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Chair

The Honourable Wayne Easter

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• (1125)

[English]

The Chair (Hon. Wayne Easter (Malpeque, Lib.)): Let's call the meeting to order. We're a little late.

Pursuant to Standing Order 108(2), we are studying the main estimates for 2019-20: votes 1, 5, 10, 15, 20, 25, 30, 35 and 40 under the Canada Revenue Agency. With us from the Canada Revenue Agency we have Mr. Bob Hamilton, commissioner; Janique Caron, chief financial officer and assistant commissioner; Mr. Gallivan, assistant commissioner, international, large business and investigations branch; and Mr. Hewlett, director general, legislative policy directorate.

Welcome to all. We'll go through the opening statement and then go to questions. We have about an hour, I gather.

Welcome.

Mr. Bob Hamilton (Commissioner of Revenue and Chief Executive Officer, Canada Revenue Agency): Thank you, Mr. Chair.

[Translation]

Good morning.

Thank you for the opportunity to present the Canada Revenue Agency's 2019-20 main estimates to the committee, and to answer any questions you may have on the associated funding.

[English]

My understanding is that you have a copy of my full remarks. In the interest of time, I will just hit some of the highlights as I go through.

As you are aware, the CRA is responsible for the administration of federal and certain provincial and territorial programs, as well as the delivery of a number of benefit payment programs. Last year the agency collected approximately \$526 billion of tax revenue on behalf of federal, provincial and territorial governments, and distributed over \$33 billion of benefit payments to millions of Canadians. The CRA also offers help and information to those who need it, and is working hard to reach Canadians who might not be receiving the tax credits or benefits to which they are entitled.

In order to fulfill its mandate in 2019-20, the CRA is seeking a total of \$4.5 billion through these main estimates. Of this amount, \$3.5 billion requires approval by Parliament, whereas the remaining \$1 billion represents the forecast statutory authorities that are already

approved under separate legislation. The statutory items include the children's special allowance payments, employee benefit costs and, pursuant to section 60 of the CRA Act, the spending of revenues received for activities administered on behalf of the provinces and other government departments.

These 2019-20 main estimates represent a net increase of \$297.7 million when compared with 2018-19 main estimates. Of this change, \$236.8 million is associated with previous funding announcements, with the balance of \$60.9 million related to proposed budget 2019 measures. The largest component of this change is an increase of \$110 million for measures to crack down and combat tax evasion and tax avoidance, at \$61 million; enhance tax collections, at \$22 million; and improve client services, at \$27 million. This represents the amount of incremental funding received in 2019-20 as a result of measures announced in budgets 2016, 2017 and 2018.

[Translation]

To give you a sense of the kind of programs supported by this funding, allow me to touch on some specific initiatives.

Increased reporting requirements for trusts, which will seek information on beneficial ownership, will help authorities to effectively counter aggressive tax avoidance, tax evasion, money laundering and other criminal activities.

[English]

We are addressing commitments to service excellence in three key areas. The first is improving telephone services, including reducing wait times for callers and improving the accuracy of responses provided by call centre agents. The second is enhancing the community volunteer income tax program, where community organizations host tax preparation clinics and arrange for volunteers to prepare, free of charge, income tax and benefit returns for individuals with modest or low income. The third is strengthening digital services by updating and modernizing the agency's information technology infrastructure to deliver a more user-friendly experience, allowing Canadians to easily find the tax and benefit information they need.

Other items contributing to the year-over-year change include adjustments for collective bargaining increases of \$64.8 million and the implementation of the federal fuel charge of \$56.4 million.

The CRA's 2019-20 main estimates also reflect about \$60 million in proposed incremental resources for the announcements made by the Minister of Finance in the March 2019 budget. The largest component, at nearly half, is a proposed increase of \$29.3 million to improve general tax compliance. These funds will be used to hire auditors, build technical expertise and improve the agency's compliance IT infrastructure.

A further \$9.5 million is proposed to take action to enhance tax compliance specifically in the real estate sector. The proposed funding will be used to create four new dedicated residential and commercial real estate audit teams in high-risk regions, notably in British Columbia and Ontario, to ensure that tax provisions regarding real estate are being followed.

Other examples of items relating to budget 2019 include about \$9 million proposed to stabilize Phoenix-related activities by the CRA in our role as administrator of the tax system;

[Translation]

\$8.5 million proposed to support the agency's ongoing service improvement efforts;

[English]

and \$3.5 million proposed to improve access to the Canada workers benefit throughout the year.

In closing, the resources being requested through these estimates will allow the CRA to continue to deliver on its mandate to Canadians by making it easier for the vast majority of taxpayers who want to pay their taxes, and more difficult for the small minority who do not, and by ensuring that Canadians have ready access to the information they need about taxes or benefits.

Mr. Chair, at this time my colleagues and I would be pleased to respond to any questions you may have. Thank you.

•(1130)

The Chair: Thank you very much, Commissioner.

We'll go to five-minute rounds with a little bit of flexibility in there.

Mr. Sorbara, you're first.

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

Welcome, everyone. It's great to have you here. It is such an important topic for Canadians from coast to coast to coast to ensure that all Canadian and high-net-worth individuals and organizations are paying their fair share in taxes. That can only happen when the CRA has the tools and resources available to do so and ensure compliance.

One thing I do wish to ask about is the auditing of real estate transactions in the provinces of British Columbia and Ontario specifically. Looking at the estimates, how important is the increased funding for those CRA tax teams to ensure that with real estate transactions, individuals are paying their share of appropriate taxes?

Mr. Bob Hamilton: I'd lead off with part of an answer, and then I'll turn it over to my colleague Ted Gallivan, who is in charge of our compliance efforts.

Certainly, it is very important to us to have the resources required to be able to audit effectively high-risk areas. We in the CRA are putting a lot of effort into trying to make sure we have a good risk-based program that identifies the risks that are involved and that targets our resources most effectively to the areas that most need it. In the real estate sector, clearly we saw risks of activity that needed to be looked at. We certainly will be using the additional money we have to provide for additional auditors, and additional tools for those auditors, to be able to uncover areas where there may not be the compliance we want, and then to take actions on that.

I'll maybe let Ted elaborate a little bit on some of that.

Mr. Ted Gallivan (Assistant Commissioner, International, Large Business and Investigations Branch, Canada Revenue Agency): Just quickly, we recently updated statistics showing that at an operational or tactical level, we have increasing results, with more billings; we're into house flips; we're confirming residency status; and we're looking down the contracting pyramid at suppliers to make sure they're registered and paying the taxes that are due.

At a more strategic level, I think the additional funding will let us push deeper into developers—kind of the larger fish in that sector—to make sure they're getting adequate coverage and also to have a strategic shift in behaviour. In some ways, these increasing audit yields would indicate that people's behaviours haven't changed yet. By increasing the level of attention and focus, we would hope to actually see changes in behaviour.

Mr. Francesco Sorbara: Okay.

My next question is in regard to estimates. We've done the base erosion and profit shifting, and that's one element of tax compliance globally with multilateral instruments.

We've also invested a billion dollars or more into the CRA, but we also understand that the complexity of tax audits, both domestically and internationally, is increasing. Does CRA, at this juncture, have the resources and tools to undertake those necessary tax audits, and to not go after the mom-and-pop store, but rather where you need to yield results and where tax evasion or tax avoidance could occur and you would see significant injury?

Mr. Bob Hamilton: Mr. Chair, I would say a couple of things about that comment and question.

The first is that it's absolutely true that the complexity of what we have to deal with is growing. There's complexity in the Income Tax Act, but there's complexity in the business structures that are out there too. That could be both domestically and certainly as you get into multinationals operating in an international sphere. We have to make sure that we have the people and the tools to enable us to deal with that complexity.

I think that at the moment we do. One could always do more with more, but if I look at ourselves and compare us to other jurisdictions around the world, I think we have a good level of resources to try to uncover what's happening in those complex structures.

It is true that when we have to audit or review one of these complex multinational structures, they are complicated, and they do take time. We have to make sure that we exercise due diligence. We focus our resources on the places where the greatest risk is, and I think we're doing a good job of that.

The only other thing I would mention, because you've talked about it, is that there's a really important international component to this, and that is making sure that we're co-operating with other tax jurisdictions in this battle. That can come through things like information exchanges and making sure that where we have a multinational, we are exchanging information on activities in different jurisdictions to enable us to get a better picture of what's going on. We look to try to co-operate with other jurisdictions.

Sometimes there can be tension there, because one jurisdiction's tax revenue is not able to be realized by another jurisdiction, but we're seeing more activity at that international level through the OECD and other structures, where we are focusing our administrative activities on getting the right information, having the proper discussions with jurisdictions and multinational firms and, as Ted mentioned, not only uncovering tax revenue in cases we're looking at, but sending a signal to firms and businesses out there that we are actively investigating this area. Hopefully, it will be a deterrent to using these kinds of offshore structures in the future.

• (1135)

Mr. Francesco Sorbara: Thank you.

The Chair: Mr. Poilievre.

Hon. Pierre Poilievre (Carleton, CPC): I'm quoting from the Toronto Star of November 5, 2017:

Liberal fundraisers held family millions in offshore trusts, leaked documents reveal.

A massive new leak of offshore financial records contains more than 5,000 documents that reveal how two generations of Liberal fundraisers amassed \$60 million...in a tax haven beyond the reach of tax collectors.

Internal email correspondence and financial records in the Kolber trusts appear to show evidence of bogus records to hide payments, false invoicing and six-figure gifts to avoid paying tax, raising red flags for experts consulted by the Star and CBC/Radio-Canada.

From the article, I now quote Denis Meunier, a former director general of compliance at CRA: "This definitely merits an audit by the Canada Revenue Agency."

Has there been any such audit, yes or no?

The Chair: Mr. Hamilton.

Mr. Bob Hamilton: Mr. Chair, thank you for the question.

I can't answer specifically whether or not there has been an audit of a particular taxpayer, but what I can say in response to that is an example where we try to use every source of information we have to uncover the risks—

Hon. Pierre Poilievre: Right.

Mr. Bob Hamilton: —and uncover the areas that we have to look at. That can come through our own internal databases or from some of the information sharing that I've talked about.

Hon. Pierre Poilievre: Why can't you say whether there has been an audit of this particular case?

Mr. Bob Hamilton: [*Technical difficulty—Editor*]

Hon. Pierre Poilievre: Why not?

Mr. Bob Hamilton: I typically do not comment on audits of particular taxpayers.

Hon. Pierre Poilievre: Why is that?

Mr. Bob Hamilton: We are—

Hon. Pierre Poilievre: The question is why.

The Chair: Mr. Poilievre, allow the witness, please, to answer the question before you interrupt him three times.

Hon. Pierre Poilievre: Right, so the question is why.

Mr. Bob Hamilton: First off, we, as officials, are bound by section 241 of the Income Tax Act to not discuss taxpayer-specific information, and we abide by that. In a particular case, sometimes there are things in the public domain, but we certainly have to respect the information that we have on taxpayers and not disclose that unless it has been authorized by the taxpayer.

I don't know if Ted wants to add anything to that.

Hon. Pierre Poilievre: Okay. You can't discuss individual cases. I gather it is inappropriate for any governmental official to do the same. Of course, the head of government, the Prime Minister, has commented on this particular case, as follows:

"We have received assurances that all rules were followed, indeed, the same assurances made in the public statement released by the family, and we are satisfied with those assurances," Trudeau told reporters during a news conference....

In other words, the Prime Minister has commented on this particular case. Were you aware that the Prime Minister made public comments about exonerating his friend and fundraiser in the matter of the Paradise Papers leaks?

Mr. Bob Hamilton: Perhaps at this stage I'll turn it over to my colleague to comment on what may or may not have transpired in this case.

Mr. Ted Gallivan: Yes. If it's helpful, we risk-assess taxpayers, and one of the sources for a risk assessment is media coverage. Every time there is media coverage like that, I would like to presume that my team is already on it, but I don't presume. When there is media coverage like this or a leak like this, we do undertake a systematic risk assessment, which means that if we're not already auditing them, and if we should audit them, we will audit them.

Hon. Pierre Poilievre: So the—

Mr. Ted Gallivan: I can tell you that when there's a public leak like that, that process takes place.

Hon. Pierre Poilievre: Thank you.

The question was, were you aware? You're doing this media monitoring. Yes or no, were you aware that the Prime Minister made these comments?

• (1140)

Mr. Ted Gallivan: Yes.

Hon. Pierre Poilievre: You were, so your officials, who are supposed to objectively determine whether someone should be audited, now know that the boss has exonerated that particular individual.

Mr. Ted Gallivan: I would say that our officials base their judgment on the facts of the case and the evidence provided.

Hon. Pierre Poilievre: Right.

Mr. Ted Gallivan: I can assure you that no direction from me—or higher than me—was provided to the auditors with the carriage of the file.

Hon. Pierre Poilievre: Well—

Mr. Ted Gallivan: They would be making the decision based on the facts in front of them.

Hon. Pierre Poilievre: No, you can't assure us of that, because someone higher than you would include the Prime Minister, who is the head of the government, and he has already made public statements exonerating the taxpayer in question, his friend and billionaire fundraiser, in a statement that you admit that your officials have read.

Obviously the matter is biased, because the head of government has made public comments that your officials have read and, whether they admit it or not, have in the back of their minds when they decide whether to take action against this particular billionaire Liberal insider.

Now I'll move on to another issue.

The Chair: We'll have to move on.

Mr. Gallivan, do you have an answer?

Hon. Pierre Poilievre: Actually, I didn't have a question.

The Chair: Mr. Gallivan can respond to that question, because you made accusations for both the CRA and the Prime Minister, and they have a right to respond as public servants in terms of the CRA and an agency, and they're going to respond.

Mr. Bob Hamilton: All I can say is, on behalf of the agency, where the auditors look at a case, they have a focus on the facts as they see them, on the information that's provided, in doing the risk assessment or ultimately if there is an audit. I can give you that assurance.

The Chair: Thank you.

Mr. Dusseault.

[*Translation*]

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

Thank you to the witnesses for being here today. I am very disappointed that the minister did not give us the opportunity to ask her questions. She came to testify about the main estimates for 2016-

17, 2017-18 and 2018-19, but she did not want to appear before our committee to defend the 2019-20 main estimates.

That being said, I would now like to turn to the KPMG case. You probably expected that. I discussed this with you, Mr. Gallivan, as recently as last February. I don't know if you're the one who can answer my questions. You made the following comments at the time, which are public:

Then there's the fact that some participants [in the KPMG case] objected to the Tax Court of Canada. It will be up to the judges of that court to decide whether the behaviour of those participants was consistent with the law.

Last week, we learned that the Canada Revenue Agency had reached an agreement, an out-of-court settlement, to close the file. In the end, no judge will have pronounced on the behaviour of these participants. Yet the minister said that there was no amnesty in the KPMG case and that there would never be one. However, for me, this corresponds more or less exactly to the definition of an amnesty. We may not agree on that.

In any event, I would like to know who, in the KPMG case, made the decision to settle out of court with these participants.

Mr. Ted Gallivan: I would like to begin by noting that this file was the responsibility of the appeals branch, but that several sectors of the agency were consulted to reach this conclusion.

We do not consider amicable settlements to be amnesties. This aspect of the dispute is not optional. A settlement process is followed. When a taxpayer makes an offer that eliminates the risk of the agency losing everything, we have an obligation to resolve the matter.

The minister has made it clear that lack of transparency is a concern for her. We want to adopt a more formal approach that emphasizes transparency. When you don't have all the details, you have to debate whether or not it's an amnesty. That is why the minister asked that the agency find a way to increase transparency.

With regard to the KPMG case, on the strategic side, taxpayers no longer resort to such a scheme. I can confirm that, to date, we have identified \$24 million in contributions from these taxpayers. There are still a few taxpayers who are challenging this in court. Our employees analyze the facts and risks and then make the best possible decision.

I can assure you that decisions are made as a team, not by one or two employees, in secret. They are based on the law and the facts of the case, as well as our expectations of court decisions. The Tax Court of Canada is a specialized court in Canada. The judges of this court give us some good clues as to what we can expect.

• (1145)

Mr. Pierre-Luc Dusseault: So it is the appeals branch, in consultation...

Was the minister informed before this was signed? If so, when?

Mr. Ted Gallivan: I do not think the minister was informed. However, I cannot say that because that does not fall under my purview.

Mr. Pierre-Luc Dusseault: In her comments, the minister said that in her view this settlement was not appropriate; her opinion is clear. She said that it lacked transparency, and I think we all agree on that. Obviously, she does not control what happens in her department.

Can you say that this is an independent decision made by the agency, when it should instead make this case an example to send a clear message to all Canadians that cheating is criminal?

Mr. Ted Gallivan: The role of...

Mr. Pierre-Luc Dusseault: This is the worst case for an amicable settlement. I cannot understand why the minister was not informed and did not oppose such a settlement.

Mr. Ted Gallivan: The minister's role is to establish the approach to be followed by the agency.

I am responsible for audit programs. We have a protocol to follow for settlements, which is published on our website. We use criteria to make our decisions. For example, if it is an extreme case, we reserve the right to refuse.

The minister made sure that the procedure was followed and that the delegation to the committee was based on the established criteria, as is her role. It would be unusual for a minister to interfere with a specific decision.

I can assure you that several points of view, including the one you are now making, were taken into consideration. We considered other factors, such as the likelihood of a judge ruling in our favour, the precedent a judgment would set and the costs associated with it. All these factors...

Mr. Pierre-Luc Dusseault: Why don't you trust the judgment?

[English]

The Chair: We're out of time, Pierre.

[Translation]

Mr. Pierre-Luc Dusseault: Is it illegal or not?

[English]

The Chair: Mr. Dusseault, we'll let Mr. Gallivan finish and then we have to move to the other side. We'll be out of time.

Go ahead, Mr. Gallivan.

[Translation]

Mr. Ted Gallivan: The agency is not always pleased with the judges' decision.

[English]

The Chair: Okay.

We're coming over to this side, but in fairness to Mr. Dusseault, Mr. Gallivan, I think many of us were of the opinion that the transparency that would be followed would include the identity of those who were charged. There wasn't transparency in that case, and that does worry us.

Ms. Bendayan.

[Translation]

Ms. Rachel Bendayan (Outremont, Lib.): Thank you for your testimony.

I would like to take this opportunity to ask you a question about something that is a concern for the residents of Outremont.

[English]

A number of individuals in my riding have mentioned that they have received text messages or emails from individuals claiming to be from the CRA, who are clearly not from the CRA, who are essentially extorting money from them, threatening criminal repercussions and/or jail in some cases. As you can imagine, many of these individuals are elderly or vulnerable people. I wonder if that is something that has come to your attention, and if there are any measures in place at the moment to help Canadians deal with this troubling matter.

Mr. Bob Hamilton: I would say that, yes, the issue of the scams out there and how they are affecting people has come to our attention quite a few times. I have received them myself. So what are we doing about it? We're certainly concerned. We have tried to institute programs to educate people and make them aware and alert to the fact that these scams are out there, as well as what they can do and who they can report them to. There have been some successes, not as many as I would like, in finding the perpetrators, but we need to be ever vigilant.

It's a concern to me, because one of the foundations for us at the agency is trust and confidence, and Canadians must have trust and confidence in us. Anytime there's one of these calls, it causes doubts in the minds of people. We need to try to do everything we can to assure them that we are trying to protect their interests. We are trying to track these people down when we find inappropriate behaviour, but it's difficult and complex, and we have to keep at it.

I would just say, from our perspective as well, that we have systems whereby we try to call people to deal with the issues they've raised, and even doing that affects that person when they get a call from the CRA, because they don't know whether or not it is a scam. So it has some real practical implications for us as well. We are continuing to try to ramp up, as well as we can, education and awareness and to alert the proper authorities so that we can get on top of it.

● (1150)

Ms. Rachel Bendayan: Thank you, Mr. Hamilton.

On the topic of ramping up, you mentioned in your opening remarks that there was an increase of \$110 million for measures to crack down and combat tax evasion, tax avoidance, and to enhance tax collections.

Later in your statement, you mentioned an increase of \$29 million to improve general tax compliance. I wonder if you could perhaps explain to the committee some of the new initiatives that are being created thanks to this new funding or some of the measures that you feel would help Canadians and your work at the CRA thanks to this funding.

Mr. Bob Hamilton: I'll highlight just a couple of things. Again, maybe I'll ask Ted if he wants to add anything that I forget to cover. Certainly the resources we've been given in this area are very helpful to us in a number of ways. One, we can hire more auditors to ensure that we have people who can look into these cases on a risk-assessed basis—so there's a people dimension—and to make sure that those people have the right skills that are needed to be able to look at some of these complex transactions, to understand them and to figure out the right tax outcome.

There's also a technological component to this. As we move forward and with technology developing, there are different tools that can be used to analyze data. We have a lot of data at the CRA. What we're trying to do is to have the right people and right technology available to assess that data and point us to areas where there might be higher risks than in others. At the end of the day, that's a big issue for us at the CRA, to make sure that we are doing a good job of assessing risks and putting resources in those places where they can be the most helpful.

I think I've covered it.

Do you want to...?

Mr. Ted Gallivan: Maybe I can give just two specific examples. There are country-by-country reports for multinationals that we are now receiving, as well as the Common Reporting Standard, which is worldwide banking information of Canadians that we are also now receiving. These dollars help give us the IT systems to mine that. We've already seen a bump. If you look at the Fiscal Monitor on corporate tax from 2017-18, it's up roughly 10%. Last April to this March, it's up 11%. So you see corporate tax revenue kind of moving.

There are lots of reasons behind that, but I think some would say this idea that the tax authorities globally have more data and the tools to analyze it is moving some of the people who are offside onside, because you see this dramatic growth and the corporate tax being paid voluntarily.

The Chair: Thanks, all.

Mr. Poilievre.

Hon. Pierre Poilievre: Researcher Vivian Krause appeared before this committee recently and revealed that wealthy fraudsters have been misusing fake charitable vehicles for undue personal benefit. She gave the example of Gerald Butts, who received \$400,000 from the World Wildlife Fund as severance when he voluntarily quit.

She also indicated that CRA has reported that in an audit of 42 charities, 41 of them were found to be non-compliant with the rules. She also demonstrated that charitable structures are being used to fund anti-Canadian energy activities that are unrelated to any sort of charity.

The only reason this and other scandalous misuse of the tax system has come to light is because of CRA's online database in the charitable tax directorate. One week after Ms. Krause testified here, your agency decided to take literally a million records off that publicly reported database. Why?

• (1155)

The Chair: Mr. Hamilton.

Mr. Bob Hamilton: Mr. Chair, that initiative had been under way for some time. What we were looking at, in terms of modernizing our charities website and information base, was just to try to make sure that it's modernized and updated and giving people the information they want.

There was a decision taken not to keep the information for longer than five years on the site. I would note, however, that the information still exists. People can request it. We just found that in looking at the usage of the information, people were generally not requesting it for that extended time, but the information is still there and can still be accessed.

Hon. Pierre Poilievre: Right. You took it off-line.

The Globe and Mail wrote a piece called "Inside the charity network that...helped wealthy donors get big tax breaks—and their donations back". The only reason that article was possible is that the information was online and searchable. They didn't have to ask you for permission to look at it.

There was no harm done by leaving it online, yet suddenly you took it off-line. What harm was done by leaving that information online so that members of the public could carry out their own investigations, as The Globe and Mail and Vivian Krause had done?

Mr. Bob Hamilton: The only harm, I guess, that I could put, is that we need to focus our efforts on putting the information out that's most useful to people. We have taken great strides to be more transparent about what we do.

This was a case where people in the agency looked at who is using this information and what is the most accessible and determined that rather than have a bunch of information out there that people aren't using, let's make it publicly available, the most important—

Hon. Pierre Poilievre: Sorry, sir, but they are using it.

Mr. Bob Hamilton: —but make sure that people can still get access to the information if they needed it.

Hon. Pierre Poilievre: They are using it. It was used for a massive Globe and Mail investigation. It has been used to expose other fraudulent misuse of the charitable tax system. It has been used for published purposes. It has been used to bring evidence before this very committee. Obviously, it was being used.

It would have taken you and your agency more effort and resources to take it down than to leave it up. You haven't given a single justification for why you expended time and resources to proactively send your people into your Internet system to take that data down so that it's no longer available to Canadians.

Again, what harm was done, other than embarrassment for the government, by leaving that information online so anyone could access it without your permission?

Mr. Bob Hamilton: Again, just to say that the two issues you're relating, about whatever testimony and then the modifications to the website, are unrelated—

Hon. Pierre Poilievre: [*Inaudible—Editor*] that.

Mr. Bob Hamilton: —but what I would say is that in general at the agency we have to think about the data we have, and if we never take anything off or we never respond to the most useful pieces of information for people to have, we will have frankly too much information that people can't access.

The important thing here is that we wanted to make sure that the information was still accessible, which it is, so anybody who wanted to do that work could still do it, but I take your point.

Hon. Pierre Poilievre: It costs you nothing to leave that information online. It expends no additional resources to leave it online.

Yet coincidentally, one week after Ms. Krause's testimony here, when she used that information to expose corruption and misuse of the charitable tax system, your agency just decided to make that 10 years of information—a million records—vanish from the Internet, and you expect us to believe that it is just a coincidence.

The Chair: That's the end of your round.

Go ahead.

Mr. Bob Hamilton: Mr. Chair, I totally expect you to believe that because it's true. What I would say is that—

Hon. Pierre Poilievre: Right.

Mr. Bob Hamilton: —if you're talking about an area where something inappropriate is happening with some part of the tax system, including charities, charitable foundations, there's no one more interested in finding out about that than we are. All of the efforts we talked about, about the additional resources we're putting into looking at high-net-worth individuals and issues of tax evasion, we want to be able to use. We would not in any way have the reaction that, oh, because something came into the public domain, we would take it off the website if it were appropriate. This was simply a matter of efficiency, of putting the information on the site that is most used by people, and of making sure, as I said, that the additional information that was taken down, the 10 years, is still accessible.

•(1200)

The Chair: Thank you all.

Ms. Rudd, you have five minutes, and then we will move over to Mr. Kelly.

Ms. Kim Rudd (Northumberland—Peterborough South, Lib.): Thank you, Chair.

Thank you for coming.

Just to follow up on my colleague's point, from what year going forward is that information now available? You said five years; so is it 2013, 2014?

Mr. Bob Hamilton: I assume so, that it's five years. I'd have to go back and check on the specifics about it.

Ms. Kim Rudd: But that's five years from today, so from at least 2014.

Mr. Bob Hamilton: Yes, it's five years.

Ms. Kim Rudd: Okay. The date is important.

I want to talk about some of the work you're doing that actually relates to the average Canadian. In my riding we certainly have the community tax program that is used widely, in particular by low-income Canadians and seniors.

I'm going to ask a couple of questions. I have only five minutes, so maybe if I put them together you can answer them together. That program is extremely important. You mentioned money within the estimates to enhance that program with regard to training and availability. I wonder what the benefit is, not just to Canadians but to the CRA. I assume it's that you get accurate returns and not errors in returns when people don't completely understand the system. I'd like to know what supports there are and why it's important that you continue to do that work.

With regard to the Canada workers benefit, you mentioned accessibility for low-income workers, and being able to access it through the CRA portal. Is there another way? One thing we're doing as a government is ensuring that people receive the Canada pension, as an example, when they're supposed to receive it, and other benefits that they wouldn't necessarily know they're eligible for and have to apply for. In what other way can they access the Canada workers benefit if they don't have access to the Internet?

The third question, quickly, is on the pilot program. You did a pilot program with dedicated lines for tax preparers, which frankly, I think is a great idea, given the fact that again they are the ones who are going to be providing accurate or mostly accurate tax returns to you because they are the experts, and they are completing the returns. What difference has that made in terms of those tax preparers being able to get that information into CRA and being able to serve more Canadians? Could you maybe just give us an overview of that?

Mr. Bob Hamilton: Okay. I'll try to address all three of those, Chair.

The first thing that I would say is on the community volunteer income tax program, the CVITP. It's very important, certainly for Canadians who are looking to file their taxes; but you're right, in that it does have a benefit for us as well, to the extent that we get more accurate forms that comply with what we need to have.

It's actually a part of our efforts to try to make sure that people who should file their return file it, both to pay the appropriate taxes but, in many cases, to ensure that they get the benefits they're entitled to. In a number of cases, to get the benefit, you have to file a tax return. If someone in a vulnerable population is not doing that, they may not be getting the benefits they're owed.

We have a number of initiatives, including the CVITP, to get out and help people, and I think that's part of what you're seeing with the agency. We're trying to become more helpful in getting voluntary compliance, long-term compliance, and the CVITP is very important. We have volunteers whom we help who go to communities and have sessions on how to fill out tax forms. They can't fill out the forms for them, but they can certainly provide all the information and make sure everybody is aware of it.

It has been a big success. It has resulted in a lot more people being able to file and, in a lot of those cases, it's to get benefits that they're entitled to, so that's very important.

There's a similar issue with the Canada workers benefit, another tax incentive that people are eligible for and that provides an incentive for people to get back into the workplace. We have to find a way, though, to make sure that even though it's administered through the tax system, people are aware of it and are getting it. We've actually instituted a system that makes it more automatic, so that all you have to do is file your return without the additional information, and we will start to process that for you.

We're in the process of instituting those changes. That's just going to make it easier for people to get the benefits. The idea is that it's wonderful to have these benefits and to deliver through the tax system, but if people aren't aware of them or they aren't filing, they might not be getting them. We have quite an effort to go through, and this would include in indigenous communities across the country.

On the tax professionals, it's interesting. If you look at the calls and requests we get, they range from very simple ones, as I might call them—what's the filing date?—all the way through the spectrum to some very complicated questions.

On the ones that come from tax professionals, they know the tax system well. They have a degree of sophistication in their questions that we need to respond to, so lumping them in with everybody's calls can inhibit their ability to get through to an agent. We've piloted this dedicated line, recognizing that a different type of question comes from tax professionals and that a number of people—quite a few—use tax professionals to file their return. We think that by focusing on this and having that information flow be more efficient, it's actually going to help a number of Canadians get their tax returns filed accurately and on time.

•(1205)

Ms. Kim Rudd: Excellent. Thank you. Good job.

The Chair: We'll have to end that session. Thanks to both of you.

Mr. Kelly.

Mr. Pat Kelly (Calgary Rocky Ridge, CPC): Thank you.

The minister claimed in 2017 that “[t]ax cheats can no longer hide”, yet in this year, 2019, we've seen a single unknown mystery taxpayer have a \$133-million tax debt written off, and we now have witnessed that KPMG and their clients received a secret out-of-court settlement in response to a scheme wherein KPMG received a reported 15% cut of the taxes that were avoided.

How can the department possibly reconcile its statement that tax cheats are no longer able to hide when we repeatedly see secret deals

being cut and taxpayers being able to hide their identities, as well as avoid paying taxes?

Mr. Bob Hamilton: Mr. Chair, I'll comment on the two parts of that.

First, on the debt writeoffs, it is true that each year in the agency we have a certain number of tax debts that we have to write off. That can come from a number of different reasons. There can be bankruptcies. There can be people who are in financial hardship, where we defer, or in some cases we eliminate their tax liability. In some cases, we just aren't able to execute the collection of those activities.

We make every effort to do that. We have a detailed process, much like you might find in a bank or somewhere, on what to write off versus what to keep alive. At some point, we come to a decision that says it is not collectible and we're going to write it off. It doesn't mean that we couldn't come back at some point if new information became available, but we write it off in that year. We have a fairly transparent process—not talking about specific taxpayers, again, as I mentioned earlier—describing how much we write off in a particular year. Those writeoffs can come for a variety of reasons, and we just make sure that we have a good process to deal with them. That's one of your questions.

On the second question referring to the settlement, I guess I would just add a couple of things on that. Sometimes we may take a leap to say that there was a settlement as meaning there was no tax collected, and I just think that's the wrong interpretation.

I want to clarify that when we go in, in this particular case you're referring to, in front of a judge, we have a process that involves the Department of Justice to determine whether there is an outcome that is consistent with the law that we can agree to.

In that circumstance, confidentiality provisions preclude us from talking about it, and that is one thing on which we and the minister agree. The settlements are a necessary part of our activity, but we would like to have a more transparent process—

Mr. Pat Kelly: Commissioner, I have other questions.

Mr. Bob Hamilton: —and to try to find a way to balance the section 241 obligations with transparency.

Mr. Pat Kelly: Okay.

Mr. Bob Hamilton: Hopefully we'll be able to do something there.

Mr. Pat Kelly: But you—

Mr. Bob Hamilton: There's one quick thing to add—I'm sorry—just in response to the earlier questions about the minister's engagement. I can say that she was not involved and engaged in this decision at all. She was informed about it after the decision was made. I wasn't sure if that was 100% clear in the commentary and questions, but I wanted to say that.

Mr. Pat Kelly: What is clear—

The Chair: We'll give you extra time, Pat. The commissioner took a minute longer.

Mr. Pat Kelly: Thank you, Mr. Chair.

The minister did claim, boldly, that tax cheats can no longer hide, and yet you say that it is beyond her ability, because she is independent of the prosecutorial decision...and that tax cheaters will continue not to be named. Your lengthy explanation is no comfort to Canadians who still see a set of, presumably wealthy, Canadians who received a settlement.

The question that is unanswered is whether or not taxes were paid. Canadians don't know that.

This is not consistent with the repeated assertions of transparency. You've spoken of transparency, sir, but we see none. We see unnamed taxpayers cutting deals with the CRA.

Back to the case of the single taxpayer and the \$133 million, a right to privacy is not absolute. There are public interests as well that have to be considered. If this single taxpayer, for example, were a corporate entity that received a subsidy from the government or that had dealings with the government, there would be an overwhelming public interest, I would imagine. What are you actually doing to increase transparency so that we don't continually have cases of non-transparent settlements being made with taxpayers?

• (1210)

Mr. Bob Hamilton: I know my answer was lengthy, so I'll try to keep this one short. On the general issue of transparency, we're doing a number of things to make sure that the information the CRA has that would be helpful to people is made transparent. For example, we are making publicly available the tax gap analysis we are doing to try to identify the gap between taxes that should be paid and taxes that are paid.

We made available a study that we did on some of the strengths and weaknesses of CRA, and that included the weaknesses.

Mr. Pat Kelly: Let me stop you on that, though.

Mr. Bob Hamilton: On that general idea, we're taking a number of actions. On the specifics of this case or of settlements in particular, we're in the process of trying to find a way to increase transparency. I certainly would prefer a situation in which we could talk about what actually gets settled. In any of the cases I've been involved in, I believe the agency has done a very good job, together with Justice, to find an outcome that's in the public interest. However, there is this tension, since we cannot reveal taxpayers' confidential information. We need to find a way, and that's what we and the minister have endeavoured to do, and we'll be looking forward to having some better transparency in the future.

The Chair: Mr. Kelly, this is your extra time. Go ahead.

Mr. Pat Kelly: We're well over time, but this is only a comment on the tax gap. Your agency is, in fact, not providing the Office of the Parliamentary Budget Officer the full anonymized data that it says it needs to be able to estimate it itself. Your measures are simply internal and they are not subject to outside scrutiny as they are now.

I would say, sir, that you fall short on the transparency.

The Chair: Do you have any comments, Commissioner?

Mr. Bob Hamilton: Yes, we have ongoing discussions with the Parliamentary Budget Officer and we do provide information to his office on every tax gap study that we do.

The Chair: I believe we're going to hear from the PBO next week, and we're probably going to have a hearing on that subject a week from Thursday.

Mr. Fragiskatos.

Mr. Peter Fragiskatos (London North Centre, Lib.): Thank you, Mr. Chair.

Thanks to the officials for being here.

Mr. Hamilton, you've already been asked about phone scams, but as you can imagine, many of our constituents have been affected and remain concerned, so I want to follow up.

You said there are education and awareness initiatives that have been taken by the CRA to combat phone scams. Can you be specific about those? What education programs and awareness programs can you point to in particular?

Mr. Bob Hamilton: I'm certainly happy, Mr. Chair, to give the committee a more fulsome response than what I can do off the top of my head, but we do, through social media and putting out tweets, etc., warn people about the scams that are out there. We have other vehicles, on websites and other places, whereby we can try to inform Canadians about this, and I can certainly give you a more detailed written explanation of all the things we're doing. We try to make sure that we cover all of the types of communication vehicles that people are actually reading and listening to.

Mr. Peter Fragiskatos: Is anything being done on television? Is any message promoted on television? I ask that because, as my colleague mentioned, the elderly are particularly targeted here. They've been victimized in a great way, and yes, social media remains quite important for particular demographics, whether it's Facebook, Twitter, Instagram or the like, but television is still an important medium, particularly for seniors. Is anything being promoted on TV in terms of messaging to combat scams?

• (1215)

Mr. Bob Hamilton: Unless any of my colleagues knows, I may have to get back to you on that, because I don't, off the top of my head, know what we do in terms of TV advertising on that.

Mr. Peter Fragiskatos: Okay.

Mr. Bob Hamilton: I'm certainly happy to get back to you.

Mr. Peter Fragiskatos: I realize that you don't have the figures in front of you, but I do want to ask one last question on this issue. Does the CRA have within its budget a particular pool of money that goes towards public information campaigns of this type, and if so, how much, if you could cite that?

Mr. Bob Hamilton: We do have awareness advertising budgets for certain things, whether we're trying to increase awareness of the benefits that we talked about earlier...and I believe the figure we have is about \$6 million. I do have those figures, but not off the top of my head. It's six million dollars for 2018-19.

Mr. Peter Fragiskatos: And is that figure—

Mr. Bob Hamilton: That was for general awareness of the benefits.

Mr. Peter Fragiskatos: I don't mean to cut you off. It's just a timing issue. That's all.

Has that number remained stable over the years, or...? For example, I think you just cited the number for 2018. How would that compare to years previous?

Mr. Bob Hamilton: When I take a look at my notes here, it looks pretty consistent from 2014-15 forward, but it will vary from year to year. For example, this year there was increased awareness and advertising on the climate action incentive, which was particular to this year. Each year you'll have things coming in and out, but I think that level is relatively constant.

Mr. Peter Fragiskatos: Thank you very much.

I also want to ask, if I may, as a last question here, about improving telephone services. You mentioned that in your opening statement. In particular, you talked about lowering wait times. How is the CRA doing that? Can you also be specific in your answer on what the current average wait times are, as well as goals for the future to improve that average?

Mr. Bob Hamilton: Mr. Chair, I have just a couple points on that, because you'll recall that a few years ago the Auditor General did a study on our call centres and found us not to be providing the level of service that he was expecting and, frankly, that we would have liked. Since then, I would say, a couple of things have caused us to improve.

One is that we've put in more resources and we've increased training for our call centre agents to make sure we improve accuracy.

However, one of the big changes we've had is that we now have a new telephone platform. New technology has come in and has allowed us to do things differently from the way we did them before. For example, it used to be that if you called us, we didn't have the ability to tell you how long the wait was going to be, so we had a rule within the CRA that we were going to try to address your call within two minutes 80% of the time, and if we didn't feel as though we could do that, you got a busy signal and called back. Now what we're able to do with this new technology, which is obviously more modern, is to tell people up front, "Your expected wait time is five minutes" or 10 minutes or whatever it is, and then people can make a choice: "I'd like to hang on" or "No, I'll call back later." Up front, people get that choice, and the rare, rare exception will get a busy signal. You'll always get that choice, and if you decide you don't want to wait, then you'll call back. We also have beefed up our self-service efforts, so people can, if they have a fairly simple question, actually deal with it without talking to an agent.

Mr. Peter Fragiskatos: Do you have an average wait time, Mr. Hamilton, at the present time? Can CRA cite an average wait time for callers or not?

Mr. Bob Hamilton: Wait times go up and down. As you can imagine, if you take the pulse at the end of April, when people are frantically calling, it will be longer. We're just in the process of figuring out with this new technology what an appropriate service standard is for us. For example, we'll want to make sure that within the average wait time we will serve most of the people within x minutes. We're trying to figure out what that is. We've had wait times of about 10 to 15 minutes on average over the period of the filing season. Again, we're still examining the data to see how much that varied and whether there's anything we can do to even it out. Obviously the pressure will come down as the year goes on, but we're just taking all of the new things we've done with the new technology to come up with what would be an appropriate service standard.

The Chair: We'll have to end it there.

Mr. Dusseault, the final question goes to you.

• (1220)

[Translation]

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

The waiting time may be 10 or 15 minutes, but this only applies to half of the incoming calls, those who manage to get a line. For the other half, the system rejects them outright. However, I don't want to come back to this subject.

I would rather go back to the KPMG case, on which I have some questions. We said that the process was not transparent and that the final result was uncertain. You did not seem convinced that the judge would rule in favour of the Canada Revenue Agency in this case.

Yet, the scheme in question is considered by everyone, the general public and even experts, as one of the most flagrant examples of dubious and abusive schemes. I do not have any quotes from experts to hand at this precise moment, but I know that there have been several who have spoken out to that effect.

However, you are saying today that you were not sure of the decision the judge was going to make. Given that this scheme was so abusive and so clearly out of line, could you explain your lack of certainty?

Mr. Ted Gallivan: As a general rule—and I am therefore not just talking about the KPMG case here—the court relies on the evidence and arguments of the Crown and taxpayers. The judge in charge asks questions, tries to shed light on the case and encourages the parties to reach a settlement. With the assistance of the Department of Justice and with the judges' comments in mind, we conduct a risk assessment to see if we could lose our case in relation to the tax years we are targeting, the penalties we want or our opinion that it is income and not capital gains. We then do an internal assessment.

In the KPMG case, I can tell you that we concluded that there was a probable outcome based on all this information. However, the possibility of a better settlement arose and the agency determined that it was beneficial to the public.

We consider precedents and evidence. Some knowledgeable taxpayers may object to our audits. We must therefore present evidence and data to support our case. Sometimes it's like doing risk management and seeing if it's worth it to proceed.

Mr. Pierre-Luc Dusseault: Thank you, Mr. Gallivan.

[English]

The Chair: Is there a question?

[Translation]

Mr. Pierre-Luc Dusseault: Mr. Chair, I would not like to ask a question, but to move a motion of which I gave notice on May 31. I would like to present it at this time, in the wake of what we have heard today about these internal processes and policies that allow for out-of-court settlements. I therefore move the following:

That the committee invite the Honourable Diane Lebouthillier, Minister of National Revenue, to appear before the committee to inform it on the work being done by the Canada Revenue Agency to combat abusive tax schemes and also on the policies and internal processes surrounding out-of-court settlements in tax evasion and abusive tax avoidance cases.

Mr. Chair, I hope you will find this motion in order. I justify it by the fact that the committee was not able to benefit from the minister's presence today. If she had been here, we could have asked her about this case and then moved on to another item, but she is obviously trying to avoid her responsibilities. That is why I am proposing this motion, in order to shed light on internal policies and processes and to question the minister, who is responsible for this agreement that has been signed, of which she was informed. We would like to know what she thinks about it and what she has done.

[English]

The Chair: The motion is in order, so it is up for debate.

We're done with our CRA officials within the time frame we gave them. In fact, we're over.

Thank you for your testimony, folks, and for appearing before us on the estimates. We appreciate that.

• (1225)

Mr. Bob Hamilton: Thank you.

The Chair: We'll turn to the discussion on the motion that Mr. Dusseault has proposed. It was on the list, so it is in order.

Does everybody have a copy?

Mr. Dusseault, is there anything more you want to add on the motion? After that, we'll open it up to the floor.

[Translation]

Mr. Pierre-Luc Dusseault: Mr. Chair, I would just like to add a few words to follow up on what you said yourself during the meeting about the lack of transparency. You also had an opinion on this subject. I did not indicate the number of meetings, but I think one would be sufficient to allow the minister to explain what happened in this case and what she has done to increase transparency. We have to see what she thinks is important, what you think is important, Mr. Chair, and what the committee members on this side of the table think is important.

I believe it is self-evident that we will invite the minister again, given that she refused to appear before us today on the 2019-2020

main estimates. Given the latitude you're giving us, Mr. Chair, we could have asked her questions about it and she could have answered them. If she had appeared before us, I would not have had to move this motion, but she is trying to escape her responsibilities. That is why I am now introducing this motion.

[English]

The Chair: Ms. Rudd and then Mr. Poilievre.

Ms. Kim Rudd: Thank you, Mr. Chair.

I appreciate it, especially after our conversation with the CRA, whose officials gave us some very good information about some of the modernization and some of the work they're doing to make the CRA more transparent, to make it more user-friendly, and to make sure we're getting everything we should be getting from folks who use the system.

So having the minister appear to further talk about... As Bob Hamilton said, these processes are with the justice department and themselves. The decision is made at a table, by a group of people, to decide how to proceed, and the minister is not made aware of that until after the decision is made. The minister has stood in the House and said, indeed, that she would like to see more transparency around this process. We certainly heard that today from the CRA.

I think we're all on the same page with this, so I certainly would support your motion.

The Chair: Mr. Poilievre.

Hon. Pierre Poilievre: Me too.

The Chair: That's it?

Hon. Pierre Poilievre: That's it.

The Chair: Okay.

On the question, then, all those in favour of the motion from Mr. Dusseault?

Do you want a recorded vote?

All right. We'll have a recorded vote.

(Motion agreed to: yeas 9; nays 0)

The Chair: The motion is carried and that request will be made.

Mr. Sorbara, you have a motion...or no, I guess I'll have the report, which is your motion.

Do people have copies of the report of the subcommittee? I guess I'd best read it.

The subcommittee met yesterday, on Monday, to consider the business of the committee and agreed to make the following recommendations:

1. That, with respect to Bill C-101, An Act to amend the Customs Tariff and the Canadian International Trade Tribunal Act:

- a) the Committee begin a subject matter study of the Bill on Tuesday, June 11, 2019, if the Bill itself has not yet been referred to the Committee;
- b) the Committee hear from departmental officials on the subject matter of Bill C-101 on Tuesday, June 11, 2019, from 3:30 p.m. to 5:30 p.m.;

c) if Bill C-101 is referred to the Committee by the House during the subject matter study of the Bill, all evidence and documentation received in public in relation to its subject matter study of Bill C-101 be deemed received by the Committee in the context of its legislative study of Bill C-101;

d) the Clerk of the Committee write immediately to each Member of Parliament who is not a member of a caucus represented on the Committee, to inform them of the beginning of the subject matter study of Bill C-101 by the Committee and to invite them to start working on their proposed amendments to the Bill, which would be considered during the clause-by-clause study of the Bill;

e) Members of the Committee submit their prioritized witness lists for the study of Bill C-101 to the Clerk of the Committee by no later than 3 p.m. on Tuesday, June 11, 2019, and that these lists be distributed to Members that same day;

f) the Committee hear from witnesses on Bill C-101 from June 11, 2019, to June 12, 2019;

g) the Committee invite the Minister of Finance to appear on Bill C-101;

h) proposed amendments to Bill C-101 be submitted to the Clerk of the Committee in both official languages by 8:00 p.m. on Wednesday, June 12, 2019, at the latest;

i) the Committee commence clause-by-clause consideration of Bill C-101 on Thursday, June 13, 2019, at 3:30 PM, subject to the Bill being referred to the Committee;

j) the Chair may limit debate on each clause to a maximum of five minutes per party, per clause; and

k) if the Committee has not completed the clause-by-clause consideration of the Bill by 9:00 p.m. on Thursday, June 13, 2019, all remaining amendments submitted to the Committee shall be deemed moved, the Chair shall put the question, forthwith and successively, without further debate on all remaining clauses and proposed amendments, as well as each and every question necessary to dispose of clause-by-clause consideration of the Bill, as well as all questions necessary to report the Bill to the House and to order the Chair to report the Bill to the House as soon as possible.

2. That the Parliamentary Budget Officer be invited to appear on Thursday, June 20, 2019, to discuss his report on [the] tax gap.

That was the information agreed to yesterday at the subcommittee.

Is there any discussion?

Are we agreed?

Go ahead, Mr. Richards.

• (1230)

Mr. Blake Richards (Banff—Airdrie, CPC): I guess this is more of a question than anything else. Obviously, the witnesses would be here today and tomorrow. Has there been discussion? Do we have any indication of who those witnesses are, at this point? If we're lining people up for this afternoon, I'm assuming that the work has already been done on that.

The Chair: Yes. I believe officials have agreed to come on the bill this afternoon at 3:30. I understand that a number of witnesses have been presented by Mr. Dusseault, and a number from the government side as well. I believe it's five, but I'm not sure.

Mr. Blake Richards: Have some of them been lined up for this afternoon—

The Chair: No, they would be for tomorrow.

Mr. Blake Richards: Okay. So the officials will be here this afternoon, and maybe this afternoon we'll get a list of who will be appearing tomorrow. Is that the idea?

The Chair: Yes.

Okay?

(Motion agreed to)

The Chair: Then we're in agreement, and we've agreed to invite the Parliamentary Budget Officer for next Thursday, assuming that Parliament is still sitting.

Mr. Dusseault, a last point.

Mr. Pierre-Luc Dusseault: Thank you for supporting my motion earlier today. I really appreciate that. It shows that our committee is doing its work.

I think we can agree that we will be flexible on the date to accommodate the minister's agenda to make sure that she appears and she doesn't say, if she's not available on Tuesday and Thursday, that she is not able to appear. We need to make sure that flexibility is proposed to her ensure that she has an opportunity to appear.

• (1235)

The Chair: We're fairly open as a committee to meeting extra days, if we have to. As long as you don't adjourn the House too early, we'll have lots of time.

Mr. Pierre-Luc Dusseault: Don't worry.

The Chair: All right. With that, thank you.

Sorry; yesterday we talked about the pre-budget consultations at subcommittee, and we didn't decide on a theme.

I don't think we need to go in camera, do we, to talk about a theme...?

This year being an election year, we really don't have to go with a theme. We can just go with pre-budget consultations, and the Library of Parliament folks can have fun all summer getting that all together and reading it. We have three suggestions, really. We could leave it just as a press release that's wide open. Suggestion two would be "investment and innovation for a 21st century economy", and suggestion three would be "climate emergency: the required transition to a low-carbon economy".

Mr. Richards.

Mr. Blake Richards: Mr. Chair, a third option for the new government could be "cleaning up the Liberal mess".

The Chair: Well, that would be a fourth one, but I don't think we'll get agreement on that one.

Ms. Kim Rudd: Of course, we're not in camera. There's a lesson learned.

Some hon. members: Oh, oh!

The Chair: Yes, that's true.

We're still cleaning up the mess from the last crew.

In any event, is there any—

Hon. Pierre Poilievre: Mr. Chair, that's the kind of partisanship we don't need in this place. Geez.

Some hon. members: Oh, oh!

The Chair: Yes, Mr. Poilievre.

Are we agreed? Do we want to go with a theme, or just leave it open?

Mr. Dusseault.

Mr. Pierre-Luc Dusseault: I vote for number three.

The Chair: You're suggesting number three.

Number three, which is now on the table, is “climate emergency: the required transition to a low-carbon economy”.

Mr. Francesco Sorbara: There was another one you mentioned. It was about innovation.

The Chair: Yes: “investment and innovation for a 21st century economy”.

Mr. Francesco Sorbara: I'll support that one, Chair.

The Chair: Let's go with all three; we won't go with the fourth one.

Mr. Blake Richards: Aw, Mr. Chair, come on.

The Chair: We'll go with whichever one gets the majority.

Ms. Kim Rudd: I like them both.

The Chair: One is to leave it wide open; two is “investment and innovation for a 21st century economy”; and three is “climate emergency: the required transition to a low-carbon economy”.

Who's in favour of just leaving it wide open, where everything's out there? I see two hands.

How many are in favour of “investment and innovation for a 21st century economy”? One.

What about “climate emergency: the required transition to a low-carbon economy”? That one has it.

So we're agreed: That's the theme. We'll put it in the press release.

With that, thank you all for your co-operation. We'll see you at 3:30.

Mr. Dusseault, you should be happy.

We are adjourned.

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