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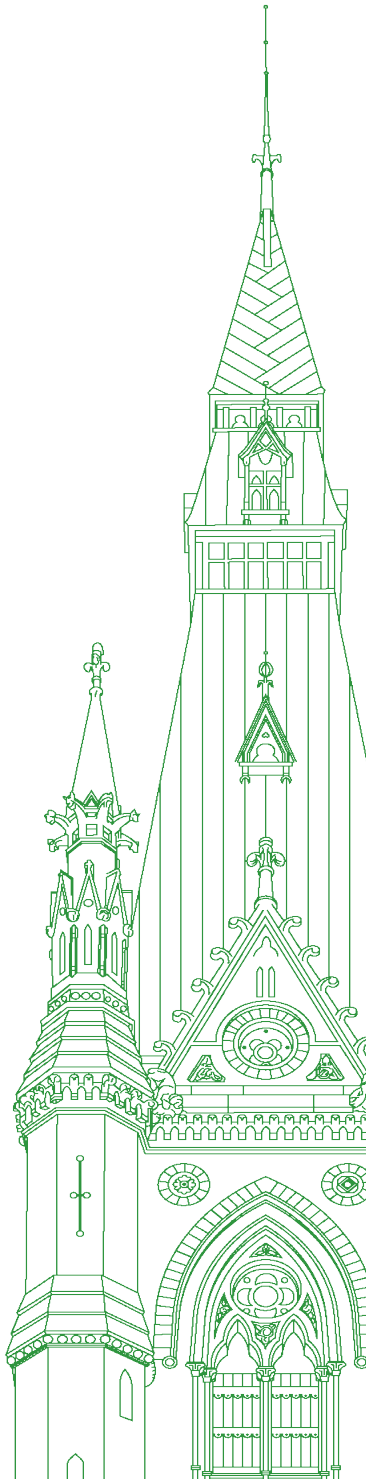
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Chair: James Maloney

Legislative Committee on Bill C-39

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● (1535)

[*English*]

The Chair (James Maloney (Etobicoke—Lakeshore, Lib.)): I'd like to call this meeting to order. Welcome to meeting number six of the House of Commons Legislative Committee on Bill C-39. The committee is meeting today pursuant to the order of reference of Thursday, October 8, 2026. I would like to take a few moments to make a few comments for the benefit of the witnesses and members.

Please wait until I recognize you by name before speaking. For those participating by video conference, click on the microphone icon to activate your mic and please mute yourself when you are not speaking. For those on Zoom, at the bottom of your screen you can select the appropriate channel for interpretation: floor audio, English or French. For those in the room, you can use the earpiece and select the desired channel.

I would like to remind the witnesses that committee members may ask questions in either French or English. If you will need interpretation, please take a moment now to prepare your earpiece and select the listening channel you need in advance. In order to take full advantage of the time allocated for questions and answers, I remind you that all comments should be addressed through the chair. For members in the room, if you wish to speak, please raise your hand. For members on Zoom, please use the raise hand function. We will manage the speaking list as best we can.

I would now like to welcome our witnesses for today's first panel.

From the BC Marine Terminal Operators Association, we have Alicia Peters, president. From the British Columbia Maritime Employers Association, we have Mike Leonard, president and chief executive officer; and from the Western Canadian Shippers' Coalition, we have Warren Lee, president.

Each organization will be given up to five minutes for their opening statement, following which you will be asked questions by members of the committee.

Ms. Peters, we will start with you. The floor is yours.

Alicia Peters (President, BC Marine Terminal Operators Association): Thank you, Mr. Chair and members of the committee, for the opportunity to appear today to discuss Bill C-39, the building Canada strong act.

My name is Alicia Peters. I am president of the BC Marine Terminal Operators Association, which represents the majority of private sector marine terminals on British Columbia's west coast. Collectively, our members help move approximately $1.1 billion in goods every day, including agricultural products, potash, energy products, containers and vehicles.

Our members welcome the introduction of Bill C-39. As the culmination of years of extensive consultations and advocacy by BCMTOA and our members, we strongly support the bill's ambition and holistic view of Canada's supply chain. This consequential bill represents a vital opportunity to modernize port governance, protect labour stability and enhance Canada's competitiveness as a global trading nation.

I will focus my remarks on port governance, because port authority decisions directly affect our members' costs, competitiveness and ability to invest.

Bill C-39 has taken strides to align increased commercial flexibility of port authorities with stronger governance frameworks. Bill C-39 provides an opportunity to further enhance governance by prioritizing port board nominees with deep marine expertise via a competency matrix and including metrics around operational efficiency, cost competitiveness, throughput reliability, permitting times and responsiveness to user input in board performance reviews.

To ensure that private sector users of ports have meaningful input into decisions affecting terminal operators, we ask that tenants of the port be included for consultation on port business plans and land use plans.

We applaud the government for the bill's new fee transparency, consultation and notice requirements. We view these as meaningful safeguards against the risk that tenants could face due to the port authorities' expanded borrowing limits and commercial flexibility.

Empowering the Canadian Transportation Agency, or the CTA, to overturn unjustified fees strengthens accountability and reduces reliance on the courts. We thank the government for giving the CTA real teeth, but it will be important to resource the CTA sufficiently to fulfill its new mandate.

While Bill C-39 has taken significant steps forward in dispute resolution, we call on the government to amend the legislation to allow for a pause of new fees while a filed CTA dispute is under review. As currently drafted, operators must pay disputed fees while awaiting a CTA ruling. Closing this gap would strengthen the legislation.

Bill C-39 expands the commercial powers of port authorities and their ability to participate in new business activities. While we support the flexibility of ports to raise funds and build trade-enabling infrastructure, and we are pleased that the bill requires a port's business plan to clearly isolate core port activities from secondary commercial activities, the unprecedented expansion of authority must be matched with transparency and accountability.

Ports already have a problematic trichotomy as landlord, developer and regulator. Adding “business owner” to the mandate increases the risk of a conflict of interest. Expanded borrowing authority must not create incentives for investments that undermine private sector operators that deploy their own capital. Port authorities cannot act as commercial competitors to their own revenue-generating tenants, using the rents and fees collected from terminal operators to subsidize their own ventures. As noted earlier, to ensure accountability, the bill's requirement to consult the national trade corridors council on land use and business plans must be expanded to include formal mandatory consultation with terminal tenants to prevent scope creep.

Further, terminal members must be consulted on the creation of the national trade corridors council, and industry must be adequately represented in its membership.

In conclusion, modernizing port governance and reducing regulatory barriers will support investment, strengthen supply chains and grow Canada's economy. Clear rules, predictable processes and appropriate commercial flexibility help marine terminals make the long-term investments that Canada needs.

The BC Marine Terminal Operators Association supports the bill's overall direction and calls for minor amendments, which are noted in our submission. Our members look forward to working with Parliament as regulations are developed and implemented.

● (1540)

Thank you.

The Chair: Thank you very much.

Mr. Leonard.

Mike Leonard (President and Chief Executive Officer, British Columbia Maritime Employers Association): Good afternoon. It's my pleasure to be here today, Mr. Chair and committee.

I'm Mike Leonard, president of the BC Maritime Employers Association. For nearly 40 years, I've helped negotiate or led negotiations for major agreements in the public and private sectors. These include 10 coast-wide agreements during my tenure at the BCMEA, including the eight-year agreements reached in 2011. I'm proud that, despite some difficult rounds of bargaining, each agreement was reached at the bargaining table and not through imposed arbitration.

We represent 48 private sector waterfront employers and operators across B.C. that move $1.1 billion in cargo through Canada's west coast ports every day. Canada's west coast ports are part of the nation's economic infrastructure. They connect Canadian workers, businesses and resources to global markets. If Canada is serious about diversifying trade, strengthening supply chains and building a stronger economy, the Pacific gateway has to be able to deliver. To deliver, it needs to be reliable.

Bill C-39 takes an important step to improve the reliability of Canada's supply chains. The BCMEA's position in this regard is straightforward: The best agreements are reached at the bargaining table. Our priorities are fair, durable settlements with our labour partners. Successful bargaining requires a stable framework and effective tools. Bill C-39 offers some important improvements in that regard. I'll focus on three today.

The first is geographic certification. Canada's west coast ports operate as an integrated system with a shared labour pool of over 7,000 highly skilled workers moving across multiple terminal and vessel operations daily and throughout the year. However, industry-wide bargaining remains voluntary. This voluntary nature leads to ongoing exposure to fragmentation of the existing industry bargaining structure, which can occur if either party chooses to give notice to end the decades-long pattern of bargaining on an industry basis. This current structure creates uncertainty and does not provide the necessary reliability required by Canada's national supply chain, nor is it consistent with the certification framework in place at all major ports in Canada.

After the unfortunate labour disruption across B.C.'s ports in 2023, the government initiated a west coast ports industrial inquiry commission, led by veteran labour relations experts Vincent Ready and Amanda Rogers. This was the second time in 30 years that a government had created an IIC to study the structure of bargaining at B.C. ports. What Ready and Rogers found was a bargaining system that was “broken but not beyond repair”. One of the top recommendations they made was province-wide geographic certification, with specified exceptions.

Bill C-39 would allow an employer-initiated application to the Canada Industrial Relations Board, thereby creating a pathway to a more stable bargaining structure. It is important to note that this would not automatically impose a bargaining framework on the parties. Importantly, it would fulfill the IIC's primary objective, which is to inquire into the underlying nature of this gateway's historical disruptions and provide recommendations that squarely address the causes of unreliability and instability associated with the current voluntary bargaining structure.

I'll now speak to the inclusion of a special mediator.

The process, as proposed in Bill C-39, would give parties another opportunity to resolve difficult issues before a strike or lockout occurs. The possibility of producing a public report would bring greater transparency to unresolved disputes and increased accountability and commitment among both employers and unions in the bargaining process. In turn, this would increase the possible path to settlement and align with the purpose of the review, which is focused on strengthening the process of bargaining, not replacing it.

I'll now briefly turn to the changes proposed for section 107 of the Canada Labour Code.

The changes outlined would require the minister to consider a special mediator's report and determine whether a dispute adversely affects, or may adversely affect, the national interest before directing the end to a lawful strike or lockout. These new powers would apply once a stoppage is under way. We support and applaud the added transparency and rigour, but we ask the committee to ensure that the government could also respond proactively when meaningful bargaining has been exhausted and the national interest is at risk—not only after a disruption begins.

Canada needs reliable gateways to diversify trade and reach new markets. Workers, employers and customers all benefit when agreements are reached without disruption. I urge the committee to advance these reforms in the amendment to section 107 in order to stabilize the bargaining framework and protect the national interest when meaningful bargaining is no longer possible.

Thank you.

● (1545)

The Chair: Thank you, Mr. Leonard.

Mr. Lee, it's over to you.

Warren Lee (President, Western Canadian Shippers' Coalition): Thank you, Mr. Chair and committee, for the opportunity to speak today.

My name is Warren Lee. I serve as the president of the Western Canadian Shippers' Coalition.

Our membership spans sectors such as mining, potash, forest products and energy, as well as the industry supporting the movement of these commodities. Collectively, our members represent more than 100,000 jobs, $160 billion in annual trade and approximately 35% of all rail movements across Canada. It's these industries and their economic interests that I represent today.

Prior to assuming this role, I spent 15 years with Canada's largest class one railway, concluding my tenure less than a year ago. It's this experience that gives me a unique perspective on both sides of the rail industry relationship and the operational challenges facing Canada's transportation system today.

During my railway career, I saw first-hand how infrastructure reliability, labour uncertainty and successive governments' unwillingness to address chronic labour stoppages created significant uncertainty for Canadian industry. Some companies reconsidered investments in Canada or moved operations and investments abroad because of concerns around the ability to move Canadian products to international markets.

This is particularly concerning as Canada pursues trade diversification. Market access has limited value if we cannot reliably deliver. Our members report that following repeated disruptions, customers are shortening contracts, shifting to spot purchases, seeking alternative producers and considering foreign suppliers now more than ever. These are warning signs of eroding competitiveness, declining investment confidence and potential long-term losses in Canadian global market share.

Our members are especially vulnerable, as many operate in remote locations, depend almost entirely on federally regulated railways, ports and terminals and have no practical alternative to rail. They cannot simply divert shipments to other modes of conveyance or choose other terminals. They are exposed to disruptions over which they have no control.

Consider the current circumstances. While the Government of Canada actively pursues new trade and investment opportunities abroad, the labour stoppage initiated by the ILWU at Trigon Pacific Terminals at Prince Rupert has been ongoing since October 2, costing tens of millions of dollars a day.

The international message is deeply concerning. Canada's ability to honour commercial commitments and serve trading partners can be compromised by labour disruptions, no matter what the duration. A few days or a few weeks have the same impact, with thousands of workers, businesses, producers and end-users bearing the consequences. It continues to create the perception that the interests of a few take precedence over the economic well-being of the many and, secondly, that Canada is unable and unwilling to protect the reliability of the trade infrastructure on which its reputation depends.

For international investors and customers, this is not just a labour dispute. It is a question of whether Canada can be counted on as a dependable source of critical raw materials and industrial exports. Trigon is a warning sign of broader vulnerabilities in our transportation and supply chain system. If Canada is serious about attracting investment, diversifying trade and strengthening its position in global markets, it must also demonstrate that it can protect the reliability of the supply chains that make those ambitions possible.

This concern is compounded by several upcoming labour agreement expirations: CN on December 31, ILWU on March 31 and CPKC on December 31. We cannot pursue the expanded trade relationships while overlooking the vulnerabilities of the infrastructure and labour framework on which they depend.

These realities inform WCSC's principal amendment to Bill C-39. We recognize the constructive provisions for earlier bargaining, special mediation and a national interest test. However, the specified powers under section 107 remain available only after a lawful strike or lockout has commenced. We believe this leaves a critical gap.

Bill C-39 must provide government with the authority to implement a proactive remedy before a work stoppage, allowing it to address foreseeable nationally significant supply chain disruptions before they inflict lasting economic damage on Canadian industry, Canadian workers and our international trading relationships. The legislation must recognize that the economic impacts of transportation work actions start well in advance of a disruption and extend well beyond the actual outage. Significant costs arise in the lead-up to disruption and continue long after service resumes.

● (1550)

Bill C-39 must provide proactive measures that give domestic and international business confidence in Canada's ability to protect the supply chains on which they depend. This would send a clear signal to global markets that Canada takes its role as a reliable supplier seriously and is committed to protecting the commercial relationships and investment underpinning its long-term competitiveness.

Turning to major projects, WCSC supports the proposed one-year federal direction, coordinated reviews, single assessor treatment for certain energy and nuclear projects, and the early works provisions as well. However, speed on paper must translate into predictable delivery. This requires significant agency capacity, coordinated permitting, alignment with provincial processes, reasonable limits on pauses and extensions, the designation of western Canadian trade corridors and transparent reporting.

To summarize, these address the four broader concerns for WCSC, and we recommend four measures.

The four measures are a proactive remedy ahead of a work stoppage, permanent and effective interswitching provisions within 160 kilometres that apply across Canada and take effect immediately, formal shipper representation on the national trade corridors council, and a transparent corridor performance dashboard.

Thank you very much.

The Chair: Thank you, Mr. Lee.

Mr. Albas, I'm glad you're here. You have the floor first.

Dan Albas (Okanagan Lake West—South Kelowna, CPC): Thank you, Mr. Chair. I'm glad you're here too. It's quality time.

I'd like to thank all of our witnesses for being here today. I'll start first with Ms. Peters.

Ms. Peters, you said specifically in your opening statement that you would like to see more inclusions of tenants' viewpoints in land use. Could you maybe say what you would see in an amendment to Bill C-39 that would allow your group to have more say?

Alicia Peters: It's a pretty easy amendment there. Bill C-39 requires the port to consult with the National Trade Corridors Council. We're asking that you just add “and port tenants” into that language. There are two provisions. One is for the business plan, and the other is for the land use plan. As tenants of the port who use those lands and operate on those lands, we believe that consultation is important.

Dan Albas: When it comes to fee setting and dispute mechanisms, obviously C-39 does have some modernized elements. The CTA will have some authority, but I believe you mentioned that one of the challenges is that if there's a dispute, those fees can be collected, sometimes wrongly, for an extended period of time while the CTA figures out its lunch money.

Could you please just tell us what you'd like to see in there that would offer a little more protection for your members?

Alicia Peters: We'd like to see the ability for there to be a pause while a dispute is ongoing. We know that there are timelines that the CTA has, but of course sometimes those go beyond. Right now, without Bill C-39, disputes end up in the courts, and that can take some time. If you're looking at a disputed fee, you have to pay it for the duration, and if you are successful it gets paid retroactively. We would rather there be a pause while a dispute is being filed, so that our members don't have to incur that cost up front.

● (1555)

Dan Albas: The Roberts Bank terminal 2 project is something that's been in discussion in British Columbia recently. Obviously, it's been said that it's been designated under schedule 1. I'm not going to get into that, but I did note that that particular project, as of October 30, had an outstanding permit for species at risk. It just shows how difficult it is that even after 10-plus years of processes, the port was unable to get a SARA permit through ECCC—or the Impact Assessment Agency—on time.

The point is that under this bill, Bill C-39, in part 2, the transportation projects office would be toothless. It would not have the authority to force even divisions within Transport Canada, let alone outside departments such as ECCC or others. Do you believe that the office should be given the authority to coordinate and to name and shame any particular agency or department that has not provided a permit within the recorded amount of time?

Alicia Peters: We all like to work collaboratively, so hopefully there's no naming and shaming. Certainly, if you can have a process that creates a predictability that the timelines are in place, and where there is a clear chain of command.... We've heard you speak before on this piece and certainly looking at the transportation projects office, if you could have a similar structure to the Major Projects Office, then it creates that predictability and it gives it better adherence to that single window.

Dan Albas: I think that, towards part 1—the responsible authorities—because the Major Projects Office actually has no authority whatsoever, it can't approve anything.

We'll move on.

In this bill, the minister has incredible powers to appoint board members. I don't think you dispute that. I think, in this case, you're just asking them to have a review with some criteria that actually show that they're making the system better. Is that something that you think should be done? Is that an amendment you're pushing forward?

Alicia Peters: Yes. The bill takes steps, but we're asking for it to go a little further. It's one thing to have a review; it's another to say what's in the review. We're asking for a bit more substance in that.

It's also that there's a competency matrix in board appointments to make sure that those appointments are really grounded in folks who have deep industry experience and supply chain expertise.

Dan Albas: That makes a lot of sense.

Lastly, I'll just talk about the Groundhog Day clause, which applies to part 1 and parts of part 2. The responsible authority can ask for another report and another report before it actually deems the commencement clock to start. It has a one-year part, which of course has further suspensions.

Do you believe that the Groundhog Day clause should be addressed, so that if someone wants to do a major project, they have that certainty?

Alicia Peters: I can get back to you on that. I don't want to address that one specifically.

Again, when we can have reliability and predictability, those are good things, especially when you're looking at significant investments.

Dan Albas: You can write to the committee clerk, because he—I mean she—likes getting mail.

Alicia Peters: Thank you.

The Chair: Thank you, Mr. Albas.

Dan Albas: When I get the gender right....

The Chair: That's important.

Mr. Bains, go ahead.

Parm Bains (Richmond East—Steveston, Lib.): Thank you, Mr. Chair.

Thank you to our witnesses for joining us here today.

Just a few days ago, I had the opportunity to join the Tsawwassen First Nation, the transport minister, my Pacific caucus colleagues and ILWU members to officially list the Roberts Bank terminal 2 project as a project of national interest. We were able to talk about the significance. I had an opportunity to make some remarks and talk about its importance.

I want to go to Mr. Leonard first.

You noted that the government appointed two highly respected labour relations experts, Vince Ready and Amanda Rogers, to examine the challenges facing collective bargaining at west coast ports. Can you speak to the significance of their work and how Bill C-39 responds to some of the recommendations they put forward? We want to make sure that by listing this as nationally important, we can maximize its benefits for Canadians and work forward in a good way.

● (1600)

Mike Leonard: Thank you for the question.

Vince Ready, as many may know, is an incredible, well-reputed independent third party who's been the go-to for various labour disputes across the country and internationally, I believe. He was tapped on the shoulder for the IIC that was commissioned by the then minister of labour in the summer of 2023, after the longshore strike. Their work effectively began in earnest in early 2024, and the process took about 12 months to complete.

The recommendations were thorough. The examination, research and interview processes were extensive. There were upwards of, I think, 24 different, separate parties, including various stakeholders, including the primary parties—the BCMEA and the ILWU—that were part of their process and review. The pathway that came out of it, in the form of recommendations, was a stronger bargaining structure and better tools to reach agreements.

I have to say that the BCMEA, ILWU and affected stakeholders worked incredibly hard to ensure that the IIC had the information and perspectives needed to make the best possible recommendations. From my perspective, the recommendations were based on robust consultation.

Parm Bains: Okay.

In your experience, could the additional transparency and accountability from a special mediator report help motivate both sides to find common ground and avoid work stoppage?

Mike Leonard: Absolutely.

What it does is basically provide additional forms of pressure on the parties at various stages of bargaining. When the special mediator becomes involved in [*Technical difficulty—Editor*] the ability to make comments and recommendations on areas of settlement and the parties' conduct, they've positioned themselves to engage in bargaining. They've engaged in meaningful bargaining, or short thereof. All of those things come out in a public report.

The parties then have to account for their conduct with respect, obviously, to their respective principals. That's the membership in the case of the union, and the membership of the BCMEA—the board of directors—in my case. It basically provides an initiative and a nudge to do your best. The best deals are reached at the table. It gives the parties incentive to do that on a consistent basis.

It's just an additional tool—

Parm Bains: I'm going to jump in on that. You've been involved in negotiating nearly a dozen collective agreements on the west coast waterfront. Drawing on your experience, maybe you can talk a bit about the dynamics at the bargaining table and encouraging both parties to get to an agreement before a labour disruption can occur.

Mike Leonard: Sure. These parties have a long history. We have an incredibly skilled workforce. They work their way up through the ranks and become membership representatives for the ILWU. The issues that the parties have to deal with are fairly complex. One of them is technology. It's very complex and can be a highly emotional and contentious issue between the parties. I believe the processes that the IIC has come up with in terms of recommending a way forward, in particular on the special mediator, would help the parties get to a better place in that regard.

Parm Bains: Thank you.

I'm going to switch to you, Ms. Peters, if I can. BCMTOA has expressed strong support for the overall direction. You mentioned that earlier in your opening remarks. From the perspective of marine terminal operators, how will legislation help support growth, competitiveness and private sector investment in Canada's trade infrastructure? What barriers still need to be addressed to unlock additional investment and capacity at the marine terminals?

Alicia Peters: Thank you for the question.

The bill is very broad. It looks at many different items that impact the supply chain and the reliability of Canada's trade and supply chain. That will, of course, support greater trade.

It also creates confidence for private sector investment. For our members to make investments in the terminals, that predictability of fees when you look at the ports but also major projects and greater confidence overall will make a difference. The governance provisions we have recommended will also strengthen the predictability and reliability for our members as well.

● (1605)

Parm Bains: Thank you.

Finally, perhaps I can get this question in to Mr. Lee.

Mr. Leonard mentioned that technology is changing how ports operate around the world. Can you tell us a bit more about how the industry balances technological change with job growth and ensuring that workers are brought along in that process?

Warren Lee: I'll start my answer by saying that I'm not a labour expert, but around the technology piece, from what our members tell us, it's been one of the big challenges in getting a deal put forward between the longshoremen and the ports. We support technology, but we also support the workers and their ability to negotiate.

The Chair: Thanks, Mr. Bains.

Mr. Ste-Marie.

[*Translation*]

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

I'd like to welcome all the witnesses and thank them for joining us.

Mr. Chair, before I ask my questions, I'd like to raise a point with my committee colleagues.

As you know, we received a number of briefs and, so far, they haven't all been translated. According to the ground rules we established at the first meeting, we have until Wednesday, November 4, to submit our amendments. However, before that deadline, it would be appropriate for all of us to have had access to the briefs.

I've spoken with the clerk and I understand that we will have access to all the briefs—which will have been translated—on Monday, November 9. I think we can unanimously agree to extend the deadline for submitting our amendments from Wednesday, November 4, to Tuesday, November 10, at 4:00 p.m. Does that suit everyone?

[*English*]

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

I'll let the committee members weigh in on it. I know that everybody agrees that we need to have the benefit of the translation of all the briefs. What I might suggest as a compromise to get us through is that we stick to the deadline of this Wednesday, based on the evidence we've heard and the briefs we've received so far. Again, it's up to the will of the committee, but perhaps we set another deadline of Monday after, because I understand that the remaining briefs can be translated by Monday. If there are any further amendments arising out of that, or changes to the amendments that have already been submitted, that's the deadline for that.

I don't want to lose the time between Wednesday and Monday. I think that's probably a fair compromise, but I'm happy to hear from you on this.

[*Translation*]

Gabriel Ste-Marie: If we could agree to send the amendments that are already drafted on Wednesday and then send the others before Tuesday, November 10, at 4:00 p.m., that would suit me.

[*English*]

The Chair: That sounds like an excellent idea.

[*Translation*]

Gabriel Ste-Marie: Thank you.

[*English*]

The Chair: Ms. Desrochers, did you want to speak?

[*Translation*]

Caroline Desrochers (Trois-Rivières, Lib.): I'd just like to say that I support my colleague's proposal. We've also discussed it among ourselves. It's good to have the opportunity to read the briefs in French. At the same time, we want to speed up the work.

[*English*]

The Chair: I think we have consensus on that.

Dan Albas: Can you repeat it, Mr. Chair?

The Chair: There's concern, because there are about 100 briefs that have not yet been translated. They won't be translated by the Wednesday deadline to submit amendments. Mr. Ste-Marie is proposing that we extend the deadline.

What I am suggesting is that we maintain the deadline we have for this Wednesday, and that available proposed amendments be submitted at that time. We will have a separate deadline on Monday for any amendments arising out of the translated briefs or for changes to the amendments that have already been submitted.

Dan Albas: Maybe we could leave this to later in the meeting to discuss. We're eating up witness time.

The Chair: Mr. Ste-Marie.

[*Translation*]

Gabriel Ste-Marie: I just want to clarify something. I invite Mr. Albas to listen to what I have to say.

If we receive a hundred briefs on Monday and Monday is the deadline for submitting amendments, time will be too short. That's why I suggested Tuesday, November 10, at 4:00 p.m. That would give us 24 hours to read around a hundred briefs.

[*English*]

The Chair: I see an agreement brewing here. Why don't we defer this until later in the meeting? We can revisit it.

[*Translation*]

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

I apologize to the witnesses. We had a few things to discuss to ensure that the committee's work runs smoothly.

I have a question for all three witnesses.

I would like to know whether, within your organizations, you have business or other dealings with first nations. So far, this committee has only met with a few first nations groups. We will certainly hear from others in the future. These groups had, in particular, raised concerns about the fact that consultation on the designation of a national interest project must be completed within a year.

For example, the Ontario regional chief for the Chiefs of Ontario, Abram Benedict, who represents 133 first nations, said that, sometimes, consultations could take less than a year, but that, at other times, they could take over a year. He said it was up to them to carry out their consultations to secure consent in relation to their rights. He therefore seemed to be saying that imposing a one-year deadline for consultations relating to respecting first nations' rights might not be acceptable.

I would like to hear your thoughts on that, if your organizations have relationships with first nations or do business with them.

Mr. Lee, you can start.

● (1610)

[*English*]

Warren Lee: I'll start.

As an association, we don't have direct dealings with first nations, but all our members do. On that point, it would probably be most appropriate for them to comment individually.

[*Translation*]

Gabriel Ste-Marie: Mr. Leonard or Ms. Peters, would you like to respond?

[*English*]

Mike Leonard: Thank you for the question. I'll take it.

Our members have the primary relationship, because their operations are on first nations land. The BCMEA has a relationship with first nations, but it's not the same relationship the employers have, because of the nature of the difference. They own the operation; we don't.

In recognition of first nations' contributions to the waterfront and the fact that we are on their land, we have recognition of them. We've done a variety of things. We partnered with them to create a mural to represent the historical significance of first nations on the waterfront in British Columbia. That's been painted on the side of our Vancouver dispatch hall. It was done last year. We also worked with the Squamish Nation and the other first nations in the Lower Mainland to advance their issues. We just sponsored the *Back to the Fire* program, which is essentially a historical view of first nations history and the challenges they had in the country.

We take a supportive role where we can, but we don't have direct dealings with them in relation to commercial matters.

I'll end it there.

[*Translation*]

Gabriel Ste-Marie: Thank you very much.

Ms. Peters, do you have anything to add?

[*English*]

Alicia Peters: Our members have direct relationships but also through the port authorities, which are landlords. We work together to have sustainable and important relations with them.

[*Translation*]

Gabriel Ste-Marie: Thank you very much.

Thank you, Mr. Chair.

[*English*]

The Chair: Thank you.

We'll move to the five-minute round with Mr. Lawrence.

Philip Lawrence (Northumberland—Clarke, CPC): Thank you.

Mr. Lee, given your experience with the railways and your current representation of the shippers, I'm going to talk to you about interswitching. I've never seen someone who's worked for both the Hatfields and the McCoys, so that's impressive.

Perhaps we'll start very generally. Could you explain what interswitching is and why it's so important to your members?

Warren Lee: Interswitching, at a very high level, adds competition to the playing field. Canada has two carriers, effectively a duopoly, both with very geographically specific advantages. Interswitching would allow for that circle to basically increase, to allow more people to have access to either one of those two carriers within Canada.

Philip Lawrence: Thank you very much.

Of course, Bill C-39 contains a temporary allowance of interswitching within 160 kilometres. Conservatives would like to see that become permanent. Would you support that, and why would that be important?

Warren Lee: Yes, absolutely.

We would support permanency around the interswitching. It's important to the membership in the sense of—and I've heard it here a couple of times today—the planning process and the certainty around business. No investor or manufacturer will build a plant on the potential to have the ability to operate within one of the two class one railways for a year or two. These decisions are made with 10- and 20-year runways, so the permanency of interswitching is what will inform those business decisions.

● (1615)

Philip Lawrence: In addition to the time frame, there are also economic or financial contributions that go to building infrastructure around this as well. Is that correct?

Warren Lee: Absolutely.

Philip Lawrence: Okay.

Currently in Bill C-39, it's limited to 160 kilometres. Would you like to see an expansion of that?

Warren Lee: Yes, I think so.

We've been talking about the 160-kilometre range simply because that's where we've seen the two historical trials of 160 kilometres. It's arguable that it could definitely be expanded beyond that. Primarily though, it's having the permanency of it. It would be the number one pillar to attack on that one.

Philip Lawrence: I have one final potential amendment that I'd like to discuss with you.

That's to have the interswitching commence within 90 days of this bill's receiving royal assent. Is that something your industry would support?

Warren Lee: Absolutely. The sooner, the better. The sooner this can be enacted, whether it's on a permanent basis or is temporary, the more shippers will be able to take advantage of it, increasing that competitive landscape as we look to diversify our trade.

Philip Lawrence: In summary, your industry, as well as many other folks who have an economic interest in Canada, would like to see permanent interswitching to promote competition in our economy and to hopefully raise the standard of living for all Canadians. Is that fair?

Warren Lee: Absolutely, yes. That's a fair statement.

Philip Lawrence: Thank you very much.

Do you want to go ahead?

Dan Albas: Thank you.

I hope that's all right, Mr. Chair.

Just going back to the earlier point in regard to Ms. Peters, you also mentioned the trade council itself. The trade council will be receiving.... The minister can receive information from the CTA, and the minister can then share that with this supply chain council. I don't deny that the minister should have some counsel, but there is no information about who these individuals will be, whether or not they are currently in the workforce or if they are going to be accessing proprietary information that there could be conflicts of interest on.

Could you please share with me and the committee what you think this supply chain corridor should be looking at in terms of membership and in terms of what information they should be receiving?

Alicia Peters: Yes. I think consultation is what's really important, bringing stakeholders together at the table to discuss what it should look like. There's no doubt that it can play a really important role, but it will depend on how it's structured. What is its mandate? How does it interact with other bodies, like BCMTOA or the greater Vancouver gateway council, for example. What is the relationship that it has? Who is on it? Is it industry? Are they retirees? That can be a challenge if they're not in the sector anymore, as many things change quickly. We are interested to see.... There are a lot of powers for it, and we understand some of the reasons it is being created. We do understand and support that, but we want to be consulted on its creation, its makeup, its mandate and how it interacts with other bodies.

Dan Albas: Thank you.

The Chair: Thank you.

Next is Mr. Kelloway for five minutes.

Mike Kelloway (Sydney—Glace Bay, Lib.): Thank you, Mr. Chair.

Thanks to the witnesses for coming today.

My first question is actually for Mr. Leonard.

Canada's ports compete internationally, Mr. Leonard, for cargo, investment and long-term commercial relationships. I'm looking to see, from your perspective, sir, what the economic consequences are when there's prolonged labour uncertainty with respect to international customers. We've heard that international customers have questioned the reliability of Canadian transport networks, based on employer-employee disruptions. I wonder if you can speak to the economic consequences, sir.

Mike Leonard: A recent example—an unfortunate example, for that matter—was in 2023 and 2024. We had a total of 24 days on which we affected 19.2 billion dollars' worth of cargo moving in across the gateway of the west coast. When shippers see that, they do a couple of things. They gauge whether they're going to engage further with the service in the area that's affected, and they start diverting cargo. When that happens, that creates untold impacts. The cargo basically finds itself in U.S. gateways. In other words, Canadian jobs are not unloading the cargo.

The other piece is that it has a trickle-down effect economically. The impacts go well beyond the waterfront. The impacts are nationwide. It starts impacting rail, which affects the resource side of the equation in Canada. The auto sector in Ontario is affected from a just-in-time parts perspective. The cascade is significant. A lot of innocent third parties are being hit economically, and they have nothing directly to do with the dispute.

● (1620)

Mike Kelloway: Mr. Leonard, in the same vein, in terms of the impacts of the uncertainty, is there anything quantifiable in terms of jobs lost or jobs that we could have had if there were that line of sight and that certainty? That would be, I think, very much highlighted in this bill in terms of different facets from labour to the supply chains. Can you give us a sense—if you have that, sir, whether it's quantifiable or anecdotal—of the potential employment loss when that certainty is not there?

Mike Leonard: We can't quantify that per se with any real numbers. However, I can say that, from what we hear internationally and also locally from our own members and the people they deal with from the customer-base perspective, even the hint of instability causes people to think about what they do with their cargo.

The challenge we have, of course, is that the U.S. west coast is physically proximate to Vancouver, so it becomes a logical destination point for cargo. As a result of that, anything that gets put down there takes jobs away from Canadian workers on this coast. More to the point, when companies, customers and shippers are diverting cargo to the U.S. that's destined for Canada, there's going to be an additional cost that will be borne by the consumer, because that cargo will likely be trucked up across the border into Canadian provinces and delivered accordingly.

It's a compounding effect of employment loss, additional costs for people who rely on the products they receive, and the uncertainty that gets created. It's a major issue.

Mike Kelloway: Thank you, Mr. Leonard.

I'm going to go to Ms. Peters.

Which proposed changes, Ms. Peters, are most significant for marine terminal operators? I think you talked a bit about it, but if you had to quantify, say, the top five, what would they be?

Alicia Peters: Is this for the bill overall or for the amendments that we're looking for?

Mike Kelloway: Let's do a bit of both. Let's start with the bill, and then we can move into some of the amendments you have.

Alicia Peters: Certainly, I would say that the port governance changes are really important for our sector. We are tenants, for the most part, of the port, so the governance provisions there and fee transparency are all very important. With regard to labour stability, many of our members are also members of BCMEA, so labour stability is absolutely critical, and supply chain resiliency is important as well.

There are many measures in that bill, and you'll know that there have been ongoing consultations for a number of years. This bill brings those consultations together into one place. It's something that industry has been waiting on for a long time. I think the goal to double non-U.S. trade in 10 years—now nine years—has really galvanized the industry. We're all ready to keep growing and to get busy.

Mike Kelloway: Thank you.

Mr. Lee, unfortunately I'm not going to have time to get to you. I'll defer to my next colleague.

The Chair: Mr. Seeback.

Kyle Seeback (Dufferin—Caledon, CPC): Thank you very much, Mr. Chair.

Everybody here wants to see more supply chain stability. That's the goal. The question that I keep going back to is whether this legislation will actually accomplish that goal, and every union that's come here to testify at committee has said that it's going to do the exact opposite. In fact, they've now said they're going to set up a national war room to oppose any government intervention. I assume that means with respect to section 107.

I think we have to ask whether this is actually going to be the solution to the problem. We've talked about the industrial inquiry commission today because it made certain recommendations with respect to geographic certification. Actually, one of the key recommendations in that report was that, due to distrust found in parties, empowering the special mediator to compel evidence, attendance and responses is likely a desirable outcome for everyone involved.

The Liberals have created a special mediator, but the special mediator has absolutely no powers whatsoever, which is the exact opposite of what the commission recommended. Would you support amendments to the legislation that would give the special mediator the kinds of powers that the commission outlines—getting people into the room to bargain, compelling evidence, compelling documents and requiring responses, to try to create the environment where the parties can't just ignore each other?

You're familiar with the railroads. That's actually what happened in the rail disputes. They actually just didn't meet. If they bring in a special mediator under this bill, they can still not meet. If you gave the special mediator special powers, I think it would increase the likelihood of what everybody wants, the best deal at the table.

Mr. Lee, I'd love to hear your response to that, and Mr. Leonard's as well. Then we'll hear from Ms. Peters.

● (1625)

Warren Lee: Absolutely. I'll start.

We would absolutely support special mediator power, to your point. We don't know that negotiation isn't happening until after we find out that negotiation hasn't been happening. This is all time that's lost, and it has a huge economic impact for Canadians and for shippers.

The number one thing for us is section 107. We need to be proactive. The damage is inflicted at the first sense of labour stoppage. It's months ahead of time that we start to see defensive spending, planning to triage to new ports, warehousing, other modes of conveyance—you name it. There are all kinds of things that go into that planning before it's even started. Then, of course, there's the hangover effect when the engine has to kick in.

Kyle Seeback: Are you saying that if the parties are actually bargaining, the chance of getting to that is reduced?

Warren Lee: Absolutely.

Kyle Seeback: Mr. Leonard, what's your opinion of special powers for the special mediator as outlined in the “Report of the Industrial Inquiry Commission”?

Mike Leonard: On principle, yes, we support the notion of additional powers. There was a reference to this during the process of actually going through the inquiry commission itself, where the ILWU made a link between that and the ability to compel CEOs of our member companies to the bargaining table. That issue was squarely examined and dismissed by the inquiry commission in question as being irrelevant because the BCMEA is properly structured to carry out its responsibilities under the Canada Labour Code.

That said, every effort needs to be made, and every tool needs to be used to try to achieve negotiated agreements at the table. We need better tools to support meaningful bargaining and to reach durable agreements. We believe Bill C-39 provides some of those tools. The goal of the special mediator is to provide the parties with additional resources and a fresh perspective—essentially, to try to get to a different place. It adds additional pressure.

Yes, while the bill does not have those additional powers you're referring to—named in section 84 of the Labour Code—we can't dismiss or downplay the significance of the transparency effect with the issuance of a report. I think that has the ability to influence parties in terms of their motivations and how they conduct themselves at the table. I think it's a good first step.

Kyle Seeback: Ms. Peters.

Alicia Peters: I would echo those comments, and we'd be happy to look at any amendments.

Kyle Seeback: Great. Thank you. Those are my questions.

The Chair: Thank you, Mr. Seeback.

That brings us to the end of our first panel. Thank you to the witnesses. We appreciate you for taking the time to be here for your valuable contributions.

We'll have to suspend for a few minutes to get ready for the next panel.

● (1625)

(Pause)

● (1635)

The Chair: Welcome back to meeting number six of the House of Commons Legislative Committee on Bill C-39.

I have a few comments for the benefit of witnesses and members.

Please wait until I recognize you by name before speaking.

If you're on video conference, you have buttons in front of you to turn on and off your microphone.

You have interpretation in front of you with headsets. If you have any problems, just raise your hand and let me know.

You will be asked questions in English and French. All questions should be directed through the chair.

I want to welcome our second panel of witnesses today.

From Fédération des travailleurs et travailleuses du Québec, we have Magali Picard, president; Jennifer Genest, adviser; and Renaud Plante, chief of staff.

From L'Union des producteurs agricoles, we have Martin Caron, president; David Tougas, coordinator, business economics; and Charles-Félix Ross, director general.

From the Western Grain Elevator Association, we are joined by Wade Sobkowich, executive director.

To you, sir, I should say “thank you”, because I paid my way through university working in grain elevators in Thunder Bay? I'm glad you're here. I worked for United Grain Growers for five years.

Each organization will be given up to five minutes for an opening statement, after which you will be asked questions from panel members.

We're starting with Madam Picard.

[*Translation*]

Magali Picard (President, Fédération des travailleurs et travailleuses du Québec): Thank you, Mr. Chair.

Good morning, everyone. My name is Magali Picard, and I am the president of the FTQ, the Fédération des travailleurs et travailleuses du Québec. The FTQ represents 600,000 workers in Quebec—tens of thousands of whom are subject to the Canada Labour Code.

I've decided to deliver remarks that are probably a little different from what we had planned. I was here to read you a speech, but I have decided to share our concerns with you instead.

First of all, I was part of the working committee set up by Minister Hajdu, comprising three management representatives and two union representatives. We did a good job, but we ran out of time. The bill has now been tabled. There are some positive aspects to this bill, but certain aspects are of great concern to us.

The goal presented to us is to reduce the percentage of cases in which problems arise—around 5%. Under the Canada Labour Code, 95% of collective agreements are settled with a handshake. How should we deal with disputes that arise in 5% of cases and recur from one round of bargaining to the next? For our part, what we told the minister—and what we are reiterating here today—is that it must be absolutely clear from the outset that, when bargaining, the parties must reach an agreement with one another. Let me explain why.

The moment the government—specifically the Minister of Labour—is given a tool that allows them to intervene, all parties, whether trade unions or employers, no longer negotiate in the same way. People sit back and do nothing, and do not dare move forward in the bargaining process, particularly in cases where there are ongoing disputes, because they know that, in the end, the minister will be able to intervene and the pressure will shift away from them.

I'll give you a concrete example. Let's say I'm bargaining in one of the sectors you know. We just heard people talk about trains, for instance. If I were the employer and knew that my bargaining was going poorly, would I be tempted to put more substantial offers on the table—knowing that, in the end, we might fail to reach an agreement and end up before an arbitrator?

If I'm representing the union—which I am—will I start making concessions at the bargaining table? Will I tell my members that the economic war is taking its toll and that they're being asked to consider this offer and accept it? Or will I take the position that we won't back down, that we won't give an inch and that we'll fight on, knowing that once the dispute is under way, the pressure will no longer be on me or the employer, but on the government and the minister of Labour?

We've seen this type of dispute before. I won't name any major companies, but everyone has travelled with Air Canada. Unfortunately, the company's CEO said that he had no plan to bring people back from abroad because he expected the government to invoke section 107 of the Canada Labour Code more quickly. I'm not making this up; that's how it happened.

When you enter into bargaining and know that you do not bear the burden of reaching an agreement in the end, your approach to bargaining will clearly be different. The danger is that the average percentage of cases involving disputes will rise from 5% to 7%, 10%, 15% or 20%. I understand that this bill is being proposed in good faith. The government's intention is to improve matters, eliminate disputes and find solutions—but what lies before us is dangerous, because it places political responsibility on collective bargaining.

In the brief you received, what we're telling you is that there are repercussions. I hear businesses talking about their reliability abroad, saying that the situation is difficult and that people want a reliable economy. However, this cannot be achieved at the expense of collective bargaining and workers.

In Quebec, a law was passed last April—Bill 14, which is very similar to what is being proposed here. One decision has been handed down so far, because the minister invoked the law once. The courts ruled that this law was inoperative, as it is contrary to our Constitution. So here we all are working on this, despite the existence of a court ruling already recognizing the right to strike in our Constitution and stating that what we are doing will not stand up in court.

So, what we are proposing, if you really want to improve things, is to entrust an independent body, such as the Canadian Industrial Relations Board—or CIRB—with the responsibility for determining whether there are economic repercussions that are too damaging for the country—when it comes to ports or railways, for example—and to consider how we can protect fundamental rights, such as the right to strike, while protecting businesses at the same time. Let's give that responsibility to an independent body, rather than to a minister who will have to decide either to go ahead—which will give unions the impression that employers have won yet again—or not to go ahead, which will give employers the impression that the unions won.

● (1640)

[*English*]

The Chair: Thank you.

[*Translation*]

Magali Picard: Can't we take politics out of this and hand this responsibility over to an impartial body?

[*English*]

The Chair: Thanks very much.

Mr. Caron, you have the floor for five minutes.

[*Translation*]

Martin Caron (General President, Union des producteurs agricoles): Mr. Chair, ladies and gentlemen of the committee, thank you for giving us the opportunity to contribute to your consideration of Bill C-39.

I am speaking today on behalf of the Union des producteurs agricoles, or UPA, which represents 42,000 agricultural producers in Quebec, as well as private forestry producers.

To be clear, we are in favour of better project coordination, more efficient processes and more effective supply chains. However, a fundamental question remains: What problems is this bill seeking to address? Is it the lack of resources within government departments or the protection rules themselves? If those rules are considered to be obstacles, then we are targeting the wrong issue. Why should safeguards be permanently weakened in the name of efficiency? What urgency justifies circumventing them?

For the UPA, efficiency must never take precedence over rigour, democracy, the environment or Canada's ability to produce its own food. Yet Bill C-39 raises serious concerns in this regard. By making permanent powers that were presented as exceptional when the Building Canada Act was passed under closure, the government is crossing a major line. An exceptional measure responds to an exceptional situation. When it becomes permanent, it is no longer an exception—it is a new way of governing. We therefore call for the five-year limit under the current system to be maintained.

The proposed one-year time frame for obtaining federal approval must under no circumstances take precedence over seasonal studies, independent expert assessments and the evaluation of cumulative effects. The federal agencies responsible for assessment cannot simply validate developers' studies; they must be able to rely on independent experts. As for producers and other affected parties, such as the UPA, they must have access to documents in timely fashion and be given sufficient time to be genuinely consulted. Finally, federal coordination must be carried out in accordance with provincial regimes, particularly those that protect agricultural land and regulate private forests in Quebec.

By trying to move too quickly, we risk turning administrative streamlining into a democratic setback and making mistakes that undermine our rights and sacrifice our resources. What room is left for debate when speed becomes the priority?

We are also concerned about the provisions relating to regions of national interest. This mechanism creates a presumption in favour of certain projects and undermines case-by-case assessment. Yet the impacts on agricultural land and activities, water and ecosystems cannot be adequately assessed at the level of an entire region. They must be examined on a project-by-project basis, taking into account cumulative effects as well. That is why we are calling for the removal of this provision.

We support the development of strategic infrastructure and the improvement of trade corridors. Our sector depends on inputs arriving on time and on reliable transport networks to get products to market. However, there is a fundamental contradiction in seeking to strengthen Canada's economic security while undermining its capacity to produce its own food. Farmland is not vacant land awaiting development. Together with water, it constitutes a strategic asset—the foundation of our food security and the health of our ecosystems. Protecting these resources does not mean holding back development; it means preserving the conditions that make it possible.

With regard to part 3 of the bill, a last-resort mechanism may serve the national interest when a labour dispute has serious and disproportionate effects on the country as a whole. The 2019 propane crisis demonstrated the impact that a disruption to supply can have on agricultural businesses. However, this power must remain exceptional. It must be governed by rigorous criteria, be used only after all other remedies have been exhausted, and fully respect workers' rights. It must never become a shortcut for resolving labour disputes.

To conclude, our message is simple: yes to better coordination, yes to more efficient supply chains, but no to perpetuating the exceptional powers arising from the adoption of Bill C-5, no to regions of national interest and no to measures that undermine rigorous project assessment and the protection of agricultural land and private forests.

● (1645)

If the government is seeking a permanent national interest, we already have one: food security in Canada. A country that can build faster but is unable to protect its ability to feed itself becomes poorer, not stronger.

Thank you.

[*English*]

The Chair: Thank you very much.

Mr. Sobkowich.

Wade Sobkowich (Executive Director, Western Grain Elevator Association): Thank you for having me here today.

My name is Wade Sobkowich. I'm the executive director of the Western Grain Elevator Association, which represents Canada's six major grain-handling companies. Collectively, we handle 95% of western Canada's bulk grain exports.

Our comments will focus on labour and marine port governance issues in Bill C-39.

Grain exporters are captive to essential rail and port services. When they are disrupted, we have no viable alternatives. A work stoppage in a single bargaining unit can have the unique ability to bring grain export supply chains to a halt. Modernizing Canadian labour law would ensure that this does not occur. Bill C-39 is a step in the right direction.

We agree that the best agreements are found at the bargaining table, and we're encouraged by the fact that most happen there. The importance of this legislation is how it could deal with the extraordinary cases that could bring the national economy to its knees. Currently, when the process breaks down, the Canada Labour Code does not have effective tools.

The on-again, off-again nature of collective bargaining with the threat of a set strike or lockout means that shippers constantly face uncertain service in the months leading up to a possible disruption. This results in major costs, including lost sales, penalties due to slowdowns and demurrage or freight book costs. The early appointment of a special mediator to manage a bargaining process would be a major step forward. Moreover, the publication of the special mediator's report would be a powerful tool to show the minister and Canadians whether the parties were bargaining in good faith.

From our perspective, there should be fewer politics involved in the appointment of a special mediator. We recommend that the bill be amended so that negotiations that have reached day 75 of conciliation are automatically appointed a special mediator. When a strike or lockout does occur, getting transportation services back to work as quickly as possible is critical for grain shippers that have no other options.

Under Bill C-39, the minister could use section 107 only once a work stoppage is under way, but by then, the damage is done. Millions of dollars are lost before a single train or vessel stops. A legal framework that acts only after a shutdown would require Canadians to give that loss away. In exceptional circumstances, ordering the parties to remain at the bargaining table is entirely reasonable, and we strongly believe Bill C-39 needs to be amended to allow the minister to act in the national interest before a work stoppage begins.

I'd like to spend my remaining minutes on the questionable elements of Bill C-39 regarding the financial powers of marine port authorities.

Port authorities play three roles. They are landlord, regulator and developer. Inevitably, conflicts of interest arise, and we've seen ports acting as legislator, tax assessor and even competitor all at the same time. Bill C-39 would give an almost unfettered power to ports to charge all manner of fees, tariffs and rents, with limited direct oversight of the minister or Parliament.

We think this committee should be asking some very hard questions before agreeing to these provisions. For example, is it the government's intent to fund national infrastructure projects at the local port level? Is it the government's intent to allow port authorities to charge tariffs on goods? Should port tenants pay for infrastructure outside of a port? Should port authorities be able to increase rents and fees with no reasonable explanation or right of appeal? If not, what checks and balances are provided in Bill C-39 to stop such behaviour?

While Bill C-39 would introduce the ability to complain to the transportation agency regarding fees, it would have no meaningful measure of appeal on the fairness and reasonableness of port rent. Rent is by far the largest revenue generator for port authorities, and it's a major oversight not to include it as an appeal mechanism. We ask the committee to amend Bill C-39 to provide real recourse on all port charges, and to clear guardrails and oversight of them.

In conclusion, the Canadian grain sector is a major economic driver, contributing over $40 billion to Canada's annual GDP. As Canada works to diversify markets and attract investments, assigning additional costs to exports would place us at a global disadvantage competitively. Every avoidable disruption and unchecked cost impedes the ability of exporters in the grain sector to maximize the return of foreign dollars to the Canadian economy.

Thank you, and I look forward to your questions.

● (1650)

The Chair: Thank you very much.

Mr. Seeback, we'll go to you for six minutes.

Kyle Seeback: Thank you very much, Mr. Chair.

Madam Picard, I want to talk to you about a couple of things.

Number one, the Liberal government thinks the special mediator's report solves all the problems. Despite the fact that the special mediator has no special powers, they think the report will solve everything, but I asked the minister, what happens if the special mediator's report says that the employer was bargaining in bad faith? Is the use of section 107 then off the table? She did not really respond to that. She did not say that it's off the table.

What are your thoughts? Is this actually going to improve bargaining, as they say?

Also, would you support what I've been talking about? I've been talking about special powers for the special mediator: compelling attendance at meetings, being able to request evidence and documents, giving the special mediator power to assist the parties in getting closer to an agreement; and making sure they actually get into the room together, which is where they need to be to get an agreement.

● (1655)

[*Translation*]

Magali Picard: Thank you for the question. I will ask Ms. Genest to answer it, but I can tell you that the report will be made public. So I do have some confidence in the process.

Jennifer Genest (Advisor, Fédération des travailleurs et travailleuses du Québec): Thank you, Ms. Picard.

Thank you for the question, Mr. Seeback. I'll divide my answer into two parts.

First, the FTQ does indeed support the idea of granting additional powers that would allow witnesses to be subpoenaed, documents to be requested and people to be compelled to come to the table. The FTQ is in favour of this. However, we have reservations about creating a new mediator role. We already have conciliator-mediators who are well versed on the cases and who know the parties.

Second, therefore, the FTQ believes it would be advisable to grant those powers to the people already involved. In our view, bringing a new person into the process at the very end—someone who is unfamiliar with the parties or the case and who will have to make a decision quickly—is not the most efficient way to resolve the situation. Let's give those powers to conciliators at an earlier stage and shorten the conciliation period. That will energize the bargaining process and, in turn, facilitate reaching an agreement.

[*English*]

Kyle Seeback: Thank you very much.

Do you have concerns that even if the special mediator gives a report that says the employer was bargaining in bad faith, the minister can still use section 107 to end a strike?

[*Translation*]

Jennifer Genest: Yes, I think that's the conclusion that can be reached. That is also why, in our view, the report should not be made public. Bargaining rests with the parties, and the parties must be able to work. Giving conciliators greater powers to issue orders encourages a negotiated settlement and, whatever happens, that process will be far more favourable than any other option.

[*English*]

Kyle Seeback: Thanks very much.

Mr. Sobkowich, everybody wants to figure out how we eliminate the dispute in 5% of problems, especially the ones that deal with rail and ports. The issue that I seem to be coming up against is that the government keeps saying this is the solution, but every union that comes here says it's going to make things worse.

As I try to figure out that problem, I go back to the hope that a special mediator—because that's what's coming in the legislation—would have special powers to try to actually improve the bargaining of the parties. Sometimes the relationships are so toxic that they're actually not meeting.

I'm going to ask you the same question. Would you support amendments to the legislation that would put some teeth into the office of the special mediator, so that the special mediator could compel attendance at meetings, request documents and request evidence as a way to empower the special mediator to help the parties get to an agreement?

Wade Sobkowich: In short, the answer is yes. We would support that. We would be on board with bringing in more powers for the special mediator. In fact, one of the solutions that we advocated leading up to Bill C-39 was for the special mediator to control the timeline. In that way, nobody can be playing out the clock to a work stoppage.

If the special mediator sees progress being made or sees that the parties really are intransigent, they could control that timeline and compel the parties. The parties would therefore be motivated to come together and reach agreement, because there is no clock to play out. As to exactly how that all might manifest itself in amendments to the bill, I can't say for sure, but in principle, we'd be supportive.

Kyle Seeback: Thank you very much.

I don't have a lot of time left, but I'm going to go back to Madame Picard.

Would you support some kind of review by Parliament if the minister uses section 107, so that the reasons for using section 107 would have to be tabled and reviewed by Parliament in the event that section 107 is used?

[*Translation*]

Magali Picard: Yes, we are in favour of that.

I repeat that, for us, what is important is that the Minister of Labour not have this extraordinary power to end a strike or lockout.

We hear the concerns of businesses and employers who say there are economic repercussions. Let me put it in very pragmatic terms: at the FTQ, we also put ourselves in the government's shoes. You cannot be the Government of Canada and have no means of intervening when there's a dispute in every port across Canada that won't end, or a dispute affecting transportation. What we're saying is that this can't be turned into a political issue. This must be taken out of the hands of the Minister of Labour—not because we don't trust her, but because it should never be handled within the political apparatus.

So, as soon as the Minister of Labour is called upon—

● (1700)

[*English*]

The Chair: Thank you, Ms. Picard.

Madame Desrochers, we'll go over to you.

[*Translation*]

Caroline Desrochers: Thank you very much, Mr. Chair.

Thank you very much to the witnesses for joining us today and for all the advance work they've done.

I especially want to thank the representatives of the Fédération des travailleurs et travailleuses du Québec for their participation in the consultations that took place this summer, and for the work they do to protect workers' rights. I would like to take a few minutes to discuss Bill C-39's provisions with them.

I think you said you were in favour of the additional measures we're proposing. Of course, these measures are informed by the consultations that took place, but also by all the efforts made in recent years to improve the process. That's why we want to ensure that bargaining can begin earlier. There is also the special mediator's role and the release of the report.

There has been a great deal of debate about section 107 of the Canada Labour Code. Unfortunately, it's often presented as though it were something newly added by this bill—whereas we are simply providing a framework for it, precisely because of everything that's been said. It forms part of a broader set of measures. What we are clarifying is that section 107 cannot be invoked until a report has been released and a national impact assessment has been carried out.

Earlier, we heard from grain producers' representatives and the Union des producteurs agricoles. Last week, we met with representatives of the Canadian Federation of Agriculture. Work stoppages have had real consequences for families and farmers. You mentioned Air Canada and travellers, but when farmers lose their crops because of work stoppages, it affects people's ability to put food on the table.

Here is my first question: Even though we know this is not the approach you would advocate in an ideal world, would you agree that the safeguards we are putting in place regarding the use of section 107 truly make it a last-resort mechanism?

Magali Picard: To be perfectly frank, I think that, from the moment we met as a committee, the goal was to lower the 5% of cases involving disputes, to work proactively and to bring conciliators and mediators into the process. Discussions would then take place and are not meant to be public. My view is that, ultimately, any tools that can improve the situation are welcome. We have no problem with that. What we're saying is that there's a pitfall in the current approach. I've heard people testifying before you say that they wanted a proactive commitment from the minister. They want the minister to state from the outset that there can be no conflict. That's what makes no sense, and that's what runs counter to our Constitution.

The step in the right direction is ensuring that an impact assessment is carried out. We agree on that and on what you just mentioned. It must be done. What we're saying is that the committee tasked with reviewing this must ultimately be responsible for the decision. If you could at least amend the part stating that the minister will make the decision and allow an independent body to carry out that analysis, we could accept that. At worst, if we're not satisfied, we can challenge the decision.

However, one thing is clear: The danger here is that enormous pressure is being exerted on the Minister of Labour, who would become responsible for the life or death of a bargaining tool, when, ultimately, there is no need to politicize it. We can avoid any suspicion about how things are being handled and the reasons why the minister decided to take a particular course of action. Let us hand the responsibility over to an impartial committee whose aim is not to win an election or secure public support—and which is therefore not subject to such pressures—but instead will focus on the actual impact on the public.

In fact, if I were Minister of Labour, I would much prefer to be told that I have a mandate to refer the matter to a committee to carry out an impact assessment—and that, ultimately, that committee will make the decision.

● (1705)

Caroline Desrochers: Thank you very much, Ms. Picard.

In the time I have left, I would like to turn to the representatives of the Union des producteurs agricoles.

Mr. Caron, you talked about assessments related to regions of national interest and the need to ensure that those are done properly. I just want to clarify one thing.

Bill C-39 in no way changes the public consultations that the government is committed to conducting on projects of national interest and on the definition of regions of national interest. Our consultation processes are among the most robust. They provide transparency and allow us to benefit from a range of perspectives. This includes, among other things, seeking feedback at the planning stage, requiring decision-makers to take these consultations into account, allowing participation in assessments and holding public hearings. We even make funding available to groups so they can take part in consultations.

Are there any further steps we could take to ensure adequate consultation not only with farmers, but also with all public stakeholders?

Martin Caron: Thank you for the question.

As we were saying, the regions are quite large, and there are already assessment systems in place. Indeed, in our brief, we refer to the Act Respecting the Preservation of Agricultural Land and Agricultural Activities and the government land-use planning guidelines it contains. Some organizations have already drawn up plans. We should therefore make use of these organizations and bring them forward, because soil and water management are vital for our ecosystems.

Furthermore, when you want to build permanent infrastructure, like it or not, development pressures or activities in the surrounding area may well jeopardize farmers or agricultural land, which are the very first requirements for feeding people. That means you need support from organizations, and you must take the time to do things properly. Some work is already being done—I think we should recognize that and make use of federal bodies. I am thinking, among others, of the Canada Energy Regulator and the Office of Transportation Projects. There already are federal organizations, so we should draw inspiration from them.

[*English*]

The Chair: Thank you.

Go ahead, Mr. Ste-Marie.

[*Translation*]

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

Good evening to all the witnesses—thank you very much for joining us.

My questions are for the FTQ representatives.

Ms. Picard, in your remarks, you talked about Quebec's Bill 14. You appeared before the Administrative Labour Tribunal. As you stated, giving the minister the power to end a labour dispute using vague criteria is unconstitutional.

Is that your understanding of Bill C-39?

Magali Picard: It's exactly the same.

As I was saying, there was one ruling, because the law was used once. Can you see the danger? The act was sold to us on the basis that it would only be used in highly exceptional cases involving repercussions for the general public. Yet it was used during collective bargaining involving 12 day care workers who wanted two 30-minute breaks a day. Because they were demanding those and went on strike, that law was invoked.

The government's intentions must have been sincere in saying that the act would only be used in extreme cases. In practice, however, when we end up with legislation like this and say that a strike has repercussions for 12 families—as in the case of this day care centre—the government uses it. The Administrative Labour Tribunal said that it went against the Constitution and that the legislation did not hold water.

It's a shame, because I'm convinced the government's intentions are sincere, but what's being done is unconstitutional. This isn't the right way forward when other tools are available. We've already shown our flexibility by agreeing to a tribunal.

Mr. Plante, do you have anything to add on the tribunal's decision regarding the act?

Renaud Plante (Chief of Staff, Fédération des travailleurs et travailleuses du Québec): Yes.

The tribunal concluded that the very existence of this regime completely undermines the bargaining process. As Ms. Picard said earlier, it prevents people from bargaining. In fact, it means they no longer bargain at all.

We are proposing a solution, and I refer you to our brief. We're talking about the CIRB, the Canadian Industrial Relations Board, but it could be another mechanism that would determine which essential services need to be maintained to meet the public's needs. What we are suggesting is that you designate new essential services that are necessary precisely to ensure this.

First, we are reverting to the criterion of an acute national crisis, a criterion that was endorsed by the International Labour Organisation. Once the CIRB determines that the situation amounts to an acute national crisis, it would identify the essential services to be maintained, but the strike could continue. At that point, it would be up to the union to decide either to continue to strike, because it believes it is still effective, or to resort to arbitration, because it's concluded that the strike is no longer effective.

That removes the whole perverse aspect of the ministerial decision, which leads people to believe they don't need to bargain since they're expecting a decision from the minister anyway. The ball is back in the parties' court, and the union is asked—once the public has been safeguarded—whether it still considers its strike to be justified. If so, the dispute is referred to arbitration.

● (1710)

Gabriel Ste-Marie: Thank you.

Magali Picard: Allow me to comment, Mr. Ste-Marie.

We play fair. For me, it's not just about opposing employers; it's also about protecting us—the unions—from ourselves.

When it's time to present an agreement in principle to workers, you cannot imagine how hard we have to sell it. Particularly at a time when the high cost of living makes things extremely difficult, expectations run very high. Often, these are people who've made compromises from one round of bargaining to another. So we have to explain why this is the best deal on the table, because we need to reach an agreement. However, as soon as you say the minister will decide and there will be an arbitrator, there's no longer any need to reach an agreement.

So, it's a matter of protecting us—the unions—against this attitude that we're under no obligation to sell a contract that will be hard to swallow. The same holds true for employers—who tell themselves they have no reason to put a better offer on the table, since, in any case, an arbitrator will ultimately decide. That is the danger we face, and we know the rate will no longer be 5%.

If this goes forward, I guarantee that we will challenge it in every court, right up to the Supreme Court, and that we will end up winning. However, in the meantime, there will be an increase in the number of disputes, and expectations and frustrations will build. From a very pragmatic standpoint, I can tell you that nobody will benefit from this, least of all the Minister of Labour. I can guarantee that.

Gabriel Ste-Marie: That is certainly quite clear. Thank you very much.

Indeed, the bill proposes to grant the minister a power that may be exercised if it is in the national interest. This criterion is vague and has not been defined. I would like to hear your comments on that.

I'll ask a second question straight away.

I would like to know whether you share the view of other witnesses and unions, particularly from English-speaking Canada, who came to tell us that Bill C-39—if passed without amendment, given the power it grants the minister using these vague criteria—would contravene agreements that Canada signed with the International Labour Organisation. Furthermore, no G7 country would have such stringent anti-worker legislation. I would like to hear your views on this matter.

Magali Picard: We agree with that, absolutely. That's why I told you from the outset that if the bill were passed as is, we would have to challenge it in court, all the way to the Supreme Court if necessary, because it would indeed be the most restrictive legislation among G7 countries.

Gabriel Ste-Marie: Do you have any comments on the issue of national interest?

Magali Picard: Regarding the national interest, as Mr. Plante said, we are prepared to review essential services in the event of a conclusive study. Today, in 2026, if we know that a port has a container with goods that are important for safety, health, food or pharmacies, we don't have to penalize the port as a whole. We're able to know everything that's there. The 75-inch television that comes from Chinese dumping can stay there for a few more weeks. However, essential goods for the public must be transported.

We have no problem with the idea of national interest if it's framed intelligently, in a way that doesn't take away any fundamental rights and that does exclude all political pressure.

Jennifer Genest: May I add something?

Gabriel Ste-Marie: Yes.

Jennifer Genest: National interest is a vague concept that doesn't exist. That means a precedent would have to be created. In our opinion, this doesn't comply with the Saskatchewan decision, which established that the right to bargaining is inflexible in Canada. In addition, if this right is violated, it must be done as minimally as possible. In our opinion, the concept of national interest does not respect that at all. That's why Mr. Plante mentioned the International Labour Organization's criterion of an acute national crisis. That criterion has been used and defined, and it is met when used in the appropriate sectors.

[*English*]

The Chair: Thank you, Ms. Genest.

We'll move to the five-minute round, with Mr. Gourde.

[*Translation*]

Jacques Gourde (Lévis—Lotbinière, CPC): Thank you, Mr. Chair.

Thank you to all the witnesses for being here today.

I'll start with you, Mr. Caron.

In your opening remarks, you talked about clause 5, which would enable the minister, in relation to an environmental study, for example, to authorize work to begin a little more quickly, within one year.

For example, Alto launched environmental studies, but it decided to do the route without waiting for the report from those studies. It's going to go ahead, because it has to move very quickly.

Before you answer, Mr. Caron, I'd like to ask you another question.

I'm having trouble getting clear answers, because Alto has signed confidentiality agreements with the Government of Quebec and law firms. It's even trying to sign agreements with agricultural producers.

Do you currently have freedom of speech? Have you signed an agreement with Alto?

● (1715)

Martin Caron: No, we haven't signed any agreements with Alto.

Jacques Gourde: You're free to answer me about Alto, then. I wouldn't want to put you in an awkward position.

Does clause 5 of Bill C-39 put agricultural producers at a disadvantage in the Alto file?

Martin Caron: Yes, absolutely. If we look at the Alto file as an example of what the government would like to do with Bill C-39, I would say that it's currently the example of what not to do. People are saying that the Alto file needs more transparency and independent studies, and it's a long way from having that. There are also requests to discuss the documents, but people don't have access to them.

Right now, it's the example of what not to do. If anyone is thinking they can speed things up a bit with Bill C-39, they need only look at what's currently happening with the Alto file to understand that they're shooting themselves in the foot.

Jacques Gourde: Bill C-39, combined with the legislative measures resulting from Bill C-5 and other legislation, grants additional powers to the executive branch. That means that as long as the laws that have been passed guarantee those powers to the executive branch, if it decides to go ahead, we will no longer have much power to help you.

Do you think it's normal for Canada's public servants to have more power than legislators?

Martin Caron: It's not normal, right now, for a project of this scale. As we mentioned in our brief, democracy is a significant issue. There's a desire to move quickly, but it's necessary to take the time to have discussions with the public, obtain social acceptability and ensure transparency when it comes to documents. It isn't an option to grant these powers, move quickly and develop projects that don't prioritize such things, whether on the federal or provincial side.

Jacques Gourde: The agricultural producers who will be affected by the high-speed rail project deserve to be heard, but we're having trouble inviting them right now. You're the only person I can speak to in public.

What's the current feeling from the producers who will be affected by the route?

Martin Caron: There's a lot of anxiety. When Alto is discussing sections, it's talking about areas such as Outaouais and the Laurentians. It's also important to remember the Mirabel file, which has left a scar on the agricultural producers in that region. That very large project led to expropriations. It didn't go ahead in the end, but it took two generations to recover the land.

As we said, when it comes to this bill, it's important to take the time to do things correctly, to have all the studies and to have an independent study to reassure people. Right now, there isn't any of that, so there's concern among agricultural producers.

Jacques Gourde: On the weekend, through former environment minister Steven Guilbeault, we learned that compensation for the affected lands would be equivalent to 350% of the land's value. That means that if a plot of land is worth $20,000 per hectare and a hectare is cut, the owner will receive $75,000. However, if the land covers 75 hectares, will the entire land, the block, lose more value than its owner will have received in compensation from the government?

According to Steven Guilbeault, it's the cure-all: Producers are going to become millionaires as a result of the high-speed rail route.

Martin Caron: Producers have studied and are trained to do one thing: feed people and farm. It isn't about selling their land like that. That aspect is of little interest to producers. A producer's land is a part of their family. There's a reason it's passed down from generation to generation. It isn't the purchase price that producers are concerned about. That's why people get emotional when it comes to these decisions and the route. They're living in uncertainty. These are human beings, men and women who get up every morning and are already thinking about a transition and the next generation.

It's vital to shed light on this and ensure the transparency we have been calling for since over a year ago.

Jacques Gourde: Thank you, Mr. Caron.

● (1720)

[*English*]

The Chair: Thank you, Mr. Gourde.

Go ahead, Ms. Harrison.

Emma Harrison (Peterborough, Lib.): Thank you, Mr. Chair.

I'll be sharing my time with Ms. Desrochers.

Mr. Sobkowich, could you walk us through how extended interswitching creates a net positive economic effect by creating competition in the rail sector? How does this measure affect your members?

Wade Sobkowich: If you are a grain elevator and you're planted in the middle of Saskatchewan and you have a rail line running past you, you're not beholden to a duopoly; you're beholden to a monopoly. You have only one option, and that's to ship product on the rail line that's running past your facility.

Regarding interswitching itself, the Canada Transportation Act talks about being able to interswitch traffic to a competing railway as long as that interchange is within 30 kilometres of your shipping site. When that was written, it envisioned the metropolitan areas, like the GTA, where things are more congested. It didn't envision the expanse of the Prairies, where you really don't have an elevator that's 30 kilometres away from an interchange point.

The idea behind extending it to 160 kilometres is to turn your monopoly situation into a duopoly situation as an elevator, which still isn't that great, but it's better than a monopoly. At least you have two choices instead of one.

Emma Harrison: Thank you.

If Bill C-39 succeeds in reducing the frequency or duration of disruptions in Canada's transportation system, what difference would that make for grain producers in Saskatchewan, Alberta or Manitoba when trying to get crops to international customers?

Wade Sobkowich: It's huge. It's nearly unquantifiable, but we did commission a study. The cost to farmers and the grain industry as a whole was in the hundreds of millions of dollars.

The grain sector is a major economic driver. It has impacts on all Canadians. It has impacts on Canada's reputation as an international supplier of goods. Keeping the supply chain fluid and open and moving and predictable, so that we can honour our contracts with our customers and return as much value from the international marketplace...and that our arbitrage to the farmer is in a competitive environment—that's the way to go. That's extremely important. Labour is a big component of that.

Emma Harrison: Would you agree that for Canada to grow agricultural exports, it isn't enough to just produce more grain? We also have to demonstrate to international customers that Canada can reliably get that grain from the farm through the elevator and rail system and onto a vessel when we say we will.

Wade Sobkowich: Definitely. Let's say we're talking about a flour mill in Indonesia. They don't buy exclusively from Canada. They buy from an array of suppliers across the world. When we continue to make headlines about another strike or another lockout or another work stoppage and it's, oh no, Canadians may not be able to honour their contracts yet again, then the next time they're making purchasing decisions, they're looking at countries other than Canada. Perhaps they're not locking us out entirely, but it's a blend. They will buy from multiple suppliers. They may increase their purchase from our competing grain-producing nations, such as Argentina or the United States or Australia. It has a very big impact that evolves over the years.

Emma Harrison: Thank you so much.

I will cede my time.

[*Translation*]

Caroline Desrochers: Thank you very much.

Earlier, my colleagues raised the issue of Quebec's Bill 89. I would like to clarify something for those listening to us. Bill 89 and Bill C-39 are complete opposites. First, there is no classification of essential services. Second, section 107 of the Canada Labour Code will not be used pre-emptively because, in any case, there has to be a report and a study.

I'd just like to know whether you agree that these two things are opposed. The two bills don't do the same thing at all.

Renaud Plante: To reframe what was being said earlier, yes, criteria related to section 107 are currently being put in place, but—

Caroline Desrochers: It was made very clear that there would be no pre-emptive use of this section. It isn't going to be used.

Renaud Plante: Proposed subsection 107(1) currently doesn't prevent the government from doing what it has done over the past five or six years, which is to use section 107. A second subsection is being added—

● (1725)

Caroline Desrochers: That's what we're doing with Bill C-39: setting out conditions to use that section.

Renaud Plante: As it currently stands, subsection 107(1) still allows the government to refer any matter to the Canada Industrial Relations Board. That's exactly what it can do in this situation. Once the strike begins, yes, there are certain criteria. However, there is still a period before the strike begins where subsection 107(1) stands on its own and allows the minister to refer the matter to the CIRB for a decision.

First, it's important not to frame this by saying that section 107's power is being limited, since, as you know, this is before the courts, and we have always contested the very fact that section 107 has this power. We still contest that, by the way.

Second, with subsection 107(1), which is still there at the moment, the minister still has the pre-emptive power to refer a matter to the CIRB.

Caroline Desrochers: We agree that what is being included in Bill C-39 limits the use of section 107. We can't say otherwise.

Renaud Plante: It opens up a new avenue for use, but it doesn't completely limit—

[*English*]

The Chair: Thank you, sir. We have to stop there.

Mr. Lemire, I believe you're going next.

[*Translation*]

Sébastien Lemire (Abitibi—Témiscamingue, BQ): Mr. Caron, I'm pleased to see you again.

In the context of this study, people can't help but fear that Bill C-39 will grant additional powers to Alto, which already has disproportionate powers.

I would like to ask you a question to complement those of my virtuous colleague.

Do you have any concerns about the fact that, apart from a brief five-minute presentation to the committee, you have no forum to represent agricultural producers, to find out Alto's actual route, which has been expected since August, and to express your concerns?

I'm thinking of compensation mechanisms, land assessment mechanisms, development issues and so on. It seems that all of that is being set aside.

Do you have any more concerns about Bill C-39?

Martin Caron: Thank you for the question.

First, is it a good project? That's the question. Where are the studies that show that this is the project we need right now to improve mobility in Canada?

It starts with that, and then there are the other requests. I will let Mr. Ross round out the answer.

Charles-Félix Ross (General Manager, Union des producteurs agricoles): In fact, Bill C-5 and Bill C-39 enable the government to move faster. They give extraordinary powers to public servants and ministers.

What we are wondering, as Mr. Caron was saying, is whether the Alto high-speed rail project is a good project. It's going to cost taxpayers over $125 billion. Some top researchers are telling us that it would be possible to set up a high-frequency train on Montreal's south shore and that it would cost 10 times less, that is, under $20 billion. Why, then, grant themselves extraordinary powers to push ahead with a project that makes no financial sense?

There are other priorities in Quebec. We have a $45-billion infrastructure deficit. These are our roads, our schools and our water systems. Now, the government is going to invest in a train that will cost us $125 billion to get to Toronto faster, when there are projects that would go almost as fast and would cost 10 times less.

Sébastien Lemire: Thank you, Mr. Ross.

There is the Commission de protection du territoire agricole du Québec, or CPTAQ, whose powers to protect farmland could be undermined. For example, I'm concerned that a gas pipeline might be set up across farmland and woodland in my region for the sake of exporting natural gas.

How do you react to the fact that the Liberals are refusing to carry out a study on Alto, both at the Standing Committee on Agriculture and Agri-Food and at the Standing Committee on Transport, Infrastructure and Communities?

[*English*]

The Chair: You have time for a very short answer, sir.

[*Translation*]

Martin Caron: As we said about Bill C-39, right now, it's important to acquire tools and use them. These elements are being trampled on. I think it's necessary to seek out that expertise.

Sébastien Lemire: Thank you. Your voice is heard.

[*English*]

The Chair: Thank you.

Thank you to our witnesses.

That brings us to the end of this panel. We'll suspend for a few moments to get ready for the next panel.

● (1725)

_____(Pause)_____

● (1735)

The Chair: Welcome back, everybody. Meeting number six is continuing.

Speakers and witnesses, wait until I recognize you before speaking, please. If you're on video conference like George, you know how to push the buttons and work the translation; you've done this before. It's the same for the witnesses in the room.

Direct your questions through me, please. You'll be asked questions in French and English, so make sure you have your headset functioning properly.

You will each be given five minutes to make opening statements, and then you'll be asked questions by committee members.

I'd like to welcome our third panel. As an individual, we have George Vegh, senior fellow and adjunct professor, University of Toronto, Munk School of Global Affairs and Public Policy. From the Canadian Nuclear Association, we have George Christidis, president and chief executive officer. From the Mining Association of Canada, we have Geoff Smith, vice-president of government relations; and Tara Shea, vice-president of regulatory and indigenous affairs.

Thank you all for being here.

Mr. Vegh, I will start with you for up to five minutes for your opening remarks.

● (1740)

George Vegh (Senior Fellow, Adjunct Professor, Munk School of Global Affairs and Public Policy, University of Toronto, As an Individual): Thank you, Mr. Chair. Thank you for the opportunity to speak to Bill C-39, as you mentioned.

I'm currently at the Munk School. I'm also the former chair of the Canada Energy Regulator, so I'm going to confine my comments to the impact of Bill C-39 on the Canadian Energy Regulator Act. On the whole, I think the impacts of the act are more incremental and transformational with respect to the Canadian Energy Regulator Act, and I think that's a good thing. I don't think the regulatory system is broken, but I think it can be improved. Bill C-39 does have some areas for improvement, and I'll just address them quickly and also identify some areas where I do have some concerns.

I think the first improvement from Bill C-39 compared to the status quo is with respect to returning authority for pipelines from the Impact Assessment Agency to the Canada Energy Regulator. It's a mandate that the CER's predecessor, the national energy board, had for years, and I think it did a pretty good job of it. Handing back the authority, I think, is important, because the CER does have a lot of expertise on linear infrastructure and has done a good job of that.

The other reason that I think Bill C-39 is an improvement to the status quo is that, for some pipelines at least, the CER is given final decision-making authority, and under the Canada Energy Regulator Act, as it is now, the decision-making authority is left with the executive branch. I think the decisions do become more political that way, so this is more technical expertise making the final decisions.

The third area that I'd comment on, and this is where I think there's some more upside even than the other areas, is with respect to indigenous consultation and the CER's taking on a role of coordinating indigenous consultation. I think that's less important for the CER than it is for indigenous leadership. There's a lot of experience in dealing with CER pipelines, particularly in western Canada. Consultation is very difficult when you consider the range of indigenous governments and communities that participate in consultation. I think, if there could be indigenous leadership of this consultation coordination, particularly from west coast indigenous governments and people, that could really provide support to other communities and build some trust.

The two areas that I have concerns with are that this legislation doesn't fix what I consider to be a fatal flaw with the current Canadian Energy Regulator Act, and that's the consideration of a number of policy factors that really have very little to do with pipelines. Those would include the intersection of sex and gender with identity factors and the government's commitment to climate change. I think these are very important issues, but they really can't be addressed properly in a pipeline hearing. They don't have much to do with a pipeline that's in front of the regulators, so I think it's good to take that out of consideration in hearings.

The other concern I have, and this is a more serious one, is that Bill C-39 takes away the temporary nature of Bill C-5. I think that Bill C-5 is more fundamentally flawed. It was going to be in place for only one year, and now it will be in place indefinitely until replaced. My concern with that is that Bill C-5 isn't really a regulatory system; it's just a granting of executive power to determine, in an unconstrained way, which projects should go forward and the process for evaluating them. I think that's a more fundamentally flawed legislation, and it's unfortunate, I think, that Bill C-39 extends its life.

Thank you very much. Those are my opening comments.

The Chair: Thank you very much.

We're moving on to Mr. Christidis.

George Christidis (President and Chief Executive Officer, Canadian Nuclear Association): Thank you, Mr. Chair and members of the committee, for the opportunity to appear today.

My name is George Christidis, and I'm president and CEO of the Canadian Nuclear Association. The CNA represents over 200 organizations across Canada's nuclear industry, including uranium producers, electricity generators, technology developers, engineering firms, manufacturers and the broad supply chain.

Canada's nuclear industry provides roughly 14% of the country's electricity and supports over 89,000 jobs directly and indirectly, which contribute to energy security and economic competitiveness. It produces medical isotopes that play an essential role in diagnosing and treating cancer. Canada is also a global uranium powerhouse and the world's second-largest uranium producer, supplying fuel for our domestic nuclear fleet and countries around the world.

Canada is pivotal at this moment. Electricity demand is growing, energy security has become a national priority, and governments across the country are looking to build the infrastructure needed to support economic growth and decarbonization. To deliver these ambitions, Canada needs a regulatory framework that is rigorous, predictable and efficient.

In this context, the CNA supports Bill C-39 and welcomes the government's decision to make the Canadian Nuclear Safety Commission the lead authority for nuclear project reviews. This is a reform that the nuclear industry has been advocating for many years. It advances the principle of one project, one review and recognizes the CNSC's unique expertise as Canada's independent, internationally respected nuclear regulator.

Importantly, we believe this can be achieved without compromising safety and environmental protection. The CNSC is a full life cycle regulator, overseeing nuclear projects from planning through decommissioning. Integrating impact assessment into the existing licensing framework can reduce duplication while ensuring that environmental requirements and monitoring measures remain enforceable throughout a project's life.

While we strongly support the direction of Bill C-39, its success will depend on effective implementation. I would like to highlight four key priorities.

First, predictable timelines must be supported by clear rules. The proposed one-year decision timeline is a positive step and will improve the certainty for investors and project proponents. However, the legislation does not clearly define when an application is considered complete or under what circumstances timelines can be paused. Without that clarity, there's a risk that uncertainty shifts from the front end of the process and undermines the benefits of the legislated timeline. Industry needs transparency expectations regarding information requirements, completeness, determination and interdepartmental coordination.

Second, an integrated review process must function effectively in practice. The CNSC should be empowered not only to lead the impact assessments and licensing decisions but also to coordinate federal permitting requirements and information requests from other departments in a way that ensures clear accountability across the government, limits duplication and delivers timely decisions.

Third, the proposed approach to indigenous consultation is a positive development, but additional clarity is needed. Having the CNSC coordinate consultation should improve consistency, reduce duplication and create clear processes for both indigenous communities and project proponents. However, recent court decisions have highlighted the continuing uncertainty regarding when the duty to consult is triggered, the scope of the consultation required and how early engagement activities are recognized. Greater clarity in these areas would benefit all parties and support meaningful consultation while improving project certainty.

Finally, our industry remains concerned about the overall regulatory burden. While Bill C-39 represents meaningful progress, there's significant work to be done to ensure that regulatory requirements are proportionate to the project risks, particularly for projects located in existing sites or using proven technologies. Regulatory resources should be focused on matters that contribute most directly to safety, environmental protection and informed decision-making.

In conclusion, the CNA supports Bill C-39 as an important step toward a more efficient and coordinated regulatory framework for nuclear projects. With clear timelines, integrated permitting, effective indigenous consultation and continued focus on reducing unnecessary duplication, the legislation could help enable investment and build infrastructure, while maintaining the highest safety and environmental protection.

Thank you for the opportunity to appear before the committee. I look forward to your questions.

● (1745)

The Chair: Thank you very much.

Ms. Shea, the last word goes to you.

Tara Shea (Vice-President, Regulatory and Indigenous Affairs, Mining Association of Canada): Thank you, Mr. Chair and members of the committee, for the invitation to be here.

I'm Tara Shea, vice-president of regulatory and indigenous affairs with the Mining Association of Canada. I'm joined by my colleague Geoff Smith, our vice-president of government relations.

I want to begin by recognizing that we are gathered today on the traditional territory of the Algonquin Anishinabe people.

Mining is a cornerstone of Canada's economy, and global demand for Canadian minerals and metals continues to grow. To meet this demand, we need timely permitting approvals for new mines and existing operations.

We also need reliable rail, port and marine networks that are protected from prolonged work stoppages. The Canadian mining sector is the largest industrial customer of Canada's railways and the largest shipper by volume in both rail and marine.

Our sector has a stake in all three parts of Bill C-39.

MAC views Bill C-39 as another step in the right direction. The changes to the Fisheries Act to enable third party habitat banking and fee-in-lieu alternatives, as well as the reforms under the Canadian Navigable Waters Act, are particularly welcome, but legislation alone will not deliver the efficiency Canada needs. Implementation is critical.

We have provided the committee with a detailed brief, and we'll use our time today to highlight a few of our key recommendations.

Starting with the Impact Assessment Act, we acknowledge the agency's ongoing work to focus assessments on issues within federal jurisdiction. Even so, a federal impact assessment remains a substantial undertaking, and there's opportunity for further improvements. Shorter timelines are achievable. Realizing them in practice will require pairing the timeline reforms with a recalibrated scope of study and information requirements, so that what proponents must produce matches what decision-makers actually need. Without this, we are compressing timelines on paper, not in practice.

Next, most provinces have now signed impact assessment co-operation agreements. We would like to see clearer recognition of these agreements in the legislation itself. We recommend amending section 16 of the Impact Assessment Act to screen out projects where an agreement is in place and where the province confirms that its processes, together with federal permitting, will address effects within federal jurisdiction. Where a federal assessment is nonetheless required, the agency should publish its reasons for requiring a federal assessment.

Finally on the Impact Assessment Act, the physical activities regulations—the project list—should be amended to focus on projects that have the potential for significant adverse effects within federal jurisdiction. For mining, that means, at a minimum, excluding mine and mill expansions, raising production thresholds for new mines and mills, and excluding small-footprint projects like electrified underground mines.

Moving to part 2 of Bill C-39, we support the government's ambition to improve supply chain efficiency, the new transportation projects office, the national trade corridors councils, the tell-us-once approach under the Canada Transportation Act and more flexibility for ports. Their effectiveness will depend on implementation, including a clear scope for new powers and adequate federal resources.

Beyond Bill C-39, Canada needs a broader review of the Canada Transportation Act to address the market power of the two class I railways.

Finally, on labour, Bill C-39 includes important amendments to the Canada Labour Code. However, under the proposed framework, the minister can intervene only once the strike or lockout has begun. By then, mines have likely already cut production and, potentially, jobs. These disruptions also damage customer relationships and Canada's reputation with trading partners and investors. We recommend amending section 107 of the Canada Labour Code to allow intervention before a stoppage in exceptional circumstances only: where bargaining has failed, where the special mediator says a stoppage is imminent and where the harm to the national interest would be significant.

In closing, investors look at the whole picture, including how long it takes to get a project approved and whether they can reliably get their product to market once it's built. To attract the investment, we need assessment and permitting information requirements to be scoped to what is actually needed to make decisions; processes that deliver on legislated timelines; early, coordinated and meaningful indigenous consultation; and sustained federal, provincial and territorial co-operation. We also need a resilient transportation system with the tools to prevent costly disruptions before they start.

Thank you. We'll be happy to answer your questions.

● (1750)

The Chair: Thanks very much, all of you.

We'll start the six-minute round with Mr. Lawrence.

Philip Lawrence: Thank you.

I'll start with the Canadian Nuclear Association.

First of all, thank you for keeping Canadians safe. I think Canada has one of the best nuclear safety records in the entire world. I appreciate the work you are doing, sir.

I'm going to go through your four implementation points, because I think they provide some excellent structure for my questions.

We'll go through, first of all, your concern with the starting point. We on this side share that concern. You can picture someone saying, “You have five minutes to complete this test,” but that same person then gives the stopwatch to the person writing the exam, and they can decide when to start it and when not to. That's exactly our concern. It's that there is no clarity as to when the stopwatch starts.

A regulator could, ad infinitum, forever, continue to put new studies out there and say that you need this study, you need that study and you need this study, and never ever stop the clock. I believe you had comments on a similar line. Perhaps you could comment on my thoughts there.

● (1755)

George Christidis: Yes. That captures, I guess, the questions we have. It really is about defining what that process is. To your point, it's very much identifying in that one-year process what is required, what the information is and what the definition of the stoppage is. Therefore, it's providing that clarity so that all involved—the industry, but also the government side—have that understanding of what is needed.

I can't add much more insight into that, but it's very much that the need to define that part of the legislation is correct.

Philip Lawrence: Thank you very much.

In my riding, in Wesleyville, there will be one of Canada's largest new nuclear projects. In fact, I think it's one of the largest in North America. With that, I'm already aware that many organizations are being reached out to, so I'll transition to your second point, which is federal permitting and coordination.

One of the concerns I have is that your organization may be responsible for hitting this one year, but you're dependent on other organizations. When there is a new nuclear reactor—a small modular one or a traditional one—how many organizations would be responsible, in your estimation, for permitting or licensing?

George Christidis: That's a good question. Truth be told, I'd have to come back to the committee with a precise number. Again, for us, that's why it's important for the Canadian Nuclear Safety Commission to be the regulator and to help to coordinate the permitting processes that would involve other agencies.

To your point, it's very much the notion that a lot of the information is existing, whether it's existing brownfield.... We would argue that there's environmental information; different departments handle that type of information. Therefore, that is where there's an opportunity to increase efficiency while still being very much focused on the safety.

As for your question, I will definitely come back and identify the number of permitting agencies.

Philip Lawrence: By my read, one of the concerns I have with Bill C-39 is that you would be responsible for hitting the one-year timeline, but perhaps other organizations that you would be dependent on or relying on would not be. You would not have any power, necessarily, to compel them to complete their work in a timely fashion. Would you agree with that?

George Christidis: That would be an assessment that I would share at the present time.

Philip Lawrence: Thank you.

Then there's your third point: clarity with respect to indigenous consultations. I've heard from first nations, as well as many other individuals, that there is a lack of clarity. In fact, I think that lack of clarity has risen to a level of concern. I believe your basic point, though, is that there needs to be clarity that is consistent with Supreme Court rulings on the duty to consult. Is that correct?

George Christidis: Yes. Obviously, the industry is very much there to be a partner and to work with indigenous communities to fulfill the very honourable goals of indigenous reconciliation. At the same time, scoping the relationship and identifying which communities are included are very much things that the federal government needs to take a direct role in—in defining those relationships. It is a constitutional relationship; therefore, our view is that there needs to be that clarity provided.

Philip Lawrence: Then there's your final point, which I would label as—in my words, anyway—regulatory balance, assessing the risks but also weighing that against the administrative and financial burdens on proponents.

There's a lot of good talk, and we, of course, would support the single-window approach, but I do wonder, especially in the nuclear industry, your ecosystem, which is incredibly complicated, how quickly this can get done, especially with the lack of clarity in Bill C-39. Do you share any of those concerns, sir?

George Christidis: Again, the Canadian Nuclear Safety Commission is a world-class regulator, and it is very much internationally recognized. What we would argue, though, is that in order to meet the goals for deployment of these nuclear technologies, for us it comes down to this: Let's take the regulatory processes and regulatory burdens that are there. There are opportunities to have a review on a cost-benefit basis of what regulatory documents are required, for instance. We've seen an increase of regulatory document requirements. Many of those have nothing to do with safety. We're not at all questioning the role on the safety side, but there are other issues that are often studied on which there's no clarity in terms of why, so there's a cost and an inefficiency that get created. Those are the issues that we'd be looking at.

● (1800)

Philip Lawrence: That's perfect.

Thank you again for keeping Canadians safe. I appreciate it.

The Chair: Thank you very much, Mr. Lawrence.

Dr. Martin.

Danielle Martin (University—Rosedale, Lib.): Thank you.

Thank you to all of our witnesses for being here today.

I want to begin with some questions for Ms. Shea.

I'll come back to the notion of habitat banks and, more generally, the ways in which Bill C-39 opens the door for new approaches to offsets in order to help protect nature. We've heard a lot from a variety of witnesses at this committee about the importance of protecting nature when we undertake big and important national projects.

It's my understanding that the kinds of offsets and damage mitigation strategies outlined in the bill are similar to those that are used in some other countries, like Australia and the U.S. Whether they're habitat banks or paying fees to a conservation fund, how do tools like these work, and do you support their adoption?

Tara Shea: Bill C-39 is pretty specific around third party habitat banking under the Fisheries Act. It's not all nature habitats. I want to be clear that it's about the Fisheries Act authorization.

Right now, you go through an authorization under the Fisheries Act, and coming out of that, part of your mitigation plan could be an offsetting requirement. That could be a new offset project or, under the current Fisheries Act, it could be a bank, but it's a proponent-led bank. The changes in Bill C-39 would enable third party habitat banking, so a proponent would be able to access an offset from a third party. It could be a conservation organization or an indigenous-led habitat bank.

There's a big opportunity here, not just to help communities benefit, obviously, from these projects that are already going to happen, but also to have these offsetting pieces done proactively. The idea behind a habitat bank is that the restoration work is happening well before the impact. It de-risks the offset that would come out of the Fisheries Act application.

MAC very much supports third party habitat banking as described in Bill C-39. Implementation will be key, of course.

Danielle Martin: Of course.

We heard from previous witnesses, specifically with respect to the mining industry, that major mining companies—in fact, they said most major mining companies—support the concept of no net loss, or even net gain of habitat when it comes to building big projects in the mining industry, again, using mitigation and offsets as primary strategies for that.

Why would mining companies feel it makes good business sense to undertake no net loss or net gain to nature and the environment in the work that you do?

Tara Shea: That's very much aligned with what we have in Towards Sustainable Mining, which is MAC's sustainability program for our members. Our biodiversity conservation protocol recognizes the mitigation hierarchy: Avoid first, before we get into compensation. We have pieces within Towards Sustainable Mining around no net loss over the life of the project.

I hesitate to recommend putting net gain into the legislation, because I think we're going to spend a lot of time debating what no net loss or net gain look like in the context of a regulatory decision. If you look at the offsetting plans that come out for mining proponents for the Fisheries Act, or conditions around decision statements for terrestrial species, they reflect no net loss at a minimum.

Danielle Martin: That's helpful. Thank you.

Turning now to Mr. Vegh, you've argued that governments should set broad policy direction up front, so that regulatory hearings can focus on direct project effects. Can you talk a bit about that?

How can clear national frameworks help regulators make faster and narrower decisions on individual projects? What would be an example of that in action?

George Vegh: I think the idea of governments providing broad policy direction is to try to avoid those arguments being debated in front of a hearing. It's not a very good forum for them.

The other challenge with it is that regulators aren't accountable to voters or to systems. They're more technical experts on a particular project in front of them.

In this case, when I'm talking about a pipeline, regulators understand safety, they understand environmental impacts, and they understand indigenous consultation and the requirements around that, but they're not really in a position to decide on policy issues. What happens sometimes is that in a hearing, you can get bogged down in policy issues over which.... Whatever decision they make, it really doesn't matter. It's becoming an academic argument, and it becomes a platform for these types of debates.

I think the best practice we see—for example, in the U.K.—is when there's broad policy direction coming out of the government, because the other concern is that governments can try to micromanage the outcomes of the decisions, and these are pretty technical matters. Also, every case is different, so these findings are fact-specific.

I think you're trying to find a balance. The regulator's job is to follow policy, not to make policy. At the same time, the government's job is to set policy, not to get involved in detailed regulatory decisions. So far, under the Canadian Energy Regulator Act, the government has not provided policy direction, so there are not a lot of good examples coming from there.

I have also worked in the Ontario electricity sector, where the government really micromanages a lot of the electricity issues and it has become a challenge to have a more balanced and more fact-specific type of direction from the energy regulator in Ontario.

● (1805)

Danielle Martin: Because I'm almost at my time, I would say that's why having national strategies of a variety of sorts can set the stage. They don't all have to be in legislation.

I appreciate your comments very much.

Thank you, Mr. Chair.

The Chair: Thank you, Dr. Martin.

Mr. Ste-Marie.

[*Translation*]

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

Greetings to all the witnesses and thank you for being here.

My first question is for Professor Vegh.

If I understand correctly, Bill C-5 proposes a five-year limit, and Bill C-39 proposes that the government remove that. For your part, you would like to keep the five-year limit. Is that correct?

[*English*]

George Vegh: Yes.

[*Translation*]

Gabriel Ste-Marie: Okay.

Maxime St-Hilaire, a law professor and constitutional expert, came to speak to us here in committee about Bill C-39. He said that it was an emergency bill because it gave a great deal of power to the executive branch, to the government, and it circumvented ordinary laws. However, according to international best practices, when an emergency bill is proposed, it's necessary to first state that it's an emergency bill, which isn't necessarily the case here. It required an end date, because ordinary laws can't be circumvented indefinitely. Second, the legislative branch, the House, needs to have greater oversight of the government when it comes to what applies to the bill, since laws are being circumvented.

Do you have any comments on those three points that Professor St-Hilaire raised?

[*English*]

George Vegh: Just so I understand, you're talking about emergency legislation. You're not talking about Bill C-39. You're talking about Bill C-5.

[*Translation*]

Gabriel Ste-Marie: Since Bill C-39 would give Bill C-5 more powers, Professor St-Hilaire also testified about Bill C-39. What I just shared with you were also his comments on Bill C-39.

[*English*]

George Vegh: I don't really consider Bill C-39 to be emergency legislation. I think this is more the new normal. In terms of Bill C-5, I don't know if I'd call it emergency, because it doesn't say it's emergency legislation. However, I do think it's extraordinary legislation in that it gives the government pure discretionary authority to decide on its choice of projects. It's unusual in the sense that the government approves of the project before knowing anything about the project, and then the regulator is just required to implement that decision. I think that's a real concern.

I'm not sure what the law professor said, but as you mentioned, not only is there no constraint on what projects the government approves, but the government can, by regulation, redefine the whole process. It's not bound by legislation, and it just creates what the process ought to be. I don't think that's a good approach; I think it's an extremely political approach. I don't think it's very effective either, because as a matter of practice governments change, and these projects are long-term projects. When you put the government in charge of a project, and then every four years or so you might have a change in government, you could be starting over again.

I don't think Bill C-5 is good practice, as I've said. I have written a more detailed piece about this for the C.D. Howe Institute with my co-author, Kate Koplovich, where we lay out in detail our concerns. It's a complicated issue—as you can appreciate, judging by your question—and a more detailed critique of that approach is in that C.D. Howe paper that we published.

● (1810)

[*Translation*]

Gabriel Ste-Marie: Thank you very much.

On another topic, in your presentation and in the discussion that followed, you mentioned that, under Bill C-39, the Canada Energy Regulator would from now on conduct a project-by-project assessment, which would replace the impact assessment. I'd like to understand why, because I really don't understand.

When I look at the Canada Energy Regulator from a Quebec perspective, I basically see people who used to be in the oil and gas industry. Scientists who were conducting studies that seemed to me to be more impartial are being replaced by people from that industry. That strikes me as more biased.

I remember there was the Energy East project in Quebec about 10 years ago. The assessment was done by the National Energy Board, the equivalent of the Canada Energy Regulator. It caused quite a stir when representatives from the board came to Montreal. They went back home. The government said that they would no longer be the ones doing these assessments going forward.

Why is it good for the regulator to do the assessments rather than the scientists? Perhaps it's my understanding that's limited.

[*English*]

George Vegh: The Canada Energy Regulator has expert scientists as well; it's not an industry organization. I'm not being critical of the Impact Assessment Agency, but you have to remember, when it comes to pipelines, the Impact Assessment Agency, even now, without six years of Bill C-69 when it was given this role, hasn't reviewed a pipeline application, because there was a threshold limit that would trigger their reviews.

The fact is, the CER does oversee over 73,000 kilometres of pipelines and 1,800 kilometres of transmission lines. They have a large role in it, and they do regulate the ongoing safety of the facilities. Having been there as chair, I can tell you the number one priority of the organization is safety, and that is their main concern. They've been doing that for decades, and we have a good safety record in Canada. It's not a criticism of the Impact Assessment Agency, but there is experience with pipelines, with linear infrastructure, and indigenous consultation, that the CER has developed. I think it's quite effective at it. It takes environmental impact very seriously. It understands the unique nature of linear infrastructure, whether it's pipelines or transmission lines, and the environmental and safety issues that accompany them.

Before my day, I do appreciate there was controversy about pipelines, but that was not something that was approved by the CER or even the NEB and then later overturned.

I think that the decision of the pipeline proponent and the governments around the energy east pipeline really reflected more the politics of the situation than the competence of the NEB, now the CER, to regulate those matters.

The Chair: Thank you very much, Mr. Vegh.

Thank you, Mr. Ste-Marie.

Mr. Albas, it's over to you for five minutes.

Dan Albas: Thank you, Mr. Chair.

Thank you to all our witnesses for sharing their expertise with us today.

I'll go first to you, Mr. Vegh. Bill C-39 talks specifically about how the CER can deal with foreign counterparts. In this case, I imagine that would be the United States. Is that correct—some sort of regulator, whether it be pipeline-related or electrical?

George Vegh: Yes. That's correct. The CER has done that.

Dan Albas: Does it seem to you that the government is somewhat tacitly acknowledging that the relationship and the interdependence on energy flows between our two countries will continue?

George Vegh: I don't know what the government's view of this is, but our pipelines are interconnected. Our transmission lines are interconnected. Reliability relies on coordination between the two jurisdictions. It's only natural that the regulators would stay in contact and would be working together.

● (1815)

Dan Albas: Yes, well, energy develops where there's population. They're usually right across the border from one another.

I would like to ask you about the Building Canada Act. Obviously, you've said that you don't think that is a good long-term piece of legislation. The government wants to simply make it so that it can continue to use these powers. Parliament saw a five-year period before.

I asked the minister if he should be actually showing his work and showing that the mechanism works before coming and asking for an extension of that. Do you believe the ministers should show their work, that there should be some sort of review process and that both houses decide whether or not to continue those powers?

George Vegh: I think there should be a debate about whether those powers should be continued. When you talk about the ministers' work and you consider the infrastructure that is being considered under the Building Canada Act, we may not see that for several years. If we put off a review until there's experience with the project being completed, we could be back 10 years from now and discussing that review.

I don't think there's a need to review. I think we understand that legislation, and I think that legislation is flawed.

Dan Albas: I believe it's flawed as well. I think if you had the responsible authorities, once a commencement date is started on a project where they identified national interest characteristics and made a simple referral to the BCA minister, and then you made a rationale of, first of all, why it's in the national interest, and second of all what the BCA process, by scheduling through one and two, could do, that would actually create a pipeline for these projects. They're expert-reviewed from the get-go, rather than having a Major Projects Office that knows very little about it or has any authority.

Would that be an interesting concept for you?

George Vegh: I don't see why you need it, frankly. If Bill C-39 is passed, you have a process that can consider pipelines, both long pipelines and short pipelines. You mentioned the issue around the criteria for approval of a project as a national interest project. The challenge there is that the criteria aren't very meaningful. Any project can meet those criteria if you define it that way.

Dan Albas: Well, right now the objective criterion is who the minister talked to last, whether it be a premier or a lobbyist, but I take your point.

Lastly, I'd like to ask the Canadian Nuclear Association a question.

Of course, your types of projects are extremely complex, yet the government believes they can be done in a year. Is that correct, sir?

George Christidis: What the government is saying—

Dan Albas: I mean the approval process could take a year.

George Christidis: They're pointing to a process whereby in a year an application would proceed. Again, what we've been saying is that the definition of that process needs to be clear in order for all concerned, specifically in the industry, to understand that it's not being uploaded at the front end.

Dan Albas: On that point, the Groundhog Day clause we've identified, where commencement starts only when the responsible authority, in this case the Canadian Nuclear Safety Commission, says so, would you like to see there be some firm dates and times, so that they can't ask for another report, another report and another report?

George Christidis: Again, it's very much defining that process, defining what a complete application is and understanding it, so that all applications are made accordingly. You're dealing with an industry that wants to, obviously, proceed very thoroughly. Therefore, understanding eliminates the—

Dan Albas: A process that's defined, that has predictability and certainty, is something that you would be supportive of.

George Christidis: Yes.

Dan Albas: Okay.

Lastly, Ms. Shea, in regard to banking, do you believe that some of the monies that are put forward to that should go back, wherever practicable, into that same ecosystem?

Tara Shea: Yes, absolutely.

We talked about the habitat banking, but there's also the fee-in-lieu option, which would need regulations to develop.

Bill C-39 talks about the environmental damages fund. I think it could be separate from that, but my concern is that the environmental damages fund is quite broad, so you would want to have something specific to fish habitat.

My other concern about the environmental damages fund is that it typically lists violators. We would want to make sure that if you were paying into the environmental damages fund as part of regulatory compliance, you wouldn't be listed as someone who broke an environmental law. That would be another distinction.

Absolutely, it needs to go back to where the impact is happening. You could pool that money to do a bigger offset project with all of the money from the different projects in the area.

● (1820)

The Chair: Thank you, Ms. Shea.

Thank you, Mr. Albas.

Next up, Mr. Louis, it's over to you.

Tim Louis (Kitchener—Conestoga, Lib.): Thank you, Chair.

I want to thank all of the witnesses for being here today.

In my view, the building Canada strong act is about making the process of building projects work better while maintaining the scrutiny. We're proposing less duplication, and we're hearing about better coordination across government, while environmental assessments, public participation and meaningful indigenous consultation continue.

I want to explore how that greater certainty, stronger scrutiny and more meaningful engagement can reinforce one another.

I will start with Mr. Christidis.

We all know that Canada needs more electricity as we grow our economy and build these projects. The building Canada strong act would put nuclear impact assessments under the Canadian Nuclear Safety Commission while the environmental, health, social and economic factors required under the Impact Assessment Act would continue to be assessed.

Can you share with this committee how making the Nuclear Safety Commission the regulator can help with more coordinated review and enable us to increase the amount of nuclear generation we have online more efficiently without compromising safety or environmental scrutiny?

George Christidis: To put it clearly, for us, making the Nuclear Safety Commission the regulator, putting the impact assessment part into the CNSC process and allowing the CNSC to coordinate the various different agencies for the permitting to magnify the efficiency—I believe there are about 11 agencies involved, if not more—are very good things that we applaud.

From that perspective, Bill C-39 is pointing to the right way. There are some particulars with regard to the indigenous consultation piece, as well as the definition of the one-year process of approval, that need to be further defined.

Again, to answer the question you asked, it is very supportive of both a much more efficient and understood system and much more certainty for nuclear projects to come forward.

Tim Louis: Thank you for that.

Nuclear energy depends on uranium, critical minerals, transmission and capital investment. How important is regulatory certainty across the entire clean energy supply chain if we want investment to happen here in Canada?

George Christidis: Investment across the board looks at the regulatory regime as a means of understanding the certainty, and it's one of the key areas where, if you greatly increase the certainty, then you increase the amount of investment that could be generated. That's across a number of different infrastructure projects, if not all infrastructure projects, as well as nuclear.

Again, that's why this bill is pointing in the right direction. It's key to the recommendations being made in other spaces, which include the right financial models that identify the risk allocation among the federal and provincial governments and industry and allow them to proceed.

Tim Louis: Thank you.

We talked about critical minerals with nuclear, which would take me to Ms. Shea.

Northern Ontario has large mineral potential that can grow into jobs, processing capacity and stronger supply chains. How can that greater regulatory certainty help Canada's critical mineral potential, including in northern Ontario, through the entire chain, from processing to clean energy supply chains and jobs?

Tara Shea: One of our biggest challenges over the last few decades was the complexity of mining—primarily a provincially regulated activity—also being subject to federal environmental assessment or impact assessment processes. We saw, with the early implementation of the Impact Assessment Act, that there really was a lot of duplication. There were multiple years of baseline studies for no real purpose other than maybe a research study.

With these co-operation agreements that have been signed over the last year, I'm hopeful that we will see greater provincial-federal co-operation on impact assessment. I see a really big opportunity to amend section 16 of the Impact Assessment Act—I'll reiterate that from my opening remarks—to recognize the co-operation agreements in the legislation and put the onus on the agency to justify why a federal impact assessment is required when you're going through a provincial EA.

Tim Louis: This is my very last minute.

We're talking about the federal government and provinces working together. Can you give us an example of when something like this worked and how that benefited everyone?

● (1825)

Tara Shea: We don't have the experience of the implementation of these agreements beyond British Columbia yet.

However, we did see an example over the last couple of years, outside of a co-operation agreement, when the federal government, through the Impact Assessment Agency, was leveraging the provincial process for a project in Quebec. We saw more of a hybrid set of guidelines for the project. That project is meeting milestones in the impact assessment process quicker than projects that entered the process in, say, 2021.

The Chair: Thank you very much.

Go ahead, Mr. Ste-Marie.

[*Translation*]

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

My question is for Mr. Christidis from the Canadian Nuclear Association. This concerns first nations.

We had Ontario Regional Chief Abram Benedict here, who represents 133 first nations in Ontario. He said that his organization had concerns and did not support the Canadian Nuclear Safety Commission conducting the single assessment because it is inadequate. That is what happened, for example, in the case of the Chalk River radioactive waste dump.

He said that this commission had never conducted adequate consultations with first nations nor shown any interest in this issue. Furthermore, more broadly speaking, he said that the consultation period with first nations could not be limited to one year. In any case, that would not provide sufficient time to conduct consultations and obtain the informed consent of first nations in accordance with their rights.

Do you have any comments or thoughts for the committee?

[*English*]

George Christidis: I don't have a very firm comment, other than, of course, to say that indigenous communities have the constitutional right to consultation. Regarding how that consultation occurs, again, we see it as a nation-to-nation discussion, and the federal government needs to provide clarity.

You are aware, I'm sure, of the current court cases that have identified, in terms of some of those projects, that, again, the CNSC, in this particular case—and I cannot speak to it, as I'm not a lawyer—is in the scoping of those consultations, etc.

We're saying there must be a much more efficient means, without deferring to the courts, of making it clear there's an understanding of the scoping of those relationships and the communities involved, and that the consultation process is clearly defined. We're all concerned, but certainly, as a government-led discussion with first nations themselves....

[*Translation*]

Gabriel Ste-Marie: Thank you very much for your answer, Mr. Christidis.

Thank you, Mr. Chair.

[*English*]

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

That's all the time we have for this panel.

Thank you to our witnesses. We very much appreciate it.

We'll suspend to get ready for the next panel.

● (1825)

_____(Pause)_____

● (1835)

The Chair: Welcome back to meeting number six of the House of Commons Legislative Committee on Bill C-39.

I'm going to ask all the witnesses a question: Have all of you testified before a parliamentary committee before?

Not all of you have. All right. There are some basic rules you need to adhere to.

Please wait until you're recognized before speaking; make sure your translation device works, if you need it, as you will be asked questions in both official languages; and all comments and answers should be addressed through me, as the chair.

Those are basically the rules of the road, so thank you.

I would like to welcome our witnesses for the fourth panel.

From Environmental Defence Canada, we have Julia Levin, associate director, national climate.

From the Quebec Business Council on the Environment, we have Marie-Claude Bellemare, president and chief executive officer.

From the Quebec Environmental Law Centre, we have Geneviève Paul, the executive director.

Each of you will be given up to five minutes for opening remarks. Once all three of you are finished, we will then open the floor to questions.

I will start with Ms. Levin.

Julia Levin (Associate Director, National Climate, Environmental Defence Canada): Thank you, Mr. Chair.

Good evening, honourable committee members.

Environmental Defence Canada is extremely concerned about Bill C-39, which hands ministers sweeping new powers at the expense of nature, health and safety, workers' right to strike and indigenous rights. If passed, Bill C-39 will implement the single worst weakening of Canada's environmental safety net in history.

We share the goal of ensuring that good projects get built. However, the approach set out in Bill C-39 won't achieve that objective. The bill is not simply a proposal to make environmental reviews faster. It is a proposal to change when appropriate environmental scrutiny happens, which projects receive it, and who controls the outcome. By drastically limiting public participation and undermining the role of science, project decision-making will become less evidence-based, less transparent and more politicized. The bill will, in fact, fundamentally weaken environmental laws and protections by drastically reducing their application.

Impact assessment is not red tape. It's one of the government's best tools for deciding how, when and whether major projects get built. It's not just about the ability to say no. Impact assessments are critical to ensure that the best projects move forward in a way that benefits Canadians.

Bill C-39 is premised on the long-discredited jobs versus the environment argument. Canadians know better. Harming nature is not in the public interest. Most Canadians view nature as central to their national identity and oppose the weakening of environmental protections. Polling that we commissioned in September revealed that a majority of respondents would be less likely to vote for an MP who supported the approach in this bill. According to a recent Leger poll, nearly 70% of Canadians and 80% of Liberal voters want Canada's environmental requirements maintained or strengthened, despite the trade war with the United States.

Bill C-39 will enable harmful projects to proceed without understanding the risks, in particular in areas designated as regions of national interest. Projects in these areas would essentially be pre-approved without project-specific environmental assessment or public oversight. This approach represents an end run around environmental laws and would significantly undermine indigenous rights and jurisdictional authority, as well as putting endangered wildlife at grave risk.

To date, the government has not disclosed which areas could become regions of national interest. Will it be the ring of fire, B.C.'s golden triangle, the St. Lawrence River area or the Fraser River delta, which is the habitat of endangered southern resident killer whales? The whales have already been dealt devastating blows by the designation of both the Pacific link pipeline and Roberts Bank terminal 2.

This bill gives immense discretionary power to specific ministers to bypass environmental laws. It would allow ministers to remove or alter project conditions, even if doing so would make the project's impact on the environment worse or threaten vulnerable species. Project conditions are not arbitrary; they serve to protect against harm.

We are also extremely concerned that Bill C-39 would make the extraordinary powers under the Building Canada Act permanent by removing the sunset clauses. Removing these clauses undermines Parliament's legislative intention in passing Bill C-5 and allows the government of the day unfettered use of powers to choose which major projects are subject to which laws of Parliament and which are exempt.

Indigenous opposition to this bill has been forceful. That is no surprise, given that the bill undermines indigenous rights and makes it practically impossible for the government to meaningfully consult indigenous communities, as is constitutionally required. In fact, nowhere does Bill C-39 reference the UN Declaration on the Rights of Indigenous Peoples or free, prior and informed consent.

Overall, the proposed changes make project decisions less transparent, more political, and therefore more vulnerable to legal risk and public opposition.

In addition to the content of the bill, the process being used to move the legislation forward is alarming. Cabinet has called Bill C-39 one of the most consequential pieces of legislation. Meaningful parliamentary review is critical. The breakneck speed at which the bill is moving through Parliament makes that impossible.

In closing, Environmental Defence Canada is calling on the Government of Canada to withdraw this dangerous bill. There are no amendments that can fix Bill C-39.

That being said, if the bill is allowed to proceed, some harm reduction amendments are critical and a necessary part of this committee's work. I've shared our priority amendments with members of the committee.

Canada can build a strong economy without sacrificing our natural heritage. That's why Canadians across the country are asking their members of Parliament to vote against the bill at third reading.

● (1840)

People will be watching to see whether their representatives did everything in their power to protect water, healthy communities and wildlife for our generation and generations to come.

Thank you.

The Chair: Thank you very much, Ms. Levin.

It's over to you, Ms. Bellemare.

[*Translation*]

Marie-Claude Bellemare (President and Chief Executive Officer, Quebec Business Council on the Environment): Mr. Chair, members of the committee, thank you for giving the Conseil patronal de l'environnement du Québec, or CPEQ, the opportunity to contribute to your work on Bill C-39. However, our remarks will be limited to part 1 of this bill.

Founded in 1992, the CPEQ is the umbrella organization representing Quebec's business sector on the issues of the environment and sustainable development. It brings together more than 350 of Quebec's largest companies and associations, which generate more than 300,000 direct jobs and have combined revenues of more than $45 billion.

I am testifying today not only as the recently appointed president and CEO of the CPEQ, but also from the perspective of an environmental lawyer who has worked with the business community for 25 years. This experience has shown me that rigorous environmental regulation is entirely compatible with more predictable, better coordinated and more efficient processes.

The CPEQ supports the general direction of Bill C-39, which is to improve regulatory predictability, reduce administrative duplication and accelerate the execution of structuring projects.

For the industry, a number of measures represent significant steps forward. These include the coordination of impact assessments and federal permitting, the consideration of practical, technical and economic factors, the possibility of a single federal decision, and the use of regional assessments in areas of national interest.

However, to ensure that this ambition yields concrete results, we have about 10 implementation recommendations, which are described in our brief and summarized here today in five points.

First, real time frames must be established for the entire permitting process. A maximum time frame will have only a limited effect if deadlines are moved before the submission of a complete application or after the decision is made. We therefore recommend clear time frames for each of the main stages, as well as a clear definition of what constitutes a complete application. Criteria must also be established to determine what preparatory work can be done before a permit is issued, without compromising the integrity of the assessment or environmental protection. These time frames must also take into account the realities on the ground, including environmental inventories, which can only be completed at certain times of the year.

Second, permit coordination must start at project design and apply to all federal departments and agencies that may issue authorizations, not just some of them. The required information, analytical sequences and decision criteria should be established early so that, to the extent possible, decisions are made concurrently. A quick decision on the impact assessment is of little real benefit if the proponent must then wait years to get the other necessary permits.

In the same vein, we urge the governments of Canada and Quebec to finalize a collaborative agreement on environmental assessment as soon as possible in order to implement the “one project, one assessment” approach, reduce duplication and increase predictability, while maintaining high standards of environmental protection and respecting the rights of indigenous communities.

Third, we recommend establishing a team for each project, bringing together the Impact Assessment Agency of Canada, the permitting authorities, the Major Projects Office, indigenous consultation experts and the proponent. A kick-off meeting and regular follow-ups would make it possible to quickly identify the necessary studies, limit successive requests for information and resolve problems before they become sources of delay. The government should also publish an administrative document explaining how the agency and other federal authorities will take economic, technical and practical considerations into account in their analysis. This transparency would promote consistent and predictable application of the new framework.

Fourth, implementation must preserve the quality of consultation with indigenous peoples and ensure clarity of the conditions. The rules for calculating and suspending time limits must balance predictability with full respect for ancestral and treaty rights, as well as the Crown's duty to consult. Furthermore, the conditions attached to decisions and permits must be rigorous, but above all clear, enforceable and sufficiently detailed. We also recommend the development of an administrative document to guide the agency's analysts in drafting conditions.

Fifth, the concept of a region of national interest is promising, particularly for better addressing cumulative effects and avoiding the duplication of studies on the same issues. Its implementation should, however, be based on objective technical and scientific criteria, consultation with indigenous communities, local populations and stakeholders, including potential proponents, as well as clear guidance on the use of regional assessments in the analysis of specific projects.

● (1845)

In conclusion, the CPEQ shares the objective of an overall framework that is both environmentally rigorous, effective and predictable. Bill C-39 is a step in the right direction. Its success, however, will depend on implementation that truly coordinates actors, frames each step and fosters early and ongoing dialogue.

CPEQ offers its full collaboration to the government and parliamentarians to contribute to this implementation.

Thank you for your attention, and I look forward to your questions.

[*English*]

The Chair: Thank you very much.

Ms. Paul, we'll go over to you.

[*Translation*]

Geneviève Paul (Executive Director, Québec Environmental Law Centre): Good evening.

I want to thank you for the invitation to appear today.

Canada presents itself abroad as a reliable partner that respects the rule of law. A country with a strong rule of law is a country that places limits on the executive branch's discretionary power and respects the legislative processes established by elected officials. It is a guarantee of stability, especially for the business community.

In our view, Bill C-39 does exactly the opposite. It is a dangerous bill that marks an unprecedented step backward in Canada's contemporary history and undermines legal predictability, a principle lies at the heart of the rule of law. This bill must be viewed within an already advanced context of environmental deregulation. The Centre québécois du droit de l'environnement, or CQDE, is already challenging the constitutionality of the act respecting projects of national interest in court. Bill C-39 goes even further.

In our view, the very fact that the government has opted for an omnibus bill prevents legislators—and even more so the public—from fully grasping the consequences of Bill C-39. Rather than following the normal legislative process, the government is creating parallel workarounds. This is problematic from the perspective of the rule of law. Moreover, the Barreau du Québec has also expressed its concern in this regard in a brief that was submitted to you.

Bill C-39 does not modernize procedures or reduce duplication; it is a clear weakening of the applicable laws. I'll quickly touch on that. This weakening had already been made possible by Bill C-5. Bill C-39 continues in the same vein by, among other things, granting the executive branch the power to designate regions of national interest, within which the executive branch may itself determine the types of eligible projects and the criteria applicable to those projects, all without this new category being defined in the bill or adequately delineated. Furthermore, projects eligible within these regions of national interest will benefit from a presumption of a favourable decision.

We're being told that Bill C-39 doesn't weaken the laws. I won't hide the fact that I find this argument very troubling. The provisions are very clear. It weakens the applicable framework, but it does so permanently for this government and future governments. As you know, governments come and go, but laws remain.

Bill C-39 directly undermines a series of laws necessary to protect our environment. It weakens impact assessments and even allows pipeline projects, for example, to be exempted from such assessments altogether. These laws are not mere bureaucratic constraints; they are in place to protect the public, ecosystems, and—need we remind you—the economy, because the economy also depends on this biodiversity and this environment.

With this presumption in favour of approving projects, there is a tendency to roll out the red carpet for these projects. In our view, this weakens the role of science in decision-making, and that should concern us.

Bill C-39 also opens the door to disclosing key information to the public, such as all permits issued for a project, only 30 days after a project is authorized, rather than beforehand.

Finally, Bill C-39 gives the executive branch the power to remove or modify the conditions of a project that has already authorized when it is subsequently designated as being of national interest.

The bill repeatedly states, for example by allowing preliminary work to begin before a project's impacts have been fully considered, that it is possible to bend from existing rules if it is in the public interest. What public interest are we talking about here? As Ms. Levin pointed out, 70% of Canadians polled recently said that they do not want standards to be weakened.

I say this with all due respect: If you, as members of the legislative branch, support Bill C-39, in our opinion, you are relinquishing your powers and responsibilities by granting the executive branch excessively broad and inadequately defined discretionary powers and by endorsing governance by decree, a practice observed south of the border that we continually decry.

Evaluation experts are clear: The most successful projects are those that take the time to consult with communities, understand the local context and integrate environmental and social issues early in their design, and those that include targeted studies. There are other possible ways to support Canada's economy and respond to the current geopolitical context, and they do not involve Bill C-39, which we believe should be rejected.

History teaches us that we are capable of detecting the signs of the erosion of a rule of law and democracy. For us, the signs are clear, and they are there. This is a pivotal moment for Canada. It's easier to recognize when the rule of law begins to erode than to know when it will stop. I don't think anyone can regret taking action to protect the law and democracy, nor can anyone be blamed for doing so.

Thank you.

● (1850)

[*English*]

The Chair: Thank you very much.

We'll start the six-minute round with Mr. Leslie.

Branden Leslie (Portage—Lisgar, CPC): Thank you, Mr. Chair.

I will direct my questions to Ms. Levin to begin.

From your discussions with other environmental organizations—there's obviously one beside us here from the Quebec law society—and given the limited number of witnesses we're going to have at this committee, how widespread is the view across environmental organizations in Canada that this bill should be rejected or substantially amended?

Julia Levin: I'd say, across most of civil society, there's quite a unanimous position that this bill should be withdrawn.

The groups that are putting in amendments.... As I said before, it's a harm reduction strategy. It's not to fix the bill, and it's not to get a good bill. It's to do harm reduction on a dangerous bill.

Across the environmental movement, as I also mentioned, there's strong indigenous opposition. Obviously, across labour, there's a lot of opposition.

To answer your question, there's quite a lot of consensus among civil society.

Branden Leslie: I believe the quote was, roughly, the “single worst weakening” of environmental law in history. It seems as though environmental groups are increasingly at odds.

Is this what you expected 18 months ago, when the Prime Minister came in? Did you expect to be saying, 18 months later, that you're seeing the single worst weakening of environmental law in Canadian history?

Julia Levin: I think Canadians have the right to feel betrayed. Nowhere in this government's platform was there a gutting of environmental protections or a dismantling of climate policies. It was quite the opposite.

That's what we're hearing. There were 26,000 people who wrote in over the summer to oppose this, and 3,000 of our supporters wrote to your committee in the last 10 days to oppose this.

There's an unprecedented level of push-back, and it's reminiscent of what we saw a decade ago.

● (1855)

Branden Leslie: I'm sure that Minister Dabrusin is aware of the concerns your organization and many others have raised about Bill C-39, but obviously, the government doesn't seem super keen to accept them.

What has your organization's engagement been like with the minister's office? Has the government offered any sort of response or arguments that have caused you to take pause and question your own initial opinions of the bill?

Julia Levin: We've had some engagement with some of the key ministers—I'd say there's been less with Minister Dabrusin's office—and no, throughout the last six months, the government has not offered anything to assuage our concerns or even to justify why this bill is necessary.

Part of the supposed rationale is certainty for projects. We know this bill and the legal challenges it will inevitably lead to do not provide certainty.

We've been told Canada wasn't building, but if you look at NRCan data from 2024, there were 500 projects worth $650 billion in progress, under construction or about to be under construction.

There's no evidence of the myths that keep being used to justify this extraordinary piece of legislation.

Branden Leslie: In that vein, you mentioned your engagement with the environment minister, and it seems odd that your group, Environmental Defence, would have lower or poor engagement with the environment minister.

There are colleagues from across the way who could have asked her a question. If they are going to dismiss your concerns....

What is the one question you would like Minister Dabrusin to answer here on the record, if she was sitting in your chair?

Julia Levin: I don't know if I have one question for her. There is a legacy piece around being the minister who's going to be presiding over the single most devastating bill dismantling environmental protections that this country has seen.

Branden Leslie: You mentioned the extraordinary new powers. In your view, what is the most concerning new power that Bill C-39 would give the government?

Julia Levin: It's hard to pick just one. Removing the sunset clauses definitely makes these extraordinary powers permanent. Something that has not been adequately answered is why that is necessary.

One of our top concerns is around the regions of national interest. We've seen how Bill C-5 has now designated two very polemic and dangerous projects. The decision to designate the pipeline has now been challenged by 10 different first nations. This is the first decision to designate a project. This is more of what we can expect.

What Bill C-39 does is take that PONI process and apply it to undefined regions of our country. The government has not given any indication of whose territory will now become a rubber-stamping environmental deregulation zone.

The unfettered powers the cabinet is giving itself through the creation of regions of national interest.... Nowhere have I heard compelling justification about why those are necessary.

Branden Leslie: As you would know, the minister was excited about the idea when she appeared at our committee but was unable to explain much. Would you support amendments of some specific sort of criteria to rein in the potential of controls that cabinet would have in that designation? Where exactly do you see the abuse possibilities of the national designation, certainly as written in this law, without any guardrails whatsoever, it seems?

Julia Levin: We do have amendments to try to rein in the regions of national interest, but again, that's harm reduction. To withdraw the bill is our primary ask.

The second ask, if the bill is not withdrawn, is to delete the power to allow cabinet to designate areas of our country as regions of national interest and turn them into rubber-stamping zones.

Absent that, it's striking to me how devoid the bill is of any kind of limits to that power or factors that must be considered. I can provide the committee with some language that environmental lawyers have put together to restrict that power in a way that's slightly less alarming, but again, that's harm reduction.

The Chair: Thank you, Mr. Leslie.

Ms. Harrison, it's over to you for six minutes.

Emma Harrison: Thank you, Mr. Chair, and thank you to the witnesses for being here.

Ms. Levin, you've raised concerns about indigenous participation under Bill C-39. I would like to draw your attention to some of the consultation and collaboration mechanisms already provided under our federal legislation.

Section 93 of the Impact Assessment Act allows the minister to enter into agreements with various jurisdictions and bodies and jointly establish a committee responsible for conducting a regional assessment. These entities may include provincial government, federal authorities and co-management bodies established under land claim agreements, as well as indigenous governing bodies that have responsibility for assessing environmental effects under land claim agreements or self-government agreements.

Furthermore, proposed section 8.2 in clause 7 of Bill C-39 requires the minister to ensure that adequate consultations have been conducted with indigenous people whose section 35 rights may be affected before recommending the designation of a natural interest region. In addition, proposed paragraph 8.4(2)(d) provides for consultation with affected indigenous people before the issuance of the document establishing the authorization and conditions applicable to a project within a designated region.

In this context, would you agree that this legislative framework provides indigenous people with several opportunities to participate directly in the decision-making process, not only through consultation but also by taking part in committees responsible for conducting regional assessments?

● (1900)

Julia Levin: No, but you don't have to take my word for it. We've heard from first nations that this is legislative coercion.

The nations who are involved in the regional assessment for the ring of fire, who in good faith engaged in that process for years, have sent a clear warning, a public warning, that this bill could take all of that work and still undermine all of their inherent rights.

The chiefs I spent last week with have said they have not even had the chance to look at this bill, let alone fully understand its impacts. That includes the chief of the Athabasca Chipewyan First Nation. I know that the committee has heard from the Chiefs of Ontario, but there are many other important bodies that deserve a chance to present to this committee and to be able to more fulsomely answer your question.

Emma Harrison: Certainly tomorrow we have several attending, including a chief from my riding, Chief Carr from Hiawatha First Nation.

I'd like to ask all the witnesses about one advantage of the regional assessments. They can examine the cumulative effects of multiple projects rather than looking at each development in isolation. Would you agree that identifying sensitive ecosystems, cumulative effects and mitigation requirements before individual projects proceed actually could improve environmental planning?

That's for all of you and whoever would like to go first.

Marie-Claude Bellemare: I would say yes. Having to look in a designated area to assess and identify sensitive areas would allow for adequate land planification and land management. Instead of it being on a case-by-case basis, you look at it globally, and that allows for a better insertion of projects into communities.

Geneviève Paul: Indeed, one of the objectives of using regional impact assessment is to gather data in a way that allows for a better understanding of the impact on the region and looking at the cumulative effects, but we should specify that this tool isn't supposed to be used to fast-track individual impact assessments afterwards. That's not at all how it's being used in other jurisdictions.

The best practice around regional assessment is that it helps to gather some important data, so that we have a better picture when it comes to time to individually assess projects, and that's not what Bill C-39 is suggesting.

Julia Levin: Every regional assessment is very important. Cumulative effects are incredibly important. We haven't done a good job of understanding them, but they're not supposed to replace individual project assessments. They shouldn't be used to do an end run over environmental legislation.

Emma Harrison: The Impact Assessment Act continues to require meaningful public participation in regional assessments. It provides participants' funding and requires assessment findings and recommendations to be made public. Given those requirements, where, specifically, Ms. Levin, do you see that Bill C-39 reduces the public ability to participate?

Julia Levin: The bill itself is just very broad and vague when it comes to setting out the type of participation. It has no factors that are necessary in determining and assessing these regions of national interest. Once those regions have been established, then individual projects essentially get pre-approved. For those individual projects, yes, in the regional assessment there is some role for public consultation, but there is not in the individual project decision-making.

Emma Harrison: Okay. Thank you.

Would you agree that regulatory efficiency and strong environmental protection do not have to inherently conflict?

Julia Levin: I would agree.

● (1905)

Emma Harrison: Perfect.

If so, what specific amendment would you all like to see in Bill C-39?

Marie-Claude Bellemare: I'll dive in first. I think the notion of what is a complete application is the one that would need to be clarified. It would allow them to figure out when those timers kick in.

Geneviève Paul: Unfortunately, for the Quebec Environmental Law Centre, it is not possible to suggest any amendments that would make this bill acceptable. It is not justified or necessary to take that route. Because of the threat to the rule of law, the protection of the environment and the protection of Canadians' rights, we cannot….

I say “unfortunately”, because we have often come here before Parliament. We do the same in Quebec. We like to engage in a constructive manner. With this specific bill, unfortunately, we believe there are ways to achieve the objective that is stated without sacrificing the general legal framework in Canada.

This bill should be withdrawn. That's our position.

The Chair: Thank you very much, Ms. Harrison.

It's over to you, Mr. Ste-Marie.

[*Translation*]

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

Good evening to all three of you. Thank you for being here. We really appreciate it.

My questions are for Ms. Paul.

You spoke about the environment but also the erosion of the rule of law. Ordinary laws are being circumvented. No limits are being set. Everything is being concentrated in the hands of the government, ministers and the executive branch, while elected officials and legislators are sidelines. As you mentioned, the consideration of scientific evidence in assessments is also being weakened.

It is for all these reasons that you say the rule of law is eroding. Is that correct?

Geneviève Paul: Yes, that's correct.

It's really important for us, and that's why we're here in person.

There are several elements that make Bill C-39 absolutely unjustifiable. I don't think anyone, any of the stakeholders, or even the business community, should be happy with a bill that gives the executive branch such broad and insufficiently circumscribed discretionary powers.

That's why I was saying that, for us, this is a way for the legislator to relinquish its role, its powers and its responsibility.

There are various elements in the bill, whether it be the exorbitant powers given to the executive branch, the lack of definitions or the lack of binding and defined criteria, that really weaken the legal framework.

In addition, as has been said, this is an omnibus bill. Therefore, we are not going through the normal legislative process; an omnibus bill is being used to directly amend various laws that are essential to protecting Canada's environment, particularly when it comes to biodiversity.

So there is this whole logic behind the bill, which is ultimately a logic of presumption in favour of project approval. From a democratic standpoint, it is extremely concerning that the executive branch is being given such broad powers, which are not sufficiently limited, but also, as we were saying, undermine the consideration of science in decision-making.

These are high-risk projects, but they're also high-cost projects. I think we all want to make sure that decisions are informed. However, that's not what Bill C-39 proposes, and that's why we're concerned. I don't think anyone here wants to end up with projects whose costs were not sufficiently considered and whose risks were not adequately assessed to protect the public. Ultimately, investors and developers are not going to win either.

That's why it's important to have a real assessment and a real consultation at the front end to ensure that projects are successful.

We don't need to chip away at the rule of law. I think it's important to remember that. As I said, laws remain, governments change. I don't think anyone here wants to write a blank cheque. However, that's what Bill C-39 looks like.

Gabriel Ste-Marie: Of course. Thank you.

I would like to hear your thoughts on the shorter time frames for conducting impact studies, the start of preliminary work even before a decision has been made and the single decision-making process, which concentrates the assessment authority. I would like to hear your thoughts on this.

● (1910)

Geneviève Paul: We would certainly like to emphasize the risks associated with shorter assessments. Various parts of Bill C-39 shorten the time frames for impact assessments. We often hear about the provisions that would reduce the time frame for impact assessments from three years to one year. As many experts—particularly experts in impact assessment—have pointed out, this could lower the quality of impact studies, of course, but also undermine public consultation on these issues. Ironically, this could actually lead to longer time frames, because it may result in requests for additional information.

In general, as Ms. Bellemare pointed out, certain solutions are already on the table. These solutions don't involve Bill C-39 at all. For example, we could have better-targeted impact assessments. This would ensure better studies from project proponents and also avoid some back and forth. Measures that don't require the legislative framework at all could have been implemented to streamline the impact assessment process.

In this case, Bill C-39 takes us in a completely different direction. Not only does this affect the Impact Assessment Act, but it also introduces changes to the Canadian Energy Regulator Act, as you know. These changes seek to reduce the time frames and even grant the authority to outright exempt pipeline projects from assessment. In 2026, I find it incomprehensible to consider these changes.

Gabriel Ste-Marie: Thank you.

Another issue that I wanted to discuss with you concerned the concentration of power and decision-making. You also touched on this topic.

I would like to hear your opinion on the expansion of discretionary powers after the approval of a project.

Geneviève Paul: Our point was that Bill C-39 gives the executive branch the authority to remove or amend the conditions of a previously authorized project if the project is subsequently designated of national interest. The connection here to the erosion of the rule of law and legal predictability strikes me as quite obvious.

One of the criteria discussed by the Barreau du Québec—and brought up by others as well—is public trust in institutions. This plays a key role in a democracy. When we see public trust in institutions declining, it's actually one of the signs of erosion. Bill C-39 opens the door to this in a number of ways. We're talking about the executive branch's power to ultimately amend the conditions for authorization. However, there's also the power, for example, to authorize preliminary work even before before we fully understand what we're getting into. When you look at this from the public's perspective, multiple factors raise serious concerns. So—

[*English*]

The Chair: Ms. Paul, I'm going to have to stop you there. Thank you.

[*Translation*]

Geneviève Paul: —how can we trust the credibility of institutions under these circumstances?

Gabriel Ste-Marie: Thank you.

[*English*]

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

Mr. Leslie, we'll go back to you for five minutes.

Branden Leslie: Thank you, Mr. Chair.

Ms. Levin, I'm not sure if it's your organization. I saw some posters recently, just outside of the Hill, regarding the southern resident killer whales. I'm just curious if there is a very real concern that this whale population will not survive. Is that the impetus of that movement?

Julia Levin: We joined with other organizations to launch the save endangered whales campaign and highlight the risks that this population is facing.

There's a culmination of different pieces. There's Bill C-5, the project designations and this legislation. The project designations, as I said—the pipeline and the Roberts Bank terminal 2, which just came late last Friday—are incredibly devastating blows to this really iconic and beloved wildlife.

Then this new bill, in these regions of national interest and through other proposals, gives ministers the discretion to do a complete end run around SARA, which, as a result of the push-back we saw after the discussion papers came out.... Cabinet ministers very clearly promised Canadians they would withdraw the worst parts of the discussion paper when it comes to impacts on wildlife and vulnerable populations like the southern residents.

I would say that there's a lack of honesty there, because a lot of the conditions being proposed in the bill will be detrimental to wildlife like the southern residents. The regions of national interest.... If the Fraser River delta becomes a region of national interest, then SARA no longer applies for projects in that area.

By requiring the Minister of Environment to put economic feasibility on par with species' survivability, species are furthermore at harm.

By giving ministers discretion to remove or weaken project conditions, which have been attached to projects to mitigate harm on wildlife like the southern residents, this bill is still a disaster for wildlife.

We're in a biodiversity crisis. There are over 2,000 species at risk of extinction in this country, and Minister Dabrusin just finished up at COP17, the biodiversity COP, where she promised to do everything in her power to halt the loss of biodiversity. This bill does the opposite.

● (1915)

Branden Leslie: Thank you.

You mentioned honesty in there, and you mentioned the previous COP. There's an upcoming COP, and I just saw a news article. The headline said, “presenting [themselves] as climate leader[s] at COP31, despite policy rollbacks”, and that was by The Canadian Press.

I'll highlight what Minister Dabrusin said in Parliament not that long ago: “There will be no lowering of environmental standards or indigenous consultation requirements.”

Can Canadians rely on that promise? Secondarily, how do you reconcile this legislation with the government's claims on environmental leadership on the world stage?

Julia Levin: This bill quite clearly lowers environmental standards by giving discretionary power to the government to decide when those laws are applied and when they aren't. That is clearly a weakening of environmental standards.

As a climate organization, I am also very concerned by the rolling back of climate policy. The Canadian Climate Institute said that because of the rollbacks that have happened in the last year and a half, Canada is now “20 years behind schedule” on meeting its 2030 climate targets.

Climate targets are not abstract. They are what protect your constituents from wildfires, droughts, flooded basements, lost livelihoods and lost lives.

Branden Leslie: Thank you, Ms. Levin.

I have a little over a minute left here. I'd like to offer you the chance to give an elevator pitch.

If the Prime Minister were watching, if you had a minute or a minute and a half alone with him, away from all of his advisers, to appeal to perhaps the man that many thought he was at one point, what would you say to him about this legislation and the last 18 months of environmental policy?

Julia Levin: Stepping back from this legislation and looking at the priorities of this government, I would ask anyone in a decision-making role where Canada sees the world going. We are clearly in an energy transition. That is evident if we look outside our borders and maybe the borders to the south of us. Even there, they are doing more in clean energy than we are here.

China's oil demand plateaued this year. Where are the markets that we are fast-tracking risky projects to fill? China's the only other market, other than the United States, where we can export our oil. Other markets do not have the refining capacity. If China's oil has plateaued because half of the vehicles are now EVs, why are we fast-tracking? Why are we gutting environmental protections to fast-track risky fossil fuel infrastructure that will not have a market in the next 10 to 15 years, according to all of the world's foremost international energy experts?

The Chair: Thank you.

Branden Leslie: Do you think he's convinced?

Julia Levin: We'll see.

The Chair: Dr. Martin, please go ahead.

[*Translation*]

Danielle Martin: Thank you, Mr. Chair.

I would like to thank all the witnesses. I appreciate their work, which matters a great deal to Canadians.

I would like to start with a question for Marie-Claude Bellemare regarding the overall purpose of this bill.

Although we may not always agree on how to do things, I believe that we all agree that striving to find an environmentally rigorous, effective and predictable regulatory balance or framework is a worthy goal.

In your opinion, what factors will play a key role in implementing the bill to ensure this balance? If any factors are missing, what are they?

Marie-Claude Bellemare: I'll go step by step.

First, I want to point out that, when we talk about an impact assessment submitted to government authorities, the work leading up to it takes years. When I hear people saying left and right that all this will take a year, that isn't true. This amounts to overlooking the work accomplished. The same applies to consultations and the work carried out in the communities. If we wait until government consultations are over to begin consultations with indigenous people, we're already behind schedule on a project. In reality, these consultations take place in advance. We mustn't forget that.

With regard to the important factors, I think that the time frame is one of them. The time frame provides predictability. A proponent can control the time spent on studies. However, once the proponent hands the baby over, it no longer has any control over the time. The proponent also lacks predictability. This provides a clearer picture in that area.

The other factor is ensuring that federal authorities communicate with one another and coordinate their efforts rather than working in silos. In this area, we stand to gain a great deal, not just in terms of time, but also in terms of acceptance within the communities. We can look at the conditions as a whole, in their entirety.

There's also another factor. For some time now, I've been hearing claims that Bill C-39 eliminates all applicable environmental regulations. I would like to clarify a few points.

First, we mustn't confuse the provisions that amend what was adopted in Bill C-5 with the amendments to the Impact Assessment Act. Whether we have the provisions of Bill C-5 or amendments to those provisions, we still need clarity regarding impact assessments. We need predictability. We need to speed up the process so that projects can move forward with predictability.

Furthermore, when we look at Bill C-5 and the amendments made to Bill C-5, we can see that the bill doesn't say that the legislation won't apply in the first place. It says that a permit will ultimately be granted, but there may still be conditions attached to the permits. I think that we also need to keep in mind an important point in this area concerning the conditions for implementation.

● (1920)

Danielle Martin: Thank you.

I have a question for Geneviève Paul.

We briefly spoke earlier about the concept of regional assessments. I understood, and I think that we're in agreement. In my view, the bill doesn't state that, in the case of a regional assessment, a project will never be assessed. If the project is part of the regional assessment, that's a different matter.

Tell us a bit about the principle of a regional assessment. Explain how it can help, for example, species at risk, or help us understand how projects in general can be planned for an entire region.

Geneviève Paul: Thank you for your question.

As I was saying, the Canadian Environmental Law Association and others have been recommending this tool for a number of years. However, we mustn't misrepresent its use or its purpose. This tool typically provides a better understanding of the territory and the cumulative impact on that territory, particularly when guided by the principle of ecosystem carrying capacity.

In this case, Bill C-39 opens the door to exempting projects located in a region of national interest from an impact assessment following a regional assessment. This is a major issue and runs counter to the spirit of impact assessments and the precautionary principle. That addresses the first part of your question.

In the second part of your question, you asked me how this could improve biodiversity protection legislation. My answer is simple. Yes, Bill C-39 addresses the duration of impact assessments. However, it does much more than this. It actually weakens the Fisheries Act, the Species at Risk Act and the Impact Assessment Act, to name a few. These provisions weaken absolutely essential protections—including the Species at Risk Act, which serves as the last line of defence—and seem incompatible with the purpose of a regional assessment.

Danielle Martin: Thank you.

[*English*]

I have just a brief question for you, Ms. Levin. I'm short on time. I'm sorry.

Is it your view that it would be a great idea if it were proposed by a political party or a parliamentarian that we repeal the Impact Assessment Act in its entirety?

Julia Levin: No. I think the Impact Assessment Act is incredibly important and should be protected.

Danielle Martin: Great. We agree. Many sections in the Impact Assessment Act are not touched by this legislation. I think we can all agree that this is the case, including the many sections that my colleague began to refer to around public participation.

What is your concern around public participation, given that this legislation doesn't touch, as far as I can tell, any of the provisions in the act that speak to the importance of public participation? In fact, the act quite clearly lays out all the ways in which that's critically important and, as we agree, is very important for the democratic process.

Julia Levin: I think the issue is that the Impact Assessment Act will be used on fewer and fewer projects. If we remember back 15 years ago, we had the federal government involved in thousands of projects each year in a helpful way, to make sure good projects were going ahead to avoid costly environmental disasters. Now we've seen that reduced, with the Impact Assessment Act, to dozens, and with this project, we're going to see the impact assessment being applied to less than a handful of projects. The impact assessment is incredibly useful. We have to make sure it continues to be applied to projects.

● (1925)

Danielle Martin: Thank you.

The Chair: Thank you, Dr. Martin.

Thanks, Ms. Levin.

Mr. Ste-Marie, you have the floor.

[*Translation*]

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

My question is for Ms. Levin.

We hear people say that no projects are being carried out in Canada anymore, that nothing is moving forward and that this is why we need legislative measures such as the ones set out in Bill C-5 and Bill C-39.

Can you comment on this?

[*English*]

Julia Levin: As I was saying before, if you look at government data from Natural Resources Canada from just 2024, before this agenda started to be proposed, there were 504 energy, mining and forestry projects worth a combined $630 billion planned or under construction. Projects were going ahead even as we strengthened our environmental rules and as we passed the Impact Assessment Act. Projects were going ahead. There's no evidence of the need for massive deregulation on the scale being proposed.

[*Translation*]

Gabriel Ste-Marie: Thank you.

Ms. Paul, let's talk about the fact that the Canadian Energy Regulator is carrying out the assessments. When I look at this from Quebec's perspective, it seems that basically former employees of the oil and gas industry will be carrying out the assessments, rather than scientists.

What's your perspective or analysis of the situation?

Geneviève Paul: The Québec Environmental Law Centre, along with many other environmental groups, is indeed concerned.

As I said earlier, Bill C-39 must be read in light of other changes that took place. A few weeks before the tabling of Bill C-39, the Physical Activities Regulations were amended in connection with the Impact Assessment Act. The Impact Assessment Agency of Canada was excluded from reviewing certain projects, which also made an impact.

The integrated review panels were established specifically to ensure an independent external perspective in the assessment of projects, particularly by fully taking into account the rights of indigenous people and environmental protections. This principle is often applied in other areas as well. In other words, this independent external perspective is crucial.

In addition, a number of years ago, people criticized the fact that the public had trouble gaining access to and participating in the regulator's reviews.

In short, the integrated review panels were in place for many reasons. I emphasize the word “integrated” because this wasn't a duplication of efforts. It was truly done in an integrated manner, specifically to ensure better impact assessments. Once again, the better the work is done in advance, the stronger the likelihood of success later on.

We're concerned about the loss of this independent external perspective. We're now moving toward a more technical review. However—and I consider this a key point—it prevents us, if nothing else, from looking at the relevance of the projects submitted. Not every project is a good one. An impact assessment serves this purpose as well. It also helps to assess the relevance of projects and to determine whether Canadians will benefit from them, particularly in light of environmental crises.

[*English*]

The Chair: Thank you, Ms. Paul.

[*Translation*]

Gabriel Ste-Marie: Thank you.

[*English*]

The Chair: Thanks, Mr. Ste-Marie.

Thanks to our witnesses. We appreciate your taking the time to be here and sharing your insights, but that's all the time we have for this panel, so we'll suspend and get ready for the next one.

● (1925)

_____(Pause)_____

● (1935)

The Chair: Welcome back to meeting number six.

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

Please wait until I recognize you by name before you speak. For those participating by video conference, click on the microphone icon to activate your mic. Please mute yourself when you are not speaking.

For those on Zoom, at the bottom of your screen you can select the appropriate channel for interpretation—floor audio, English or French. For those in the room, you have an earpiece. You can select the desired channel. You will be asked questions in French and English. If you need interpretation, please take a moment now to get the device set up to your satisfaction. Just as a reminder, all comments should be addressed through the chair.

I'd like to welcome our last panel for today's meeting.

From the Air Canada Component of the Canadian Union of Public Employees, we have Wesley Lesosky, president.

From the Georgia Strait Alliance, we have Beatrice Frank, executive director.

From the West Coast Environmental Law Association, we have Anna Johnston, staff lawyer.

Thank you for taking the time to be with us today. Each organization will be given up to five minutes for opening remarks. Following the conclusion of all the opening remarks, I will open the floor to questions from the members.

I will start with Mr. Lesosky.

Wesley Lesosky (President, Air Canada Component, Canadian Union of Public Employees): Excellent. Thank you, Chair.

My name is Wesley Lesosky. I'm proud to represent over 10,000 flight attendants at Air Canada and Air Canada Rouge. I'm also the president of CUPE's airline division, representing 20,000 flight attendants at 11 airlines across Canada. I've been a flight attendant for more than 25 years. I'm here today because I've seen first-hand what happens when the federal government interferes with our right to bargain collectively.

For years our union has been fighting to end the use of unpaid work in the airline industry. Flight attendants are highly trained safety professionals. We're responsible for keeping passengers safe long before they board and long after the last passenger leaves the aircraft. For decades, however, airlines have expected us to perform much of that work for free, for dozens of hours every month.

Let me tell you what that looks like in real life for one of my members at Air Canada. She works full-time but earns just $2,500 a month. She lives in Vancouver, which means almost everything she earns goes straight to paying her rent. To put food on the table, she has had to rely on food banks. Think about that.

She is far from alone. That's why we launched our “Unpaid work won't fly” campaign in 2023. We held days of action at airports across Canada and met with MPs, senators and ministers. What did the government tell us? Three consecutive labour ministers, O'Regan, MacKinnon and Hajdu, told us the same thing: Take it to the bargaining table. So we did. We brought forward proposals and made compromises with Air Canada and Air Canada Rouge, determined to fix unpaid work in the industry, but when the moment came, Air Canada simply stopped negotiating and waited out the clock.

Here's what I want this committee to understand. We had four federal mediators—four—assisting us during bargaining. None of that stopped a labour disruption. Why? Because Air Canada knew it had the federal government and section 107 in its back pocket. The CEO acknowledged on national television that the company hadn't prepared for a strike because it expected the government to use section 107 against us. The minister proved them right less than 12 hours into our strike.

Our members refused to surrender their rights. They stood their ground. Air Canada came back to the bargaining table. Within hours, we had a negotiated agreement. We made important gains on unpaid work despite government interference, not because of it, because section 107 had already tilted the scales in the employer's favour.

That's why I find the government's proposed changes in Bill C-39 so troubling. The government says it's putting guardrails around section 107. Respectfully, that's an insult to our intelligence. The bill weaponizes section 107 and makes government intervention a routine feature of collective bargaining. A mediator's report wouldn't have shamed Air Canada into bargaining in good faith if they could still count on section 107.

By contrast, at WestJet this summer, the government stayed out of the dispute. Flight attendants exercised their right to strike. Within a day, the parties reached an agreement that made real progress on unpaid work. That's how collective bargaining is supposed to work.

Mr. Chair, think again about that young flight attendant relying on a food bank to get by. For her, the right to strike for better wages isn't some abstract constitutional principle; it's the difference between living in poverty and living a life of dignity. How is she supposed to bargain for a better life when her employer knows that the government will step in to take that right away? No worker should have to fight their own government to exercise that right.

I'm asking this committee to reject the changes to section 107 in Bill C-39 and recommend its repeal. Don't make it easier for employers to avoid their responsibilities at the bargaining table. Give working people a fighting chance to build a life of dignity.

Thank you.

● (1940)

The Chair: Thank you very much.

We'll move on to Ms. Frank.

Dr. Beatrice Frank (Executive Director, Georgia Strait Alliance): Hi. Thank you for having me.

My name is Beatrice Frank, and I'm the executive director of the Georgia Strait Alliance. The Georgia Strait Alliance has been working over the past 35 years to protect the Salish Sea and its communities, wildlife and ecosystems. I'm here today to be the voice of the Salish Sea and what is really at stake with Bill C-39.

With the coastal link and Roberts Bank terminal 2 already approved as projects of national interest, the decisions made today will affect us on the ground.

The Salish Sea is one of the most ecologically significant and biodiverse marine ecosystems on the Pacific coast of North America. Its interconnected waters, islands, estuaries, kelp forests and eelgrass meadows create an extraordinary web of life, from plankton, forage fish and salmon to the iconic southern resident killer whales. They also support vital nutrient cycling, carbon storage and climate regulation.

However, the Salish Sea is not just an ecological treasure. For many first nations, it's central to their cultural identity, food sovereignty and traditional knowledge. It's also really important from a blue economy standpoint, as coastal communities rely on fisheries, tourism and recreation. I want to point out how it is a treasure for the environment, culture and economy. Protecting it should be in our national interest, yet we have seen over the years that the health of the Salish Sea has continued to decline. This is really visible through southern resident killer whales, which are really a warning.

Some of you may remember Tahlequah, who had a tour of grief a couple of years ago, bringing her offspring around. For sure, species may not always succeed in their reproduction, but with Tahlequah we witnessed that they are currently struggling because of the pressure that exists in the Salish Sea from a declining salmon population, underwater noise, contaminants, vessel strikes and so on. For decades, Canada has been addressing these threats but not the main cause, which is all the cumulative impacts that come through developing such a unique place like the Salish Sea.

Bill C-39 would make this a lot worse, mostly because it would recognize, for example, the Salish Sea as a region of exemption and allow for more development and more impacts, not looking at cumulative effects. It could allow for financial payments to replace project-specific fish habitat offsetting. The Salish Sea and the Fraser River estuary could be offset, but do they have monetary value, and can they be offset? Existing approvals could allow work to start before assessment is finalized, and could even take away some conditions. We have, for example, an assessment for RBT2, but will it still be valid?

Finally, Bill C-39 would make some powers last forever. We don't know what will happen in our generation, not even what will happen in the next. This bill will make these powers permanent and remove power from the next government for change.

To be clear, I'm not opposed to streamlining. I see a legitimate case for making better approval processes, yet they should not be coming with shortcuts. I would say also that it's disheartening to see that this bill doesn't consider a mitigation hierarchy that really talks about how we should look at developing and making Canada strong. We should avoid impacts, minimize unavoidable impacts, restore affected ecosystems and allow offsets as a last resort.

Today, I'm the voice of the Salish Sea, but I could be the voice of many other places across Canada that are really concerned about unique places that have made Canadians proud and that make us who we are. We have here the opportunity to shape the legacy that future generations can be proud of and that we'll inherit. I'm really hoping that you will look at what your responsibility is today and take the opportunity to reject this bill.

Thank you.

● (1945)

The Chair: Thank you.

Ms. Johnston, we'll finish with you.

Anna Johnston (Staff Lawyer, West Coast Environmental Law Association): Thank you, Mr. Chair and honourable committee members.

I appreciate the invitation to appear this evening.

I have heard repeated claims that Bill C-39 does not lower environmental standards. With the utmost respect, I disagree.

Allowing ministers to weaken or remove conditions of approval that previous counterparts deemed necessary to protect the environment from significant harm or to safeguard public health and safety is a lowering of an environmental standard.

Permitting the Canada Energy Regulator to bypass cabinet approvals by exempting pipelines of any length from environmental and safety reviews and the need to seek cabinet approval opens the door to risky pipelines receiving rubber stamps, and that is a lower environmental standard.

Shortening decision timelines to one year undermines the ability to gather and analyze information about projects' effects, offer the public the chance to have a meaningful say and ensure the Crown is respecting and upholding indigenous rights, and that is a lower standard.

Allowing the minister to withhold relevant information about conditions documents for 30 days after issuing them could interfere with the ability to seek judicial review of those documents, because the Federal Courts Act establishes a 30-day time limit on applications for judicial review, and those applications must set out the grounds for the review. Undermining the ability to hold governments to account in the courts significantly lowers the standard, both for environmental protection and for democracy.

Authorizing pay-to-slay schemes and tipping the scales further in favour of proponent convenience and cost savings lowers the standard.

Also, allowing the minister to delegate his power to issue and amend conditions documents to public servants will take what is already a tremendous concentration of power and undermine the public's ability to hold elected officials to account. That, too, lowers the standard.

Finally, giving cabinet the power to designate entire zones of any size in which any and all projects could be automatically approved and their permits guaranteed even if they have not met legal requirements is not just a lowering of environmental standards; it's an abdication of them.

In the ring of fire, every mine, transmission line, road and other project in a 5,000-square-kilometre expanse could be eligible for automatic approval, even if they will cause effects so significant that they are banned by law.

The act will require the minister to issue all permits in the form of conditions documents, which will be deemed to meet legal standards, effectively circumventing the court's ability to review the reasonableness of decisions and the triggers for the duty to consult.

Bill C-39 will bring in an unprecedented dismantling of our environmental law safety net and is on dubious constitutional ground. What is more, it flies in the face of known ways to improve the efficiency of environmental decision-making while maintaining environmental standards. It's all but guaranteed to stoke civil unrest and tie projects up in the courts.

Bill C-5, the Building Canada Act, is already the subject of two lawsuits challenging its constitutionality. Just on Friday, the Pacific link pipeline and tankers project was challenged by nine first nations, joining a 10th first nation challenging it on section 35 grounds.

Environmental laws aren't red tape. They are a safety net. They're also a foundation of democratic decision-making and an integral means of helping fulfill the Crown's duty to consult and uphold the rights of indigenous peoples.

Bill C-39 shreds that safety net. It's at odds with the principles of informed decision-making, the need for precaution and Canada's commitments to reconciliation. For these reasons, it is unsalvageable, and I urge this committee to delete all of part 1.

If that option is not on the table, we have identified amendments, as my colleague Ms. Levin at Environmental Defence said, to mitigate some of the worst harms the bill will bring in. We've included these in our written brief, and I would be happy to speak to them in response to questions.

Thank you.

● (1950)

The Chair: Thank you very much.

We will now open the floor to questions, starting with Mr. Seeback for six minutes.

Kyle Seeback: Thank you very much, Mr. Chair.

Mr. Lesosky, it's nice to see you again.

I thought I'd start by briefly talking about.... You talked about your fight for unpaid work. When Minister Hajdu was here last week, I questioned her about it, and she was very happy to let me know that the first government investigation into this concluded that there was no unpaid work. She said that there might have been underpaid work. I thought I'd pass that answer on to you.

What I think is particularly important for the committee to hear, though, is that you were able to get an agreement not because of section 107 but despite section 107. You actually had to defy the order of the minister to end your strike in order to get Air Canada back to the bargaining table to get a deal. Is that correct?

Wesley Lesosky: Yes, that is correct.

Kyle Seeback: When you look at what is happening with this legislation, the government seems to think that this special mediator delivering a report will suddenly create this wave of good-faith bargaining, and I know you're suspicious of that, as have been many unions who have come. I'm suspicious of it as well.

I think the most troubling part for me was when I asked her what would happen if the special mediator delivered a report saying the employer was bargaining in bad faith, that surely then the use of section 107 would be off the table. She did not agree with that statement. An employer could just bargain in bad faith and then continue to rely on the government to use section 107. There would be no guardrail on the use of section 107. What are your thoughts on that?

Wesley Lesosky: I think that's our biggest concern. Having section 107 lingering in the background means it's still going to be used or still available to be used, which allows the employer to not bargain in good faith or take the necessary steps to come to the table in good faith. I think you've hit the nail on the head.

Kyle Seeback: They try to say that this new national interest test and various other things are guardrails, but when I asked the minister, I said that it sounds like these are the things you would have looked at before you used section 107. It doesn't seem to me that it's really any improvement. It's sort of like writing down that this is the process we went through when we decided to use section 107. That's not a guardrail; that's just putting in some explanatory notes. That's what it seems like to me.

Wesley Lesosky: To answer that, it's just delaying in the process to get to the end. You're correct. It's a whole bunch of hurdles that you can get through just to get to the end result of a minister's possibly using section 107, again interfering with the process of free collective bargaining.

Kyle Seeback: I've been talking to a number of unions that have come here. I think there is a role for a special mediator, but I think that the special mediator has to have special powers other than just putting together a report. Would you be interested in a special mediator having some additional powers, for example, setting times when the parties have to sit down and bargain, being able to call evidence, asking for documents and compelling anyone to attend the mediation who they think would be helpful in getting to a collective agreement? What would your thoughts be on those?

Wesley Lesosky: I think we'd be open to any possibilities when it comes to mediation, but we have to remember that we had four federally appointed mediators assisting us at Air Canada. We weren't necessarily lacking mediation resources or opportunities to negotiate.

The problem was that the employer believed that the government would interfere before it had to make the compromise necessary to reach an agreement. Mediation works only when both sides have a reason to reach a deal. When Air Canada knew that the government would eventually impose one.... You can put as many mediators in a room as you want and have all different reflections on that, but it just won't change the fundamental imbalance.

● (1955)

Kyle Seeback: Let's talk a bit about section 107. If you were to think about some guardrails on section 107, and I can think of a couple.... You probably remember that the original section 107 referral by the Liberal government was by the WestJet mechanics. This was, I think, in 2023 or 2022. The referral didn't explicitly require the CIRB to end the strike. The CIRB exercised their discretion not to do that. In fact, they ended up getting a deal.

It's a little bit similar to your circumstance. Would you support an amendment that would give the CIRB the discretion to not enforce the back-to-work order if they didn't think it was justified?

Wesley Lesosky: That's a hard question for me to answer. I know that, from my position and what I went through, I don't support having section 107 as an available tool.

Kyle Seeback: That's right, but if you added an independent body that could look into it in addition to the minister, don't you think that would be useful?

Wesley Lesosky: You're saying to open it up so that it's not just the minister who is the sole person—

Kyle Seeback: Yes, the CIRB could say, “Thank you for the referral, minister, but I don't think it's met any kind of test that would require an end to the strike, and therefore we're not going to follow that part of the order.”

Wesley Lesosky: I'm sure it's something we would be interested in reviewing and looking through, depending on what the parameters would be. It would definitely have to be something that would be a stopgap and not just, again, a process that one could go through that could be overruled. You know what I'm getting at there.

Kyle Seeback: Okay. Thank you.

I think that's my time. Thanks.

The Chair: Mr. Bains is next.

Parm Bains: Thank you, Mr. Chair.

Thank you to all of our witnesses who have joined us here in person and online.

I'm going to go to Dr. Frank first.

You talked a bit about ecosystems and salmon. The nature strategy includes important elements like deploying advanced data infrastructure to comprehensively map critical ecosystems, biodiversity hot spots and species at risk. A considerable amount of work has been done and continues to be done in those areas.

You mentioned salmon. I can speak to the salmon restoration investment. We've seen an abundance of return and some positive outcomes happening from that, and investments into protecting the southern resident killer whales and the new oceans protection plan.

My question for you is this. When it comes not only to tools that are being deployed through those programs, but also other tools with respect to the nature strategy to help inform projects in their early planning phase, could they contribute to positive outcomes to ecosystems and responsible development in the regions that these projects are in?

Dr. Beatrice Frank: The big issue with this new bill is that we are talking mostly about development, but we don't talk really about conservation. Currently in the Salish Sea, there is not really any protected area—

Parm Bains: I know, but if I can just stop you there, I just talked about all of the conservation pieces in advance of asking that question. I'm just wondering if that can contribute to assist in major projects.

Dr. Beatrice Frank: It's really hard to say, when we have been seeing all of these proposed projects pushed forward without really having done the work ahead. The strategy is an incredible strategy. The promise for ocean protection is welcomed, and we have hope, but it's also true that they may come too late if we push into a pipeline and Roberts Bank terminal 2 in areas of incredible sensitivity.

I took very long, but the question is that as we see those promises, we also see this industrial development coming, and we don't see where they link and can help each other to build a strong Canada with a really strong environment.

Parm Bains: Okay.

I'll go to Ms. Johnston.

Bill C-39 is designed to eliminate some of the duplication that exists for project proponents in current regulatory processes. Through regions of national interest, regional assessments will be used to streamline conditions by providing broad parameters for projects. Without this, every subsequent project within the same area will be subject to the same assessment work. Do you see this as tenable?

● (2000)

Anna Johnston: I'd point out two things.

One is that under the Impact Assessment Act, which is the governing legislation for regional assessments, there are no requirements around regional assessments except that they include some form of public participation and indigenous engagement.

There's a regional assessment currently under way in Nova Scotia of offshore exploratory drilling that's being done for the purpose of excluding offshore exploratory drilling projects from impact assessment. It's occurring in six months. There is no public participation. The agency is doing some targeted conversations with a handful of selected experts and different groups, including various federal departments, but there's no real public engagement, and it's far too short a timeline to inform any kind of project-level decision-making.

Also, I'd go back to what Ms. Levin in the last panel said around impact assessments. Due to regulatory and policy changes, the federal government has gone from assessing thousands of projects a year to assessing roughly 2% of major projects in Canada under the Impact Assessment Act.

Under even more recent policy agreements and regulations, we're looking at probably an average of one project a year triggering an impact assessment. We are already in a vast deregulation zone. There is no problem around impact assessment and duplication that this bill is seeking to fix anymore, because the federal government has largely abandoned the project of informed decision-making and environmental impact assessment.

Parm Bains: You've proposed some amendments to improve regional assessments seeking clarified standards. Can you elaborate on what those changes could look like?

Anna Johnston: I should say that regional assessment is a known tool, internationally, for making better decisions at what was called the global scale—doing things like looking at cumulative effects outside of individual projects, gathering baseline data and doing a lot of the work that really shouldn't be on the shoulders of proponents to do on a project-by-project basis. The problem, as I mentioned, is that the Impact Assessment Act doesn't set out any guiding principles, objectives or outcomes for regional assessments.

Some of the amendments we've proposed are to add purposes, provisions, factors to consider and outcomes, like the identification of areas to prioritize for conservation, compared with areas that might be more suitable for development. It's about making sure you're doing robust baseline data analysis, information gathering and cumulative effects assessment, and finding ways to apply the mitigation hierarchy.

Because of the way amendments are allowed under bills like this, you couldn't bake them into the Impact Assessment Act, but you could put them in the Building Canada Act as prerequisites for any kind of designation of a region of national interest.

Parm Bains: This is a bit of a longer—

The Chair: Thanks, Mr. Bains. That's time.

Mr. Ste-Marie, we'll go over to you.

[*Translation*]

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

Welcome to all three witnesses. Thank you very much for being here. You've raised some very important points that will be helpful to our study of Bill C-39.

My first question is for Ms. Johnston.

Towards the end of your presentation, you said that, on Friday, nine first nations had launched court challenges to the Pacific link pipeline route. That brings the number of legal challenges to the project to 10 and the number of broader challenges to the Building Canada Act to two.

Do you think Bill C-39 is likely to face similar challenges?

[*English*]

Anna Johnston: It does, absolutely, and maybe even more so.

Section 35 upholds indigenous people's rights and titles, which also flow from the honour of the Crown. Over the years, the courts have developed principles around what it means to meaningfully consult indigenous people when Crown action is contemplated that could infringe on those rights. “Meaningful” depends on the circumstance and the amount of potential infringement on rights. “Meaningful” includes things like having sufficient time, having government go into dialogue with indigenous people with an open mind, and having enough information to understand the extent of the proposed infringement.

Pacific link was approved after two months of consultation. There wasn't even a proper project description. The route wasn't known yet. The government signalled its intention to approve the project under the Building Canada Act. None of those are meaningful. It went in with a closed mind, not enough information and not enough time for meaningful dialogue.

Bill C-39 takes that approach and puts it on steroids. If you look at regions of national interest, what is being proposed under the Building Canada Act is that they would take a broad look at a region, absent specific project impacts. Again, if we use the ring of fire as an example, we're looking at, potentially, thousands or tens of thousands of square kilometres. You can't do a site-specific consultation with indigenous people in a regional assessment at that scale. What Bill C-39 does is say that once a regional assessment has been conducted and a region of national interest designated, projects will be automatically approved. That decision is made by the legislation itself. Again, this is closed-minded, with not enough information and not enough time.

The potential for rights infringement is going to be significant. The potential for the public to feel they haven't had a chance to have a meaningful say about the individual projects could also lead to significant civil unrest and lawsuits, and not just on section 35 grounds.

● (2005)

[*Translation*]

Gabriel Ste-Marie: That's another example that really shows this is a bad bill that can't be made acceptable, as you said. Thank you.

Did you have more to say?

[*English*]

Anna Johnston: There is one other point to illustrate. I mentioned this in my opening remarks but didn't have time to elaborate on it.

There are significant legal questions around what we call the Henry VIII clauses. The deeming provisions—the fact that the bill deems all legal requirements to have been met and ministerial opinions to have been formed in favour of the project, plus the requirement to issue the conditions document—effectively do an end run around the courts. The courts take a dim view of Parliament attempting to circumvent judicial oversight.

The separation of powers in our Constitution says that we have the executive branch, we have the legislature and we have the judiciary. Bill C-39 effectively tries to cut the judiciary out. I suspect that a review in court would take, as I said, a very dim view of those provisions of the act that undermine the ability to challenge federal decisions.

[*Translation*]

Gabriel Ste-Marie: Yes, what we're seeing is an unprecedented concentration of power.

Thank you.

My next question is for Mr. Lesosky.

Thank you very much for being with us. I want to recognize everyone in your union and the very important work they do. We certainly appreciate the fact that the members you represent keep us so safe.

We've talked a lot about the labour dispute affecting your members. The negotiations dragged on because of section 107 of the Canada Labour Code. Then, in the dispute involving the pilots, which you mentioned, an agreement was reached quickly because the government had said it wouldn't use section 107.

In a previous panel, we heard from Magali Picard, the president of the Fédération des travailleurs et travailleuses du Québec, which also represents your members who are based in Quebec. She said that the Canada Labour Code amendments to section 107 proposed in Bill C-39 could result in more labour conflicts than before. Currently, 5% of labour negotiations with federally regulated employers end in labour disputes, and she said that if the proposed amendments go ahead, the percentage would probably go up.

Would you like to comment on that?

[*English*]

Wesley Lesosky: Yes, I agree.

Thank you for the question. I will respond in English. I apologize.

Yes, I think there will be huge challenges when Bill C-39 is in place, because again, as I mentioned earlier, it's going to delay things, it's going to push things to start earlier, and it's going to have parameters that don't have stopgaps put in the process.

I can see it from our point of view and what we went through at the Air Canada time. The introduction of the special mediator, the commencement of bargaining earlier and all those types of things don't put in guardrails to stop the process from getting worse or put a stop barrier down so one doesn't go on strike.

I don't see this as a positive step forward to do what it's attempting to do.

● (2010)

The Chair: Thank you.

[*Translation*]

Gabriel Ste-Marie: Thank you very much.

[*English*]

The Chair: Mr. Seeback, we're back to you.

Kyle Seeback: Thank you very much, Mr. Chair.

I have a motion that I hope is not controversial. We should probably all agree on it. I move:

> That, notwithstanding any previous decision of the committee, for the purpose of its consideration of Bill C-39, the committee:
>
> a) Hold an additional eight hours of meetings to receive witness testimony during the week of November 16, 2026;
>
> b) Invite parties represented on the committee to provide witness lists for these meetings, ranked in priority order, provided that they are received by the clerk by no later than 12:00 p.m. on Friday, November 6, 2026;
>
> c) Extend the deadline for amendments to be received by the clerk to Thursday, November 19, 2026, at 5:00 p.m.;
>
> d) Begin clause-by-clause consideration of the bill during the week of November 30, 2026; and
>
> e) Accept written briefs until Thursday, November 12, 2026.

The basis for the motion, Mr. Chair, is that we have an extensive number of potential witnesses who would like to come and give their evidence before the committee. This has been done on an exceptionally tightened time frame.

For example, the Canadian Labour Congress, when they were at committee, called on the government to suspend further consideration and adoption of the proposed amendments affecting the right to strike, and to engage in meaningful consultations with trade union representatives in Canada.

CUPE National, on October 8, said:

> As part of its effort to ram Bill C-39 through Parliament without proper scrutiny, the Carney government established a special Senate committee to fast-track the bill, allowing the Senate to study it concurrently with the House of Commons rather than following the usual legislative process.

For myself, I have many witnesses who have been submitted to come here, and we have run out of time for them to appear. We have heard repeatedly over the course of these hearings how people in labour organizations believe the changes that are being made in this legislation effectively deprive them of their right to strike, yet many unions are not able to come to the committee because of this shortened and abridged timeline.

I'm sure there are other witnesses my friend in the Bloc Québécois would like to have here, and I know my colleagues have witnesses who would also like to appear.

This is not a long extension. I think it's a reasonable and moderate proposal that will allow for more people to be able to come and give their evidence on what the government calls a defining piece of legislation. I do not believe such a defining piece of legislation should be studied in a matter of weeks in a few meetings. We should have eight more hours. It's a reasonable request. It will allow so many more parties to come and give evidence, especially those in the labour movement who believe their right to strike is under attack by the government.

The Chair: Thank you, Mr. Seeback.

Mr. Ste-Marie.

[*Translation*]

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

I'd like to thank my colleague for his motion, which has my support.

For the interpreters' sake, I just want to remind committee members that it is better to provide the interpreters with a translated version of a motion before moving it. Otherwise, they at least need to have an opportunity to read it, to make their job less difficult.

Numerous people wanting to appear have reached out to me, but there aren't enough spots, so obviously, I support the motion.

If we schedule another eight hours to meet with witnesses, I think we'll be able to do what the committee studying the bill in the Senate is supposed to do. The fact that we in the House are spending less time hearing from witnesses than the committee in the other place is a real problem for me. For that reason, I will be voting in favour of the motion.

I'll try not to comment further, so that ideally, we can keep hearing from these excellent witnesses.

Thank you.

● (2015)

[*English*]

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

We'll call a vote.

(Motion negatived: nays 6; yeas 5)

The Chair: We'll carry on.

Mr. Seeback, thank you for that.

Who's next? That will take us to Mr. Danko.

John-Paul Danko (Hamilton West—Ancaster—Dundas, Lib.): Thank you, Chair.

I want to start by thanking you, the witnesses who have appeared before the committee. This is, as has been mentioned, a very important piece of legislation for this government and Canada, one that will have impacts across the country. We want to make sure we hear that testimony from all of you and that we get this bill right.

It's fascinating to sit here on this committee and listen to the members of the opposition pretend to care about labour, environmental protections and climate change. Just last week, their members asked for the repeal of the Impact Assessment Act. I've heard non-stop calls for pipelines in the House of Commons. There was a private member's bill to repeal the tanker moratorium on the northern B.C. coast, along with repeated calls for federal authorities to override indigenous objections to pipeline projects. They've been asking the government to capitulate to U.S. interests on trade irritants to basically subjugate Canadian sovereignty to Donald Trump's government. That's not to mention their decades of opposition...with Conservative anti-union policies. Just recently, there have been these delay, stall and obfuscate tactics we're seeing at committee. In public, in the House, they complain that the government isn't acting fast enough.

I'm not sure which it is.

I want to remind the committee and all the witnesses that we are having this discussion in the context of the illegal and unnecessary American tariffs, and that the American president has threatened to make Canada the 51st state and destroy Canada's economy in order to subjugate our sovereignty.

I say this as a member from Hamilton, which has a legacy of 100 years of heavy industry, the environmental repercussions of that and a proud history of labour rights. I'm reminded of the 1981 Stelco strike. The two sides were so entrenched that there were 12,500 workers on strike, out of work, for 125 days. Stelco never really recovered from that. It was devastating for the workers. It was devastating for the city's economy. It was devastating for the ownership. That's what we're trying to avoid by moving forward with this legislation.

We talked about weakening protections and regulations. It's really important that we understand we're streamlining, not weakening, approvals and trying to bring some certainty to them.

My first question will be on the labour side, since I mentioned Hamilton having a very strong tradition of labour rights.

I will start off with Mr. Lesosky.

I listened closely to your comments. Could you confirm for the committee that what we're talking about regarding section 107 and Bill C-39 specifically applies to federally regulated industries? It's not for all unions. It's just for federally regulated industries.

Wesley Lesosky: Thank you for the question.

Are you asking me to confirm that it applies only to federally regulated industries?

John-Paul Danko: Yes.

Wesley Lesosky: Yes, that's correct.

● (2020)

John-Paul Danko: Thank you.

I was a city councillor in Hamilton for seven years. In that time, we settled, I think, 10 collective agreements with our various public sector unions. We had one union that went on strike for about a month—the Amalgamated Transit Union. We were able to settle all those other agreements at the negotiating table and did not go to binding arbitrations or strikes.

I wonder if you can comment on how beneficial it is to have both parties at the table in good faith. That is ideally where we want to be for all labour negotiations.

Wesley Lesosky: I think that's the biggest thing. Both tables have to be there. They have to be engaged, and they have to want to see something come forward that both sides will be able to live with.

It's just like when we were going through bargaining. Our union's goal—what we shared with the employer at the beginning—was that we at least wanted to be able to take this back and ratify it. In order to do that, both sides had to be able to give a little, but they also had to be able to put the gains in place so members would ratify it.

Obviously, that can be a bit more challenging for the union side, but that's ultimately the goal, yes. It's to work in a partnership, per se, and come to a conclusion.

John-Paul Danko: Thank you.

I certainly understand your perspective and that of many unions on the amendments to section 107 ordering any workers back to work and how serious of a tool that is to apply.

I also wanted to ask you about the federal mediators, which you talked about. I think one of the big differences is that they were not reporting publicly, and there was no public transparency to that mediation, whereas in Bill C-39 there is a public component to that. They will be sharing the results, so that there's transparency and so that if it does escalate, the public will be brought along in that conversation.

Is it important to have that transparency?

Wesley Lesosky: We would definitely welcome Canadians having a better understanding of what goes on behind closed doors during collective bargaining, but what's the consequence if that report identifies an employer that's refusing to bargain seriously?

Under Bill C-39, the minister could still intervene and impose arbitration. The employer might suffer some public embarrassment, but it could still get exactly what it was counting on, and that's an end to the strike without having to negotiate an agreement. It's just another circle.

The Chair: Thank you, Mr. Danko.

Mr. Ste-Marie, it's over to you.

[*Translation*]

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

I'm going to turn to Mr. Lesosky.

A few years ago, in its decision in the Saskatchewan Federation of Labour case, the Supreme Court pointed out that the right to strike is a constitutionally protected right that can be restricted to, for instance, ensure people's safety, if their lives are in danger. However, the Supreme Court stated that profits are not a sufficient reason to prevent workers from exercising this fundamental right.

The Canadian Union of Public Employees, or CUPE, and other unions have taken legal action because of the government's use of section 107, or its interpretation of the section, for the purpose of ending labour disputes. CUPE's president told the committee he would do the same if Bill C-39 is passed as is.

A few weeks ago in Quebec, its administrative labour tribunal struck down Bill 14, which was basically the same as what the federal government is doing here with section 107 of the Canada Labour Code. It was struck down; it didn't survive the first decision.

If the Canada Labour Code amendments to section 107 proposed in Bill C-39 are passed unamended, do you think those provisions will be struck down in court challenges because they violate the Canadian Charter of Rights and Freedoms and the fundamental right to strike?

[*English*]

Wesley Lesosky: Yes, I think that will happen and continue to happen with this, for sure.

[*Translation*]

Gabriel Ste-Marie: Thank you for that short answer.

Ms. Johnston, we have just under a minute left. Do you have any last comments you'd like to make?

[*English*]

Anna Johnston: I'm sorry. My translation didn't come on.

[*Translation*]

Gabriel Ste-Marie: We have 30 seconds left. Is there anything you'd like to tell us?

[*English*]

Anna Johnston: As I mentioned in my opening remarks, there are known ways to enhance the efficiency of environmental decision-making. They include things like bringing all parties to the table really early on in project planning cycles; making sure that federal, provincial and indigenous governments are co-operating meaningfully and not substituting each other's assessments; and doing that big-picture work ahead of time.

I don't see any of that in Bill C-39. What I see is cutting corners. We know from experience that when governments try to cut corners, it backfires. It leads to environmental disasters like the Mount Polley mine tailings disaster of 2014 in British Columbia, and it leads to the Sydney tar ponds. These environmental disasters end up being borne and paid for by taxpayers. They undermine certainty, and they're not good for Canadians' public health and safety.

● (2025)

[*Translation*]

Gabriel Ste-Marie: Thank you very much.

Thank you, Mr. Chair.

[*English*]

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

That's our last round, so we're going to stop there.

There is one thing, though. I want to revisit the issue that Mr. Ste-Marie brought up earlier today.

The amendment submission deadline remains November 4, which is this Wednesday, at 5:00 p.m., although, based on the discussion around the table earlier this evening, we will have a second deadline of November 10 at 4 p.m. for amendments based on the documents that were translated subsequent to Wednesday.

Dan Albas: Mr. Chair, when would the cut-off be for that? We are going to be doing three hours tomorrow. Theoretically, if those individuals submitted amendments tomorrow, how long would it take for them to be translated? Some of them have highly technical amendments.

The Chair: I don't think that changes what I just said. The deadline is Wednesday at five o'clock. Anything that's not translated by Wednesday at five o'clock will be subsequently translated. I'm told that it will be done by Monday, so we have a second deadline of Tuesday at four o'clock.

Dan Albas: Okay. I'm just making sure.

The Chair: It's a fair question. Thank you.

Thanks, everybody.

The meeting is adjourned.

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