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Chair: Mr. Peter Fonseca



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• (1105)

[English]

The Chair (Mr. Peter Fonseca (Mississauga East—Cooksville, Lib.)): I call the meeting to order. Welcome to meeting number 53 of the House of Commons Standing Committee on Finance.

Pursuant to the order of reference of May 10, 2022, the committee is meeting on Bill C-19, an act to implement certain provisions of the budget tabled in Parliament on April 7, 2022 and other measures.

Today's meeting is taking place in a hybrid format pursuant to the House order of November 25, 2021. Members are attending in person in the room and remotely using the Zoom application.

As per the directive of the Board of Internal Economy of March 10, 2022, all those attending the meeting in person must wear a mask, except for members who are at their place during proceedings.

I would like to make a few comments for the benefit of the witnesses and members. Please wait until I recognize you by name before speaking. For those participating by video conference, click on the microphone icon to activate your mike, and please mute yourself when you are not speaking. For interpretation, for those on Zoom, you have the choice at the bottom of your screen of floor, English or French audio. For those in the room, you can use the earpiece and select the desired channel.

I remind everyone that all comments should be addressed through the chair. For members in the room, if you wish to speak, please raise your hand. For members on Zoom, please use the “raise hand” function.

The clerk and I will manage the speaking order as well as we can, and we appreciate your patience and understanding in this regard.

Pursuant to the motion adopted in committee on Monday, May 9, the committee will continue today with the clause-by-clause consideration of Bill C-19. We have witnesses from various departments here with us, who will be able to answer questions as we move through the clauses of the bill.

Members, I see a couple of hands up. I see Mr. Albas and then Mr. Ste-Marie.

Mr. Dan Albas (Central Okanagan—Similkameen—Nicola, CPC): Thank you, Mr. Chair.

I hope Mr. Ste-Marie can forgive me, simply because I know his issue is very important. I've been advised, though, that it would probably behoove all of us to perhaps start with reconsideration of clause 131. It seems the other day we were making good progress. The exception, as was pointed out by officials, was that the amendment I was going to put forward amended the wrong section. I thank all members for responding back later that perhaps there is some willingness today. I guess I'll test it now, Mr. Chair.

Again, to MP Ste-Marie, it's been pointed out to me that we need to look at clause 131 first before proceeding to some of the amendments that he would like to see happen.

For good process, Mr. Chair, let me just start off by asking the committee for unanimous consent to reopen discussion on clause 131.

Some hon. members: Agreed.

The Chair: I'm seeing thumbs up.

Mr. Dan Albas: Thank you, committee members.

I would also like to ask for unanimous consent to be able to amend clause 131 as it was previously amended by Mr. Ste-Marie.

Some hon. members: Agreed.

The Chair: Again, we have unanimous consent.

Mr. Dan Albas: Okay. Mr. Chair, I would like to put forward again our CPC amendment. This was recently sent out by the clerk, I believe. I hope all committee members have had a chance to take a look at it. It just changes the language to say that this would have referred to clause 131.

This amendment to the amendment would simply defer, until January 1, 2023, the application of excise when it comes to beer, wine and spirits—particularly, in this case, wine. I gave much of my rationale yesterday. The rationale still stands. Many of our wineries have had such a hard and difficult time since COVID. The impact to their bottom line has been tremendous. Because of supply chain issues, many are unable to secure the bottles they need in order to bottle by July 1, when the new excise provisions that are contemplated in Bill C-19 would take effect under the current reading. This would essentially give them that extra time.

I also want to be mindful that, for many wineries, especially the small and medium-sized family wineries, many have never paid excise, because they use 100% Canadian-grown content. I'm not going to rehash old debates today about the Australian wine WTO challenge and where it led us to, other than to say that these wineries need our help. The Australians stood up for their wine industry because of what they felt was unfair treatment towards domestic product versus their product due to the escalator only applying to foreign product or product made with less than 100% Canadian content.

Mr. Chair, what I'm asking for here is a deferment. This would give them the time to bottle. I also believe it would dovetail with the government's strategy, because it has not fully unveiled what its replacement program would be. There have been discussions with the industry and commitments made by the government in this budget. Some of the numbers are still under question, but the actual formation of that program—who receives it, and at what amounts—has not been made public to the industry. This would give the industry that extra time. It would also give the government extra time to make sure that everyone knows their obligations under the law. I would just ask for all honourable members to support this important bill.

Again, I recognize that the Canadian government, before COVID, made commitments. The Australian government stood up for its producers. All I'm asking for is a deferment. I don't think the Australians, considering there's a new government there, would look at it as out of hand to say that we are implementing this to keep as many small and medium-sized wineries open so that they can begin to understand their obligations under this new law.

• (1110)

The Chair: Thank you, Mr. Albas.

Mr. Beech, do you wish to speak to this?

Mr. Terry Beech (Burnaby North—Seymour, Lib.): Yes.

Good morning, members. It's good to see everybody. I want to take a moment to thank everybody for being very communicative over the last 24 hours, and to thank Mr. Albas for his advocacy for our producers in B.C.

We have some concerns on the implementation. The extension of this date would actually have some impacts in terms of increasing some excise that would be collected from small producers. We will be voting against it.

Thank you, Mr. Chair.

The Chair: Thank you, Mr. Beech.

I see no other hands up.

Just so that everybody is clear on this, we'll hear from the legislative clerk.

Mr. Jacques Maziade (Legislative Clerk): Mr. Albas, I just want to make sure I understand your amendment correctly.

BQ-4, which was adopted yesterday, stays the same except for this: “Subsection (1) applies after June 29, 2022” becomes “Subsection (1) comes into force on January 1, 2023.”

Am I correct?

Mr. Dan Albas: You are correct, sir. Thank you.

The Chair: Members, shall—

[*Translation*]

Mr. Gabriel Ste-Marie (Joliette, BQ): Mr. Chair, Darren D'Sa wanted to say something. We could do with his insight on this.

[*English*]

The Chair: I apologize. I didn't see the hand.

Mr. D'Sa, you have the floor.

Mr. Darren D'Sa (Advisor, Tax Policy, Department of Finance): Hello. I'm sorry. I'm not sure whether this is the time for this question.

Part of our issue as officials is that we don't have the text of either BQ-4 or the modified CPC-5 before us, so we can't fully comment on whether the motions are complete. We don't know whether they're complete in the sense that they're amending all the sections they intend to amend.

The Chair: Mr. D'Sa, those are never shared; they are confidential.

Mr. Darren D'Sa: Okay.

The other thing we should mention is that the difference between the version of amendment BQ-4 that we received on Saturday and at least this version of BQ-4 is that this version of BQ-4 presents some WTO concerns in the sense that this would maintain the exemption for domestic cider and meat, but the excise duty would continue to apply to imported cider and meat. This would make us inconsistent with our international obligations under the WTO and under other international trade agreements.

The Chair: Mr. D'Sa, this was circulated yesterday, the change. There is a new BQ-4.

Mr. Darren D'Sa: Okay, so, yes, it is the updated amendment BQ-4, which we didn't have, that presents that issue, and the modified amendment CPC-5—

Mr. Terry Beech: Mr. Chair, on a point of order, I appreciate the comments coming from the officials, but, given that there was no request from members and that a lot of conversations have happened over the last 24 hours, I think we should at least check if people are willing to get to the votes and carry on.

The Chair: Do members agree?

Mr. Dan Albas: I'd like a recorded vote, please.

The Chair: Shall amendment CPC-4.1 carry?

(Amendment negatived: nays 6; yeas 5 [*See Minutes of Proceedings*])

• (1115)

The Chair: Shall clause 131 as amended carry?

Some hon. members: Agreed.

(Clause 131 as amended agreed to [*See Minutes of Proceedings*])

(On clause 132)

The Chair: Now we will go to Mr. Ste-Marie.

[*Translation*]

Mr. Gabriel Ste-Marie: Thank you, Mr. Chair.

Good morning everyone.

Like my fellow member Dan Albas, I am requesting the committee's unanimous consent to go back to clause 132 so that I can move the amendment that the clerk sent out this morning.

[*English*]

The Chair: I believe we have unanimous consent.

[*Translation*]

Mr. Gabriel Ste-Marie: My sincere thanks to my fellow committee members for being open-minded and working so co-operatively. I am truly grateful. You are all to be commended.

Yesterday, the committee voted in favour of the modified version of BQ-4, which dealt with clause 131 and sought to exclude cider and mead from the excise tax. For the sake of consistency and alignment, I would like to move a similar amendment to clause 132, because the same amendment cannot apply to more than one clause. Here's the amendment.

I move that Bill C-19, in clause 132, be amended by replacing line 21 on page 106 with the following:

placed by the following:

(a) produced in Canada from honey or apples and composed wholly of agricultural or plant product grown in Canada.

Thank you, Mr. Chair.

[*English*]

The Chair: Thank you, Mr. Ste-Marie.

Shall amendment BQ-4.1 carry?

Mr. Yvan Baker (Etobicoke Centre, Lib.): I request a recorded vote.

The Chair: We'll have a recorded vote.

(Amendment agreed to: yeas 6; nays 5)

The Chair: There is an amendment from the Conservatives. It's CPC-4.2.

MP Albas, please go ahead.

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

I would ask members to reconsider their position and vote in favour of this section and clause 132. Maybe we could just let it go to a vote.

I will say, though, Mr. Chair, that people in this industry, particularly the small and medium-sized producers, have worked very hard to establish businesses. This sudden change in the excise is going to be very detrimental to the industry, especially if we don't give them that extra time.

• (1120)

The Chair: Shall CPC-4.2 carry?

Mr. Yvan Baker: On division.

Mr. Dan Albas: Recorded vote.

The Chair: Recorded vote.

(Amendment negatived: nays 6; yeas 5 [*See Minutes of Proceedings*])

The Chair: Shall clause 132 as amended carry?

(Clause 132 as amended agreed to on division [*See Minutes of Proceedings*])

(On clause 133)

The Chair: On clause 133, there's an amendment from the Conservatives. CPC-5 was moved yesterday.

Mr. Albas, please go ahead.

Mr. Dan Albas: This is the original one. I would like to withdraw the motion.

The Chair: We're looking for unanimous consent, Mr. Albas. We have unanimous consent to withdraw CPC-5.

(Clauses 133 and 134 agreed to on division)

(On clause 135)

The Chair: On clause 135, there's an amendment from the Bloc. It's BQ-5.

Mr. Ste-Marie, I see your hand up.

[*Translation*]

Mr. Gabriel Ste-Marie: Thank you, Mr. Chair.

This amendment pertains to the luxury tax. On behalf of the Bloc Québécois, I am moving a number of amendments to improve the bill. The idea is to improve how the tax will be applied, specifically to ensure we continue to support Canada's aerospace industry.

I have a lot of amendments. Consideration of BQ-5 ties in with BQ-7 and BQ-8, so I'll say a few words about BQ-8.

BQ-8 gives the government more power to regulate the prescribed price threshold in the case of a subject aircraft.

BQ-5 and BQ-7 give the government the additional power to say that the price threshold at which the tax becomes applicable will be different for a prescribed aircraft model—say a particular model of helicopter. This would give the government more flexibility, as well as the power to better tailor the tax.

The aerospace sector is obviously calling for these amendments.

The Chair: Thank you, Mr. Ste-Marie.

[*English*]

Next, I have Mr. Blaikie and Mr. Beech.

Mr. Daniel Blaikie (Elmwood—Transcona, NDP): It would be pretty rare for people to say that committee hearings have the same interest as a mystery novel. In order not to disappoint expectations, I just want to be quite clear about what I think about the luxury tax in general, what I think about some of the specific provisions and what I see as being the remedy, and consequently how I intend to vote on these packages of amendments, Mr. Chair.

When it comes to the luxury tax, this is something that New Democrats have supported for a long time. We see this as being part of a project to restore tax fairness to Canada in a context in which the wealthiest Canadians have been paying less and less of the tax burden in Canada at the expense of largely working Canadians in the middle class. That's why we've advocated for a luxury tax for a long time. It's why we're supportive of getting it implemented. It's why we don't want to see that process slowed down.

I will also say, though, that there are a number of different ways to implement a luxury tax. Initially, when this idea was being kicked around, there was a fair amount of concern expressed in the boating industry. While I understand not everybody in that industry is happy with the proposed tax, the threshold for boats was changed from \$100,000 to \$250,000 in recognition of some of the initial problems in the boating industry and in an attempt to correct some of the biggest challenges that arose out of the initial proposals for a luxury tax.

In the aerospace industry, we've heard there continues to be a fair bit of concern, and the concern is not necessarily about the principle of the tax. Although there may well be those in the industry who object to the tax on principle, we've also heard that the way the government has chosen to structure this tax could present certain problems. That's something that New Democrats are quite sensitive to, particularly when we're talking about an impact on Canada's ability to compete as a place to do aerospace manufacturing and to attract the kind of high-quality, high-paying jobs that come with aerospace manufacturing.

I'm reticent to try to rewrite the provisions of the luxury tax bill at this committee table under the time constraints that we have in the context of the BIA. I note that one of our colleagues on the committee, Mr. Chambers, has a proposal to get some more information about the potential impact of the luxury tax, and what it might look like, which I think is a very sensible proposal and one that I'll be happy to support when the times comes.

My own proposal for how to deal with this, and we'll come to it eventually in the amendment that I'm proposing, is to give the government flexibility on the "coming into force" provision, specifically for the aerospace component, so that as this committee—as I hope it will—carries out the instructions that Mr. Chambers proposes in his motion and we get more information about the potential impact of this way of going about a luxury tax in the aerospace industry, the government will have time to respond by delaying the implementation of this tax, if it feels that's suitable. It may well be able to respond in the fall in other legislation it may bring forward, either stand-alone legislation or legislation following up on the fall economic statement, for example.

I think there's still runway, if you'll forgive the pun, to address the problems with the aerospace provisions of the luxury tax. I

think the best way to do that is to give a little more runway by giving some flexibility on the implementation date. That spares us the trouble of having to try to rewrite this tax at this table right now and get all of that right. It's why I intend to vote no to all the amendments on the luxury tax, except the one I'm proposing, which is that we build in some flexibility, with a different coming-into-force date.

I wanted to open up the conversation with those remarks, and I thank you for that opportunity, Mr. Chair.

• (1125)

The Chair: Thank you, Mr. Blaikie.

I have Mr. Beech and then Mr. Albas.

Mr. Terry Beech: Thank you, Mr. Chair.

Taking cues from both Gabriel and Daniel in terms of talking about the amendments in their entirety, there are concerns I have on different measures. Gabriel mentioned BQ-8, which I think would require a royal rec. We've been down that a couple of times yesterday, though, and I'm not planning on going down that road. We have expressed our commitment to working with our manufacturing sector and our entrepreneurs and businesses to try to make this work.

I took an interest in what Mr. Blaikie just said with regard to a proposal he's going to be putting forward. I'd be interested to hear that, but in general, it is my intention to vote against the amendments and the consequent amendments.

Thank you.

• (1130)

The Chair: Thank you, Mr. Beech.

Mr. Albas.

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

I'm sure Mr. Chambers is greatly affected by this in his riding, so there may be some further discussion if I leave anything out that pertains to his experience.

I just wanted to say, on behalf of the Conservatives, that while we understand that the NDP and the Liberals might have some ideological convictions here with regard to having a tax system that they believe needs to be fairer, the challenge is in the implementation. This provision of the so-called luxury tax is really a producer tax, Mr. Chair.

This is what I'm afraid of: Number one is that the boating industry, when you look at the PBO study on this, is going to be bearing the brunt of it. In fact, the sales are going to be taken out of their sails. They are going to be bearing this the most.

What does that mean? It means that when you take a 15% hit just because of this new tax—15% between all three of them, with the majority on the boating sector—it means you're just not going to see the investment in boat manufacturing upgrades in Canada.

Mr. Chair, I've spoken with some of the affected manufacturers, and they think it's going to lead eventually to job losses. While some people take issue with the consumption by some of the people who buy these vehicles, those are actually where all the upgrades and where all the specialized work happens. If there are fewer orders, there will be fewer sales and less profit, and right away there'll be less investment.

Where's it going to go? We've just given the Americans, those against whom Canadian companies compete.... People will be going to where there is no tax on it.

Mr. Chair, I understand the sentiment. I think everyone needs to pay their fair share. In this case, who's going to be paying for it? It's going to be the worker who gets cut. It's going to be the upgrades that never happen. It's going to be an industry that's now saddled.

I'll just give one last example. In my home province of British Columbia, a luxury tax was already put in place by the NDP government. In B.C., you're not going to be hit just once, by your provincial government; you'll be hit twice. Guess what happens then, Mr. Chair? You're going to have the GST applied on both of those taxes—a tax on a tax.

I don't think government members understand. I think they believe that this is the right solution, but at the end of the day, we're going to end up with fewer jobs. This is not a luxury tax per se; it's a manufacturing producer tax. It's going to cause those fields—the air industry, the car industry and the boating industry—to all take a hit on this.

We will be fighting against this. We don't believe this is the right way to grow our manufacturing sector, grow jobs or see more investment in Canada. We know that this will be the exact opposite. I think the PBO's report illustrates that. I would just point to that testimony by the Parliamentary Budget Officer.

The Chair: Thank you, Mr. Albas.

I have Mr. Chambers and Mr. Ste-Marie.

Mr. Adam Chambers (Simcoe North, CPC): Thank you very much, Mr. Chair.

We obviously had a lot of time to hear from the stakeholders during our consultations on the bill, so I won't relitigate that issue, or the fact that the tax is coming in. We agree on many things in this room, but on this one I know we disagree. I am in favour of having the wealthy pay the taxes that are owed. In general, I think we need to be focused on actually enforcing the tax code that we have on all individuals and corporations, before we bring on more taxes. That's perhaps a different discussion.

I don't believe it will just be the wealthy who pay in this instance, like my colleague Mr. Albas. It's the workers and individuals who rely on these industries for their livelihood. The International Association of Machinists and Aerospace Workers, as an example, has raised some concerns.

Given that we obviously knew about the ideological differences on this tax, the CPC amendments in this section were done in a constructive way to help mitigate some of those impacts. When we get to them, I would be happy to give the rationale. At least the last one, which was provided yesterday on the thresholds but has since

been updated.... From a principled perspective, if we are going to be increasing excise tax on items on the basis of inflation every year, surely when we impose taxes on goods on a threshold value we should make the same kinds of concessions or acknowledgements that inflation actually makes that \$100,000-a-year threshold significantly different in 10 years from what it is today. That's the rationale behind indexing the thresholds to inflation. I think it's fairly reasonable, but I recognize and respect members' opinions on that. I'm encouraged to hear Mr. Blaikie on the motion, asking the government to provide some additional details on the economic impact. That would be a constructive way that we could hear from government on the impacts of this tax.

I hope that before we rise for the summer we'll have a vote on that motion, which I think is maybe the second-best option for us to get some more details, to give some comfort to the industry and to the people in my community of Simcoe North and others who are affected. I appreciate that co-operation. I think there is some precedent for that, by the way, in previous Parliaments. Instead of trying to amend the bill, perhaps we can get some more information from the government on this front. I would very much look forward to that information and just point out that many jurisdictions I have looked at, and that many have looked at, have actually walked back versions of their luxury tax, because of the economic impact. That's obviously something I'm very concerned about and interested to get the government's opinion on. We'll obviously move these amendments in good faith, but certainly appreciate members letting us know where they stand. We look forward to the ongoing discussion.

• (1135)

The Chair: Thank you, Mr. Chambers.

I have Mr. Ste-Marie. He's the last one to speak.

[*Translation*]

Mr. Gabriel Ste-Marie: Thank you, Mr. Chair.

I want to start by thanking my fellow members for making their positions clear on the suite of amendments to this clause.

This is obviously the most problematic clause in Bill C-19. We are talking about a new tax, 170 pages' worth. My party and I support the principle of taxing luxury items. It allows for a better balance of wealth, whereby everyone contributes to public services on the basis of what they can afford. We support that principle.

What industry manufacturers and unions told us, however, is that this tax was poorly thought-out. Since it will probably be adopted, it will have significant consequences. If the amendments are defeated, I sincerely hope that, come the fall, the government will fix the situation and we'll end up with a tax that does not hurt the industries in question or jobs. Obviously, we'll believe it when we see it, as Quebec comedian Yvon Deschamps used to say.

In the case of this tax, it's easier for the government, the state, to tax the manufacturer, when the consumer should be paying the tax. There is a lot of bias in the 170 pages that deal with this tax.

For example, most aircraft subject to the tax are exported, somewhere in the neighbourhood of 90% or 95%. My sense is that laziness is to blame for the way the bill is drafted, in other words, taxing every aircraft that is manufactured and providing for the possibility of a refund afterwards. Department officials told us that this was done on a quarterly basis, but manufacturers told us that aircraft often had to undergo numerous modifications and that it could take six, nine or 12 months before the refund is issued.

Manufacturers are being saddled with an administrative burden. They need cash, but they have to fork out hundreds of millions of dollars upfront, all because the tax is poorly designed. BQ-6 would make clear that aircraft intended for export are excluded from the tax.

These amendments are meant to make the tax better and fix the problems with it. What members need to understand is that those problems will not be fixed. Industry stakeholders told us about instances where a company purchases an aircraft for business use and entrusts another company with managing the aircraft. That company can, in turn, rent out the aircraft when it's not in use. At the time of sale, the manufacturer must ensure that the aircraft purchased by the company and managed by an air charter company will not be rented out for personal use more than 10% of the time. All of that places a disproportionate burden on manufacturers' shoulders. It's virtually impossible to impose such a thing from the outset.

The amendments would help solve those problems. Lowering the proportion of business use from 90% to 75% would give manufacturers some breathing room and ensure that the tax does indeed target luxury items, instead of crippling the aerospace sector. Essentially, the idea behind the amendments was to make the tax less punitive for the oh-so-important aerospace sector and the other affected sectors.

The intent was not to have wealthy people who buy luxury goods pay less. It was to make the tax work better so that it doesn't unduly hurt manufacturers. At the end of the day, in its current form, the tax hurts manufacturers because it applies to activities that the spirit of the act does not cover. The administrative burden created by this measure is terribly onerous.

I want to stress to committee members that our aerospace sector faces fierce competition from players elsewhere in the world, in particular, Seattle, in the United States, and Toulouse, in France. Every other country has policies to support its aerospace economy. The aerospace sector adds tremendous value to our economy.

• (1140)

Canada is the only country with an aerospace sector of this size not to have a policy that supports the industry, such as through government procurement. On top of that, the government is bringing in a new tax. Industry representatives told us this measure would hurt the sector's reputation. The International Air Transport Association said that it might move. That shows that this is damaging the industry's reputation.

Even if all the problems were fixed in the fall—again, we'll have to see it to believe it, to quote Yvon Deschamps—it would still mean months of uncertainty. Meanwhile, the industry will realize that, if it wants to grow, it should go somewhere other than Canada. After all, the government is sending the message that it does not plan to help the industry. Canada would be the only country in the world not to support its own industry. It's beyond me. All of this is mind-boggling.

I thank my fellow members for expressing themselves so clearly, but if all the amendments being proposed are defeated, the economy and good jobs are going to take a major hit. The message being sent would fuel uncertainty and hurt Canada's credibility when it comes to building and strengthening the domestic aerospace cluster and supporting those jobs.

Thank you, Mr. Chair.

[*English*]

The Chair: Members, shall amendment BQ-5 carry?

Mr. Yvan Baker: May we have a recorded vote?

• (1145)

The Chair: Could we have a recorded vote, please, Mr. Clerk?

(Amendment negatived: nays 6; yeas 5 [*See Minutes of Proceedings*])

The Chair: Members, we're still on clause 135. We have amendment BQ-6.

[*Translation*]

Mr. Gabriel Ste-Marie: The purpose of this amendment is to exclude aircraft intended for export from the tax.

[*English*]

The Chair: Shall amendment BQ-6 carry?

Mr. Yvan Baker: May we have a recorded vote, please?

The Chair: Could we have a recorded vote, please, Mr. Clerk?

(Amendment negatived: nays 6; yeas 5 [*See Minutes of Proceedings*])

The Chair: We are still on clause 135, moving to amendment BQ-7.

[*Translation*]

Mr. Gabriel Ste-Marie: As I said before, this amendment ties in with BQ-5. It would give the government the authority to designate prescribed aircraft models. The government would have more power.

[*English*]

The Chair: Shall BQ-7 carry?

Mr. Yvan Baker: May we have a recorded vote, please?

(Amendment negatived: nays 6; yeas 5 [*See Minutes of Proceedings*])

The Chair: Members, we are on clause 135, amendment CPC-6.

Mr. Dan Albas: We have decided not to move this motion, so we can move on, Mr. Chair.

The Chair: Okay, so it's not being moved; we are still on clause 135, with another amendment by the Bloc.

On BQ-8, Mr. Ste-Marie, go ahead.

[*Translation*]

Mr. Gabriel Ste-Marie: Thank you, Mr. Chair.

BQ-8 gives the government the authority to prescribe by regulation the price threshold in the case of subject aircraft. In other words, it would broaden the government's power.

[*English*]

The Chair: Thank you, Mr. Ste-Marie.

The ruling from the chair is that Bill C-19 enacts the select luxury items tax act. Amendment BQ-8 seeks to modify the price threshold of \$100,000 in the case of a subject aircraft, so that it would be set by regulation. *House of Commons Procedure and Practice*, third edition, states on page 772 that “An amendment is also inadmissible if it exceeds the scope of the ways and means motion on which a bill is based, or if it imposes a new charge on the people that is not preceded by the adoption of a ways and means motion....”

In the opinion of the chair, the amendment could oblige certain entities to bear an additional charge; therefore, I rule the amendment inadmissible.

[*Translation*]

Mr. Gabriel Ste-Marie: I'd like to say something, if I may, Mr. Chair.

Normally, I would challenge your ruling, but I won't since we already anticipate that the amendment will be defeated.

Thank you, Mr. Chair.

• (1150)

[*English*]

The Chair: Thank you, Mr. Ste-Marie.

Mr. Chambers, this is on amendment CPC-6.1.

Mr. Adam Chambers: Thank you, Mr. Chair.

As was previously mentioned, as a matter of fairness, you can conceive of 10 years going by fairly quickly and these thresholds being out of date given inflation, which is certainly where we are now. If we apply things like the automatic escalator to excise taxes, the same principle applies here.

I think it would serve future Parliaments and the industry well to have these automatically adjusted for inflation every five years. It would be not an every year thing but rather every five years, and then would be rounded to the nearest \$5,000, which, to my understanding, is similar to the way we do adjustments to reflect inflation or other thresholds in other pieces of legislation.

The Chair: Thank you, Mr. Chambers.

Members, at this time we're going to suspend for a minute or two, as the legislative clerk would like to see if this is admissible or inadmissible.

• (1150)

(Pause)

• (1155)

The Chair: Members, after conferring with the legislative clerk, I will rule that CPC-6.1 is inadmissible, as it goes against the ways and means motion.

Mr. Adam Chambers: Like my colleague Mr. Ste-Marie, I'd suggest an amendment to create a floor threshold in normal circumstances. However, knowing the ultimate fate of the amendment, we can continue moving along. I thank the committee for its indulgence in humouring me on this one. I certainly hope that Parliament will reconsider this at a future date, in order to keep it consistent with other legislation.

The Chair: I see Mr. Albas has his hand up. A chair's ruling is not debatable. I don't know whether this is on my ruling or something else.

Mr. Dan Albas: It's on something else.

The Chair: Go ahead, Mr. Albas.

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

In regard to future thinking, I remember a time when the Liberal party first came in and made changes to the Canada child benefit. Later, upon criticism, they ended up adding an escalator to it. It's a comment about the legislation. They're probably going to have to revisit this. They will then send a thank-you note to Mr. Chambers.

The Chair: Mr. Albas, thank you.

We'll move on to BQ-9.

[*Translation*]

Mr. Gabriel Ste-Marie: Thank you, Mr. Chair.

I will give an example to illustrate the amendment.

Say helicopter manufacturer Bell Helicopter makes an aircraft that it sells to a mining company for that company's operational requirements. When the mining company is not using the aircraft, it may very well turn to an air charter company to rent out the aircraft during downtime. If the air charter company rents out the aircraft for personal use for more than 10% of its total use time, Bell Helicopter—not the mining company or the air charter company—has to pay the luxury tax at the time of sale.

How do you measure that at the time of sale? It's impossible, so that's why BQ-9 excludes “an aircraft rental service in the course of a rental business” from the tax.

When it comes to potential scammers looking to use this as a way to avoid paying the tax, I would remind the committee that the Canada Revenue Agency still has the general anti-avoidance rule. Under the rule, the agency can assess whether or not a transaction is undertaken for bona fide purposes, forcing someone who sets up a shell company to pay the tax.

The purpose of the amendment is to support the industry, as well as ensure a better application of the tax so that it does what it was meant to and does not unduly hurt the industry.

• (1200)

The Chair: Thank you, Mr. Ste-Marie.

[*English*]

Is there no debate?

Shall BQ-9 carry?

Mr. Yvan Baker: I'd like a recorded vote.

(Amendment negatived: nays 6; yeas 5 [*See Minutes of Proceedings*])

The Chair: We'll move on to BQ-10.

[*Translation*]

Mr. Gabriel Ste-Marie: Thank you, Mr. Chair.

In the legislation, the threshold for personal use of an aircraft is set at 90%. BQ-10 would reduce that to 75% to provide a bit more flexibility to address all the issues that have been raised.

The Chair: Thank you, Mr. Ste-Marie.

[*English*]

Shall BQ-10 carry?

Mr. Yvan Baker: I'd like a recorded vote.

(Amendment negatived: nays 6; yeas 5 [*See Minutes of Proceedings*])

The Chair: Now we have an amendment from the Conservatives.

On CPC-7, we have Mr. Albas.

Mr. Adam Chambers: It's Mr. Chambers, Mr. Chair.

The Chair: Pardon me. We have Mr. Chambers.

Mr. Dan Albas: He's much more capable.

Mr. Adam Chambers: Thank you, Mr. Chair.

Keeping in line with some of the principles in other industries, the effect of this amendment, we believe, would be that it would apply the luxury tax on the net, or the difference, between a vessel that was traded in or a good that was traded in, and the new purchase, such that the tax would apply on the difference. This, I think, would also help those in the industry maintain parity with what I understand happens in the car industry. I was surprised to learn that this was the case on the GST, as an example, but since it is a benefit provided in the car industry, I think a similar principle would apply here.

I'm happy to go to a vote.

The Chair: Thank you, Mr. Chambers.

Shall CPC-7 carry?

Mr. Yvan Baker: I'd ask for a recorded vote.

(Amendment negatived: nays 6; yeas 5 [*See Minutes of Proceedings*])

The Chair: Now we're moving to BQ-11.

We're still on clause 135, members, at amendment BQ-11.

[*Translation*]

Mr. Gabriel Ste-Marie: BQ-11 would slightly relax the rules when a manufacturer sells the aircraft to a company. The wording of the requirements at the time of sale is slightly less stringent.

Thank you.

[*English*]

The Chair: *Merci*, Mr. Ste-Marie.

Shall BQ-11 carry?

• (1205)

Mr. Yvan Baker: I'd like a recorded vote.

(Amendment negatived: nays 6; yeas 5 [*See Minutes of Proceedings*])

The Chair: Now we are moving to NDP 3.1.

Mr. Daniel Blaikie: Thank you, Mr. Chair.

Here we are. What I'm proposing, as I mentioned earlier, is that we give some flexibility on the date of the coming into force, particularly on the tax on subject aircraft. This is so that we have time to do the work that Mr. Chambers has forecast in his motion and so the government has more time to work with the industry to see if some of the concerns that have been raised can be addressed.

This is, as I say, part of a package with Mr. Chambers's motion to get more information and to provide the flexibility that's needed in order to bring in any fixes if it's found that there is a good way to address industry concerns.

The Chair: Okay. Thank you, Mr. Blaikie.

I see some hands.

Mr. Chambers.

Mr. Adam Chambers: Thank you, Mr. Chair. I'll be brief.

I appreciate the constructive suggestion by my colleague in the NDP. I speak only for myself, not on behalf of the other members, of course, but I would be pleased to support that motion.

The Chair: Okay. Thank you.

Members, I'm going to give my ruling.

Bill C-19 enacts the select luxury items tax act. Amendment NDP-3.1 aims to modify the date of coming into force on subject aircraft by changing it from September 1, 2022 to "a day or days to be fixed by order of the Governor in Council".

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

An amendment is...inadmissible if it exceeds the scope of the ways and means motion on which a bill is based, or if it imposes a new charge on the people that is not preceded by the adoption of a ways and means motion....

In the opinion of the chair, changing the date of the coming into force could oblige certain entities to bear an additional charge. Therefore, I declare this amendment inadmissible.

Mr. Daniel Blaikie: I would respectfully challenge the chair on that point.

The Chair: There's a challenge of the chair, Clerk.

The Clerk: Shall the decision of the chair be sustained? If you are in agreement, you vote yes; if you are against the decision of the chair, you vote no.

(Ruling of the chair overturned: nays 6; yeas 0 [*See Minutes of Proceedings*])

The Chair: It's overturned.

Seeing no further debate, we'll go to the vote.

[*Translation*]

Mr. Gabriel Ste-Marie: About that, Mr. Chair—

[*English*]

The Chair: Go ahead, Mr. Ste-Marie.

[*Translation*]

Mr. Gabriel Ste-Marie: Even though none of the committee members supported your ruling, we really appreciate the job you're doing.

Keep up the great work.

[*English*]

The Chair: You're my favourite, Mr. Ste-Marie.

Voices: Oh, oh!

The Chair: Oh, no, no. You're all my favourites.

Mr. Albas, go ahead.

Mr. Dan Albas: I might distinguish myself yet again in this regard, Mr. Chair.

As a meta-process, because I know it's not kosher to deliberate on challenges to the chair or your rulings, I would suggest that it would be helpful for members, if you are unsure of the admissibility of something, that you right off the bat say, "I would like us to have a discussion about the admissibility," or, if you've already come to a conclusion, it would be helpful just to say, "I've come to the conclusion of inadmissibility," and then we'll make our decisions. The reason, Mr. Chair, is that we all want to see substantial changes, but it does make for a better process, I think, if we know a bit more head-on where you may or may not be going, so we can govern ourselves accordingly.

Don't take it as a criticism, but more as a suggestion for future iterations, because I think it is helpful if, before we start debating the substance, we know we're in procedurally smooth waters.

• (1210)

The Chair: Thank you, Mr. Albas, although sometimes, as you know, we receive this right on the minute, and that's how it arrived before me.

Right now, shall amendment NDP-3.1 carry?

Mr. Dan Albas: On division.

Mr. Yvan Baker: I'd like a recorded vote.

The Chair: We'll have a recorded vote.

(Amendment agreed to: yeas 11; nays 0 [*See Minutes of Proceedings*])

The Chair: Members, we are still on clause 135. We have Conservative amendment CPC-8 before us.

Mr. Adam Chambers: I will anticipate the chair's ruling here based on the previous one, so I'll keep it short other than to say that there was considerable discussion and confusion about the coming into force date, at least in the boating industry, and when the luxury tax would apply. I understand that there were some discussions between the industry and the government on a date of January 1, 2022 or December 31, 2021. This would move that date to when it comes into force.

The Chair: Thank you, Mr. Chambers.

Members, shall amendment CPC-8 carry?

Mr. Yvan Baker: I'd like a recorded vote, please.

(Amendment defeated: nays 6; yeas 5 [*See Minutes of Proceedings*])

The Chair: Shall clause 135 as amended carry?

An hon. member: On division.

The Chair: We'll have a recorded vote, please, Mr. Clerk.

(Clause 135 as amended agreed to on division: yeas 6; nays 5 [*See Minutes of Proceedings*])

The Chair: Okay, that's carried.

Mr. Chambers.

Mr. Adam Chambers: I would be remiss, given the amount of intellectual capital we have on the line right now... There was some confusion. I'm just wondering if the officials could clarify something in that clause.

Would it be appropriate to ask the officials a question?

• (1215)

The Chair: We just voted on clause 135, so we've gone past it.

Mr. Adam Chambers: I tried to raise a point of order before we got to that vote, but—

The Chair: I apologize. I didn't hear or see you.

Mr. Daniel Blaikie: Can you let him ask the question anyway?

The Chair: Yes, okay.

Mr. Adam Chambers: Thank you, Mr. Chair.

There was an article in the National Post that referenced the tax being applied to aircraft and cars at import, and not on retail sale. My first question would be, is that accurate? Second, does that also apply to vessels at import, or is it at retail sale?

I'm happy not to waste the committee's time, if that's a question they would feel more comfortable replying to in writing. I'd like to confirm this, because there was some confusion based on that article. I want to make sure the industry is clear about the impact at import, on all items.

The Chair: Thank you, Mr. Chambers.

Mr. Clerk, maybe the officials could take that away and bring back a fulsome answer, unless you have an answer right off the top.

Go ahead, Mr. Beech.

Mr. Terry Beech: We'd be happy to commit to putting something in writing.

The Chair: Yes, I don't see any officials coming on.

Okay, members, there are no amendments submitted to clauses 136 to 140. Clauses 136 to 140 are all in Part 4 of the bill. Do we have unanimous consent to group them for the vote?

Some hon. members: Agreed.

The Chair: Shall clauses 136 to 140 carry?

(Clauses 136 to 140 inclusive agreed to on division)

The Chair: That brings us to new clause 140.1, which is an amendment from the Conservatives, CPC-9.

Mr. Adam Chambers: Are we on CPC-9, Mr. Chair?

The Chair: We're on CPC-9, on page 23 of the package.

Mr. Adam Chambers: Thank you.

This amendment excludes the luxury tax from the harmonized sales and goods and services tax, so it's trying to avoid the "tax on the tax" issue. In some cases, it can actually make the effective rate on some of these goods in excess of almost 30%. This tax on a tax is quite punitive on some goods with high prices. Let's not forget that we are also already collecting HST on the sale, so let's make sure we're not overly punitive on this front.

The Chair: Thank you, Mr. Chambers.

Shall CPC-9 carry?

Mr. Yvan Baker: I'd like a recorded vote.

(Amendment negatived: nays 6; yeas 5 [*See Minutes of Proceedings*])

The Chair: Members, there are no amendments submitted to clauses 141 to 173. Clauses 141 to 173 are all in part 4 of the bill. Again, do we have unanimous consent to group them for a vote?

Hearing no dissent, shall clauses 141 to 173 carry?

(Clauses 141 to 173 inclusive agreed to on division)

• (1220)

The Chair: Members, there are no amendments submitted to clauses 174 to 179. Clauses 174 to 179 are all in part 5 of the bill. Do we have unanimous consent to group them for a vote?

Mr. Dan Albas: Yes.

The Chair: Seeing that we have unanimous consent, shall clauses 174 to 179 carry?

(Clauses 174 to 179 inclusive agreed to on division)

(On clause 180)

The Chair: We're at clause 180, and there's an amendment, NDP-4.

Mr. Blaikie.

Mr. Daniel Blaikie: Thank you very much, Mr. Chair.

Members may recall, in some discussions that happened around Bill C-17, that there was talk about the nature of the money that's being allocated for both housing and transit. I think some of the thinking there initially was that this was to help cover transit operating funds, and that does seem to largely be the purpose.

I think there's still a bit of mystery surrounding how exactly housing is meant to be tied to that funding. While I certainly support the federal government's providing financial support both to transit operators and for the purpose of housing, I think, just as a matter of good accounting, that it's important for Canadians to have an understanding of how that money will be spent, understanding that it's subject to negotiation with the provinces.

The proposal in this amendment is simply that the minister, within three months of making a payment, would essentially report to Parliament on the terms and conditions of that funding with a given province or territory, so that there is a record of the understanding that was reached between the federal government and the other government that money is being transferred to. That way, people have a sense of how their money is being spent.

That's the spirit of the amendment, Mr. Chair.

The Chair: Thank you, Mr. Blaikie.

I have three members who would like to speak to this. I have Mr. Ste-Marie, then Mr. Beech and then Mr. Albas.

[*Translation*]

Mr. Gabriel Ste-Marie: Thank you, Mr. Chair.

I want to applaud Mr. Blaikie's dedication and his always important contribution to the work of the committee and the House. He approaches issues in a thoughtful, progressive way and often comes up with solutions that lead to consensus.

On NDP-4, his party and mine have diametrically opposed views. In our view, the money going to the province and the federal government comes from the same taxpayer. When a province spends money on a matter within its jurisdiction, it doesn't need to answer to the federal government, as far as I'm concerned. There is no hierarchy among the levels of government. The federal government is not above Quebec or the provinces.

Therefore, we object to the increased paperwork and control Ottawa wants to impose on Quebec and the provinces. We have total confidence in the governments elected by the citizens of each province. In our opinion, taxpayers are satisfied with paying 50¢ to the province and 50¢ to Ottawa for a given expenditure. For that reason, I will be voting against the NDP's amendment, even though I do want to say what a privilege it is to work alongside Mr. Blaikie on the committee.

[English]

The Chair: *Merci*, Mr. Ste-Marie.

We have Mr. Beech and then Mr. Albas.

Mr. Terry Beech: I'll compliment Gabriel on how well he said that, despite not supporting it. I think this is a fair measure, and we're happy to support it.

The Chair: Thank you, Mr. Beech.

Mr. Albas.

Mr. Dan Albas: We will be supporting the amendment. I will not be giving further praise to Mr. Blaikie. I'm sure his constituents don't want him to lose perspective from his head growing, but in all seriousness we want to see more accountability from this government. I would like to see the minister start showing up a little more at this committee. We still have an outstanding study on inflation, for which she's intended to come for three hours. Perhaps at some point we may want to have her come back, if this amendment is supported.

The Chair: Thank you, Mr. Albas.

Members, shall NDP-4 carry?

• (1225)

[Translation]

Mr. Gabriel Ste-Marie: Mr. Chair, I request a recorded division.

[English]

The Chair: We'll have a recorded vote, Clerk, please.

(Amendment agreed to: yeas 10; nays 1 [See *Minutes of Proceedings*])

The Chair: Members, shall clause 180 as amended carry?

(Clause 180 as amended agreed to on division)

The Chair: There are no amendments submitted to clauses 181 to 236. They are all in part 5 of the bill. Do we have unanimous consent to group them for a vote?

Seeing no dissent, shall clauses 181 to 236 carry?

(Clauses 181 to 236 inclusive agreed to on division)

(On clause 237)

The Chair: That brings us to clause 237. On clause 237 there's an amendment from the Conservatives, CPC-10.

Mr. Albas, would you like to move that amendment?

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

I would like to move this motion. Both the Liberal Party and the Conservative Party.... I will just note that technically we put our platform out first in the last election, so it was our idea first to ban foreign buyers from the residential real estate market in Canada. Then the Liberals soon after decided they would follow suit.

Now the challenge in this, Mr. Chair, is that there are so many loopholes in this so-called foreign buyers ban. At committee, I asked simple questions, and at the technical briefing I asked simple questions that seemed to enunciate that a foreign national could still purchase a home in Canada. If a family gets separated because a spouse leaves, they can purchase another home, and their children, when they turn 18, can purchase another home, so there are so many different loopholes in this that I don't think it is really a forceful mechanism, and I think it was designed like that.

Second to note is that I still don't understand how the mechanism is to work in terms of how we will know who is purchasing properties. As you know, Mr. Chair, most of these assets are recorded provincially, so whether or not the authorities would have information available federally is still in question.

Setting those aside, the purpose of this amendment, Mr. Chair, is that despite those differences, we believe that the biggest loophole has been reserved for the government itself. In fact, if you look at the enabling legislation here in Bill C-19, it actually gives the Governor in Council, in this case the cabinet, the right to decide when it comes into force. While members of the NDP and the Liberals can go home to their constituencies and say, "Look, I voted in favour of a ban against foreign buyers in the residential market," essentially cabinet has a law whereby it could say it's never going to have it come into force.

Mr. Chair, we believe that the Liberals made the commitment that they would ban foreign buyers. I don't necessarily think it captures what the government says it intended to in that original commitment, but we think there should at least be some certainty for the market. I've seen on Twitter—and, of course, we should always bear in mind that when we see something on Twitter, we shouldn't always take it as real—that some realtors actually say that the federal government has banned foreign buyers, when it has only introduced legislation in this bill do to so.

In order for there to be certainty in the industry so that realtors are made aware of that and can inform their clients that they may inadvertently be misaligned with the law, we just think it's easier to set an enforcement date, so everyone knows it. Then the government would, I think, at least keep its word to the Canadian people in a sensible and straightforward way. That is why we are suggesting that clause 235 should come into force on January 1, 2023. We think that between the passage of this bill and over the summer and into the winter months, the industry stakeholders could be consulted. They would know that that was the date on which it would come into force, and they would become better acquainted with the rules, rather than having the status quo that's in this bill, whereby you have a ban that really isn't a ban and a law that may never actually become law.

• (1230)

The Chair: Thank you, Mr. Albas.

Mr. Beech's hand is up.

Mr. Terry Beech: I will resist taking this opportunity to describe the differences between the Conservative platform and the Liberal platform, especially on housing. I will say that we did look at whether or not we could use something like “on or before” that date. However, I think there is something elegant about the January 1 date in terms of that coming into force and it being well timed with the calendar year. We'll be supporting the motion.

The Chair: Thank you, Mr. Beech.

Mr. Blaikie.

Mr. Daniel Blaikie: I'm also happy to offer my support for this change in the coming into force date. I appreciate Mr. Albas's highlighting some of the shortcomings in the details of the ban. It will be a good opportunity, both as part of a package and, I think, as one of various ways we are all trying to impress upon the government the need to introduce more measures that could have the effect of cooling the housing market.

This is just one that really needs to be part of a larger package, a package that I think is not yet sufficient but that I hope will get there. I have had the opportunity to speak about some other measures that we on our side of the House think are important around real estate, investment trusts and some other factors. I think that this is part of a package and that the proposal to have a clear coming into force date for this makes sense.

Thank you, Mr. Albas, for the suggestion. I'm happy to support it.

The Chair: Thank you, Mr. Blaikie.

Members, shall CPC-10 carry?

[*Translation*]

Mr. Gabriel Ste-Marie: Unanimously.

[*English*]

The Chair: Unanimously, is what I hear from Mr. Ste-Marie.

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

(Clause 237 as amended agreed to on division [*See Minutes of Proceedings*])

The Chair: Members, there are no amendments submitted for clauses 238 to 298. Clauses 238 to 298 are all in part 5 of the bill.

Again, do we have unanimous consent to group those for a vote? It looks like we do.

(Clauses 238 to 298 inclusive agreed to on division)

(On clause 299)

The Chair: There is an amendment from the Bloc, BQ-12.

Mr. Ste-Marie, do you wish to move this amendment?

[*Translation*]

Mr. Gabriel Ste-Marie: Thank you, Mr. Chair.

I'm not really sure why BQ-12 and BQ-13 are subject to the consideration of the Standing Committee on Finance when they have to do with the Correctional Service of Canada. They pertain to clauses that appear in the budget implementation bill but that have nothing to do with the committee's work.

Once again, I would recommend that the government bring forward several bills rather than lumping everything into a single mammoth bill. That way, the Standing Committee on Finance would not have to examine legal text that deals with the detention of inmates and body cavity searches. I can't believe the finance committee is the one examining these provisions.

BQ-12 and BQ-13 seek to amend the French version of the bill, which refers to the term “*cellule nue*”. That expression could lead to a misunderstanding of the type of detention in question. The inmate is not being detained *à nu*, or naked; rather, they are being detained in a cell without plumbing, or “*cellule dépourvue d'installation sanitaire*”. The purpose of the amendment is to bring clarity to the legal text.

I would like to thank my fellow member and our justice critic, Rhéal Fortin, for working on these two amendments with our legislative drafters, who did an outstanding job.

• (1235)

[*English*]

The Chair: *Merci*, Mr. Ste-Marie. Thank you for help with that translation.

I see Mr. Beech's and Mr. Albas's hands are up.

Mr. Terry Beech: Thank you, Mr. Chair.

I want to say that despite the size of the bill, it was a very thorough analysis to catch a difference between the French and the English and to improve the drafting language. We will support these amendments.

The Chair: Thank you, Mr. Beech.

Go ahead, Mr. Albas.

[*Translation*]

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

My French isn't very good, but I support the French language, and the bill should use the right terminology in French.

For that reason, the Conservative Party will be supporting these amendments.

The Chair: Thank you, Mr. Albas.

[English]

Members, shall BQ-12 carry?

Mr. Yvan Baker: I'd like a recorded vote.

(Amendment agreed to: yeas 11; nays 0)

(Clause 299 as amended agreed to on division)

(Clause 300 agreed to on division)

(On clause 301)

The Chair: On clause 301, there's an amendment from the Bloc, BQ-13.

Go ahead, Mr. Ste-Marie.

[Translation]

Mr. Gabriel Ste-Marie: Thank you, Mr. Chair.

Like BQ-12, this amendment seeks to replace the expression “*cellule nue*” in the French version with “*cellule dépourvue d'installation sanitaire*”.

Le président: Thank you.

[English]

Thank you once again for that help with the translation.

Members, I see Mr. Albas.

[Translation]

Mr. Dan Albas: Mr. Chair, the Conservative Party will be supporting this amendment. It's important that the government use the right terminology in both the English and French versions of the bill.

The Chair: Thank you.

[English]

(Amendment agreed to)

(Clause 301 as amended agreed to on division)

The Chair: Members, there are no amendments submitted for clauses 302 to 376. Clauses 302 to 376 are all in part 5 of the bill.

Do we have unanimous consent to group those for a vote?

Some hon. members: Agreed.

(Clauses 302 to 376 inclusive agreed to on division)

(On clause 377)

The Chair: There is an amendment from the NDP. It's NDP-5, and it can be found on page 28 of your package.

Mr. Blaikie, do you wish to move this amendment?

• (1240)

Mr. Daniel Blaikie: I do, but before I move the amendment, I might let the committee know that I think there have been some

discussions. In fact, Mr. Ste-Marie did an excellent job earlier of illustrating for the public something that's not always evident around the committee table, which is the extent to which, particularly on a large budget bill, we work with other critics in order to be able to understand the legislation that's being proposed, to provide our comments and to prepare amendments.

My understanding from our critic on immigration is that there have been some discussions and we want to propose some amendments to the immigration file, but we may be able to do a better job of that and have some slightly better wording if we were to have a bit more time to be able to do that.

I see we're nearing the end of our meeting time in any event, and I'm wondering if.... I'm not going to move for adjournment, because if anyone would like to provide some comment on that idea, I'd be happy to hear it in advance. However, we are scheduled to come back in the afternoon, and I think we'd probably have some better wording if we were to put that off until the afternoon. I think the last major part of the bill is around employment insurance, so that would be my proposal, which I won't yet formally make, in case others would like to provide some comment on it.

We're now in a position where I have not yet moved the amendment that's in the package, and it may well serve us to come back to it in the afternoon.

I will put that out there for discussion with the committee prior to moving any motions, if that's all right with you, Mr. Chair.

The Chair: Yes. Thank you, Mr. Blaikie.

For clarity, are you asking for unanimous consent to table this until the afternoon, so that we can then come back to it?

Mr. Daniel Blaikie: What I'm suggesting is that I would be happy to move for adjournment promptly if there are no objections from other members on the committee. Before moving adjournment, I'm asking you to canvass the room to see if anyone else has any comment on the proposal.

The Chair: I see a number of hands up, Mr. Blaikie. Thank you.

I have Mr. Beech and then Mr. Ste-Marie.

Mr. Terry Beech: Thank you, Mr. Chair.

I appreciate the comments from Mr. Blaikie. We have similar, ongoing discussions with multiple parties with regard to the EI board of appeal, which are clauses 456 to 488. I believe that the express entry clauses that Mr. Blaikie was just referring to are clauses 377 to 378.

Perhaps we could all agree to table clauses 377 to 378 and 456 to 488 until this afternoon's meeting. We can proceed with the remaining clauses, to use the rest of the time in this meeting.

The Chair: Thank you, Mr. Beech.

I'm not sure if you're speaking to the same thing, but I have Mr. Ste-Marie and then Mr. Albas.

[Translation]

Mr. Gabriel Ste-Marie: Thank you, Mr. Chair.

I agree with the suggestions of both Mr. Blaikie and Mr. Beech.

Also, I want to mention that I intend to withdraw BQ-14 and BQ-15, which would amend clause 377 of Bill C-19.

I was in a rush to take the recommendations set out in the Standing Committee on Citizenship and Immigration's report and turn them into amendments. However, since they don't concern Quebec, I will instead support NDP-5 when the time comes. It relates to the same issue.

[*English*]

The Chair: *Merci*, Mr. Ste-Marie.

Next is Mr. Albas.

Mr. Dan Albas: I would support the initial move to adjourn and then come back. I believe that this isn't a matter of just a few clauses pertaining to the express entry. I think that on the EI reforms we had multiple witnesses come forward—even the EI commission-

er—to say that the proposal shouldn't go forward. If reason can be had and reasonable minds can agree, I think the extra 15 minutes would be better spent with Liberal members discussing with the PS and their minister's office whether they're going to come to the table or let the table come to them.

• (1245)

The Chair: I have Mr. Blaikie. I also have Mr. Beech.

Would you like to hear from Mr. Beech, Mr. Blaikie?

Mr. Daniel Blaikie: Sure.

Mr. Terry Beech: I was going to move to adjourn, so I defer to Daniel.

Mr. Daniel Blaikie: I'm happy to adjourn, no matter who moves the motion, so consider it moved.

The Chair: Members, we are adjourned.

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