HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

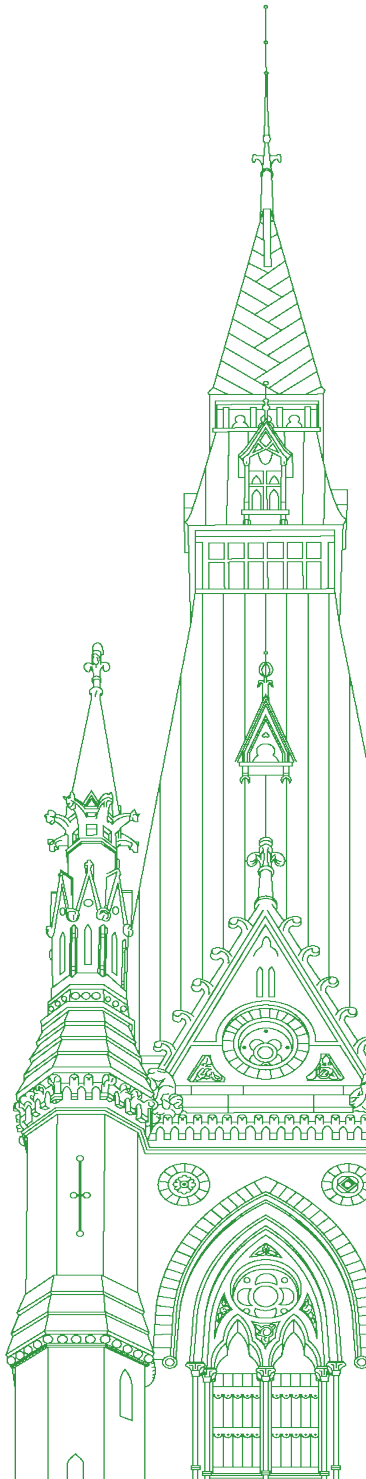
45th PARLIAMENT, 1st SESSION

Standing Committee on Finance

EVIDENCE

NUMBER 057

Thursday, October 29, 2026



Chair: Karina Gould

Standing Committee on Finance

Thursday, October 29, 2026

● (0935)

[*English*]

The Chair (Hon. Karina Gould (Burlington, Lib.)): Good morning, colleagues.

I call this meeting to order.

Welcome to meeting number 57 of the House of Commons Standing Committee on Finance.

Today's meeting is taking place in a hybrid format pursuant to the Standing Orders. Members are attending in person in the room and remotely using the Zoom application.

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

This is a reminder that all comments should be addressed through the chair.

Pursuant to the order of reference of Wednesday, June 3, 2026, and the motion adopted by the committee on Tuesday, September 22, 2026, the committee will resume consideration of Bill C-31, a second act to implement certain provisions of the budget tabled in Parliament on November 4, 2025.

I would like to provide members of the committee with a few comments on how committees proceed with the clause-by-clause consideration of a bill.

This is an examination of all the clauses in the order in which they appear in the bill. I will call each clause successively, and each clause is subject to debate and a vote. If there are amendments to the clause in question, I will recognize the member proposing it, who may explain it. The amendment will then be open for debate. When no further members wish to intervene, the amendment will be voted on. Amendments will be considered in the order in which they appear in the package each member received from the clerks.

During debate on an amendment, members are permitted to move subamendments. Only one subamendment may be considered at a time, and that subamendment cannot be amended.

I thank the members for their attention and wish everyone a productive clause-by-clause consideration of Bill C-31.

I would like to welcome our witnesses, who are available to answer technical questions related to the bill. I am not going to name them. There are dozens. If you have a specific question for a specific witness, please refer to the witness list that has been provided.

We will begin clause-by-clause.

Pursuant to Standing Order 75(1), consideration of clause 1, the short title, is postponed. There are no amendments proposed between clauses 2 and 50. Therefore, do we have unanimous consent to group them for the vote?

Monsieur Lefebvre, go ahead.

[*Translation*]

Eric Lefebvre (Richmond—Arthabaska—des-Sources, CPC): Madam Chair, to get us off to a good start today, I would propose that we adopt clauses 1 to 50 on division.

[*English*]

The Chair: We'll have to wait for article 1.

[*Translation*]

Do we have unanimous consent to adopt clauses 2 to 50 on division?

Eric Lefebvre: Okay.

[*English*]

The Chair: Okay.

(Clauses 2 to 50 agreed to on division)

(On clause 51)

[*Translation*]

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

Eric Lefebvre: Thank you very much, Madam Chair.

We have an amendment that has been proposed.

The Chair: Will you be proposing it?

Eric Lefebvre: Yes. Ms. Jansen is proposing amendment CPC-1.

[*English*]

Tamara Jansen (Cloverdale—Langley City, CPC): May I speak to that?

I think there are some real practical problems with the legislation that we really haven't thought through, particularly when it comes to vulnerable Canadians, whom we're really trying to help. I understand the intention—that Canadians who aren't filing their taxes could be missing out on benefits as a result—but I don't think anyone around this table disagrees that we should be doing what we can to help those people.

Really, what concerns me is that we're giving the CRA the authority to file a tax return on behalf of Canadians without first making sure that the information they're relying on is actually correct, and then we're expecting those same Canadians to somehow navigate the CRA system if something goes wrong. I think we need to stop and consider who these people actually are, because we're not necessarily talking about people who have a computer sitting in their kitchen, who check their emails every morning or who know even how to log into their CRA account. We're talking about elderly Canadians who may never have used online banking, let alone accessed a government website. We're talking about people with disabilities who may need assistance managing their finances, people who are homeless or living in temporary accommodations, who don't even have a permanent address. How exactly is this going to work for them? If someone doesn't have a secure address, where is the CRA going to send their notice? How will that person even know a return has been filed on their behalf? How are they supposed to check whether the information is accurate?

What about the senior who doesn't own a computer, doesn't have an email address, or has never accessed a CRA account? We're expecting them to find someone who can help them get online, understand the information the CRA has collected, figure out whether anything needs to be corrected.... Those aren't small details, especially for a senior.

These are very real circumstances for the people this legislation is supposed to help. The taxpayers' ombudsman already raised those concerns. Their concerns are well-founded, because we already know how difficult it is to get the CRA to correct a mistake.

I used an example in my own constituency of someone who spent four years trying to resolve a CRA error, trying to get the government to correct it. Imagine putting an elderly person or someone who is homeless into that same situation. They don't have the resources, the computer skills, or maybe even the ability to spend hours on the phone to try to get someone to help them, yet the government seems to think that the CRA maybe doesn't make mistakes, and if they do, they can just easily change it. We know that's not the case.

We need to ask ourselves whether we're actually making life easier for these Canadians or simply creating another government process that they'll have very little ability to control. We should be making it easier for vulnerable Canadians to receive the benefits they are entitled to, not putting them in a position where they're going to need a computer, a permanent address and endless patience just to correct a government mistake. That's why I believe this amendment is necessary.

● (0940)

The Chair: Thank you, Ms. Jansen.

Mr. Guglielmin.

Michael Guglielmin (Vaughan—Woodbridge, CPC): Thank you, Chair. I also have some concerns with the CRA's being able to file a tax return on someone's behalf simply because 90 days has passed without a response.

Now, consider for a moment just exactly how CRA notifications actually work. When correspondence is sent electronically, taxpayers generally receive an email telling them they have a notification waiting in their inbox. Then they have to log into their CRA account in order to read it. How many Canadians regularly check their CRA accounts outside of tax season? How can we assume that someone who hasn't responded in the 90 days has actually reviewed their information? These are legitimate concerns, particularly for seniors and our most vulnerable Canadians, who may have difficulty accessing their accounts.

Tax-Filer Empowerment Canada raised this very serious concern in its submission to our committee. It pointed to the example provided by the taxpayer ombudsman of a 78-year-old widow who could not access her CRA account. The CRA files her return using outdated banking information, and her benefit payments are returned because the account has been closed. The TFEC also pointed out that the CRA cannot necessarily identify changes in someone's family circumstances, medical expenses or provincial residency from the information it already holds.

The taxpayer ombudsman has also raised concerns about the proposed system and recommended that this committee reconsider these provisions.

These are very practical problems that could have serious consequences for the people this program is intended to help. We should be making every effort to prevent errors before they occur, rather than leaving taxpayers to deal with the consequences afterward.

Our amendment would require information to be verified before the CRA proceeds with filing. Given these concerns, I think it's a reasonable safeguard, and I would encourage members of this committee to support it.

The Chair: Mr. Turnbull, go ahead.

Ryan Turnbull (Whitby, Lib.): Thanks to the members opposite for putting forward an amendment.

I think we agree with the general principle, but the whole point of a deemed filing is to make it easy for individuals to file their taxes and have the government do that on their behalf. We've already gone through and heard testimony at this committee that the way this is set up is that, where there's information on people's income and other information, it has already been verified through government records.

This particular amendment, which would add a new paragraph 150(1.5)(f), provides individuals.... We've already included in the bill a 90-day period, which requires three things. It gives people an opportunity to review and respond to the CRA's filing information notice, it creates conditions that prevent the deemed filing if individuals have already filed their returns, and it makes it possible to report corrections that make them ineligible.

● (0945)

What this amendment from the Conservatives would do is replace those three conditions with a single requirement that individuals would have to confirm their mailing address, direct deposit information and other relevant information.

The 90-day period is intended to let individuals review information, file their own returns, report corrections or opt out of the deemed filing. Removing that minimum period could allow earlier filing and benefit payments but would increase reassessments if individuals had less time to identify errors. It would also limit the individual's option to opt out of a deemed filed return.

There's an issue of consistency here. My understanding is the 90-day period is something that's fairly entrenched in the tax system. For these reasons, we oppose this amendment.

Thank you.

The Chair: Thank you, Mr. Turnbull.

Go ahead, Mr. Lefebvre.

[*Translation*]

Eric Lefebvre: Thank you, Madam Chair.

The issue we were raising here is that many seniors are vulnerable and do not find it as easy as others to use online services. Some of them are simply unable to use those services. Some will have to update their email address based on the information previously submitted to the Canada Revenue Agency.

I sincerely believe that this amendment needs to be moved. I urge the committee members to support the Conservative Party's amendment.

The Chair: Thank you, Mr. Lefebvre.

Mr. Garon, you have the floor.

Jean-Denis Garon (Mirabel, BQ): Thank you, Madam Chair.

Like Mr. Turnbull, I find the principle behind the amendment worthwhile. That said, I would like to know if anyone from the Department of Finance or the Canada Revenue Agency could tell us what would happen if a person failed to respond within the 90-day time frame to the request to correct or update their information, after which, if applicable, an automated tax return would be sent to them. I'd like to know what the consequence would be for someone in that situation. I don't know if anyone from the Canada Revenue Agency can answer this question.

The Chair: Thank you, Mr. Garon.

I believe we have two people coming to the table to answer that question.

[*English*]

Monsieur LeBlanc and Mr. MacEachern, it's over to you, please.

Pierre LeBlanc (Director General, Personal Income Tax Division, Tax Policy Branch, Department of Finance): Thanks for the question. Here are a few observations.

The overall goal here is to help get benefits to people who need them, and the government is taking different actions. The biggest action the government will take is not the one in this bill, because it doesn't require legislation. It's prefilled returns, which was announced about a year ago, starting with one million this upcoming tax year and ramping up to 5.5 million by the 2028 tax year. That will be something whereby people can go into My Account and basically have the chance to confirm the information that's there and make any corrections where it's necessary.

What you have before you is another, smaller tool in the CRA's arsenal to help reach these people, for which legislative authority is required. I'd note a few things. One is that this gives the CRA the discretion to do so. The CRA plans to exercise that in a targeted way. In the next few years, we're talking about tens of thousands of individuals, so the scale is quite different. The selection of people for this program will be people on whom the CRA has good information; they have an address that seems to have been stable for the last time period.

● (0950)

[*Translation*]

Jean-Denis Garon: I don't mean to be rude, but let me clarify the question.

As you say, the focus will first be on the people for whom the available information seems reliable. I think what worries the Conservatives is that this information “seems” reliable. What the amendment calls for is that this information be confirmed to ensure that it is reliable.

This may even have happened to all of us. Many people have had bad experiences with the Canada Revenue Agency. You know, once something is done, it's hard to undo.

Rather, you would need to assure us that, in the absence of the amendment, for someone who has not confirmed their information and who is sent a tax return, the action can be reversed. Do you understand? I think that's pretty much it.

Perhaps my Conservative colleagues can tell me whether I've correctly understood the spirit of the amendment, but I think that's essentially the question.

Pierre LeBlanc: Thank you for the clarification.

First, it is true that these tens of thousands of people would have every right to correct and update their information. The agency will initially target certain individuals. You're right, that information can change.

Second—

Jean-Denis Garon: I'd like to get one last clarification on this point, and I think I'll be finished with my remarks after that.

I understand that a person has the right to make corrections. However, what happens if the Canada Revenue Agency wants to send an automatic tax return to someone and believes it has sent it to the correct address, but the address is incorrect and the information has not been confirmed? How can someone who hasn't received their automatic tax return realize this and have the error corrected? How does that work from a technical standpoint?

Pierre LeBlanc: That's really a question for the agency to answer. I apologize for not being able to give a precise answer—

Jean-Denis Garon: Would anyone from the agency be able to answer the question, Madam Chair?

Pierre LeBlanc: However, there are two aspects to consider.

First, there is the filing of a tax return. All those individuals would not be subject to income tax, based on the information in the information forms, such as employment income on the T4 slip, old age security or the guaranteed income supplement. Their income is low, so they're not subject to income tax. That's the first step, and it's what is feasible under this bill.

The second step is a separate one. It involves determining whether, on this basis, the agency can pay benefits like the Canada groceries and essentials benefit or the Canada child benefit. In this case, once again, the agency will conduct verifications and proceed only if it has the necessary information, including information on the person's marital status, which is important for these benefits because they are based on family income. The agency will request other information as needed.

Jean-Denis Garon: I understand that, if we adopt this amendment, under no circumstances, as you say, will it prevent anyone from receiving their benefits. It may prevent a person from receiving a pre-filled tax return if they haven't provided confirmation. However, under no circumstances will that prevent them from receiving benefits because, in the case of a benefit payment—I think that's partly the purpose of the pre-filled tax return process—they'll still have to provide confirmation. Did I understand correctly?

Pierre LeBlanc: Yes. However, to receive the benefits, people have to have filed a tax return. So this really targets people who don't file their own tax returns.

● (0955)

Jean-Denis Garon: That's what I'm trying to understand because we're beating around the bush a bit.

Let's say that someone has not confirmed their information or that the information is incorrect and they're sent a tax return because they're not subject to income tax. Legally speaking, they will have filed their tax return. However, if the goal is to pay them benefits because they are in need and if confirming information that wasn't previously verified is required to receive those benefits, they will have filed their return but won't receive any additional benefits.

I'm wondering whether it wouldn't be better to ask the person to confirm their information right from the outset, to simplify the process. That's what the amendment suggests doing. I don't know if there's a logical flaw in what I just said.

Pierre LeBlanc: Perhaps I could have been more specific.

In some cases, for the second step, the agency may require additional information. That is the case if the person did not file a tax return that year, but did file one last year, the year before or three years ago, and if their address and marital status have remained unchanged. In that case, based on a tax return filed by the agency, the agency would be able to pay them benefits. So that's—

Jean-Denis Garon: Thank you very much, Madam Chair.

That answers my questions.

The Chair: Thank you, Mr. LeBlanc.

Thank you, Mr. Garon.

I now give the floor to Mr. McLean.

[*English*]

Greg McLean (Calgary Centre, CPC): Thank you.

I want to offer some on-the-ground perspective based on some real-life experience in this.

To our officials who are here from CRA, thank you.

The issue with CRA is that they're so backlogged anyways. This is the case: My wife files for a number of seniors at a seniors centre in Calgary every year. There are many seniors who are going to benefit from this program, thankfully. Everybody's very supportive of making sure that the people in that group get that automatic filing from the government. However, there are others whose situations become more complex with filing that's done automatically on their behalf. I can tell you, having dealt with CRA before on many filings, that the onerous process of undoing a mistake made by either CRA or the taxpayer is an endless one that takes hours of both the participant's and the CRA's time.

The backlog is going to increase if we have these. I hope there are some movable minds on the other side of the table here. What we're talking about is that if you catch 90% of your target here, you're winning hands down with that 90%. The other 10% are going to be exceptions to the rule, using ballpark figures, and you're going to create a lot more work both for them and for the CRA, because their situations do change, particularly later in life. Somebody might pass away. There are a bunch of things that happen that are no longer automatic once you reach a certain stage of life.

These are things where you have to consider the reality of the on-the-ground situation and why that little, let's call it, portion of people does not want or need automatic filing. That automatic filing will be detrimental to both them and the system that monitors the payments they have to make and how much undoing is going to have to happen as a result of a fake filing that they never agreed to.

There's where your perspective needs to look at who we're serving here. Serve the 90%. Get them taken care of. Make sure the 10% who may be the exceptions, particularly late in life as their situations change, don't get embroiled in a system that's going to cause them or, potentially, their heirs and successors a whole bunch of paperwork to get through a situation in which it looks like something was acquiesced to by a taxpayer that they had no part in.

We're potentially creating a huge problem here. When we go forward with those who will willingly go into this system, we'll catch 90% of our target audience. I'd like to make sure that we look at that as far as what to do.

While the officials are at the table, let me ask that question of them.

For these people who are usually on straight government filing—here's your revenue, here are your expenses, and it's easy—how often do you have to undo returns in the process of refiling and do the onerous work that goes into that, from your perspective? How many man hours, woman hours or person hours would that take because of the revisions that happen right now but, in this case, would have to happen at a significantly elevated level?

● (1000)

Pierre LeBlanc: Thank you for the question.

We can answer from a finance perspective.

I think you raise important issues. One observation we can make from our perspective is that often, when returns are amended, that is done to change your tax payable. If you think some deduction or credit wasn't properly taken into account, in those cases you may think that you shouldn't be paying as much in taxes. None of these people are paying taxes. Their income is too low, so whether they claim...so because of that—

Greg McLean: I'm not talking about paying taxes. I'm talking about the filing that will sort out their affairs; eventually, sorting out their affairs means their family will sort out their affairs.

We're talking about a stage of life in which we're automatically filing people's returns on their behalf, which, in a certain number of these cases, will not be reflective of their reality at that point. We will have a document already filed, saying, “This is the attestation of this person at this stage of their life,” but it will be done against their will, and we will be moving that forward when it's going to require a whole bunch of subsequent undoing.

It's not the taxes. In this group of people that we're talking about, 90% of them are going to acquiesce to this, and 100% of them probably don't pay taxes at this point in time. In the mechanics of what happens throughout the totality of the tax system, we're creating more confusion here for a number of people than we are solving problems for the 90% we need to address.

Pierre LeBlanc: Thank you for the question.

I might add that filing rates among seniors are already extremely high. Very few seniors—

Greg McLean: I appreciate that.

Pierre LeBlanc: Could I finish, please?

Greg McLean: Mr. LeBlanc, it seems you're avoiding the point I'm trying to make here.

Ryan Turnbull: Madam Chair, on a point of order, if Mr. McLean wants to ask the officials a question, it would be nice if he actually cared about the response. The gentleman was trying to respond—

Greg McLean: I agree, Mr. Turnbull, but—

The Chair: Mr. McLean and Mr. Turnbull, excuse me, both of you.

Mr. Turnbull, thank you.

Did you have something to add?

Greg McLean: With respect, I'm sorry, Madam Chair. I'm just trying to help the official address the question I'm asking, not the esotericism about what the goals are. We know what the goals are. We know how we're trying to meet the goals. I'm trying to point him to—

Ryan Turnbull: Madam Chair, on a point of order, I don't think the officials need help from Mr. McLean to answer a question. They're perfectly competent individuals who can answer his question, which the gentleman, Mr. LeBlanc, was doing by adding facts and evidence about the filing rate for seniors, which was part of Mr. McLean's question.

The Chair: Thank you, Mr. Turnbull.

Go ahead, Mr. McLean.

Greg McLean: I'll yield the floor to Mr. LeBlanc.

Pierre LeBlanc: Thank you.

I didn't have much to add. I was going to finish by saying that certainly we're talking tens of thousands of individuals a year, so not that many. I expect there would be some seniors, but given that seniors already have such a high filing rate, you can expect them to be a disproportionately small number. That's all, sir.

The Chair: Mr. McLean, are you done?

Greg McLean: I think I'm done.

The Chair: Thank you.

Mrs. Jansen, go ahead.

Tamara Jansen: Mr. MacEachern, do you have a grandmother?

Lauchlin MacEachern (Acting Director General, Legislation, Tax Policy Branch, Department of Finance): I do not have a living grandmother, no.

The Chair: Mrs. Jansen, is there a technical question?

● (1005)

Tamara Jansen: Yes, this is a very technical question.

The Chair: The officials are here, so please focus on the technical questions and don't ask personal questions.

Tamara Jansen: Absolutely.

Have you ever helped a family member, a senior, get into their My Account at CRA?

The Chair: Mrs. Jansen, please focus on the technicalities of the legislation. The officials are here to answer technical questions, and it's very important that you focus on that.

Tamara Jansen: It did seem like we were talking about the actual people who are going to be impacted by this. Is that not the case?

The Chair: Mrs. Jansen, the officials can answer technical questions. You're welcome to give a preamble, but it's not really appropriate to bring in their personal experience.

Tamara Jansen: Okay.

I will say that, in general, a lot of the people you would be working with who have problems due to mistakes that have been made by CRA are people who, yes, have a right to fix the mistakes that CRA makes but don't have the capacity to fix the mistakes. I think of the people in Vancouver at the safe injection sites or on the street. The very last thing they're thinking about is filing their taxes, and I'm not sure that this is going to result in anything other than a huge backlog of many mistakes.

I will end it there.

The Chair: Thank you.

All right, shall CPC-1 carry? Is it on division?

Ryan Turnbull: It could be any type of vote, if they want to vote. We're opposed.

The Chair: Okay, CPC-1 does not carry.

Eric Lefebvre: Can we have a vote, please?

The Chair: Okay, we will have a recorded vote on CPC-1.

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

The Chair: We will move on to CPC-2.

Mr. Lefebvre.

[*Translation*]

Eric Lefebvre: Thank you, Madam Chair.

Amendment CPC-2 proposes that Bill C-31, in clause 51, be amended by deleting lines 3 and 4 on page 66.

To put this in context, I will read you proposed paragraph 150(1.5)(f):

> (f) the Minister has notified the individual of the information on file with the Minister for the year and the individual has not, within 90 days after the day on which the notice is mailed or sent electronically by the Minister…

It goes on to say:

> (h) the individual meets such other conditions as designated by the Minister, if any.

This leaves the door open, as there are no definitions of what the other conditions are. What conditions might be added? That is why we are asking that lines 3 and 4 be removed.

I don't know if there are people here among the witnesses present who can provide us with a definition of the other conditions that the minister may designate.

[*English*]

The Chair: Mr. LeBlanc, would that be you or Mr. MacEachern?

[*Translation*]

Pierre LeBlanc: Thank you for the question.

In this case, we can't speak on behalf of the Minister of National Revenue or the agency.

I think the idea would be to ensure that the program is well targeted, as mentioned, but also that everything is safe and secure.

That said, no, I have nothing further to add.

Eric Lefebvre: Mr. LeBlanc, what, in your opinion, is the definition of “other conditions as designated by the Minister”? I'm asking you.

● (1010)

Pierre LeBlanc: I don't really have anything to add.

Do you want to add anything, Mr. MacEachern?

[*English*]

Lauchlin MacEachern: I can just say that, obviously, the measure provides this area with the discretion to file returns on behalf of individuals, so if there are other conditions that the CRA determines are appropriate to ensure that the filing is properly targeted at the intended taxpayers—

[*Translation*]

Eric Lefebvre: Mr. MacEachern, with all due respect, I hear what you're saying, but I'm asking you for a definition of “other conditions”. Mr. LeBlanc was unable to answer me and tell me what the definition of “other conditions” is. Are you able to provide me with that definition?

[*English*]

Lauchlin MacEachern: Yes. It would be a condition that, if it's not satisfied, the CRA would not be authorized to file a return on behalf of the individual.

[*Translation*]

Eric Lefebvre: Can you give me some concrete examples of another condition? Give me an example of another condition.

[*English*]

Lauchlin MacEachern: I don't have a specific example, but I would imagine—and this is really speculation because it's on behalf of the CRA—

[*Translation*]

Eric Lefebvre: Madam Chair, I asked what “other conditions” might be. People are unable to answer me or provide a definition of “other conditions”. They are unable to define those conditions or give examples. This is a serious issue.

I'm glad we moved this amendment today. I hope my colleagues will adopt it. The goal is for this to work and for us to move the file forward. I think we have a concrete example here of an important amendment to make to the bill. People are unable to define what another condition might be. The people working on this are unable to give us examples. I think we've just opened a huge door and we need to close it immediately.

I don't want to take up any more time, since my goal is really to move the bill forward. However, I hope that this amendment will be adopted unanimously here and that we can remove lines 3 and 4 of the bill, which state that “the individual meets such other conditions as designated by the Minister, if any”, even though no one is even able to provide us with a definition or examples.

I hope this amendment will be adopted unanimously.

Thank you, Madam Chair.

The Chair: Thank you, Mr. Lefebvre.

Mr. Guglielmin, the floor is yours.

[*English*]

Michael Guglielmin: Thank you, Madam Chair.

My primary concern here is the amount of discretion that this provision provides to the minister. Bill C-31 establishes several eligibility requirements already, and for automatic tax filing that includes income thresholds, filing history and notification requirements. I will say that proposed paragraph 150(1.5)(h) would allow the minister to impose additional conditions without bringing those changes back before Parliament.

We've heard at this committee from organizations that have raised the concerns in their submissions with us. Tax-Filer Empowerment Canada, for instance, recommended removing this provision. They pointed out that additional conditions could be introduced, potentially without a parliamentary vote, tabling requirements or a public notice. From where I sit, this seems like a very legitimate concern when we're granting the government the authority to file tax returns in the name of Canadians. If additional eligibility requirements are necessary, Parliament should certainly have the opportunity to examine them.

The amendment proposed by my colleague would certainly retain the existing eligibility conditions in Bill C-31 while removing this additional ministerial discretion. I would hope that members of this committee would consider supporting this amendment.

The Chair: Mr. Turnbull.

Ryan Turnbull: Madam Chair, the whole point of the provisions in here that are giving the minister powers to do deemed filings is to ensure that people with simple tax situations who don't file their taxes, who don't have a tax burden and who would be eligible for federal benefits if they were to file their taxes, gain access to those. That's the whole point. This power, which is an authority that the minister would be granted through this bill, is a discretionary power to add additional eligibility conditions in order to preserve the focus on simple tax filings. That's the idea.

The program is going to mature over time. There are things that we'll find out, such that maybe there is a creep into other slightly more complex tax filing situations. If that does happen, this allows the minister the flexibility to continue to target the narrow population that this is meant to serve.

To me, that's a really good focus area. It's an important aspect of the bill, and it's an important power and authority that we believe the minister may need in the future. However, I think it's hard for officials to speculate. I can understand why they wouldn't want to speculate on that or try to guess as to what those additional eligibility conditions may be. I could probably speculate myself what something might...but I don't really want to do that either. I just think that it's a power of discretion to ensure that the deemed filing is focused on simple tax situations. I think that flexibility built into the legislation allows the minister to ensure that it remains targeted.

Again, the consequences that the Conservatives seem to be assuming are all based on a very pessimistic view. This whole process is designed specifically for individuals where we have verified information. All of the eligibility criteria for being in the deemed filing system is designed to say that we already have information based on their social assistance at a provincial level. All of the information is already there, and these individuals don't have a tax burden.

It's not as if the eligibility conditions that may be added in the future are going to change that in the negative, where people would have an unnecessary tax burden. They already don't have a tax burden. That's the whole point of the program. Within the context of the policy objectives that are set out based on this bill and what it intends to do, I don't share the concerns that the Conservatives are bringing forward, nor the pessimistic view of the CRA.

● (1015)

The Chair: Thank you, Mr. Turnbull.

Mr. Garon, you have the floor.

[*Translation*]

Jean-Denis Garon: Thank you, Madam Chair.

I appreciate the principle behind this amendment. I think my colleague Mr. Lefebvre, like me, is sometimes wary of the level of discretion granted to the minister. That will be the case with pesticides, in particular. We'll discuss that when we consider other clauses. As for this one, I have some reservations.

I think the officials can answer my question fairly briefly. I just want to know if what I'm saying makes sense.

Right now, without Bill C-31 and without the new measures, everyone must file a tax return. Now, under the bill and the other measures that do not require legislative changes, the Canada Revenue Agency will be able to pre-fill a certain number of tax returns, subject to certain conditions.

If the minister imposes other conditions, this will mean that, by definition, the number of people for whom tax returns will be pre-filled will be lower. In that case, the minister's discretion will simply mean that, possibly, the status quo will apply to a larger number of people. That's why, in this context, I feel that the minister's discretion is highly unlikely to result in injustice or an abuse of power.

I would like to know if this logic holds up—that is, if the minister imposes more conditions, there will simply be fewer people for whom a tax return will be pre-filled, the status quo will apply to more people and we won't see these abuses of power. Can you just confirm that what I'm saying makes sense?

Pierre LeBlanc: Thank you for the question.

Yes, you're right.

For example, proposed paragraph 150(1.5)(d) says that “all of the individual's income for the year, if any, was reported in an information return filed with the Minister for the year”. There are several types of information returns. I've mentioned a few of them, but the minister—

● (1020)

Jean-Denis Garon: Allow me to interrupt, as my question is very specific. I don't mean to be discourteous; it's simply to save time. I'm really trying to understand, not to hold things up.

The minister could therefore add a condition, but he could not modify the conditions that are already in the act. Consequently, adding conditions could only lead to a reduction in the number of people for whom the tax return would be pre-filled.

It's a bit of a true-or-false question.

Pierre LeBlanc: You're right.

Jean-Denis Garon: Okay, thank you.

I'm finished, Madam Chair.

[*English*]

The Chair: Ms. Jansen.

Tamara Jansen: I want to quickly touch on the concept of pessimism around CRA. I was on OGGO, and we heard the report that 83% of call centre responses from CRA are incorrect. There's a 45% increase in complaints from taxpayers. As I mentioned earlier, a senior called me who spent four years trying to correct an error with CRA—I'm trying to extrapolate—so now you're going to put in all these people who don't even know their tax returns are being filed on their behalf? I can't even imagine the error rate we'll have there.

If you can't give one concrete example of why the minister needs this new power, it's beyond me. We're here as parliamentarians. Our job is to make sure things work, but now you're just going to say that the minister can change it as they wish, because something might happen.

This makes no sense. You've not given a single concrete idea as to why we would be doing this. It makes no sense to me. I don't think it's reasonable to expect that we're going to be.... It boggles the mind. I'm sorry.

The Chair: Shall CPC-2 carry?

[*Translation*]

Eric Lefebvre: I request a recorded vote, please.

[*English*]

The Chair: We will have a recorded vote on CPC-2.

(Amendment negatived: nays 7; yeas 4)

The Chair: Next is CPC-3.

Mr. Lefebvre has the floor.

[*Translation*]

Eric Lefebvre: Thank you, Madam Chair.

Amendment CPC-3 proposes that Bill C-31, in clause 51, be amended by replacing lines 11 to 19 on page 66 with the following:

> (b) for greater certainty, the individual is not responsible for any erroneous statement or omission in the return filed by the Minister.

Currently, the text reads as follows:

> (b) for greater certainty, any erroneous statement or omission in the return that is attributable to the individual's failure to notify the Minister, within the 90-day period described in paragraph (1.5)(f) or at any other time prior to the filing of the return, of any correction to be made to the information on file with the Minister is a misrepresentation made by the individual in filing the return or in supplying any information under this Act.

So, essentially, if the Canada Revenue Agency makes a mistake, the blame falls on the taxpayer. Is that correct? I would like to check that with the witnesses, please.

[*English*]

Pierre LeBlanc: The intent behind this clause is to.... As we discussed, the idea is that information the CRA has from certain sources is low to the point where the individual is clearly non-taxable.

Let's say someone were to have self-employment income in the year but chose not to report it, and the return was filed. What this would do is put the return filed by the minister on that person's behalf on the same standing as returns filed by the individuals themselves for a certain purpose where the misrepresentation is considered to be wilful.

As an example, generally, returns can only be reassessed going back three years after the original notice of assessment is produced, but there's an exception to that rule in cases of wilful misrepresentation. The return can be reassessed going back further.

Basically, this clause puts.... In the type of case that I described, someone, for the first time, had self-employment income and chose not to report it. Let's say it was only discovered four years after the fact. That return could be reassessed in the same way as if they had filed on their own, choosing not to report that self-employment income.

It's a targeted exception to the rules that returns are considered statute-barred three years after the original notice of assessment is produced.

● (1025)

[*Translation*]

Eric Lefebvre: If the Canada Revenue Agency makes an error when it files the return automatically, the individual has 90 days to report it. If it isn't reported, the error made by the Canada Revenue Agency will be attributed to the taxpayer. It's as if the taxpayer had made the error themselves, isn't it?

Lauchlin MacEachern: Yes, that's correct.

Eric Lefebvre: Okay.

Have you read the Auditor General's report from October 2025?

The Chair: Mr. Lefebvre, you have to ask technical questions.

Eric Lefebvre: I'm sorry, but it is a technical question.

The Chair: No, it's not related to the amendment. You can have the floor, but please ask questions related to the amendment.

Eric Lefebvre: Okay, that's perfect. Thank you, Madam Chair.

Let's go back to the Auditor General's October 2025 report. The rate of inaccurate responses to general tax questions is 83%. I didn't say that, the Auditor General did, and not in 1970, but in 2025. Overall, 44% of responses to general benefit questions are inaccurate. That's nearly one in two.

Now, it says that, if a Canada Revenue Agency officer makes a mistake and the citizen involved doesn't report it within 90 days, the citizen will be accountable for that mistake made by Canada Revenue Agency officer.

Again, the rate of inaccurate responses on general tax questions is 83%. Do you think those listening to us at home right now feel safe?

The Chair: Mr. Lefebvre—

Eric Lefebvre: I think the silence for an answer corresponds exactly to what people think.

The Chair: —we have to ask technical questions on the amendment.

Eric Lefebvre: Thank you, Madam Chair.

[*English*]

Lauchlin MacEachern: I could just add that if there is a mistake, as you suggested, it wouldn't necessarily mean that the year is not statute-barred. It would still depend on all of the facts and circumstances, just as it would for any other error in a return. The rule is really meant to ensure that the general rules would apply as equally to the automated filing as they would for someone who filed their own return.

[*Translation*]

The Chair: Is that it?

Eric Lefebvre: Yes, that's it.

The Chair: Okay.

Mr. Guglielmin, you have the floor.

[*English*]

Michael Guglielmin: Similar to my colleague, I certainly think this is one of the more concerning provisions in the government's automatic tax filing.

Under Bill C-31, it seems as though an error or an omission in a return by the CRA would then be treated legally as some sort of misrepresentation by the taxpayer if they failed to notify the agency of a necessary correction. Obviously, that could have serious consequences for individuals who never reviewed or submitted the return themselves.

Consider someone whose banking information changed, for example, or their family circumstances changed and they never saw their CRA notice, which is something we've been talking about. Those notices are delivered and oftentimes go unnoticed.

The government could proceed with their filing using outdated information, and the resulting error could then become attributed to that individual. The CRA already has powers, as we know, to correct returns, recover improperly paid amounts and investigate fraud. Our amendment—a very reasonable amendment, I would add—preserves those powers for the CRA.

We believe there needs to be a fair standard to determine responsibility when the government is filing returns on someone's behalf. Again, I think this is a very reasonable amendment proposed by my colleague, and I hope we can have some consensus and people will support this.

● (1030)

The Chair: Thank you, Mr. Guglielmin.

Mr. Turnbull.

Ryan Turnbull: Thanks, Madam Chair.

I understand the Conservatives' concerns that have been brought up. For us, we're trying to maintain an accountability standard that is consistent across all tax filings, and that's where we see this amendment removing the reassessment safeguard. We feel it would undermine the integrity of the system and probably undermine confidence in the deemed filing as well.

The provision clarifies the CRA's authority to reassess when individuals fail to report corrections or missing information, subject to the existing rules governing carelessness, neglect, wilful default or fraud. Individuals' objection and appeals rights would remain intact.

It's about consistency. If you think about it, all individuals in Canada have the responsibility to file their taxes. Nobody would disagree with that. We're essentially overriding that with this deemed filing to some degree, and we're offering a 90-day period.

Again, we're focusing on people with no tax liability, who have a very low income and who are eligible for federal benefits. We're trying to give them access.

Everyone agrees with that. The Conservatives agree that we would like to make sure that people who otherwise wouldn't be able to access those benefits, who have very low incomes....

You guys talk about affordability all the time in the House. If you really believe you want to help people, they should be entitled to those federal benefits, and if some of them can't file their taxes or haven't filed their taxes—

Tamara Jansen: On a point of order, is he allowed to call into question our motivation?

Ryan Turnbull: I'm allowed to talk.

The Chair: That's not a point of order, Ms. Jansen.

Mr. Turnbull.

Ryan Turnbull: I didn't question your motivation at all. No, I'm—

Tamara Jansen: “If you really believe” is what you said.

The Chair: Mr. Turnbull.

Ryan Turnbull: Banter like this is okay in the House, I guess, at times. It doesn't usually happen in committee, but it's okay.

What I'm trying to say is that if you're remaining consistent as a Conservative with the things you say in the House, then you are probably aligned with the objectives of the Bill C-31 measures that offer deemed filings.

What you're actually trying to do is remove the safeguard for reassessment and change the accountability standards. We don't feel those things are in the best interests of the whole system, because it erodes confidence in the system, and we want that to remain consistent. That's really the problem we have with CPC-3. We need to preserve that consistency.

I understand the concerns that are coming up. Again, it seems to me that they're coming from a very pessimistic place. From our perspective, we're looking at making sure that individuals whose information can be verified under very narrowly construed eligibility conditions, who would be entitled to federal benefits and who have no tax liability can access those benefits. That's a very good motivation, in my view.

The Chair: Thank you, Mr. Turnbull.

Ms. Jansen.

Tamara Jansen: I wanted to mention that what actually erodes confidence is something like an 83% error rate. What we're planning here is going to create errors, and it will be creating errors for the most vulnerable people in our society. Someone who's struggling with an addiction is not worrying about a 90-day thing. He's not checking his CRA My Account.

I think it's really important to understand that an 83% error rate will extrapolate into this program as well, and that's what we're concerned about.

Thank you.

● (1035)

The Chair: Mr. Turnbull.

Ryan Turnbull: To correct the record, Ms. Jansen keeps referring to an 83% rate. I don't know where she's getting that from. It's probably a previous or outdated report.

As of this fiscal year, the CRA's quality evaluators have completed over 100,000 quality reviews, achieving an accuracy rate of over 90%. Account-specific calls, which make up about 80% of total calls, have higher quality and accuracy rates compared to non-account-specific or general calls, which make up around 20% of total calls. The CRA's 100-day service improvement plan, which concluded on December 11, 2025, achieved significant results in enhancing service accessibility and operational efficiency. I could go on and on, but I won't.

There have been significant improvements. The CRA is not perfect. It makes mistakes. I've had personal situations when it made mistakes, so I understand that it can be very frustrating for people at times. I'm not saying it never makes mistakes. It's not perfect, but there's been significant improvement from the numbers.

Let's not paint with a broad stroke and cast aspersions on the people in the CRA, who are doing their very best, I'm sure, to deal with a very large volume of calls.

You're right. They should constantly achieve a high standard and probably have continuous improvement plans, but I think it is the case currently that there's been significant improvement, and we should all acknowledge that.

The Chair: That's great. Thank you, Mr. Turnbull.

You're on the list, Ms. Jansen. Go ahead.

Tamara Jansen: I'm a member of OGGO. That's where I heard that number. It was when the Auditor General came. Those are accurate numbers. I'm not making them up. They're not old.

It's a problem, and people are dealing with that problem. I had a senior struggle for four years, trying to fix a mistake. Anybody who's listening to this has tried to deal with the CRA. It's extremely difficult, and it has gotten more difficult.

That's the challenge here. When you add this in, it's going to extrapolate and increase backlogs and problems.

Thank you.

The Chair: Thank you.

Shall CPC-3 carry? We'll have a vote.

(Amendment negatived: nays 6; yeas 5)

The Chair: Shall clause 51 carry?

(Clause 51 agreed to: yeas 6; nays 5)

The Chair: Colleagues, there are no amendments between clauses 51 and 253. Do we have unanimous consent to group them for the vote?

[*Translation*]

Eric Lefebvre: Are you talking about clauses 52 to 143?

The Chair: Yes, clauses 52 to 253.

Eric Lefebvre: Did you say 153?

The Chair: No, 253.

There are no amendments to clauses 52 to 253.

● (1040)

Eric Lefebvre: Part 2 is in there as well.

I agree to adopt these clauses on division.

[*English*]

The Chair: Thank you.

(Clauses 52 to 253 agreed to on division)

The Chair: I'll give everyone a moment to flip to proposed new clause 253.1.

[*Translation*]

Mr. Garon, will you move this amendment?

Jean-Denis Garon: Yes. Thank you, Madam Chair.

This is BQ-1. We are on the section of the bill that deals with the Tax Court of Canada Act. In fact, this act includes dollar amounts. We are proposing a somewhat technical amendment, but it builds on the Barreau du Québec brief and would ensure that the applicable thresholds take into account the changing economic situation and inflation. There are applicable thresholds for the application of the Tax Court of Canada Act. Thanks to the amendment, we wouldn't be forced to legislate again in a year, two years, three years or five years to adjust these thresholds to inflation.

Basically, it creates an automatic indexing mechanism, as for the monetary jurisdiction of Quebec courts. As I said, it's about relying on Statistics Canada's consumer price index and automatically adjusting the thresholds to follow inflation.

I don't think it's necessarily very controversial. I think it could reasonably save parliamentarians' precious time in future years.

That's all, Madam Chair.

[*English*]

The Chair: Go ahead, Mr. Turnbull.

Ryan Turnbull: This is an interesting proposal. I haven't thought about this before, but it basically changes the monetary threshold for accessing the informal procedure for appeals at the Tax Court, the income tax court. What's interesting to me is that it takes a sort of statistical approach and bases it on inflation. Inflationary increases then can be used as a formula to calculate that monetary threshold.

My understanding is that there's a general procedure that people go through, but they can access the informal procedure if they're under a certain monetary threshold. What's interesting about this is that when you look at it, instead of having a flat amount normally, you'd say, for appeals under $50,000 or whatever, you could access this informal procedure because they're smaller. This kind of creates a strange phenomenon where you'd have really weird numbers. I think it's kind of confusing. For example, a new threshold that would be set on April 1, 2027, based on this amendment, would be $50,800. A new threshold would be set on April 1, 2028, which would be $51,612.80. Then, a new threshold in the following year, on April 1, would be $52,438.60.

It just seems to me that it's a strange way to set a monetary threshold. For access, I think having a flat amount creates a bit more certainty for people. It's just a bit more clear to understand what falls above and below that threshold. For these reasons, we don't agree with this amendment.

I thought it was an interesting proposal, but I think it would confuse taxpayers who are trying to access that and would create some unnecessary complexity that I'm not sure is really required. I think we'd just prefer flat amounts, and adjusting those according to a schedule is a lot better from our perspective. That's why we'll be opposing this.

The Chair: Thank you, Mr. Turnbull.

I just have a housekeeping note.

You don't necessarily need to touch your microphone. IT will be doing that. This is just because there have been a few instances where we've been turning them on and off. She's keeping a close eye on all of us, so it should be okay.

I have Monsieur Garon.

[*Translation*]

Jean-Denis Garon: I'll do this very quickly, Madam Chair.

I understand the government's position. I'll just say that the legislator's intention is to ensure that, below certain disputed amounts, people can have access to the simplified procedure.

The unfortunate reality is that when you have a fixed amount and revenue increases, corporate profits increase, and taxpayer-reported amounts increase by 2% or 3% a year, fewer and fewer people have access to the simplified procedure. I think that may even go against the legislator's intent in this bill.

I have a lot of respect for my colleague Mr. Turnbull and I am quite fond of him. I understand he may be confused because of the decimal points or because those aren't round numbers. If he wants to propose a friendly amendment so we can round out the amounts, remove dollars and cents and so on, I would accept it. I'll understand if he doesn't want to. That's his prerogative. I'm kidding, but I understand what he means, that a threshold of $51,217.23 is annoying. I think it could be rounded up. We could take a few minutes to work on a friendly amendment to that effect.

The goal of the simplified procedure is to ensure there are no bottlenecks in the courts, to free up the courts, and allow greater access to justice. It's to simplify tax dispute resolution mechanisms, which are very costly for the state and taxpayer.

That's why I think if the minimal threshold follows the inflation rate—Mr. Leitão won't have a problem following me here—the actual threshold won't change. This means people will continue to have access to justice and benefit from the simplified procedure.

If my colleague is amenable to us working on a rounding mechanism, I think it would be in the interest of the taxpayer, the Crown and the public. It's his decision whether he's willing to do that.

● (1045)

The Chair: Thank you, Mr. Garon.

Mr. Turnbull, you have the floor.

[*English*]

Ryan Turnbull: I have a lot of affection for my colleague from the Bloc as well, but on this, we may have to agree to disagree.

I think that one of the other challenges associated with this is the mechanism being used to create that monetary threshold, or to set that monetary threshold over time. I appreciate the member opposite's desire to have a simplified way of doing this that makes sense and that keeps up with the times, in a way. However, we just don't feel that indexing it to inflation is the right way to go about it, and in fact, it would—based on our analysis— result in the threshold being set lower than it would be if we were to pick rounded flat rates at a higher level.

I have examples of this in our analysis. In fact, indexing it to inflation would result in fewer people actually being able to access the informal procedure through the Tax Court, which is contrary to the overall objective here. The idea is to be able to increase it to flat amounts, so that more people can access that informal procedure.

Thanks.

[*Translation*]

The Chair: Shall BQ-1 carry?

Eric Lefebvre: I request a recorded vote.

The Chair: We'll have a recorded vote.

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

[*English*]

The Chair: Colleagues, there are no amendments proposed between clauses 254 and 262.

Do we have unanimous consent to group them for the vote?

[*Translation*]

It looks like it, so we'll group them.

[*English*]

Shall clauses 254 to 262 carry?

(Clauses 254 to 262 agreed to on division)

(On clause 263)

The Chair: Colleagues, we are now on clause 263.

● (1050)

[*Translation*]

Mr. Garon, would you like to move amendment BQ-2?

Jean-Denis Garon: Yes, Madam Chair.

Once again, this amendment is based on the Barreau du Québec brief. The Bloc Québécois believes the bill should provide for more flexible transitional rules for appeals that have already been accepted when the new thresholds come into force. It would make it easier for claimants to make that decision. Essentially, we are asking that the old rules apply to proceedings that are already under way. Once again, the amendment is quite technical.

[*English*]

The Chair: Mr. Turnbull.

Ryan Turnbull: It is a complicated amendment. I grant the member that.

It's proposing to amend the transitional provision in Bill C-31 to allow people to access files for applications or appeals that are already under way in the Tax Court. It's to essentially access the informal procedure where that monetary threshold has been changed. It's retroactively applying that new monetary threshold to cases that are already in the appeals process at court, which is a bit of a strange phenomenon.

Normally, in the legislative process, a forward-looking approach is taken. When government decides to lower taxes or suspend the fuel excise tax, we do it based on the date the legislation comes into force. Sometimes that's after the legislation gets through Parliament and gets royal assent. Sometimes it's on the day it gets royal assent. Very rarely do we go back in time to say that cases already in the appeals process.... It would be kind of strange to say that there's a whole crop of cases that may be in the general process of appeals in the Tax Court that would now qualify retroactively under a new threshold.

I understand that the motivation for proposing this, probably, is to give those folks access to an informal procedure, and there's a good intention behind that. I think it's contrary to the normal forward-looking approach in the legislative process we take, which is that this stuff should apply only after the law is effectively changed and comes into effect.

For that reason, we're opposed to this.

[*Translation*]

The Chair: Okay, thank you.

Shall BQ-2 carry?

Eric Lefebvre: I request a recorded vote.

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

The Chair: Colleagues, we're going to take a quick 10-minute health break, and then we'll carry on.

Thank you.

● (1050)

_____(Pause)_____

● (1105)

[*English*]

The Chair: Colleagues, we are returning to clause-by-clause. We left off at clause 263.

Shall clause 263 carry?

(Clause 263 agreed to on division)

The Chair: Colleagues, there are no amendments proposed between clauses 264 and 281.

Do we have unanimous consent to group them for the vote?

[*Translation*]

Jean-Denis Garon: No, Madam Chair.

Actually, I would like to have votes on clauses 282 to 285, which concern pesticides. If we could group them for a recorded vote, I would appreciate it.

The Chair: Yes. I talked about grouping clauses 264 to 281.

Jean-Denis Garon: Oh, okay. That's fine.

I apologize. Madam Chair, this would be the perfect time to blame interpretation, but it would not be right for the interpreters. This was my mistake.

The Chair: Okay. Perfect.

Then we have unanimous consent. Thank you.

Shall clauses 264 to 281 carry?

(Clauses 264 to 281 agreed to on division)

(On clause 282)

The Chair: Let's move on to clause 282.

[*English*]

PV-1 is deemed moved, pursuant to the routine motion adopted by the committee on June 16, 2025.

Ms. May, would you like to speak to PV-1?

[*Translation*]

Elizabeth May (Saanich—Gulf Islands, GP): Thank you, Madam Chair.

For those watching, I want to explain that “PV” stands for “Parti vert”.

[*English*]

That's because when they first started offering the opportunity—which we would prefer that we didn't have because, under existing rules, we could move these amendments at report stage in Parliament as a whole, but they obliged the committee, which passed the motion you referenced—this PV-1 they could have called Green-1, but they decided back then, years ago, that Green, as G, would look like government amendments and might get passed very quickly.

[*Translation*]

That's why we write, for example, “PV-1”. All of my amendments will be indicated by “PV”.

[*English*]

I think the committee is well aware that these amendments to the omnibus budget bill, Bill C-31, that affect the Pest Control Products Act are widely viewed as inappropriate.

Madam Chair, I look to this quickly just to set a context.

The Suzuki Foundation website has pointed out that in Bill C-31—we start with these changes at the point of my first amendment—the government is proposing to “remove the mandatory requirement for cyclical re-evaluation of registered pesticides”, that these re-evaluations “are the primary mechanism for comprehensive, post-market review of pesticide risks”, and that “[r]emoving this requirement would fundamentally [weaken] federal [pesticide] oversight” and hamper the government's ability to identify and prevent risks to human “health and the environment”.

I appreciate that this committee—nor the finance department.... I remain baffled that we haven't had a stand-alone reform if the government felt the Pest Control Products Act needed to be overhauled. I submit again that it was inappropriate to have Bill C-30, the last omnibus budget bill from the spring economic statement, weaken pesticide regulations through an omnibus bill that appeared only to the finance committee without adequate time for health witnesses and other experts in pesticides to appear before this finance committee.

I hope my amendments will be seen as helpful.

The first one is to amend clause 282 in order to maintain the current mandatory requirement and the 15-year timeline for cyclical evaluations. I note also that it's only since December 2025 that Health Canada's “Policy on Proportional Effort” has been available. This would align the amendments in Bill C-31 with this quite recent Health Canada policy on proportional effort.

Re-evaluations initiated outside the 15-year cycle as a change of information would continue, regardless of the proportional effort categorization. On the risks, it's a rather strange notion that the minister would, on his or her own, have some external sense without review that there is an increased significant risk that would then trigger a review, as opposed to having reviews on a cyclical and timed basis.

The proposed amendment, PV-1, restores the statutory standard and aligns with Health Canada's existing proportional effort criteria and categorization approach.

I've kept my remarks as brief as I could. I hope the committee will see fit to accept this amendment to allow Bill C-31 to proceed without weakening pesticide regulation and human health and environmental protection from pesticides. These things don't have any place in an omnibus budget bill, but here they are. I'd like to improve it.

Thank you, Madam Chair.

● (1110)

The Chair: Thank you, Ms. May.

Mr. Garon.

[*Translation*]

Jean-Denis Garon: Thank you, Madam Chair.

First, I would like to thank the Green Party leader. Actually, I don't think she's the party leader anymore, but regardless of her status, I want to thank Ms. May for her diligent work and the diligence with which she defends the environment. I think we're lucky to have her on a file like this.

I completely agree with her: What is proposed here about the Pest Control Products Act has no place in an omnibus budget bill. It's a denial of democracy. We have parliamentary committees set up to hear from witnesses and deal with these things.

The government quite simply met with industry representatives and gave lobbyists everything they wanted. We saw the Minister of Health partying with CropLife Canada and, afterwards, the government included everything the industry wanted in this bill. The government figured that, since the bill would be subject to a confidence vote, it would shove it down Quebeckers', Canadians' and their families' throats, possibly at the expense of our health, by putting poison on our plates. It will certainly come at the expense of the public's trust in the pesticide management system.

Basically, what my colleague is proposing here is to rely on science. We've seen a major backlash against science in many countries, including our neighbour to the south. What should set Canada and Quebec apart from others is that we still believe in the scientific process. That process involves making hypotheses, verifying them using facts and adjusting them when they're not confirmed.

We received briefs, heard from witnesses and heard from the Association pour la santé publique du Québec, in particular, which clearly agrees with the Green Party member's proposition. They said we needed to put science back into what the Prime Minister's Office, let's be honest, is doing with the Pest Control Products Act. We are simply asking that when there's a re-evaluation, studies are also done and the results of those studies are published.

We already know how the vote is going to go. No one will be surprised. The government will find all kinds of ways to vote against this amendment. Only CropLife Canada agreed with this. Only pesticide companies, more or less, said it was a good thing. Now we will be told that there are still processes, that they are not being weakened, and so on, which is not true, and we're going to lose the vote.

I just want to say that at some point, when we look back at what we've done, we'll see how we've weakened our laws, how we've set future generations back and how we've scrapped the environment, just as the Prime Minister is doing with his obsession with oil. I think one day, when we look back and feel ashamed, the changes made today in Bill C-31 on pesticide management will be part of what we'll be most ashamed of.

The Chair: Thank you, Mr. Garon.

[*English*]

Mr. Guglielmin.

Michael Guglielmin: I'll forgo my time.

The Chair: Mr. Turnbull.

Ryan Turnbull: Thanks, Madam Chair.

I'm sorry. I was told not to touch the microphone, so I apologize to the interpreters for that.

With a great deal of respect, Elizabeth May.... I have so much respect for you and the work that you've done in Parliament. We'll probably have to disagree on this one, but I want to argue the position of the government in just a second.

I thought PV stood for photovoltaic. That was a pretty good association for solar panels. I'm a big fan, as you know. That wasn't a bad association, when I saw PV-1.

I appreciate the efforts here, and I appreciate the concerns, Ms. May, that you've shared on numerous occasions now at the committee. I think we're probably going to have to agree to disagree on this one. I don't believe that these changes weaken the system. I think they are about increasing efficiency and targeting resources to where the risk profiles of pest control products most merit a re-evaluation. That risk-based approach is the intent here. It's not to weaken it.

If you put it in the context of the health minister's mandate, sometimes when we look at legislation we get very focused on individual technical changes, but we forget where that legislation sits in a mandate, what the mandate of the minister is, and what other policies that minister is bound to follow aside from the mandate.

Getting specific, the key change as I understand it, and probably the difference in perspective, is that with our approach we're saying that there wouldn't be mandatory 15-year re-evaluations, but there would be a constant effort to monitor and identify changes to risk and a special review process that would be triggered by that ongoing monitoring. The reason for that, to my understanding, is that there's quite a lot of duplication of effort and there is a backlog of these re-evaluations that builds up over time. It just doesn't seem like it's the most efficient use of resources. With an effort to try to be efficient, without compromising, obviously, the health of the environment or of people, that's the intent with which these amendments are brought forward.

This particular amendment does a number of things that we think it actually will eliminate most of those efficiencies. There's language that's brought into this. It basically says, in my view, that those 15-year reviews would still have to take place, but the minister would retain the ability to essentially forgo those based on a bit of a speculative assessment, which would create a lot of duplication in the process. Switching the proposed assessment from a re-evaluation once it's initiated would create a significant burden, an administrative, planning and analytical burden, involved in the re-evaluations.

The minister would still be required to send out notices to registrants, provinces and territories, and relevant federal departments and agencies, informing them that the re-evaluation had started and requesting the submission of information to inform that re-evaluation.

Then, a proposal could be made to change the assessment to “the extent to which the health and environmental risks posed by that product may increase”. That's what is in the wording. It would really be very speculative. I'm not sure how the minister or the department would be able to determine that it may increase in the future, or determine that it wouldn't likely increase. Therefore....

That's the challenge here. It would cause these fits and starts, in my view, in the process, which would confuse a lot of people. It would confuse the public. It would add complexity. It would be less efficient.

● (1115)

I think that's the biggest challenge with it. It sort of causes a contradiction in the overall intent of the proposed amendments that the government has put forward on this bill. For those reasons, we don't think that it's consistent with the overall approach, and we'll not be supporting it.

I do, however, want to say that I know that our side, with Dr. Danielle Martin, has done some work to propose some amendments that we think should go, to some degree, to reassure some of the concerns that you and other stakeholders have brought forward. I hope you'll see that there's some good-faith effort to allay some of those fears. I think they're based on a really good intent. You want to protect the environment and human health, and so do we. We also just want to achieve some efficiency in this process, and I think we have to find the right balance between those.

Thanks.

● (1120)

Elizabeth May: Madam Chair, may I have a little time?

The Chair: I just have to ask the committee to make sure it's okay.

Can Ms. May have additional time to speak to this?

Some hon. members: Agreed.

The Chair: Go ahead.

Elizabeth May: Thank you.

I'd like to share with the committee that I think my amendment is not based on fear but based on evidence. We have had extensive experience with the Pest Control Products Act, particularly since it was moved from Agriculture Canada to a Health Canada regulatory frame, with the Minister of Health responsible, which is why I don't understand why changes to the Pest Control Products Act as profound as this come from Finance, not from Health.

My concerns are shared by Ecojustice Canada, Prevent Cancer Now, the Canadian Association of Physicians for the Environment, and numerous other environmental law- and health-based organizations. Really, the bizarre thing here is that we have a new, undefined, ambiguous and very different threshold and the idea that the minister has to decide that the risk has increased significantly, as opposed to the core standard of the act as it exists, which is “reasonable certainty” of “no harm”.

To the point of efficiency, for my friend Ryan, I mean, look, if the existing law said that every two years we're going to review, we'd say that's a lot to handle, or every five years, well, you know.... Is every 15 years too much to make sure? Ecosystems change in ways in which, if you don't look, you're not going to find them. That's why every 15 years has been the standard.

I get that it would be way more efficient to let the pesticide industry have its head and use them wherever they wanted. We could eliminate regulation and be really efficient, but I don't think that's what this country wants, and it's not what voters elected this government to do. I beg you, please, to reconsider.

Thank you.

The Chair: Thank you, Ms. May.

Shall PV-1 carry?

Some hon. members: No.

(Amendment negatived)

Elizabeth May: I guess I don't get to cast a recorded vote.

The Chair: PV-1 does not carry.

Dr. Martin, would you like to present LIB-1?

Danielle Martin (University—Rosedale, Lib.): Thank you, Madam Chair. It's an honour to propose my first amendments to a piece of legislation as a member of Parliament, on an important theme of pesticides and human health. I'm bringing forward three amendments, the first two of which are proposed amendments to clause 282 of Bill C-31.

The first one reads that Bill C-31 in clause 282 be amended by adding after line 27 on page 283 the following:

> For greater certainty, in carrying out the assessment, the Minister must take into account government policy and apply a scientifically based approach.

Colleagues, the Pest Control Products Act defines government policy as the “Toxic Substances Management Policy issued by the Government of Canada”. In other words, what this amendment does is specify that the minister “must take into account”, when determining whether to do an in-depth assessment of a pesticide at the 15-year mark, the preventive and precautionary approach as defined in that act, in order to determine whether or not a full reassessment is necessary.

In other words, the legislation does not eliminate in-depth reassessment of pesticides at the 15-year mark. What it puts into place is a requirement for the minister to do an assessment and determine whether the in-depth review is necessary. What this amendment does is specify that science and the precautionary principle must be the driving force or must be a consideration in that decision.

For that reason, I think we've all agreed in this committee that science is important and that human health and the environment are important. I hope we'll be able to agree that this amendment should help to address some of the concerns we've heard from witnesses at this committee about the changes to the pesticides re-evaluation infrastructure.

● (1125)

The Chair: Thank you, Dr. Martin.

Go ahead, Ms. Jansen.

Tamara Jansen: I'm hoping to speak to this from the perspective of someone who has been farming for many years, because I do think there's a real disconnect between the people writing these regulations and the people who have to live with them.

Our farmers are already dealing with an enormous amount of government regulation, rising input costs, labour shortages and increasing pressure to produce more food while somehow keeping their businesses profitable. Now we're looking at an amendment that would require the minister to take government policy into account when assessing the safety of pesticides. When I first read the amendment, I wondered why on earth we would want to introduce government policy into what's supposed to be a scientific assessment.

I'm a farmer. I understand that Mr. MacDonald is a farmer. Mr. Lavoie is a farmer. I understand that maybe he has grown some barley, soybeans and alfalfa. We've stood in that field. We've taken our soil samples. We take our water samples. We take our tissue samples. Probably all of us together have seen more laboratory tests than the minister ever will, so when the amendment begins with the words “For greater certainty”, I'm not sure how introducing an undefined requirement to consider government policy provides any certainty at all for a farmer. What government policy are we even talking about? What happens when those policies don't line up with scientific evidence? That's what concerns me. As a farmer, I know how hard it is when we are told we have to go away from the science.

Farmers depend on these products to protect their crops from insects, weeds and diseases that can destroy an entire year's work. These aren't products that farmers use for the fun of it. They're expensive and carefully regulated, and farmers have every reason to use them responsibly. Their livelihoods depend on it. They need to produce a healthy crop and maintain productive land. When a farmer purchases a pesticide that's been approved by Health Canada, there should be confidence that the approval was based on rigorous scientific evidence and that any future decision to restrict or remove that product would be based on equally sound scientific evidence. Now we're being told that government policy must also be taken into account. I think we need to be extremely careful, because once we start mixing political priorities into scientific assessments, we risk undermining the ability of farmers to actually produce their crops.

Imagine a farmer who has invested hundreds of thousands of dollars in equipment, planned their crop rotation around their products, and scientifically assessed and approved those products. Then a government changes its priorities, and suddenly they can't use those products—not because new evidence has demonstrated a problem but because they no longer fit the government's priorities.

Farmers already face enough uncertainty from the weather, commodity prices and international markets. The last thing they need is more uncertainty coming from Ottawa. Let's remember that when farmers lose access to effective crop protection tools, there can be real consequences, like lower yields, higher production costs, more pressure on farm incomes and, ultimately, higher costs throughout the food supply chain. Those consequences don't stop at the farm gate. They eventually reach the families trying to put affordable food on their table. I sometimes wonder if we here believe in the affordability crisis that Canadians are actually suffering from right now.

I want to make something else very clear. Supporting farmers doesn't mean compromising on safety. Farmers and their families live on that land. They drink the water and eat the food they produce. They have just as much interest as anyone else in making sure the products are safe. That's why we have scientific assessments in the first place. If the science says a product is safe when used according to its approved conditions, then I want to know why a minister and government policy need to be part of that scientific determination. Science works, regardless of which political party is in government.

Chair, I think our farmers have had quite enough of politicians in Ottawa making their lives more difficult without understanding what it takes to grow the food that Canadians depend on. This amendment is being presented as a way to provide greater certainty, but it leaves us with more questions than answers about how government policy will influence decisions that should be grounded in scientific evidence.

● (1130)

Our farmers need fewer unnecessary obstacles, clear and predictable regulations, and the confidence that decisions on the tools they rely on will be made on the evidence, not on the political priorities of the day.

That's why I cannot support this amendment as it's currently written.

The Chair: Okay.

Shall LIB-1 carry?

(Amendment agreed to)

The Chair: Dr. Martin, could you present LIB-2, please?

Danielle Martin: Thank you, Madam Chair.

This second amendment reads:

> For greater certainty, nothing in this section is intended to limit the Minister's obligation under subsection 17(1).

This amendment clarifies that subsection 17(1) of the Pest Control Products Act would continue to apply. This is the section in the act that specifies that "The Minister shall initiate a special review [where] the Minister has reasonable grounds to believe that the health or environmental risks of the product are, or its value is, unacceptable."

In other words, Madam Chair, this amendment clarifies that there is no need for the Minister of Health to wait 15 years. If the re-evaluation of a pesticide is required for the protection of human health or the environment because there is evidence coming in suggesting that those risks are unacceptable, there's a requirement to initiate a special review immediately.

This is not a new requirement, but given the changes being made in this piece of legislation, I feel it's important that we clarify that this is an ongoing obligation on the part of the minister for the protection of the health of Canadians and the health of our environment.

Thank you.

The Chair: Shall LIB-2 carry?

[*Translation*]

Jean-Denis Garon: No. I request a recorded vote, please.

[*English*]

The Chair: We will have a vote on LIB-2.

(Amendment agreed to: yeas 10; nays 1)

The Chair: Shall clause 282 carry?

[*Translation*]

Jean-Denis Garon: I request a recorded vote, please.

● (1135)

[*English*]

The Chair: We will have a vote on clause 282 as amended.

(Clause 282 as amended agreed to: yeas 6; nays 1)

The Chair: Because PV-1 did not pass, PV-2 cannot be moved due to an incoherence.

Shall clause 283 carry?

[*Translation*]

Jean-Denis Garon: I request a recorded vote, please.

[*English*]

The Chair: We will have a vote on clause 283.

(Clause 283 agreed to: yeas 6; nays 1)

(On clause 284)

The Chair: PV-3 is deemed moved pursuant to the routine motion adopted by the committee on June 16, 2025. However, I want to note, for the committee, that because PV-1 did not carry, there may be an incoherence with PV-3.

Ms. May can move PV-3.

Elizabeth May: Thank you, Madam Chair.

As you know, through the motion that was passed by the committee, my ability to speak to other amendments is non-existent.

I do want to say that, although I don't think the Liberal amendment that you just carried sufficiently addresses the fundamental concerns of so many groups across Canada, I do appreciate the spirit in which Dr. Martin brought it forward. It represents a potential hope that we'll use science and evidence in applying the rather unwelcome changes to the Pest Control Products Act.

I'll move very quickly to the third amendment and hope that it doesn't create incoherence if it were to be adopted.

It's very strange that clause 284 of Bill C-31 limits the requirement for the minister to make public the reasons for an assessment. Publication is only required if the minister has reasonable grounds to believe that the health or environmental risks have increased significantly. I certainly find it strange that there is no parallel requirement at this point for the minister to make public a determination with reasons that risks have not increased.

The amendment that is proposed here expands the scope of the duty to make public all determinations with respect to assessments, with reasons, to provide accountability for decision-making.

Again, I hope that the committee may consider PV-3. It's not photovoltaics, but I agree with Ryan that it's not bad.

Thank you.

The Chair: Go ahead, Mr. Turnbull.

Ryan Turnbull: Thanks, as always, to Ms. May for bringing this forward.

I think we agree with the overall objective here, which is to increase transparency on the decision-making and the rationale for that. I think we understand that there's concern as to what would justify a re-evaluation that doesn't move forward and a decision on that. I think Ms. Martin has gone to some length to clarify the obligations that the Minister of Health already has to take into consideration and has a duty to follow or exercise that judgment that is so important to protecting human and environmental health.

I think that the key here is that we disagree with a couple of the points in the wording. We just don't like your wording. We like our wording better. I apologize. I know that's a bit nitpicky.

We feel that there's good rationale for that. In particular, the assessments might contain confidential test data. Already, within the Pest Control Products Act, any person may inspect confidential test data held by Health Canada, but it cannot be published, given that it is often registered scientific intellectual property. That's one reason that we don't like the wording that has been proposed by the Green Party.

I'll add that I think the proposed amendment LIB-3, which we're going to put forward shortly, proposes having public transparency for decision-making but in a manner that is slightly less administratively onerous and that does not require the possible release of confidential test data. That's the reason we would vote against this one.

I agree, again, with the spirit in which you brought it forward. I think the intention of increasing transparency around that decision-making was to allay some of the fears people rightly had or pointed out. There was good motivation for putting it forward, which we agree with.

Thanks.

The Chair: Shall PV-3 carry?

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

The Chair: We are on LIB-3.

Go ahead, Dr. Martin.

● (1140)

Danielle Martin: Thank you, Madam Chair.

This amendment speaks to the importance of transparency when we have a Minister of Health who needs to determine whether an in-depth re-evaluation of a pesticide will occur at the 15-year mark. It specifies that the minister would need to make public the reasons for any decision not to undertake such a re-evaluation within 90 days.

I think we all can appreciate the importance of transparency. We heard witnesses at committee express concern about the possibility that a minister might not initiate a review for reasons that the public might disagree with or might have concerns about, or that the scientific community or the health community might have concerns about. This brings a little sunshine into the process and is consistent with a number of other transparency clauses in Bill C-31. Therefore, it is consistent with the intent of the legislation to bring transparency to Canadians.

Thank you.

The Chair: Shall LIB-3 carry?

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

The Chair: Shall clause 284 as amended carry?

[*Translation*]

Jean-Denis Garon: I request a recorded vote, please.

[*English*]

The Chair: We will have a recorded vote on clause 284 as amended.

(Clause 284 as amended agreed to: yeas 6; nays 5)

(On clause 285)

The Chair: PV-4 is deemed moved pursuant to the routine motion adopted by the committee on June 16, 2025.

Ms. May, you may present PV-4.

Elizabeth May: I was not certain I would be allowed to speak to this one. It puts forward coordinating amendments to amend clause 285 and removes those transitional provisions required by the termination of ongoing re-evaluations. It's another way of making sure that as the re-evaluation of pesticides takes place, it takes place in a way that is predictable and creates certainty for users, stakeholder groups, etc.

I hope the committee can find a way to accept this one. I think it's consistent with the Liberal amendments that have just been accepted.

Thank you.

The Chair: Go ahead, Mr. Turnbull.

Ryan Turnbull: Sadly, I disagree, only because this proposed amendment would force the health minister to continue to complete all previously initiated re-evaluations regardless of whether there was any risk-based reason for doing so. We believe this would be a poor allocation of resources.

The whole point of this set of amendments around the Pest Control Products Act is to achieve some efficiency of targeting resources to where there has been a change to the risk profile of a pest control product. We think that's a valuable and important set of changes to be making, so this is, in our view, contrary to that. That's why we would be opposing it.

Thanks.

The Chair: Shall PV-4 carry? We'll have a vote on PV-4, please.

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

The Chair: Shall clause 285 carry?

(Clause 285 agreed to: yeas 6; nays 5)

The Chair: Colleagues, there are no amendments proposed between clauses 286 and 338. Do we have unanimous consent to group them?

(Clauses 286 to 338 agreed to on division)

(On clause 339)

The Chair: I'll give everyone a moment to turn to clause 339.

● (1145)

[*Translation*]

Mr. Garon, would you like to move amendment BQ-3?

Jean-Denis Garon: Sure, I will, since you asked so nicely, Madam Chair.

Essentially, what we're asking for is to force airlines to state why they refuse to provide compensation.

This amendment came out of the debates at the Senate committee. It was suggested by the organization Flight Claim, so law firms or consulting firms that help air passengers who have been adversely affected. By the way, a very large number of them have been waiting for a long time, and their case could be outsourced to the private sector under Bill C-31.

Basically, the idea is to say that arbitration decisions must still comply with the law. If there were a large volume of these arbitration decisions, which will be the case if the amendment on the complaints process for air passengers is adopted, it would represent a large body of interpretation decisions of the act, a form of jurisprudence. They would appear in arbitration decisions, but wouldn't be published.

We are quite simply asking for transparency. Publishing these decisions will promote public confidence in the dispute resolution mechanism. It will enable the parties to better assess their chances of success, and maybe reduce the pressure on the system. It will also encourage pre-arbitration settlements, which should be one of the system's goals.

The reasons have to be published, for the same reasons legal decisions are published. That hardly involves any resources for the government. It will help people and it will increase transparency. That is why I am convinced we will have a unanimous vote on this and the debate will be short.

The Chair: Thank you, Mr. Garon.

[*English*]

Go ahead, Mr. Turnbull.

Ryan Turnbull: I agree with Mr. Garon on the intent of this. We just want to preserve some flexibility in how the responses to the claims that passengers submit are communicated by air carriers. My understanding of this amendment is that it creates a legal requirement for air carriers to provide detailed reasoning and other specific information to passengers when their claim is denied. There's a valid motivation behind that, but there are a number of different responses to claims other than just denial. There are a number of different requirements that we would like to look at.

We would like to preserve the flexibility that comes with developing those requirements in terms of how those claims are dealt with, and what appropriate responses and information will best protect passenger rights and also ensure they get timely information. We want to develop that through the regulatory process. There would be consultation involved. The minister is very intent on making sure that passengers get detailed explanations if their claims are denied.

It's not that we disagree with that. We just think there's a broader set of things that should be considered beyond just that one. The better process would be to use a consultative process, which is consistent with how regulations are developed. We would do that through the regulations after the fact. We feel that if we supported this, we would be putting something into the legislation, and baking it in, that probably merits a broader consultative process to get a better outcome for everybody involved—especially the air passengers. That's who we're most focused on with these changes.

Again, we agree with the intent, but unfortunately not with baking this into the legislation itself.

● (1150)

[*Translation*]

The Chair: Shall BQ-3 carry?

We'll go to a recorded vote on BQ-3.

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

[*English*]

The Chair: Shall clause 339 carry?

(Clauses 339 and 340 agreed to on division)

(On clause 341)

[*Translation*]

The Chair: Mr. Garon, will you move amendment BQ-4?

Jean-Denis Garon: Of course, Madam Chair. Furthermore, I think this is an excellent amendment. It's so good that, as with all the other rejected amendments, my colleague Mr. Turnbull will probably support the principle of the amendment.

I'm reminded of a long-tenured colleague of mine, who might even be the dean of the House of Commons, but I couldn't confirm that. He said you could support the principle, but that he had fed his dog principles and it ended up starving to death. At some point, you have to take action. I don't have a dog, so I don't know if a dog dies when it is only fed principles. That would have to be verified. I don't think the officials here—and I checked—are qualified to answer that question. It will be for another day.

Meanwhile, the amendment essentially clarifies the new provision of the bill that says you can't file a complaint with the Canadian Transportation Agency and pursue legal actions at the same time. The amendment seeks to exclude class actions from this provision.

We understand the government wants to avoid double compensation. We understand that the intent behind the option of filing a complaint with the Canadian Transportation Agency is to free up the courts. However, class actions have the same goal, so people should be allowed to do both. I don't think this would lead to double compensation. A class action suit allows the settlement of many cases at once. It takes longer and involves government intervention, but it can be effective.

Despite the idea that you can't have two remedies at the same time, which is judicially valid, exceptions have been made before. One example is the whistle-blower bill, Bill C-290, which the House adopted unanimously in the last Parliament. The situation was that a person could not, for example, file with the tribunal, or have recourse under the act, and, at the same time, file a grievance related to a collective agreement. However, Parliament as a whole understood that overlapping procedures didn't necessarily mean formal legal proceedings and that, in certain exceptional cases, we could allow, for the proper functioning of the justice system, two recourses.

The amendment essentially keeps the bill as it is, while making the following change: You can file a complaint with the Canadian Transportation Agency while taking part in a class action. It is obviously understood that, when the class action lawsuit is settled, the Transportation Agency is released from all related cases. That's essentially the amendment.

● (1155)

[*English*]

The Chair: Mr. Turnbull.

Ryan Turnbull: Well, at the risk of feeding my colleague more principles, I would say I understand the intent of this, but we do feel as though this would be repetitive in nature. Once the eligibility of a travel complaint is established, that is an option or a lane that is open. I don't think it would be advisable to allow for those individuals to pursue one or more legal paths forward. You can go through a small claims court, a provincial proceeding or maybe a class action suit, but once you've chosen a lane, I think you have to stay in that lane. That's sort of our approach to this in order to preserve some level of continuity in the process and to ensure that there's not....

Again, I think it's about efficiency and fairness that the complainant would choose the path they want to take and is most advantageous to them or most suited to their needs. I think that's what we're trying to make sure we eliminate here. I think the BQ-4 amendment is allowing for multiple paths to be taken at the same time.

For those reasons, we would oppose, sadly.

[*Translation*]

The Chair: Shall amendment BQ-4 carry?

We will now have a recorded vote on amendment BQ-4.

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

[*English*]

(Clause 341 agreed to: yeas 6; nays 5)

The Chair: Colleagues, there are no amendments between clauses 342 and 348. Do we have unanimous consent to group them?

(Clauses 342 to 348 agreed to on division)

(On clause 349)

The Chair: Mr. Turnbull, would you like to present G-1?

Ryan Turnbull: Yes, I would, Madam Chair. Thank you.

The intent of G-1 is to ensure that, when the future complaints process is transferred to the Minister of Transport-designated third party processors, the air carrier would need to continue to demonstrate what is currently known as the onus clause—that a flight delay or cancellation was due to an exceptional situation—to avoid paying compensation.

This ensures that the regulation would continue to apply to the future third party process. The idea is that the onus remains on the air carrier to demonstrate that the flight delay or cancellation was due to an exceptional circumstance.

We believe that that needs to survive through the changes that are taking place within the proposed set of changes in Bill C-31. This is for clarity purposes, to ensure that there's an understanding of where that onus lands or lies. I think that the duty remains with the air carrier.

The Chair: Does amendment G-1 carry?

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

[*Translation*]

The Chair: We will now move on to amendment BQ-5.

Mr. Garon, you have the floor.

Jean-Denis Garon: Thank you, Madam Chair.

The amendment basically sets out criteria in the bill that organizations must meet to be eligible to handle complaints, including having no ties to airlines. Since we're talking about arbitration-type rules, the public and members of Parliament—but especially the public—must have confidence in the system.

We took a close look at what happened in the Senate committee. Transport Canada said that the selection of entities that could handle complaints would be based on strict criteria regarding compliance with official languages and accessibility. We skimmed through the bill and looked for those strict criteria, but we couldn't find them. It's probably just an oversight. We also noticed that the government introduced a number of amendments to its bill. We figured that it overlooked a few things and perhaps cut some corners. We wanted to help. We're simply addressing these issues.

We're fairly confident that the government would have introduced this amendment if we hadn't introduced it first, but we're happy to help.

● (1200)

[*English*]

The Chair: Go ahead, Mr. Turnbull.

Ryan Turnbull: I'm sorry, colleagues. We agree again with the intent of this, but I think the intent of BQ-5 is to ensure that if the Minister of Transport designates third party processors to resolve air travel complaints in the future, the Minister of Transport must ensure that the designated parties, their executives and their employees are not associated with the air carriers. We agree with the intent.

Additionally, it establishes requirements for designated third party processors to hold expertise in complaints processing, provide service in both official languages and accommodate certain accessibility standards.

We agree, again, with that intent, but we'd like to preserve the ability to develop these sets of standards and requirements through a process that follows after, in regulation. We also feel that it may need to change over time, that those requirements may need to be established and continue to evolve. We agree that the potential conflicts of interest are serious considerations, and we need to protect against them, but we feel the process of doing so should be through regulation.

Thank you.

The Chair: Okay.

[*Translation*]

Shall amendment BQ-5 carry?

We will have a recorded vote.

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

The Chair: We will now move on to amendment BQ-6.

Mr. Garon, you have the floor.

Jean-Denis Garon: Madam Chair, amendment BQ-6 simply seeks to ensure that complaints are distributed across all private entities, rather than having mutual agreements between carriers and private entities.

When we look at the bill, we basically see that the government has decided—as it has done with many other things, for that matter—to simply outsource the government's role to the private sector. In some cases, this can work. However, some form of oversight is still necessary.

If this bill goes through today without any changes and I decide to file a complaint as an airline passenger, I won't believe for a second that the person handling my complaint hasn't worked—in one way or another—with the airline involved in the matter. This was the clearest observation made in the Senate committee's report. The carrier selects a third party that it pays and that it can replace when the agreement expires. There's an economic incentive to retain the client, for one thing.

This amendment helps preserve the integrity of the process. It ties in perfectly with the spirit of the bill to ensure that complaints are distributed across all the entities authorized to handle them—I talked about this when introducing the previous amendment—at the minister's whim and based on a process that remains far from democratic. At the very least, if we distribute these complaints in a way that ensures that the carrier didn't choose its own arbitrator, it's certainly a good start in terms of making the process appear fair.

● (1205)

The Chair: Thank you, Mr. Garon.

[*English*]

Mr. Turnbull.

Ryan Turnbull: Thanks, Madam Chair.

Thanks to my colleague for putting this forward.

We feel strongly that this would introduce significant inefficiencies into the complaint resolution process by requiring the Minister of Transport to triage passenger complaints and assign them to third party firms. That puts the Minister of Transport into a mediator position. We think it adds a step to the process and could create a significant backlog, which is contrary to the intent of the provisions in this particular bill.

The idea is to equip the minister with the ability to assign whole sets of backlog complaints to third party firms that can process those much more efficiently, get resolution on them and then get those claims paid out quickly. I think 96,000 claims are backlogged. It's a significant number. We want to get those resolved as soon as possible on behalf of air passengers who have been inconvenienced for some time. We would like to see those get resolved and then get their claims paid out. I have many constituents, and I'm sure you do, who have come to me with those challenges. They don't feel as though they've gotten fair or efficient compensation for some of the unresolved claims they have.

That's the intent with which we will be opposing this. We think it adds a step in the process and reduces the efficiency that we're seeking.

[*Translation*]

The Chair: Shall amendment BQ-6 carry?

We will have a recorded vote.

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

The Chair: We will now move on to amendment BQ-7.

Mr. Garon, you have the floor.

Jean-Denis Garon: If you insist, Madam Chair, I would be happy to introduce it.

Amendment BQ-7 is a gift that we decided to give to the Prime Minister. I don't know his birthday, but we figured that he deserved a gift.

This amendment seeks to place the burden of proof on the airline, particularly when delays occur. The Prime Minister spends a great deal of time in Europe. He loves Europe. He attends summits with Europe. He even wants to be the only one speaking to Europe. We decided to ask that the burden of proof be reversed, as it is in Europe. If his flight from Europe is delayed, perhaps this will even protect him one day.

Basically, when a person files a complaint, they encounter an imbalance in access to information. This person isn't equipped to prove the technical reasons for a flight delay. Not everyone is an aeronautical engineer. As a result, in many cases, people are denied their rights. The European regulation that I spoke about earlier—regulation number 261/2004—already places this burden on carriers. The Court of Justice of the European Union has been enforcing it since 2008. If the amendment is adopted, the Prime Minister can even include it in his agreement with the European Union. This would bring the two continents closer together.

If only for diplomatic reasons, I think that we should adopt this amendment.

The Chair: Thank you, Mr. Garon.

Mr. Turnbull, you have the floor.

[*English*]

Ryan Turnbull: Thanks, Madam Chair.

Thanks to my colleague Mr. Garon for putting this forward.

I think, again, the intent of this is great, and we agree with that. It's that we feel that this is unnecessary. Currently, in the Canada Transportation Act, the onus is on air carriers to provide evidence when and if a complaint raises an issue of flight delay, flight cancellation or denial of boarding. It is presumed to be within the carrier's control and not required for safety reasons unless the carrier proves the contrary.

We feel that it's been made clear that the authority to develop regulations on the air carrier's claims process will be transferred to the Minister of Transport through Bill C-31, and the intent is to establish, through ministerial regulations, that air carriers must formally respond to passenger claims by providing a detailed explanation and verifying proof for any refusal of a claim. For those reasons, we don't feel that this is necessary, because we've already made clear what this amendment seeks to achieve. We just don't feel that this change is needed, so for that reason, we'll be opposing it.

Thanks.

● (1210)

[*Translation*]

The Chair: Shall amendment BQ-7 carry?

We will have a recorded vote.

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

[*English*]

The Chair: We will continue now with CPC-4. Who will be presenting CPC-4?

[*Translation*]

Mr. Lefebvre, you have the floor.

Eric Lefebvre: Thank you, Madam Chair.

I would like to introduce the amendment moved by my colleague, Dan Albas, regarding clause 349 of Bill C-31. This clause addresses the handling of complaints from airline passengers.

As currently drafted, the bill stipulates that the decision rendered by a designated person regarding a complaint is automatically binding on both parties, meaning the passenger and the airline. The issue stems from the fact that this imposes a decision on the consumer, even when the consumer believes that the decision fails to properly address the complaint. Our amendment seeks to correct this imbalance and better protect passengers' rights.

We're specifically proposing that the complainant be able to accept or reject the decision proposed. If the complainant accepts it, the decision becomes binding on both parties. If the complainant rejects it, the decision has no effect and can't be used against the complainant in any legal proceedings concerning this complaint. It's a matter of fairness and respect for consumer rights.

We don't want to hinder the effective resolution of complaints. On the contrary, we want to ensure that this process works in the best interests of passengers, and not solely in the interests of the airline. Passengers who believe that they have been wronged shouldn't be forced to accept a decision that they consider unfair without having the opportunity to challenge it through other channels. This amendment strikes a better balance between the efficiency of the complaint resolution process and the protection of travellers' rights.

I would like to invite my colleagues from all the parties to support this amendment, which makes sense and puts the consumer at the forefront of the process.

Thank you, Madam Chair.

The Chair: Thank you, Mr. Lefebvre.

Mr. Turnbull, you have the floor.

[*English*]

Ryan Turnbull: I understand that CPC-4 attempts to give passengers the option to accept or reject a decision issued by a designated third party through that complaints processor. We feel that it essentially undermines the whole process that we're trying to establish here, which is a more efficient complaints resolution process with binding decisions. That's part of Bill C-31's intent. This sort of undermines that.

Keep in mind that a judicial review is still a recourse that's open to someone who disagrees. They can go through the Federal Court. There is also some discretion for the Minister of Transportation, through the designation process for third party complainants. He or she will be able to require third parties to establish an internal review process for decisions, upon request from a complainant, as a further recourse in the event they disagree with the decisions.

We feel that there needs to be some bite and some binding nature in the actual process, to have some accountability in there. We feel that there's already recourse built in. If someone disagrees with how their claim has been treated and the resolution is not satisfactory to them, they can go through the Federal Court. Then there's discretionary power through the designation process for those third parties. The minister can require them to have another avenue for people to take.

We don't feel that this is helpful or necessary. That's why we oppose it.

● (1215)

The Chair: Thank you, Mr. Turnbull.

Go ahead, Mr. Guglielmin.

Michael Guglielmin: As we're all aware, the backlog of passenger complaints is certainly a serious issue. A total of some 97,000 complaints are currently awaiting resolution. Of course, passengers have already faced very lengthy delays to have these complaints heard.

Under Bill C-31, designated third parties would be authorized, essentially, to issue binding decisions on passenger complaints. Our concern is what happens if they find that those decisions are unfair.

We just heard that the government feels there already will be a mechanism for resolution, but we feel it should be a lot broader. They should have more ability to challenge the outcomes of those decisions. This amendment that we're proposing would allow them to reject those decisions, and if those decisions are rejected, they would have no legal force and not be used against the passenger in subsequent litigation. We certainly believe it is a reasonable protection to include, particularly when this is a new system that has yet to demonstrate if it can deliver better outcomes.

With the previous system that the government had in place in 2023, we saw they gave nearly $73 million to the Canadian Transportation Agency over three years to modernize complaint resolution. Despite their best efforts on that, the backlog still grew to some 97,000. The government has had years to address this problem and the complaints backlog. I think we should be very careful about giving passengers even fewer options in this process.

I would strongly encourage my colleagues on the other side of the table here to reconsider and support us in this amendment.

Thank you, Chair.

The Chair: Shall CPC-4 pass?

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

[*Translation*]

The Chair: We will now move on to amendment BQ-8.

Mr. Garon, you have the floor.

Jean-Denis Garon: Thank you, Madam Chair.

Amendment BQ-8 basically ensures that a complainant can request a review of a decision rendered by an entity designated by the Canadian Transportation Agency. It also ensures that no fees will be charged to the person requesting the review. Sometimes, the review is granted. However, at the same time, this process is made costly for the individual, who may already be facing an injustice related to the use of air travel services.

In short, this amendment would make it possible for a complainant to request a review of a decision rendered by a designated entity.

The Chair: Thank you, Mr. Garon.

Mr. Turnbull, you have the floor.

[*English*]

Ryan Turnbull: For similar reasons to those opposing the last amendment that was put forward by the Conservatives, we feel the same about this one. The bill already includes an appeal mechanism that would be less burdensome and less costly than the one proposed through this Bloc amendment. The complainant will have the ability to appeal any designated third party decision should they not agree with it, including by potentially using the internal review process of the third party complainant processors or by seeking a judicial review of the decision.

Creating an appeal at the Canadian Transportation Agency may result in another backlog of complaints and would be burdensome for the government, requiring additional taxpayer funding, which contradicts the policy intent requiring air carriers to pay for complaint processing on future complaints.

Thank you.

The Chair: Okay.

[*Translation*]

Shall amendment BQ-8 carry?

We will have a recorded vote.

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

● (1220)

The Chair: We will now move on to amendment BQ-9.

Mr. Garon, you have the floor.

Jean-Denis Garon: Thank you, Madam Chair.

It has been a while since I last spoke, so I'm happy to have this opportunity.

Amendment BQ-9 simply requires companies to pay interest if they fail to compensate the complainant within 30 days. We're proposing an additional penalty of 25% on unpaid amounts if the compensation remains unpaid at the end of 90 days.

I know that there are many entrepreneurs and people who own farms here. Everyone knows that, when an invoice is more than 30 days old, it must be paid. At some point, these massive airlines must be motivated to pay. We think that everyone will agree, especially given that they won't be affected if they pay on time.

Again, I believe that the committee should support this amendment.

The Chair: Thank you, Mr. Garon.

Mr. Turnbull, you have the floor.

[*English*]

Ryan Turnbull: We disagree. I think the intent, again, is good. It's good to have some penalties for those air carriers that don't pay the compensation that's owed, but we feel that we've already strengthened those provisions to include administrative monetary penalties for repeated violations up to $1 million. Those are significant teeth and enforcement powers in this legislation. The Canadian Transportation Agency could investigate non-payments and, if there are repeated infractions, levy significant fines to those air carriers that refuse to pay or are just slow in paying.

The intent, again, is good, but we feel that it's redundant.

Thanks.

[*Translation*]

The Chair: Shall amendment BQ-9 carry?

An hon. member: I would like a recorded vote, Madam Chair.

The Chair: We will now proceed with a recorded vote.

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

[*English*]

The Chair: Shall clause 349 as amended carry?

[*Translation*]

Jean-Denis Garon: No. I would like a recorded vote.

[*English*]

The Chair: The vote is on clause 349.

(Clause 349 as amended agreed to: yeas 6; nays 5)

(On clause 350)

The Chair: Colleagues, we're going to take a quick health break.

● (1220)

_____(Pause)_____

● (1230)

[*Translation*]

The Chair: Colleagues, we're back.

We're on clause 350.

Mr. Turnbull, would you like to move amendment G-2?

[*English*]

Ryan Turnbull: Thank you, Madam Chair.

The intent of G-2 is to transfer the regulation-making authority for the air carrier claim process from the Canadian Transportation Agency to the Minister of Transport. The amendment is required to enable the Minister of Transport to establish regulations on an air carrier claim process, including the requirement for air carriers to provide the passenger with an explanation for the refusal of any claim, accompanied by any documents, reports or other evidence that justify the refusal.

For that reason, we put this forward.

The Chair: Ms. Jansen.

Tamara Jansen: I want to speak to this particular amendment. I think it reflects something that we keep seeing in Liberal legislation, which is the government's tendency to give ministers more authority to make decisions later rather than clearly setting out the rules in the legislation that Parliament is being asked to approve today.

In this case, we're being asked to give the minister additional regulation-making authority over the process for handling airline passenger complaints, but we haven't been told exactly what those regulations will look like, what additional obligations it might place on an airline and how this will actually improve the experience of a Canadian trying to get compensation. I think those are pretty reasonable things for Parliament to want to know before we hand over authority like that.

If the government has identified a problem with how airlines handle passenger claims, then surely it should be able to explain what the problem is and what needs to change. If those changes are important enough to require legislation, why aren't we setting out those requirements clearly in the bill so that everyone knows exactly what we're talking about? Instead, we're being asked to approve a broad authority to make regulations at some point in the future without knowing what those regulations will require or what they will cost.

I have a real problem with that approach. Parliament is supposed to examine legislation, debate the consequences and hold the government accountable for the decisions it makes. When we leave important details to ministerial regulations, we're giving up that opportunity for scrutiny. We're asking Canadians and businesses to just trust that the government will get that right later on.

I absolutely believe that passengers deserve fair treatment and that airlines should be held accountable when compensation is owed. Anyone who has had a flight cancelled, missed an important family event or spent hours trying to resolve a claim understands how seriously frustrating the current system is, but I don't see how simply giving the minister even more regulation-making authority guarantees that any of those problems would be fixed. We already have a passenger compensation system that's struggling with an enormous backlog of complaints. Canadians are waiting far too long to get answers. Surely, our priority should be to make that process simpler, faster and easier to understand rather than create possibilities of yet another layer of administrative requirements.

We also need to consider what this will mean for the cost of air travel in Canada. Every time the government adds new compliance requirements, somebody has to administer it. That can mean more staff, more paperwork, new computer systems and additional reporting obligations, all of which cost money. Those costs don't simply disappear. Airlines have to absorb them or recover them somewhere. In an industry in which Canadians are already paying significant amounts to travel, we should be very cautious about adding expenses unless we can demonstrate that passengers will actually benefit.

I think there's another issue here that deserves attention. That's predictability. Airlines need to know what their legal obligations are, so that they can plan and operate accordingly. Passengers need to know what they're entitled to and how to make a claim. If the details of that process can be changed through ministerial regulations, it becomes even more important that the government explain what safeguards will ensure that those rules remain fair, transparent and consistent. We're being asked to approve the authority first and find out the details afterward. That's how we're supposed to do this now.

Canadians deserve to have their complaints dealt with fairly, to receive the compensation they're entitled to, and to be able to afford to fly in the first place. We should be measuring success by those outcomes, not by additional powers that we give the government.

That's why I cannot support this amendment.

Thank you.

● (1235)

The Chair: Thank you, Ms. Jansen.

[*Translation*]

Mr. Lefebvre, you have the floor.

Eric Lefebvre: Thank you, Madam Chair.

I simply want to bring your attention to the fact that we're seeing an increasing tendency within the Liberal government to grant discretionary powers to ministers. We're seeing this right now in a number of bills. I must admit that it concerns me, from a democratic standpoint, that discretionary powers without clear limits can be granted in this way. I asked earlier for definitions. People are unable to give me definitions. People are unable to give me specific examples.

I want to shine a light today on this government culture of granting ministers discretionary powers. It worries me.

[*English*]

The Chair: Mr. McLean.

Greg McLean: Without meaning to sound redundant, I will appeal to my colleagues on the other side of the House about what this means.

In democracies, there are three main institutions: the courts, called the judiciary; the executive; and the legislature. We are the legislature. It's the backbench Liberals—that's everybody there except Mr. Turnbull—the Conservatives and the Bloc. We represent what Canadians elected us to do here.

The executive is appointed by prime ministers. They have the power to regulate certain powers of the executive. Under the current Prime Minister's auspices, however, we are parking more and more in the hands of the executive and making ourselves less relevant as a legislative authority. How do we justify this to the Canadians who elected us and pay our salaries? Our role here is becoming more diminished, yet there are more of us across Canada as we grow.

This is the main thing we need here: making sure we delineate what the powers of Parliament are and what the powers of the executive are. The legislature exists in all modern democracies. I'm reasonably certain that I'm not going to have an impact on this discussion here today, but I want my colleagues across the way to pay particular attention to this, since it's about every piece of legislation the government brings forward. There's less responsibility for those of us who are elected parliamentarians, and more responsibility for the Prime Minister and the people who surround him, including his cabinet ministers when he delegates that authority to them. This isn't the way we were meant to be governed in Canada, and it is an aberration as far as a democratic system goes.

I ask you to continue considering that while you're bringing new bills forward.

Thank you.

● (1240)

The Chair: Thank you, Mr. McLean.

Shall G-2 carry?

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

[*Translation*]

Eric Lefebvre: I would like to ask for a recorded vote, please. I'm sorry.

The Chair: The next time, then. You need to ask more quickly.

[*English*]

Shall clause 350 as amended carry?

(Clause 350 as amended agreed to: yeas 6; nays 5)

(On clause 351)

The Chair: Mr. Turnbull, would you like to present G-3?

Ryan Turnbull: Yes, I would. Thanks, Madam Chair.

The intent of G-3 is to allow the Minister of Transport to establish a range of administrative monetary penalties for violations against passenger rights regulations, and to consider various factors, such as the volume or frequency of offences and the type of carrier. This is really important for fines of up to $1 million, essentially, or administrative monetary penalties. It's to have a classification for those repeated offences so that things can escalate and be commensurate with the severity of delays, lack of repayment, etc.—whatever it may be. Repeated infractions can be dealt with accordingly. This allows for some proportionality, fairness and equitable enforcement.

We think it's essential for this legislation to have teeth.

Thanks.

The Chair: (Amendment G-3 agreed to on division [*See Minutes of Proceedings*])

(Clause 351 as amended agreed to on division)

(Clauses 352 and 353 agreed to on division)

The Chair: On proposed new clause 353.1, we have Mr. Turnbull on amendment G-4.

Ryan Turnbull: Weren't we doing BQ-10?

The Chair: I apologize.

[*Translation*]

Since amendment BQ-6 was negatived, amendment BQ-10 can't be moved because of an inconsistency.

We're now on amendment G-4.

[*English*]

Ryan Turnbull: The intent of G-4 is to add a reference to the proposed new subsection 177(2.02) to related sections in the Canada Transportation Act to allow for proper implementation of compliance agreements in the Canadian Transportation Agency's enforcement process.

Again, compliance agreements are a tool that can be used to essentially ensure that various air carriers that don't follow the regulations can be brought into compliance. These are used in many other sectors and areas where we have similar mechanisms, and they can often precede or follow an administrative monetary penalty. This is another important tool in the enforcement regime, and we think that it's essential.

The Chair: Go ahead, Mr. McLean.

Greg McLean: Thank you.

I appreciate my colleague's explanation for what this is. I didn't quite follow his examples about where these other administrative penalties double down if they're not completely complied with right away and what those compliance mechanisms are. I would request that he give us some examples of other government regulations or legislation where there are double fines incurred as a result of being non-compliant.

We are concerned about this government overreach. Fines are one thing, and I know in this legislation there are fines that are indicated to increase from $250,000 per incident or per penalty to $1 million per incident. If somebody's going through a process of assessing those or even a legal process of appealing those, and suddenly they're saying that you're not compliant, so they're going to double you to $2 million, that $2 million, if it's applied against a Canadian carrier, will obviously impact the way they do business competitively and will drive up costs for Canadians who buy airline tickets.

I'd like him to explain where else that exists in Canadian legislation and regulation and what the outcome of that has been, if it's ever been applied, or if it's just fines on paper that make it look like more regulation to make business more expensive.

● (1245)

The Chair: Mr. Turnbull, go ahead.

Ryan Turnbull: Yes, I'm happy to do my best to respond to the question of the member opposite.

I know for a fact, based on my previous role in the industry committee, where we made three rounds of changes to the Competition Act, that compliance agreements are used regularly by the Competition Bureau. They're not fines or administrative monetary penalties. Those are separate tools.

We talked just previously about allowing the minister the authority and power to essentially determine a range or an escalation in terms of the way those administrative monetary penalties can work. Compliance agreements are agreements between, in this case, an air carrier and the Canadian Transportation Agency, I believe.

Let me just make sure I'm correct.

Yes, the idea here is that for repeated infractions the agency can implement a compliance agreement with the air carrier and basically set out a number of conditions that they have to comply with before they are subject to an administrative monetary penalty. It often gives them a chance to sort of bump them back into compliance with the regulation before it issues a monetary penalty. That's my understanding. I know that it's quite frequent in the Competition Bureau and something that we changed and made more severe, I think, or they were added tools in the Competition Act that were given to the Competition Bureau. It's not uncommon.

We also had another piece of legislation where we were proposing to do the same thing around privacy infractions for commercial operations or companies that didn't abide by a new set of rules. That legislation didn't pass, but that was at the industry committee as well. We were proposing to do something similar with a tribunal that had a number of similar tools, including administrative monetary penalties and compliance agreements. It's quite regular. There are many areas where that's applied.

The Chair: Okay. That's great.

Shall G-4 carry?

We will have a recorded vote on G-4.

(Amendment agreed to: yeas 6; nays 4 [*See Minutes of Proceedings*])

The Chair: Next is G-5, Mr. Turnbull.

Ryan Turnbull: Thank you.

The purpose of this amendment is simply to correct a technical oversight made during the drafting. It is required to properly implement the mechanism for air carriers and the agency to enter into compliance agreements once the agency has served a carrier with a notice of violation for certain types of violations. That's it.

● (1250)

The Chair: Shall G-5 carry?

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

The Chair: Next is G-6, Mr. Turnbull.

Ryan Turnbull: Madam Chair, I think if you seek it, you'll find that there is unanimous consent to pass G-6, G-7 and G-8, because all members, as I understand it—

The Chair: Yes, but it's G-6 and G-7.

Ryan Turnbull: Okay.

The Chair: Is there unanimous consent to carry G-6 and G-7?

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

The Chair: Shall clause 354 carry?

(Clause 354 agreed to on division)

The Chair: On clause 355 and G-8, I'm going to ask, given the parliamentary secretary's last comment, if there is unanimous consent to carry G-8.

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

The Chair: Shall clause 355 as amended carry?

(Clause 355 as amended agreed to on division)

The Chair: Shall clause 356 carry?

(Clauses 356 to 360 agreed to on division)

(On clause 361)

The Chair: On clause 361, we have G-9, Mr. Turnbull.

Ryan Turnbull: The intent of G-9 is to require the Minister of Transport instead of the Canadian Transportation Agency to report publicly on systematic trends observed on the backlog of complaints, as well as on cases where third party decisions have gone against the air carrier, meaning cases where the third party has determined that the carrier has failed to apply their terms and conditions appropriately. This creates a reporting mechanism that is shifted from the Canadian Transportation Agency to the Minister of Transport, thus upholding what I know Conservatives always like to hear, which is “ministerial accountability”.

Thank you.

The Chair: Mr. Lefebvre.

[*Translation*]

Eric Lefebvre: Thank you, Madam Chair.

Again, this undermines the independence of the Canadian Transportation Agency and increases the minister's control. I spoke about this earlier. The culture of the Liberal government really comes through in the various bills and in the different approaches.

As you can imagine, we will reject this proposal. Once again, this undermines the agency's independence. We find this unacceptable.

[*English*]

The Chair: Mr. McLean.

Greg McLean: I appreciate where my colleague is coming from on this. I will say that when you talk about ministerial accountability, that is exactly the opposite of what we have right now, we have further and further from responsible government. When's the last time I saw a minister resign because he or she spent billions of dollars of Canadian taxpayer money in going in exactly the wrong direction? When our current Minister of Finance was innovation minister, industry minister, his strategy on electric vehicles was incoherent. We lost billions of dollars as Canadian taxpayers, and it's something that has run into a wall at this point in time.

I didn't mean to take this opportunity, Madam Speaker, but I'd challenge my colleague across the way when he talks about ministerial accountability. I think the exact opposite is the case.

I'll yield.

The Chair: Shall G-9 carry?

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

The Chair: Shall clause 361 as amended carry?

(Clause 361 as amended agreed to on division)

(Clauses 362 and 363 agreed to on division)

(On clause 364)

The Chair: On clause 364, we have G-10.

● (1255)

Ryan Turnbull: The intent of G-10 is to allow certain provisions related to compliance agreements between air carriers and the CTA, which are being introduced through other motions, to come into force at the same time as related provisions.

Thank you, and I think my colleague....

Carlos Leitão (Marc-Aurèle-Fortin, Lib.): Madam Chair, I have an amendment at this time. It is that we delete 353.1 and replace it with 353.1, 353.2, 353.3 and 353.4, so that the amendments that we just talked about, introduced by G-4 to G-7, may all be implemented at the same time.

The Chair: We will circulate that, but do you need that before we...? It has been circulated. Everyone has received that.

We have to vote on the subamendment first.

(Subamendment agreed to on division)

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

(Clause 364 as amended agreed to on division)

The Chair: Shall the short title carry?

Some hon. members: Agreed.

An hon. member: On division.

The Chair: Shall the title carry?

Some hon. members: Agreed.

An hon. member: On division.

The Chair: Shall the bill as amended carry?

Some hon. members: Agreed.

An hon. member: On division.

The Chair: Shall the chair report the bill as amended to the House?

Some hon. members: Agreed.

An hon. member: On division.

The Chair: Shall the committee order a reprint of the bill as amended for the use of the House at report stage?

Some hon. members: Agreed.

An hon. member: On division.

The Chair: That's excellent.

Thank you so much, colleagues. Congratulations on getting through clause-by-clause in a relatively reasonable amount of time.

As a reminder before we conclude, the Governor of the Bank of Canada is coming on Tuesday, so we will look forward to receiving Mr. Macklem then.

With that, thank you for all of your hard work, colleagues. Have a wonderful weekend.

Published under the authority of the Speaker of the House of Commons

SPEAKER'S PERMISSION

The proceedings of the House of Commons and its committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the Copyright Act. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the Copyright Act.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the House of Commons website at the following address: https://www.ourcommons.ca

Publié en conformité de l'autorité du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la Loi sur le droit d'auteur. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre des communes.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la Loi sur le droit d'auteur.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web de la Chambre des communes à l'adresse suivante : https://www.noscommunes.ca