the challenges of harassment and culture change” within the RCMP.

That is highly pertinent given the recent revelations regarding harassment and culture within the RCMP. It goes without saying that the board should be able to provide relevant advice to the minister and RCMP leadership. The idea is to find solutions to the very real harassment and culture challenge within the RCMP.

I hope the committee will support this amendment and give the management advisory board a bit more flexibility in carrying out its mandate to provide advice on these matters.

• (1250)

[*English*]

**The Chair:** It's open for discussion.

For your information, we had farmed out this section of the budget implementation act to the Standing Committee on Public Safety and National Security. They reported back. They basically said that they recommend that the Standing Committee on Finance consider amending division 10 of Bill C-97 with four recommendations. I think that letter went out to all members.

Go ahead, Mr. Sorbara.

**Mr. Francesco Sorbara:** Thank you, Mr. Chair, and thank you to my colleague, Mr. Dusseault, for putting forward the amendment.

In reading my notes, my understanding on this amendment is I will not be supporting it for a couple of reasons.

First of all, the work of the board is much broader than just on harassment and cultural change, although those are obviously two very important aspects. They are currently two top priorities, but as identified by the RCMP commissioner in her public mandate letter, these issues have been identified, and as indicated, she will seek advice from the board on them.

It is anticipated that the provision in the legislation will outlive the achievement of the RCMP's objectives in those matters. This amendment may not always be relevant to the work undertaken by the board.

Finally, Chair, with regard to the principle involved with legislative drafting interpretation, section 10 of the Interpretation Act states that:

The law shall be considered as always speaking, and where a matter or thing is expressed in the present tense, it shall be applied to the circumstances as they arise, so that effect may be given to the enactment according to its true spirit, intent and meaning.

The proposed amendment by Mr. Dusseault does not reflect those principles, as harassment and culture change challenges are expected to be time-limited.

With that, Mr. Chair, I will be stopping there. That's why I will not be supporting the amendment.

**The Chair:** Is there any further discussion on amendment NDP-5?

(Amendment negated [*See Minutes of Proceedings*])

**The Chair:** On amendment NDP-6, go ahead, Mr. Dusseault.

[*Translation*]

**Mr. Pierre-Luc Dusseault:** This is still about the recommendations of the Standing Committee on Public Safety and National Security. The amendment seeks to add a subsection to section 45.18—subsection (2.1), which would follow subsection (2). It is about ensuring that the board's mission is broad enough and sufficiently representative of the legislator's intentions, including those of the Standing Committee on Public Safety and National Security, which looked into the issue.

It is a matter of adding that “all advice, information and reports provided to the commissioner shall include a gender-based analysis”—the famous analysis the government is supporting so strongly in all its projects, including budgets. It goes without saying that the board, which will advise the commissioner, must include a gender-based analysis. That is what was recommended by the Standing Committee on Public Safety and National Security.

So I hope to have my colleagues' support in following up on the recommendations—unanimous, I think—of the committee, which was mandated to consider this part of the bill.

• (1255)

[*English*]

**The Chair:** Keep in mind that officials are here if anybody has any questions.

Go ahead, Ms. Bendayan.

[*Translation*]

**Ms. Rachel Bendayan:** Thank you, Mr. Chair.

I just want to respond to my colleague and commend the intention of the amendment. In the next few minutes, I will propose amendment LIB-5, which focuses on the same issue. Amendment LIB-5 seeks to integrate into the board's work the concept and results related to gender-based analysis. Our approach is preferable to my colleague's proposal, which would impose a specific practice or instrument. I think the amendment we will propose next will be more desirable.

[English]

**The Chair:** Is there any further discussion?

All those in favour of amendment NDP-6?

(Amendment negated [See Minutes of Proceedings])

**The Chair:** On amendment LIB-6, go ahead, Ms. Bendayan.

**Ms. Rachel Bendayan:** Thank you, Mr. Chair.

As I mentioned just a moment ago, this amendment reflects the recommendation that we made here, which would oblige the board to undertake gender-based analysis of the work of the management advisory board. As I mentioned, this would be the preferable approach to integrating the concepts and outcomes related to a GBA analysis into the work of the board. It's consistent with the Department for Women and Gender Equality Act.

**The Chair:** Is there any further discussion?

(Amendment agreed to [See Minutes of Proceedings])

**The Chair:** On amendment NDP-7, go ahead, Mr. Dusseault.

[Translation]

**Mr. Pierre-Luc Dusseault:** Once again, this amendment follows up on a recommendation of the Standing Committee on Public Safety and National Security. The committee recommended to strengthen the obligation to provide the minister with copies or summaries of advice provided by the Advisory Board. The amendment I am proposing seeks to strengthen that obligation, rather than let the board decide on its own whether to submit its reports or not.

I will read subsection (3) of section 45.18: "The Management Advisory Board may provide the Minister with a copy or a summary of any advice, information or report that it provides to the Commissioner." My argument has to do with the words "may provide" and, in French, "*peut donner*". It goes without saying here that the provision needs to be strengthened a bit. As the subsection is currently drafted, this is not an obligation, and the board can do it or not. There is no obligation.

My amendment seeks to ensure that the Advisory Board must give the minister "a copy or a summary of any advice, information or report that it provides to the Commissioner", and that it "shall provide the Minister with a copy of every report that it provides to the Commissioner."

The introduction of the passage "shall provide the Minister with a copy of every report that it provides to the Commissioner", means that, beyond summaries, advice or information, when a report is provided to the commissioner, the board shall provide a copy of it to the minister in charge of public safety. I hope to have my colleagues' support to strengthen this obligation to provide the minister with reports.

[English]

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

Go ahead, Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** Thank you, Mr. Chair.

I'm worried that the amendment could negatively affect the reporting structure between the board, the commissioner and the minister.

The board should be able to decide when it is necessary to present a report to the minister. This amendment would require every communication between the board and the commissioner to also be conveyed to the minister, providing no discretion for the board with regard to the sharing of information. This could lead to every draft of every document possibly being shared before any advice has been finalized by the board.

**The Chair:** Is there any further discussion?

(Amendment negated [See Minutes of Proceedings])

**The Chair:** We're on amendment NDP-8.

● (1300)

[Translation]

**Mr. Pierre-Luc Dusseault:** Once again, I think it is unfortunate that the fine recommendations made by the Standing Committee on Public Safety and National Security—which was given the mandate to conduct this study—are being rejected by colleagues on the government side.

This fourth amendment is once again following up on recommendations we received. It is about adding the obligation that, in his recommendation, the minister take into consideration "the importance of representation on the Management Advisory Board of persons who reflect the diversity of Canadian society, including women, Indigenous persons, persons with disabilities, members of visible minorities and persons who are lesbian, gay, bisexual, transgender, queer or two-spirit."

This is simply about ensuring that the Advisory Board reflects the diversity of Canadian society, which was a recommendation of the Standing Committee on Public Safety and National Security. I hope once again to have my colleagues' support to honour the work done by our colleagues from the other committee who took the time to study this part of the bill.

[English]

**The Chair:** Go ahead, Ms. Bendayan.

[Translation]

**Ms. Rachel Bendayan:** Thank you, Mr. Chair.

We completely agree with the intent of the proposed amendment. However, in amendment LIB-7 we will propose, we maintain that objective of reflecting the diversity of Canadian society, without, however, specifying what groups should be represented. We actually believe that adding that list may lead to groups that are not specifically mentioned feeling excluded and the impression being given that their point of view is not considered important. We think it is preferable to keep to the most broad objective of diversity, without naming specific groups.

[English]

**The Chair:** Is there any further discussion on amendment NDP-8?

(Amendment negated [See Minutes of Proceedings])



**The Chair:** We're on amendment LIB-7.

**Ms. Rachel Bendayan:** Thank you, Mr. Chair.

I would encourage all members to review the language of this amendment and to support it. It reflects, as my colleague mentioned, a recommendation that was made to this committee to encourage diversity of representation on future iterations of the management advisory board, and it introduces as well the principle of merit into the selection of board members.

If we remain broad on the reference to diversity of Canadian society without an illustrative list, the changing nature of the country may also be considered in the selection and composition for future board members.

**The Chair:** Is there any discussion on that?

What you're saying is that this amendment accommodates some of the recommendations that came from the public safety committee.

**Ms. Rachel Bendayan:** Yes.

**The Chair:** All right. Are there any questions to the officials?

Is there any further discussion on amendment LIB-7?

(Amendment agreed to [*See Minutes of Proceedings*])

**The Chair:** Shall clause 222 as amended carry?

(Clause 222 as amended agreed to on division)

**The Chair:** There are no amendments to clauses 223 to 225. Are we in agreement to carry clauses 223 to 225 on division?

**Some hon. members:** Agreed.

(Clauses 223 to 225 inclusive agreed to on division)

(On clause 226)

**The Chair:** We are on clause 226, in division 11. This is the Pilotage Act.

I think we have some new officials to come forward, but we thank you, Mr. Koops and Mr. Talbot, for being here.

The new officials are Mr. Stacey, Acting Director General for Pilotage Act review with Transport Canada, and Ms. Bédard, Director of Marine Pilotage Programs with Transport Canada.

Turning to clause 226, we have amendment CPC-6.

**Mr. Blake Richards (Banff—Airdrie, CPC):** Mr. Chair, this one obviously came from one of my colleagues, and I'll share her rationale on it. She believes that it's in keeping with the spirit of the clause but strengthens it a bit and provides a little greater clarity in terms of the purposes and principles.

•(1305)

**The Chair:** Is there any discussion?

Go ahead, Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** Thank you, Mr. Chair.

On CPC-6, there are a few concerns here. The proposed purpose and principles section in the bill has been drafted to provide a framework for the provision of pilotage services in a way that is

balanced and allows for flexibility. The proposed text adds additional specificity that may have significant implications in general and particularly for the various provisions of the act that refer to the principles.

Most importantly, there's no analysis, or there doesn't seem to be an analysis that has been carried out here as to what these implications might be and what value they would have, if any at all. There's also been no consultation with other stakeholders about the implications of the proposed changes. Contrary to that, there has been plenty of consultation carried out by the government on such issues, and it's reflected in the BIA.

With respect to proposed section 2 of the Pilotage Act, the proposed wording removes reference to the role of the act in establishing a framework for the provision of pilotage services. As a result, it would remove the flexibility required to support the broader intent of the act.

**The Chair:** Okay. Is there any further discussion on CPC-6? Keep in mind that officials are here if you have any points of clarification or questions about implications.

(Amendment negated [*See Minutes of Proceedings*])

(Clause 226 agreed to on division)

**The Chair:** There are no amendments to clauses 227 to 237.

(Clauses 227 to 237 inclusive agreed to on division)

(On clause 238).

**The Chair:** Next we have CPC-7.

Go ahead, Blake.

**Mr. Blake Richards:** Thanks, Mr. Chair.

This rationale will also apply for CPC-8 and CPC-9 as well, so I'll share that with the committee now, and if there's any further discussion, I'll possibly contribute to it.

In terms of introducing the three amendments, all relate to these clauses that would see the full cost of administering the legislation transferred to the private sector, and a number of witnesses expressed concern that this would be inconsistent with the current policy and practice of the government. Obviously those amendments were designed to resolve those issues.

**The Chair:** Go ahead, Mr. McLeod.

**Mr. Michael McLeod:** Thank you, Mr. Chair.

I think my response would apply to CPC-7, CPC-8 and CPC-9, because the concern is that the situation would result in the taxpayer being responsible for subsidizing important aspects of provision for pilotage services that are currently being provided by users.

Under Canada's current system for the provision of pilotage services, the tariffs are set by pilotage authorities to recover expenses, provided they are related to pilotage services, including operational expenses for delivery of service as well as regulation-making and oversight.

Deleting lines 13 to 16 in clause 255 would provide Transport Canada—

**The Chair:** We're dealing with clause 238, though. Did you say clause 255?

Oh, you're dealing with CPC-9 at the same time. We've only got CPC-7 on the floor as yet, Michael.

**Mr. Michael McLeod:** My response applies to CPC-8 and CPC-9.

**The Chair:** Go ahead with the whole thing, then.

**Mr. Michael McLeod:** The last point I was making was that deleting lines 13 to 16 in clause 255 would prevent Transport Canada from recovering any costs borne by the department for service it provides to the private sector under the Pilotage Act, such as costs for reviewing applications and issuing pilot licences and pilot certificates.

•(1310)

**The Chair:** Okay. We'll still have to vote on them one at a time, although both speakers went to amendment CPC-7—

Go ahead, Mr. McCauley.

**Mr. Kelly McCauley (Edmonton West, CPC):** You have a very puzzled look on your face, Mr. Stacey. Was that in response to what was being discussed right now? Is there anything you wanted to chime in on?

**Mr. Colin Stacey (Acting Director General, Pilotage Act Review, Department of Transport):** That was absolutely not the intention. I apologize if I gave that impression.

**Mr. Kelly McCauley:** Fair enough, thanks.

**The Chair:** He's just puzzled about how this committee operates, that's all.

**Mr. Kelly McCauley:** As am I.

**The Chair:** On amendment CPC-7, all those in favour?

(Amendment negated [*See Minutes of Proceedings*])

(Clauses 238 agreed to on division)

(Clause 239 agreed to on division)

(On clause 240)

**The Chair:** We have amendment CPC-8. Have you anything more to add, Mr. Richards?

**Mr. Blake Richards:** No, that same rationale would apply from the previous one, I think.

**The Chair:** Mr. McLeod, you made the argument on that side as well.

All those in favour of amendment CPC-8 on clause 240?

(Amendment negated [*See Minutes of Proceedings*])

(Clause 240 agreed to on division)

**The Chair:** There are no amendments on clauses 241 to 254.

Shall clauses 241 to 254 inclusive carry on division?

(Clauses 241 to 254 inclusive agreed to on division)

(On clause 255)

**The Chair:** There is an amendment, CPC-9. Arguments have already been made, I believe.

**Mr. Blake Richards:** They have, yes. Thanks, Mr. Chair.

**The Chair:** Okay. Arguments have been made on that side as well.

On amendment CPC-9, all those in favour?

(Amendment negated [*See Minutes of Proceedings*])

(Clause 255 agreed to on division)

**The Chair:** There are no amendments on clauses 256 to 291—

Go ahead, Mr. Dusseault.

[*Translation*]

**Mr. Pierre-Luc Dusseault:** I agree with us going up to section 269, but I would have a few comments to make on sections 270 to 279.

[*English*]

**The Chair:** Do you have some questions on clause 270?

[*Translation*]

**Mr. Pierre-Luc Dusseault:** I don't really have questions, but I do have a comment.

[*English*]

**The Chair:** Is it on clause 270, Pierre?

[*Translation*]

**Mr. Pierre-Luc Dusseault:** Yes.

[*English*]

**The Chair:** Okay, shall clauses 256 to 269 inclusive carry on division?

(Clauses 256 to 269 inclusive agreed to on division)

**The Chair:** Okay, that takes care of the witnesses who are before us.

(On clause 270)

**The Chair:** We are starting on division 12 with clause 270. Our officials from Transport Canada are Ms. Wiebe and Mr. Dawson. Ms. Wiebe is Director General, Air Policy with Transport Canada. Mr. Dawson is Director, Airports and Air Navigation Services Policy with Transport Canada.

The floor is yours, Mr. Dusseault.

[*Translation*]

**Mr. Pierre-Luc Dusseault:** Thank you, Mr. Chair.

In fact, I may have a question to start.

This is about privatizing the Canadian Air Transport Security Authority, an entity that is known—and at the same time little-known—to Canadians. Every Canadian who travels by plane goes through security before boarding. That security is provided by the Canadian Air Transport Security Authority.

The bill seeks to privatize that entity, which is currently a Crown corporation, unless I am mistaken, but will outright become an independent body. The Standing Committee on Transport, Infrastructure and Communities has looked into this issue. That brings me to my first question, which is for the people before us who are very familiar with the file.

Have you taken note of the meetings of the transport committee, the discussions held there and the opinions raised on the idea of privatizing the Canadian Air Transport Security Authority?

• (1315)

**Ms. Sara Wiebe (Director General, Air Policy, Department of Transport):** Thank you for the question.

[English]

In terms of the consultations we undertook with regard to the proposal that is before this committee today, we did consult quite broadly with the air sector, including both the airlines and the airports. We spoke to them in quite a level of detail about the different types of models we were considering in terms of a future governance state for the Canadian Air Transport Security Authority. Based on those consultations and on our own analysis, we have determined—and the proposal is before this committee—to take the same approach with airport security screening that we took with the commercialization of air navigation services in the mid-1990s, which resulted in the creation of Nav Canada.

We see that the creation of Nav Canada has been a very important success in that it has resulted in lower fees and greater innovation—and, we believe, greater support for the safety of Canada's air navigation services.

Based on that, based on the consultations and our own analysis, the proposal is before this committee to take the same approach to commercialize aviation security screening at Canada's airports.

[Translation]

**Mr. Pierre-Luc Dusseault:** My question was not really about the consultations you have held. I wanted to know whether you followed the proceedings of the House of Commons Standing Committee on Transport, Infrastructure and Communities, which considered that part of the bill.

Have you noted that this idea has support or was met with resistance—in other words it was far from having full support? Strong concerns were raised at the transport committee's meetings.

Were you aware of that?

[English]

**The Chair:** Ms. Wiebe, I know we have letters from some members who sat on that committee. In short, the response from the chair of the Standing Committee on Transport, Infrastructure and Communities—the committee we farmed those sections out to—was that the committee had conducted three meetings on this study and heard from 31 witnesses. She went on to say that the committee had received two briefs, which could be consulted on their platform, and that it had been agreed the committee would not submit recommendations or suggest amendments.

This letter has been sent to our committee. It was signed by Judy Sgro, chair of the transport, infrastructure and communities committee.

The floor is yours, Ms. Wiebe.

**Ms. Sara Wiebe:** Thank you.

With regard to the witnesses who appeared before the House transportation committee, we did follow those discussions quite closely. There were some concerns raised.

First, I should start by making the point that I believe Canada's airports, as represented by different members and by the Canadian Airports Council, indicated a high level of support for the proposal by the government.

There were also witnesses from CATSA, as well as Nav Canada. CATSA indicated support for the legislation. Nav Canada spoke specifically with regard to its own experience with the commercialization of air navigation services and the legislation that framed that commercialization. They indicated that in their view, the legislation had stood the test of time, and they felt they were well served by the legislative framework. They also noted that the legislative framework for Nav Canada is in large part similar to the legislative framework that the government is proposing with regard to the commercialization of aviation security screening.

We did hear some concerns raised by Canada's airlines. Their concerns were largely focused on the pace of the proposed timeline for the commercialization of CATSA. They indicated that they were otherwise under quite a bit of pressure as a result of recent decisions by the government, including the grounding of the 737 Max 8. We are in ongoing conversation with Canada's airlines with regard to the pace of the negotiations. I believe the airlines are now speaking with the Canadian Airports Council with a view toward developing the industry negotiating team that would then sit down with the government to finalize the negotiations required to complete the commercialization, should this legislation be passed.

• (1320)

**The Chair:** Is that it?

[Translation]

**Mr. Pierre-Luc Dusseault:** Before we wrap up, I want to mention what was reported to us by members who, it is true, are a minority on the Standing Committee on Transportation, Infrastructure and Communities—NDP and Conservative Party members.

[English]

Based on the evidence heard from CATSA and the airline industry, it appears to us that the path to privatization being taken by the federal government is not the right solution to the organization's problem. We believe instead that the CATSA funding model should be reviewed to make it stable and predictable so that the organization can meet the international standards that it has set for itself and that the industry expects.

During her appearance before the committee on May 7, Nancy Fitchett, Acting Vice-President for Corporate Affairs and Chief Financial Officer for CATSA, said:

The ATSC is collected by the Government of Canada and does not flow to CATSA.... The total amount of the ATSC, if that were to flow to CATSA, would certainly enable us to have a higher budget and deliver a higher wait-time service level, among other things.

I think it's pretty clear from the testimony. What you make of it depends on which side you sit on in this committee, it appears, but I think it was clear for us. I think it was shared from other parties that it was maybe not the best solution to the real problems they face.

That's why I'm asking that we have a recorded vote for clauses 270 to 279: to make sure Canadians who are watching today understand on which side the members stand, and also to understand that this may be the beginning of the privatization of the entire industry, meaning this security screening agency and airports and others that the government is on the path to privatize.

**The Chair:** Go ahead, Mr. McLeod.

**Mr. Michael McLeod:** I have a question on the comment that was just made—

**The Chair:** Yes.

**Mr. Michael McLeod:** —regarding this being televised. My understanding is that it isn't being televised.

**The Chair:** This one is televised. We have problems tomorrow with the televising, but today's meeting is televised.

**Mr. Michael McLeod:** Thank you.

**The Chair:** I didn't even know that. I have to comb my hair.

We'll go through recorded votes on these clauses.

Mr. Richards, there's been a request that we try to stop around 1:30 because some other people have to do some things in the House. I think we'll try to suspend from around 1:30 until 3:30 to give you folks the opportunity to do what you have to do, if that's okay.

We are taking recorded votes, Mr. Clerk.

(Clause 270 agreed to: yeas 8; nays 1)

(Clause 271 agreed to: yeas 8; nays 1)

(Clause 272 agreed to: yeas 8; nays 1)

(Clause 273 agreed to: yeas 8; nays 1)

(Clause 274 agreed to: yeas 8; nays 1)

(Clause 275 agreed to: yeas 8; nays 1)

(Clause 276 agreed to: yeas 8; nays 1)

(Clause 277 agreed to: yeas 8; nays 1)

(Clause 278 agreed to: yeas 8; nays 1)

(Clause 279 agreed to: yeas 8; nays 1)

**The Chair:** Go ahead, Mr. Dusseault.

•(1325)

**Mr. Pierre-Luc Dusseault:** I have a quick comment. I'm a bit surprised that the Conservatives don't support my amendments.

I will refer them to a letter signed by MPs Block, Jeneroux and Liepert. I'll cite the letter they sent to us:

For these...reasons, we supported the NDP's amendment proposed during our Committee's May 14, 2019 meeting and recommend that your Committee remove Division 12 from Bill C-97 and call on the Government of Canada to introduce

stand-alone legislation early in the new Parliament following a meaningful consultation period with all affected stakeholders.

I'm finding myself surprised by what just happened.

**The Chair:** All right. You've made your point.

There are no amendments from clause 280 to clause 291. Can we carry those on division? Then we will suspend until 3:30.

(Clauses 280 to 291 inclusive agreed to on division)

(On clause 292)

**The Chair:** We will come back and start with clause 292, when amendment CPC-10 will be up.

We will suspend until 3:30.

•(1325) \_\_\_\_\_ (Pause) \_\_\_\_\_

•(1530)

**The Chair:** We will reconvene. We got to clause 290. We'll be starting in a moment with clause 291. We had a clause that we needed to come back to, which was clause 131. That clause was allowed to stand.

We were waiting for an official. I believe you had some questions for her, Mr. Kmiec. I believe it was Joyce Henry. We stood that clause down for the moment. We'll go back and deal with it now.

I will ask the other witnesses to just stay at the table and we'll get to you in a minute.

Are you ready to roll, or do you want a minute? You're always ready?

**Mr. Tom Kmiec:** I'm always ready.

**The Chair:** That's good.

**Mr. Tom Kmiec:** Thank you, Ms. Henry, for coming. I'm pretty sure we dug you out of the catacombs of the Flaherty building, so I'm happy you could come here.

There was a discussion among MPs here. We were told that FCM provides some type of document to the minister and the minister is obliged to then table it in the House, or a version of it. Is that correct?

**Ms. Joyce Henry (Director General, Office of Energy Efficiency, Energy Sector, Department of Natural Resources):** Yes.

I'd like to apologize for not being here earlier. I'm actually with the Department of Natural Resources, with the office of energy efficiency.

The FCM is required to provide an annual report to the three ministers with whom they have an agreement, those being the Minister of Natural Resources, the Minister of Environment and Climate Change and the Minister of Infrastructure. Then the previous agreements have said that those reports may be tabled in Parliament. It wasn't a requirement.

**Mr. Tom Kmiec:** So it's a "may". It's not a "must".

**Ms. Joyce Henry:** It's a "may", but the language in the current agreement with the new funding on energy efficiency has been strengthened to say "shall". We would go forward with tabling.

•(1535)

**Mr. Tom Kmiec:** Will it be the original FCM document that would be tabled, or does the minister do a summary of it?

**Ms. Joyce Henry:** No, it's an annual report, so this is the one most currently available. They have to provide it to the ministers within five months after the end of their fiscal year end. This is the 2017-18 one, and they have to make it public. They do make it public already, but it's not necessarily tabled in Parliament.

**The Chair:** Are we okay now?

**Mr. Tom Kmiec:** No—

**The Chair:** No, I mean you're done, if I can put that way. We're done with the discussion on questions related to clause 131, which was stood.

On CPC-5, did we debate that amendment? We need to go to the question on CPC-5, which was the amendment. Is there anything further to discuss on CPC-5? It was back quite a few amendments ago.

All those in favour of CPC-5?

(Amendment negated [*See Minutes of Proceedings*])

(On clause 131)

**The Chair:** All those in favour of clause 131?

(Clause 131 agreed to on division)

(On clause 292)

**The Chair:** Who was doing the discussion on CPC-10?

Go ahead, Mr. Richards.

**Mr. Blake Richards:** The issue we had here is around taking the regulatory body that exists now, with which there are a whole host of issues, and allowing it to become essentially the college. That's where our concerns are. That's why we have these amendments.

**The Chair:** Is there anything else on amendment CPC-10?

Go ahead, Mr. Sorbara.

**Mr. Francesco Sorbara:** Thank you, Chair.

Good afternoon, everyone.

I'll be speaking to this amendment. I thank Mr. Richards for bringing it forward. I will be disagreeing with it and not voting for the amendment.

The amendment would effectively remove the option for the existing regulatory body to apply to continue as a new college. It would effectively mean we'd be starting from scratch. It would replicate many of the same growing pains we've witnessed with the current regulator and it would also fail to mention knowledge and expertise of the professional staff of the current regulator.

There are some other reasons that I can opine upon, but needless to say the amendment doesn't add value to the new organization, the new committee being created.

Thank you, Chair.

**The Chair:** Thank you. We'll open it up for discussion.

I don't think there are any more questions for you, Ms. Henry. Thank you for coming and hanging around three or four times.

Officials are here on this whole section. We have Ms. Duffin, Senior Policy Analyst with the Immigration Department, and Mr. Smith, Assistant Director of Social Immigration Policy and Programs.

If there are any questions for the officials, they're available to take them.

Is there any further discussion on CPC-10?

(Amendment negated [*See Minutes of Proceedings*])

(Clause 291 agreed to on division)

**The Chair:** There are no amendments on clauses 293 to 299.

(Clauses 293 to 299 inclusive agreed to on division)

(On clause 300)

**The Chair:** On clause 300, we have amendment CPC-11.

•(1540)

**Mr. Tom Kmiec:** I'll speak to that one. It's pretty simple.

It gets to the same idea as the last one we had problems with. It's this new college, and it's fraught with issues. Removing this section of the legislation would allow the existing regulatory body to continue. It's the same idea that we're trying to get out in removing this particular section.

**The Chair:** Is there any discussion?

Go ahead, Mr. Sorbara.

**Mr. Francesco Sorbara:** Similar to my comments on the prior amendment that was put forward by the opposition party, one of the primary reasons for this clause is that the legislation was drafted to provide for the Immigration Consultants of Canada Regulatory Council to continue as a new college. That is the preferred path on our government's priority, as it will help ensure a smooth transition and minimize the disruption to IRCC's clients. The current regulator would have difficulty retaining its staff in the period of time before a new regulator could be established, hampering its ability to govern the profession in the interim period and its ability to provide continued service to clients.

We would like to have a smooth transition, Mr. Chair.

**The Chair:** Is there any further discussion on CPC-11?

(Amendment negated [*See Minutes of Proceedings*])

(Clause 300 agreed to on division)

**The Chair:** Thank you, folks. It wasn't too hard a task.

We're now turning to division 16. From IRCC, we have Mr. Valentine, Director General for Refugee Affairs; and Mr. Baril, Senior Director.

Mr. Dusseault, do you have a question?

**Mr. Pierre-Luc Dusseault:** As I did with the other part of the bill, I am asking for a recorded vote on clauses 301 to 310.

**The Chair:** Okay.

(On clause 301)

**The Chair:** On clause 301, we have amendment CPC-12. Who is putting that forward?

Go ahead, Mr. Kmiec.

**Mr. Tom Kmiec:** We're just repealing a section of the immigration and refugee protection regulations, section 159.4.

The government has to close a loophole in the safe third country agreement. That's what this amendment will help achieve.

**The Chair:** The chair will rule that it is inadmissible, as it amends a statute that's not before the committee.

Do you want me to give you the technical ruling for that?

**Mr. Tom Kmiec:** Yes, please.

**The Chair:** Okay. I'll explain it all.

Clause 301 of Bill C-97 amends the Immigration and Refugee Protection Act. Amendment CPC-12 seeks to amend the Immigration and Refugee Protection Regulations, not the act.

As *House and Commons Procedure and Practice*, third edition, states on page 771,

...an amendment is inadmissible if it proposes to amend a statute that is not before the committee or a section of the parent Act, unless the latter is specifically amended by a clause of the bill.

Since the Immigration and Refugee Protection Regulations are not being amended by Bill C-97, it is therefore the opinion of the chair that the amendment is inadmissible.

Shall clause 301 carry?

You want a recorded vote.

(Clause 301 agreed to: yeas 5; nays 4 [*See Minutes of Proceedings*])

(On clause 302)

**The Chair:** On clause 302, we have amendment CPC-13.

Tom, the floor is yours.

• (1545)

**Mr. Tom Kmiec:** It's basically the same as before. We are replacing a portion of section 159.5 of the regulations before paragraph (a). We're basically just trying to achieve compliance with the safe third country agreement and closing all the loopholes.

**The Chair:** Okay, the ruling on amendment CPC-13 is the same as for amendment CPC-12—

**Mr. Tom Kmiec:** I'm starting to think it's personal now, Mr. Chair.

**The Chair:** —which is that it's inadmissible as it amends a statute that is not before the committee.

Do you want me to go through the technical details again or just give you that it's on page 771?

**Mr. Tom Kmiec:** Thank you for the page, but I'd like to go through it technically again.

**The Chair:** Okay. It's your choice.

Clause 302 of Bill C-97 amends the Immigration and Refugee Protection Act. The amendment CPC-13 seeks to amend the Immigration and Refugee Protection Regulations. As *House of Commons Procedure and Practice*, third edition, states on page 771:

...an amendment is inadmissible if it proposes to amend a statute that is not before the committee or a section of the parent Act, unless the latter is specifically amended by a clause of the bill.

Since the Immigration and Refugee Protection Regulations are not being amended by Bill C-97, it is therefore the opinion of the chair that the amendment is inadmissible.

It is inadmissible, so shall clause 302 carry on a recorded vote?

**Mr. Tom Kmiec:** Mr. Chair, before we proceed to the recorded vote, as my colleagues from the New Democratic Party requested, can I ask to suspend for a few minutes?

**The Chair:** How long do you want, three minutes?

**Mr. Tom Kmiec:** I want five minutes.

**The Chair:** We can do that. We can suspend for five minutes.

• (1545)

(Pause)

• (1550)

**The Chair:** We will reconvene.

I call the question on clause 302. This is a recorded vote.

(Clause 302 agreed to: yeas 5; nays 4)

**The Chair:** Mr. Dusseault has asked for recorded divisions right through until clause 310.

(Clause 303 agreed to: yeas 5; nays 4)

**The Chair:** I will remind people that our officials are here. If you have any questions, feel free to raise them.

(Clause 304 agreed to: yeas 5; nays 4)

(Clause 305 agreed to: yeas 5; nays 4)

(Clause 306 agreed to: yeas 5; nays 4)

(Clause 307 agreed to: yeas 5; nays 4)

• (1555)

**Ms. Rachel Bendayan:** Mr. Chair, I believe there's a proposed amendment to clause 308.

**The Chair:** Yes, but it comes after clause 308. It's a new clause, correct?

(Clause 308 agreed to: yeas 5; nays 4)

**The Chair:** We have amendment Lib-8, which would create a new clause 308.1.

Go ahead, Ms. Bendayan.

**Ms. Rachel Bendayan:** Thank you, Mr. Chair.

This amendment proposes to enshrine into law the requirement of an oral hearing unless the application is allowed on paper without a hearing.

This amendment spells out that the pre-removal risk assessment officers must conduct an oral hearing providing an applicant with all of the rights and opportunities to present their case. The Standing Committee on Citizenship and Immigration has recommended to our committee that this measure be adopted.

As a lawyer, I feel very strongly that this improves the legislation and would provide certainty to applicants and legal counsel working in the field. I know this was also recommended by stakeholders in their presentations to various committees in government.

**The Chair:** Go ahead, Ms. Kwan.

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

Thank you to the committee members for indulging me.

I'm speaking to the amendment. In fact, I'm speaking to the entire section pertaining to the asylum seeker changes proposed under Bill C-97. The New Democrats feel very strongly that we should not be supporting these provisions and that these provisions should be struck from this bill.

At the immigration committee, all the witnesses were very clear in saying that the government should not be proceeding with this measure. We've received over 2,000 emails from Canadians calling on the government to stand down these provisions. This amendment, Mr. Chair, does not fix the problem. Witnesses were clear to say there is no fix to this.

Effectively, the government is proceeding to endanger the lives of asylum seekers. We had expert witness upon expert witness who came forward to state that. Amnesty International was very clear to say that there is no fix. The Canadian refugee lawyers' association also said there is no fix.

As far as creating a hearing goes, according to the amendment there is not even a requirement for an oral hearing, so what was being suggested by way of an explanation is not accurate in that regard.

The idea that creating hearings would somehow fix this problem is erroneous at best, Mr. Chair. As we know, the IRB already exists; there's already an independent process, a well-respected process. The witnesses said that this process is the proper process asylum seekers should go through to determine whether or not they are eligible to be a refugee and are able to seek asylum here in Canada.

Setting up a separate set of hearings with some other entity that is not prescribed in the legislation would be duplicating our efforts. Frankly, we just had an Auditor General's report that said that the government is inefficient in its work, that it is duplicating its effort and not achieving the results we hope to achieve, so why are we creating a separate process that asylum seekers would have to go through, while also costing taxpayers money? Why are we setting up a new infrastructure to do this work? The IRB is already very capable of doing this work.

The attempt to somehow say we can fix this draconian piece of legislation by saying we're going to require hearings is deficient.

Mr. Chair, you're aware from the NDP members on the immigration committee that I sent a letter to you, Mr. Chair, to be

shared with all the committee members, urging committee members to strike down these provisions. At the very minimum, Mr. Chair, these provisions ought to be a stand-alone bill for full debate in the House of Commons. We heard witnesses throughout the process calling for the government to strike down these provisions and withdraw them.

• (1600)

**The Chair:** Thank you, Ms. Kwan.

Just before we see if there's any further discussion, yes, we did receive the report from the Standing Committee on Citizenship, Immigration and Refugees. Related to this section, the committee said:

Our Committee has met in this regard on Tuesday, May 7 and Wednesday, May 8, 2019, in order to hear from the Minister of Border Security and Organized Crime Reduction and from other witnesses. Their contribution to the study has been very valuable and informative.

The Committee recommends that the Standing Committee on Finance adopt clauses 301-305 and the first clause of 310 without amendment. The Committee agrees that these new provisions will help maintain the integrity of Canada's immigration system.

I'll read the rest of it as well:

The Committee recommends that the Standing Committee on Finance adopt clauses 306-309 and the last three sections of clause 310, provided that the Finance committee is satisfied that the legislation will guarantee a right to an oral PRRA hearing to all asylum seekers who will be affected by this new ground of ineligibility under Clause 306 (i.e. section 101(1)(c.1) of the IRPA.

As well, just for your information, we did receive your letter. That's been sent to committee members. I'm not sure whether it was you who sent it or the committee, but all the submissions from a number of witnesses you had mentioned were sent to the finance committee as well.

Go ahead. The floor is yours.

**Ms. Jenny Kwan:** Thank you very much, Mr. Chair.

I wonder if you could also read into the record the letter that I sent to you, Mr. Chair, as you have done with the other letter from the committee.

**The Chair:** Yes, we can. Do you want me to read it or do you want to read it?

**Ms. Jenny Kwan:** No, I would prefer for you to read it, Mr. Chair, seeing as the letter was sent to you for the committee.

**The Chair:** The clerk is getting the letter. While he's doing that... and I have it somewhere in this pile of paper.

We'll get it off the system there, if we could, David.

While we're waiting for that letter to come, is there any other discussion?

I'll read the letter now that it has arrived.

The letter is from the member for Vancouver East, which is stated there. It reads as follows:

Finance Committee Chair Easter,

I write to you today as the NDP Critic for Immigration, Refugees and Citizenship, in response to your invitation for the Standing Committee on Citizenship and Immigration (CIMM) to study Part 4 Division 15 of Bill C-97, An Act to Implement Certain Provisions of the Budget, and to provide recommendations through you the Finance Committee to consider during its clause-by-clause consideration of the Bill.

Please accept this as the NDP submission to your request.

As I'm sure you're aware, Bill C-97 is a 392 page omnibus budget Bill. Contained in that Bill is Part 4 Division 15, which sets out the creation of a new professional college to govern the conduct of registered professional immigration consultants. Given the nature of immigration consultancy, that is, that they are often working with vulnerable populations, in some cases with limited official languages skills, and often of limited financial means, we as elected officials have a duty to ensure that these professional is held to the highest standards of professional conduct.

During the spring sitting session of 2017, CIMM conducted an in-depth study on immigration consultants in Canada. While the study had originally set out to focus on unregistered consultants, often referred to as 'ghost consultants', it became immediately clear that registered consultants and their regulatory body needed to be examined as well.

This would result in CIMM's only unanimously supported report of this Parliament. The title alone makes it very clear: "Starting Again: Improving Government Oversight of Immigration Consultants".

I believe recommendation 1 is quite clear:

"That the Government of Canada create, by statute, an independent public-interest body empowered to regulate and govern the profession of immigration consultants; and that the mandate of the new regulatory body include: protection of the public by maintaining high ethical standards, so as to preserve the integrity of the system; and, protection of applicants from exploitation by maintaining high standards of competence and encouraging reasonable fees for services rendered. To avoid actual or apparent conflicts of interest, this new body should be accountable to a Minister other than the Minister of Immigration, Refugees and Citizenship. This would be a government regulated body."

When Minister Hussen responded to this report on 16 October 2017, he stated: "That Government expects to be able to provide more information on the way forward next year."

It appears that when the Minister failed to meet his own, self-imposed deadline, and the government is now jamming it into a 392 page omnibus budget bill.

While CIMM examined the provisions, it can hardly be considered a study. We had merely 2 meetings to hear from witnesses. The proposed legislation leaves huge blanks for how the College will be run, leaving the door open for the current regulatory body, the Immigration Consultants of Canada Regulatory Council (ICCRC) to merely transition into a new role. This is woefully inadequate. There are simply too many unanswered questions that remain with this legislation.

It needed to be tabled as a standalone piece of legislation so that it would be subject to proper democratic debate and thoughtful study. This has not happen within the time constraints and limited scrutiny available for provisions within this omnibus budget bill.

● (1605)

Therefore the New Democratic Party's recommendation to the Finance Committee is to have Part 4, Division 14 withdrawn from Bill C-97 and tabled as a standalone bill.

The New Democrats believe that we need a new oversight body for immigration consultants in Canada. However, given the important nature of this work, and the vulnerable population served, we need to make sure we get it right.

Sincerely,

Jenny Kwan, MP for Vancouver East

Go ahead, Ms. Kwan.

**Ms. Jenny Kwan:** Thank you very much, Mr. Chair.

The letter that you have read out refers to the previous section on the consultant piece. There's a separate letter that was sent to you as well pertaining to the asylum seekers component.

Could you read that into the record?

**The Chair:** Do you want to read that one? I'll be out of voice.

**Ms. Jenny Kwan:** Okay. I will pull up my letter. I didn't actually bring it with me—

**The Chair:** We have it here, I'm sure, if you want it in bigger print than on your smart phone.

David, you could give that to Jenny.

Your voice will sound better than mine anyway.

● (1610)

**Ms. Jenny Kwan:** Thank you very much, Mr. Chair.

This is a letter dated May 17, 2019, addressed to you, Mr. Chair. It reads as follows:

Finance Committee Chair Easter,

I write to you today as the NDP Critic for Immigration, Refugees and Citizenship, in response to your invitation for the Standing Committee on Citizenship and Immigration (CIMM) to study and make recommendations for Part 4 Division 15 of Bill C-97, An Act to Implement Certain Provisions of the Budget, and to provide recommendations through you the Finance Committee to consider doing its clause-by-clause consideration of the Bill.

Please accept this as the NDP submission to your request.

As I'm sure you're aware, Bill C-97 is 392 page omnibus budget Bill. Contained in that Bill is Part 4 Division 15, which sets out the creation...

Sorry, Mr. Chair; this is the same letter that was just read out. I will go to my own system and look for the right letter.

We now have the right letter, but it was good to have the same letter put on the record one-and-a-half times.

On division 16, this is a letter dated May 17, 2019. Again, the letter is addressed to you, Mr. Chair.

Finance Committee Chair Easter,

I write to you today as the NDP Critic for Immigration, Refugees and Citizenship, in response to your invitation for the Standing Committee on Citizenship and Immigration (CIMM) to study and make recommendations for Part 4 Division 16 of Bill C-97, An Act to Implement Certain Provisions of the Budget.

Please accept this as the NDP dissenting submission to your request.

Bill C-97 is a 392 page omnibus budget Bill. Contained in that Bill is Part 4 Division 16, which proposes significant changes to Canada's refugee determination system. It appears that these changes are meant to block and deter access to Canada's Immigration and Refugee Board (IRB) from certain groups of asylum seekers.

The provisions contained within Division 16 appear to be nothing more than an attempt to look tough on borders after the government has failed to lead on the asylum seeker file since 2017. This failure created a vacuum that was filled by misinformation campaigns and the vilification of asylum seekers which has since been further pushed by the Conservative party.

As you are aware, Part 4 Division 16 was not even included in your original invitation to CIMM committee as a section of Bill C-97 to study. While I was successful in my fight to have these changes at least brought to CIMM, I am deeply disturbed by the unacceptably short time that we have had to study these provisions.

Despite this unacceptable approach to the legislation, we still heard loud and clear from the experts that appeared at CIMM, and it is my understanding that you have heard the same message at FINA. Groups such as Amnesty International, the Canadian Association of Refugee Lawyers (CARL), and the Canadian Council for Refugees (CCR) spoke clearly that these changes cannot be supported and cannot be rammed through in Bill C-97.



These changes must be withdrawn from Bill C-97.

When Government members of CIMM asked experts appearing at our committee on how to make the proposed changes to the refugee determination process better or to fix the concerns they may have regarding the bill, they were told simply that there is no fix. They were clear to say that lives would be put at risk and that the suggestion of an “enhanced PRRA process” is not only an inefficient duplication of processes, they also noted that it is inferior to what already exists with the IRB. The experts were loud and clear that cannot be permitted as lives are at stake.

• (1615)

CIMM also received over 2,200 letters from individuals speaking out against these proposed changes, calling for them to be withdrawn. In addition, the Prime Minister has been sent an open letter from 46 women's organizations from across Canada denouncing these changes and their inclusion in Bill C-97. This is because of the disproportionate impact on women and girls. Witnesses appearing before CIMM echoed this concern and noted that the Government had clearly failed to do a gender-based analysis plus of these provisions.

It is with all this in mind that on behalf of the New Democratic Party my recommendation to the Finance Committee is to have Part 4 Division 16 withdrawn from Bill C-97 or have all these provisions struck from Bill C-97.

The refugee determination system should not be used for partisan political gains ahead of an election. There is no question that any changes need be, in the minimum, be thoroughly studied. Under the current conditions, that is simply not possible.

Sincerely,

It is signed by myself.

**The Chair:** Thank you.

Go ahead, Mr. Dusseault.

[Translation]

**Mr. Pierre-Luc Dusseault:** I have a question for the officials who are here in order to clarify the new process proposed by the amendment.

In what way do you think the process proposed by the amendment is different from the current process at the Immigration and Refugee Board, or IRB?

**Mr. André Baril (Senior Director, Refugee Affairs, Department of Citizenship and Immigration):** The process followed at the IRB is similar to a court process. If the minister gets involved, the procedure becomes contradictory: the two parties must prove their case and the decision-maker makes a ruling.

In the context where Immigration, Refugees and Citizenship Canada, or IRCC, must decide after a pre-removal risk assessment, the process involves two opponents: the decision-maker, who is at the hearing, and the asylum seeker—and their lawyer if they are represented. The process is more administrative than that of a court.

**Mr. Pierre-Luc Dusseault:** However, would you not say that a court's process is by its nature more fair and more respectful of asylum seekers' rights?

**Mr. André Baril:** No. In fact, the decision-makers are all independent, be they at the court or at the IRCC. Their decisions cannot be influenced in any way.

**Mr. Pierre-Luc Dusseault:** How can you say that IRCC officials or decision-makers are independent if they are an integral part of the government?

**Mr. André Baril:** Decision-making powers are delegated to the decision-maker, and it is up to them to assess whether the individual needs protection or not. To do so, the decision-maker looks at the facts and relies on the Convention relating to the Status of Refugees

and the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment.

**Mr. Pierre-Luc Dusseault:** What system do you think is better? The IRB's system or the new process proposed in the amendment?

[English]

**The Chair:** Mr. Dusseault, I don't think that's a question these officials can answer. I don't think it's up to—

[Translation]

**Mr. Pierre-Luc Dusseault:** I have another question, which is about the nature of those hearings.

The amendment only mentions hearings, without specifying whether they are oral or not. That is what my colleague, Ms. Kwan, was saying earlier. Another member of our committee talked about oral hearings. However, the amendment does not mention the word “oral”. Could you reassure us today and confirm that there will indeed be oral hearings and a fair process that is consistent with the principles of natural justice every applicant is entitled to?

• (1620)

**Mr. André Baril:** I don't have the regulations in front of me, but I think a hearing is an oral hearing. The hearing is the mechanism that allows the individual to present their case and to be heard by the decision-maker.

**Mr. Pierre-Luc Dusseault:** Experts have told us that there are very few cases, a tiny portion of pre-removal risk assessments, where an asylum seeker can present arguments orally to the decision-maker. They told us they have not seen that often in their career.

Why are you saying today that an oral hearing will automatically take place when, according to those experts, the arguments are most often presented in writing? When they present their arguments in writing, asylum seekers hope that the individual examining their asylum claim will give due consideration to all the elements, although they cannot put them forward orally.

**Mr. André Baril:** According to the current process, the asylum seeker first submits their asylum claim in writing. Based on the relevant factors in the regulations, when the asylum seeker's credibility is critical in the decision-making, a hearing must be held. That is also what the Supreme Court ruled in *Singh v. Minister of Employment and Immigration*. According to my understanding of the amendment proposed, all the cases where the asylum claim is determined to be ineligible will require a hearing, whether or not credibility is critical to the decision-making process.

**Mr. Pierre-Luc Dusseault:** Would it be useful to specify that the hearing must be oral or does the word “hearing” in this case automatically imply that it is an oral hearing? What kind of assurance can you give the committee in that respect?

**Mr. André Baril:** In my opinion, the meaning of the word “oral” is included in the meaning of the term “hearing”, but we would need to look into this more closely with our legal services.

[English]

**The Chair:** Okay.

Go ahead, Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** Thank you, Mr. Chair, and thank you to the officials for being here.

Not only have we heard from our colleagues in the CIMM committee that they wish us to go ahead and make this change through the BIA, but the UNHCR, the Office of the United Nations High Commissioner for Refugees, has been on the record on it. Specifically, their representative in Canada has been quite clear on this point, saying that the proposed changes the government has put forward are entirely reasonable. Those aren't my words; those are, again, from the head of the UNHCR in Canada. The body tasked with ensuring the well-being of refugees around the world has no problem with what the government wants to do here.

I appreciate the fact that my colleagues opposite are concerned, but I don't think that their concern is substantiated. Again, not only did we hear from CIMM asking us to make this change and not only have we heard from the UNHCR, but you'll recall, Mr. Chair, that we had witnesses testify on this point.

I don't remember—I'll speak for myself here—any conclusive evidence that matches with what my colleagues opposite have put forward, in terms of a substantial risk existing. There was no evidence that exists that would indicate there is a risk in that way.

**The Chair:** Okay.

Next is Ms. Kwan, and then Mr. Dusseault.

**Ms. Jenny Kwan:** Mr. Chair, I would urge the members of this committee to undertake to read the witnesses' testimony from the immigration committee. In fact, witnesses were quite clear—people who work directly with refugees—in outlining the kinds of risks they would be exposed to. In fact, at CIMM, the Liberal members were desperate to ask the witnesses how to fix this and what their proposed fix was, given the fears that were highlighted at the committee. They said explicitly that there was no fix, that you cannot fix this situation, and that the recourse for the government to undertake was in fact to withdraw the proposed legislation hidden in Bill C-97.

The immigration committee also heard witnesses, by the way, from the United States who work particularly with women from the Americas. They talked about the violence and severe risks they and their children face. They urged the government to take action in this regard and said very clearly that this legislation would not address the concerns that people had brought forward.

There's the idea that somehow there's going to be a hearing incorporated into this. How this hearing will be dealt with and in what format is not explained anywhere. There's another issue which is critical, and you would think the government would want to move forward on this, which is to address a recent report by the Auditor General which talks about the ineffectiveness of the government's operation, the duplication of effort and the waste of taxpayers' money in this effort.

What are we doing here? We're talking about setting up a parallel system, supposedly, although the legislation doesn't say that. We have no idea what the system is other than that there would be some sort of hearing. I suspect that all the government is trying to do is to say, "Look, it's all going to be okay. There's going to be a hearing,

and by the way, we're not infringing on the Supreme Court decision in *Singh v. Canada* because there will be a hearing."

On the issue around taxpayers' resources, what on earth is the government thinking by setting up another process, duplicating the process, even if you pretend for a minute that the process is going to be exactly the same as the IRB, that people would not be at risk, and they would be entitled to all the due processes they would require? What on earth is the government doing setting up another process? They'll have to set up the same kind of infrastructure, hire and train the same kind of people to do the same work when you already have the infrastructure in place. It makes zero sense whatsoever.

● (1625)

**The Chair:** Before I go to Mr. Dusseault, I'm first going back to the letter that came to us from the citizenship and immigration committee, which I read before. Keep that in mind because the committee agrees with [*Inaudible—Editor*] to division 16 here.

I'll quote again from the letter from CIMM, the immigration committee:

The Committee recommends that the Standing Committee on Finance adopt clauses 306-309 and the last three sections of clause 310, provided that the Finance committee is satisfied that the legislation will guarantee a right to an oral PRRA hearing to all asylum seekers who will be affected by this new ground of ineligibility under Clause 306....

That's what the citizenship and immigration committee, signed by their chair, sent to this committee, just so we're clear.

Mr. Dusseault, and then we will sum up.

**Mr. Pierre-Luc Dusseault:** Yes, but the chair of the committee should have said that he was speaking on behalf of the majority of the members of the committee, because clearly there was disagreement at that committee.

**The Chair:** We received that information. A couple of the letters haven't gone out, though, because they haven't been translated as yet. [*Translation*]

**Mr. Pierre-Luc Dusseault:** I think it is really unfortunate that our colleagues from across the table do not remember Seidu Mohammed's testimony. That may be insensitivity on their part. I vividly remember his testimony before our committee. He was very clear: if the provisions proposed by the government had been in force, he would have been removed to Ghana and his life would now be in danger. I don't know where my colleague was during that testimony. Perhaps he did not listen to the witness's statement or was insensitive to it. I was personally very touched, and that is why I have taken his call to action to remove these clauses from the bill very seriously.

We are here today to protect people like Mr. Mohammed, who have found refuge in Canada. Given the government's insensitivity, those people may find themselves in a country where their life would be in danger. So I am appealing to my colleagues' humanity to ensure that this does not happen again, whether we are talking about that witness or any other individual seeking asylum in Canada.

● (1630)

[*English*]

**The Chair:** We will vote on amendment LIB-8, which creates new clause 308.1.

Do you want a recorded vote on this, Mr. Dusseault?

**Mr. Pierre-Luc Dusseault:** Yes.

(Amendment agreed to: yeas 5; nays 4 [*See Minutes of Proceedings*])

**The Chair:** Shall clause 309 carry?

**Mr. Pierre-Luc Dusseault:** We would like a recorded vote.

(Clause 309 agreed to: yeas 5; nays 4 [*See Minutes of Proceedings*])

(On clause 310)

**The Chair:** Next is amendment LIB-9, which amends clause 310.

Ms. Bendayan.

**Ms. Rachel Bendayan:** Mr. Chair, amendment LIB-9 is a coordinating amendment, so that the previous clauses of the Immigration and Refugee Protection Act not yet brought into force are aligned with the new amendment that was just passed by this committee as amendment LIB-8.

Amendment LIB-9 is simply coordinating, again, with respect to providing a hearing for all applicants under the proposed system in the budget bill.

**The Chair:** Go ahead, Ms. Kwan.

**Ms. Jenny Kwan:** Mr. Chair, I would like to put it on the public record again, that for the same reasons I reiterated earlier, the NDP opposes this amendment, and once again calls on the government to withdraw these changes.

**The Chair:** Is there any further discussion?

**Mr. Pierre-Luc Dusseault:** We would like a recorded vote, please.

(Amendment agreed to: yeas 5; nays 4 [*See Minutes of Proceedings*])

(Clause 310 as amended agreed to: yeas 5; nays 4)

**The Chair:** Thank you, Mr. Valentine and Mr. Baril.

We will now turn to division 17, Federal Courts Act.

Madam Berthiaume, welcome.

Are there any questions for the officials?

There are no amendments to clauses 311 and 312.

Can we agree to carry them on division?

(Clauses 311 and 312 agreed to on division)

**The Chair:** Thank you, Adèle. That was simple.

We're done with division 18, National Housing Act.

On division 19, the national housing strategy act, we have Mr. Tremblay, Senior Vice-President, Policy and Innovation, with CMHC; and Mr. Young, Director, Legal Service, with CMHC.

(On clause 313)

**The Chair:** If there are any questions, please feel free to ask them of the officials.

We'll start with amendment NDP-9. If it's adopted, LIB-10 cannot be moved.

Mr. Dusseault.

• (1635)

[*Translation*]

**Mr. Pierre-Luc Dusseault:** Thank you, Mr. Chair.

We are on page 283 of the bill, which concerns the part to enact the National Housing Strategy Act. These amendments were inspired by the testimony we have heard. Many witnesses provided very convincing testimony before the committee. They highlighted the importance of recognizing housing as a fundamental right. They argued that the proposed legislation, the National Housing Strategy Act, does not create a legislative framework that makes it possible to recognize housing as a right.

The Liberal government says that it wants to recognize housing as a right, but it is clear, as our witnesses have pointed out, that this is not what the legislation proposed in Bill C-97 does. The declaration simply states that the legislation recognizes the importance of housing to the inherent dignity and well-being of the person, that we must develop and maintain a national housing strategy to support improved housing outcomes, and that we must further the progressive realization of the right to housing.

Those are very vague terms that do not recognize that housing is a right in Canada. I'm here talking about law in Canada, but it should be pointed out that this right is recognized in international law in a number of conventions.

That is why I am proposing today the following amendment to subsection (a) of section 4 of the declaration:

(a) recognize that housing is a fundamental human right that is essential to the inherent dignity and well-being of the person and to the development of sustainable and inclusive communities;

These terms are inspired by the recommendations made by witnesses. I also propose the addition of subsection (d), following subsections (a), (b) and (c) of the same section, which reads as follows:

(d) identify the particular needs and rights of Indigenous Peoples and the barriers that prevent them from meeting those needs and exercising those rights and, consistent with the United Nations Declaration on the Rights of Indigenous Peoples, co-develop strategies with Indigenous organizations to address those barriers and to enable Indigenous peoples to meet their needs and exercise their rights.

It is a matter of enshrining United Nations Declaration on the Rights of Indigenous Peoples in the proposed legislation on housing. Those rights must be recognized and protected as often as possible. So this is about integrating that aspect, which was omitted by the government.

My other proposal concerns the content of the strategy, which is covered on the next page of the bill. The amendment reads as follows:

(a) implement the housing policy, taking a human rights-based approach;

That follows up on what I was saying earlier—that we must recognize housing as a right and implement policies based on the fact that it is a right. To ensure the monitoring of results, I propose that lines 8 to 10 on page 284 be replaced with the following passage:

tives, timelines and desired outcomes consistent with the housing policy;

A bit further on, I also propose that subsection (e) be added to the content of the strategy:

(e) provide public education resources and support for community initiatives designed to advance the right to housing;

I also propose adding subsection (f):

(f) support the implementation of the United Nations Declaration on the Rights of Indigenous Peoples with regard to housing.

These are my preliminary amendments, if you will, that affect the content of the strategy. Their goal is to recognize, in the bill's declaration, that housing is a right, to include rights related to the United Nations Declaration on the Rights of Indigenous Peoples and to strengthen the mandate, the content of the strategy.

• (1640)

[English]

**The Chair:** Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** Mr. Chair, in general terms, the vision set out by NDP-9, as I think my colleague will see, is captured in LIB-10. Beyond that, also in general terms, my colleague raises focus on indigenous issues and specifically issues related to indigenous housing. The reality is that we're already focused on these things. He will know that, through the national housing strategy, for instance, Minister Duclos and this government have brought in a distinctions-based housing approach. We have consulted widely on that issue with indigenous leaders throughout this country. We will continue to do that.

Moreover, we've already set aside \$638 million—that was back in February, Mr. Chair—for an urban indigenous housing approach and strategy. For that reason, I can't support NDP-9.

(Amendment negated [See Minutes of Proceedings])

**The Chair:** Turning to LIB-10, on the same clause, go ahead, Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** Mr. Chair, first of all, there is a mistake in the French version of the housing amendment here. Instead of saying [Translation]

“*affirmé par le droit international*” should read “*confirmé par le droit international*”.

[English]

There's a spelling difference.

Also, “*affirmé*” is a direct translation of “affirmed”, but wouldn't mean the same thing in legal terms.

So I put that forward.

Moving on to the substance of LIB-10, the proposed legislation recognizes the importance of housing to the well-being of all persons in Canada and reflects the key principles of a human rights-based approach to housing. In particular, the legislation requires that the

national housing strategy focus on improving housing outcomes for those in greatest need.

The NHS act would establish a national housing council with diverse representation, including people with lived experience of housing need or homelessness—something which is tremendously important to this government and ought to be to all members of Parliament—to provide advice to the minister responsible for housing as well. Under the proposed legislation, the annual report of the federal housing advocate must contain recommended measures within the government's authority to address taking into account the housing policy.

That's the vision here.

Also, since I'm at it, I'll just add that NDP-11, which will be put forward later on, is certainly worthy of consideration but I believe would require a royal recommendation. As far as dealing with the vision that it sets out in principle, it's certainly worthy of consideration. I believe that we will be seeing something to address the goals that it seeks to attain. That should be forthcoming sometime very soon.

• (1645)

**The Chair:** I should have mentioned as well that if LIB-10 is adopted, NDP-10 cannot be moved due to the line conflict.

Is there any further discussion on the amendment presented by Mr. Fragiskatos?

Mr. Dusseault.

[Translation]

**Mr. Pierre-Luc Dusseault:** I am trying to understand what has happened since the government introduced the bill in its present form. It did not make housing a right in the bill, but is waking up today and thinks it is important to affirm this right. How could such a gross mistake have been allowed to pass? In a housing law, it was not even stated that it was a right. I'm trying to understand what happened. I don't know if there are people around the table who can shed any light on this. It seems rather strange to me that today we have to mop up the spilled milk and fix the government's mistakes.

[English]

**The Chair:** Always trying to improve the bill....

Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** I think you answered it, Mr. Chair. At the risk of taking the bait that my colleague has put forward, in all seriousness, I think he should be joining us in celebrating what is a very good goal and a very good vision that the amendment sets out. I'm not saying that only because it's my amendment. I think it's something that anyone who is interested in housing and anyone who is interested in human rights.... Frankly, we heard from witnesses who told us this was a worthy approach, a worthy amendment to include.

For that reason, what else is there to say? I think we ought to go in this direction.

**The Chair:** Mr. Dusseault.

[Translation]

**Mr. Pierre-Luc Dusseault:** In this regard, I would like to say that these recommendations were shared with the committee as part of its consultations. I am glad my colleague is following up on it. That being said, I would like the officials who are present to tell us whether, before this bill was proposed, consultations were held and, if so, whether the people consulted also recommended that housing be considered a fundamental right in the law.

How is it that after these consultations, if they took place, this is not part of the bill?

**Mr. Michel Tremblay (Senior Vice-President, Policy and Innovation, Canada Mortgage and Housing Corporation):** Thank you for the question, Mr. Dusseault.

Yes, there were consultations, and they took place from March to July and August. Our original intent in the bill was to strike a balance between the consultations and the feedback we had received. As the member mentioned, there is always room for improvement. That is why the government has opted for amendments that could improve the bill.

**Mr. Pierre-Luc Dusseault:** As the saying goes, “better late than never.”

[English]

**The Chair:** We are ready for the question on LIB-10.

(Amendment agreed to [See Minutes of Proceedings])

**The Chair:** As I said, NDP-10 cannot be moved due to the line conflict.

NDP-11 is inadmissible because it's beyond the scope of the bill. Clause 313 of Bill C-97 proposes the national housing strategy act. Amendment NDP-11 brings several modifications to the strategy. *House of Commons Procedure and Practice*, third edition, states on page 770:

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.

In the opinion of the chair, NDP-11 seeks to provide the federal housing advocate with new duties and functions and to introduce new concepts that are beyond the scope of the bill. Therefore, I rule the amendment inadmissible.

On NDP-12, Mr. Dusseault, go ahead.

• (1650)

[Translation]

**Mr. Pierre-Luc Dusseault:** Thank you, Mr. Chair.

Thank you for your decision. I'm not quite happy to hear it, but I understand it and I understand the rules. As you know, this would have greatly strengthened the role of the federal housing advocate, which, in the absence of the amendments, is unfortunately a little meaningless. In any event, I heard a few minutes ago that my colleague had taken good note of these recommendations and that he would follow up on them. I will wait to see what happens, but know that we will be following this closely. In addition, we expect that this person will have significant powers, including the ability to undertake studies and receive petitions. I don't want to go into the details, since you've ruled that inadmissible.

I will therefore move on to amendment NDP-12. Its purpose is to have the minister respond to the recommendations that the federal housing advocate will make to him. This advocacy role is created in the bill. It doesn't have the bite I would have liked, but at least it was created. My amendment is to add subclause 17.1 after clause 17, since the advocate is accountable to the minister and to Parliament.

I also thought it would be good to ensure that the minister has an obligation to respond to the recommendations. I propose that he be required to do so within sixty days of receiving the recommendation. When the defender makes recommendations, they should not remain unanswered. In other words, the government must not shelve them, thank people for their work, wish them a good day and then move on to the next task.

We want some transparency in the government's responses. This is the case when we ask it to respond to committee reports, petitions or questions on the *Order Paper*. We are asking ministers to be responsible and answer all of this, and of course to do so publicly. This is what justifies amendment NDP-12, which concerns the addition of subclause 17.1.

[English]

**The Chair:** Mr. McLeod.

**Mr. Michael McLeod:** Mr. Chairman, I think it's important that we allow a time frame that will give the government time to consult with relevant federal departments and agencies and talk about solutions and discuss the problems identified in the reports.

The bill states that the minister must table a response to the annual report of the federal housing advocate in Parliament within 150 days of tabling the advocate's report. I think that's what we would like to support.

**The Chair:** Are we ready for the question on NDP-12?

Mr. Dusseault.

[Translation]

**Mr. Pierre-Luc Dusseault:** Section 17 states that the advocate must provide an annual report. Basically, the government's response is to this annual report, but what about the advocate's recommendations? Are they all in his annual report? How can we ensure that there is a follow-up to those recommendations?

The officials could probably clarify this issue.

**Mr. Michel Tremblay:** Thank you for the question, Mr. Dusseault.

I assume that the Federal Housing Advocate would include his recommendations in his annual report. If he determines that this is a substantial recommendation, I assume it would indeed be included in his annual report and that the minister would then have to respond to it.

**Mr. Pierre-Luc Dusseault:** We hope that this will be the case. We'll take you at your word.

[English]

**The Chair:** We'll vote on amendment NDP-12.

(Amendment negated [See Minutes of Proceedings])

**The Chair:** Next is amendment CPC-14.

Mr. Kmiec.

• (1655)

**Mr. Tom Kmiec:** This would add another reporting requirement, including the total number of houses constructed annually under the national housing strategy. I've done a lot of these in the past in Parliament.

I think it's wise to require Parliament to know and the minister to know and then report back to us the final numbers of what they have achieved, because too often we don't get that type of information and feedback. It's an accountability measure.

**The Chair:** Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** Mr. Chair, there's an issue of redundancy here. I know my colleague is always advocating ideas that will make Parliament better and more responsible. There is always wisdom in that, but there's no wisdom in redundancy.

To add to that, what I mean is that in addition to regular reporting to Canadians on national housing strategy progress, including the investing in Canada plan, the annual report of Canada Mortgage and Housing Corporation and semi-annual reporting on targets and investments by provinces and territories—we already have that happening. I worry that what my colleague opposite is proposing would add another layer of complexity to this.

**The Chair:** Mr. Poilievre.

**Hon. Pierre Poilievre (Carleton, CPC):** Mr. Fragistakos mentioned—

**Mr. Peter Fragiskatos:** It's Fragiskatos.

**Hon. Pierre Poilievre:** Can you repeat that? I want to say it properly.

**Mr. Peter Fragiskatos:** You wouldn't be the first, don't worry. It's Fragiskatos.

**Hon. Pierre Poilievre:** Fragistakos.

**Mr. Peter Fragiskatos:** You're fine, just continue.

**Hon. Pierre Poilievre:** Can I call you Peter?

**Mr. Peter Fragiskatos:** You can, yes.

**Hon. Pierre Poilievre:** You can call me Pierre.

He's correct. There is a lot of reporting in the legislation.

My friend, Tom, is proposing the specific number of houses built, so we have the actual units, the end result. Am I right?

**Mr. Tom Kmiec:** Yes.

**Hon. Pierre Poilievre:** One of the problems with government is that we celebrate how much money we're spending and how many reports we're writing, but we don't actually report on what results it all has achieved. Mr. Kmiec has said, "Look, you're telling me this is about building houses. How many houses did you build?" Often, government doesn't like to report on hard results, because so much of the money in these trickle-down government policies just gets gobbled up by bureaucracy and very little actually gets to the people who were its intended beneficiaries.

A great economist once said that a policy should not be judged by its intentions but by its results. We'd like to see those results reported.

**The Chair:** I believe you wanted in, Mr. Kmiec.

**Mr. Tom Kmiec:** I've actually read those reports and they're not as consistent across the board, year to year. This would be providing a requirement for CMHC to report those numbers exactly, using these four metrics right here.

Time and again, you've heard me at committee ask officials, and the CEO of CMHC.... Then I asked the Department of Finance officials about that \$100,000 number, about shared equity mortgages. Nobody could really figure out where it was coming from, until I asked the question at the public accounts committee. I finally did get an answer from the CEO on where they got the number. That's why, on these numbers, I want it reported back.

I'll also remind you of the Auditor General's fall report, which lambasted the government for being concerned only with big dollar amounts as achievements. The Auditor General's report, which was an across government look, accused the government of measuring success by dollars shovelled out the door. If we're going to shovel money out the door in the vast volumes the government is intent on right now, I think the minimum we could ask is that they report back on what they did with the money, beyond just press releases and pretty documents that are really marketing documents the CMHC and others do.

This would be a required amount of information on the NHS, so that we have it, as parliamentarians, and every document tabled in the House of Commons gets that sessional paper number. It's extremely easy to find thereafter through the Library of Parliament. Otherwise, it's quite difficult.

Government documents on Crown corporation websites routinely get taken down. I know this because I have come across broken links from older documents that are no longer available. I think this is the minimum requirement, things like, "unit upgraded, renovated and modernized".

We saw a fiasco with one of your parliamentary secretaries inflating the numbers, for which she was called out. This would avoid that situation. It would provide clarity to all members of Parliament, regardless of party. Then we would know what's going on, and there would not be a reliance on what I call marketing documents, which may or may not have that information within them. More transparency is always a good thing.

(Amendment negated [*See Minutes of Proceedings*])

(Clause 313 as amended agreed to)

(Clause 314 agreed to on division)

• (1700)

**The Chair:** Thank you, gentlemen.

Now we'll turn to division 20, which would enact the poverty reduction act.

There are a couple of officials to come forward.

Ms. Hall is the Director General, Social Policy Directorate, ESDC; and Mr. Vaillancourt is the Senior Director, Social Development Policy Division, ESDC.

(On clause 315)

**The Chair:** We'll start with amendment NDP-13. If it's adopted, NDP-17 cannot be moved.

Mr. Dusseault, do you want to speak to that?

[Translation]

**Mr. Pierre-Luc Dusseault:** Of course. Thank you, Mr. Chair.

I would like to inform you in advance that there are a series of amendments to come regarding the proposed legislation, the Poverty Reduction Act, in its current version, before the amendments.

In my opinion, this title betrays the Government of Canada's lack of ambition with respect to the problem of poverty, since it aims to reduce it rather than eliminate it. Several witnesses also said that the government's targets were not ambitious enough and that we should pursue the primary objective that has been adopted internationally, which is to eliminate poverty and not just reduce it.

If the government had enough ambition, it would change the title and the provisions that flow from it, of course, and change the word "reduction" to "elimination".

Amendment NDP-13 is intended to correct this. The amendments that follow are aimed at the same thing. We had some difficulty identifying all the occurrences of the word "reduction" in the bill, but the same objective remains: to give the government more ambition. Obviously, some of this was missing when the bill was drafted.

You will notice that many of the upcoming motions are designed to ensure that the word "elimination" is found everywhere.

[English]

**The Chair:** Mr. Sorbara.

[Translation]

**Mr. Francesco Sorbara:** Thank you, Mr. Chair.

I also want to thank my colleague Mr. Dussault for his amendment.

[English]

Thank you for this amendment, Mr. Dusseault.

First of all, with regard to the poverty reduction act, our government for the first time in our country's history is introducing legislation that would see a large reduction in poverty from coast to coast. In fact, since we have come to office, 825,000 Canadians have already been lifted out of poverty as stated by Statistics Canada. This legislation demonstrates the government's utmost commitment to continue to reduce poverty and continue to improve the lives of all Canadians.

I would be voting against the amendment that the member has brought forward. It is not aligned with our government's commitment. As such, we do not support the amendment.

As stated in the legislation, by 2030 we are committed to a sustainable goal of reducing poverty by at least 50% for at least half

the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.

● (1705)

[Translation]

Thank you very much.

[English]

**The Chair:** I remind people that officials are here if there are any questions for the officials.

Mr. Dusseault.

**Mr. Pierre-Luc Dusseault:** Clearly, the government just confirmed its goal is to reduce poverty instead of eliminating it. It's unfortunate that there's a lack of ambition from the government in just wanting to reduce it instead of eliminating it. I think it's very unfortunate today that they're keeping that goal instead of wanting to eradicate poverty.

**The Chair:** Okay, the point's been made.

We'll vote on NDP-13.

**Mr. Pierre-Luc Dusseault:** I would like a recorded vote.

**The Chair:** All right.

Madam Clerk.

**Ms. Ariane Gagné-Frégeau (Procedural Clerk):** Madam Bendayan.

**Ms. Rachel Bendayan:** Yes.

Is this on the NDP amendment? I thought it was on the clause, not on the amendment. I apologize.

My vote is no on the amendment.

**Mr. Pierre-Luc Dusseault:** Can you switch your answer?

**The Chair:** Yes, she can, if she realized that she thought she was voting on something else rather than what she was voting on.

The vote from Ms. Bendayan is no.

(Amendment negated: nays, 8; yeas, 1 [See Minutes of Proceedings])

**The Chair:** The amendment is lost.

On PV-3, I know the representative from the Green Party is not here, but it is deemed moved, so it is on the floor if somebody wants to speak to it.

Mr. Longfield, go ahead.

**Mr. Lloyd Longfield (Guelph, Lib.):** I think this relates to the previous amendment as well where we're reflecting the United Nations sustainable development goals, and she's put some language in to that effect. I think it looks good. It's consistent with what we're trying to do to align ourselves with international progress against poverty.

**The Chair:** Are there any further comments?

Mr. Dusseault.

[Translation]

**Mr. Pierre-Luc Dusseault:** Mr. Chair, I have an identical amendment. It is amendment NDP-19, I believe.

No, I'm mistaken; it may not be identical.

[English]

**The Chair:** Okay, but you're on the right path is what you're telling us. Is that right, Pierre?

[Translation]

**Mr. Pierre-Luc Dusseault:** It resembles it very much, but it is not identical.

That's too bad. I hope the government will also vote in favour of amendment NDP-19.

[English]

**The Chair:** We'll vote on PV-3.

(Amendment agreed to [See Minutes of Proceedings])

**The Chair:** Next is NDP-14. If this one is adopted, NDP-15 cannot be moved due to a line conflict.

Mr. Dusseault.

• (1710)

[Translation]

**Mr. Pierre-Luc Dusseault:** Indeed, Mr. Chair, you are getting ahead of me.

I was going to say that the series of amendments I am proposing are intended to correct the deficiency that has been identified by witnesses. This gap affects the measurement tool used to establish the official poverty line.

In the bill, we propose the market basket metric. This question was the subject of extensive discussions and debates, and opinions were divided.

If my amendments are adopted, there will be others, all of which are aimed at correcting this deficiency.

My first proposal is to slightly modify the notion of "poverty line", which would be called the "official poverty reference line". My goal here is to strike a balance between the government's proposal that the poverty line be based on the market basket metric, and what some witnesses have proposed, which is to abandon that metric outright and find another one.

A formal poverty reference line would be a better representation of how the poverty line should be understood. In light of this change, the definition and all consequential provisions would then have to be amended. This baseline would allow the poverty rate to be measured, and progress towards the targets to be assessed.

Although minor, this change would improve many things, according to the IRIS research institute, located in Quebec.

[English]

**The Chair:** Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** Mr. Chair, we heard in testimony on this issue that the market basket measure is indeed a very useful tool for

the assessment of poverty in Canada. It establishes a baseline so that progress against targets can be measured. Changing the title of the official measure of poverty would, as a consequence, I fear not be consistent with the strategy and the broad support received from Canadians, including academic experts, during our public consultation and public engagement process.

The decision to go in this direction to pursue a vision that is concentrated on the market basket measure is, in fact, the result of plenty of consultation that was carried out. The market basket measure is a very good tool. We ought to use it. This is a decision that certainly this side supports.

There is something else as well. In the rebuttal to my colleague, Mr. Dusseault talked about a lack of ambition on this side when it comes to dealing with problems of poverty. As we've seen, poverty is on the decline. Not only are jobs up in Canada, but poverty is on the decline like never before, specifically child poverty because of the Canada child benefit.

Now I know Mr. Dusseault is not happy because we are not moving apparently toward a poverty-free society, but can he show me in the history of the world—I'll be that general—where there has been a poverty-free society?

If the NDP wants to live in utopia, then they ought to understand the actual definition of that term. Utopia means no place, and so we can't live in utopia. We have to live in the here and now.

What we have done, as a government, since 2015 is truly historic. It's transformational. I wish the NDP would get behind some of the policies that we've seen, not just the Canada child benefit, which I think they voted in favour of.... The Conservatives did not, but they'll have to explain themselves in the next election.

Beyond that, I'm quite surprised they are not supporting the market basket measure. It's something that really makes sense.

• (1715)

**The Chair:** Mr. Dusseault.

[Translation]

**Mr. Pierre-Luc Dusseault:** It's unfortunate my colleague has decided to insult me. The word may be a bit strong, but I feel he is also in this way insulting all of the groups that aim to eliminate poverty. By telling me that I am not realistic, he is including them also.

I must say that I am not necessarily surprised by his words, given what the government has always said, which is that it aims to reduce poverty, not eliminate it.

[English]

**The Chair:** Are we ready to vote?

Obviously we're not.

Mr. Poilievre.

**Hon. Pierre Poilievre:** I just want to take issue with something Mr. Fragiskatos said.



As you can tell by my pronunciation, my Greek is nowhere near as good as his and he exercised an unfair advantage in the etymology of the word “utopia”. He gave it a definition of “no place”. I just want to point out that the NDP's definition of “utopia” has not existed in no place; it has existed in many places, and in all of those places poverty has been exceptionally high. In fact, almost everyone is poor. That place does exist. It's too bad there aren't proper poverty measurements in those places, because they would show that the socialist utopia of our friend in the NDP is a hellish place.

**The Chair:** I really don't think we're on track, Pierre.

**Hon. Pierre Poilievre:** It's not a utopia. It's a dystopia.

**The Chair:** I think we're getting a little off track here. I know the day's getting long.

Mr. Longfield, did you want in?

**Mr. Lloyd Longfield:** Yes, I'll be fairly brief, getting back from where Mr. Poilievre was speaking. I've been working with the poverty groups in Guelph, and the market basket is something that really can distinguish different communities. In fact, 50 communities in Canada are separated out using this measure. The thresholds across the country can be very different, from Vancouver to Regina, Guelph or Halifax. The market basket of goods really gives a good tool for people working on poverty. I would be supporting going to the market basket as our measure.

(Amendment negated [*See Minutes of Proceedings*])

**The Chair:** We'll go to NDP-15. If NDP-15 is adopted, NDP-21 and PV-5 cannot be moved due to a line conflict.

Mr. Dusseault.

[*Translation*]

**Mr. Pierre-Luc Dusseault:** Thank you, Mr. Chair.

I will do as I promised. Since my amendments do not have the support of the majority at this table, I will continue my efforts to strengthen the law and follow the recommendations of the witnesses.

This amendment is based on the recommendation of the Collectif pour un Québec sans pauvreté, which proposed that the official poverty line be changed.

There is already a discussion around the table and I can already hear my colleagues' arguments. So let me explain. The collective recommended the low-income metric, and that 60% of the median be used as the official poverty line—the so-called “LIM-60”. The collective believes that this metric would better represent what poverty is than the market basket.

The objective here is therefore to change the measurement mechanism, and therefore the calculation of the poverty line.

[*English*]

**The Chair:** Mr. Longfield.

**Mr. Lloyd Longfield:** Yes, once again the market basket gives flexibility by region, and also, as demographics change, what they're going to be putting in their basket is going to be different, so that the median income in some places might be able to buy more of a basket than in other places. Again, a lot of academics have looked at this. Poverty groups have looked at it. Having a market basket, also

reviewed from time to time to see how prices are changing relative to what's in the basket, gives us a good, consistent tool, but it's also flexible enough that it can be reviewed and changed over time as things in the basket change over time, in terms of their cost.

**The Chair:** Thank you, Lloyd.

(Amendment negated [*See Minutes of Proceedings*])

**The Chair:** Next is NDP-16.

Mr. Dusseault.

• (1720)

[*Translation*]

**Mr. Pierre-Luc Dusseault:** Thank you, Mr. Chair.

I hope you will agree with me. It may come as a surprise that, in the proposed poverty reduction law—we will have to resign ourselves to the use of the word “reduction”—there is no definition of poverty. Most laws begin with a preamble, followed by a title and, often, definitions. In this law, we do not even define what poverty is.

I just want to add a definition to the three definitions already included in the bill, namely, the terms “council”, “minister”—the term “minister” is defined, but not “poverty”—and “official poverty line”. However, there is no definition of it.

The amendment proposes a recognized definition. I didn't make it up. It reads as follows:

Poverty means the condition of a human being who lacks the resources, means, options and power necessary to acquire and maintain economic self-sufficiency or to facilitate his or her integration into and participation in society.

It goes without saying that, in a strong law—according to the government—that wants to reduce poverty, it is unthinkable that we do not define what poverty is.

I would therefore like to clarify what we mean when we talk about poverty by means of an internationally recognized definition.

[*English*]

**The Chair:** Mr. Sorbara.

**Mr. Francesco Sorbara:** Mr. Chair, I thank my colleague, Mr. Dusseault, again, for speaking to poverty, and to the national poverty reduction act, which is now in this BIA legislation, Bill C-97.

The amendment that he has brought forward is not consistent with the existing language within the bill. The existing language states that poverty is the condition of a person who is deprived of the resources, means, choices and power necessary to acquire and maintain a basic level of living standard to facilitate integration and participation in society.

[*Translation*]

The proposed amendment is incompatible with the existing version.

[*English*]

For that reason, I will be not be supporting Mr. Dusseault's amendment.

Thank you, Chair.

(Amendment negated [*See Minutes of Proceedings*])

**The Chair:** We will go to NDP-17.

I believe you're up again, Mr. Dusseault.

[*Translation*]

**Mr. Pierre-Luc Dusseault:** This amendment follows the one presented earlier. I promised that there would be more to replace the word “reduction” with “elimination”. It's the same here.

I will not dwell on this issue indefinitely, although we had a good debate earlier.

We can move to the vote fairly quickly.

[*English*]

**The Chair:** Do you want to redo that debate? It will be dandy.

Mr. Sorbara, I see your hand up.

**Mr. Francesco Sorbara:** Mr. Chair, again, I applaud Mr. Dusseault's focus on the poverty reduction act, which is transforming lives across Canada and will do so for many years, lifting kids and families out of poverty.

I will not be supporting the amendment. I will try to rebut this in French, to practise.

[*Translation*]

Canada's long-term target, which is described in its poverty reduction strategy entitled “An Opportunity for All”, which is to reduce poverty by 50% by 2030, reflects the government's commitment to the first sustainable development objective: “By 2030, reduce by at least half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.”

• (1725)

[*English*]

**The Chair:** We will call the question on NDP-17.

(Amendment negated [*See Minutes of Proceedings*])

**The Chair:** PV-4 is considered moved. Is there any discussion of PV-4?

Mr. Kmiec.

**Mr. Tom Kmiec:** I think the analogy is someone who carried the water for the Green Party, but instead of water it will be oil, since they're not here to say anything against that.

I am all for more transparency and requiring the government to provide plans and annual targets. If we're going to do things, there should be fixed targets. I'm going to vote for it.

**The Chair:** Is there any further discussion?

**Ms. Rachel Bendayan:** Yes, Mr. Chair.

[*Translation*]

I just wanted to reassure my colleague.

Not only does the government have plans, but it will also produce public reports.

First, based on Canada's Poverty Reduction Strategy, the government has already set reduction targets of 20% by 2020 and 50% by 2030. Canada's long-term target of reducing poverty by 50% by 2030 reflects the government's commitment to the first sustainable development objective of reducing by 50% the proportion of men, women and children living in poverty.

Finally, I would like to add that the strategy establishes a National Advisory Council on Poverty, which will report annually and publicly on the progress made in reducing poverty in Canada.

[*English*]

**The Chair:** I take it you're speaking in opposition in outlining those points?

**Ms. Rachel Bendayan:** Yes. For all the reasons I mentioned, I am encouraging members to consider this amendment superfluous and already covered by the existing legislation.

**The Chair:** All right.

(Amendment negated [*See Minutes of Proceedings*])

**The Chair:** Next is amendment NDP-18.

Mr. Dusseault.

[*Translation*]

**Mr. Pierre-Luc Dusseault:** Thank you, Mr. Chair.

The following should be added to section 5 of the Poverty Reduction Strategy, under clause 315 of the bill, which deals with development and implementation.

The amendment is worded as follows:

The strategy must provide for the collecting of information that is necessary to measure its effectiveness based on the ethnic origin of the persons living in poverty.

In other words, the point is to specify that we must take this reality into account. We must not forget that poverty often affects people from visible minorities. A little more information is needed to see if this strategy is working for this population group in Canada.

[*English*]

**The Chair:** Ms. Bendayan.

[*Translation*]

**Ms. Rachel Bendayan:** Thank you, Mr. Chair.

I thank my colleague for raising this point.

As with the previous amendment, the Canadian Poverty Reduction Strategy has already addressed this issue, so the amendment is not necessary.

We have established an official measure of poverty, the official poverty line in Canada, and the report establishes an indicator dashboard that will be available on Statistics Canada's website to track progress on many aspects of this strategy. The data will be distributed according to geographical and socio-demographic characteristics, including ethnic origin, as raised by my colleague.

More specifically, this will allow everyone to have data before aggregation, if available, in order to have a better understanding of poverty among different groups.

[English]

**The Chair:** Is there any further discussion?

(Amendment negated [See Minutes of Proceedings])

**The Chair:** Next is amendment NDP-19.

Mr. Dusseault.

• (1730)

[Translation]

**Mr. Pierre-Luc Dusseault:** In the same vein, Mr. Chair, this amendment is similar, but not identical, to the Green Party amendment we heard earlier. The purpose is to add to section 5 of the Poverty Reduction Strategy—which refers to development and implementation—under clause 315 of the bill, a paragraph 5.1, which reads as follows:

The minister must undertake to ensure that the implementation of the strategy respects Canada's international human rights obligations, including those under the International Covenant on Economic, Social and Cultural Rights, the Convention on the Rights of the Child, the Convention on the Rights of Persons with Disabilities and the Convention on the Elimination of All Forms of Discrimination against Women.

I would like to see clarification of the need to ensure that these international human rights obligations are implemented.

[English]

**The Chair:** Mr. Longfield.

**Mr. Lloyd Longfield:** This is the theme of supporting the United Nations sustainable development goal of reducing poverty by 50% by 2030.

As Ms. Bendayan has also said, we are tracking this and we're already actually at our 2020 goals two years ahead of schedule. We are looking at the measures that are being proposed. We're already doing a human rights-based approach to poverty reduction. We are also engaging people across the country who have lived experience.

This is an amendment to do something that we're already doing. It's redundant, so I won't be supporting it.

(Amendment negated [See Minutes of Proceedings])

**The Chair:** Next is amendment NDP-20.

Mr. Dusseault.

[Translation]

**Mr. Pierre-Luc Dusseault:** Thank you, Mr. Chair.

About the targets, I would remind you of what I said earlier: the government may lack ambition. The following paragraph proposed in the bill concerns the targets adopted by the government.

I also mentioned earlier the goals pursued on the international scene. Sustainable development objectives were also mentioned several times.

[English]

In the list of goals, goal number one is no poverty. For me no poverty means zero, none, eliminating. I think if we want to stick to the United Nations sustainable development goals, we need to look at eliminating poverty.

That's why I'm proposing that in the bill, on the targets, it read "the Government of Canada aspires are, at a minimum,". That's the core of the amendment, the goal is a minimum of the two goals that are set in the bill, which is (a) 20% below the level of poverty in 2015 by 2020, and (b) 50% below the level of poverty in 2015 by 2030. The target is a minimum. We should make clear in the bill that this is the minimum target and we need to go further than that. I remind everyone that the sustainable development goal is no poverty. That's in line with what we adhere to internationally. It would clarify that we're not satisfied when we reach that point. We need to go lower than that, and it's a minimum that we should do.

**The Chair:** Mr. Longfield.

**Mr. Lloyd Longfield:** Thank you, Mr. Dusseault, for bringing in the sustainable development goals. Actually the wording in SDG one is "By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions."

There are two things. Yes, it is by at least 50%, but as I said earlier, our goal of getting to our 2020 reductions was already met in 2018, so we hope that we're going to do better than 50%. But that is the international goal that we're aspiring to and that reflects our government's commitment to the first sustainable development goal from the United Nations. That's the target we're shooting for. Hopefully, we continue to do as well as we're doing right now by meeting 2020 targets in 2018, and hopefully by 2030 we'll be doing better than 50%.

• (1735)

**The Chair:** Okay, so you're speaking against the amendment, I take it?

**Mr. Lloyd Longfield:** That's correct.

**The Chair:** Mr. Dusseault.

[Translation]

**Mr. Pierre-Luc Dusseault:** Thank you, Mr. Chair.

I understand the explanation, but I have difficulty understanding why the term "*au moins*" is used, which is the translation of "at least".

The goal by 2030 is a reduction of "at least" 50%, but the government refuses to put exactly the same words in the proposed legislation. In the English version of the amendment, it reads "at a minimum", and in the French version, "*au moins*". Why don't we have a more accurate translation, which would be "at least", in English? And yet, this objective is one of those set by the United Nations, an objective we have adopted.

I believe my amendment would deserve the government's support.

That being said, I hope that these goals will be taken more seriously—perhaps even ambitiously—than those we have set for ourselves in terms of reducing greenhouse gases. Clearly, we are far from achieving the targets in this regard.

[English]

**The Chair:** We'll vote on NDP-20.

(Amendment negated [See Minutes of Proceedings])

**The Chair:** Next is NDP-21. You'll get a break when we go to PV-5, Mr. Dusseault.

[*Translation*]

**Mr. Pierre-Luc Dusseault:** This amendment is intended to increase transparency. I have to resign myself to two things today: the words in the title will remain "poverty reduction" and the official poverty line will be the market basket measure.

What I am proposing here is more transparency and regularity in calculating the poverty line, which, as we said before, is the market basket measure. The bill provides for the official metric to be reviewed on a regular basis, but it gives no details as to the frequency.

Amendment NDP-21 proposes that the metric be reviewed annually so that it reflects the reality, year after year. The metric must genuinely reflect poverty and we must not allow it to be reviewed only on occasion. The bill should require the tool to be reviewed. This amendment gives more teeth to the provision on reviewing the metric.

[*English*]

**The Chair:** Mr. Sorbara.

**Mr. Francesco Sorbara:** Mr. Chair, I thank my colleague for speaking to poverty reduction in Canada. We know we're well ahead in reducing poverty and we're well ahead in all measures that we've laid out, which is great to see. It's great to see again that it's put into legislation via the BIA, Bill C-97.

With regard to the member's amendment, the proposed poverty reduction act already commits to reviewing Canada's official poverty line on a regular basis as determined by Statistics Canada. Statistics Canada, at the end of February, pointed out that we have reduced poverty by 825,000 individuals since we were elected. Statistics Canada is obviously now well funded after the cuts from the prior government and is well placed to determine when a comprehensive review must be launched. Statistics Canada launched a comprehensive review in 2018 in addition to the comprehensive reviews and new updates related to the changing prices of goods and services in the basket. The basket will be undertaken by Statistics Canada.

Thank you, Chair.

(Amendment negated [*See Minutes of Proceedings*])

• (1740)

**The Chair:** PV-5 is deemed moved. Is there anybody who wants to speak to PV-5?

Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** Chair, to support children's well-being and ensure that poverty is addressed early in life, the national advisory council on poverty will include a member with particular responsibilities for children's issues. This member will ensure that children's interests are taken into consideration as the council carries out its functions.

(Amendment negated [*See Minutes of Proceedings*])

**The Chair:** Next is NDP-22. We're back to you, Mr. Dusseault.

[*Translation*]

**Mr. Pierre-Luc Dusseault:** Thank you.

This amendment is along the same lines as the other amendment I have just presented, in that it is also intended to increase transparency. I have just talked about the frequency of reviewing the metric, but, in this case, I am talking about more transparency in the market basket measure. We have had this discussion here around this table. Several of us have asked who should be deciding what is in the basket. I am not saying that there is currently a danger that the figures will be manipulated in order to improve the government's record in the fight against poverty, but there could be one eventually. Over time, items could be taken out of or put into the basket, which would allow decision-makers to play with the poverty line calculation, basically in order to achieve the targets set.

We are proposing that the Chief Statistician of Canada make those decisions and that he or she publish on the Statistics Canada website the list of items in the basket of goods and services representing a modest, basic standard of living in Canada, and the prices of those items. This would ensure as much transparency as possible, and that the Chief Statistician of Canada will be making the decisions. The bill makes reference to Statistics Canada, but it does not mention who will decide what is in the market basket.

This amendment clarifies that. In addition, the contents of the market basket will be better known, because they will be published online and accessible to everyone. Canadians would therefore be able to find out which items have been added to, or removed from, the market basket. They would also be in a position to see whether any manipulation of the figures had taken place in order to match the targets set.

[*English*]

**The Chair:** Ms. Bendayan.

[*Translation*]

**Ms. Rachel Bendayan:** My thanks to my colleague for proposing that amendment, but the Government of Canada already publishes a lot of information in the interests of transparency. The first complete review was published in 2010 and it can be consulted on EDSC's website. The list of items currently in the market basket is also available on that site.

All through the MBM review, the government will communicate with Canadians on the decision-making process and will tell them about all the decisions made on the matter.

[*English*]

**The Chair:** Mr. Kmiec.

[Translation]

**Mr. Tom Kmiec:** I heard what Ms. Bendayan said, but it is not exactly the intent of the amendment introduced by my New Democratic colleague. His amendment is rather to make sure that the Chief Statistician of Canada is legally required each year to publish on the Statistics Canada website the items in the basket of goods and services. We know that the government already has practices in this regard, but this amendment is intended to actually legislate more transparency. I agree with that.

In all the committees I sit on, I always support amendments designed to increase transparency. I see no problem with requiring Statistics Canada to tell Canadians what is, and what is not, in the market basket each year. They would then know exactly whether there has been any manipulation in the definition of the terms from one year to the next. I am not saying that there is any manipulation currently, but this amendment would prevent it. It is a good idea to specify that. I agree with the amendment.

• (1745)

[English]

**The Chair:** Mr. Dusseault.

[Translation]

**Mr. Pierre-Luc Dusseault:** My thanks to my colleague for supporting the amendment. He took the words right out of my mouth and I will not repeat what he said.

Our committee had asked the officials to send us information on the content of the market basket. Have we received that information? According to the government, it is easy to obtain and yet, the committee has been waiting for the information for several weeks.

[English]

**The Chair:** Okay.

Hasn't it gone out to committee members yet? It should have gone out because we did receive a response.

I'll get the clerk to read it. There are several areas where we received a response on the basket of goods.

David, could you read that?

**The Clerk:** It would be quite long to read.

It was an email that was sent on May 21 to all members.

I can show it to you, Mr. Dusseault, if you want to read it.

**The Chair:** It went out to members—

[Translation]

**Mr. Pierre-Luc Dusseault:** Did it mention the content?

[English]

**The Chair:** —on May 21.

[Translation]

**Mr. Pierre-Luc Dusseault:** Did it give the specific composition of the basket? That is what I am most interested in.

[English]

**The Chair:** Yes. There's an email in response and there's actually content in the documentation.

There was an email sent to us and there are attachments. I don't know whether Ms. Hall or Mr. Vaillancourt were involved in that or not. Anyway, it's in your system somewhere, Pierre. I know we had a pile of correspondence in the last week so it would be easy enough to miss it.

Does anybody want to add anything further?

Ms. Hall.

**Ms. Karen Hall (Director General, Social Policy Directorate, Strategic and Service Policy Branch, Department of Employment and Social Development):** The documents that were sent do include a list of the items that are in the basket. It's at the back of the attachment from the first review. There's a complete list of what's in the basket there.

**Mr. Pierre-Luc Dusseault:** Is it a public document?

**Ms. Karen Hall:** It is. It's available on the ESDC website.

**The Chair:** Okay.

Mr. Poilievre.

**Hon. Pierre Poilievre:** Thank you.

I'll have a look at that document because I'd like to know exactly what is in the basket.

Furthermore, I know that the basket is being reviewed and there's all kinds of talk of consultations which, by their nature, are subjective. If they were objective, then you would have robots calculate it the way you do with the other poverty lines.

Who is the final decider on what will be added to the basket? Which personnel make that decision?

**The Chair:** Can you elaborate, officials?

Ms. Hall or Mr. Vaillancourt.

**Ms. Karen Hall:** Thank you for the question.

Mr. Chair, I would note at the outset that the government has made a very strong commitment to Statistics Canada to ensure that it is an independent statistical agency. It will continue to provide Canadians with the objective statistics that are required to help inform decisions by parliamentarians, businesses, unions and individual Canadians.

The act proposes that Statistics Canada will launch the review of the MBM on a regular basis to ensure the MBM reflects the up-to-date cost of a basket of goods and services. Statistics Canada, as noted, is consulting widely and will ensure that a range of views are taken into consideration. That feedback will be used by Statistics Canada in determining the basket and what Canadians need and what we would define as a modest and basic standard of living. The MBM is a long-standing measure; it's been around since 2000. It was rebased in 2008, so this is a process that has occurred previously. As was the case in 2008, ESDC officials and Statistics Canada will work together to ensure that the contents of the basket are sufficient to reflect a modest and basic standard of living. That will be informed by broad consultations with Canadians and experts and PTs, provinces and territories. Statistics Canada will be responsible for the statistical methodology.

For the final decision I can tell you that our minister will be kept informed, as was the case for the previous review. ESDC officials will work with Statistics Canada in a transparent fashion with all of our work informed by broad consultation with Canadians, experts and PTs.

• (1750)

**The Chair:** Mr. Poilievre.

**Hon. Pierre Poilievre:** Who is the final decider on what goes in the basket?

**Ms. Karen Hall:** The final decider for statistical items will be the chief statistician and the deputy minister of Employment and Social Development.

**Hon. Pierre Poilievre:** Sorry, you said for statistical items it will be the chief statistician. Would the chief statistician decide what goes in the basket or just decide on the methodological system for calculating the line?

**Ms. Karen Hall:** Statistics Canada is responsible for the statistical methodology and working closely with ESDC officials to determine what should be in the basket. For example—

**Hon. Pierre Poilievre:** Who would decide what goes in the basket?

**Ms. Karen Hall:** For example, say we know that there needs to be a measure for transportation, as I think I spoke about a couple of weeks ago. The question of whether there should be a transportation measure in the basket is a policy question. Once it's determined that there should be a measure of transportation, then that will go to Statistics Canada to determine if that should be a Ford Focus, a Cavalier, another type of vehicle, or if it should be the weighted average of the five most popular cars, and whether it should be five or eight years old. That is the province of Statistics Canada.

Again, it is based on consultation, and there will be significant transparency about the process.

The consultation has been undertaken. There have been six different processes that have spoken with provinces and territories, with experts and with people with lived experience of poverty. There's been an “ask me anything” and a broader public consultation.

The results are going to be made public all the way along. We'll have a “what we heard” report that will be released shortly by Statistics Canada. It will sum up the results of the consultation.

There will be a validation exercise, we expect, where the results will be put forward for Canadians so that we can seek their input. The final methodology will be released at the time the new market basket measure is released, around the time of the Canadian income survey, in February of next year.

**The Chair:** Just to be helpful here, in terms of the policy question that I think Mr. Poilievre is trying to get to, would it be the ESDC minister's decision on the policy on what's in the basket? Who makes the ultimate decision about what's in the basket?

**Ms. Karen Hall:** The ultimate decision will be with officials. We will keep the minister informed, and the decisions will be with officials.

**Hon. Pierre Poilievre:** There are 23,000 employees at ESDC. Who is the decider on this?

**Ms. Karen Hall:** As I said previously, it will be the chief statistician, and then the deputy minister at ESDC.

**The Chair:** Ultimately, somebody somewhere has to sign off on it, so who would that be? Would it be the deputy? Would it be the minister? Would it be a director general in charge of food baskets? Somebody somewhere has to sign off on it somehow.

• (1755)

**Ms. Karen Hall:** Yes, well I'm the director general who's responsible for the poverty reduction area at ESDC, so I would be one of the signators, as would Hugues, along the way, as the decisions are going along. Then they would go along potentially north of me to the deputy. The intention is that we will keep the minister informed, but the decisions will rest with officials.

**The Chair:** Okay.

**Hon. Pierre Poilievre:** Can I confirm that the final decision will rest with the deputy minister of ESDC on what is and what is not in the basket? Do we have that right?

**Ms. Karen Hall:** The overall policy direction, yes.

**Hon. Pierre Poilievre:** No, I'm not looking for the policy direction. You have a basket—here it is—and you have a bunch of people debating what should be in that basket. At the end of the day, one person is going to have to make a final decision, unless it's going to be solved by a vote or a show of hands. Somebody's going to have to say, “I am the man”—or the woman—“who says product *x* needs to be in the basket.” Are you saying that that person will be the deputy minister of Employment and Social Development Canada?

**Ms. Karen Hall:** Yes, that decision will rest with officials.

Yes, it will be the deputy, and we will keep the minister informed, but the decision will rest with the deputy.

**Hon. Pierre Poilievre:** Thank you.

**The Chair:** Did you want in, Mr. Dusseault?

**Mr. Pierre-Luc Dusseault:** I was just saying that it took time, but we got it.

**The Chair:** There was good discussion.

(Amendment negated [*See Minutes of Proceedings*])

**The Chair:** NDP-23 is inadmissible as it requires a royal recommendation. I will go through the reasons, Mr. Dusseault.

Clause 315 of Bill C-97 proposes the poverty reduction act. Amendment NDP-23 seeks to increase the maximum number of members on the national advisory council on poverty.

*House of Commons Procedure and Practice*, third edition, states on page 772:

Since an amendment may not infringe upon the financial initiative of the Crown, it is inadmissible if it imposes a charge on the public treasury, or if it extends the objects or purposes or relaxes the conditions and qualifications specified in the royal recommendation.

In the opinion of the chair, increasing the maximum number of members on the national advisory council on poverty would impose a charge on the public treasury and alter the terms and conditions of the royal recommendation. Therefore, I rule the amendment inadmissible.

Turning to PV-6, it's deemed moved. Are there any comments?

Ms. Bendayan.

**Ms. Rachel Bendayan:** Mr. Chair, I believe we touched on this issue earlier. I wanted to perhaps clarify, as my colleague stated, that the clause outlining the establishment of the national advisory council on poverty already includes the language that a member with particular responsibilities for children's issues will be one of the eight to 10 members appointed, making amendment PV-6 unnecessary and redundant.

The language of proposed subsection 9(1), on the national advisory council on poverty, states that the council shall consist of eight to 10 members, including a chairperson, and a member with particular responsibilities for children's issues.

(Amendment negated [*See Minutes of Proceedings*])

**The Chair:** It is six o'clock.

Pierre, do you have long descriptions on your amendments? You have three of them. I'm just wondering if we could complete division 20, so we don't have to call back Ms. Hall and Mr. Vaillancourt tomorrow morning at 8:45, because that's when we start.

• (1800)

[*Translation*]

**Mr. Pierre-Luc Dusseault:** It will take 5 to 10 minutes at the very most, depending on how lively the debate is.

[*English*]

**The Chair:** We'll try. Are we okay to go 10 minutes, folks?

Okay, we'll go for 10 minutes.

Mr. Dusseault.

[*Translation*]

**Mr. Pierre-Luc Dusseault:** Thank you, Mr. Chair, I will be brief.

You already decided that amendment NDP-23 is not in order, and I understand your decision. I was somewhat expecting it, but I would at least have tried to follow it with a recommendation from some witnesses.

Amendment NDP-24 follows up on the previous one. It is intended to ensure the widest possible diversity on the national advisory council on poverty that is proposed in the bill. Our proposal for a subsection 9(3.1) calls for the council to be made up of people from vulnerable groups, people from organizations that fight poverty, and people reflecting the diversity of Canadian society. The goal is for the council to be more diverse. I hope I have the support of members of this committee. It seems like quite a reasonable amendment to me. It is intended simply to ensure diversity on the council.

[*English*]

**The Chair:** Mr. McLeod.

**Mr. Michael McLeod:** Mr. Chair, we can't support his amendment because the Governor in Council website already publicly commits the government to ensuring that minority groups are taken into consideration when making a recommendation. Any time you make a short list, there's always a risk that organizations will be missed and in this case indigenous people are absent from the proposed amendment.

Furthermore, the Government of Canada has implemented an appointment process that is transparent, merit-based and strives for gender parity, so we oppose this amendment.

(Amendment negated [*See Minutes of Proceedings*])

**The Chair:** Next is NDP-25.

Mr. Dusseault.

[*Translation*]

**Mr. Pierre-Luc Dusseault:** This amendment is intended to delete three lines from the bill under the subheading "Dissolution". In the English version, it is "Dissolution of Council" but just "Dissolution" in the French version. We want it to be possible for the council to continue in existence. A number of witnesses have told the committee that there will be no reason to dissolve the council. The minister might decide that the Council no longer has any use if the objective of reducing poverty by 50% below the 2015 level is achieved and that we should celebrate the fact, close the books and move on to other priorities.

But reducing, not to say eliminating, poverty, must be an on-going objective that is maintained over time. I do not know why it would be necessary to dissolve the council. Even if the objective of reducing poverty by 50% is achieved, the council will still be useful, as long as poverty has not been eliminated.

I hope that the members of the committee will adopt this reasonable amendment, so that the proposed council can do its work even after the government has achieved its objective, which I see as not ambitious enough.

[*English*]

**The Chair:** Mr. McLeod.

**Mr. Michael McLeod:** Mr. Chairman, by tying the mandate of the council to poverty reduction targets committed to in legislation, the council will hold the Government of Canada to account and ensure that the 50% target is reached. The national advisory council on poverty shouldn't have to continue forever. Its creation and mandate are to support the government in reaching its poverty reduction targets.

We'll be opposing this amendment.

• (1805)

**The Chair:** Mr. Dusseault, go ahead.

[*Translation*]

**Mr. Pierre-Luc Dusseault:** Let me go to the officials. Why would the council be dissolved once its target has been achieved? Are we going to stop making efforts to reduce poverty, congratulate ourselves, and move on to something else?

[*English*]

**The Chair:** Ms. Hall or Mr. Vaillancourt.

[Translation]

**Mr. Hugues Vaillancourt (Senior Director, Social Development Policy Division, Social Policy Directorate, Strategic and Service Policy Branch, Department of Employment and Social Development):** Thank you for your question, Mr. Dusseault.

The bill defines certain targets. Other measures will continue to exist, such as the various poverty indicators. The bill allows the Governor in Council to dissolve the council on poverty when its targets are achieved.

**Mr. Pierre-Luc Dusseault:** Thank you for your answer, Mr. Vaillancourt.

I find it a real pity that the council cannot continue to exist once the targets have been achieved. I take exception to the government's position.

[English]

**The Chair:** Mr. Poilievre.

**Hon. Pierre Poilievre:** In practice, I'm not sure it's a major concern. Once these councils are set up, they never disappear. They always find a way to stay around.

I've looked at these programs. They're called sunset programs, but government programs are like the British Empire. The sun never sets on them because they're just renewed and renewed. Once this council is set up, the members of the council will find another reason why they need to continue to exist and consume our resources whether or not the targets are reached. So I don't think my NDP colleague has anything to worry about.

If we should live until we're 90 years old, this council will still be around. You can celebrate its anniversary then.

**Mr. Pierre-Luc Dusseault:** We'll see.

(Amendment negated [See Minutes of Proceedings])

**The Chair:** Next is NDP-26.

Mr. Dusseault.

[Translation]

**Mr. Pierre-Luc Dusseault:** Thank you, Mr. Chair. We have been careful with the time we have been given. I have three minutes left.

The goal of amendment NDP-26 is to make the reports submitted to Parliament more transparent.

I can already hear the government telling me that those reports, and a lot of other information, are already published on the minister's website. However, if that is not specified in the legislation, nothing guarantees that he will do so in the future. The bill states that the "Minister must cause the report...to be tabled in each House of Parliament on any of the first 15 days on which that House is sitting after the Minister receives the report." This amendment proposes the addition of subsection 12(2), as follows: "The minister must post the report on the departmental website within 30 days after the day on which the report is tabled in Parliament."

This request has been made to provide more transparency, and I do not see why the government would be opposed to it, unless, once again, they argue that they will do it, even though there is no legal obligation to do so, and we must not worry. It could well decide overnight that it is not going to do it anymore. With this amendment, it would be required to do it, and it could not back out of those obligations.

[English]

**The Chair:** Let's see what Mr. McLeod has to say.

**Mr. Michael McLeod:** Mr. Chairman, I think the honourable member knows that reports tabled in Parliament are available to the public, so it's not necessary to legislate that the minister post it to the department website.

(Amendment negated [See Minutes of Proceedings])

(Clause 315 as amended agreed to on division)

(Clause 316 agreed to on division)

(On clause 317)

**The Chair:** There's one amendment proposed, NDP-27.

Mr. Dusseault.

• (1810)

[Translation]

**Mr. Pierre-Luc Dusseault:** Once again, this amendment is intended simply to replace the word "reduction" with the word "elimination". It corresponds to the amendments I introduced earlier today.

[English]

**The Chair:** Mr. Fragiskatos.

**Mr. Peter Fragiskatos:** I don't support this amendment, nor does anyone on this side, Mr. Chair, for the reasons set out earlier when I rebutted I forget which amendment that my colleague opposite put forward, but the comments on poverty elimination and the critique of that approach stand with respect to this amendment as well.

(Amendment negated [See Minutes of Proceedings])

(Clause 317 agreed to on division)

**The Chair:** With that, thank you, Ms. Hall and Mr. Vaillancourt.

Tomorrow morning we will start on division 21 and go through the remainder.

We will meet at 8:45 a.m. in room 0-25.

• (1815)

Thank you, all.

The meeting is adjourned.









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