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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 this meeting to order. Welcome to meeting number 133 of the House of Commons Standing Committee on Finance.

The committee is meeting today to discuss committee business. Today's meeting is taking place in a hybrid format. Pursuant to Standing Order 15.1, members are attending in person in the room and remotely using the Zoom application.

I'd like to make a few comments for the benefit of members.

Although this room is equipped with a powerful audio system, feedback events can occur. These can be extremely harmful to interpreters and can cause serious injuries. The most common cause of sound feedback is an earpiece worn too close to the microphone. We therefore ask all participants to exercise a high degree of caution when handling the earpieces, especially when your microphone or your neighbour's microphone is turned on. In order to prevent incidents and safeguard the hearing health of interpreters, I invite participants to ensure that they speak into the microphone into which their headset is plugged and to avoid manipulating the earbuds by placing them on the table away from the microphone when they are not in use.

This is a reminder 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 best we can. We appreciate your patience and understanding in this regard.

I see MP Baker's hand up.

Members, one of our colleagues, MP Daniel Blaikie, the member for Elmwood—Transcona, is having his last meeting at the finance committee—for now—and his last day in Parliament.

Others may speak to this, but on behalf of the committee, we just want to thank you for all your hard work and collegiality and for everything you have brought to this committee and to our many reports. We thank you for all of the work you have done, Daniel.

We wish you all the best in your future endeavours, and I think those future endeavours will intersect with Parliament. We look forward to seeing you here as a friend and colleague. Thank you so much.

Now I am going to MP Baker.

Please go ahead, Mr. Baker.

Mr. Yvan Baker (Etobicoke Centre, Lib.): Chair, I wanted to say something on the topic of Mr. Blaikie, but I also wanted to, if I could, get in the queue for committee business.

Is this committee business?

The Chair: I just wanted to say those opening remarks about our colleague Daniel. I think you can speak to both if you'd like.

Mr. Yvan Baker: I just wanted to make sure I wasn't pre-empting what other members wanted to talk about.

I want to echo the chair's comments. I think all of us, especially on this committee, have gotten to know Mr. Blaikie really well as a strong advocate for his constituents, but also as someone who's very thoughtful and very grounded in his principles and what he believes needs to be done on behalf of his constituents and Canadians.

Sometimes, with all of the various pressures that members face in this place and the input and advice we get, it's easy to lose that grounding. I think Mr. Blaikie is someone who is very grounded. That doesn't mean we agree on everything, but I know that when he's speaking, he's speaking from a place of principle and on behalf of his constituents primarily, but also Canadians, whom he cares deeply about. I have had the opportunity over the past couple of months to work more closely with Daniel and I have really appreciated his collaboration.

The last thing I'll say is that I think we've all witnessed him in the House quite a bit over the years, and one of the reactions from some of my colleagues when they learned that Daniel wasn't going to be staying with us was they felt it was a loss for the House.

I'll leave it at that. It's a loss for the House and it's a loss for our committee. We thank you for your service and we wish you well.

The Chair: Thank you, MP Baker. That was very kind and very nice.

If you also want to speak to your motion, go ahead.

Mr. Yvan Baker: At the last meeting—

• (1110)

Mr. Philip Lawrence (Northumberland—Peterborough South, CPC): I'm sorry, but can we put Mr. Baker first later? I think it would be nice if we just go around for Mr. Blaikie.

The Chair: All right. If that's the sequence, sure.

Mr. Philip Lawrence: Do you want to go, Marty?

Mr. Marty Morantz (Charleswood—St. James—Assiniboia—Headingley, CPC): As the only fellow Manitoban on this committee, I want to wish Daniel all the best.

I did give him some marching orders when he gets back and has a chance to chat with Premier Kinew. I said to make sure he cuts more taxes and, in particular, makes that gas tax cut permanent. I know Daniel feels the same way I do and he'll make sure that occurs.

Aside from that, I very much appreciated working with Daniel. He is a person of character and just an all around nice guy. He's pretty smart too. We wish him well in Manitoba and I'm sure we'll cross paths again in the future.

All the best in your future endeavours, Daniel.

The Chair: Thanks to Marty for that.

I see MP Chambers, and I have MP Ste-Marie on the screen.

Mr. Adam Chambers (Simcoe North, CPC): I'm in my third year here, and it was nice to start right into it with a piece of financial legislation. One of the things that brought us together was a shared value of making sure that publicly traded companies didn't get the benefit of the wage subsidy if they paid dividends. I use that as an example of a time when we worked together on something. That's not the only circumstance, of course, but I appreciate the open collaboration you brought to the place. I think it's a good model for people to follow.

I'm a bit nervous about what happens to the committee after this, Mr. Chair.

Some hon. members: Oh, oh!

Mr. Adam Chambers: We're losing somebody who's able to bridge the many gaps we have here. That's a good lesson or maybe a challenge for us, and those are perhaps big shoes to fill for whoever follows you.

It's been a pleasure in my very short time to have you here. I think you've advanced a number of great causes.

While we may not have you here at committee, I know that you will likely still be meeting with the Minister of Finance. I'm sure she'll be very pleased to see you continue to walk in that door, as she does when she sees you here, so we wish you all the best.

We may see you back here someday and look forward to that potentiality.

The Chair: Thank you.

MP Ste-Marie.

[*Translation*]

Mr. Gabriel Ste-Marie (Joliette, BQ): Thank you, Mr. Chair.

I wish you all the best Mr. Blaikie, and thank you for all the work you've accomplished in the House and on this committee.

As Mr. Chambers pointed out, you're the Jedi warrior who's always willing to come to the committee's rescue when its work gets bogged down. I'm therefore a little worried about how things will go from here on.

Are we going to end up with an endless process of systematic obstruction or will we persist with the flying pig socks that Mr. Chambers gave us?

Not only have you contributed greatly to the committee and the House, but your efforts and your social and political commitment are based on sound values.

You care about what happens to ordinary people. You help to improve their circumstances in a pragmatic and concrete working framework based on a search for effective solutions. Well done.

You're going to have some new and rewarding challenges to deal with, not the least of which will be working with the premier of Manitoba, who in my opinion is the most dynamic of Canada's premiers. I wish you all the best in these endeavours.

Living in Ottawa while your family stays in your riding, and not being able to see your children as much as you would like, is definitely a major sacrifice. From now on, you'll be much closer to them.

As our colleagues said, I can well imagine you back in the House again, with an even stronger presence. That would be a great privilege for us.

To conclude, I'd like to say that in my view, you are the very incarnation of the Canadian left, close to the unions, close to ordinary people, and prepared to work on concrete issues with a view to making improvements. That has earned you my total respect.

I'm going to use an expression that was previously applied to another Canadian politician. Thanks to your firm and constructive approach and your deeply rooted values, you provide quiet strength to the committee, to Parliament and to your political party. We are truly going to miss you.

We wish you the very best for the future.

Don't hesitate to come and see us or to contact us if we can work with you in any way.

Thanks for everything. Congratulations, my friend!

[*English*]

The Chair: Thank you, Gabriel.

Now MP Morrice would like to say a few words.

• (1115)

Mr. Mike Morrice (Kitchener Centre, GP): I may be a guest at the committee, but I get the privilege of sitting next to Mr. Blaikie in the House. What I notice every day working with Daniel is that, because he speaks from the heart, he commands the respect of those he works with wherever he goes. I think that's been heard in comments from others this morning.

Daniel, that's a big part of why you'll be missed here as a voice for workers, a voice for people, a voice for Canadians. I will certainly miss you, and I wish you all the very best.

The Chair: Mike, thank you.

Daniel, you'll be the final speaker.

I have MP Lawrence and then MP Hallan. Then I think we'll go to MP Blaikie.

Mr. Philip Lawrence: Just quickly, I echo the comments of Yvan and Marty. Daniel is no doubt a man of the highest character in his personal integrity, and he is true to his principles as a social democrat. I'll be brief because all the great comments have been made, but I'd just like to thank his wife and children for sharing him with Parliament for the last eight years. He might come back at some point. That's just a warning.

The Chair: Thank you, Phil.

Now we'll go to MP Hallan.

Mr. Jasraj Singh Hallan (Calgary Forest Lawn, CPC): Thank you, Chair.

Daniel, thank you. I know we disagreed on very little, but—

Some hon. members: Oh, oh!

Mr. Jasraj Singh Hallan: I will say I respect how you elevated the debate, not just in the House but in here. It made us think about things we maybe wouldn't have thought about. You always stuck to your principles, whether we agreed with them or not. I show you a high degree of respect for that. As someone who also comes from a construction background, I want to thank you for always raising a voice for workers.

I wish you and your family the best.

I'd like for you to advocate on behalf of the Conservative Party with Premier Kinew and ask if he would be willing to join the other premiers in calling on the government to spike the hike.

Some hon. members: Oh, oh!

Mr. Jasraj Singh Hallan: Once again, I want to thank you for your dedication and your sacrifice. More importantly, I want to thank your family for their sacrifice and for lending you to Parliament to elevate the debate.

The Chair: Thank you, Jas.

Now we are going to go to MP Blaikie.

We want to thank the Blaikie family and all those who are here—we're all friends of Daniel's—for being here to hear these kind words for a great member.

Daniel.

Mr. Daniel Blaikie (Elmwood—Transcona, NDP): Thank you very much, Mr Chair.

Thank you to all my colleagues for those kind words.

I would also like to say a big thank you to my family—my wife, kids and mother, who are here in Ottawa today—on what is a pretty big day, not just for me but for them too.

I really do appreciate all the kind words. I have to say, to the extent that I've worked very hard to be collaborative and to accomplish things with other people, none of that success would have been possible without all the other people I've had the opportunity to work with, so I thank all of you for the times we've been able to get past our disagreements.

Of course, Parliament is a place where people come to disagree, so a certain amount of disagreement is normal, but it can sometimes get in the way of progress and doing the things I think we've been summoned here by Canadians to do. I'm grateful to all of you for the times we've been able to overcome those disagreements, after some of what I hope in the best instances was constructive debate to get to doing the things that really matter.

Thank you to all of you, not just for the kind words but for the collaboration as well.

[*Translation*]

Thank you very much, Mr. Ste-Marie, for your kind words and for your efforts.

[*English*]

I could spend time talking about each and every one of you around the table, but we wouldn't have any time left for business, which, of course, is why we're here.

Thanks again, as I said, for the words and for the work. I wish you all the best success, after I've gone, in continuing to do that work and focusing on the things that really matter.

The Chair: Thank you, Daniel.

Some hon. members: Hear, hear!

The Chair: Yes, thank you for helping us find that common ground and—

Mr. Adam Chambers: Now it's on to the filibuster.

Some hon. members: Oh, oh!

The Chair: We have to get through some committee business, and we have a short amount of time. The window is small.

MP Baker.

Mr. Yvan Baker: I'll be brief.

In our last meeting, I gave notice of a motion. I want to move that motion now. I'll just read it to remind folks:

That in accordance with its motion adopted on January 30th, 2024, the Chair be instructed to schedule meetings for the consideration of Bill C-59, upon the bill's referral to committee;

That clause-by-clause consideration of the bill start no later than April 30th, 2024, following a total of twenty hours of witness testimony;

That, for the purposes of this study, the Chair be empowered to set up extended meetings and request additional House resources, if necessary.

It's a pretty straightforward motion. We've set out 20 hours of time for a study, which is, I think, a reasonable period of time. We've set a date for clause-by-clause to make sure that we leave a reasonable period of time to do the study, but also so that we get to the business at hand and the other business the committee needs to carry out.

• (1120)

The Chair: Thanks, MP Baker.

I have MP Chambers.

Mr. Adam Chambers: I want to make sure I get on the record before Rick Perkins comes in to take over for me.

I've been inspired by my friend Daniel Blaikie. I think I might be persuaded to vote for this motion in the spirit of collaboration.

The Chair: I'm inspired myself. We have a lot of enlightenment going on here.

MP Blaikie is next.

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

There are a couple of things I'd like to propose to improve the motion. I don't have the exact wording necessarily hammered out for an amendment, just couple of principles.

I think we should say "no less than twenty hours" because I think it's better if we're able to do more hours of study. I know we've hit around the 20-hour mark on budget implementation acts in this Parliament, but I think being able to exceed that is better given the size of those bills.

We should exclude from those 20 hours the appearance by the minister and departmental officials. I think we need to make as much room as possible for the voices of Canadian stakeholders in the course of this study. Of course, it's going to be up to the committee to decide. It will be the committee doing the work in this case. I won't be around for it.

Having one-hour panels with a witness from each party would be a good way to do it. With twenty hours, that would mean up to 80 witnesses who are not government officials, which I think gives the committee a lot of room to hear from a wide cross-section of Canadian voices.

Those are the three improvements I would suggest. As I said, I don't have that in writing, but I hope it's clear enough that it's sufficient for the deliberation of the committee.

The Chair: Thank you for that, MP Blaikie.

I have MP Lawrence next to speak to this.

Mr. Philip Lawrence: I have a brief comment. Conservatives would support all of those ideas.

The Chair: MP Baker.

Mr. Yvan Baker: We'll support that.

The Chair: You'll also support that. Okay, the magic is happening. I see unanimous consent for this, so we'll move forward with it. We have agreement.

Did you raise your hand, MP Lawrence?

Mr. Philip Lawrence: I have a point of order.

As I said, we support all of those in concept, but we would like to see it in writing before we agree to it. Can the clerk do that up quickly?

The Chair: By the end of the meeting, we can get something in writing added to that. In principle, everybody is in agreement. Then, by the end of the meeting, we'll have it in writing.

I have MP Blaikie.

Mr. Daniel Blaikie: Does that mean, Mr. Chair, that we're suspending debate on that motion until the end of the meeting? There may be an opportunity to, for instance, move that the committee now consider the motion I moved. Then we adjourn the meeting—

The Chair: Yes, it's your prerogative to do that right now.

Mr. Daniel Blaikie: Well, I would so move that we go back to my previous motion, which, for the information of the committee, was as follows:

Given that the Canadian grocery sector made more than \$6 billion in profit in 2023 and that millions of Canadians have reported food insecurity in the last year, the Standing Committee on Finance call on the government to immediately take action by implementing an excess profit tax on large grocery companies that would put money back in the people's pocket with a GST rebate and establish a National School Food Program, and that this motion be reported to the House.

• (1125)

The Chair: I have one clarification here.

MP Blaikie, you need to ask the committee to resume discussion on this motion. Can you do that?

Mr. Daniel Blaikie: Yes, if we're agreed, we can go straight to the motion. I think that's a great thing.

The Chair: Is there agreement for that?

Some hon. members: Agreed.

The Chair: Is there any discussion on this one? We have a few minutes, and then we have the minister coming in.

MP Dzerowicz.

Ms. Julie Dzerowicz (Davenport, Lib.): I'll mention something very quickly.

In general, you've touched on an issue that I think just about every Canadian is thinking about. It doesn't matter if you have no money or if you have some money. Everybody is noticing how expensive groceries are.

In general, I don't like these mechanisms of putting additional taxes on our businesses. I want them to be able to do their work. I appreciate that our government has done quite a bit to try to increase competition, which is the right way to go about providing the right incentives for the grocery sector to behave well. However, in the absence of that, and while we're waiting for a lot of our new competition policy elements, I'd be very open to supporting this motion.

I know we'll be discussing this a bit more later on, but I wanted to mention that.

The Chair: Thank you, MP Dzerowicz.

MP Lawrence.

Mr. Philip Lawrence: Thank you very much.

Certainly, we Conservatives agree that there's an affordability crisis in Canada. We've seen record numbers for food bank usage, with two million Canadians or more using food banks and I believe an additional million expected this year. In addition to that, we also now have a dumpster diving Facebook group in Toronto, with over 8,000 members. The cost of food has never been higher in Canada. It's never been so far out of reach.

We're also facing a productivity crisis. It has gotten to the point where nearly all economists are now talking about Canada's productivity crisis. We even have international attention from economists and those who comment on the business community, with our sputtering GDP per capita.

I think there's a very easy solution to reducing the cost of food. That is to reduce or eliminate the carbon tax. Instead, we are increasing the cost of the carbon tax.

Of course, the carbon tax is not just put on the end-user. The carbon tax is put on our farmers, who of course plant and harvest our crops utilizing their tractors, and on those who truck our food and who take it across Canada. There's a carbon tax on multiple levels.

The PBO has told us that even with the Canada carbon rebate—I hope I got that right, guys, on the Liberal side; I want to make sure I get your branding right—that there's a net loss in every province where the backstop applies. In Ontario, it's about \$600. In Alberta, it's \$1,000. I believe it's even a net negative in Manitoba. If I were going to be an adviser on intergovernmental relations, this might be where I start.

Certainly, Conservatives have been in agreement that there needs to be greater competition, but there's a very simple solution and that is to spike the hike and axe the tax.

The Chair: Thank you, MP Lawrence.

I have MP Ste-Marie, but I will have to end this in one minute.

Go ahead.

[*Translation*]

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

I'm in favour of the motion, but I'd like to move an amendment that would give Quebec the right to withdraw with full compensa-

tion, given that education is a provincial power. I could move it when we return to this topic.

Thank you.

[*English*]

The Chair: Thank you, MP Ste-Marie. We will get to that, if you can send it to the clerk. Thank you.

We are suspended now for the transition to the minister.

• (1130) _____ (Pause) _____

• (1135)

The Chair: Pursuant to the order of reference of Monday, March 18, 2024, and the motion adopted on Monday, December 11, 2023, the committee is meeting to discuss Bill C-59, an act to implement certain provisions of the fall economic statement tabled in Parliament on November 21, 2023, and certain provisions of the budget tabled in Parliament on March 28, 2023.

With us today, we have the Honourable Chrystia Freeland, Deputy Prime Minister and Minister of Finance. Welcome, Minister.

Joining the Minister is the deputy minister of the Department of Finance, Mr. Chris Forbes. Welcome.

We look forward to hearing your remarks and answers to questions from members.

Minister, I'm sure you already know that one of our colleagues here at committee and from Parliament, MP Daniel Blaikie, is having his last day here at this committee.

Minister, the floor is yours.

Hon. Chrystia Freeland (Deputy Prime Minister and Minister of Finance): I do know that it will be Daniel Blaikie's last day. His family is here. It's nice to acknowledge that they're here. Maybe if you ask me a question, I'll say a few things about him.

I'll just start with a few opening remarks.

[*Translation*]

Thank you, Mr. Chair.

I am very pleased to appear before you and the members of the committee to discuss Bill C-59, Fall Economic Statement Implementation Act, 2023 and the main estimates.

[*English*]

Before I begin, I'd like to take a moment to pay tribute to the life of Brian Mulroney. I want to recognize one moment in particular that was really meaningful to me and to many Canadians.

In December 1991, the people of Ukraine voted overwhelmingly for independence in a national referendum. I was there as a reporter covering it. The day afterwards, Brian Mulroney as Prime Minister of Canada took the initiative, and was the first western leader to recognize an independent Ukraine. That was a historic act and a historic decision. It was a great thing he did for Canada.

[Translation]

Since then, Canada and Ukraine have developed deep and significant ties that have steadily strengthened, particularly now, as we stand with Ukrainians in their heroic ongoing battle to preserve their democracy.

[English]

On behalf of the Government of Canada, I would like to take this opportunity to extend my deepest condolences to the Mulroney family and commemorate a truly great Canadian leader.

[Translation]

Bill C-59 is central to our economic plan, whose intent is to help make life more affordable, to build more housing and to create good jobs from coast to coast.

[English]

I would like to start with a bit of economic data.

Inflation in Canada fell to 2.8% in February. That was down from 2.9% in January, and down from its peak of 8.1% in 2022. Inflation has now been within the Bank of Canada's target range for two months in a row. That is good news for all Canadians and for all members of this committee.

Earlier this month, DBRS reaffirmed Canada's AAA credit rating with a stable outlook. That's a powerful proof point of our government's fiscally responsible approach. All of this is progress, but we know that so many Canadians, especially young Canadians, are still struggling to make ends meet and feel confident about their future.

Our economic plan will change that. That is why I'm so glad to be here to talk about Bill C-59 and why it's so important to pass this bill into law.

[Translation]

Here are some of the important measures in the bill, which I hope will be supported by the members.

It does away with the GST on new residential buildings designed specifically for rentals under eligible co-operative housing projects.

● (1140)

[English]

We're making the math work for builders by creating incentives for them to build more homes that would otherwise not move forward to construction.

[Translation]

We are making our generation's most significant amendments to Canada's competition law, a transformation that will help stabilize prices and broaden choices available to Canadians. To make it possible for people to receive the mental health support and care they

need, we are eliminating the GST and HST on counselling and psychotherapy services.

[English]

We are delivering a transformational investment tax credit for carbon capture, utilization and storage and an investment tax credit for clean technology. These are the first two of our five major investment tax credits. It is absolutely urgent to pass these measures into law as soon as possible. Investors need that certainty.

We're supporting Canadian workers by linking these investment tax credits to historic labour requirements. They will give businesses an incentive to pay a prevailing union wage and to create apprenticeship opportunities.

[Translation]

The swift passage of Bill C-59 would enshrine these two major investment tax credits into law and ensure that companies could create well-paid jobs and attract more investment to Canada.

[English]

Bill C-59 presents real, concrete action to address the challenges that Canadians are facing. That is why I'm urging all MPs who are here to support the bill's swift passage.

[Translation]

Thank you.

I would now be happy to answer any questions you may have.

The Chair: Thank you, Minister.

[English]

Now we will go to members' questions. In the first round, each party will have up to six minutes.

We are starting with MP Hallan, please.

Mr. Jasraj Singh Hallan: Thank you, Chair.

Minister, do you have faith in the Parliamentary Budget Officer?

Hon. Chrystia Freeland: Certainly. I also have faith in the Calgary business community. I was in Calgary just six days ago, and I met with representatives of the oil and gas sector and of the renewable sector. They told me specifically to get Bill C-59 passed now and that they needed those tax credits.

I know you're an MP from Calgary, so I thought you would like to know that.

Mr. Jasraj Singh Hallan: Minister, do you believe in his economic and fiscal analysis of the impact of your carbon tax?

Hon. Chrystia Freeland: What I know and what study after study has shown is that the price on pollution and our carbon rebates put more money in the pockets of eight out of 10 Canadians. For people in Alberta, the province you are so fortunate to represent, it's going to be \$1,800 per family.

Mr. Jasraj Singh Hallan: What is the cost of the carbon tax every year if there's an \$1,800 rebate?

Hon. Chrystia Freeland: The question that I think Conservatives need to answer is this: What is the cost to Canada of not having an environmental plan, of not having a carbon plan? I can tell you what that cost is. It is no inward investment and no investment by Canada's own companies.

I was very glad to be outside of Edmonton at the end of last year to announce the multi-billion dollar Dow investment. The CEO of Dow said that it is thanks to Canada's pollution pricing system and our tax credits—two of which we're debating today—that they made the multi-billion dollar investment that's creating jobs for people in Alberta.

Mr. Jasraj Singh Hallan: Minister, I know Alberta speeding authorities. I know very well that you were in Edmonton last year as well.

Your own environment department said they don't track how much emissions are reduced by your carbon tax, so there's no actual data, but I'll ask you this once again. You said that an average Alberta family gets \$1,800 in rebates. How much is the cost to an average Alberta family according to the PBO?

Hon. Chrystia Freeland: Let me quote an important document:

Our plan will ensure that all Canadians can do their part to fight climate change, in a way that works best for them, and at a carbon price...that is increasing to \$50/tonne....

We will assess progress...[so] carbon prices [can be] on path to \$170/tonne.

I know those words are familiar to you, Mr. Hallan, because they were in the Conservative 2021 election platform that you ran on. Every single person here was elected with a commitment to put a price on pollution. That is something we all need to do because our economy needs it. Investors require it.

• (1145)

Mr. Jasraj Singh Hallan: Minister, I asked for a number. Since you're not providing it, the cost is \$2,900 for an average family. According to you and the PBO, \$1,800 is the rebate, which leaves Albertan families in the hole after your phony so-called rebate. Albertan families will pay more into it.

You're a member from Ontario. Can you tell us how much an Ontario family will pay into the carbon tax?

Hon. Chrystia Freeland: Mr. Hallan, let me first take issue with the notion that there is anything “phony” about the \$1,800 that Alberta families will be receiving this year. That's \$1,800 directly into the pockets, into the bank accounts, of hard-working Alberta families. That will make a real difference to Alberta families. There is nothing phony at all about that—

Mr. Jasraj Singh Hallan: I just need the number, Minister. How much does an Ontario family pay into the carbon tax?

Hon. Chrystia Freeland: Ontario families will be getting a rebate this year of more than \$1,100, and that is money directly into

the pockets of Ontario families. I can tell you something else. The province of Ontario is benefiting from—

Mr. Jasraj Singh Hallan: Minister, I'm sorry. I'll have to correct you, because I only have a limited amount of time. An Ontario family will pay \$1,600 into this carbon tax. They get a \$1,000 rebate, so on average they'll pay \$600 into this carbon tax scam. I wanted to clear that up. That's according to the PBO.

I want to move on.

Do you not agree with the 70% of Canadians and premiers, including a Liberal premier and other Liberal parties, that your carbon tax increase on April 1 should be paused, that there should be a spike on the hike?

Hon. Chrystia Freeland: We're at the finance committee. Precision in numbers is important, and let me just be precise that Ontario families this year will be getting \$1,120 in an absolutely real rebate that is making a difference to them. The other—

Mr. Jasraj Singh Hallan: That's not according to the PBO.

Hon. Chrystia Freeland: —thing that is making a difference to Ontario families is the fact that, thanks to Canada's climate action policies, we are able to attract inward investment. The investments in EV plants by Volkswagen and Stellantis are generational.

Mr. Jasraj Singh Hallan: Minister, I'm sorry—

Hon. Chrystia Freeland: They're transformational.

Mr. Jasraj Singh Hallan: As I have only a limited amount of time, I will remind you that—

Hon. Chrystia Freeland: They create tens of thousands of jobs, and those jobs are only possible because Canada has clean energy and an environmental plan.

Mr. Jasraj Singh Hallan: —your government was lambasted by the OECD. The ranking of your climate action plan fell from 58 to 62 out of 67 countries on the climate change performance index. We actually got worse. It's another embarrassing stat for Canada under your government.

You want to continue to hit hard-suffering families that right now are going more to food banks with an increase on April 1 of your carbon tax. Why are you more obsessed with this carbon tax than listening to the 70% of Canadians who are finding it hard to feed themselves and their kids and heat their homes? Why will you not listen to them and just stop the tax on April 1 and call a carbon tax election so Canadians can decide whether they want a carbon tax or not?

The Chair: Minister, I'm going to need a really short answer. We are well over time. Then we have to get to our next member.

Hon. Chrystia Freeland: Well, let me just say that the \$1,800 Alberta families will be getting this year will make a real difference, and not having a climate plan means saying no to investment in our economy and to jobs for the future.

The Chair: Thank you, Minister.

Now we are going to MP Dzerowicz, please.

Ms. Julie Dzerowicz: Thank you so much, Mr. Chair.

I want to say thank you, Deputy Prime Minister and Minister of Finance, for being here.

Thank you, Deputy Minister Chris Forbes, for being here as well.

As we all do, I'm constantly going out to the residents in my riding of Davenport. I always ask them, "What are your top priorities?" One of the postcards that came back to my office said, "Housing, housing, housing, and did I say housing?"

I know you mentioned in your opening remarks a few things about how housing is a core part of the fall economic statement, and I know that the fall economic statement includes significant funding to help get more homes built faster. However, for the average person in my riding of Davenport, can you walk us through how the measures we have in Bill C-59 will speed up the construction of new homes, not only in Davenport but across the country?

• (1150)

Hon. Chrystia Freeland: Thank you, Julie.

Daniel's children asked me where I live. I can tell them I live in Toronto. Julie—who just asked a question—has a riding right next door to mine.

I absolutely agree with your judgment about the priorities of your constituents. My constituents would say the same thing. It is housing, housing, housing. That's one of the reasons that anyone around this table who purports to care about Canadians needs to act with alacrity to pass this legislation. In addition to the essential two clean tax credits—which are actually of particular value to Alberta, as I heard in Calgary six days ago—the fall economic statement included significant measures, and Bill C-59 will pass them into law to get more homes built faster.

Here are some of the things we're doing.

The housing accelerator fund has \$4 billion, which is money to do deals with municipalities across the country. It's going to help build 100,000 homes. As you know very well, Toronto has a deal under that fund.

We are removing the GST from new rental housing, including, in this bill, for co-operative housing corporations. It's so important. It's going to get more homes built faster. I think all of us can support co-ops for what important permanently affordable housing they create and what wonderful communities they create as well.

We have investments in low-cost financing for rental construction. That is going to help build 30,000 more homes per year. The apartment construction loan program, to which the fall economic statement added \$15 billion, will help build another 30,000 homes.

Ms. Julie Dzerowicz: Coming out of a global pandemic and the subsequent inflation, lots of Canadians are going to be renewing their mortgages. Rightly so, they're worried about interest rates and whether they're going to be able to afford to pay their mortgage at higher interest rates when they renew.

I know that we've introduced a mortgage charter in the fall economic statement. Can you explain in plain language to a person in my riding of Davenport who might be about to renew their mortgage how this charter is going to help Canadians ensure that they can renew them in an affordable way?

Hon. Chrystia Freeland: Absolutely.

I want to start where you started, Julie. Canadians are really concerned about inflation and interest rates. That's why I started with good news: For two months in a row, in January and February, inflation has been within the Bank of Canada's target range. That is so important, because interest rates are really high. As inflation stabilizes in the Bank of Canada's target range, that can create conditions that make it possible for rates to come down. That's why I emphasized that. I know so many people are anxious.

The mortgage charter is in place to give people some certainty, some relief, in knowing what they can count on when they talk to their financial institution about renewing their mortgage. One of the things people need to know is that they can talk to their financial institution about a commitment that they do not need to requalify if they are an insured mortgage holder under the insured minimum qualifying rate. They can switch lenders. That gives them more options and more opportunities. Mortgage providers also have to waive fees and costs that would otherwise be charged for relief measures.

I really urge Canadians to have those conversations with their financial institutions. The mortgage charter requires them to be supportive of the needs of people who have their mortgages and who are challenged in this high interest rate environment.

• (1155)

Ms. Julie Dzerowicz: Thank you so much. I think that's my time.

The Chair: Thank you, MP Dzerowicz.

We'll go to MP Ste-Marie, please.

[*Translation*]

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

Good morning Minister and Mr. Forbes. Thank you for being here.

I'm going to begin with a request, Minister, and then ask two questions.

Firstly, your department provided the committee with a table of program by program estimates for the \$83 billion towards the green economy. Can your department provide these estimates broken down by sector, so that we can know to whom these funds will be distributed? That's my request.

I will now ask my two questions. The first concerns cities, municipalities and their various organizations, which have been asking us to do something about the renewal of the gas tax. They'd like to see numbers and they'd like it to be unconditional, because it slows down the process and makes it more burdensome. What can you tell us about that?

My second question concerns the cultural sector, which is very worried. The Canada Council for the Arts seems to be turning down nearly all project applications. Artists, industry, festivals, music, museums and other organizations are on the edge of an abyss. They don't know whether the programs are going to be renewed or whether they will be adjusted for inflation. Do you have anything to say to them today?

Hon. Chrystia Freeland: Thank you very much, Mr. Ste-Marie, for your questions. I'll try to answer them.

For a start, we'd be happy to follow up with more information about our investments in the green economy. Thank you for mentioning those we are making now. It's precisely because these investments are so important that it's essential to have a climate plan. Without a sound plan, it would be impossible for Canada and Quebec to attract investment, and we are currently doing just that. So thank you very much. Bill C-59 is important, because it creates two investment tax credits.

As for the municipalities, my colleague the Hon. Sean Fraser has been monitoring this file carefully, as has Minister Rodriguez, the Prime Minister's Quebec lieutenant. We know that March 31 is rapidly approaching, but we are convinced that we will reach an understanding with Quebec.

Thank you for the question about the cultural milieu, because it gives me an opportunity to congratulate Quebec creators. I'm thinking specifically of Monia Chokri, whose film *Simple comme Syl-*

vain, as I am sure you are well aware, won France's César award for best foreign film. This excellent and remarkable film received support under Telefilm Canada's contribution to Quebec's outstanding cultural industry.

My colleague Pascale St-Onge recently announced the renewal of funds for Telefilm Canada, which amounts to \$100 million over two years, with further announcements forthcoming. We understand the importance of culture in Canada and Quebec, and to be perfectly honest, I am very proud of Quebec's creative artists and performers.

Mr. Gabriel Ste-Marie: Thank you for your answer. We are keenly looking forward to these forthcoming announcements. The entire sector is extremely worried.

What I'd like to know now is whether you are going to announce employment insurance reform in your next budget. It's been promised since 2015.

In the meantime, what have you got to say about the foresters who were unable to do their work last summer because of the many forest fires, and who were as a result unable to accumulate the required number of hours?

• (1200)

Hon. Chrystia Freeland: Thank you for your question.

Logging is one of Quebec's and Canada's major industries. We will always be there to support this industry, particularly for its workers.

I trust that you understand why I can't make any announcements today about the budget.

Before concluding, I would also like to thank you for wearing yellow and blue, as I am today. Thank you for your support for everything that we are doing together to help the courageous people of Ukraine.

Mr. Gabriel Ste-Marie: The Ukrainian people have our wholehearted support.

In the Quebec National Assembly, there is consensus on the right to withdrawal with full compensation for dental insurance programs and for the future prescription drug insurance program. In the Quebec government's most recent budget, it's in appendix G.

Are you going to acquiesce to the National Assembly's request?

Hon. Chrystia Freeland: My relations and conversations with Quebec's Finance Minister, Éric Girard, are very good. I hope that he will be in agreement with me. He is a highly effective counterpart with whom we speak frequently.

My colleague Mark Holland has been working on health care issues. We're going to continue to work with the province of Quebec.

For example, we found a solution for child care services. It was good for Quebec and good for Canada. I'm hopeful about coming up with a solution to these problems as well.

Mr. Gabriel Ste-Marie: Thank you very much.

Thank you, Mr. Chair.

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

[English]

Now we'll go to MP Blaikie.

Mr. Daniel Blaikie: Welcome back to committee, Minister.

First of all, I'd like to echo the sense of urgency that Mr. Ste-Marie was giving to the need for comprehensive employment insurance reform. There are a lot of things that need to change and have been promised to change for some time.

One small cost item that I think has a high impact is the double-stacking of maternity and regular benefits, which the social services tribunal at one point did recognize as an instance of gender discrimination in the employment insurance system that has a disproportionately negative effect on women.

In Bill C-59, there is a small proposal for an employment insurance change. That is the measures related to the placement or arrival of children. I think, overall, those are good measures.

I'm aware that there are folks who are concerned that indigenous people were not consulted. There are unique needs within indigenous communities around the placement of their children. There's a lot of very legitimate, historical concern about governments making decisions about the placement of children and how that gets arranged without indigenous people themselves being in the driver's seat.

I'm wondering if the government is prepared to consult on these measures, even as it implements them, in case other changes should come in the future. That's to ensure that this new benefit under employment insurance is properly tailored to the needs of indigenous communities as they take more control—and ultimately all control, I hope—over their own children and where they end up when their parents aren't able to serve them in the ways that we would all hope.

Hon. Chrystia Freeland: Well, first of all, I hope you will not mind if I take a moment to say, Mr. Blaikie, since I think today is your last day, how much I have not only enjoyed but also benefited from working with you in your work on this committee and your work in Parliament. We have not always agreed on everything. However, I was thinking today about this meeting of the committee, and I was thinking that the thing I really admire about your work is that I always know you are led by your values. When you make a point, when you push for something, it's because you really believe in it and think it's good for your constituents and the people of Canada.

I also appreciate that when we don't have exactly the same opinion, you're always prepared to listen carefully and with an open mind to another point of view. Sometimes you're persuaded, but even when you're not, you're a person who's prepared to think hard, roll up your sleeves and work hard to try to find some outcomes that can be win-win. To me, that is the definition of a good legislator and a good public servant.

I'm really sad that you're leaving this role in Ottawa, but I had a chance to meet your beautiful family, and I think they will be very happy to see more of you. I hope that in your new job, we'll have a chance to continue to work together.

I think Premier Kinew is off to an outstanding start, as is my colleague, Minister Sala. I look forward to us continuing to work together.

Thank you for highlighting that EI measure. I think it's a good one. It's going to be important for the people it helps.

With regard to your point about indigenous people, I think we all recognize that we have, collectively, a lot of work to do to be sure that the programs, laws and institutions of Canada support indigenous people in the specific ways they need. We're trying hard. I think we are making progress and getting better, but I would never claim that all of the work that needs to be done has been done.

I hear you. It's something we do think about, but I'll think about it some more having heard your question.

• (1205)

Mr. Daniel Blaikie: Thank you very much.

I don't know how we're doing for time, Mr. Chair.

The Chair: You have over a minute.

Mr. Daniel Blaikie: Okay.

This is along similar lines.

You talked in your opening remarks about some of the new investment tax credits. Obviously, New Democrats thought it was a priority to ensure that there were prevailing wage conditions and apprenticeship conditions attached to those investment tax credits so that the money the government will be investing in new, greener technologies won't leave good-paying union jobs behind.

Upcoming, as I understand it, is another investment tax credit, which is the clean electricity investment tax credit. That's at a rate of 15% for non-taxable entities. Some of those non-taxable entities include indigenous-owned entities, and we've been hearing feedback that the differential is disincentivizing partnership with indigenous communities on renewable energy projects.

I wonder whether you're aware of that concern and whether your government is looking at the possibility of ensuring that, for indigenous-owned non-taxable entities, the rebate amount is the 30% that private companies are enjoying as opposed to the 15% that was talked about in a previous budget—the 2023 budget, I think.

Hon. Chrystia Freeland: Thank you for highlighting the labour requirements of the investment tax credits. It's a first in Canadian history. Thank you for your personal support of having them there. I think it's a good opportunity for both of us to thank Canada's union leaders, who did so much work with all of us to have those requirements there.

When you started talking about the clean electricity tax credit, I thought you were already wearing your new hat from the province of Manitoba and were going to talk about Manitoba Hydro, because there are some good conversations we can have there.

As you know, making non-taxable entities eligible for tax credits is a huge new thing we have done with this suite of tax credits, and we've done it recognizing the huge need Canada has to build capacity and produce more clean electricity. That was a very big step, and I think it's important for everyone to recognize how significant that is.

Like you, I am a big believer that a key part of reconciliation is indigenous economic participation and indigenous prosperity. I think the issue you raise is worth continuing to work on and think about, while bearing in mind that non-taxable entities have a particular and different relationship to tax credits than taxable entities.

• (1210)

The Chair: Thank you, Minister.

Thank you, MP Blaikie.

Members, I want to get through a second round, so we'll watch the minutes. We've been letting things go a bit longer.

We're starting with MP Morantz.

Mr. Marty Morantz: Thank you, Mr. Chair.

Minister, how much has the government collected from the carbon tax since you implemented it?

Hon. Chrystia Freeland: Thanks for the question. It gives me an opportunity to be really clear about the price on pollution. It is revenue-neutral. All the money that is collected goes directly back to Canadians. That is the key point.

Mr. Marty Morantz: I'm sorry, Minister, but it was a pretty specific question. I just asked for the number.

I have limited time, Minister. How much has your government collected from the carbon tax?

Hon. Chrystia Freeland: This is also an opportunity for me to point out that Manitoba families will be getting \$1,200 this year.

Mr. Marty Morantz: Again, Minister, could I just have the number? How much have you collected from the carbon tax?

Hon. Chrystia Freeland: The key point, which Conservatives are consistently trying to keep from Canadians, is that the price on pollution is completely revenue-neutral.

Mr. Marty Morantz: Minister, it's a very straightforward question that Canadians want an answer to.

Hon. Chrystia Freeland: The money does not go into general revenues; it is returned to Canadians.

Mr. Marty Morantz: I'm sorry, but I have limited time, Minister. What is the dollar value of all carbon tax collected since the tax was implemented?

Hon. Chrystia Freeland: The key point is it is money in the pockets of Canadians. For Manitoba families this year, it's going to be \$1,200. That is making a real difference.

Mr. Marty Morantz: Can I just have the number, Minister? How much has the government actually collected from the carbon tax?

Hon. Chrystia Freeland: As I said, the key point is it's all money that goes back to Canadians. It goes back to your constituents, my constituents, Daniel's constituents and Mr. Hallan's constituents.

Mr. Marty Morantz: With the greatest respect, it's not revenue-neutral. In fact, the estimates—

Hon. Chrystia Freeland: It is revenue-neutral.

Mr. Marty Morantz: No, Minister. You refuse to answer with accurate information. The government's own financial documents, its main estimates, show that it has collected \$20.7 billion in carbon taxes and has only paid out \$18.6 billion since the carbon tax took effect.

Your government has collected over \$2 billion out of the pockets of Canadians since the tax was implemented that it has not paid back. That's from the government's own main estimates, so will you correct the record and admit the truth?

Hon. Chrystia Freeland: No, Mr. Morantz, it is 100% revenue-neutral, and I'm glad I—

Mr. Marty Morantz: Are you saying the main estimates are wrong?

Hon. Chrystia Freeland: I am saying that money is being held for small businesses. Small businesses will have good news soon, because that money is going to be returned to them, as we have committed to doing from day one.

Mr. Marty Morantz: Okay.

You mentioned that Premier—

Hon. Chrystia Freeland: That's true. I want to thank Winnipeg's own Dan Kelly for the work he's been doing with us on that.

Mr. Marty Morantz: Dan Kelly completely disagrees with you.

Aside from that, you mentioned what a great job Premier Kinew is doing. Premier Kinew is an NDP premier and we disagree on many things, but when he got elected, he recognized that Manitobans are suffering with the high cost of living. Do you know the very first thing he did when he got into office? He cut the provincial gas tax by 14¢, and he said it was because Manitobans were having trouble affording the cost of living.

Why are you increasing the carbon tax at the very time Canadians are experiencing an affordability crisis, unlike what Premier Kinew has done?

Hon. Chrystia Freeland: There's a lot we disagree on, but I'm glad we can agree that Premier Kinew is off to an excellent start as leader of—

Mr. Marty Morantz: Will you follow his example, then, and pause the increase in the carbon tax?

Hon. Chrystia Freeland: One of the things I admire about his leadership is his commitment to a climate plan for Manitoba, because he knows this is an essential foundation for attracting investment and good jobs in—

Mr. Marty Morantz: Why won't you follow his example and take the jackboots off the necks of Canadians?

• (1215)

Hon. Chrystia Freeland: I must say that language is entirely inappropriate when we're talking about a democracy.

I began by talking about Prime Minister Mulroney and the exceptional courage he showed in recognizing Ukrainian independence. There are people in the world right now who have real dictatorships oppressing them, like the people of Ukraine. To use that language to talk about a government policy you disagree with is entirely inappropriate and cheapens our discourse and democracy.

Mr. Marty Morantz: Seven premiers, representing close to 25 million Canadians, have now called on you to stop this tax increase. Premier Ford has also reduced the gas tax in Ontario.

Why are you increasing taxes on Canadians at the very time when they need a break?

Hon. Chrystia Freeland: Let's be very clear. Your line of questioning helps to highlight this.

The price on pollution is revenue-neutral. Every single—

Mr. Marty Morantz: It's not. According to your main estimates, it is not.

Hon. Chrystia Freeland: Yes, it is. Every single penny goes back to Canadians. The \$2 billion you highlighted is money for Canada's small businesses. Canada's small businesses—

Mr. Marty Morantz: Well, they've been waiting six years for it, Minister.

Hon. Chrystia Freeland: —will be getting that money back—

Mr. Marty Morantz: When? What day?

Hon. Chrystia Freeland: —and I look forward to an announcement in due course.

The Chair: Thank you, Mr. Morantz.

Now we're going to MP Thompson.

Ms. Joanne Thompson (St. John's East, Lib.): Thank you.

Welcome to committee, Minister.

Mr. Forbes, it's good to see you back here.

I'd like to begin by asking you what my constituents in St. John's East can expect from Bill C-59 around supports, in particular supports for families and parents.

Hon. Chrystia Freeland: Daniel, I hope you don't mind my calling you Daniel, especially since it's your last day.

Daniel highlighted one of the measures I am especially pleased that we, together, are able to support. It is for adoptive parents: a 15-week shareable employment insurance adoption benefit. I know that, like me, you're a mom. I'm very glad we're going to be able to support more families once we get this legislation passed, so let's do it.

Something else that means a lot to me and that I was glad we were able to include is new paid leave for federally regulated workers to support women who have miscarried. I think for a long time we didn't talk about miscarriage. We didn't recognize the pain caused to women who miscarry. I know you're a nurse and a mother. I think it is high time for us as a society to recognize how physically hard a miscarriage is, as well as emotionally traumatic.

I'm glad that—again, once we get this legislation passed, so let's do it—we're going to be able to recognize a woman's pain and physical stress from miscarriage and provide her with some support.

Ms. Joanne Thompson: You mentioned I'm a nurse. I will stay in that track and lean into acknowledging—

Hon. Chrystia Freeland: I bet you've heard from women that we don't support them enough after a miscarriage.

Ms. Joanne Thompson: Thank you for that. I believe it's quite a big step forward in acknowledging parental leave.

I also want to acknowledge the work the government is doing on health care and the dental plan, which I think is incredibly important, because it acknowledges that oral care is health care. I realize it's for uninsured Canadians, but that includes seniors and vulnerable persons.

Could you speak about the estimated number of persons who will be able to receive dental care through this program?

Hon. Chrystia Freeland: For sure, and I just want to offer one more support in the health area, which I touched on in my opening remarks. I know you and I have talked about it, and I know it's important for your constituents. It is lifting the GST/HST on psychotherapy and counselling. It's always helpful for people to have access to psychotherapy and counselling, but we've been through some really hard times recently, so I'm glad that we'll be able to provide that support too.

Thank you for highlighting dental care. I don't know about other people here, but when I travel around the country, it is really striking to me how many people come up to me and say.... I recently had this conversation in a youth council. A young teenaged boy, a young man on my youth council, wanted to know when dental care would be available for his father's age group because he said his dad was suffering. He said, "I'd really like my dad to be able to go to the dentist and get taken care of." That really brought home to me how many Canadian families are literally in pain because they don't have the money to go to the dentist or have to make difficult choices in their family budget.

There's good news: We're fixing that. So far, more than 400,000 children have been supported. Our estimate is that nine million Canadians will be supported with dental care. As you know, dental care is now being rolled out to seniors, with applications being rolled out to new age cohorts every month.

• (1220)

The Chair: I know you want to make a final comment, but we're going to the next member, MP Thompson.

Ms. Joanne Thompson: I was trying to get another question in, but that's fine, thank you.

The Chair: Your time is done.

We're off to MP Ste-Marie, please.

[*Translation*]

Mr. Gabriel Ste-Marie: Minister, the Journal de Montréal published an article today whose title is "A 44% increase in companies facing bankruptcy in Quebec". The article begins with the following sentence:

The need to repay Ottawa's emergency COVID loans is the straw that breaks the camel's back for many entrepreneurs, who have been opting instead to just shut down.

A little further along in the article, it says:

Most worrisome is the fact that the number of companies facing bankruptcy in Quebec has increased by 44% over the past year, with just under 3,000 companies declaring bankruptcy in 2023.

This was predictable, Minister. Some solutions were put forward. What do you have to suggest?

Hon. Chrystia Freeland: Thank you for your question.

Our government understands the importance of small and medium-sized enterprises, which are central to our economy and our communities. That's why we were so proud to be able to support them by means of a \$49 billion program. It was significant and essential support. In fact, over 80% of businesses paid back their loans. I would therefore like to thank all of those that did so. It amounted to \$20,000 of interest-free support from Canada's federal government. Once again, it made a difference. They deserved it and it helped thousands of companies across the country survive the pandemic.

The good news now is that those companies that had trouble paying back their loans still have a loan from the federal government, at an interest rate of only 5%, which is very low compared to loans from private commercial institutions. Small and medium-sized enterprises don't have to repay their federal government loan until the end of 2026. That gives them more time. All they need to pay for the time being is the interest, which is very low, particularly compared to loans from private lenders.

• (1225)

[*English*]

The Chair: Thank you, MP Ste-Marie.

Now we'll have questions from MP Blaikie.

Mr. Daniel Blaikie: Thank you very much.

I know there are certainly revenue ideas that New Democrats support that the government does not. There are revenue items in

Bill C-59. I think whenever we're talking about the government books, it's important to talk not just about the spending side, but also about the revenue side.

I wonder if you'd like to take a moment to highlight some of the revenue measures that are here and some of the principles you think underlie those particular revenue items. That might help inform future decisions about government increasing its revenue from those.

We're witnessing a time with giant corporate profits—record corporate profits. Certainly New Democrats feel it's appropriate that some of that profit be brought back into the system and invested back into people.

What are some of the principles underlying these revenue items that may encourage government to go further and ensure that corporate Canada is paying its fair share?

Hon. Chrystia Freeland: This is not something I anticipated today, but I feel that Premier Kinew is in the room with us already. I really do.

In my first conversation with him, he talked to me about how the economic horse has to pull the social cart. He said that he really supported the fiscal guideposts that we laid out in the fall economic statement. He shares our government's belief that a government that believes in supporting people and building up the social welfare net is also a government that needs to believe in economic growth and fiscal responsibility.

I know this is the path he has set Manitoba on. I look forward to working together with the Province of Manitoba and Progressives across the country to do things that help the economy grow and allow us to be fiscally responsible, because that's what allows us to support Canadians.

I really want to start with that and say how important it is.

I agree with you. If we want to support Canadians in a fiscally responsible way, we need two things. One is economic growth. That's why—and here I'm setting aside the ritualized jousting—I would say to our Conservative colleagues, please, gentlemen, get on board and support these investment tax credits. They really are measures that every single person we care about will benefit from.

I am hearing from the oil and gas sector in Alberta that they want these tax credits to be passed urgently. Surely that is something Liberals and Conservatives can agree we need to do. The tax credits are an important part of this fiscally responsible approach because they allow us to drive investment, drive growth and create jobs.

The revenue side is also really important. That's why, in our work together, we have been part of putting in revenue-raising measures like our luxury tax and the COVID dividend, which we asked the financial institutions that benefited from our support during COVID to pay to support the budget.

Those are important measures. I agree with you.

The Chair: Thank you, MP Blaikie.

Now we're off to MP Lawrence, please.

Mr. Philip Lawrence: Thank you, Mr. Chair.

Thank you, Minister, for being here.

Hon. Chrystia Freeland: Are we back to the ritualized jousting?

Some hon. members: Oh, oh!

Mr. Philip Lawrence: You should trademark that, honest to goodness. That's great.

I would like to talk about GDP per capita. I think it's important that we come to an agreement or that there's factual clarity with respect to what the PBO has recently told us regarding the rebate versus the carbon tax. This will be a bit of ritualized jousting unless we can come to an agreement, which I'm hopeful we can.

In a recent report from the PBO that I'm looking at right now, he says that in every one of the provinces where the backstop applies, there is a net economic loss for families. Can you agree with that?

• (1230)

Hon. Chrystia Freeland: With true goodwill—and I do enjoy our conversations—I think you and I probably disagree on a price on pollution, or at least we disagree on it today. The thing I would point out to you and your colleagues is that you guys ran in 2021 on a carbon price. I read out the quote from your platform to Mr. Hal-lan. You said there was going to be a carbon price that increases to \$50 a tonne and that's "on a path" to \$170 a tonne.

Please enlighten me, but I think the reason you said it is that you understood in that campaign that Canada needs a credible environmental plan—

Mr. Philip Lawrence: Thank you—

Hon. Chrystia Freeland: —and a credible plan on climate to attract investment. We are doing a great job in attracting investment to Ontario, working with the Ford government. There's VW, Stel-lantis—

Mr. Philip Lawrence: Thank you, Minister.

I would just like to provide a bit of commentary. The OECD predicts us to be last in capital investment over the next 40 years.

I just want to go through this, because I think it is important that we have factual clarity on it. The PBO tells us that the average family in Alberta will pay \$2,943 in carbon tax. Could you please tell us what the average rebate will be for that family?

Hon. Chrystia Freeland: You mentioned the OECD, so I can't resist pointing out that, according to the OECD, in the first six months of last year, of 2023, Canada had the highest per capita foreign investment of any country in the G7 or G20 and the third-high-

est total sum of foreign investment. That is impressive. That is thanks to our collaborative work with the Government of Ontario—

Mr. Philip Lawrence: Thank you—

Hon. Chrystia Freeland: —and it is thanks to the fact that we have a climate plan. Investors are demanding that.

Mr. Philip Lawrence: Thank you very much.

What would be the rebate?

Hon. Chrystia Freeland: For our province—Ontario families—it's \$1,120. For Alberta families, it's \$1,800 this year.

Mr. Philip Lawrence: Okay. For Alberta, they'll get a rebate of \$1,800, but they're going to pay \$2,943. For our province, the beautiful province of Ontario, they're going to get a rebate of... What did you say? I have \$1,047. Is it \$1,100?

Hon. Chrystia Freeland: I have \$1,120.

Mr. Philip Lawrence: The amount they're paying is \$1,674. Factually, Canadians are at a net loss because of the carbon tax. That's the PBO; that's not us. I just want to get that clarity.

I now want to move on to our GDP per capita, which I think is a pretty important issue.

This paper shows the GDP per capita. The blue line is the United States over the last decade or so. The red line is Canada. You can see a gap appearing around 2014 and 2015, and it's quite a large gap. That's incredibly important, because it underpins the economic well-being of every Canadian. This gap is expanding. Could you please tell Canadians why they are getting poorer while Americans are getting richer?

Mr. Yvan Baker: On a point of order, Chair, I'm not sure if the rules here are the same as in the House, but my understanding is that in the House we're not allowed to use props. I just want to ask if you could rule on that.

The Chair: We're going to suspend. I'll confer with the clerk and get back to you.

• (1230)

(Pause)

• (1235)

The Chair: Those types of props are not allowed at committee.

Mr. Adam Chambers: Shame. That's unbelievable.

The Chair: For the future, to the member—

Mr. Philip Lawrence: I will now apologize and not resign.

Voices: Oh, oh!

The Chair: Minister, we are moving to MP Weiler.

MP Weiler, you will be our last questioner.

Mr. Philip Lawrence: On a point of order, Mr. Chair, I won't speak anymore, but could you give the minister 15 seconds to comment on that, please?

The Chair: Minister, if you would like 15 seconds, go ahead. Then we'll be going to MP Weiler.

Hon. Chrystia Freeland: I'll just say two things super quickly.

We all want jobs and growth. The way to get jobs and growth is to pass Bill C-59. This includes essential ITCs.

I was in Calgary last Friday. Alberta industry leaders said to me, "Why the heck can't you get those measures passed into law?" It makes me quite sad to say it's because of Conservative MPs that we can't do it. Let's just get together on this. Let's pass these measures.

The Chair: Now it's to MP Weiler. You will be our last questioner.

Mr. Patrick Weiler (West Vancouver—Sunshine Coast—Sea to Sky Country, Lib.): Thank you, Mr. Chair.

I want to thank the minister for being here today to answer questions on Bill C-59.

I want to pick up on the last line of questioning, and thanks, Minister, for sharing the good news about the level of foreign direct investment we're seeing in Canada right now, particularly in the battery supply value chain. I know that Bloomberg has rated Canada the number one country in the world for that, but unfortunately we're not seeing that level of investment in all areas of our economy.

Much of the discussion recently has revolved around the impact of the price on pollution on the cost of things like fuel and gasoline, but we know that it's the global price of energy that has disproportionately impacted people. No rebate is coming with that when the global price goes up. It's the illegal and unprovoked invasion of Ukraine that has disrupted the energy market and is really driving that. That money is going into profit. I saw a recent report that the five biggest oil and gas companies made almost \$38 billion in profit in 2022.

It's great to hear that companies in that sector are asking us to move ahead with the carbon capture and storage investment tax credit in this measure.

I am hoping that you can share with this committee what you're hearing from those companies. How quickly are they ready to move on making the critical investments that will drive jobs, create economic growth and help reduce emissions from Canada's largest and fastest source of GHG emissions?

Hon. Chrystia Freeland: I am not going to speak for them, but I will say—because they've been very clear publicly about this—that if we want to get projects built that will reduce emissions and create great jobs at the same time, we need these tax credits passed into law. Really, there can be no excuse for delay. I think we need to act with alacrity.

I would urge all MPs, but maybe particularly Alberta MPs, to join our government in supporting these historic job-creating measures. They show that you can and you must have a climate plan and an economic plan at the same time. The reality is that the best economic plan is a climate plan, and the best climate plan is an economic plan. That is what these measures represent.

I'm also really glad, Patrick, that you mentioned the illegal Russian invasion of Ukraine as an economic issue. We spoke about it earlier as a gross violation of international law and of the sovereignty of human rights, but this war has also impoverished us all and driven up costs for every single family in Canada. That's why, towards the end of this testimony, this is a nice opportunity for me to highlight that, as the Prime Minister promised on February 24 in Kyiv, Canada is supporting the brave people of Ukraine in their fight against Putin. That's a fight for the international rule of law, but it's also a fight for getting the global economy back to normal. It's a fight for people's pocketbooks.

I was really glad that our country yesterday was able to send \$2 billion of support to Ukraine. The Ukrainians got it yesterday, and their Prime Minister got in touch with me to say, "Thank you very much. This is making a big difference."

● (1240)

Mr. Patrick Weiler: Thank you for that.

I just want to pick up with one last question in the remaining time on the revenue-driving side.

In Bill C-59, we have legislation related to the digital services tax. I'm hoping that you might be able to explain how this fits into our OECD pillar one commitments to implement this multilaterally.

Hon. Chrystia Freeland: Canada has been working assiduously with our international partners on the two OECD pillars. These are about fairness. These are about preventing a race to the bottom in global taxation.

On pillar one and on the DST, this legislation is important in moving forward with that. We always prefer a multilateral approach and a multilateral solution. I have been having some good, collaborative conversations about this with many international partners and specifically with Secretary Janet Yellen, the Secretary of the Treasury.

Maybe this gives me an opportunity to give a final shout-out to Chris Forbes, our deputy minister of finance, because he and team Finance at the officials level have also been having some good conversations with our international partners, very much including the U.S., on this issue.

Thanks, Chris.

The Chair: Thank you, MP Weiler.

Thank you, Minister Freeland and Deputy Minister Forbes.

That is the hour we had set down for Bill C-59.

We are now moving to another study we have on main estimates, and you'll be here with us for the next half-hour. That will allow us to get through a new full round on this. Each party will have up to six minutes to ask questions.

We'll start with MP Hallan, please.

Mr. Jasraj Singh Hallan: It will be MP Chambers.

The Chair: I'm sorry.

MP Chambers.

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

Minister, you and I agree on one thing. I think the officials at Finance are the absolute best in the entire public service. They are very capable folks. I appreciate your appearance earlier on Bill C-59.

I'm going to try to bring this up and Bill C-59 together a bit, if you'll indulge me. How many FTE people will we hire as a result of Bill C-59?

Hon. Chrystia Freeland: Thank you for the question. It gives me an opportunity to highlight the work of Treasury Board and my colleague Anita Anand on bringing into action our refocused government spending initiative.

I agree with you about the excellence of Finance officials and the importance of a strong and effective public service. I also agree that it's important to be sure we are carefully reviewing government spending, including on our public service, and that it is effective. That's why this exercise has been so important, and it's making a difference.

Mr. Adam Chambers: I don't think you know this, and that's okay, but for every financial piece of legislation that's been sent to this committee, including all of the budgets, we ask the same question: How many FTEs will be hired as a result?

The departmental spending plans that are released every year consistently show that full-time equivalents will drop by about 2% every year, except that when the year ends and we get the updated report, FTEs go up. I'm not really sure whether it's a Treasury Board issue or a Finance issue. It doesn't really seem like anyone is paying attention to a people plan, because every year, that goes up when the government's projections have gone down.

We see this in the underused housing tax. You projected the underused housing tax would bring in \$200 million a year in the first year and then \$170 million every year thereafter. The numbers are in. Since 2022, the government spent \$59 million in administration, including hiring 350 people. It has assessed only \$49 million in penalties. That's assessed, not collected. In fact, it hasn't even started collecting any money yet.

How has the government's projections been so far off on the underused housing tax?

• (1245)

Hon. Chrystia Freeland: There are a lot of different things mashed together there, but let me make some key points that matter for Canadians.

First of all, I do share what seems to be your point—that it is important for government to be effective. That's why our exercise in refocusing government spending for a total of \$15 billion is a really important exercise. It's important to show Canadians that we are careful, and we think it is important to be sure that money is spent where it can have the greatest impact for Canadians—for example, on things like dental care.

When it comes to our numbers and projections, I made a commitment in the fall economic statement to hit some specific fiscal guide-rails, and I will live by that commitment. Today is not the day that we're presenting the budget, but we are going to hit those guide-rails.

Mr. Adam Chambers: That's fair enough.

Hon. Chrystia Freeland: I'll make a final point here.

I'm glad to hear you, Mr. Chambers, being keen for the government to raise more revenue. You, Mr. Blaikie and I seem to agree that we need to have sufficient revenue to fund the things Canadians need.

Mr. Adam Chambers: Minister, with respect, the question is more whether it's a good deal for taxpayers to spend \$59 million in administration to collect far less than \$59 million. Is that a good deal?

Hon. Chrystia Freeland: I wonder if the Conservative Party is now advocating for there to be empty homes all across Canada at a time when we have a housing crisis.

Our government believes homes are for Canadians to live in. We are working hard to have more homes built faster, and we're also working hard to be sure that homes are not a financial asset; they're for Canadians—

Mr. Adam Chambers: Thank you very much, Minister.

Hon. Chrystia Freeland: No, thank you for making clear that the Conservative Party doesn't actually care about whether homes are for Canadians to live in.

Does the Conservative Party not care if there are vacant properties across the country while people need homes?

Mr. Adam Chambers: Thank you, Minister.

We're actually advocating for some common sense.

Hon. Chrystia Freeland: I guess you're advocating for not caring for people to be housed.

Mr. Adam Chambers: It doesn't sound like a very good deal for taxpayers.

Let's move on, shall we?

Hon. Chrystia Freeland: I can see why you would want to.

Mr. Adam Chambers: Ms. Andrée-Lise Méthot was appointed to the Canada Infrastructure Bank by you in December 2022. You're well aware of the governance issues at SDTC, on which she was a board member. Late last year, Ms. Méthot admitted that she was on the board and present when money was approved to go to four companies in which she held a financial interest.

Is this the kind of ethical standard you expect from board members you appoint? Have you asked her for clarification, or maybe to resign her position from the Infrastructure Bank?

Hon. Chrystia Freeland: What we have seen consistently from the Conservatives is an attack on efforts by our government to drive investments into the Canadian economy, investments made by the Infrastructure Bank—

Mr. Adam Chambers: Minister, someone admitted to a very serious ethical breach and a conflict of interest.

Hon. Chrystia Freeland: —and investments made through our ITCs. It would be great to see the Conservatives get behind these measures, which would create jobs and growth.

Mr. Adam Chambers: Minister, someone has admitted to a very serious ethical breach and a conflict of interest. The individual is still on the board of the Infrastructure Bank and reports to you. You appointed that person.

Do you still have confidence in her to perform her duties well?

Hon. Chrystia Freeland: Our government has been very clear about SDTC and about the fact that what we saw happening there was unacceptable. Our government has taken action.

• (1250)

Mr. Adam Chambers: Do you still have confidence in Ms. Méthot?

The Chair: Thank you, MP Chambers, and thank you, Minister. We are well over time.

We're now going to MP Baker.

Mr. Yvan Baker: Minister, thank you very much for being here.

I want to come back to the topic of the global implications and the implications on Canadians of the war in Ukraine. A moment ago, in response to Mr. Weiler, you spoke about the economic consequences of the war. You talked about the impacts on the global economy.

We've had witness after witness, expert after expert and economist after economist come to our committee over the past couple of years. They have talked about how Russia's invasion of Ukraine has been one of the primary drivers of food and energy inflation around the world. It's what Canadians face at the grocery store, and at the pump when they fill up their cars with gas. It's touching Canadians economically every day, as you alluded to a few moments ago.

As you've heard me say in the House, I believe that Ukraine's victory is vital to Canada's security. I believe all members in this House need to support the Ukrainian people with what they need until they win and achieve a decisive victory.

Traditionally, the issue of support for Ukraine has been unanimous in the House. To be frank, traditionally political parties in

Canada trip over each other to try to show that they are the strongest supporters of Ukraine. Over the past year and a half, we've seen that unanimity erode.

Can you explain to folks, my constituents in Etobicoke Centre and Canadians listening the importance of supporting Ukraine?

Hon. Chrystia Freeland: Yes, I can. Thank you very much, Yvan, for your question and your hard work.

I started with a recognition of the historic role that Prime Minister Mulroney played when it came to recognizing Ukrainian independence. His funeral is on Saturday, and I think it's important that that aspect of his work be recognized by Canadians. Ukrainians have recognized it. I don't know if Gabriel is still with us, but in the Bloc's tribute to Prime Minister Mulroney, one thing mentioned was that he was awarded the Order of Yaroslav Mudryi, Yaroslav the Wise, by Ukraine in recognition of his historic role.

Prime Minister Mulroney called me up right after the war started, and he reminded me of his role. He told me the whole story. He was with President Bush, and the president wasn't so keen on Canada coming out so strong and so early in recognizing Ukraine, but he did it anyway. I respect him for that.

Then Prime Minister Mulroney said to me that Canada had always supported Ukraine. I'll use slightly unparliamentary language, because I'm going to quote the former prime minister. He said, "You God damn well better do everything you can. Make sure you do."

I think Mr. Chambers was maybe a staffer in Harper's government. I don't know if that's true.

Mr. Adam Chambers: Yes, when you voted against [*Inaudible—Editor*].

Hon. Chrystia Freeland: I do remember conversations with Mr. Harper about support for Ukraine. He was also a Canadian prime minister who supported Ukraine.

I really sincerely hope that today's Conservative Party finds its way back to the traditional cross-party support for Ukraine that we have enjoyed in this House. It's a question of democracy versus dictatorship. It's also a question of the pocketbooks of Canadians, because as long as Vladimir Putin is able to wreak havoc, that will cause real problems for the global economy and for Canadians.

Mr. Yvan Baker: Minister, I'm going to change topics if I may.

We've heard from expert after expert coming to our committee that the main reason housing prices in Canada are so high is a shortage of housing supply. The bottom line is that we've heard person after person come into the committee and say we need to build more housing and we need to build it quickly, and they've given advice on how we should do that.

Could you speak to how the government is working to increase housing supply across the country with the goal of making housing more affordable for Canadians?

• (1255)

Hon. Chrystia Freeland: I think housing is the central challenge in Canada right now. That's one reason we shouldn't have under-used housing in Canada and homes lying empty when Canadians need homes. It would be good if the Conservatives shared that view. What we also really need to do is get more homes built faster, and we're doing a lot to make that happen.

I talked about the housing accelerator fund. We have deals in place for the whole fund as it currently exists. That's going to get 100,000 more homes built. We have topped up the apartment construction loan program with \$15 billion. There's a total of \$40 billion in that program. That will get 100,000 more homes built. We have lifted the GST on purpose-built rental housing, and in this measure we will lift the GST from new co-op housing developments. That's really important.

The Canada Infrastructure Bank, which was mentioned earlier today, does have a role to play too in getting the infrastructure built that we need in order to get more homes built. I want to offer a factual correction to a misunderstanding—maybe I'll be generous and say that—that seems to underlie some of the Conservative questioning. The Canada Infrastructure Bank, of course, is the responsibility of the Minister of Housing. It's not part of the finance responsibilities.

Mr. Yvan Baker: Thank you, Minister.

The Chair: Thank you, MP Baker.

Now we'll turn to MP Ste-Marie, please.

[*Translation*]

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

I very much appreciated the discussion of the rights of the Ukrainian people and the key battle they are fighting on behalf of us all.

I'm going to continue on the real estate issue, and more specifically ownership. We are living in serious circumstances because interest rates are still high in spite of encouraging medium-term prospects. However, property prices continue to rise. The end result is that an entire generation is no longer able to own property, whether in the form of a condominium, a house or some other form of real estate. The interest-free FHSA, the first home savings account for first-time home buyers, was introduced, but the measure has not reversed the trend.

What have you got to say to this generation, Minister, and what are you going to do?

Hon. Chrystia Freeland: Mr. Ste-Marie, I sincerely thank you for this question. You've raised the most important question of all. Everything we discussed today is important, but I feel that this, access to housing for young people who want to buy a home, is the most important issue.

It's incredibly important to make sure that Canada and Quebec remain a country and a province in which hard work and a good job allow people to buy a house. That's why we introduced the FHSA.

This account is up and running with over 500,000 people having signed up. We know that young people want to buy their first home. That's why we created it.

But I agree with you that there is work to be done. More housing needs to be built. However, we need to put on our thinking caps and find creative solutions that will really enable young people who want to purchase a first home to do so. I believe that it's essential for our society to be hopeful and confident about the future.

Thank you for your question. Rest assured that we are working towards that goal and well aware of the fact that there is more work to be done.

• (1300)

Mr. Gabriel Ste-Marie: Thank you very much, Minister.

On another front, the Bloc Québécois has made a further request, which is to avoid creating two classes of seniors. There was an increase in the Old Age Security pension for people aged 75 or over. We would like everyone 65 and over to also receive it. My colleague Ms. Andréanne Larouche introduced Bill C-319 for that purpose. It went through second reading and was adopted unanimously by a committee. All elected representatives on that committee, from every party, voted in favour of it.

Is the government currently considering Bill C-319 to increase the Old Age Security pension for those 65 and over?

Is the government likely to agree on what appears to be the unanimous view of legislators? Does it think it will be able to support the bill?

Hon. Chrystia Freeland: Thank you for your question and for the Bloc Québécois' work on this issue.

We all know how important it is to ensure that Canadian and Quebec seniors can enjoy a dignified and safe retirement, because these seniors are our parents and grandparents, the people who built and created our country. That's why we increased support for the oldest among them. We understand that their needs cost more. That's why I'm happy about the fact that we increased support for them.

We are also increasing dental care assistance. Ms. Thompson mentioned this earlier. We began with the oldest among us specifically because we know they need the most support.

Mr. Gabriel Ste-Marie: Thank you.

In closing, I'm going to address another subject. What I'm going to talk about does not affect many people. It's really a minor detail compared to the economy as a whole and all the sectors, but it would really change things for craft producers of alcohol products from fruit, berries and maple syrup.

As a result of Australia's lawsuit, via the World Trade Organization, on the excise tax for producers of grape wine, and also because of Ottawa's definition of what constitutes wine, they were successful in exempting cider and mead producers from this excise tax. There were also other producers not targeted by Australia, which was only interested in producers of grape wine. I'm talking about pear cider and raspberry wine producers, for example. These craft producers, when they export their highly specialized products, have to pay the entire tariff, which reduces their competitiveness and can threaten their very survival.

Could your department look into this and try to harmonize the excise tax to accomplish the same thing for producers of cider and mead?

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

[*English*]

I need a very short answer, Minister, before we go to our final questioner.

[*Translation*]

Hon. Chrystia Freeland: In view of what the chair just said, I'll simply say that I will follow up on this, and we can talk about it afterwards.

The Chair: Thank you, Minister.

[*English*]

Now we'll go to MP Blaikie.

I said "our final questioner", but I'll ask members if we have unanimous consent to have a question from MP Morrice.

MP Blaikie.

• (1305)

Mr. Daniel Blaikie: Thank you very much.

One thing jumps out in the estimates. If you look at the voted program expenditures, you will see that in 2022-23, the expenditure was \$329 million. The budgeted amount in 2023-24 was \$128 million. The expenditures to date are \$420 million. The budgeted amount for 2024-25 is \$145 million.

It brought me back to my early days as Treasury Board critic. I suspect that part of what's going on is that the main estimates and the budget are very poorly aligned because the budget tends to come out after the main estimates. You end up with these irregularities where what ends up being spent out of the estimates and voted authorities really doesn't look a lot like what's projected when the government tables its main estimates.

When we had a fair bit of debate around the government operations and estimates committee table in the 42nd Parliament on these matters, I think there was an impression—I think even then minister Scott Brison, the president of the Treasury Board at that time, had a strong feeling about it—that until there was a fixed budget date, it would be very hard to bring the main estimates and the budget into any kind of meaningful alignment. You need that for the predictability of the budget, and of course, that doesn't have to be a particular day. It could be a window within which a budget would be presented. That would also facilitate some important—and

frankly better than the current culture—collaboration between the Treasury Board and the Department of Finance on the budget. I'm not saying there isn't any, but I understand that there are nevertheless some internal barriers there. The end result is that it can be very hard to make sense of the government's financials between the estimates and the budget.

I wonder what your experience is in this regard and whether you would consider trying to move towards, if not a fixed budget day, at least a fixed budget period so that we might have better alignment between the government's budget and the government's estimates. This is so that parliamentarians can do their jobs of financial accountability better and so that Canadians can more easily and readily understand what government proposes in its financial documents.

Hon. Chrystia Freeland: Thank you for the very thoughtful question.

It's nice to have Scott's name evoked here. He's a friend of both of ours, and he was an excellent parliamentarian and president of the Treasury Board.

I know you didn't mean anything by this, but I have to make it very clear that we work closely with the Treasury Board. When you said that, Chris was nodding his head because he and the deputy minister for the Treasury Board spend half of their time together. I want to assure people that there's incredibly close collaboration. We're in the same building. We're constantly working closely together.

I also want to say, by way of offering some certainty to the folks back home, that we quite intentionally published those fiscal guardrails in the fall economic statement. I want to take this opportunity to say to people that we're going to stick to them.

In terms of certainty about numbers, I think better is always possible. Finding ways to do our work more collaboratively and effectively is a good idea. What I will say, though, Daniel—since this is your last day, I'll be super frank and super candid—is that this does not seem to be a moment in the political life of Canada when the focus of debate in Parliament or at parliamentary committees is principally on ensuring we have a better functioning government, a sincere search for truth and collaborative work to improve how we operate. Ritualized jousting seems to be more what is going on. Insofar as that provides bread and circuses, that's fair enough. I accept the adversarial nature of our democracy; it's how it's set up. However, I will say very sincerely that it makes me mad when that kind of ritualized jousting acts to stop Canadians from getting what they need.

I believe in these investment tax credits. I really believe we need those measures to be in place so we can get investment into Canada. When you're back in the province of Manitoba, you're going to be calling me up and yelling at me, saying, "Why are these not passed into law? Investors are talking to me and they need them to be passed so they can invest." That's what I heard in Calgary last Friday.

By all means, yell as much as you like at the government during question period, if that is what you enjoy. However, let's pass the things people actually need.

• (1310)

Mr. Daniel Blaikie: One thing I was always impressed by was Minister Brison's mastery of the clock at committee.

Some hon. members: Oh, oh!

Mr. Daniel Blaikie: For all of that, I want to thank you, but I wonder if we could come back to the question of humouring me with a fixed budget date or period.

I'll give you an example. There's a lot of concern—New Democrats are very concerned, and that's why we're raising it in the House and at every available table—about cuts to Indigenous Services Canada. We've seen a lot of stories about cuts to Indigenous Services Canada coming. Part of that is based on a detailed look at the estimates. Of course, the estimates don't represent what may be coming in the budget, because we have misalignment.

To the extent that government may choose to renew some of the sunset funding but won't or can't announce that until the budget, it's causing considerable existential angst for organizations like the National Aboriginal Capital Commission Association, or NACCA. I hope I got the long title right. I'm thinking of some other programs as well around indigenous languages. I get that it feels a bit like navel-gazing and maybe I'm being a little indulgent on my last day, but these financial processes have real consequences for organizations that make a real difference in the lives of Canadians.

Something as relatively simple—I've used that term around Parliament Hill and in government departments—as coming to an understanding on a fixed period for when a budget is presented could make a big difference in averting the stress, anxiety and departure, in some cases, of staff that organizations experience because we can't get our financial process right.

I think this is about people. That's why I'm hoping to hear there's a meaningful openness to trying to make this process better.

The Chair: Thank you, MP Blaikie.

In the spirit of Scott Brison and time, Minister, please give a very short answer.

After that, I'll see if we have UC for MP Morrice to ask one question.

Hon. Chrystia Freeland: Process matters, and better is always possible. Since you specifically mentioned anxiety, reconciliation and indigenous issues, let me be really clear that reconciliation is a priority for our government and will continue to be.

The Chair: Thank you, MP Blaikie.

Do we have UC for MP Morrice?

Some hon. members: Agreed.

The Chair: Minister, you will have one question from MP Morrice.

Mr. Mike Morrice: Thank you, colleagues.

Thank you, Minister.

Picking up on that last question from Mr. Blaikie, the Green Party strongly supports many of the investment tax credits being proposed for clean tech, for example, with the labour requirements that are a part of it.

What we are quite concerned about and don't share your enthusiasm for, Minister, are the new subsidies for carbon capture. We know evidence from around the world shows that more often than not, this technology emits more carbon than it captures. We also know the PBO has put out a report that shows these investment tax credits for carbon capture amount to a \$5.7-billion subsidy on unproven technology that in many cases is going to the oil and gas industry. I understand they've been in touch with you advocating for it. They also made \$38 billion in 2022 alone. That's money we could be putting into replenishing the greener homes grants, for example, for which folks in our Ontario communities can no longer apply.

Minister, I wonder if you're open to revisiting the evidence on carbon capture and reallocating those funds toward the solutions we need to be investing in so urgently.

Hon. Chrystia Freeland: First of all, thank you for being here at committee.

I want to recognize you and our friend Elizabeth May for your steadfast and pioneering championing of the environment. Now more than ever we need voices in Canada that recognize the importance of having a robust climate agenda.

As I said earlier in my testimony, it's so important for those of us who recognize how important a climate agenda is to also be clear with Canadians that it is false to tell them they have to choose between climate action and an economic plan. In fact, the opposite is the case. You cannot have an economic plan without a climate plan, and you cannot have a climate plan without an economic plan.

Today more than ever those two go together, and I know you agree with that. I want to thank you for your work and your advocacy there.

[*Translation*]

I believe those of you who agree with what I just said, including Mr. Ste-Marie, are going to have to work harder than ever to discuss this with Canadians.

[*English*]

This much I think we agree on.

On CCUS, I think this is a specific area where you and I are going to have to agree to differ. Our government believes that this is an important path to reducing emissions. That's why we have proposed those tax credits.

Actually, I would say that maybe this is an area where we could conclude today's discussion by having agreement from another set of members of Parliament present here. I really hope, since I don't think I can count on Mike's support for these measures, that I can count on the support of the Conservative MPs to get them passed into law soon.

• (1315)

Mr. Mike Morrice: It's not like religion, that we choose to believe in it. It's—

The Chair: Thank you, MP Morrice.

We want to thank Minister Freeland and Deputy Minister Forbes for coming before our committee for Bill C-59 and for the main estimates. We appreciate your time and your answers to the many questions that were posed here today.

We'll allow the minister to depart. Thank you very much.

I see that MP Blaikie's hand is up, and then we'll go to MP Lawrence and MP Ste-Marie.

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

I think there was agreement by the committee to return to Mr. Baker's motion once we had formulated the amendment in writing. I believe that's done, although I've been paying more attention to the proceedings than to my phone.

Given that it is done, I wonder if the committee would want to return to that and then return as well to—

The Chair: I'm just going to interject.

We would need for you to move a motion to reintroduce debate, so we could get back to those two.

Mr. Daniel Blaikie: I'm getting to it. I'm sorry I'm not quite as efficient as you would like, but I am getting there.

I move that we return to the consideration of Mr. Baker's motion now that we have those items prepared and that, subsequent to that, we return to my own motion, which we had to stop debate on in order to hear from the minister.

Some hon. members: Agreed.

The Chair: Thank you, MP Blaikie.

I have MP Lawrence and then MP Ste-Marie.

Mr. Philip Lawrence: Thank you.

In the interest of time, Conservatives would be agreeable to passing both motions on division.

The Chair: That's good to know. Thank you, MP Lawrence, for that.

MP Ste-Marie.

[*Translation*]

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

I'm in favour of Mr. Baker's motion as written.

I'd like to inform you that Mr. Roger, our invaluable clerk, has sent you my amendment to Mr. Blaikie's motion. With respect to

the national school food program for children, I would like to add a right for Quebec to withdraw with full compensation.

If Mr. Blaikie and everyone else agree with this amendment, I will move it; this would mean that I also support Mr. Blaikie's motion.

• (1320)

[*English*]

The Chair: MP Ste-Marie, thank you for that.

Is there any discussion on that?

MP Blaikie.

Mr. Daniel Blaikie: I think we could pass the amendment on division, but we should have a recorded vote on the motion.

Mr. Philip Lawrence: Do you mean on Yvan's motion?

Mr. Daniel Blaikie: I mean on mine.

The Chair: A recorded vote has been asked for.

Do you have a question?

Mr. Yvan Baker: I have a question for Mr. Ste-Marie on his amendment.

[*Translation*]

Mr. Ste-Marie, I am attempting to understand your amendment and how it would affect Mr. Blaikie's motion. Can you explain why you are proposing this change? What impact would it have?

Mr. Gabriel Ste-Marie: Given that education is a Quebec and provincial power and that we in the Bloc Québécois defend Quebec's areas of jurisdiction, the purpose of the amendment is to underscore the fact that if a Canada-wide national school food program for children were established, Quebec would have to have its own program and be funded for it.

Everything else in the motion would remain the same. That's the only impact the change would have. It's the sort of amendment that the Bloc Québécois often makes.

[*English*]

The Chair: MP Baker.

Mr. Yvan Baker: From a process perspective, I'm comfortable with what's been proposed. On Mr. Blaikie's motion and the amendment, I would need a moment to confer with my colleagues.

I would ask, if possible, that we suspend to have that discussion.

The Chair: We're suspended.

• (1320)

(Pause)

• (1325)

The Chair: We are back.

MP Baker, do you need any more time?

Mr. Yvan Baker: No, I don't need more time.

My understanding is that we were going to start with the procedural motion that I had—

The Chair: I think yours passed already on division. Yours is done, so we are on the amendment.

Mr. Yvan Baker: There may be debate—I appreciate that—but I want to request a recorded vote on the amendment.

The Chair: Okay. That's where we are right now.

Does anybody else want to speak to this?

MP Blaikie.

Mr. Daniel Blaikie: I feel obliged to put on the record on behalf of the New Democrats that our concern about withdrawal with full compensation, with no further talk about the importance of... We know that 800,000 Quebeckers used a food bank in the last year, for instance, and when there is no talk about enhancing an existing program within Quebec, it is a challenge. We want to see those investments also come to Quebec to benefit children in schools through a nutrition program, which is why I'll be voting no on the amendment.

The Chair: Is there anyone else before we go to the vote? No.

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

• (1330)

The Chair: It doesn't pass, so now we are back to debate on the main motion, if there is any further debate.

Mr. Daniel Blaikie: I request a recorded division.

The Chair: I don't see anybody else wanting to speak, so we'll go to a recorded division, which is what MP Blaikie asked for.

(Motion agreed to: yeas 7; nays 4 [*See Minutes of Proceedings*])

The Chair: That is it, members. Shall we adjourn?

Some hon. members: Agreed.

The Chair: We're adjourned.

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