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• (1100)

[English]

The Chair (Hon. Karina Gould (Burlington, Lib.)): I call this meeting to order.

Welcome to meeting number 17 of the House of Commons Standing Committee on Finance. Today we will be discussing committee business.

I have a couple of points I'd like to get on the agenda. The first is a budget for the study of the review of budget 2025. This was when we had the PBO come. It is in the amount of \$2,250. This was circulated to all committee members.

Is it the pleasure of the committee to adopt this budget?

(Motion agreed to [See Minutes of Proceedings])

The Chair: It's a bit retroactive, but thank you.

The other thing I want to mention is that the motion adopted to create the study on the use of offshore tax havens stated that six meetings were to take place. At the moment, five meetings have taken place, and the list of proposed witnesses has been exhausted. I just wanted to let folks know about that.

I have Mr. Turnbull on the list so far. We'll begin there.

Ryan Turnbull (Whitby, Lib.): Thanks, Chair.

I hope we can have a productive meeting today, and perhaps I can appeal to my colleagues across the way. On two occasions, we have attempted to move a motion to study the budget implementation act. We know that the act will eventually get referred to our committee. Members opposite have had access to the details on that for quite some time now. In fact, eventually this committee will be responsible for studying all the budget 2025 measures, which are included in the BIA.

We've attempted to do a pre-study a number of times, with no success. In fact, the members opposite have voted to adjourn debate on multiple motions. I hope that today we can perhaps get to a point where we all agree that this committee has to fulfill its mandate and study the BIA. I'm proposing that a five-meeting study on the BIA would be quite reasonable to hear testimony.

I'm sure my friend Gabriel Ste-Marie, who was on this committee with me previously and was quite reasonable.... He's standing in for his colleague today, but I know he's a very reasonable person. I think he's always proven himself to be willing to do the work in this committee.

Eric Lefebvre (Richmond—Arthabaska, CPC): What about me?

Some hon. members: Oh, oh!

Ryan Turnbull: Well, Mr. Lefebvre, you're newer, and I haven't gotten to know you yet, but so far I know that you've voted with your party to adjourn debate, unfortunately, on my two motions to study the BIA.

I hope we can get there.

Just so I know, Chair, what resources do we have today? How far into the day can we go with this meeting?

• (1105)

The Chair: I'll have to confer with the clerk.

Ryan Turnbull: Can we check the resources?

The Chair: We'll have to get back to you on that.

Ryan Turnbull: I would like to appeal to members opposite and see if they're reasonable and willing to start a study on the BIA. I would humbly invoke something called the Simms protocol, an informal practice that has been used in many committees to ask members a question without ceding the floor.

I have a number of motions that we've put on notice. I'm sure members opposite have received them. We could obviously speak to those, and I'm prepared to do so today, but I wondered if there was any change of heart and if a study of the BIA was something that the members were willing to entertain today.

I will invoke the Simms protocol, if that's okay, Chair, just to see if there's any response from members.

I see no signs that opposition members are willing to do the work that this committee is clearly supposed to do, so I will move the following motion:

Given that:

A. Budget 2025 announces the government's intention to move forward with a range of productivity-enhancing measures that would allow businesses to:

a. Write off the cost of their investments more quickly, including the reinstatement of the Accelerated Investment Incentive;

b. Immediately expense manufacturing or processing machinery and equipment;

- c. Immediately expense clean energy generation and energy conservation equipment, and zero-emission vehicles;
- d. Immediately expense productivity-enhancing assets, including patents, data network infrastructure, and computers;
- e. Immediately expense capital expenditures for scientific research and experimental development;
- B. These measures will lower Canada's marginal effective tax rate (METR) by more than two percentage points, putting it at the lowest rate in the G7;
- C. The Conservative Party of Canada's 2025 election platform contained pledges to make Canada's METR more competitive;

The committee undertake a study of the 'Productivity Super-Deduction' measures contained in Budget 2025 and the Budget Implementation Act and consider all testimony from said study as part of its consideration of the Budget Implementation Act.

That's the motion I'm moving today.

I'm quite excited by how these measures in the BIA address some of the long-standing concerns that have been flagged by the Bank of Canada and the deputy governor of the Bank of Canada. We have heard for a number of years that Canada's productivity needs to increase and that there are ways to boost productivity in Canada that the Government of Canada should be considering. I think it goes without saying that the measures outlined in the motion I just moved would significantly increase investment in Canada and allow businesses....

I ran a business for 13 years. I'm an entrepreneur and a business owner. I grew a good-sized small company, I would say. I know very well how challenging it can be, especially in tough economic times when your company's balance sheet is not that great. It's very tough to then justify making investments that would boost your productivity and enhance your growth. It will make you more profitable in the long run, but it's tough to do that when your balance sheet is not great, when your cash flow is struggling or strained. When you're running a business and you're worried about paying your monthly expenses, it's very tough to put significant investments into the business to grow it.

Many small and medium-sized companies are in that predicament today. It's no fault of the government, but our economy has gone through numerous shocks. The global pandemic was a significant shock. The after-effects of the supply- and demand-side shocks were significant, with supply chain disruptions that we all know about and lived through. Now, with the trade war with the United States, we can see that another significant economic shock has raised uncertainty in our business environment and all across our economy.

• (1110)

That's truly challenging our businesses at this time as far as making investments goes. Obviously, being able to immediately expense things like new machinery and equipment is significant. If you are a business owner, and I said this previously, you put away money to pay your taxes. If by purchasing a \$100,000 piece of equipment, which is cheap for a piece of equipment—it could be a lot more and it could be millions of dollars for new equipment—you are going to be able to immediately expense that machinery and equipment that your business needs.... You know it would increase productivity and allow you to get greater output. You're not really able to do that unless you know you can immediately expense it.

If you know you're going to be able to write it off, you can literally take money out of the account that you're saving in to pay your taxes and spend some of it on your business and invest in yourself. I think that's a really good way for the Government of Canada to incentivize behaviour in our economy. This is going to see significant gains at a time when Canadians and the Canadian business environment are struggling. I think it directly counteracts some of the uncertainty in the investment environment and allows businesses to invest in themselves.

It's not just me who says this. There are a lot of other people who agree with us. In budget 2025, on page 87, we've also shown very clearly that the marginal effective tax rate in Canada would significantly improve. It's actually already—statistically, anyway—really good. Canada is already the lowest in the G7 in terms of METR.

This even makes it significantly more competitive: more competitive than the United States by far, more competitive than the OECD average and more competitive than the G7 average. Canada literally has the lowest marginal effective tax rate in the G7, by a significant amount. Canada's METR would be 13.2% after this measure. Currently, we're at about 15.6%. With this set of measures—I should say, the “productivity superdeductions”, as we've coined the phrase.... I don't know who came up with that, but a superdeduction and a productivity-boosting superdeduction sound pretty good to me, especially right now.

Let me take a moment to point out that Mr. Kelly, who sits on this committee, has made many comments in the House of Commons about productivity boosting. I have a lot of quotes from him demonstrating that he is and has been concerned about productivity in Canada, yet for some reason, he doesn't want to study productivity-boosting tax deductions for businesses across Canada. I wonder how the people in his riding would feel about that and how his chamber of commerce would feel.

I know how my chamber of commerce feels about it. I know how the Canadian Chamber of Commerce feels about it. I know how the Ontario Chamber of Commerce feels about productivity-boosting tax deductions. I know they're supportive. We have statements from each one of the major organizations across Canada.

I often thought in the past, as I remember my dad telling me when I was a kid, that Conservatives were supposedly more focused on the economy. What's interesting is that at this point, it seems as though the Conservative Party of Canada doesn't even want to support businesses in this country. It doesn't seem to want to actually address the productivity challenges that have been pointed out many times over. Mr. Kelly, for example, has asked, “where is the plan to deal with the crisis and bring down inflation, reduce food prices, increase housing supply and increase the productivity of the Canadian economy...?”

- (1115)

He has pointed to the fact that productivity is a problem. On October 9, 2025, he also said, “When investment dollars leave the country, that means there is no investment in plant and equipment and technology, which would help drive up productivity so that Canadians can earn more and live better, fuller lives”. That’s a great quote. I agree with him.

It’s very tough, because sometimes we don’t agree in the House of Commons and in parliamentary proceedings. We have vigorous debates, but there are moments when we find things we all agree on. I think this is one thing that every Conservative I know in my riding would agree with. They would agree with the fact that boosting our economy and productivity is part of Canada’s path forward. It’s part of building a stronger, more resilient economy.

It’s also part of increasing the standard of living for Canadians all across the country. Why? It is because in this country, we need continued, real wage growth that outpaces the cost of living. I think Conservatives have pointed to this. We’ve pointed to it. Documents have pointed to it. Associations have pointed to it. The Bank of Canada has pointed to it. I’ll go through all of those statements, because I think the case is compelling. It’s so compelling that I can’t see how any member on this committee or in the House of Commons could be doing justice to their constituents by either voting not to study this or voting against these measures in the House of Commons.

It’s kind of shocking, because when a company can invest in new machinery and equipment, and when it can invest in energy conservation, energy generation, zero-emission vehicles, other forms of assets, research and development, and intellectual property, and when it can invest in new technology, i.e., new computers and data network infrastructure, those businesses are naturally going to be more competitive and more productive.

It just strikes me that when I talk to business owners in my riding, and when I present to my chamber of commerce, every single business owner who sits around the table at those conversations says, “Oh, this is great.” They are very happy with the Government of Canada moving forward with measures that will boost investment, that will allow them to make those updates, that will allow them to be more productive and that will allow them to have higher outputs and essentially be more profitable.

What this means for us is that those businesses can afford to pay their employees more. They can pay dividends to their shareholders as well, because they’re more profitable as a result. There are many ways in which such productivity enhancements will boost the standard of living for both investors and workers. That’s what’s so exciting about these measures.

I know Mr. Kelly is also a big fan of productivity. He said, “Businesses would generally love to invest in plant, equipment, technology and things that would increase productivity, but in this country, there is no opportunity”.

That’s striking, because now there is opportunity. There’s opportunity in the budget. There’s opportunity for Mr. Kelly and other members of this committee to support productivity-enhancing in-

vestments, and it’s clear to me that many of them should be supporting them.

Here is another one of my favourite quotes, from the member for Niagara South:

Canada’s productivity has slipped badly among G7 nations. Why? Capital is staying on the sidelines as confidence lags. Investments in equipment, new innovation and business efficiencies are on hold because of basic economic uncertainty. That is the essence of productivity. The last thing our economy needs right now is uncertainty, yet here we are.

This is interesting because it speaks to the moment we’re in and how budget 2025 responds to that. It responds directly to the uncertainty and sees the opportunity in that uncertainty to boost productivity at a time when Canadians really need it.

- (1120)

I have a quote from the Conservative member from Langley Township—Fraser Heights—Tako Van Popta, I think his name is. He quoted, “To drive the kind of growth Canada needs today, we are redoubling our efforts to attract investment, increase productivity and boost innovation.” He commented, “Most recently, in the 2025 budget speech just a couple of weeks ago, the current finance minister had this to say about productivity: The government is fully focused ‘on boosting productivity—doing more with less—because that is the best way to raise [the] standard of living.’” He said, “I agree with that, and I applaud them for at least recognizing that there’s a problem.”

It’s interesting. Conservatives, time and time again, will recognize that productivity is a problem, that GDP per capita.... I remember being in the House of Commons for several years under previous leadership, when Conservatives pointed to GDP per capita as a key measure in the economy. Now, I’m of the opinion that there are a lot of other measures of economic health in Canada. We could talk about wealth distribution. We could talk about a whole bunch of other factors and measures to assess the overall health of Canada’s economy, but I agree that productivity has to be addressed, and stagnating productivity is exactly what the budget addresses through the superdeductions.

A member also said, “I have been here for six years, and in all that time, things have not improved despite the government’s promising that it was going to improve productivity. The time is now.” I couldn’t agree more with that. The time is now. The time to support productivity-enhancing measures like these superdeductions is now. I think that there are many, many business and organization leaders across Canada who feel the same way I do, who want this BIA to pass swiftly, but not without debate. I believe we should have vigorous debate on aspects of it, but they want it to pass swiftly.

For example, the Federation of Canadian Municipalities' Scott Pearce, the past president, says that Canada's productivity superdeduction is a strong signal of leadership on economic modernization. He says that it shows a clear commitment to working in partnership with municipalities, provinces and territories to deliver solutions that meet the needs of Canadian communities and businesses. He also says that municipalities are ready to help drive investment in clean tech and advanced manufacturing, ensuring that local economies benefit from these incentives. This is from the past president of the Federation of Canadian Municipalities.

Just imagine your municipality. Each member of this committee serves in a riding. They have at least one municipality, or probably more, that they represent or support. We're saying that the head of the federation of all of those municipalities is excited about the strong signal of leadership that these superdeductions demonstrate. I think there's a widespread recognition that municipalities are partners, and these superdeductions are welcome news in terms of being able to help drive investment.

Let's not forget, when the deputy governor of the Bank of Canada was here, she answered numerous questions. I think she answered three or four of my very simple questions about whether these deductions, immediate expensing, would boost investment and boost productivity. She answered in the affirmative at least three times that I remember. Then the governor stepped in, because I was probably stepping over some imaginary line, which was asking him about fiscal policy.

● (1125)

He said that they know where this is going. He basically said, yes, they're all going to boost productivity because anything that encourages and incentivizes investment is going to help boost productivity.

It's interesting. We have Conservative members, who are for addressing productivity. They've recognized that purchasing new machinery and equipment, for example, is an aspect of how you can boost productivity. Obviously, it's easy when you're talking about manufacturers and processors, but even the purchasing of assets is included. This is part of the forthcoming BIA document that is still being worked on a bit. The point is that even purchasing new real estate for businesses....

I had a really good conversation with Timbren Industries, a manufacturer in my riding, just last week. They've been making casings for bearings for trucks. They're now extending into light-duty trailers, of which there are hundreds of thousands sold in Canada every year. They're very excited about this because it's a market opportunity for them. They can see themselves expanding into a market that has great potential.

They hadn't heard about our productivity superdeductions. When I told them about the things we were proposing to do in the BIA, they were elated. I've never seen two business owners so happy. I won't reveal any private information, but essentially, they would need to make investment in the millions of dollars into updated machinery and equipment in order to undertake a pivot and growth strategy that seizes a real market opportunity for them. This is at a time when everyone is struggling and the economy is....

Actually, I should revise that. The economy is growing and exceeding expectations, in fact, in a number of significant ways. I know that Conservatives have a hard time admitting that, because it doesn't fly with the doomsday narrative they like to spin. However, it certainly is the case, when job numbers exceed expectations, when GDP growth is beyond what was anticipated and when real wage growth is outpacing inflation, that these are significant indicators of some strength and resilience in the Canadian economy. My message to you is that it is only going to get better if we support this.

Maybe that is really the issue here, now that I think it through. Maybe the Conservatives don't want to support this, because it essentially makes them look bad. They would rather not support productivity-enhancing investments and tax deductions for businesses, because if the economy is successful as a result of that, they look bad. They look bad because the economy is not in a slump. It's not going down. It's not in a decline. It's not the doomsday narrative they like to spin. I think that's the real issue at stake here. It's the real thing. It strikes me that this is probably why they don't want to study a motion like the one I'm putting forward today.

Perhaps, after my speech today, there will be enough evidence entered into the record that Conservative and Bloc members will just agree with the budget. I have prepared so many quotes and so much information on this that really substantiate the argument that no reasonable person....

I almost feel like using the reasonable person test here. Is Gabriel Ste-Marie still reasonable? Is he controlled by the Bloc leadership to say that he cannot support a BIA study?

It would be great if we could do a study on the BIA and actually unpack how all of these measures are truly meaningful for boosting our economy. It would be really wonderful.

Let's look at the Ontario Chamber of Commerce for a moment. Rocco Rossi, former president and CEO, was quoted by The Globe and Mail, with regard to the productivity superdeductions, as saying that the productivity superdeduction is a game-changer for Ontario's business community. By allowing immediate expensing of productivity-enhancing assets, the province's manufacturers and innovators will be better positioned to compete globally. He urged swift implementation to maximize the benefits for Ontario's economy.

● (1130)

I know that Ms. Cobena is in Ontario. I don't think the other Conservative members are in Ontario. It's the Ontario Chamber of Commerce saying that this is a game-changer for the Ontario business community. I'm not sure why she doesn't support productivity superdeductions, because it seems that the chamber for Ontario—which speaks for all the chambers, including in her riding—urges swift implementation to maximize the benefits for Ontario's economy.

By blocking the BIA, by not being willing to study it, you're essentially delaying the implementation of things that would benefit Ontario's economy and businesses in your riding. How is it responsible behaviour for a member of Parliament to be actively working against the interests of the business community in their riding?

I can hold my head up, because I'm actively working in the interest of businesses in my riding and advocating for measures in the BIA that directly support them to be more productive, to make investments in themselves, to have a lower tax burden and to be more competitive globally. That's exactly what the Ontario chamber has said. That's exactly what the Federation of Canadian Municipalities has said.

How is it acceptable? How do you look at yourself in the mirror when you're not willing to step up and support your local business community? I can't understand it. It's irrational to me. It has to be about partisan politics. There's no other explanation for why members wouldn't support a BIA study.

Let's look at another stakeholder, a very important stakeholder: Clean Energy Canada. Merran Smith, former executive director of Clean Energy Canada, was quoted in the CBC News. I know that members opposite don't like the CBC. The Bloc members like CBC/Radio-Canada. Conservatives always complain, so we should use a different source, I guess, but I'll use it anyway.

Merran Smith said that budget 2025's superdeduction for clean energy investment is exactly the kind of policy Canada needs to accelerate the transition to a net-zero economy, as well as that provincial and municipal leaders have a vital role to play by deploying these technologies and ensuring that communities reap the rewards of new jobs and lower emissions. This is another stakeholder pointing to the fact that these superdeductions would help with clean energy investments and allow businesses to adopt clean energy technology.

I should point out that in my previous life, when I did audits for businesses to look at how they could reduce their costs, both the cost of goods and the cost of operations, they could integrate energy efficiency measures into their businesses and would often get significant cost savings for their businesses. This would enhance their profitability.

A lot of clean technology has a really good business case for it. The more you integrate it, the more you save. That's what's great about energy efficiency. Yes, there's an initial capital outlay, which is an initial investment, often in some new machinery or equipment or in a new mechanical system for a warehouse. There are quite a few different options. The point is, once you make that payment, you are essentially going to be saving money for decades.

What's interesting is that the productivity superdeduction applies to clean technology and electric vehicles. These measures will allow a business to save on their taxes exactly the amount that they invest in themselves, while also saving money for decades to come. That's just good business. It's clear to me that Merran Smith, from Clean Energy Canada, understands this. It's clear to me that businesses in my riding understand it. I think businesses in general understand what benefits the government is offering.

• (1135)

Let me just pivot for a second to another important feature in budget 2025. It's on page 88. I don't know whether members have had the chance to review this, but I think by now we've all had lots of opportunity to read through the budget.

Page 88 has a box titled "Investing Where It Counts: Catalysing Private Investment Through Accelerated Depreciation and Immediate Expensing". What I like about this box in the budget is that it outlines the economic impacts for all of Canada based on these measures.

I'll read it out and then maybe explain it, just to highlight the key pieces that I think are really important:

Private investment in new machinery, buildings, and technology is one of the most effective ways to increase productivity, helping workers produce more in less time and boosting Canada's long-term growth.

I think I quoted that when the Governor of the Bank of Canada was here, and he agreed with this statement.

I'll go on, though:

Immediate expensing and other forms of accelerated depreciation make it easier and more attractive for businesses to invest by allowing them to deduct the full cost of new assets more quickly. This lowers the cost of capital, strengthens the business case for modern equipment,

—which is exactly what I was just saying—

and encourages companies to invest and expand in Canada.

This is the part that really strikes me as significant, because members opposite want real GDP to grow in Canada, I would think, although I know they didn't like the good numbers that came in. Canada's real GDP in the third quarter was 2.6%, way beyond market expectations, and they did not like that. They shouted me down in the House of Commons because they couldn't stand the fact that I was bringing good news about Canada's economy.

Anyway, let me go on to this next part, and I'll quote it. This is in budget 2025, on page 88, if members haven't had a chance to read it yet.

The \$2.7 billion in average annual support for investment provided through the accelerated depreciation and immediate expensing measures included in Budget 2025 will crowd-in private capital investment and could generate an economic output of up to about \$9 billion annually over the next ten years.

Nine billion dollars annually over the next 10 years is \$90 billion over 10 years of crowding in new investment. That's not insignificant. It's \$90 billion over 10 years, and I would venture a guess that this is just the direct benefit; if we look at the indirect and induced benefits, as economists would do, then it would be far beyond this. The multiplier effects would be way beyond this. It would be interesting to do a study on it, and we have the opportunity to do such a study. That's exactly what I'm proposing, gentlemen.

No one seems to be paying attention anymore. Well, that's unfortunate, but it's clear that they don't want to pay attention because they're not interested in supporting productivity-boosting investment:

These measures would mean most assets in the manufacturing sector would be eligible for immediate expensing—lowering the cost of capital and unlocking billions in private investment.

Do we believe in the industrial base of our economy? Do we want to see that grow? Members across the way stand up in the House of Commons every day and talk about saving jobs. They talk about the softwood lumber industry. They talk about the steel and aluminum industry, and we're with them on wanting to protect those industries. We're doing things in this budget that will not only protect them but also help them grow, be successful, boost their productivity and growth, and be more competitive globally.

How could they not want this? If they're really serious about wanting to protect our industries and serious about supporting them, then maybe they should do that. They should actually support them by voting in favour of productivity-boosting superdeductions.

• (1140)

Now, I want to highlight how much new investment would be crowded in and how much these measures really mean to our manufacturing and processing industries in Canada. Canada has a really large natural resource base—we're strategically advantaged in that regard. I know members from all parties recognize that. However, a lot of what we have to do....

At this time, we're in a trade war, trying to decouple the Canadian economy from the United States and ensure that it can grow and thrive. This is despite the fact that we're likely going to do less trade with the United States in the future and more with a diverse set of other trading partners from around the world. In order to do that, we need to have a strong manufacturing base and grow that base; we also need processors in our supply chain.

We need to turn raw material into finished products in Canada so that we can ship them to other parts of the world. By doing that, we retain more value in the supply chain in Canada, boost opportunities for Canadians and have lots of job opportunities. This is part of what we're up to.

When we talk about raw aluminum—and I know that a lot of the Quebec MPs are very concerned with the negative impacts of the trade war on the aluminum industry, as am I—we've done a lot to help those impacted industries, but we can continue to do more. One thing I've heard, and I reviewed the statistics on this, was to look at how Canada can build the processing and finishing capacity to produce aluminum products in Canada instead of shipping raw material over to the United States, having it processed and finished, and then, often, buying it back. That is the case in many of our other supply chains, because our supply chains have been so integrated so long.

The reason I'm highlighting productivity superdeductions... These focus on purchases of new machinery, equipment and assets; they also focus on new intellectual property protections and other forms of information technology, as well as clean technology, integrating it into business models and even offsetting the R and D

cost, which is often way up front. All of these things allow for supports that would enhance processing and manufacturing in Canada.

Those types of businesses.... I'm certain all members on this side believe and are with me in wanting to support Canada's industrial base to become stronger and more self-sufficient in the future. That's part of what it means to be the strongest economy in the G7 and to build a more resilient economy here in Canada.

Let's see what the Association of Equipment Manufacturers had to say about this, for example. Alexandre Mattard-Michaud is the director of government affairs at the Association of Equipment Manufacturers. He had this to say about productivity superdeductions:

For the Association of Equipment Manufacturers (AEM) and its Canadian members, the budget offers promising signals on productivity, trade infrastructure, and workforce development.

The AEM also stated:

The introduction of a Productivity Super-Deduction would allow businesses to immediately expense all new capital investments, including manufacturing and processing buildings acquired after Budget Day and used before 2030. This measure, phased out gradually between 2030 and 2033, is a direct response to industry calls for accelerated depreciation to spur business investment.

I forget how many members they have, but I'm venturing a guess that there are thousands of members of that association whom this individual is speaking on behalf of, so there are thousands of members who are equipment manufacturers in Canada. I could be wrong, so I shouldn't say, but maybe we could look that up and clarify. Many members of that association, whom this person is speaking on behalf of, have said that this was a direct response to industry calls for accelerated depreciation to spur business investment.

• (1145)

This goes to the heart of what I've been saying here and what I'm building the case for, which is that we want more investment. Do the Conservatives want more investment in Canada or not? It seems they don't.

In my view, there's only one way to interpret this. When you have the Federation of Canadian Municipalities, the Ontario Chamber of Commerce, the Canadian Chamber of Commerce—which I'll get to in a second—the Association of Equipment Manufacturers and other industry associations all saying that this is a direct response to what they've been asking for, which is going to boost investment in business investment in Canada and help us grow a stronger economy, how can you be opposed to that? I can't understand it.

Carlos, my colleague, please help me understand how anyone can be opposed to this after saying over and over again in the House of Commons and in committee that this is exactly what they want to see. This is the kind of thing they want.

I said it in the House of Commons on Friday. I said the Conservative Party has been in opposition so long and they've become so disagreeable that they can't even find it in their hearts to agree when it's something that they've advocated for. This is mind-boggling, but I guess that's the state we're in at the moment.

I noticed that the member for Newmarket, Ms. Cobena, said in the House of Commons, "Our GDP is struggling. Our productivity is down. Our purchasing power is crumbling. The unemployment rate is rising, and tariffs are hurting our industries." She also said, "The purpose of a budget is to bring order to uncertainty".

That's interesting. It sounds as though she wants productivity to go up. She wants GDP per capita to go up, but she isn't willing to support the things that everybody else in Canada believes are going to boost productivity, even the Bank of Canada governor. How do you disagree with the Bank of Canada governor and deputy governor on this? They've studied it for a long time.

I was going to get to another quote that I had, which was really good. The equipment manufacturers association said this responds directly to the call to "spur business investment" in Canada.

We also have the Canadian Chamber of Commerce. Before, I spoke of the Ontario chamber, and I spoke of the Federation of Canadian Municipalities' chair. Now we're speaking of the Canadian Chamber of Commerce. I met with them last week. Again, we also talked about these measures. They were elated. They couldn't be happier or more overjoyed for these measures.

I have a quote from Alex Greco, senior director of manufacturing and value chains: "Budget 2025 represents a real shift in direction. With the budget having passed yesterday, we're seeing a move away from consumption-driven stimulus toward investment, productivity and a more deliberate industrial strategy." That is exactly what I've been saying. He also said, "Manufacturers I've spoken with generally welcome the signals: stronger language on competitiveness, new capital investment tools like the Productivity Super-Deduction and a clearer focus on growth. The overall tone is more aligned with the conditions Industry has been calling for."

It's a positive review from the Canadian Chamber of Commerce. On the Canadian Chamber of Commerce, I have about 800 members of the small business community in my riding of Whitby. I love my small business community, I have to say, because I was a small business owner and helped other small businesses get started. I love working with small businesses. I love the agility and the way in which they create value and think about their businesses. I love how strategic they are and how much they're often focused on family values. That's something I really relate to.

• (1150)

What's clear to me is that the Canadian Chamber of Commerce is representing.... In my riding, there are roughly 800 members in the chamber, but every riding in the country has a chamber, pretty much. Maybe not every one has one, but many of them do. They probably have thousands in other areas. My town is a little smaller. I'm sure our chair and my colleague here, Mr. Leitão, probably have bigger chambers than mine, and I'm sure members across the way have big chambers.

They all feed their input and feedback up through the different levels to the national organization, the Canadian Chamber of Commerce, that federated model. The chamber then speaks to us on behalf of the business community all across Canada. They say they welcome new capital investment tools like the productivity superdeduction and the clear focus on growth.

Is it the intention of members on this committee to disagree with their chambers and say, "No, we're sorry. We disagree. Productivity superdeductions are not welcome. They're not helpful"? Is that really the position of Mr. Kelly and the Conservative members on this committee? Is it their position that productivity doesn't matter now? It seems so.

We have Alberta Innovates. I highlight these because there's support across the spectrum. It's not just in Ontario. Alberta has not only the Government of Alberta but also Alberta Innovates that support productivity superdeductions. It's not just in constituencies or with stakeholders who are skewed toward some aspect of the political spectrum. This cuts across every political party and political point of view because it's not political. It's really just about boosting our economy. What is wrong with that? How come Conservatives don't want to support it?

The former CEO of Alberta Innovates, Laura Kilcrease, was quoted in the Financial Post on December 1. She said that Alberta's innovation ecosystem stands to benefit significantly from the federal productivity superdeduction, that immediate expensing for R and D and clean-tech investments will help Alberta companies scale faster and attract global capital, and that they look forward to working with provincial and municipal partners to ensure these incentives reach the innovators who need them most.

There's another glowing statement of support for the productivity superdeduction. Again, it's a package of all of these immediate expensing and accelerated-depreciation measures, which, I think, have been well received by many.

That's Alberta. Here's one from the Government of Alberta. Nate Horner, Minister of Finance, was also quoted in the Financial Post on December 1. It's the same article. Nate said that the productivity superdeduction aligns with Alberta's strategy to drive investment in innovation, that immediate expensing for R and D and clean tech investments will help Alberta companies scale faster and attract global capital, and that they support measures that empower their businesses to compete and grow.

I like that. He said that they support measures that empower their businesses to compete and grow. I think that should be the statement from this committee.

If we were to undertake this prestudy of the BIA—with these measures being called out or segmented so that we could study them in depth—I'd bet that, at the end, we would conclude that we, the members of this committee, support measures that empower our businesses to compete and grow. That should be a universal statement for members of Parliament.

Do we not value our businesses? They're the ones that employ the workers whom everyone here says they are wanting to protect and advocate for. These productivity gains are going to boost the standard of living, are going to boost real wages in relation to the cost of living, are going to boost GDP per capita and are going to enhance our businesses to grow, scale, attract global capital and attract domestic capital as well.

● (1155)

I can't understand how the folks from Alberta, for example, on this committee could disagree with the finance minister of their province, who clearly said that productivity superdeductions align with Alberta's strategy to drive investment and innovation. How can you disagree with that?

Maybe you could make an argument against productivity superdeductions' giving businesses tax breaks that are welcome news for them, that they look forward to and that they're elated and happy about. You can be the naysayers and the detractors of that. You can disagree with your own business community and your province's finance minister.

I'm with my finance minister in Ontario on this—Peter Bethlenfalvy. He's from Pickering, which is a couple of ridings over from me. He's a conservative guy, but a reasonable Progressive Conservative. He's someone I can get along with because he's rational. I quite like him. He's a nice guy. We get along.

In addition to the finance minister in Alberta, the conservative finance minister of the more progressive party in Ontario said virtually the same thing. He said that Ontario welcomes the federal productivity superdeduction as a timely boost for their manufacturers and innovators. The measure would help Ontario businesses invest in new technologies and equipment, and it would support jobs and growth across the province. They look forward to working with Ottawa to ensure the incentives deliver real results for Ontarians.

He's another finance minister from another conservative-run province. It is arguably a different party from the one in Alberta, but they still share a viewpoint on a Liberal government-proposed set of productivity tax deductions for businesses to help them make capital investments. They overwhelmingly agree that this is how you boost investment and innovation; it is how you enable businesses to compete and grow.

Let's go to Olivia Chow, the NDP mayor of the biggest city in Canada—Toronto. I'm sure members opposite don't share her political views on many topics, but that's okay. At least we can find common ground in parliamentary proceedings.

We can have debate. That's the meaning of dialogue, by the way. It's actually the root of democracy. If you look back to Greek philosophy, dialogue is supposed to be about getting to the truth together. It's not about being attached to our points of view so much that we won't allow ourselves to admit when somebody is being more reasonable than we are. Eventually we can find common ground. That is what democracy is supposed to be about.

Let's take common ground here. You have two conservative provincial finance ministers, and now you have an NDP mayor of the biggest city in Canada. Olivia Chow said that Toronto's economy stands to benefit from the federal productivity superdeduction. By supporting investments in advanced manufacturing and clean technology, this policy would help build their city, create good jobs and build a more sustainable future. They encourage all levels of government to work together to maximize these opportunities for Torontonians.

I know Toronto's not the centre of the universe—don't get me wrong—but it is one indicator. I'm trying to demonstrate that reasonable people across the political spectrum—whether they're NDP or Conservative, whether they're really right-wing or maybe more progressive—agree that productivity superdeductions are good for Canada's economy, for businesses and for our ability to compete for global capital.

On the opposite end of the spectrum, on the other side of the country, in the city of Vancouver, I got to meet Ken Sim this summer when I did pre-budget consultations. We didn't talk about superdeductions, but we talked about other issues in the city of Vancouver, of which there are many. The budget also responds to those, by the way, because we listened to stakeholders across the country.

● (1200)

On productivity superdeductions, he had virtually the same thing to say. I don't know his political views—whether he's more NDP or Conservative. It actually doesn't matter to me. Let's just hear what he had to say.

He said that the productivity superdeductions are a welcome step for Vancouver's business community, supporting investments in clean energy and advanced infrastructure. He said that this policy will help the city deliver on climate goals and economic growth and that collaboration of all levels of government is essential to ensure that these benefits are realized locally.

That's almost the same kind of statement as the one from the mayor of Toronto. You have two mayors in major cities. You have finance ministers in Ontario and Alberta agreeing. You have the Association of Equipment Manufacturers, the Federation of Canadian Municipalities, the Ontario Chamber of Commerce and the Canadian Chamber of Commerce all agreeing that productivity superdeductions—I don't know how many times I can say those words—are a good thing. Just listen to the name. They sound like a good thing, don't they? Supercharging our economy has to be a good thing.

The case is overwhelmingly clear that you can't spin this as a bad thing. There's no way to spin it as a bad thing. The indication is that it's going to have a three-time multiplier just in direct benefit for attracting and crowding in more private capital. That's straight from our budget, and it's consistent with other numbers I've seen. This doesn't include indirect and induced benefits.

I guess the Conservatives and the Bloc members don't actually want to see our economy grow, multiply and attract private capital or to support our local business communities, support our industrial base, build the infrastructure we need and get our clean energy to markets far and wide. It's striking.

Let's take a look at a commentator, economist Linda Nazareth. It's a Global News commentary on productivity superdeductions. Linda is an economist and commentator who wrote an op-ed about this for Global News and said the following:

Canada's 2025 Budget correctly flags productivity as a crucial economic issue and includes measures meant to boost it.

With the economy under pressure, the government's new "Productivity Super-Deduction" could be a successful way to get businesses to invest money at a time when their inclination may be to pull back.

That's exactly what I've been saying. Instead of pulling back, they're going to take some risk on themselves and invest in themselves. That's going to boost their ability to get through the challenging times we're in.

The deputy governor of the Bank of Canada, Nicolas Vincent, is quoted in Investing News on November 28, 2025. Nicolas says that Canada is facing a "systemic problem" when it comes to productivity. He said, "To put it bluntly, we're stuck in a vicious circle.... There is no quick or easy way to improve productivity, and no single sector can do it alone. If we want to fix this, we'll need to be thoughtful, systematic and resolute".

Pointing to the problem.... When we had the chance to speak to the Bank of Canada representatives who were here, they confirmed on the record that these immediate expensing measures were going to be very helpful. They're not the only things in budget 2025 that will boost productivity and growth. There are many others that we could talk about and point to, but I think these ones are significant.

They're significant to me because, when I toured the country in the summer, I got to do a lot of pre-budget consultations right across Canada, from the tip of Cape Breton all the way to Iqaluit and all the way to Vancouver Island. I got to talk to people in Victoria, in Iqaluit and many places in between.

• (1205)

A number of things stood out to me, but one of them was that businesses really need a bit of a hand to make these kinds of investments. This is a long-standing issue that hasn't been fully addressed. I think we've now deemed that this budget is really the time to dive into the productivity problem—or the stagnation of productivity in Canada—to really get the economy moving and to stimulate, at its base, the real fundamentals of the economy. This is exactly what these immediate expensing measures do.

Let's look at another example. Jamie Golombek is managing director and an estate planning professional at CIBC private wealth management. This is what he said in a November 4, 2025, article:

These are helpful measures that many businesses have been asking for, some of them parallel changes that were made in the U.S. recently, in terms of their ability to write off capital costs of various expenses....

When you have a business that's in the manufacturing and processing area, the ability now to write off 100% of the cost of that building as opposed to depreciating it over time is a huge incentive for businesses to be able to recoup for tax purposes the investment associated with that new facility.

That's another glowing statement of support for the immediate expensing measures and productivity superdeductions in budget 2025.

You've got tax professionals at CIBC private wealth management. You've got the Bank of Canada. You've got the Chamber of Commerce. You've got economists. How many other...?

I would love to have some of these people come to this committee. Maybe we don't need to. Maybe we should just pass the budget right away and get it done.

What do you say, folks? That might be even easier than this is. It's almost painful to have to outline all the support to the members. I'm happy to do it, because we are happy to put the work in to make sure these things get done. I would be doing a disservice to my community members, to my local economy in Whitby, if I didn't fight for these measures. It's surprising that members opposite don't want to study these measures, because they don't really want to hear—they already voted against it, let me remind everybody—about these measures that are getting glowing recommendations, reviews and support from every single stakeholder out there.

That may be why you don't want to study it. You're really not interested in doing what's good for Canadians. You're just interested in delaying the budget. You don't want the government to look good and get the win to help Canadians and help the Canadian economy. It's a shame. It's shameful that, unfortunately, this is the state of the opposition parties today. They can't bring themselves to do the job they were elected to do, which is to work on behalf of their constituents. It's not to block Parliament from doing its work on a budget bill that includes measures that are highly beneficial to our economy, especially in a trade war.

At least in the pandemic, I saw a bit of a moment in which we had parties working together, for a period of time at least, until Conservatives went off the rails. We had a moment, when we were in crisis, in which it seemed as though people came together. We said, okay, let's put partisan politics aside, and let's actually get some things done here, because Canadians are really counting on us. There are lives at stake.

• (1210)

Conservatives stand up in the House every day and shout and holler, rage farm and say they care about this and care about that, about food bank lineups and workers. How can you honestly get that stuff and then come to committee and not be willing to support productivity-boosting investments in Canada? How could you do that?

You're not supporting workers. These measures are going to support workers. These measures are going to support investments into businesses that grow our economy and have more workers employed and have workers get real wages that are higher than inflation—which has been the case for 33 months in a row, by the way.

I know my stats, and we're actually doing fairly well with regard to real wage growth in this country, but we need to do even better. These things are going to make it even better. They're going to help us out-compete the United States in terms of our marginal effective tax rate. Isn't that what we want? We want to do better. We want what's better for our constituents and our business community.

I feel as though I'm digressing. It seems that there's no sense in the Conservative members today and that they're not going to be reasonable, but let me quote an editorial published in the world tax and law, which said that businesses investing in machinery, manufacturing facilities, clean energy equipment and research and development assets will benefit from faster depreciation and a significantly reduced marginal effective tax rate, estimated to fall to 13.2%, for one of the lowest rates in the G7. The goal, according to the government, is to enhance productivity while driving the green transition, ensuring that investment incentives are aligned with sustainability objectives.

That's great. To me, that's a quote from an editorial that was published, which is interesting. It's another endorsement that makes sense. I think they've linked it to the green transition, which I agree it is to some degree, but it's not only that. These productivity gains would be linked to all aspects of the Canadian economy, whether you're building a major piece of infrastructure anywhere in the economy—such as in Quebec, the north coast of B.C. or the transmission corridor—or you're helping the Inuit-led project up in Iqaluit to build a hydroelectric project, which will divert 15 million litres of diesel fuel from having to be burned to power those communities.

Because these measures apply across the board, I had some businesses ask me whether they apply to all businesses. In fact, they do. I think there's only one that is going to be more focused on processing and manufacturing, but most of them are right across the board, so they really are significant for all businesses, no matter where they are.

Every business has to pay taxes, so tax deductions would be welcome news, you would think. I remember the Conservatives had said at one point that they wanted to give Canadians tax breaks, so here we are giving businesses tax breaks at a time when they need it—when uncertainty is high and when supply chains need support—but the Conservatives won't support that. It seems contradictory.

Here's another editorial on warehouse automation:

Ottawa has introduced a Productivity Super-Deduction, a sweeping set of measures to stimulate private investment in machinery, buildings, technology, and intellectual property.

The message is clear: the path to a stronger economy runs through modernization, automation, and digital capability.

You have two quotes here. One is more focused on the green transition, and the other is more focused on modernization, automation and digital capabilities. It supports both equally. These measures support all kinds of businesses to make these productivity-boosting investments.

• (1215)

We have another piece, this one from Lawson Lundell, a law firm, dated November 6, 2025: “Budget 2025 reinforces Canada's commitment to building a low-carbon economy by extending and expanding several clean energy tax credits.” This one is relevant as well.

How about this one? NorthBridge Consultants states:

The most exciting news for forward-thinking companies lies in the new incentives bundled under the banner of “Supercharging Growth,” particularly the confirmed and enhanced changes to the Scientific Research and Experimental Development (SR&ED) program and the new “Super-Deduction” initiative. These measures are designed to immediately improve cash flow, reduce the cost of capital, and reward businesses that take risks and drive innovation in Canada.

The window for maximizing these benefits is now.

That is NorthBridge Consultants' analysis, which was published online. NorthBridge is the insurance company, right? Yeah.

Anyway, they are saying exactly what I've been saying, which is that businesses shouldn't have to wait for these benefits. They shouldn't have to wait for the certainty that the government can provide with budget 2025, the certainty that says these deductions are passed through Parliament, have gained royal assent and will apply in the following tax year, so companies have the certainty they need to invest.

It just makes no sense that we would delay at a time when uncertainty in the world, our economy and the business environment is so elevated that all of us are aware of it. It's a shame that we have members on this committee who are delaying people from accessing these things, or at least having the certainty that they would be available.

This is the key: We set out to develop budget 2025 by saying that this level of uncertainty couldn't become the norm, that it is important for us as a government to provide as much certainty as possible. There are a number of ways that governments can provide more certainty. Obviously, we don't control the entire economy, but at least where we can, we're signalling that there are benefits and investments; there are a number of things for the longer term that provide guardrails and more certainty in a very uncertain world. Those are exactly the kinds of things we need to do.

Here's another quote by a guy named Paul Davenport from his analysis on November 5, 2025. He says that budget 2025 delivers:

...the most significant SR&ED program enhancements in over a decade. The expenditure limit for enhanced refundable credits has jumped from \$3 million to \$6 million...capital expenditures are back, and the government is investing \$110 billion over five years in productivity and competitiveness measures.

This is a bundle of productivity and competitiveness measures. No one can claim we're not focused on productivity in budget 2025, especially given all that I've taken the time to build in support of not only the productivity superdeductions but also the SR and ED program and the capital expenditures associated with it—because those are now eligible for the SR and ED program. The SR and ED program is, in a way, part of the bundle of capital investments in the productivity superdeduction package, because we're proposing to make changes to the allowable capital investments and capital expenditures under the SR and ED program.

We've also increased and enhanced the refundable credit limit from \$3 million to \$6 million, doubling it in size. This is the flagship workhorse for offsetting the cost of research and development in our business world all across Canada.

I got to host a conversation at the Toronto Stock Exchange with many businesses in attendance, as well as the CEO of the exchange, John McKenzie, who was asking for the SR and ED program to be modernized in these specific ways to allow some of the small pre-revenue companies to be listed—a lot of which are in the clean-tech industry. They wanted these changes made.

- (1220)

We went above and beyond the changes they asked for with the SR and ED program. In fact, we have created a package of other productivity-boosting measures that basically give businesses tax breaks for making any capital investment in their business.

All of that, as I've been saying, is going to help boost productivity and growth; it's going to help boost GDP per capita, and it's going to enhance the real wage growth in Canada, which has already been beyond inflation and the cost of living for 33 months in a row.

Let me also quote again from the deputy governor of the Bank of Canada—Nicolas Vincent. This was published in Investing News on November 28, 2025. He said, “There is no quick or easy way to improve productivity, and no single sector can do it alone.” He went on to say, “If we want to fix this, we'll need to be thoughtful, systematic and resolute”. He then suggested that policy-makers should focus on improving the country's investment climate, increasing competition and developing talent.

That's interesting. He's giving us advice. The Bank of Canada doesn't do that too often. I note that we don't give them advice, and

they don't really give us advice, but he's essentially showing support for boosting the country's investment climate.

There's really no argument to be made to say that these productivity superdeductions don't achieve this. In fact, they do. I think every stakeholder in the country, from the Canadian Chamber of Commerce to the Ontario Chamber of Commerce, from the Alberta Minister of Finance to the Ontario Minister of Finance, from the mayor of the city of Toronto to the mayor of Vancouver—it doesn't matter their political stripe—understands something. When you give businesses the ability to immediately expense new machinery and equipment, as well as new intellectual property protections, and when you give them the ability to purchase new technology—whether clean technology or information technology—and integrate it into their business, offset the cost of R and D or purchase a new building or real estate asset, you are essentially giving them the ability to invest now and take a risk that they wouldn't otherwise take in an environment that is strained with uncertainty. That's pretty significant.

Mr. Stevenson, you weren't here for all of this, so I could repeat it for you, but we have lots of testimony here that.... It would be great if we had a study on the BIA. You're coming in a bit past your other members, but I'm sure you would be convinced by reason. I'm certain that you're a reasonable person. I'm absolutely certain of it. Your business community, your chamber of commerce—I can't remember what riding you're from, but I'm sure you have a chamber of commerce just like I do—supports productivity superdeductions, as the Canadian chamber does, the Ontario chamber does and my local chamber does. I know it for a fact, because I've spoken with them. These are things they've asked for.

There are other good stakeholders here who made these recommendations in our pre-budget consultation. This committee received....

By the way, I'll make this point as well. Members opposite complained that we didn't have enough testimony in this committee on the pre-budget consultation, which was very interesting, because they also blocked our ability to have the testimony. Now we have the budget and the budget implementation act, but they don't want to study the BIA. They don't want to hear from the witnesses again.

• (1225)

I suppose that later, when we eventually come to some realization and study the BIA, they'll say they don't have enough time and want to hear from more witnesses. I guarantee that's what will happen. Mr. Kelly is already agreeing with that. That tends to be how it goes. What's true in one moment is not true in the next moment. It's a flip-flop. It's whatever goes. It doesn't matter whether we're reasonable people or not. It's unfortunate, but that's exactly what I see.

However, let's take Cenovus Energy. I'm sure some of the members know of the company. I'm sure you would know them.

Mr. Stevenson, do you know of Cenovus Energy?

Mr. Kelly, I suppose you know.

Pat Kelly (Calgary Crowfoot, CPC): Are you giving us the floor?

Ryan Turnbull: No, I'm invoking the Simms protocol.

Pat Kelly: Okay, thanks. Do I have the floor now?

Ryan Turnbull: It's the Simms protocol.

Pat Kelly: No, that's not a thing.

Ryan Turnbull: Yes, it is.

The Chair: Mr. Kelly, thank you.

Ryan Turnbull: It is actually a thing.

Pat Kelly: Which page is it on?

Ryan Turnbull: I used it in the procedure and House affairs committee in the middle of the pandemic, when you guys were filibustering to prevent us from having a hybrid Parliament in order to pass legislation in the middle of a global pandemic. I used the Simms protocol then.

I learned it from Scott Simms, and it is a thing. You can ask the clerk if you like, but the Simms protocol is a thing. It's an informal practice that has been used in many parliamentary committees.

I'm surprised, Mr. Kelly. I know that you were the chair of a committee, and I thought you were a procedural expert. I'm surprised you don't know that. It makes me feel good, though, because maybe I know something you don't know. Who knows? At this moment, it seems true.

Anyway, I'll get back to Cenovus Energy. I'm sure you guys know them. In the pre-budget consultation recommendations they submitted to this committee—they probably would have liked the opportunity to come and testify, but they weren't allowed by members opposite—their recommendation was to “Provide 100% capital cost allowance for new capital investments that will demonstrably improve Canada's economic productivity.” I'll go on to read the rest. They had another recommendation: “Renew and enhance the Accelerated Investment Initiative to restore competitiveness with the U.S.”

Those are two quotes from Cenovus Energy that are straight out of their pre-budget consultation submission. I know that members opposite likely support Cenovus Energy, yet they won't allow us to even study this, hear from them on the BIA or have them come and tell us that we're doing exactly the right thing from their perspective and we're doing what they asked us to do. It's remarkable that mem-

bers opposite wouldn't even support a major energy company operating in their jurisdiction, but I guess this is what you get with the Conservatives today.

Canadian Manufacturers & Exporters is another really important stakeholder. I'm sure we all want to see our manufacturers and exporters do well. In their pre-budget consultation submission.... I remember it because I met with them during the pre-budget consultation. They attended one of the sessions I hosted, and they told me the same thing, which was that they advocated very strongly for these immediate expensing measures.

Now, they didn't call them productivity superdeductions. We re-labelled them that way, which I think is a great label. It sounds good, and supercharging our economy is always a good thing. You can't disagree with that, in my view—especially during a trade war. It's universal for me that we want to boost our economy in Canada and have a healthier, stronger economy.

Let's see what the Canadian Manufacturers & Exporters had to say in their pre-budget consultation recommendations. This is a direct quote: “expand and upskill the manufacturing workforce” and “enact reforms to stimulate innovation, investment, and the adoption of advanced technologies in Canada's manufacturing sector”.

That's interesting, because it's exactly what they told me when we met in the summertime before we formulated the budget. They also mentioned immediate expensing and accelerated depreciation, which they have advocated for—I believe—for over 15 years.

We did some things in a previous budget, which were the capital cost allowance and the accelerated investment initiative. However, what we're doing in this budget is significantly more aggressive and provides a lot more benefit for businesses.

Mr. Stevenson wasn't here for this, but on page 88 in the budget, if you're looking for a reference, there's a box that provides information on the costing and the benefits in terms of economic output of crowding in private capital. It says: “\$9 billion annually over the next ten years”. That's “\$2.7 billion in average annual support for investment” during the years when the immediate expensing and accelerated depreciation measures would apply, with \$9 billion annually in benefits. That's a three-time multiplier at least. It's more than that, but it's a significant amount. Over 10 years, \$9 billion is \$90 billion. I'm no mathematician, but even I can add that up, and \$90 billion is better than not having it. It's better than zero.

There's another recommendation, this time from the Association of Equipment Manufacturers, AEM. They put in a pre-budget consultation submission on August 1, 2025. They said:

● (1230)

AEM member companies have the tools required to foster a robust domestic Canadian economy and unleash resources that help meet the needs of Canadians. AEM member products and innovation are essential to building critical infrastructure, supporting housing development, and driving productivity in key sectors such as agriculture, forestry, construction, mining, and energy. By enabling large-scale projects, AEM member products help fuel economic growth, job creation, and regional development across the country. Their contribution strengthens supply chains and ensures Canada remains competitive amid trade disruptions.

They also point to the fact that the industry “supports more than 152,000 workers and contributes \$41 billion a year to the national economy.”

They said:

For equipment manufacturers to help build, power, and feed the world, policymakers must make critical infrastructure investments across Canada. AEM calls on policymakers to prioritize export-focused infrastructure project to improve Canada’s economic security and competitiveness for generations to come.

In essence, they're saying they support—I know this because I met with them as well—the productivity superdeductions because their members will benefit from them. Imagine equipment manufacturers in Canada bringing in \$41 billion a year to the national economy. Conservative and Bloc members don't want them to have deductions that would enhance their ability to invest in boosting their productivity and growth.

How about the Canadian Labour Congress? They say, “The underperformance of Canada’s economy is a direct result of under-investment in productivity-enhancing machinery and equipment.... US investment in M&E has increased almost 50% since 2008.”

That's exactly why we need to do the very things we're doing in budget 2025. We need to do them to be competitive with the United States and boost productivity. That's exactly what they're saying. By offering tax incentives for investment, we'll have more investments in machinery and equipment, which will boost our productivity.

The Canadian Labour Congress has said multiple times that Canada's productivity growth has been struggling. That's exactly why we want to boost it. I have more to say on this....

Canada's Semiconductor Council, for example, has said the industry “generated \$28.8B in output and contributed \$16.3B in value added to the economy.” Canada's automotive sector is also very significant, as we know. Both of them support the productivity superdeductions as well.

There are lots of stakeholders and evidence supporting these superdeductions. I urge members opposite to come to their senses, work on behalf of their business communities and not slow down investments in the economy that are truly needed.

It would be great if members opposite were willing to study the BIA, because the budget implementation act has this in it as one small package of measures that will help address the many challenges our country faces and support our business communities right across Canada. I hope they'll come to their senses and agree to this motion.

With that, I'll yield the floor to one of my colleagues.

Thanks, Madam Chair.

● (1235)

The Chair: Thank you, Mr. Turnbull. Following up on the question you asked at the outset, we had four hours and 15 minutes available. We're at just under three hours at this point, given that you've spoken for an hour and a half.

I'm sorry. It's four hours and 15 minutes total. There you go.

With that, I have Mr. MacDonald next on the list.

Kent MacDonald (Cardigan, Lib.): Good morning, Madam Chair.

Good morning—I guess it's good afternoon now—to everyone else here.

I'm pleased to speak in favour of this motion. I will admit, with some flight problems and things yesterday, I wasn't overly excited at getting up this morning, but after listening to the member for Whitby, I'm getting supercharged now.

Voices: Hear, hear!

Kent MacDonald: I will carry on.

We know that budget 2025 is reinforcing Canada as one of the most tax-competitive jurisdictions for new business investment in the G7. We're going to make Canada one of the best places in the world to invest. The name itself, the productivity superdeduction, as the member for Whitby pointed out.... I'm not sure where it came from, but it is very collective of the measures in the motion.

Paired with a suite of accelerated depreciation tools, we're going to make it easier and more affordable for Canadian businesses, large and small, to invest in modern machinery, technology, clean equipment and innovation.

If we take a look at the various components outlined in the budget, there is an accelerated investment incentive and immediate expensing, and we're going to boost productivity and attract investment. This new government of ours is introducing a productivity superdeduction, so through a set of enhanced tax incentives covering all new capital investment, we will allow businesses to write off a larger share of their costs for these investments right away. This will make it easier for businesses to invest and grow.

I also attended a budget consultation over the summer in Charlottetown, P.E.I., and we met with various seafood processors, agriculture and agri-food processors, farm groups and fishers groups. I was so pleased to see this included in the budget because it was something that was brought up to us at that meeting: the importance of reinstating the accelerated depreciation to 100% for investment in those very vital industries for Atlantic Canada and the area I represent.

If we take a look at other measures that are in this motion, we're going to be reinstating the accelerated investment incentive. The government is restoring accelerated writeoffs so that businesses can recover the costs of new investments more quickly. This is going to improve the cash flow for these businesses, and it's going to strengthen the business case for modernizing equipment and facilities.

As for manufacturing and processing equipment, they will be able to immediately deduct the full cost of new machinery and equipment—a 100% writeoff in the first year. This is going to support all those industries I previously mentioned, such as food processing, advanced manufacturing, marine, aerospace and agri-food processing. This will help drive automation, precision manufacturing and global competitiveness.

Then we look at another item that's getting incentivized, which is the immediate expensing for clean energy and zero-emissions technologies. Budget 2025 is going to expand this to include clean energy generation, energy conservation equipment and zero-emissions vehicles and related infrastructure, and it will support the transition to a low-carbon economy while lowering operating costs for all businesses.

In my region of Atlantic Canada, we have a shortage of electricity, so incentivizing clean energy is going to help with windmill expansion. We're also going to need expansion of solar energy, and we will look to more hydro development transmission cables. All this stuff is going to be incentivized by the productivity superdeduction.

We also have in here the immediate expensing of productivity-enhancing assets, which are things like patents, data, digital infrastructure, and computers and software. This will encourage companies to adopt digital tools, artificial intelligence and modern data systems, which are key drivers of productivity.

We also have the immediate expensing for Scientific Research and Experimental Development, or SR and ED. This will allow firms to fully expense their capital expenditures tied to innovation and R and D. It will also make it more attractive for Canadian companies to develop and commercialize new technologies here at home rather than abroad.

We will be able to manufacture items that we can market around the world, which aligns with the Prime Minister's commitment that we will be exporting 50% more around the world in 10 years' time.

• (1240)

Why is this important? It is because we're stimulating competitiveness and productivity. We're lowering Canada's tax burden on investment.

These measures reduce the METR on new business investment by more than two percentage points. This will give Canada the lowest METR in the G7. A lower METR means we're more competitive in the investment climate, we lower the cost of capital for Canadian firms and we offer stronger incentives to invest in equipment, technology and innovation.

We're also crowding in private investment with this measure. By reducing the after-tax cost of buying new machinery and technolo-

gy, Canada can generate billions in additional private sector investment. This strengthens Canada's productivity position at a time when global competition is intensifying.

We're also supporting academic growth and middle-class jobs. We heard from the Governor of the Bank of Canada at this committee several weeks ago. He spoke of Canada's having a stagnant growth rate and having to improve productivity. This measure is directly targeting that productivity. We should be able to produce higher wages over time, more efficient businesses, stronger economic growth and better global competitiveness for Canadian industries.

The Governor of the Bank of Canada told us here at committee that higher wages also improve affordability for Canadians. These are all good measures that are tied together. Then you have a local economic impact. For a region like mine in Atlantic Canada, these measures are going to help modernize our food processing facilities, and they're going to support the clean energy expansion in rural communities, which is badly needed in my province of P.E.I. We're going to strengthen our agri-food producers, processors and manufacturing. We're also going to encourage tech adoption and digital transformation for small and medium-sized businesses. This supports eastern P.E.I. to benefit directly from new investment and job creation.

Budget 2025's productivity superdeduction positions Canada as a global leader in investment competitiveness, and it's making it easier and more affordable for businesses to invest now. We are laying the foundation for stronger long-term growth, higher wages and a more productive Canadian economy.

We can relate that to the industry I came from. I was a dairy farmer for 40 years before I offered to run in the previous election. What I've seen from that industry is a real need for business people to adopt new technology. New technology comes at a high capital cost, particularly in agriculture. Most agricultural operations carry a larger than normal debt load. For 2024, I think the statistics show that the average debt load of a farm increased by 14%. Agricultural commodities are trading well, but we're in a world in which the cost of labour has gone up a lot and the cost of inputs has gone up. By offering accelerated tax breaks to all industries, particularly agriculture and agri-food processing, we're going to see farmers adopt more technology to address labour shortages and to address the need to be competitive in the world market.

For instance, in the dairy industry, robotic milking is becoming the norm rather than an infrequent investment. We're seeing many farms across Canada change over to robotic milking, which lessens the labour demand for a fairly intensive commitment on a dairy farm.

In my region, we also have a lot of seafood processors. Labour availability is a challenge to them. Pretty well every processor I visited over the summer spoke about the need for accelerated depreciation to help them modernize and bring in new technology for their fish processing plants.

I'm pleased to see this measure in the budget. I'm disappointed that we weren't able to get consensus on the member for Whitby's motion today. I think a study of the BIA while the House works through the process of bringing the bill here for implementation would be time well spent.

● (1245)

I would also like to encourage members opposite to reconsider. We'll be more than willing to stop debate if we can move to agreement on a BIA study.

Thank you, Madam Chair.

The Chair: Thank you, Mr. MacDonald.

I have Mr. Sawatzky.

Jake Sawatzky (New Westminster—Burnaby—Maillardville, Lib.): Thank you, Madam Chair.

I'd like to—

Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): I have a point of order.

The Chair: Sorry, Mr. Sawatzky.

Mr. Genuis.

Garnett Genuis: [*Inaudible—Editor*] here. I was here at the beginning, and I believe that Mr. Kelly had his name up. I think he's next. I don't quite understand how you've gone from Liberal to Liberal to Liberal without even seeming to look at this side of the table. I think Mr. Kelly should be next on the list.

The Chair: Thank you for your opinion, Mr. Genuis. I appreciate that.

I have him on the list, but he was on the list before the motion was introduced. He's on the main speaking list as opposed to this one.

If he would like to get on the list for the motion, then I'm very happy to put him there.

Pat Kelly: I thought I had done so, but yes.

The Chair: Okay, I will add you to the list.

Thank you very much.

Mr. Sawatzky, please continue.

Jake Sawatzky: Thank you, Madam Chair.

As we've been talking about, it's really important to put through this productivity superdeduction. This is something we've been discussing, and I really hope we can make some movement here because some of these steps are really important. I think they would be very well received by the business community. Every business I've spoken to about some of these measures has certainly seen the immediate benefit.

Canada is at a pivotal moment, and we're facing challenges that are defining our future. It's really important that we become more productive as a country right now and have some measures that will help out. If we want higher wages, stronger growth and a competitive edge against the United States and the world, we need to invest and we need to do it now.

For our country to invest, of course, we need to allow our businesses to invest in themselves. That's why this new productivity superdeduction will make us the most competitive country in the G7 for new investment. That's the plan. That's not a slogan. We'll help businesses invest, expand and hire.

This is clearly something we need to do as soon as possible, which is why it's really important that we move towards the BIA and implement some of these things.

Some of the things that the productivity superdeduction can do are with manufacturing and processing machinery and equipment, allowing immediate writeoffs for them, as well as for clean energy generation and conservation equipment for zero-emissions vehicles; for productivity-enhancing assets like patents, data networks and computers; and for scientific research and experimental development.

For all these things, if we allow businesses to invest in themselves, the businesses will become more productive. They will be able to pay higher wages, and they will become more efficient. If all businesses in Canada are becoming more productive and more efficient, this will certainly grow the economy to a large extent.

Not only are we doing this, but we're going further.

There's immediate expensing for manufacturing and processing buildings acquired after budget day and used before 2030. If you think about how expensive these buildings would be, for those to be expensed immediately is very significant.

There are accelerated capital cost allowances for low-carbon LNG facilities with the highest standards for emissions performance. That, of course, helps us move towards our climate goals.

Private investment drives productivity. Every dollar invested in this new machinery, new technology and clean energy will help workers produce more in less time. Yes, that boosts wages, strengthens growth and keeps Canada competitive, and it is very important for us.

With these measures, Canada's marginal effective tax rate will drop by more than two percentage points. We need to be in a competitive place for investment right now at the international level. We want to be somewhere that, across the world, investors in other countries are looking at as a smart place to invest. Canada is a country that is open to investment and will be competitive with our marginal effective tax rate to ensure that people are seeing the return on their investment. We'll have the lowest marginal effective tax rate in the G7, and that's lower than the U.S. and lower than the OECD average, so that's very significant.

In manufacturing, Canada's METR will be 12.1%, and that's compared to 23.3% in the U.S. Think about that: a 12.1% marginal effective tax rate compared to 23.3% in the United States, which is a country that is also very competitive for investment. We're getting close to half their METR. That's a game-changer for competitiveness. It will certainly see a return and large investments into our country, which is critical for our economy at the moment.

• (1250)

Let's talk about the numbers a little more. We have \$2.7 billion per year in accelerated depreciation and expensing support. We have up to \$9 billion per year in economic output over the next decade. There are billions in private investment unlocked for Canadian factories, for clean tech and for innovation.

Think about manufacturing, for example. Let's take a Canadian manufacturer that wants to invest in new robotics to boost output. Under the productivity superdeduction, they can write off 100% of that cost immediately. That's not 90% and not 95%; it's 100% immediately. That means more investment, more jobs and more exports. By delaying the BIA, Conservatives are delaying that process.

There are a lot of businesses that really need support right away. They cannot wait. Of course, layoffs are happening. The economy is in a tight spot, and it's really important that we're able to help these businesses out as soon as possible, because people's jobs are at stake. Every day and every week that this continues to be delayed, more people are getting laid off. It's a very unfortunate fact, but this is why it's so critical to make progress and move toward this BIA.

Let's take clean energy as an example. A company wants to build a solar farm or upgrade to zero-emission vehicles. Under our plan, they can expense those costs right away. That also means cleaner air, lower emissions and a stronger economy. Conservatives are saying no to that.

This is not only good for businesses; this is good for our environment because we have these measures that, if they were to be in place, would be moving us more toward net zero. We'd have more zero-emissions vehicles on the road, and we'd have, for example, more solar farms and a lot of new tech that would move us toward a cleaner economy.

Let's take innovation, for example. A tech firm wants to invest in patents, in data networks and in research and development. Under our plan it can expense those costs immediately. That also allows it to innovate more, have more intellectual property and gain more global competitiveness. Of course, Conservatives are saying no to that as well.

Productivity superdeductions increase real wages compared to the cost of living over time, which is exactly what we are focused on here.

The CPC has previously expressed support for multiple measures included in the BIA, such as the multi-unit residential building tax incentive, elimination of the underused housing tax, introduction of a productivity superdeduction and the increase in the lifetime capital gains exemption. Now it's up to them to decide whether they want to support these measures. Failing to do so proves that they're playing politics here and they just don't want to actually see good things for Canadians.

Given the track record of seeing what the CPC has advocated for, and then—when it comes to actually putting forward the BIA and making moves—completely falling flat makes it pretty clear what's going on.

Do they support the productivity superdeduction? I would assume so, based on the track record of what they've been advocating for. It's a set of enhanced tax incentives covering all new capital investments. It allows businesses to write off a very large share of the cost of those investments right away, but they're blocking that. They're blocking the BIA, which is the very legislation that makes this possible.

• (1255)

Let's be clear: Blocking the BIA means blocking GST for first-time homebuyers. Many people right now are looking for any amount they can save in buying a new home. They're not able to do that. Blocking the BIA means blocking Build Canada Homes, our \$13-billion plan to build affordable housing at scale. This is very much needed right now. People are living paycheque to paycheque with their rent. People need affordable housing. Some people are losing their home because they simply can't afford it. They need the government to invest in building more housing and bringing the cost of housing down so that we can be a place where more people are able to afford homes.

The young generation is in a crisis. The cost of housing is much higher than we need it to be. The government has made clear that there is a plan. The plan is that, with Build Canada Homes, there will be a clear path toward bringing down the cost of housing, increasing the supply and increasing the number of housing starts. Unfortunately, this is not going through. We're not able to make any kind of motion here on the BIA.

Blocking the BIA also means blocking the productivity superdeduction. As we've talked about, this measure will make Canada the most competitive country in the G7 for new investments—the most competitive country and more competitive, by a large margin, than the United States. That is much needed right now. We talk all the time about how, yes, we want to be more competitive, so here's a plan. It's a plan to be more competitive. There is an opportunity to do that, but it's being stalled.

Conservatives are talking about competitiveness and about affordability, but when it comes time to vote, they're choosing to delay and obstruct. We hear a lot of slogans, of course, about a lot of things. They are typically three-word slogans, but slogans are not plans. We've put forward a plan. This is a plan right here, but there's no progress.

On November 17, at the Standing Committee on Industry and Technology, there were some quotes from Michael Graydon, the CEO of Food, Health and Consumer Products Canada, who appeared on productivity superdeductions:

Tax policy must play a central role. Budget 2025's new productivity superdeduction and enhanced capital cost allowance are significant steps in the right direction. Together, they make Canada's cumulative manufacturing tax incentives slightly more competitive than those in the United States. These measures will help de-risk capital investment decisions and encourage companies to modernize and expand here at home.

If government can continue to reduce the barriers, modernize regulation, upgrade infrastructure and sustain a competitive tax environment, Canada can begin to repatriate lost manufacturing. Converting even part of the 55% of imported centre-store goods into domestically produced products would create thousands of new jobs, strengthen regional supply chains and drive productivity growth in creating a level of food sovereignty that we have not experienced for many years.

That's a very moving quote.

Namir Anani, the president and chief executive officer of the Information and Communications Technology Council, stated at the same committee:

Certainly, the federal budget goes a long way toward achieving those with the productivity superdeduction.

He proceeded to say:

Indeed, it's important to help small or medium-sized businesses, or SMEs, acquire those technologies. I'd say that the federal government's newly announced program on introducing a productivity superdeduction is...on the right track.

It's the government's plan to enable \$1 trillion in total investments over the next five years in Canada. That's \$1 trillion in total investments. Think about the amount this will help our economy and really jump-start it, at a really slow time, when companies are dealing with the impacts of trade disputes with our longest trading partner, the United States.

● (1300)

We've been severely disrupted. The plan to enable \$1 trillion in total investments is very timely and very critical. Through targeted tax incentives, major infrastructure projects, stronger competition and a bold new approach to attracting talent, budget 2025 sets the foundation for long-term prosperity so that we can build the strongest economy in the G7.

The government's plan to enable \$1 trillion in total investments in five years includes the following measures. There is a productivity superdeduction to make it easier to do business and invest in Canada. Budget 2025 reinstates the accelerated investment incentive and includes immediate expensing for manufacturing or processing machinery and equipment, clean energy generation, energy conservation equipment and zero-emission technologies. It also moves forward with immediate expensing for productivity-enhancing assets and research capital expenditures for scientific research and experimental development. It introduces immediate expensing for new manufacturing or processing buildings and accelerated depreciation for low-carbon LNG facilities.

Together, these measures form a productivity superdeduction that will lower costs, spur private investments and reduce Canada's marginal effective tax rate to 13.2%, reinforcing that Canada is the most tax-competitive country for new business investment in the G7. It's very important. The marginal effective tax rate of 13.2% really says it all.

People will be looking at where to invest. These are companies from across the world that will be thinking about where the best place is. Not only does Canada have a reputation as a global leader in promoting peace and in being a safe place that is accepting of all people, but it also has a high code of ethics and care and a reputation for people in general being very nice. It's a good place to live, a very beautiful place to live with lots of nature and lots of industries.

Not only are we taking all of that, but now we're also adding to it that the marginal effective tax rate is 13.2%, which makes us a very competitive place from a business standpoint. This really gives us everything that somebody would want when they invest in our country. That is exactly what we need right now, and we can't af-

ford to be wasting any more time in getting to the BIA. It's important that we get to this so that we can put these measures through.

There is also an accelerated investment incentive that provides an enhanced first-year allowance for eligible property that is subject to the capital cost allowance rules. In general, the incentive is made up of two elements, applying the prescribed CCA rate for a class up to one and a half times the net addition to the class for the year and suspending the CCA half year rule and equivalent rules for Canadian vessels and class 13 property. It also includes full expensing for manufacturers and processors, which allows businesses to immediately write off the cost of machinery and equipment used for the manufacturing or processing of goods and full expensing for clean energy investments that allows businesses to immediately write off the full cost of specified clean energy equipment.

I think I've made a pretty clear outline of why it is so important to move towards the BIA. My colleagues have made that pretty clear as well. I really hope that we can get to that as soon as possible.

Thank you, Madam Chair.

● (1305)

The Chair: Thank you, Mr. Sawatzky.

Mr. Leitão, you have the floor.

[*Translation*]

Carlos Leitão (Marc-Aurèle-Fortin, Lib.): Thank you, Madam Chair.

It's my turn to talk about my colleague Mr. Turnbull's motion and, more generally, about the budget. I'll be relatively brief. Everything is relative.

My colleague's motion, which I obviously support, is important for two reasons. First, we need to start the work of implementing the budget. As we've all obviously seen, it's a doorstopper. There are a lot of measures, and they are important measures that require us to do our parliamentary work. It's important that we get to work so that these measures can come into force.

The motion is also important because, as our colleague pointed out, it contains measures to accelerate investment. I'm thinking particularly of the super-deduction for productivity. These are measures to encourage businesses to invest today. The time to invest is now. For both of those reasons, I think the motion is very important and deserves to be discussed and adopted.

I would like to comment on it. I would start by saying that the budget, in general, was very well received in Quebec. My colleague Mr. Turnbull talked about the Minister of Finance of Ontario and the Minister of Finance of Alberta. I would also tell him that Quebec's finance minister found that the measures—

● (1310)

[*English*]

Garnett Genuis: I have a point of order, Madam Chair.

The Chair: Mr. Genuis.

Garnett Genuis: Madam Chair, this is the fourth Liberal—

Ryan Turnbull: It's not a point of order.

Garnett Genuis: —you've gone to without any Conservative. Respectfully, I think the management of the speaking list is not happening in the way it should.

The Chair: Thank you—

Garnett Genuis: I believe it should be Mr. Kelly next.

The Chair: —Mr. Genuis.

No. Mr. Genuis, I know you weren't here at the beginning of the meeting.

Garnett Genuis: That's not true, actually. I was here from the beginning of the meeting.

The Chair: No, you weren't, Mr. Genuis.

Garnett Genuis: Yes, I was in the back.

The Chair: No, I saw when you came in.

Garnett Genuis: Anyway, that's not the point, but I was here.

The Chair: Mr. Genuis, I think what's important is that I'm basing it on the hands as they were raised. I appreciate your opinion, but their hands were raised first. When Mr. Kelly raised his hand and said, after your intervention, that he would like to join this part of the speakers list, I added him. We have Mr. Leitão, Mr. Turnbull and then Mr. Kelly.

Thank you very much for your—

Garnett Genuis: Madam Chair, I'm going to challenge this decision of yours.

Ryan Turnbull: You can't challenge the chair on a point of order. You need to have the floor.

Garnett Genuis: No, you don't need to have the floor to challenge the chair. That is ridiculous.

The Chair: Thank you, Mr. Genuis.

Wait one moment please. Thank you.

The Chair: We'll go straight to a vote then.

Ryan Turnbull: On what are we voting?

The Chair: It's on the speakers list.

Ryan Turnbull: I need to know what we're voting on. I'm sorry. It makes no sense.

The Clerk of the Committee (Jean-Luc Plourde): The question is, shall the decision of the chair be sustained with regard to the speakers list?

(Ruling of the chair overturned: nays 5; yeas 4)

The Chair: Mr. Leitão still has the floor in this instance.

I'm sorry. Give me one second to confer with the clerk.

At this point, Mr. Leitão still has the floor, so I'll allow him to continue.

Mr. Kelly will be on the list after that.

Garnett Genuis: I have a point of order, Madam Chair.

The point of the challenge was that Mr. Kelly should have been called on after multiple Liberals already spoke and because he had his hand up. If I need to challenge the chair again to make clear the will of the committee, I will.

I think we just voted on whether Mr. Kelly should have the floor, but if your ruling is that he should not have the floor, we can challenge again.

The Chair: I don't believe it was clear, so you would have to do it again. As it stands, Mr. Leitão still has the floor, and the vote was about the speaking list.

• (1315)

Garnett Genuis: I will respectfully challenge your ruling that Mr. Leitão has the floor based on the view that Mr. Kelly should have been given the floor and should have the floor.

The Chair: Okay. We'll turn it over to the clerk for this.

Carlos Leitão: I have a point of order.

The Chair: You can't do a point of order just yet. You have to do it afterwards.

The Clerk: The question is, shall the decision of the chair be sustained?

(Ruling of the chair overturned: nays 5; yeas 4)

The Chair: Mr. Kelly, you have the floor.

Pat Kelly: Thank you, Chair. I strongly suggest that you work with your vice-chairs to do something about the business of committee so that we don't have these kinds of meetings.

With that, I move that the meeting now adjourn.

The Chair: Is it the will of the committee to adjourn the meeting?

(Motion agreed to)

The Chair: The meeting is adjourned.

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