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• (1330)

[English]

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

Thank you for joining us. We're delighted to have some new faces with us.

Mr. Lawrence, you have the floor.

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

We were talking about inflation versus nominal CPP assets. I believe I left off by asking for the officials. I believe he is here. My public apologies if I've caused him any grief. We have all been there, as parliamentarians, trying to log on desperately. Traffic in Ottawa can sometimes not be fun, either.

Thank you, sir, for appearing. I greatly appreciate it.

I was wondering if you'd be kind enough to share with us how the numbers for the CPP are currently shown in the most recent evaluation and then in the triennial. Specifically, I'm interested in whether they're presented in nominal dollars, inflation dollars or both.

Thank you very much, Mr. Stuart, if you'd be kind enough.

Justin Stuart (Senior Director, Income Security, Department of Finance): Thank you for the question.

I'll start with the 32nd actuarial report, which was tabled on December 8, 2025. It shows an assessment and the financial health of the plan over the next 75 years. It confirms that the Canada Pension Plan is financially sustainable, with the minimum contribution rate set at about 70 basis points below the statutory rate of 9.9% for the base plan.

The 33rd actuarial report is a supplemental report to the 32nd actuarial report. It is based on the same general assumptions as the 32nd actuarial report. The only difference is that it reflects the proposed change in Bill C-30, which was done pursuant to the existing legislation in the Canada Pension Plan, section 115.

In terms of the report, regarding nominal versus real, I'll just say that the chief actuary, in fulfilling the report, follows actuarial principles in analyzing the financial health of the plan. There are inflation assumptions built into the numbers for benefits, contributions, growth of employee earnings, the increase in employment earnings, where it's forecasted to go, and how that feeds into contributions and benefits paid out.

Philip Lawrence: Correct me if I'm wrong. The projected rate of return on CPP is 4.05%. That's inflation adjusted or in real terms. Is that correct?

• (1335)

Justin Stuart: That would be correct. That's the real rate of return assumption built into the 32nd actuarial report, which is also embedded as part of the 33rd actuarial report.

Philip Lawrence: Okay.

Justin Stuart: It's the forecasted real return rate assumption used over the next 75 years to calculate whether the plan is financially sustainable.

Philip Lawrence: This might come off a little convoluted, but do you utilize a nominal rate? In other words, is there an assumed inflation rate? If the inflation rate, for example, was assumed to be 3%, would you actually believe that CPP should generate 7.05%?

If that's not the way you do it, please explain how you do it.

Justin Stuart: I can't explain exactly how the calculations are done, given that the calculations are done by the Office of the Chief Actuary, specifically the chief actuary of Canada. I don't have the complete 32nd actuarial report in front of me. I just have the summary, but I do believe that the assumed inflation rate over the next 75 years is 2%, or in that ballpark, which is based on the Bank of Canada and its inflation targeting practices.

Philip Lawrence: Thank you very much for sharing.

I think it's fair for everyone to know that there is an assumed rate of inflation. Obviously, if in fact that rate of inflation went up, that could go either way. There could be asset inflation, which would actually improve the performance of the CPP, which would make it more stable. However, a higher sustained rate of inflation could also perhaps make the CPP unsustainable if it's combined with other factors. I think it would be hard pressed for inflation alone to do that.

Can you comment on that? If you have anything to add, that's great, Mr. Stuart. If you don't, I understand.

Justin Stuart: I don't think I would have anything to add.

Philip Lawrence: No worries, and thank you very much, Mr. Stuart. I really appreciate your coming in.

As I said, you have my apologies again if I caused you any hassles this morning.

Justin Stuart: Thank you.

The Chair: Thank you, Mr. Lawrence.

Next is Ms. Kronis.

Tamara Kronis (Nanaimo—Ladysmith, CPC): Thank you very much, Madam Chair.

I'd also like to ask some questions of the officials. I imagine my questions will be for Mr. Stuart.

Mr. Stuart, can you explain why projected CPP assets in nominal dollars alone might not give Canadians the full picture of the state of the Canada pension plan?

Justin Stuart: Thank you for the question.

I'll just say that the 33rd and 32nd actuarial reports do take into account inflation built in, whether it be to the average wage growth and how that's affecting contributions, given that contributions are tied to average employment earnings...and then benefits are tied to inflation as well. They are indexed annually to inflation. All of that is taken into account as part of the chief actuary's reporting.

Tamara Kronis: Does the actuarial report lay out the assumptions that underlie the calculations in the report?

Justin Stuart: Indeed, the report is fairly thorough. It's a pretty long report. It's a couple of hundred pages long, if I'm not mistaken. I have full confidence in the chief actuary. All of the underpinnings of the assumptions and the scenarios are listed and included in the report.

Tamara Kronis: I'm not trying to challenge that report in any way, shape or form, but just to be clear, when we talk about an amendment to be able to bring the information to the House, what we talk about is presenting it in a form that's digestible by parliamentarians and also in a form.... I believe the next subamendment we're going to talk about—which I will not ask any questions about right now, or expound on—talks about requiring the report to be written in plain English.

In plain English, can you explain what kinds of assumptions underlie the inflationary calculations in terms of the difference between the nominal and inflationary rates?

Justin Stuart: Again, my answer would be referring back to the 32nd and 33rd actuarial reports, which are based on a whole series of economic factors, demographic factors, just trends the chief actuary has seen as experience, and then building that into the reports and analysis, including on inflation.

• (1340)

Tamara Kronis: I understand that you want to refer to the report, and I appreciate that. What I'm actually asking you to do is to explain that part of the report in plain English in this room.

Could you explain, for the benefit of the people who are watching at home and don't necessarily have the benefit of our expertise, how you take nominal rates and turn them into inflated rates, so that it would be simple? Is there a plain English section of the actuarial report that actually does that and that we could read?

The Chair: Ms. Kronis, the report, as we've established a few times at this committee, is prepared by the chief actuary.

This is a departmental official. He didn't actually write the report but is here to provide technical answers on the report itself.

Tamara Kronis: Just on that, I'm asking him to explain the concept of nominal numbers and inflationary numbers and talk about how we get from one to the other. He's actually referring back to the report. My questions are actually aimed not at talking about the report but at talking about the amendment and the subamendment.

The Chair: Just so you know, Mr. Stuart, do your best to answer that question with the expertise you have, understanding that you're not one of the authors of the report.

Tamara Kronis: Thank you for that clarification. I appreciate it.

I appreciate the opportunity to clarify that I'm not asking about the actuarial report. When I talk about a report, what we're discussing is the amendment we want to make, which—without reading it—suggests that the minister has to provide a report to the House within a specified period of time. One of the things we want that report to contain, because we think it is of use to Canadians, is the way that the nominal numbers are converted into inflation-adjusted numbers.

With your expertise in finance, distinct from your expertise in helping with or in reading reports, I'm hoping that you could explain how it is that we take nominal numbers for a pension plan and convert them into inflation-adjusted numbers.

Justin Stuart: I will do the best I can, but I'll note that I am here to speak about the amendment being proposed for Bill C-30, which is tied to the actuarial report. Granted, I didn't draft the actuarial report.

I will just reference that the 32nd and 33rd reports include.... The chief actuary identifies this in the reports. They list all the assumptions about both the nominal and the real return bases that underpin the report.

On another point that was made, the chief actuary prepares the report and, pursuant to legislation, provides it to the Minister of Finance. Then the Minister of Finance is the one who tables that report in Parliament, pursuant to the Canada Pension Plan legislation, section 115.

Tamara Kronis: I appreciate the point you're making. The amendment and the subamendment relate to a ministerial report. Neither the amendment nor the subamendment, if I am correct.... It isn't the actuarial report. I wouldn't expect it to say, "Please refer to page 462 of the actuarial report."

I think the conversation we're having right now helps buttress the reason we're proposing these amendments and subamendments. The question I'm asking isn't about the report. It's about how a person with knowledge of how the CPP works can translate nominal numbers into inflation-adjusted numbers. It is a question independent of the actuarial report. I've asked you the question twice.

Maybe the chair can help.

Is there a different official present who could answer this question?

The Chair: There may or may not be. The officials are here regarding the clauses in Bill C-30. They're not really here to provide opinions on the amendments proposed. We'll have to defer to the officials who are here. I'm not sure someone can specifically answer that question, particularly because this is a subamendment to an amendment that was made on the floor.

I don't know, Mr. Stuart, whether you have anything you would like to add to that.

• (1345)

Justin Stuart: I don't have anything to add. Thank you, Madam Chair. I would just be rambling if I kept going.

The Chair: Thank you, Mr. Stuart.

Philip Lawrence: We don't ramble in this committee.

Tamara Kronis: Let me see if I can ask the question in a different way.

What we are asking for is that a report be tabled in the House that includes projected Canada pension plan assets in both nominal and inflation-adjusted dollars.

Can you explain the difference between nominal and inflation-adjusted dollars?

Justin Stuart: Nominal would be if a figure doesn't take into account inflation over time. Let's say someone purchases an asset, and that asset isn't linked or indexed to any sort of indicator. However, real value would take inflation into account and offset it.

Again, the 32nd and 33rd reports provide nominal and real return assumptions. These are built in, listed, accounted for and shown.

Tamara Kronis: I understand the report does that. The question I asked is, how does a person take nominal numbers and turn them into inflation-adjusted numbers? You started to provide the answer to me, for which I am grateful.

I'm wondering if you can explain it. I'm really trying to explain this to the people watching this at home. What we're dealing with is a situation where it's proposed that CPP contribution rates be adjusted. That makes a real difference in people's lives. CPP is one of the things that many Canadians depend on for their retirement. In the interest of being able to talk about the value of this amendment and subamendment, I'm trying to explain how the amendment and subamendment would translate data included in the actuarial report—which has finance language that all of us in this room are comfortable with and used to using—into concepts that people can understand, so they can follow along with us and evaluate the work we are doing in the House of Commons.

Given that you described taking nominal rates and adjusting them through a formula to reflect inflation-adjusted numbers, can you apply that concept to the assets of the Canada pension plan and explain how we take nominal numbers in the plan, actuarial reports and documents to come, and turn them into numbers that provide an inflation-adjusted...?

It's a “how” question, not a “where is it described” question. It is a basic finance question.

[Translation]

Steve Lavoie (Beauport—Limoilou, Lib.): I have a point of order, Madam Chair.

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

Steve Lavoie: I'm sorry to interrupt my colleague, whom I hold in high regard.

I understand that she wants the information to be as clear as possible. However, we haven't yet voted on the subamendment introduced today. We can't ask for clarification on how the results will be presented.

I understand her intention, which is commendable. She wants people to understand at what point a report is prepared, but we're not at that stage yet. First of all, we have to understand why we're voting for or against a subamendment. We just need to focus on the subamendment. If it is adopted, we can ask for clarification. I understand, but right now, this has gone too far.

The Chair: Okay.

Thank you, Mr. Lavoie.

[English]

Ms. Kronis, it's just to remind you that this official, Mr. Stuart, does not write these reports.

Try to keep your questions to understanding the capacity he's here in.

Tamara Kronis: I am. That's why I'm not actually asking how he would do this in the report. I'm trying to ask how we do this in the real world. If Canadians are going to be able to understand how these reports are going to work, they need to understand what kind of information they're going to contain. That's how we establish why they're important. It's the idea that you take numbers....

I was hoping that it would be explained by an expert and not necessarily explained by someone like me. While I may have practised a little bit of pension law, I don't happen to consider myself an expert in this area.

What I'm trying to get at is the question of what kind of information we are looking for. The Canada pension plan reports numbers. In order to give meaning to those numbers, we use some formulas that reflect inflation, and we turn them into different numbers that give us a snapshot at a different point in time.

That's the kind of explanation I was hoping to get.

• (1350)

The Chair: Sure. I appreciate that.

I think the challenge for officials is that they can't impute what you're looking for before they've done that kind of work. This subamendment would be asking for the government to do additional work that isn't already done.

I think if you have those ideas, you're well within your right to explain to Canadians and to the committee why you support or don't support that amendment. However, I don't think that officials will be able to answer those kinds of questions.

You're absolutely welcome to ask them; it's just that we might not be able to get that kind of a response.

Tamara Kronis: I'm a little bit incredulous about that, Madam Chair, because I'm not asking him to say what the actual report would contain. I'm asking him to describe the kinds of calculations that we do. Even I learned how to do basic calculations in grad school and law school on how you take a number and multiply it by inflation.

I don't think we are asking officials to do anything unreasonable when we are asking them to describe, in general, these kinds of calculations.

[*Translation*]

Steeve Lavoie: I have a point of order, Madam Chair.

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

Steeve Lavoie: I would like to add something for my colleague.

The point I was trying to make before was that right now we're not talking about "how"; we're talking about "if". The question is this: Should we produce this type of report?

Her comments are relevant if we're talking about "how", but right now we're talking about "if". We're wondering whether we should submit a report.

Thank you.

The Chair: Mr. Lavoie, thank you for your insightful comments.

[*English*]

Ms. Kronis, you're well within your rights to ask these questions. It's just that because this is work that has not yet been done, officials may not be able to provide the answer that you are looking for. You're welcome to carry on.

The officials are here to talk about the technicalities that are in the clause-by-clause for Bill C-30. Certainly, because there have been a number of subamendments moved from the floor that were not contemplated before, it's hard. There might not be the exact official who is able to answer that question, because we as a committee had no preview of what these subamendments would be.

Tamara Kronis: I want to say two things on that.

The first is that how a report is prepared talks about what goes into it. Part of explaining why a report is valuable is explaining the kinds of things that go into it. How those calculations are made are the kinds of things that help us understand what that report is going to look like.

If I've never seen an elephant before, in trying to decide whether or not it's a good thing to have as a pet, you would have to describe what the elephant looks like, how big it is, what its behaviour is and all of that.

Jake Sawatzky (New Westminster—Burnaby—Maillardville, Lib.): I have a point of order. We are now at 18 and a half hours and counting. We're seeing countless wasted resources. This is obstruction. We need to get things done. We've been on the same clause, I believe, all day. We are looking at a lot longer, provided this continues to be at a constant roadblock.

I ask that we keep it relevant and take this somewhere useful and productive.

The Chair: Thank you, Mr. Sawatzky.

On the same point of order, we have Mr. Kelly.

Pat Kelly (Calgary Crowfoot, CPC): On the point of order, it is not for one member of the committee to tell or judge other members of the committee about their use of time. Members have a right to speak at committee, and this member does not have the right to make a determination on how other members see the usefulness of this time.

The Chair: Thank you, Mr. Kelly. I've taken both of these into consideration.

Ms. Kronis, you continue to have the floor.

Tamara Kronis: Thank you.

With due respect, I want to make a comment on this. I've been to this committee before, and this is now my third time on this point. When I was here last night for the first time, the officials were not here, so I didn't have the ability to ask them questions. That is why I'm asking them questions now, because I respect the expertise of the people who work for us in this country, and I would be grateful if they could help us to help Canadians understand why we're proposing this.

• (1355)

The Chair: On that point, Ms. Kronis, it's not for the officials to opine on a subamendment or an amendment that is proposed as to the usefulness of it or not; it is simply to answer technical questions on the subamendment.

I'm not going to tell you how to ask your questions. Just note that what they are able to answer might not be what you are looking for in your question.

Tamara Kronis: I understand. That having been said, the technical question I was asking was from a mathematics perspective. How do you get from a nominal number to an inflationary number? That doesn't require referring to any part of the actuary's report. It doesn't require referring to—

The Chair: Mr. Stuart is here on the chief actuary report, because that is one of the clauses that is within Bill C-30 and one of the clauses that is being proposed to be amended. I want to recognize what his expertise is and what he is able to answer.

Again, we've established over the last number of days to not be repetitive, as it says in the Standing Orders.

Please carry on with your time.

Tamara Kronis: Madam Chair, let me ask you a question. There are 15 or so witnesses listed on this notice of meeting. Who is the official who is here to answer the questions that I am posing?

The Chair: The questions you are posing, as I have explained, are not necessarily questions that officials are able to answer, because the questions are outside of what officials are here to do. This is a subamendment that came from the floor, and none of these officials are responsible for writing the chief actuary's report.

As I said, you are welcome to ask the questions, but there may not be officials who are able to answer them.

Tamara Kronis: Let me ask this in a different way.

There are 10 officials from Finance listed here. Are none of those Finance officials able to answer question about how we...? Are none of those people able to answer questions beyond technical questions within the four corners of the actuarial report?

The Chair: There will be Finance officials who are here on different elements of finance that the Department of Finance works on. Mr. Stuart is here on the chief actuary's report, so he is able to answer technical questions on that report.

This subamendment is proposing a new report, so, if you have opinions, thoughts or arguments as to why you support this subamendment, you're absolutely welcome to make them or not, and you're absolutely welcome to ask him questions, but he likely will not be able to answer them if they're outside his area of expertise.

That is part of the challenge when subamendments are made from the floor. We have a certain number of officials who are here. They have expertise, but they're not here to opine on the necessity or not of a proposal from a member of Parliament.

Tamara Kronis: Is it not part of the standing rules that during the clause-by-clause consideration of a government bill, officials from the departments concerned normally remain before a committee as witnesses in order—

The Chair: They are here.

Tamara Kronis: In order for—

The Chair: No, I'm not done, Ms. Kronis. They are here. We have a list of officials who are here who are experts on the clauses. There is not a lack of officials for the work that we are here to do.

What you are asking goes beyond the expertise, because it was not previewed. We didn't know this was coming. Therefore, we have access to the experts who are here. Again, you may continue to ask your questions, but I'm not going to continue down this line of dialogue with you further, because I've made my point. We need to carry on.

If you would like to carry on with the floor, please continue, and we'll go from there.

Tamara Kronis: I think this is now a point of order.

I would like to know who of the witnesses are here to provide technical explanations of the effect of individual clauses of the bill and the technical implications of proposed amendments. The questions I am asking are about the technical implications of proposed amendments.

• (1400)

The Chair: Ms. Kronis, you have a list of officials. I've already told you that Mr. Stuart is here, and he is one of the experts on the

subamendment. However, part of what the subamendment is asking is beyond what the government currently does, so there is likely not an official who could answer your question, because this is new work that you are asking the government to do.

I'm going to ask, very politely, that you move on from this point and continue with your time.

Tamara Kronis: What I'm hearing is that there are no officials who are able to explain how grade 11 economics work.

I'm going to ask a different question. I'll turn to a different line of questioning.

The Chair: Ms. Kronis, I would really appreciate that we don't impugn the ability of our officials. I ask you to withdraw that comment, please.

Tamara Kronis: It's not the ability of the officials. It's the decision as to who the—

The Chair: Ms. Kronis, I would respectfully ask that you withdraw that comment about our officials.

Tamara Kronis: I am very happy to withdraw that comment. I think that the officials are more than capable of answering the questions that I have proposed.

Let me ask a different question. In terms of the kinds of assets that are valued through the actuarial report, what does that asset mix look like? Are some of the assets liquid and some of them illiquid?

Justin Stuart: That would be based on the current investments by the Canada Pension Plan Investment Board, which is a Crown corporation independent from the government.

Tamara Kronis: In terms of the actuarial report, though, does the actuarial report review the different kinds of valuations that are done by CPP officials?

Justin Stuart: I'm not quite sure if I get the question, but I will just clarify. The chief actuary does not assess whether the Canada Pension Plan Investment Board is making the right mix of investments. I don't know whether the question was going down that line, but the chief actuary does not assess whether it's the right mix of investments.

Tamara Kronis: The question I was asking wasn't about the mix of the investments.

Let's say we take an illiquid investment, like a bridge or something that's owned by CPP. There's obviously some kind of nominal value that's applied to that. Is that correct?

Justin Stuart: Sure, yes.

Tamara Kronis: The actuary reviews that, not in terms of the wisdom of holding that illiquid asset, but in terms of how the calculations that are done as to how it's valued. Is that correct?

Justin Stuart: The chief actuary does take into account and makes assumptions on projected asset growth and investment income that would be earned by the Canada Pension Plan Investment Board, reflecting both on a real return rate of assumption.

Tamara Kronis: The question I have is, do the calculations get harder to make and harder to evaluate when...? Maybe the question should be restricted to whether they get harder to review when the assets are not liquid in the sense that there's not an actual market for them.

Justin Stuart: That would be a question for the office of the chief actuary or for CPPIB itself, which [*Inaudible—Editor*] on that.

The Chair: We're not actually discussing the makeup of the Canada pension plan at this point. The subamendment is about providing reporting on inflation. Could you just stick to that and, again, what Mr. Stuart is able to answer?

Tamara Kronis: Okay.

Maybe the best thing for me to do, then, is.... It sounds as though the questions that I have as a parliamentarian are not able to be answered in this setting in the finance committee, and that's okay. It actually leads me back to the amendment and the subamendment.

For the people who are watching at home, the reason we are proposing this amendment and subamendment, and the reason we'd like to have a report prepared that includes the things that we're talking about in the subamendment so that report can come to Parliament, is precisely so that we can ask the kinds of questions that I've been asking today.

There are questions.... When I go back into my community and talk to people in my community, particularly in the environment that we are in right now, particularly when I talk to people at home who are concerned about their future and concerned about whether or not the CPPIB—CPP—can help them afford a retirement in which they can continue to live, and not even in the style they're accustomed to anymore—I think people are no longer focused on that—but in many cases, just not in their cars.

On what they want to know, there's an increasing interest in how these things work. I get asked more and more mechanical questions about how CPP works. People want to know things like, "With the amount of money that I paid in, why can't I get that amount of money out?" There are a lot of technical questions asked.

What this amendment—particularly the subamendment—does is require information to come to Parliament, where we can ask the kinds of questions that I've been asking this morning. With apologies to the officials that come here—I know they're doing their best to provide us with information—as the chair has quite rightly pointed out, they have limits in terms of the information they can provide and are often limited to the very specific subject matters and technical areas of expertise they have within their departments.

This is the beauty of being able to ask questions of members of Parliament, ministers and parliamentary secretaries. Once we get into the House of Commons, one of the amazing things about the institution is that those limitations fall away. Members of the House are required to answer the questions that we ask in the chamber. If they don't answer those questions, they don't have.... I recognize

that it's not a luxury, because I know that you would love to answer all of these questions and that you have the expertise to do it, but they don't have the restrictions—that's the word I'm looking for—that we have in these committees.

To me, this really reinforces the reason we're asking for the amendment and the subamendment. I would like the opportunity to ask the minister the kinds of questions that I'm asking today. I think it is important to know how we get from the numbers that are in a report in any given year to more.... It's not that they're more realistic numbers, but they're longer-term numbers that relate to different points in time and allow us to really evaluate the health of the plan and the ability of parliamentarians or the plan.... It's really the ability of the plan to be able to withstand the kinds of adjustments we make to it when we change those contribution rates, whether we change them up or down, because while it's true that we've never lowered them before this, it doesn't mean that won't happen in the future. I mean, the government clearly was taking more money from Canadians than it should have been, which is why we're lowering the rates.

What I'd like to see and to understand is not just how the nominal to inflationary works for some of the more liquid assets. As we know, the Canada pension plan has liquid assets in the terms of regular stocks and bonds, and it also has things that get traded on secondary markets, which means that sometimes they're easy to buy and sometimes they're harder to buy, depending on what's going on. The Canada pension plan also holds all kinds of illiquid assets that it has to evaluate.

• (1405)

I'm going to stop there, Madam Chair, because I think I've made the point that I want to make. It's that when we're in committees like this and are restricted to all kinds of technical points, sometimes that whole picture doesn't come through.

With the report that we are proposing and the subamendments that show some of the things that we'd like in that report, I really hope that my Liberal colleagues would also be as curious as we are about how the CPP works and how those things translate into things that ordinary Canadians and I, as an ordinary Canadian, care about, so that we can get better information and make sure our government is serving us all.

Thank you very much for that.

The Chair: Thank you, Ms. Kronis.

You have a point of order, Mr. Kelly.

Pat Kelly: Madam Chair, it's 11 minutes after two o'clock. The normal practice of the committee would be to break for and suspend for question period. I note that we did not yesterday, which is not unprecedented but is extraordinarily unusual. I think it's been many years since that's happened.

I just thought I would ask—so that members can manage the rest of their day—whether or not you will now suspend for question period.

• (1410)

The Chair: No.

Pat Kelly: Thank you.

The Chair: Thank you very much.

Mr. Lawrence, you have the floor.

Philip Lawrence: Thank you.

At this point, if we are ever going to convince the Liberals, we have already exhausted that point, I believe.

I mean this with all sincerity to you and your colleague Mr. Countryman: Thank you very much. This is probably a bit longer of a discussion than you anticipated. I really do appreciate your sticking with us and providing the answers to the best of your ability, sir. Please extend it to Mr. Countryman as well.

At this point, I would say, let's call the question.

The Chair: Look how constructive....

An hon. member: We like him.

An hon. member: He's very constructive.

Laila Goodridge (Fort McMurray—Cold Lake, CPC): So, are you going to vote with us?

Some hon. members: Oh, oh!

The Chair: Wait one second, everyone. I haven't done this for so long.

An hon. member: You're out of practice, Madam Chair.

The Chair: It's been so long since I've been able to ask for a vote.

Shall subamendment 7 to CPC-13 carry?

An hon. member: I'd like a recorded division.

The Chair: It's carried on division.

Wait. It's not carried on division. No.

Some hon. members: Oh, oh!

The Chair: We'll do a recorded vote.

(Subamendment negated: nays 6; yeas 4 [See *Minutes of Proceedings*])

The Chair: I would just like the record to show that there's still a great deal of collegiality on this committee, 20 hours in. I thank members for that.

Mr. Kelly, you have the floor on CPC-13.

Pat Kelly: Thank you.

I will go back to the main amendment. I have already signalled that I support this amendment. I certainly do hope that other members will support it. I think it is prudent to have this level of report-

ing and accountability. We have had many objections raised by the Parliamentary Secretary to the Minister of Finance to all of the additional transparency and good data management proposals that we have made to this bill.

Conservatives are here to improve this legislation. We have many issues with a number of things in Bill C-30. This is, of course, the spring economic statement's implementation act. It is something that we do not support, because we don't support the government's entire approach to budgeting. I think our concerns with that have been vindicated by so many reports that keep coming out.

We're doing our best with a bill that has a lot of problems, but we're dedicated to making this a better bill by proposing reasonable amendments that one would hope the members of the government could support. This is including this one, which would trigger a reporting mechanism that would be helpful for Canadians and helpful for policy-makers. If we can't undo the inflationary spending, the deficits, the botched deficit projections that were contained in this economic statement.... The projections of the finance minister were, in fact, debunked by the Parliamentary Budget Officer last week. If we can't undo all of these things, then we owe it to ourselves to at least try to be positive in whatever way we can by increasing the accountability measures that this government would be forced to undertake as a result of the amendments we're proposing.

This one is a reasonable one. It is to do with the Canada pension plan, and it amends that act so that Canadians will have better information about a program that is so important to the long-term financial plans of Canadians. It's for Canadians of all ages, including young Canadians who are beginning their own lives as independent adults or maybe even not independent yet, given the high cost of living. It's hard to get young people to really focus on retirement, but it is when Canadians are young that it's most important. The long-term effect of compounding interest and of return over time is so critical. The decisions that young Canadians make now have such a real impact on how they will live out the later years of their lives. The Canada pension plan is an important part of that.

Some planners call it one leg of a three-legged stool. It goes with employer retirement benefits and private savings. Employer pension plans are increasingly rare, so Canadians are increasingly looking at having to save for their own retirements, which is extraordinarily difficult to do when housing for most Canadians—young Canadians, especially—chews up almost all of their income. This goes along with the other high costs they face, like the cost of groceries, the cost of fuel and all of the living expenses that have spiralled up and out of control for so many young Canadians. The Canada pension plan is just that much more important to the long-term financial health of young Canadians, whether they know it or not and whether they appreciate it or not at their young age.

I have three “young adult” children. I'm in contact with lots of young people and know what they're going through as they start out their adult lives and are beginning to leave school or maybe completing their education. It is important that Canadians, young and old, who are already reliant on the system, and those who may find themselves reliant on the system or are likely to be reliant on the system in the decades ahead have accurate and timely reports and reports that they can understand and make use of.

• (1415)

This is why we're here. We're trying to help the government by using the tools available to parliamentarians, because it's parliamentarians who pass laws. The government doesn't make laws. It introduces them. It's up to us, as parliamentarians, to examine them and make prudent legislative decisions. The Prime Minister, in fact, even recently... He seems to think he is the CEO of Canada, as opposed to the leader of a Parliamentary caucus and the leader of a government. Perhaps he needs some help with his civics so he can know that it's Parliament that makes laws.

We are going to do the best we can at this committee in order to help make a better law for Canadians. To that end, I have another helpful suggestion: the possibility of making this amendment more palatable to the government, which has signalled its intention to oppose CPC-13.

The Chair: Mr. Kelly, you moved CPC-13, so you cannot move a subamendment.

Pat Kelly: Do you know what? We've been on this for so long—since Monday—that I'd forgotten I was the mover of CPC-13.

Some hon. members: Oh, oh!

Jessica Fancy (South Shore—St. Margarets, Lib.): I know someone else who needs parliamentary education.

Pat Kelly: Maybe some of us need reminders too.

Chair, I'm delighted that you were there to correct me before I tried to move a subamendment. You're correct. I can't move a subamendment, so I won't.

I'll just finish off with a few more words about the amendment itself before I invite others at the table, who may have subamendments. In fact, maybe government members have a subamendment of their own that they wish to propose, since they don't like CPC-13. They signalled that they won't support it, but I hope that's not because they oppose better transparency and accountability. I hope that's not the reason. If there is another reason they don't support CPC-13, I hope they might have their own subamendment.

When I'm done speaking, we'll see who is able to catch your eye to propose something, so we can get past this roadblock on CPC-13—so we can find the right subamendment that will allow us to move forward with our day.

With that, I'll end my own intervention now and cede the floor to whoever else might have a subamendment to my amendment.

I turn it back to you, Chair.

• (1420)

The Chair: Thank you, Mr. Kelly. I appreciate that, because we have been on CPC-13 for 12 hours now. We might not always—

Pat Kelly: It seems longer.

The Chair: Yes, it does seem longer.

I understand, Ms. Goodridge, that you are next on the speaking list for CPC-13.

Laila Goodridge: Thank you, Madam Chair.

I want to thank my colleague Mr. Kelly from Calgary for his thoughtful remarks.

While the government members have been relatively silent, other than raising a handful of points of order every so often, they have indicated that they do not like this amendment. To try to find some common ground and some space, I recommend that we amend CPC-13 in the following—

The Chair: Ms. Goodridge, you are not able to move a subamendment, because you are not a member of the committee, and you're not replacing a member of the committee. We'll have to move on.

Mr. Lawrence, you're next on the list.

Philip Lawrence: Thank you.

Jessica Fancy: Here's another person who needs to learn more about Parliament.

Philip Lawrence: I apologize. It's probably my reappearance that caused Ms. Goodridge to be unable to introduce it.

I will introduce it. It is that the amendment be amended by adding after proposed subsection 43.1(1) the following: “(1.1) The report prepared under subsection (1) and the report prepared under subsection (3) must include a plain-language explanation of any projected reduction in Canada Pension Plan assets resulting from the amendments contained in this division, including the explanation that lower projected assets do not necessarily indicate reduced pension security if assets remain sufficient relative to projected obligations.”

The Chair: Thank you, Mr. Lawrence. That amendment is inadmissible. It is too similar to subamendment 2, which you proposed earlier. Thank you.

I have Ms. Cobena on the list.

Sandra Cobena (Newmarket—Aurora, CPC): Thank you, Madam Chair.

I would like to move an alternative subamendment, which reads is that the amendment be amended by adding after proposed subsection 43.1(1) the following:

1.1) The report prepared under subsection (1) and the report prepared under subsection (3) must include representative examples showing the estimated annual impact of the reduction in contribution rates on employees, employers and self-employed persons at different levels of pensionable earnings, including earnings of \$50,000, \$70,000 and the maximum pensionable earnings for the relevant year.

The Chair: Could you please submit that in writing?

Sandra Cobena: Yes, and I will speak to it as well.

Pat Kelly: Once it's translated, yes.

The Chair: If you could please submit that in writing, we will take a brief suspension to await translation.

• (1420)

(Pause)

• (1440)

The Chair: Colleagues, we are resuming.

Ms. Cobena, you have the floor on subamendment eight to CPC-13.

Sandra Cobena: Thank you, Madam Chair.

I'd like to start by commenting briefly on a comment from a member opposite. The comment was around the subamendments, which require clarification for the reporting, being considered red tape. I want to speak to that, because there is, of course, a very important difference between red tape and transparency and additional information for Canadians. It is important to not confuse the two, and not only for the government to not confuse the two but also for Canadians to understand that there is, in fact, a big difference between the two.

Red tape is actually a topic that comes up quite often in my discussions with entrepreneurs and small businesses. Of course, in the context of a small business, it is important to them, because it's when the small business owner spends hours filling out forms that, sometimes, might never be read. As you can imagine, that is a great source of frustration, because there are resources that are being invested. Oftentimes, people have to be hired just to fill out forms, and then they lead to nowhere. For example, it is when a farmer, a manufacturer or an entrepreneur has to navigate layers upon layers of approvals, permits and paperwork, just to do what they already know how to do. Red tape slows down investment, discourages innovation and makes it harder to create jobs.

On the flip side, though, transparency is something entirely different. Transparency means giving Canadians more information and the information that they need to not only understand whatever goes on in the government, and the initiatives and policies of the government, but also hold their government accountable.

We do hear that there is, oftentimes, a bit of a disconnect between the two. Transparency means publishing clear data on taxpayer dollars and on how these taxpayer dollars are being spent. It means reporting on whether or not programs are actually achieving objectives. It means allowing Parliament and Canadians to see the results of government decisions, so when—

• (1445)

Ryan Turnbull (Whitby, Lib.): I have a point of order, Madam Chair. I know that the member opposite is talking about taxpayers' dollars. It's interesting that we've been in the committee for 21 hours with the Conservatives' filibustering. That seems like a big waste of resources to me.

The Chair: Thank you, Mr. Turnbull.

Ms. Cobena, you continue to have the floor.

Sandra Cobena: One, red tape, burdens the productive economy, and the other one, transparency, strengthens democracy. When

we are asking for more information and clarification and asking questions of officials on behalf of the people we represent, it strengthens democracy.

For instance, the owner of a machine shop in Newmarket should not have to fill out 20 pages of compliance in forms upon forms, simply because the government likes to do paperwork. Taxpayers absolutely deserve to know whether a \$1-billion government program is delivering results.

In fact, greater transparency can help reduce red tape. When the government publishes better data, measures outcomes and openly reports results, we can identify which regulations are working, which are failing and which should be eliminated altogether.

This is a big issue, too, in terms of regulations. There is this sentiment that whenever there's a new policy and a new initiative from governments, more regulation is layered on. Oftentimes you see additional regulation one upon the other, but there's never a comprehensive analysis to streamline it and remove regulation. All this falls on the shoulders of Canadians and business owners. The goal should not be more paperwork. The goal should be better information, which is what we're aiming to do with the subamendment.

Let us, in what we're doing here, try to reduce the burdens on those creating the jobs and building our economy, while increasing accountability for those spending public money. That is not a contradiction, Madam Chair. It is good government.

This common theme of transparency and plain-language reporting is important, because Canadians deserve to know what policies actually mean—not just what the government chooses to call them. Here, we are studying Bill C-30, the spring economic statement implementation act. In the spring economic statement, the government uses the altered definitions of capital investment to include spending that most Canadians would recognize as subsidies, or tax expenditures and transfers. The numbers look better on paper. It makes the numbers look better on paper, but the underlying spending does not actually change.

To take a step back, these changes in definitions were initially implemented in the first budget that was tabled, which was budget 2025. They are now being carried on to be used here within the spring economic statement.

The subamendment follows the opposite principle, in fact. Instead of changing the labels, it requires clear examples showing what a CPP contribution reduction means for a worker earning \$50,000, \$70,000 or the maximum pensionable earnings. It translates the government policy into real dollars and cents for Canadians to understand.

I just want to ensure that we are having this discussion within the right context. Of course, in the last election, the Prime Minister promised that he would balance the operating budget within three years. That was a campaign promise, and that was a serious promise. It was meant to reassure Canadians that after years—a decade, really—of rising spending, rising deficits and taking on an incredible amount of debt, this Prime Minister would bring fiscal discipline back to Ottawa, particularly because there was a focus on the Prime Minister's résumé.

● (1450)

Canadians wanted to believe that that was, in fact, true, but I don't think Canadians could have imagined that balancing the operating budget would mean inventing a new definition of capital investment, moving spending out of the operating budget so that the numbers look better only on paper.

In budget 2025, the Parliamentary Budget Officer was able to quantify that relabelling, and we know that it was around \$94 billion of operating expenses being relabelled as capital investments. We know that there is no capital formation from a number of those.

We're about to see the FIFA World Cup kick off later this week, and an example that we can draw from that is that the spending for security for FIFA is being labelled capital investment but will lead to no capital formation.

Ryan Turnbull: On a point of order, Madam Chair, I don't know what security investments for FIFA have to do with reporting on CPP contributions.

The Chair: Thank you, Mr. Turnbull.

Wait one second, Mr. Kelly.

Ms. Cobena, please stick to the subamendment at hand, which is on reporting requirements when it comes to a report on the Canada pension plan.

Go ahead, Mr. Kelly.

Pat Kelly: Well, yes. Mr. Turnbull raised a point of order, and I was going to—

The Chair: That's debate. Thank you, Mr. Kelly.

You can continue, Ms. Cobena.

Sandra Cobena: It relates to it because, in the subamendment, we are asking for greater transparency, but the subamendment is being dismissed by members opposite as red tape.

There's that common theme, as I mentioned, around better information for Canadians. This whole theme of relabelling of line items within the budget, which is in the spring economic statement, is what we're discussing right now. In fact, it makes it more difficult for Canadians to understand the numbers, because now, with a new definition, not only is it difficult to have a comparative analysis from previous budgets, since everything has now been reclassified, but also, when you're trying to do a comparative analysis with, for instance, other countries, if the definition is not used anywhere else in the world, that would be difficult to do. Again, getting back to this reclassification or new capital framework that is being used in the spring economic statement—

Ryan Turnbull: Madam Chair, on a point of order, we're not talking about a capital budgeting framework. We're talking about a very specific measure in the spring economic update and implementation act, which is to reduce CPP contributions. I get that the subamendment, as claimed by the Conservatives, is supposed to increase transparency on something that already gets reported on, but the argument that Ms. Cobena is making doesn't seem to be relevant to the issue at hand.

● (1455)

The Chair: Thank you, Mr. Turnbull.

Ms. Cobena, I remind you that we're in clause-by-clause, so there's a requirement to be relevant when we're talking about the subamendment that is being presented. Focus your remarks specifically on your arguments for that subamendment.

Thank you.

Sandra Cobena: The subamendment, as I mentioned, is about showing Canadians exactly how much money they would save if the CPP contribution rates were reduced. Right now, the subamendment requires reports on the impact of the CPP changes. The subamendment would require those reports to include examples for Canadians to analyze and understand.

There were three examples of different income levels, as I mentioned, in the subamendment: \$50,000, \$70,000 and the maximum pensionable earnings for the relevant year. For example, if the CPP contribution rates were reduced by one percentage point, for instance, then the report might have to show differently. That's what the subamendment is about. It is, again, about showing Canadians more information, clear information and relevant information, which is, in fact, the opposite of what the spring economic statement and the redefinitions mean for Canadians.

As I was mentioning before, the changing definitions create a scenario where, for simple terms for Canadians to understand, it's like calling your grocery bill a mortgage payment, or a utility bill an RRSP contribution. Unfortunately, Canadians don't have the luxury of being able to follow exactly what the government is doing in terms of its reporting, and so, in a number of these amendments, what we are proposing is more information and greater transparency at that.

When the government takes Canadians' money and then gives it away, for example, in subsidies—

The Chair: Ms. Cobena, just as a reminder, this is on a subamendment to an amendment of a report on the Canada pension plan. Keep your remarks focused on the subamendment at hand, please.

Thank you.

Sandra Cobena: This goes in line, like I said, with the subamendment in that the spirit of it is providing more information to Canadians. The subamendment specifically talks about an analysis around the different income levels that Canadians...and the savings that Canadians would benefit from if the CPP contribution rates were reduced.

At this point, I suppose I'll... I have more commentary that I don't think I will be allowed to provide, unfortunately, despite the fact that it is around transparency and the lack of information that Canadians have available to them to be able to understand the bill as a whole, or the reports that come out quarterly for the financial books of the country—not being able to reconcile those because of the change in definitions—

The Chair: Ms. Cobena, this is specifically about an amendment to a report on the Canada pension plan.

Sandra Cobena: At this point, I think it may be best to cede the floor, then, to the next speaker.

The Chair: Okay. Thank you, Ms. Cobena.

Ms. Kronis, you have the floor.

Tamara Kronis: Thank you, Madam Chair.

The subamendment we're debating now is about making the minister's report practical and understandable to Canadians.

To recap, the amendment before us would require the Minister of Finance to prepare a report on the impact—I'm getting there, I promise—of the CPP amendments contained in this division. That report would, of course, look at the financial state of the CPP and at contribution rates.

Earlier subamendments dealt with the need for clear financial projections, real inflation-adjusted numbers and plain-language explanations of the CPP's long-term sustainability.

What this subamendment does—

• (1500)

Ryan Turnbull: I have a point of order.

Madam Chair, you can probably anticipate what I'm going to say. This is not about previous subamendments. This is on a specific subamendment. I would just ask that Ms. Kronis... I hope I said it right. Maybe you could encourage her to focus on this subamendment and not speak to previous ones that—

The Chair: Thank you, Mr. Turnbull.

Ryan Turnbull: Those are matters that have already been dealt with.

The Chair: We've already dealt with those matters, so could you please focus your remarks on this specific subamendment for relevancy with regard to clause-by-clause, which we are going through at the moment? Thank you.

Tamara Kronis: The words that literally were coming out of my mouth when Mr. Turnbull made his point of order were “this subamendment”. While I agree with you about repetition, and while I agree with you about the importance of the subamendment, when we are debating a subamendment and when people are trying to follow along at home, I would submit to you that it is not unreasonable

to do a sentence or two at the beginning of the remarks in order to say, just for people following along at home, that this is the amendment and this is what it does and this is how the subamendment fits in.

I also want to make the point that if I had been allowed to give my remarks, it would have literally been faster at this point.

The Chair: Ms. Kronis, you are allowed to continue. You do have the floor, so please continue.

Tamara Kronis: Getting back to what I was going to say, what this subamendment does is it adds another important piece. It says that the report should “include representative examples showing the estimated annual impact of the reduction in contribution rates on employees, employers and [people that are self-employed] at different levels of pensionable earnings, [specifically] including earnings of \$50,000, \$70,000 and the maximum pensionable earnings for the relevant year.”

In plain English, Madam Chair, what that means is that the government would have to show Canadians, through this subamendment, what the contribution rate reduction actually means for someone's paycheque or payroll costs. The reason this matters is that a phrase like “a reduction in CPP contribution rates” sounds technical. A phrase like “40 basis points” is technical.

Many Canadians who are watching this committee at home may not know what that means in real life. They may not know whether it means five dollars, \$50 or \$500 a year to their paycheque. They may not know whether the benefit is the same for everyone or whether it changes depending on income. What this subamendment would require is that the government spell that out. It would require examples for an employee earning \$50,000, an employee earning \$70,000 and an employee earning the maximum pensionable earnings for the relevant year. It would also require examples for both employers and employees, and for self-employed persons. That's important because these groups are, of course, affected differently.

For an employee, CPP contributions come off their paycheque. If the contribution rate is reduced, what that means is that the employee will see a slightly larger number at the bottom of their pay stub. For an employer, CPP contributions are a payroll cost. If the employment rate is reduced, or if it is increased at a different time, the cost of employing workers will go up or down depending on the direction of the change. For a self-employed person, of course, the impact is different again, because self-employed Canadians pay both the employee and the employer portions. They are both the worker and the employer for CPP purposes, so when the combined rate changes, they feel the full impact of that rate directly.

These differences matter. A worker earning \$50,000 and an employer employing someone who makes \$50,000 are going to see a different dollar impact from someone who is earning \$70,000, and of course, someone at maximum pensionable earnings is going to have the largest dollar impact in one direction or the other compared with an employee at the same earnings level, because, of course, they are either paying or receiving both shares, depending on the direction of the change. Canadians, I think, deserve to see those examples in clear terms, because, of course, as we know, Canadians care very much about CPP, because it is one of the main facilitators of retirement.

Madam Chair, the reason this is a good subamendment is that it turns a policy change into something that people can understand. When a government announces a change to contribution rates, it can sound like a big deal in one direction or the other, but Canadians should be able to judge that claim for themselves, and they should be able to see what the change means in dollars per year for different types of workers and for businesses. The report should provide that information. If someone earning \$50,000 receives a modest annual benefit, then the report should say that. If their deductions go up or down, the report should say that. It's the same for someone who's earning \$70,000 a year and someone earning at the maximum pensionable level. I think that the decision to include those three levels in this subamendment is quite a reasonable thing to do, because we think it reflects the space in which many Canadians actually live their lives. If the employer receives a matching benefit, then the report should say that too.

- (1505)

It's really important for businesses in this country to be able to understand the impact that the financial decisions we make in this place have on them, because it, of course, will assist them in their long-term planning in their businesses.

Even more so, self-employed people often don't have the same resources available to them that businesses do, although small businesses have challenges as well. If a self-employed person receives that combined effect because they pay both sides, then that also should be shown clearly.

We don't think that this is complicated, and we really don't think that it should be controversial, because it is exactly the kind of information that Canadians would expect from a government asking Parliament to approve changes to the CPP. The Canada pension plan, as we all know, is funded by contributions from workers, employers and self-employed Canadians. That means that the people who are paying into the plan should be able to see how a rate reduction affects them.

The subamendment is also important, because it helps Canadians understand who benefits the most from the reduction. Because a contribution rate reduction is not the same as a flat payment to every Canadian, it doesn't help everyone in this country equally. First of all, it helps only people who are working and paying CPP contributions, and the dollar value depends on how much pensionable income they earn. A person who is unemployed will get no direct benefit from a change like the change that we are seeing being proposed here in this piece of legislation.

That's really important, because when the government talks about wanting to help the people who are the hardest hit by the financial crisis that they've, quite frankly, created, it's important to know that those people are in fact receiving no direct benefit whatsoever from these proposals. A senior who's no longer working and is not paying CPP contributions also will get no direct benefit, despite the fact that this government claims to be concerned with those people.

A low-income worker, in fact, gets a smaller dollar benefit than a high-income worker, and that actually makes these proposals in some ways regressive, because a worker earning closer to the maximum pensionable amount is going to get the largest dollar benefit from this. A self-employed person earning the same amount is going to see a larger direct effect, because they pay both the employee and the employer shares, but if they aren't employing very many people or they've had to lay people off because of the state of the economy, that is going to be diminished.

These are not arguments against showing the examples. These are arguments for showing them, because these examples show the work of the government proposals, and they show Canadians what the impact is of these proposals on them. If the government wants to present this as affordability relief, then Canadians should be able to see how much relief is actually being offered and to whom.

By the way, I would add that Canadians who are watching this at home will see the objections of our colleagues across the way to this and will be able to look at who wants to be able to provide them with this information and who does not want to provide them with this information. This is especially important at a time when many Canadians are struggling with the cost of living and paying more for groceries, rent, mortgages, gas, insurance and basic bills. A reduction in payroll deductions or an increase in payroll deductions is going to make a real impact, and while it might be welcome, people deserve honesty about the scale of the benefit. If the benefit turns out to be incredibly modest, then that is going to affect Canadians' views about whether or not this is effective.

If employers benefit as well—if this is benefiting large corporations that employ a lot of people—then that's important to show as well. What we're trying to get across with both the amendment and the subamendments to this is that Canadians shouldn't have to guess. Canadians shouldn't have to figure out what their government is doing. They shouldn't have to go to 200-page actuarial reports. They should be getting this information in plain language, clearly, in a way that allows them to assess what their government is or is not doing for them.

- (1510)

I would also add that the report and the subamendment with the content that we've asked for, including the subamendments and specifically this subamendment, could really help Parliament assess the trade-offs that are involved in this particular policy choice. At the moment, it's a reduction in the rates, but in a different budget—even under a different government, including a Conservative government—it could be an increase or a decrease. We've talked about that, so I'm not going to go into that in too much detail.

There are short-term and long-term effects to this that other subamendments we have proposed and other things we want included in this report would get to. It's very important for Canadians to have visibility to CPPIB. It's CPP and CPPIB, for that matter, because Canadians care very much about how their money is managed. It is really important for Parliament to understand both sides of the ledger. This subamendment is one of the tools that will help them do that.

One side of the report should tell us what this means for the plan. The other side of the report should tell us what this means for the people. That, Madam Chair, is balance, and that is the kind of balance we need. We don't think it's enough for CPP to say that it will collect less money or more money. By the way, when it collects less money, what Canadians really should read into that is that the government has actually miscalculated what it would need and is giving Canadians back some of their hard-earned money in this particular case, minus the administrative costs of running the numbers and actually getting the money back.

What we've proposed through this subamendment is to know how much Canadians will save and which Canadians will see the largest savings. This is why we've picked the examples. It gives Canadians a range. It shows how the effect changes as income changes. It allows people to see where they fit into this government's priority. The subamendment makes sure the report answers those questions.

This is particularly and especially important for self-employed Canadians. Many people don't realize that self-employed Canadians do pay both the employer and the employee CPP contributions, which is a significant cost. These are people running small businesses, doing contract work, freelancing, farming, working in trades, consulting and operating local services. It also includes some people who are piecing together income in ways that don't always fit the traditional employee model. For them, a CPP contribution rate change can have a different impact from the impact it has for a regular employee. If the government is changing those contribution rates, then the report should show the self-employed impact clearly, not bury it in a general statement.

The same, quite frankly, goes for employers, because payroll costs matter. For a small business, the cost of employing someone is not just their wage. It includes CPP contributions, EI premiums, vacation pay, workers' compensation, benefits where offered, training costs, and other costs of keeping people employed. A reduction or an increase will affect employers. Parliament should know by how much.

I would add that these numbers are going to be useful for provinces and municipalities. One of the major complaints of people who run businesses in this country is that very often, because of the way our federalism works, sometimes the left hand does not know what the right hand is doing. Inadvertently, the federal government, the provinces and sometimes municipalities come out with regulations, really in short order, that often amplify in unintended ways the impact of various provisions, including provisions like these. A small business owner doesn't think in basis points. Certainly, when I ran my business, I did not think in basis points. What we think about is payroll. We think in terms of whether we

can afford another worker, another employee or another piece of equipment.

• (1515)

In some cases, we're hearing from CFIB and other business organizations about the entrepreneurial drought in this country. People are thinking about whether or not they can afford to stay open for another month.

That is why plain examples like the ones we are proposing through the subamendment matter. They matter because they limit spin and the announcement effect that we see so often from this government. Any government can describe a contribution reduction in a way that sounds incredible. It can say that it's reducing payroll costs. It can say that it's helping workers.

Laila Goodridge: On a point of order, the bells are now ringing.

The Chair: Thank you.

Do we have UC to continue for a few more minutes?

Some hon. members: No.

The Chair: There is no UC to continue, so we will suspend. We will be here 10 minutes after the conclusion of the votes.

Thank you.

• (1515)

(Pause)

• (1705)

The Chair: Thank you, everyone. Welcome back.

I believe Ms. Kronis has the floor. Is she here?

Ryan Turnbull: I have a point of order. I apologize but I just wanted to ask the chair this.

Given the late hours and the many hours that we've sat in this committee, I want to thank the public servants who have been here for quite extended periods. I also ask that maybe, when we take breaks for votes or suspensions, we can make it clear that they can have a health break.

Some of them have been staying in the back of the room for long periods of time when they haven't had the predictability, and I just want to make sure that we have a healthy work environment for them. They're not elected officials. They're public servants, and they need to be treated with the greatest respect possible.

I would like to put that on the record and see if maybe we can be really explicit when we take a suspension that we will be gone for 20 minutes, if that's possible, so that they know they can take a break.

• (1710)

The Chair: Sure. Thank you very much.

I have Mr. Lawrence on the same point of order.

Philip Lawrence: On the same point of order, I agree completely with Mr. Turnbull. Depending on where we are and where the discussion is, as we did last time, we might be agreeable—we'll see how the night goes—to dismiss them early so they don't have to stay the full time as well.

The Chair: Thank you very much.

Ryan Turnbull: Madam Chair, just on that point of order, does that mean Mr. Lawrence won't have questions for officials later on?

Philip Lawrence: I want to see where the evening takes us, but thank you.

The Chair: We're devolving into debate there. There was a nice united moment of support for our public servants.

Just so that it is very clear for our public servants, certainly when the committee is suspended, you do not need to be in the room. When we suspend for votes in future, I will make sure to let you know how long that suspension will take. When we're suspended for translation, it's a little bit harder, but you can assume that there will be at least a five- to 10-minute break, and we'll do our best to let you know.

When the committee is suspended, you certainly do not need to stay here and, of course, if you need to take a health break even while committee is on, you can do that. We can always come back to you if needed.

With that, we're still on subamendment eight to CPC-13.

Mr. Kelly, you're next on the list.

Pat Kelly: Thank you.

This is another amendment that would add some relatability as well as transparency and clarity for Canadians if, in the report, we had the effects of the reduction in contribution rates on employees at different levels of pensionable earnings. Getting specific to a couple of different levels of earnings makes it easier for people to relate to how this will affect them. If somebody makes maybe not bang on \$50,000 in pensionable earnings but some number close to that, they can get some approximation to see what the effect would be on that salary of \$50,000 to \$70,000. I think the maximum pensionable earnings for the year is a little higher than that. Just under \$75,000 is the current maximum this year. If somebody had \$50,000 and \$70,000 as a guideline in the report, it would make it much easier for them.

Relative to other subamendments that have sadly been rejected on this amendment, the arguments have been made over how important it is to add relatability. When the reduction contribution rate happens.... In fact, I'm not sure when the last time there was a reduction. I don't know if there's ever been a reduction before now. The reduction, though, comes on the heels of a significant increase

that was passed in the previous Parliament, which my Conservative colleagues and I objected to. We said that it was a tax on employment.

It's a mandatory payroll deduction. It's a payroll tax, which, in and of itself, certainly doesn't make it wrong. It's an incredibly important plan, and the payroll taxes go to dedicated purposes that are very important and fill important functions for Canadians. Nevertheless, they must be paid. At the time, we cautioned the government that this significant increase was actually a tax on employment, a tax on jobs, and would reduce the spending power of Canadians because they would simply have more deducted from their paycheques. With the fact that it's coming down now, shortly after it was increased, I hate to have to point it out to the members, but it would seem that Conservatives were correct that the increase they brought in during the previous Parliament was unwarranted and unnecessary.

We are seeing a reduction in this bill that applies to both employers and employees and the self-employed, if they are participants in the plan. If they could see a report that's prepared under the amendment to this act that would differentiate between the effect on their earnings at different levels of income, it would be very helpful. I am thinking particularly about self-employed Canadians. All self-employed people who employ other people must deduct for the Canada pension plan. It's a legal requirement on their part, and the accounting of this can be quite onerous. Self-employed people need to know what the effect on their cash flow will be for different employees at different income levels. It would be very helpful for the small business operator who has a very small number of employees, where a change of one employee or a couple of employees would make a significant change to their month-to-month cash flows. It would be important that they have this information in a way that's readily understandable.

• (1715)

When you're self-employed—and I was self-employed from the time I finished university until I became a member of Parliament—and when you're operating a small business with fewer than 20 employees or contractors, when you're managing a small operation like that, the owner and manager of that business has to figure out everything on their own. They don't have an HR department to turn to because they are the HR department. They don't have a staff. They might have a bookkeeper, but a particularly small business doesn't. You're either turning to professionals for advice, which is expensive.... The meter's running when you call up your accountant and say that you just need advice from them.

Most very small business operators have to rely on information they can quickly find for themselves with probably no more resources than an Internet connection and a search engine to find the government reports and the appropriate reports to get the information they need to make decisions about the operation of their business. These self-employed Canadians are paying both sides of it. They have to pay their employee and then their employee has to pay from what they get paid, but there is also the employer contribution. Knowing if there is a reduction, which in this case there is, and how much that will affect, say, a person with \$50,000 in pensionable earnings is important. That's a \$25-an-hour job.

During my years in the mortgage business, I'd be working hourly into annual without too much calculating, but anyway, knowing out of that how much on top of that hourly rate you're paying into this plan as required under law, in addition to that which must be deducted and remitted is very important. That's why we believe that these annual reports should exist. They add transparency to the government, transparency for Canadians, and specifically breaks it down into language that is easily relatable to those within the system, both the workers and the employees.

Given the sort of on-again, off-again war against small business this government has waged.... It reached its peak when Bill Morneau and Justin Trudeau both called owners of small corporations tax cheats. I think it was Justin Trudeau who called small businesses a vehicle for tax avoidance by wealthy Canadians with sophisticated corporate structures.

Then we found out how many different limited companies Bill Morneau had. I thought maybe they were talking about themselves when they said that private corporations were just a tax vehicle for wealthy people to avoid taxes, but for real people who operate a small business, if it's done through a corporation, the employees of the corporation must still pay into CPP. If the owner chooses to pay themselves a salary, then they, of course, also pay the employer and the employee portion of the Canada pension plan deduction that is required by law.

Many self-employed Canadians were advised by their accountants for generations to pay their own compensation in dividends as opposed to salaried employment, which would have triggered the Canada pension plan deductions. That was one of the material reasons why accountants gave that advice.

● (1720)

I don't know if Mr. Lawrence will be able to weigh in on this later on, because I know that he, as a tax accountant.... I'm sorry. He's a tax lawyer. I misspoke. I know the difference, and I know which one applies to Mr. Lawrence. Mr. Lawrence is a tax lawyer.

It's interesting that the lawyer at the table was upset when I misspoke and called him an accountant. In the esteem in which professions are held, I wasn't sure whether he thought the lawyer placed higher than the accountant. I didn't think that would normally or ordinarily be the case, but in any event, he would be well positioned to provide expert testimony on these structures.

As we're discussing the Canada pension plan and disclosing and articulating the amount of the deduction that is taken from these employees, I am reminded of the extent to which the government

disincentivized those who had private Canadian corporations. It was very discouraging at the time. They seemed to think it was wrong that so many self-employed entrepreneurial Canadians would be disincentivized in so many ways under the tax reforms they proposed in 2017. Today, I'm sure many more self-employed people are probably not compensating themselves with dividends but are going with the salaried option and incurring the CPP deduction. They would need to know that if they take \$70,000 out of their company, it's going to be more than \$70,000, because they are also paying the employer's portion, and then, of course, deducting from themselves the amount that would be due as an employee.

We think it's very important that we give clarity to self-employed Canadians, and to all Canadians—workers as well.

I often zero in on the self-employed Canadians, because it's what I knew best in my pre-political career. This is the problem too, and one of the challenges and one of the reasons I think self-employed Canadians deserve so much respect from the broader public and deserve better from their government. Self-employed Canadians are the ones who may not even be able to pay themselves consistently enough to, say, hit the maximum pensionable earning for CPP.

If they are, as so many self-employed Canadians do, simply paying dividends as investors in their businesses as opposed to employees, they have an obligation then to make up the savings, because the Canada pension plan would not be there for those self-employed Canadians. As a young entrepreneur, you have a real dilemma on your hands, because you're choosing whether to go the route of compensating yourself for risk by paying a dividend or paying yourself a salary as a worker in the business. That is more attractive on a month-to-month cash flow basis as a person trying to get by, get started in life and get a company off the ground, but you will wake up one day and realize that you did not pay into CPP at all, and you'd better have made up for that with personal savings.

● (1725)

I spoke earlier in regard to one of the failed amendments about how important this information is to young Canadians because of the march of time and the compounding effect of return on investment. As the years go by, you have fewer years ahead to reverse a decision or a choice made earlier in life. When you're young, choosing well and choosing to—

Jake Sawatzky: I have a point of order, Chair.

I'm hearing a lot of repetition. I know we're talking about the march of time and things diminishing, and I'm feeling my own time on this world diminishing as we continue this filibuster. I just ask that we stick to the clause at hand.

Thank you.

The Chair: Thank you, Mr. Sawatzky.

Mr. Kelly, could I remind you to stick to the subamendment that we're dealing with, please?

Pat Kelly: Thank you for the reminder. I'm not sure what part of discussing the importance of, as the subamendment says, measuring the impact of the reduced contribution rates on employees who might make \$50,000 or \$70,000 was not relevant, but I will continue. I think it was pretty clearly relevant.

I'm talking about young Canadians who need the clarity that this subamendment offers to the amendment, which itself is a reporting mechanism that would compel the government to add additional transparency and accountability to Canadians, which we hope is the goal of all parliamentarians, including the government caucus members.

If I might get back to that, before I got sidetracked, I was talking about how important the choices of young Canadians are to their financial futures and why they need access to information that is reliable to them. This was exactly the point that I was making prior to Mr. Sawatzky's point of order.

In the absence of information, and if young Canadians aren't fully aware of the impact a reduction in contribution rates might have, perhaps especially if they were an entrepreneur or a young Canadian who was deciding how to set up their own compensation as they're trying to get a business off the ground.... I don't know how many young Canadians are trying to start a business. I hope there are many of them, but no one could blame them if they were concerned about the business environment in which we find ourselves. For those ambitious young Canadians trying to get a business off the ground, I think it's very important that they be able to easily see the effect of these changes.

I know that I can't move any further amendments, and I don't think you can move a sub-subamendment, but maybe in the future, if we wanted to really get more detail here, we could even add categories other than \$50,000 and \$70,000. However, let's not let perfection be the enemy of the good here, and maybe we'll leave it to other members if they want to make other changes.

It is my view, anyway, on this subamendment, that it is important that we have reliable information on both the deduction that's paid at source by the employer and by the employee. I don't want to catch Mr. Lawrence off guard if he has some thoughts on this, but if he does, I'd be happy to yield the floor at this time.

• (1730)

The Chair: Unfortunately, he's not next on the list. Mr. Turnbull is.

Pat Kelly: He could get on the list, though, I imagine.

The Chair: He is on the list, but Mr. Turnbull is next.

Ryan Turnbull: Be careful what you wish for.

We're 22 hours into this FINA committee, if I'm not mistaken; that's how long we've been sitting. We've spent, I think, about 12 or 13 hours just on amendment CPC-13. This is a proposed new clause to the spring economic update 2026 implementation act, which lowers CPP contributions for Canadian workers because the Canada pension plan has been deemed by the chief actuary to be solvent for 75 years. It's healthy. It's in good shape.

This is a measure the government has taken with full confidence and information at their fingertips and that provinces and territories agreed to in a first ministers' meeting, where they were on board with this. It saves the average Canadian worker and employer contributions of about \$108 per year. It's 40 basis points lower, leaving a 30-basis-point buffer in the pension plan contributions. It's at a time when we're looking to save Canadians money and leave more of their hard-earned paycheques in their pockets.

That's where we're at after 22 hours. Officials have been here for many of those hours. What strikes me as kind of challenging to stomach is that we're now on the eighth subamendment to a Conservative amendment. Technically, if the Conservatives were serious about these reporting requirements that they're throwing up as reasons to hold up this committee and this bill, they would have done their homework and included these supposed subamendments in the actual amendment that they tabled first. This is clearly an attempt to slow down and hold up this committee, to filibuster this bill and to hold this committee ransom in order to get something else that they want.

We've seen not every one but almost every amendment that has been suggested by the Conservatives increase reporting requirements, which have been duplicative. In other words, there are already statutory requirements that the government is following. In almost all cases, the government is already required to table very specific data and information that relates to the things that the Conservatives are supposedly asking for.

What's interesting is that the Conservatives have often said that they would downsize and optimize government, that they want the government to get out of the way and that they want government efficiency, yet here they are, over and over again, advocating for more red tape, for less efficiency and for more reporting requirements that are redundant and that do not add value or transparency, because they're already in place.

This is where we're at. I'm just wondering how long the Conservatives are planning to filibuster Bill C-30 and waste taxpayer resources on the proceedings of this committee, which they don't seem to be concerned about at all or they wouldn't have wasted 22 hours. We all know this bill could have been done in about two hours in this committee—maybe three, maximum.

We had conversations about this previously. We actually agreed to a Conservative programming motion on the study of this bill. We agreed with every aspect of it, I think, with one small exception. We achieved unanimous consent to support that. They essentially dictated how we were going to study Bill C-30, and we agreed to it. As the governing party, we didn't have to do that, but we did, in an effort to collaborate and work together.

This is not a good use of our time. It is a waste of time and resources. I'm not saying that there aren't some good-faith points that members make from time to time. I will grant that, but if you were serious about actually getting work done, you would allow these things to come to a vote.

• (1735)

We've also seen an effort at this committee, over and over again during the past 22 hours, to move subamendments on the fly, which is a sort of wordsmithing exercise based on somebody's thoughts in the moment. Technically, it's okay in Parliament. It's the members' prerogative to do so, but it seems as though it's an attempt to tie up committee resources by having our committee suspend for half an hour at a time to get the translation and then reconvening, at which time, members on the opposite side essentially speak ad infinitum to their many reasons, without allowing things to come to a vote.

This is where we are. I just want to make it clear for anyone who happens to be paying attention, for the media, for people at home, for people in my riding of Whitby, and for them to take note of the obstruction that happens in Parliament. It's based on our official opposition's not really caring about reducing red tape and not allowing us to get key tax deductions and measures implemented so that we can actually do the things that Canadians are asking us to do here in Parliament.

I want to ask members to sober up, to actually get down to work and to stop obstructing this Parliament.

The Chair: Mr. Turnbull, Mr. Kelly has a point of order.

Pat Kelly: I understand that he was given the floor because we are debating the subamendment. This doesn't sound like debate on the subamendment. I wonder if you could return him to the subamendment. If he has a point of order, that's different, but this is debate on the subamendment.

The Chair: Thank you, Mr. Kelly.

Mr. Turnbull, go ahead.

Ryan Turnbull: So—

The Chair: I'm sorry, Mr. Turnbull, but Mr. Lawrence has a point of order.

Philip Lawrence: Madam Chair, you've asked our members, and they've done it accordingly, to withdraw them when comments are inappropriate. I think that telling the official opposition to “sober up” is inappropriate, and he should withdraw it.

The Chair: Thank you, Mr. Lawrence.

Mr. Turnbull, could you withdraw that comment, please?

Ryan Turnbull: Sure, I can withdraw that.

Elizabeth May (Saanich—Gulf Islands, GP): Madam Chair, is there any chance I can make a comment?

The Chair: You're not a regular member of the committee, so is there unanimous consent to allow Elizabeth May to make a comment?

Some hon. members: Agreed.

The Chair: Go ahead.

Elizabeth May: I'm not a member of this committee. I'm here because of a motion the committee passed when it began its work after the election. I deeply regret that the motion was made because I could make my amendments on the floor of the House, otherwise, at report stage.

My only point here is that since my friend Ryan Turnbull is making a point for people watching, I'd like people watching to know that I've been here most of those hours, with amendments to try to protect health and the environment from division 8 of Bill C-30. That's all I have to say.

The Chair: Thank you, Ms. May.

Mr. Turnbull, you continue to have the floor.

Ryan Turnbull: Thank you, Madam Chair.

I thank my colleague, whom I know always operates in good faith in the House and is deeply concerned about some issues that she has with...and I look forward to eventually getting to those clauses.

We would have already been there if we hadn't been subjected to the Conservative filibuster on this bill, which we didn't anticipate because we were working quite well together on this committee. It certainly felt like we had unanimous consent on the motion that programmed our time. We heard from all the ministers. We considered all the clauses and all the testimony. We're really debating a.... Well, we're not debating the bill. It's the minutia of a subamendment to the Conservative amendment that we're really debating here.

I want to point out one last thing, which is, as we heard from officials at the very onset of this particular amendment, CPC-13, that the chief actuary is already required to produce a very detailed report on the health of the Canada pension plan. It has been tabled. The Minister of Finance referred it to the House yesterday...or on June 8. I'm forgetting what day of the week it is because we've been here for so many hours, but that has taken place. That includes the impacts on the pension plan of the measures that have been put forward. Again, the government would never jeopardize the sustainability of the Canada pension plan. We're only lowering contributions by 40 basis points, because the chief actuary and all provinces and territories unanimously agreed to lower those pension contributions.

It's something the Conservatives advocated for without having the information that they're now requesting, which is interesting because it's inconsistent with the very argument that they're making. We see often the hypocrisy that the Conservatives display in Parliament. In fact, we see that every day in the House of Commons, but in this particular case, it's pretty rich for them to now be asking for additional data and information when they themselves advocated for lowering pension plan contributions for Canadian workers. We're actually aligned for once, and here they are sticking arbitrary things in the way to prevent this bill from getting through Parliament before the House rises for the summer.

That's what I have to say. I'll be quiet now for a little while. I'm sure members opposite will appreciate that, because they don't like it when I speak the truth in this committee. I'm sure that they will continue to filibuster this committee, although we hope that they'll come to their senses and allow this to move forward. That's what Canadians expect us to be doing right now, not sitting here listening to an endless filibuster.

Thanks.

• (1740)

The Chair: Thank you, Mr. Turnbull.

Do you have a point of order, Mr. Kelly?

Pat Kelly: I wonder if this might fall under the Simms protocol. He is sort of—

The Chair: No, it has to...

Pat Kelly: Okay, then—

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

Pat Kelly: I do have a point of order.

The Chair: Get to it, then.

Pat Kelly: In the practice of the committee, there are some unusual points that would not normally be part of the routine function of the committee. I would note that Mr. Turnbull, who had the floor, made no relevant contribution to the debate on the subamendment but merely—

The Chair: I disagree with that. There were many points that were related to the subamendment.

Thank you, Mr. Kelly.

Mr. Lawrence, you have the floor.

Pat Kelly: I'd like to be on the speakers list, then.

The Chair: Sure.

Go ahead, Mr. Lawrence.

Philip Lawrence: Thank you, Chair. I appreciate it.

I wanted to respond to a couple of points.

Mr. Turnbull, to be reasonable and fair, may not have been aware of that. I believe him to be a little bit younger than me. He said that the government would never allow CPP to run into a funding issue, but actually the government has.

It was originally launched as a pay-as-you-go program, meaning that there was no buffer and no investment portion to it. Younger

folks contributed to it, and older folks received it. That's how it worked. That worked great when it was originally created in 1966, because there were a lot of workers for every retiree. Of course, then, as the baby boomers started to get older—

Ryan Turnbull: I have a point of order, Madam Chair.

I appreciate the history lesson, but this is not relevant to the current subamendment, as far as I can tell.

The Chair: Thank you.

An hon. member: Neither was his—

The Chair: Excuse me, but Mr. Lawrence has the floor.

Please continue.

• (1745)

Philip Lawrence: Thank you, Chair. I appreciate it.

I will, to my colleague's point, bring this up to our modern day, but I think it's important because it gets to a point that I think needs to be said. I promise you that in relatively quick order, I will get there.

By the mid-1990s, of course, we started to see a reversal of those demographics, and the vast outnumbering of workers to retirees started to shrink. The demographic pyramid in the 1960s was something like this and then started to go like this—I hope this isn't a prop—during the 1970s, 1980s and then into the 1990s. What the chief actuary officer said, in 1995, was that the CPP fund would be out by 2015. The point is that, actually, the government has allowed the CPP to become precarious at points in history. With the chair's and the other members' indulgence, this is something I referred to before.

Quite frankly, when I was door-knocking during the last election, I got to talk to thousands of my residents in a relatively short period of time. It was amazing how many of them still believed that the conditions of the 1990s CPP were still in place. Of course, to be honest, it wasn't helped by some individuals, some groups that tried to put out the disinformation—it wasn't misinformation—that a Conservative government would somehow reduce or eliminate the CPP and OAS. Quite frankly, that's a terrible thing to do because, for folks who are or will be completely dependent on CPP, this was absolutely terrifying for them. That's what gets us back to the subamendment.

Also, with respect to the member's saying that, perhaps, we're not going as fast as we could, I agree with him. However, I also strongly argue that it is not because of this side of the table. He's quite right. We have put up numerous subamendments. Those subamendments have been put out there as a good-faith effort to improve the reporting so that those individuals.... Literally, I've seen seniors in tears because they believe that they may not get CPP going forward, and that is the only difference between their being able to pay their rent or being able to eat, which, even at that, they're barely doing because of the high rates of inflation. This extra information, this extra reporting....

As I said, we're not in the early 1900s anymore, when the government just needed to create a report and put it in a stack somewhere. I believe that government can do better than that, in this digital age, to actually get information out to people. I asked some of the representatives from the Department of Finance not just the question, "Are you completing these reports?", but also, "To what extent do you know, if at all, whether this information is actually being read by Canadians?" My anecdotal evidence is that it's not, and that there's a good portion of Canadians who are unaware that the CPP is currently solvent for the next 75 years.

I might also add that the contribution increase to the CPP recently has also created some trepidation amongst the people of Northumberland—Clarke, particularly among seniors. They took that to mean that there was a challenge to the funding or the solvency. Going back now to reduce the CPP contribution could very well make people nervous. I've been, throughout most of this discussion, convinced that CPP is still on solid ground, even at 9.5%. I think that we need to make sure that this is communicated to Canadians.

• (1750)

I believe we're up to, I don't know, six, seven or eight different subamendments on that. The government has yet to vote in favour of any of them. In fact, the member opposite criticized me. It was I who did this, so I'll take full responsibility for making changes on the fly.

The reason I was making those changes was that I was trying to extend an olive branch. I was trying to get agreement on even a watered-down solution that would be agreeable to the government. Unfortunately, I couldn't get there, nor have they proposed any compromises. With the number of amendments and subamendments that we have put out there on the floor, you would think that just once they would step up and say, "Do you know what? We're not always the smartest gal or guy in the room, and the Conservatives actually have a good idea on this. Maybe a little bit more disclosure or maybe getting that information out to the people of Canada would be a good thing. Maybe we can work with them. Perhaps this amount of information isn't workable, but let's see if we can find some common ground here."

Conservatives have once again put out our hand. We realize that through the floor crossings, the Liberal government has a majority and they can wield that power as they wish, but I received some great acclaim for using the metaphor of a tree falling in the forest, and I have another one here. The members opposite might want to get ready and maybe write this down.

This one comes from that deeply profound and important cultural icon, Spider-Man—

The Chair: It's "With great power comes great responsibility."

Philip Lawrence: Thank you, Chair. Yes, I continue to have a very high opinion of our chair.

With great power comes great responsibility. In 22 hours or whatever, there have been multiple amendments and multiple votes, and not once have the Liberals voted with us on an amendment—not once. Not once have they put a compromise forward. I'm trying.

The last time I had the floor, I looked aside and I thought, "I don't think they're going to be convinced by my arguments", so I moved for a vote. In my naïveté, I thought that maybe the members aside were saying, "Mr. Lawrence is working—

The Chair: I'm sorry. Did you just move for a vote?

Philip Lawrence: No, not yet. Give me another little bit here.

Some hon. members: Oh, oh!

Philip Lawrence: I thought maybe Mr. Turnbull would reach across and say, "Do you know what? He's trying to move this forward, and I appreciate that. We've had a look at some of these amendments, and we will support one out of the 50 or so."

Ryan Turnbull: I have one. You just haven't gotten to it yet.

Philip Lawrence: Do you have one? That's positive. That's inspirational to me.

Ryan Turnbull: We get 21 hours. We were going to surprise you with support for one.

Philip Lawrence: I'm sorry if I ruined the surprise.

• (1755)

Ryan Turnbull: You did.

Philip Lawrence: I want to give other members the ability to discuss this one if they see fit. I know Mr. Menegakis is eager to talk about it, but I want to take two seconds here to validate what Ms. May had to say.

She has been here listening hour after hour because she feels very strongly about several issues with respect to Bill C-30. Ms. May and I may disagree on a lot of things, but I fully support Ms. May in her integrity, her passion and her concern for the environment. I look forward to hearing her amendments when they come through. I certainly will be a voice if we ever form government.... Wait for the heckles.

Some hon. members: Oh, oh!

Philip Lawrence: When—when—we form government, Ms. May should always have the opportunity to speak, because I think her voice is an important one, even if I disagree with her much more often than I agree.

With that, I will pass on the floor. Thank you very much for your rapt attention.

The Chair: Mr. Sawatzky, go ahead on a point of order.

Jake Sawatzky: I just have a brief point of order on relevance.

I know we're talking about Spider-Man. I appreciate the Spider-Man quotes. It seems like we're in a multiverse where time is moving very slowly. I'd appreciate it if we could get from the origin story to more plot development and make some tangible progress on this.

Thank you very much.

The Chair: Thank you, Mr. Sawatzky. I'm delighted to hear all the Avengers references today in committee.

Just for clarity, because I've heard a couple of members suggest that we've been at this for 22 hours, I'll say that we've in fact been at this for almost 24 hours. I just thought folks would like to know that.

I thought for a moment, Mr. Lawrence, that you were actually going to give the committee a chance to vote on this subamendment.

Philip Lawrence: I think I'm getting close.

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

Costas Menegakis (Aurora—Oak Ridges—Richmond Hill, CPC): I'm very pleased to be here today to speak.

I'm glad you have your earpiece in, Mr. Turnbull, because I wouldn't want you to miss anything I have to say. I know you're eagerly waiting with bated breath and much anticipation to hear the wisdom that I'm about to impart upon you, sir.

I'm actually very pleased to be here and to have an opportunity to speak about this. Since you deemed relevant, Madam Chair, the comments Mr. Turnbull made in his latest intervention on this, I'll weigh in on some of the comments that he made, given that they're deemed relevant.

Madam Chair, the 24 hours that you mentioned may seem like a long period of time to Canadians who are watching this and to a lot of you who have been here from the onset and have been sitting here for 24 hours. I get that. I completely understand your frustration at not being able to get through this in 24 hours.

I am sure you would also agree—as most Canadians and particularly most parliamentarians in a moment of clarity would agree—that the government taking some seven months after being elected on April 28 to produce a budget is a lot longer than 24 hours. The government took an exorbitant amount of time to produce a budget. In fact, it produced one that was presented seven months after it had started spending the money—

The Chair: This is just a reminder, Mr. Menegakis, that we're actually talking about a subamendment. Could you get to that, please?

Thank you.

Costas Menegakis: I am getting to the subamendment.

There were comments being made, Madam Chair, about the amount of time that people have been spending, so I just want to make it clear that we waited a long time to see a budget. We cer-

tainly waited a long time to see the spring economic update, of which this CPP subamendment we're dealing with right now is clearly a part.

I don't think it's redundancy. I think it's making points, Mr. Turnbull. I know you've mentioned that it's not a good use of our time. In fact, I think it's a very good use of our time, because you need context. You can't just sit here and say, "Today I'm going to talk just about this thing." You need context. When you bring in context in the way that you did in your intervention, Mr. Turnbull, it opens it up for us to be able to comment on the comments that you made.

You were right. Canadians expect us to do the right thing and to do the right thing right now. Part of that expectation is for us to work longer, to work hard and to represent them for the exceptional wages that we all get paid to be here to represent them.

Having said that, today we're addressing the Liberal government's spring economic update and in particular its treatment of the Canada pension plan and this subamendment. At first glance, the government wants Canadians to believe that it is providing relief by reducing the base CPP contribution rate from 9.9% to 9.5%, beginning next year, in 2027. The government is boasting that workers earning \$70,000 a year will save approximately \$133 annually and that employers will enjoy matching savings. That's \$133. That's a lot of money. I would suggest to my friends opposite that they should visit the local grocery store and see how far \$133 takes them. Those are the facts.

The question Canadians should be asking is this: Why are they suddenly presenting themselves as champions of affordability after years of increasing these payroll costs on workers and businesses, as we're discussing today?

For years, Conservatives warned that escalating CPP premiums, when combined with higher employment insurance premiums, carbon taxes and other payroll costs, would reduce take-home pay and make it more expensive to hire workers. We argued that middle-class Canadians needed relief, not additional deductions from every paycheque, yet here they are today, wanting us to fast-track this \$133 in savings, which is supposed to be a major contribution to Canadians. I want you to know how much \$133 a year is per day. It's not even a cup of coffee. It's a lot less than a cup of coffee to Canadians.

That \$133 does not buy you a cup of coffee a day, Mr. Leitão. You might find a place in Canada where it is available for a lot less than that, and if you do, please post it on social media and on all the media outlets out there so that Canadians can also know where to get it themselves, because they would love to spend just \$133 for the entire year for one cup of coffee per day, which, of course, we all know is not available.

However, the government dismissed our concerns. As my colleague Mr. Lawrence said, any time we come up with amendments to try to make legislation better, including discussing this subamendment here at this point in time, the government always votes them down. They use their majority. They use their power, their manufactured majority. I know they don't like to call it that, but that's exactly what it is. Sometimes they're able to get some of the other parties to support them, but certainly not us on issues like this. They vote the amendments down. Our opportunity to get the message across to them and for Canadians to hear that....

Indeed, we are also parliamentarians. We are also elected here, and we have a voice. We have an opinion and we represent people. My riding has about 140,000 people. I'm not going to give that up just because Mr. Turnbull doesn't want to work an extra few hours to process this stuff through. That's not going to happen. We're here to represent people and to make sure we get the best possible outcome for them, because that's what they sent us here to do. It's to represent them.

Now that the government has discovered that the CPP is in a stronger financial position than expected, they are prepared to reduce the contribution rate. In effect, Canadians are being told that they are paying more taxes than necessary, which is of course something Conservatives have been saying for many years. We don't believe in taxing people. We believe in leaving the money in the pockets of Canadians. They know what best to do with their hard-earned dollars. We welcome any measure that leaves more money in the pockets of hard-working Canadians.

• (1800)

We support affordability. We support lower payroll deductions, and we support policies that allow workers to keep more of what they earn. That's the important thing. Canadians know what to do with their money better than the government does.

We cannot ignore the broader context. Workers saving \$133 of CPP is welcome news, but it has not erased the damage done by years of rising living costs. Families are struggling with housing costs, grocery bills and utility expenses, and interest payments have increased dramatically over the past decade. For many Canadians, \$133 barely covers a few days' worth of groceries for them and their families.

The government is attempting to celebrate a very modest reduction—I would say a very poor reduction—in contributions, while continuing to run massive deficits and accumulate debt that future generations will be required to repay. In fact, as we all know, this year's budget alone called for a deficit of some \$80 billion this year and some \$360 billion over the next five years, which is absolutely staggering. Canadians are supposed to say that they will pay \$80 billion a year because they're getting a reduction of \$133 a year in CPP. It doesn't make any sense whatsoever.

According to the spring economic update, the federal deficit continues to remain astronomically high, and the affordability crisis is certainly not getting any better. The reality is that Canadians need more than the symbolic relief we see, which is what the subamendment is speaking to—symbolic relief through a very nominal reduction in CPP contributions.

Of course, that gives the finance minister, Mr. Turnbull and his colleagues an opportunity to stand up in the House and say that they provided relief for 22 million Canadians, thinking that they have done something great. Canadians know what that means, because they get their paycheques. It's just rhetoric. That's all it is. If you give everybody 10¢ a day, they're supposed to think, "Wow. We're really getting something big." It makes no sense whatsoever.

They need a government that creates conditions for higher wages, stronger investment and better opportunities, not the kind of stuff they've put in here with this nominal reduction in the CPP. They need a government that understands that prosperity comes from productive businesses and hard-working people, not from endless government spending.

My colleague Mr. Kelly spoke about business people and businesses and what it means to them to have people on the payroll for whom they pay CPP contributions. Businesses certainly pay their employer contributions, and it's hard for some of those small business people to meet their expenses on a weekly and monthly basis, pay their leases and pay their employees. After the government takes all this money as taxes, employees get whatever's left, and they're expected to pay all these increased costs. They looked to this spring economic budget and to the relief in some of these measures, like the CPP, to get something a little bit more than \$133 a year.

It makes no sense. If anybody thinks of \$133 a year as a saviour, I think they're out to lunch, to be quite frank. I mean that with no disrespect. I'm not talking about specific individuals here. It doesn't make sense to anybody that \$133 a year is a significant contribution to a family that is plagued with all these additional and rising costs of everything every single day.

I don't want to get into the carbon tax, the industrial carbon tax and all that kind of stuff. You can't be giving people a \$133 break over a year when every time they go to the pump, they're paying \$30 or \$40, and they have to do that twice a week just to go to work to earn the money to get that \$133 in savings a year. That doesn't make any sense whatsoever.

• (1805)

Danielle Martin (University—Rosedale, Lib.): I have a point of order, Madam Chair.

It's a pleasure to meet my colleague across the way for the first time. I look forward to working productively with him on many committees in the future, but I'm failing to see the link between what we're talking about right now and the subamendment at hand.

I'm respectfully requesting that we return to the topic of the subamendment. Otherwise, I fear we really will be here until midnight, which doesn't seem necessary.

The Chair: Thank you, Dr. Martin.

Mr. Menegakis, I know you're new to this committee. As I mentioned, we've been doing this for 24 hours, and over that time period, we've established quite a good precedent and a culture of really sticking to the substance of the subamendment, as is required in the Standing Orders for relevance.

If you could focus your comments on subamendment eight to CPC-13, which is on reporting requirements with regard to the CPP, it would be appreciated.

Thank you.

Costas Menegakis: Thank you, Madam Chair. I appreciate your comment.

I appreciate the intervention from Dr. Martin and I welcome her to Parliament. This may be the first time I'm sitting in on this committee, but it's my sixth year in Parliament.

I think it's important that we highlight the context by talking about principles. You're quite right, and this subamendment is part of a bigger picture. I think it's important—

The Chair: Thank you, Mr. Menegakis.

As we've established, though, on this committee in particular, we ask that you focus your comments on the subamendment, because it is in fact a very narrow subamendment on additional reporting requirements for an additional report that is being presented in the amendment.

Could focus your comments on that, please?

Costas Menegakis: I will, Madam Chair.

Earlier today while I was sitting here, although admittedly not for the 24 hours, Mr. Turnbull made many comments that had nothing to do with the subamendment, in my opinion, but you ruled that they had to do with the subamendment, so I want to remind you, just for—

• (1810)

The Chair: I really appreciate that, Mr. Menegakis—

Costas Menegakis: Again, I just want to remind you.... I'm sorry. I think it's important—

The Chair: If you want to continue with the discussion on the subamendment—

Costas Menegakis: I'm more than happy to continue, Madam Chair.

The Chair: —then I will ask you to do that.

Costas Menegakis: What's good for one side—

The Chair: Mr. Menegakis, if you don't—

Costas Menegakis: —is good for the other side, as you know.

The Chair: I appreciate that.

I would ask you again and just remind you that the Standing Orders request that members be relevant. Please focus on the specific subamendment to the amendment that is under discussion right now as we're doing clause-by-clause on Bill C-30.

Thank you.

Costas Menegakis: That's what I'm focusing on, Madam Chair.

The subamendment speaks to the report. If I read it correctly, and I'm reading it right here, it says, “employers and self-employed persons at different levels of pensionable earnings—

The Chair: I apologize, Mr. Menegakis. We've actually established at committee that we don't need to reread the subamendment into the record once it's been done, so you don't need to do that again. That's repetition.

Could you focus on your arguments, please?

Costas Menegakis: It might be repetition, but I'm trying to respond to what you're saying, Madam Chair—

The Chair: Mr. Menegakis, with all due respect—

Costas Menegakis: I'm trying to bring the context back.

The Chair: Mr. Menegakis, please, with all due respect, this has been something—

Costas Menegakis: I'm bringing the context—

The Chair: Mr. Menegakis, again, I—

Costas Menegakis: Will you let me speak?

The Chair: No, because I'm speaking right now.

[*Translation*]

Steve Lavoie: I have a point of order, Madam Chair.

[*English*]

The Chair: Wait one second, Mr. Lavoie.

I appreciate that you are joining us now, and we're grateful to have you here. Thank you for joining us.

Over the past 24 hours, this is part of the culture that has been committed to, but it's also in the Standing Orders with regard to repetition. I have made these comments to numerous other members, so I would appreciate it if you would follow those as well.

I understand there's a point of order from Mr. Lavoie.

[*Translation*]

Steve Lavoie: I just want to issue a courtesy reminder to Mr. Menegakis. Care must be taken not to interrupt another speaker or the chair. It's not possible to provide interpretation when two people are speaking at the same time.

We have to let the chair speak. Afterwards, we can take turns speaking. This will make the interpreters' job easier.

Thank you.

The Chair: Thank you, Mr. Lavoie.

[*English*]

That's a good point. We've been doing a really good job, actually, over the past 24 hours, of not speaking over one another. I appreciate all the members who have done that.

Mr. Menegakis, you have the floor.

Costas Menegakis: Thank you, Madam Chair.

I want to get back to the amendment. I really believed I was speaking to the subamendment. You won't let me read what the subamendment says, but it does refer to the reporting on the \$133 reduction in the spring economic update. That is specifically this amendment, and Canadians need to understand some context of what it is we're speaking about.

I completely concur that I've been here for only a small period of time in the 24 hours, but I'm prepared to work to midnight every day and beyond if it's going to bring some clarity and perhaps convince some of our colleagues opposite to see that the measure just doesn't go far enough.

As the amendment says here, the reporting requirements on it are not enough. They're just not enough. Canadians are looking for relief, and if we're going to complete this article-by-article or point-by-point study, it's important that we keep the context in mind. We need to explain what it is and why we're doing it.

The government's own actuarial reports show that the CPP is financially sustainable at a lower contribution rate. That's welcome news, but it also raises important questions about why workers and employers were required to shoulder these increasing costs for so many years while the government ignored the warnings about affordability.

Canadians deserve transparency. You are not going to let me read what this says, but it actually speaks to reporting—reporting on the information and reporting on the CPP—which of course will bring some transparency. You need to report it so that people can read it, understand it and see what it means to them. Hopefully, that explains a bit of where I'm coming from.

We're talking about reporting on the implications of the CPP in the spring economic update. I believe it's very important that it does get reported. It's important that it be reported in terms of how much it is and what it actually means in true dollars to each Canadian family so that we're not speaking in these nebulous terms, saying that we're cutting costs for millions of people when in fact it only gives them \$133 a year. That's important information for Canadians to know. It's much better than giving them a blank remark, like “We have good news for Canadians. We're cutting your CPP.” We're not reporting it properly, but we're cutting your CPP and you're better off now because we're giving you \$133 a year. Reporting on this is critically important.

There's a whole bunch of other stuff that I can say with respect to this, but I'm going to reserve my further comments, Madam Chair, until after my colleague has an opportunity to speak, because I need to drink some water as well.

I see that Mr. Turnbull is hugely disappointed that I'm coming to the end of my first intervention, but I can assure him that I have a lot more to say. I'll be happy to revisit this very point on this subamendment after my colleague has an opportunity to speak.

Thank you.

• (1815)

The Chair: Thank you, Mr. Menegakis.

Mr. Kelly.

Pat Kelly: Thank you.

I jumped on the speakers list when both Mr. Lawrence and Mr. Menegakis were already there, and there's a reason I wanted to get back in. I know I've already spoken to this subamendment and there is more I could say about it, but the principal point that I want to make is actually in response to Mr. Turnbull's remarks in debate on the subamendment. He drew attention to the length of time we have spent debating this subamendment and other subamendments.

He is correct, in that it's true that we have spent a lot of time—perhaps more time than would normally be expected—on a clause-by-clause review of the bill. I think Mr. Turnbull and others who are watching—if there are Canadians watching this debate, perhaps tens of people across the country—know that.

The point is that what might not be obvious to a viewer of this committee but that is all too obvious to anybody around this table is that these things don't occur in a vacuum. It is within the power of the Liberal members of this committee to encourage a more expeditious review of this bill if they would—at another committee—not block or prevent important witnesses from testifying on Bill C-22. I think they know that we might get to.... These amendments are important, solid amendments that would improve a very flawed bill, and I'm all about improving legislation. That's why I'm here.

We might be able to do this with a little less debate if we could have the government members go back and ensure that we see the witnesses—

The Chair: Mr. Kelly, that is not the purview of this committee. We're talking about the subamendment. The finance committee can't decide what happens at another committee—

Pat Kelly: That's correct, but they might—

The Chair: If you don't mind, could you stick to the subamendment that we're debating?

It may be the reason behind this, but it's not the work of this committee to determine what another committee does.

Pat Kelly: There was a lot of commentary in Mr. Turnbull's intervention, so I thought I'd provide some commentary of my own to balance that out and make sure that Canadians understand what's going on here, Madam Chair.

The Chair: Thank you, Mr. Kelly.

I know you are somewhat of a procedural expert yourself, and I know that you also know that this committee is seized with the clause-by-clause study of Bill C-30—

Pat Kelly: It sure is.

The Chair: —and that another committee that is doing its work is beyond the purview of this committee.

Pat Kelly: Indeed.

The Chair: Whether or not that is impacting the decisions of members on this committee is up to those members. It is not the role of the finance committee to dictate the work at another committee.

Pat Kelly: Okay.

I have said enough on this particular subamendment. I don't know if my colleagues want to say more, but if not, I think we might be able to get to a vote on this subamendment.

Jake Sawatzky: I have a point of order about relevance. I know you mentioned that we're—

The Chair: Mr. Sawatzky, he has already determined that he's done speaking.

• (1820)

Jake Sawatzky: I know you mentioned that we're not in a—

The Chair: Mr. Sawatzky, thank you very much.

Jake Sawatzky: All right. Thank you.

The Chair: Mr. Lawrence, did you want to...? Is that a point of order?

Philip Lawrence: No. In fact, I thought he was.... Is Mr. Kelly done?

The Chair: I believe he has concluded.

Philip Lawrence: Then I'd like to speak. If there is someone ahead of me, please—

The Chair: You can go after Mr. Menegakis.

Philip Lawrence: Thank you. I appreciate it.

Thank you, Chair.

The Chair: Go ahead.

Costas Menegakis: I'm happy to pass it over to Mr. Lawrence.

The Chair: Go ahead, Mr. Lawrence.

Philip Lawrence: Thank you, Chair, and thank you, Mr. Menegakis.

We were at.... I won't reread it.

We have established, I think, a pretty collegial, co-operative and collaborative culture. I actually pride myself on the fact that I have had relatively few points of order. I'm not sure whether that's because I have so closely adhered to the rules or because I've developed such a strong relationship with all the members at the committee—

The Chair: I will say, Mr. Lawrence, that you have actually very closely adhered to the rules, and I think you have been exceptional in sticking to the subamendments. As a chair, I can certainly say that I appreciate that.

Please continue.

Philip Lawrence: Thank you, Chair. I appreciate that.

I did, at the risk of a point of order, want to get back to—but not repeat—and build on some earlier comments.

In the past election.... In all seriousness, it is out there, as I've said, that seniors, in particular, are concerned about the solvency of the CPP, and even young people I run into, particularly the business owners, who have the ability to decide. They will say things like, "Do I pay myself dividends and not contribute to the CPP, or do I pay myself a wage?" If you're incorporated, you have a decision to make. You can pay yourself a wage or a dividend. Either is acceptable, according to current tax law in Canada.

The benefit of paying yourself a wage is that you get to receive CPP, because you will be forced to make contributions. If you are a business owner, the interesting part is that, as an employer or an employee, they split it. If you're the employer and the employee, otherwise known as a business owner, you have to contribute the full 10%, basically, the 9.9% going down to 9.5%. It makes the plan stronger with more contributors.

In fact, if individuals, particularly working-age business owners, were to say, "Do you know what? I don't believe in the CPP. I don't believe that I will receive it and, therefore, I am not going to contribute", that actually is a self-fulfilling prophecy. If every business owner out there, instead of taking a salary, decided to pay themselves dividends, it would create—likely, anyways—a sustainability problem.

When we get back to it, of course, all of our subamendments, including this subamendment, have to do with reporting. The reason I want to do this is so that the CPP, the Canada pension plan, can have the ability to rebuild trust, trust that was broken in the mid-to-late nineties, when the chief actuary officer said, "Twenty years and this will be done." He actually said in 1995 that in 2015 this plan would be bust.

The government of the day, in 1997—which I believe would have been the Chrétien government, if I'm not incorrect—said, "We need to fix this." They did. They brought the contribution rate up from 5.6% to 9.9% gradually. I believe very much what the chief actuary officer of today said, which is that it is sustainable for the next 75 years, or it's sustainable and the CPP is in a relatively good position. The MCR, the minimum contribution rate—the amount where, if you contribute less, the plan no longer is sustainable—is 9.2%. We even have a buffer from 9.5% to 9.2%.

The challenge is that we need to make sure Canadians are aware of that. Like I said, for one, if you are someone who's a pre-retiree or a retiree, especially those who are a little more on the economically challenged side, you want to know that you can rely on that CPP. This literally could be a life-and-death situation for them. I had a call just last week—obviously, I won't say the name, for confidentiality and privacy—with a lady whose financial adviser made what I guess you'd call a mistake, which caused her to no longer receive her GIS. She doesn't know how she's going to.... Of course, your GIS gets—

• (1825)

[Translation]

Steve Lavoie: I have a point of order, Madam Chair.

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

Steve Lavoie: Mr. Lawrence, there was no point of order while you had the floor, because you were on topic.

However, I would still like to raise one point. Earlier, his colleague mentioned that the filibustering they've been engaged in for over 20 hours is related to another committee, according to Mr. Kelly. I find it somewhat intriguing that people are continuing to filibuster here. I'd like to know what's going on.

Why are people continuing to filibuster?

The Chair: Thank you, Mr. Lavoie.

[English]

Mr. Lawrence, you continue to have the floor.

Philip Lawrence: Thank you.

Mr. Lavoie, you are very kind. Even when you disagree, you are kind when you do it. You are a testament to someone who can disagree without being disagreeable, and I do appreciate that. You add to the culture of this great committee.

As I was saying, about this lady, as the switchover goes, it's a very low-income threshold, and it's dollar for dollar for the GIS. If your income goes up, even to below the poverty line, believe it or not, you would lose your guaranteed income supplement, which was the difference for this woman in being able to afford groceries every week. She had already sold her home in order to have some money to get her through to the end of her days, hopefully, but she had counted on getting the GIS every year. Because of an investment decision that triggered a tax, it didn't actually give her any additional money. It triggered a tax issue for her, and her GIS was withdrawn. I saw in real life what happens when a person sees their government benefits disappear in front of their very eyes. She was crying.

I'll get right back on track after this. I do apologize. The worst part for me, in terms of serving my constituents, is when I see someone who has a legitimate problem, and I can't do anything about it. I'm sure we're all in the same shoes when we see, on an individual basis, that the government needs to do something about this, but unfortunately, the legislative framework we have doesn't allow us to do it.

Getting back to this.... This is a concern for the pre-retirees and the retirees. For people who are working age, we not only want them to buy into the system because it will fund their retirement if they don't do anything wrong but we also want them to be contributors. We really want to sell them on the idea of contributing to CPP because that actually fortifies CPP for everyone else. When a business owner decides to opt out of the CPP program, it actually weakens it for the rest of us.

That gets me to the subamendment, which I think is incredibly wise. I'm just going to state part of it. I won't read the whole thing, Chair.

One of the things it attempts to do is ask for disclosure or information for individuals as to what impact the reduction of the contribution rates will have on employers and self-employed persons. If I was a self-employed person.... This is a real-life thing for me. In a former life, many moons ago, I used to advise people on whether they should take dividends, wages or salary, based on their tax position. Back then—probably because we were a little closer to the 1990s, in part—they would say they understood what I was saying about the security CPP could provide for them and their families in retirement, such as, that it was guaranteed and they would have this income, but they went for all dividends, even though the tax was really a wash, to be honest, because they just didn't believe the CPP would be there.

One of the ways we overcome trust issues is through transparency and accountability—

• (1830)

The Chair: Mr. Lawrence, with all due respect, I have heard you utter those exact words many times. I don't want to interrupt one of your good records here, but if you could, please don't be repetitive.

Thank you.

Philip Lawrence: I take the comment in the spirit in which I'm sure it was made, Chair. We'll move forward on that.

The point I was making—this is actually a point that I don't think I have made—is that younger people need disclosure to understand how the CPP works, so that they can be in a position to have more trust in the government and we can ensure that the CPP is well funded on a go-forward basis.

I am wondering if the members on the other side have a compromise on this that they'd like to propose. There's no magic to what I'm putting forward in terms of language. I am attempting, in good faith, to increase the disclosure to allow Canadians to have greater trust so that they can understand that the reduction in the contribution from 9.9% to 9.5% will not make the CPP unsustainable, because the MCR, the minimum contribution rate, is at 9.2%, which gives us a 0.3% buffer going forward.

Would the chair be so kind as to tell me if there are other people on the list? You know me. I want to be respectful. I don't want to take up other people's time.

I think Mr. Stevenson is on the list. Can you share that? Certain chairs do and certain chairs don't.

The Chair: I have somebody else on the list.

Philip Lawrence: That's fine.

At that point, I will end my comments.

Personally, I would like to see a compromise and a solution so that we could go forward and do it. As you suggested the last time I asked to the call question, let's just do it on division and get this subamendment passed. I'm not calling for a vote, though.

Go ahead.

The Chair: That's okay. You might get an answer.

Mr. Turnbull is next on the list.

Philip Lawrence: Okay. That's perfect.

Ryan Turnbull: Madam Chair, I know this is a subamendment. If a compromise were possible, it wouldn't be possible for me to subamend a subamendment without actually dealing with the subamendment first. As convincing as the member opposite tried to be, it didn't amount to tipping the scales in favour of agreeing to the subamendment, unfortunately. I appreciate the member opposite's attempt to stay relevant in his interventions.

It's nice to have some members, at least, on this committee attempt to do that, so thank you for that.

I wanted to go back to the comment that Mr. Kelly made on the record. As my colleague Mr. Lavoie did, I find it hard to comprehend that here we are, at our committee, considering a bill for 24 hours, and then we find out that, indeed, this filibuster that the Conservatives have been perpetuating is really about another committee's business. That's challenging for me to accept, because this committee is supposed to do its work in good faith—

Costas Menegakis: On a point of order, Madam Chair, I'm waiting to hear something about the CPP and the subamendment, and I'm not hearing it coming from the member.

The Chair: Thank you, Mr. Menegakis.

Mr. Turnbull, could you focus on the subamendment?

Ryan Turnbull: Yes, I can focus on the subamendment.

The subamendment is an attempt to ask for CPP contributions and additional reporting on them. We've already stated on the record quite a number of times, as have officials, that the chief ac-

tuary already tables a report on the analysis. The members opposite have used a lot of committee time to make their arguments, but they have not allowed us to come to a vote.

I don't think democracy is served when members use the committee.... I understand that making valid arguments is fine and operates in good faith, but what we've heard here is that, in fact, this filibuster is about another committee's business and the Conservatives' not being willing to compromise in another area. They're holding this committee hostage.

Because I feel like we're not making progress, I would move to adjourn the meeting.

● (1835)

The Chair: Is there consent to adjourn the meeting?

Some hon. members: Agreed.

The Chair: The meeting is adjourned.

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