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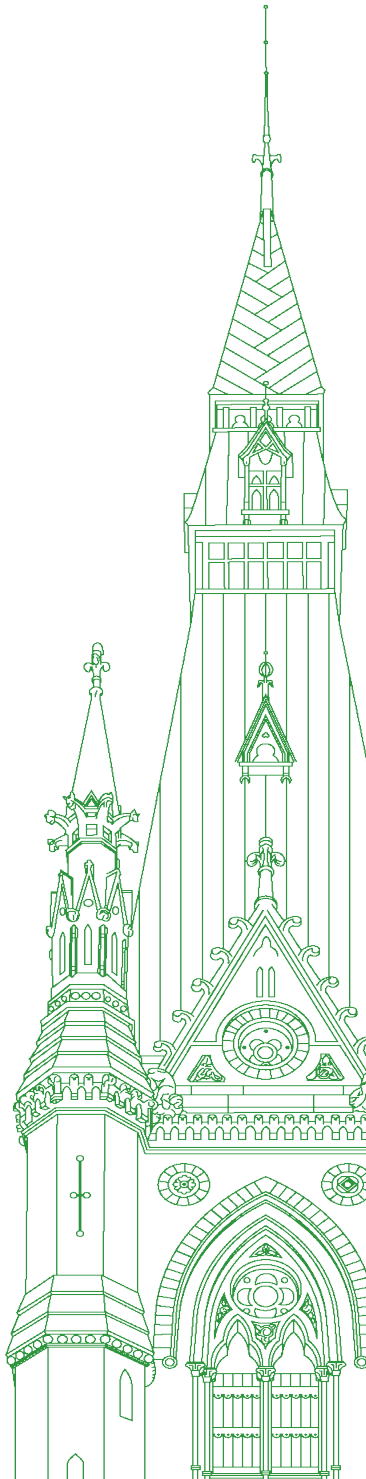

Chair: John Brassard

Standing Committee on Access to Information, Privacy and Ethics

Thursday, June 4, 2026

● (1530)

[*English*]

The Chair (John Brassard (Barrie South—Innisfil, CPC)): I call the meeting to order.

[*Translation*]

Welcome to meeting number 45 of the House of Commons Standing Committee on Access to Information, Privacy and Ethics.

[*English*]

Pursuant to the order of reference of Thursday, February 12, 2026, section 14.1 of the Lobbying Act, and the motion adopted by the committee on Wednesday, September 17, 2025, the committee is resuming its statutory review of the Lobbying Act.

Before I introduce our witnesses, I will remind them, as I always do, that committee members may ask questions in French and English. If you need interpretation, take a moment to prepare the earpiece and select the listening channel you need in advance, in order to take full advantage of the time allotted for questions. In some cases, there is a bit of a delay with interpretation. Just wait until the interpreters are finished.

For our first hour today, I'd like to welcome, from the Treasury Board Secretariat, Brian Gear, executive director of policy, planning and performance, priorities and planning sector; and Peter Ross, director, policy, planning and liaison, priorities and planning sector.

Welcome, both of you, to committee.

I believe Mr. Gear is going to provide the opening statement of up to five minutes.

Go ahead, sir.

Brian Gear (Executive Director, Policy, Planning and Performance, Priorities and Planning Sector, Treasury Board Secretariat): Thank you, Mr. Chair.

[*Translation*]

It is a pleasure for me and my colleague Peter Ross to join the committee to contribute to the review of the Lobbying Act.

The Treasury Board Secretariat has been closely monitoring the committee's important and timely work. We welcome the different perspectives and recommendations on the Lobbying Act that have been shared with the committee by the Commissioner of Lobbying, her provincial counterparts, expert witnesses, and stakeholders from the private sector and civil society.

[*English*]

I would like to begin by speaking to the mandate of the President of the Treasury Board and the Treasury Board Secretariat.

As members know, the President of the Treasury Board is the minister responsible for the Lobbying Act. That means the president is responsible for bringing forward any amendments to the act or its regulations on behalf of the government. The Treasury Board Secretariat supports the president in fulfilling these responsibilities. This includes providing policy analysis and advice on any recommendations to update the act.

The TBS is not responsible for the day-to-day administration of the Lobbying Act or for providing expert guidance on the act. The Commissioner of Lobbying is responsible for administering and overseeing compliance with the Lobbying Act. She also has the mandate to interpret the act and to provide guidance on its application. Because of this, I am limited in my ability to comment on matters that fall under the mandate of the commissioner, such as how to comply with the Lobbying Act in certain situations.

The Lobbying Act ensures that Canadians know who is lobbying their elected representatives and other government officials, and on what topics. The act works alongside the other parts of the integrity framework, such as the Conflict of Interest Act, to uphold public trust in government decisions.

While the act came into force in 2008, federal lobbying has been regulated since 1989. The purpose of the federal lobbying regime has always been to advance two important public interests: the transparency of lobbying activities on the one hand, and free and open access to government on the other.

In this regard, the governing principles set out in the Lobbying Act's preamble affirm that the public has a right to know who is engaged in lobbying activities and that lobbying is a legitimate activity that should not be impeded. That is why the act's core registration and reporting rules are intended to ensure transparency without creating undue administrative burden.

The committee has heard a diverse range of views on how to ensure that the Lobbying Act continues to meet its objectives. The TBS is closely examining the recommendations that have been shared by the commissioner, stakeholders and experts. The government also looks forward to receiving the committee's report resulting from this review of the Lobbying Act.

I would like to thank the committee once again for inviting us here today. We're happy to take your questions.

The Chair: Thank you, Mr. Gear.

We're going to start our first six-minute round with Mr. Barrett.

Go ahead, sir.

Michael Barrett (Leeds—Grenville—Thousand Islands—Rideau Lakes, CPC): Does the government believe that the current definition of lobbying is adequate based on the activities in the year 2026?

Brian Gear: The Lobbying Act is a fairly robust framework in the way that it has been set up. There is probably a reason that there has not been a significant change made to the legislation since 2008. Obviously, there have been a number of changes with respect to the expectations of Canadians around transparency, technologies and the use of social media, which certainly would necessitate considering updates that could be made to the act. However, overall, the Lobbying Act, along with the other parts of the integrity framework that are in place, is relatively sound.

● (1535)

Michael Barrett: What changes are your department and the government making to improve transparency both on access to information and on lobbying communications?

Brian Gear: I know there are consultations under way on the Access to Information Act that are being undertaken by another part of the Treasury Board Secretariat right now. They're looking to modernize the act in that respect.

In terms of lobbying communications, we are obviously watching very closely the review that's being undertaken by the committee, and we certainly look forward to any advice on how the act can be modernized.

Michael Barrett: How does the Treasury Board assess compliance and enforcement challenges as the act currently exists?

Brian Gear: We're not responsible for the enforcement of the act or for compliance. We certainly rely on the commissioner, as the committee has heard, in terms of her take on how the act has been enforced to date and on any challenges that she faces in that regard.

Michael Barrett: So the assessment or opinion of the commissioner is accepted wholly by the minister and by the department.

Brian Gear: No, I would not say that. I would say that the input the commissioner has provided is obviously extremely valuable. We value the opinions and information that she has shared in terms of how she sees the administration of the act.

One thing to know about the Lobbying Act, as I pointed out in my opening statement, is that there are trade-offs to be made in terms of transparency and access to public office holders and the administrative burden that is caused by it. Obviously, a decision needs to be made on what the appropriate trade-off is between those two principles in terms of the right approach.

Michael Barrett: What gaps do you think exist in the reporting requirements that limit public confidence in this as an effective tool to ensure transparency in government?

Brian Gear: A lot of the issues that have been raised by the witnesses who have come in front of the committee indicate that there is the potential for increased transparency in a number of different regards. With a lot of the questions about the treatment of in-house lobbyists versus consulting lobbyists, I think there are some questions to re-examine to see whether the rationale that was in place in 2008, when the legislation was originally brought in, is still valid in today's world.

Again, we certainly would value the advice of the committee. We have benefited from hearing the testimony of the witnesses in this review to help educate us on what the right approach would be going forward.

Michael Barrett: Is the Treasury Board Secretariat of the opinion that the administrative burden on consulting firms and lobbyists who are subject to the act is now too onerous for them?

Brian Gear: Obviously, administrative burden is a key consideration in terms of what needs to be done. Ultimately, the appropriate balance between transparency and the administrative burden is a policy decision.

We are taking note of what different stakeholder groups are saying about the administrative burden they face, as well as what they anticipate facing if some of the commissioner's recommendations are to be accepted and implemented.

Michael Barrett: Has the TBS changed its position on the administrative burden since the last time a review was undertaken?

Brian Gear: It's hard for me to comment on what the position of TBS was at the time of the last review. That was 14 years ago. I wasn't in the chair at that time.

What I will say is that administrative burden is an important consideration in a lot of the work the Treasury Board Secretariat is currently undertaking. Obviously, the President of the Treasury Board has been leading a regulatory red tape review, for example, looking at ways to make things easier for business in a number of different regards. That's definitely a priority for the department and for the president, and something that we will take into consideration.

● (1540)

Michael Barrett: Thank you.

The Chair: Thank you, Mr. Barrett.

[*Translation*]

Ms. Lapointe, you have the floor for six minutes.

Linda Lapointe (Rivière-des-Mille-Îles, Lib.): Thank you, Mr. Chair.

I would like to welcome the witnesses and thank them very much for being with us today.

I will now turn to them.

Can you explain why the act makes a distinction between in-house and consultant lobbyists?

What factors should the committee bear in mind when considering whether to adopt a default registration model or stick to the current framework?

Brian Gear: Thank you for the question.

The distinction is related to the responsibility that in-house lobbyists have to corporations and businesses.

[*English*]

We are one of the few regimes in the world that include in-house lobbyists in a lobbying regime, so we have gone a lot farther than most regimes that look only at consultant lobbyists.

The reason there are some distinctions is that within the whole population of in-house lobbyists, there are a lot of different types of people. For example, we could be talking about small business owners, we could be talking about heads of charitable organizations or we could be talking about CEOs of major corporations and major multinational corporations.

One of the beauties of the Lobbying Act is that it has such a broad scope, and it's very comprehensive in its reach in terms of capturing both in-house and consultant lobbyists. There are roughly 9,000 consultants currently registered within the current regime, which is very significant, I would say, but it's hard to adopt a one-size-fits-all approach for all of the lobbyists within that population. That's why the approach in the legislation was adopted the way it was.

Absolutely, it's time to take a look at it to see how it works and whether there are opportunities for improvement within the current circumstances, but overall, I think that explains the rationale behind the approach that's been part of the legislation.

[*Translation*]

Linda Lapointe: Earlier, my colleague talked about transparency. How can we strengthen the transparency of the regime while preserving an open and effective dialogue between public policymakers and stakeholders?

Brian Gear: Those two principles, transparency and access to government officials, are very important. Those are the foundations of the act.

[*English*]

In terms of some of the recommendations that have been put forward, there are opportunities for increasing transparency, and they need to be looked at carefully to understand what all the different considerations and implications would be. For example, a lot of the recommendations that have been put forward by the commissioner have effects on each other, and they compound the different impacts that would be hitting the lobbyist population. We would definitely need to carefully consider what the cumulative effect of the administrative burden would be in moving forward in certain regards if we wanted to try to increase transparency.

The other thing is that we need to be very mindful of what the value of additional measures would be for increasing transparency, looking at that information carefully to see, as the saying in English goes, whether the juice is worth the squeeze. Would the value of that additional information really be worth the cost of implementation and the potential administrative burden for lobbyists?

[*Translation*]

Linda Lapointe: In your opinion, what elements of the current regime are working well and should be preserved as part of this modernization?

● (1545)

Brian Gear: That's a good question.

The Organisation for Economic Co-operation and Development, or OECD, appeared before this committee recently to discuss its observations on the regime in Canada.

[*English*]

The OECD was very complimentary about the lobbying regime we have in place when they were comparing it to other regimes in other jurisdictions.

Overall, as I said, we have a fairly robust regime. It is very comprehensive in terms of its scope and the reporting that is done. I believe the commissioner reported that roughly 30,000 communication reports were filed last year, which provide a lot of transparency.

There's a lot being accomplished that is very helpful for transparency, but there are always opportunities for improvement, and this review is very timely to help look at what those opportunities may be.

[*Translation*]

Linda Lapointe: Thank you very much.

The Chair: Thank you, Ms. Lapointe.

Mr. Bonin, welcome to the committee. You have the floor for six minutes.

Patrick Bonin (Repentigny, BQ): Thank you, Mr. Chair.

Mr. Gear, you mentioned the OECD, but with regard to the Commissioner of Lobbying's first recommendation on the default registering in-house lobbyists, representatives of the OECD told the committee that countries that do not apply registration by default and that require it only when certain thresholds are met have a lot of trouble managing and implementing their policies.

They also said that countries that have passed legislation recently, such as Portugal in 2026, have chosen not to adopt the threshold approach but rather the default registration approach. We hear that it is difficult to manage using thresholds.

Don't you think it would be a good idea to adopt registration by default and that it would simplify things?

Brian Gear: Obviously, there are a lot of benefits to having a simpler plan.

[*English*]

Even with registration by default, though, there would need to be conditions and thresholds in place. For example, the British Columbia regime talks about how they do registration by default, but even in those cases, small businesses with fewer than six employees are exempt from the registration requirement.

Even with registration by default, exceptions and conditions would still need to be put in place so that the system doesn't become so burdensome that the one person who very occasionally is in contact with a public office holder needs to register in the system and has to take on that additional burden.

[*Translation*]

Patrick Bonin: That's a very specific case, but in general, don't you think it would be a good idea to adopt registration by default? Do you think that would simplify things?

Brian Gear: That's certainly an option.

[*English*]

One thing we're looking at right now and learning from is the changes the commissioner has put in place in terms of the "significant part of duties". Reducing that threshold significantly, to eight hours over a four-week period, is capturing a lot more lobbying activity, and we're certainly learning from that experience. That will help educate our view in terms of whether registration by default is a good direction to go in.

[*Translation*]

Patrick Bonin: Would adopting registration by default simplify things or not?

[*English*]

Brian Gear: It is absolutely a simple approach. I just caution that there are a lot of implementation details that would need to be worked out. I have difficulty believing that there would be no exceptions or conditions that would need to be put in place in what we would call a registration by default system.

[*Translation*]

Patrick Bonin: With regard to the administrative burden review, whose purpose which is obviously to save the government money, you indicated that you were going to revise the registration requirements in the Lobbyists Registration Regulations and that the objective was to reduce the administrative burden for individuals, corporations and organizations subject to the Lobbying Act.

In 2012, however, Mr. Douglas, from the Treasury Board Secretariat, told this committee that registering and managing the registry was not a huge administrative burden for lobbyists.

Why do you think we need to reduce the administrative burden on lobbyists?

● (1550)

Brian Gear: Thank you for the question.

[*English*]

I didn't necessarily come out and say that the administrative burden is wrong. I just think that if we're looking at changes, any administrative burden we would be placing on the lobbyist community would be an important consideration that we would need to take into account. As I said, if we were to proceed with amendments to increase transparency around lobbying, that would definitely be something we would need to consider.

One thing that I would say about the regulations themselves is that we included them in the red tape review as something we would be willing to look at. This committee then announced that it would be looking at doing a statutory review of the act, so we've put that on hold until we receive the input of the committee to do that. We certainly are keeping an eye on how the recommendations come in order to decide what the approach will be, and then we will undertake that review again.

One of the things we'd be looking at is how we can make things more nimble, because the regulations, as they are currently written, are extremely prescriptive, and there are probably ways that we can make them much more nimble and flexible going forward.

[*Translation*]

Patrick Bonin: The commissioner thinks her office could easily manage the requirement that all communications be subject to registration, including direct phone calls and text messages, which are exempt.

Do you think the commissioner's request would capture activities that you don't currently capture?

Brian Gear: Obviously, with technological changes, methods of communication have changed a lot.

[*English*]

Since the legislation came into effect in 2008, the tech and the types of communications we do—social media and others—have changed significantly. That is certainly a question we should look at. We would value the input of the committee and others in terms of how that could be modified.

The Chair: Thank you, Mr. Bonin.

For our second round, we have Mr. Hardy.

[*Translation*]

The floor is yours.

Gabriel Hardy (Montmorency—Charlevoix, CPC): Thank you to the witnesses for being here.

Mr. Gear, I listened carefully to what you said at the outset. The Treasury Board Secretariat is responsible for the Lobbying Act. So it's your responsibility. You said that the goal was to improve public trust in the work we do here in Parliament and in our institutions. Is that correct?

Brian Gear: Yes.

Gabriel Hardy: Excellent.

Do you believe that today, as compared to 2008, people have more confidence in Canadian institutions or less confidence in the work we do?

Brian Gear: Obviously, there are a lot of challenges right now regarding Canadians' trust in public institutions.

[*English*]

There are a lot of different factors that have led to that.

[*Translation*]

Gabriel Hardy: Do people have less trust in our institutions because there are all kinds of challenges?

[*English*]

Brian Gear: I know there are a lot of public opinion polls that have shown that confidence in public institutions has declined over time. Again, I'm not sure I would attribute that to just the Lobbying Act.

[*Translation*]

Gabriel Hardy: It simply shows that your work is important, because you are responsible for something that nonetheless serves to maintain trust in our institutions.

Earlier, you talked about the trade-off between the pressure on lobbyists to register and show all the work they do, on the one hand, and the administrative burden involved on the other. One might say it's a question of the balance of convenience.

Knowing that people are losing confidence in our institutions, do you think we should work harder and show more transparency to regain their trust?

If not, will lowering the thresholds ultimately just increase people's distrust?

[*English*]

Brian Gear: Obviously, the expectations of Canadians with respect to transparency have changed. A number of different changes have been made over the years to increase the transparency of government information, for example.

I would say we should be very cognizant of that. It should be an important consideration when we're looking at potential changes to the act. On the other hand, there's the importance of cost—the cost to business and to non-profit organizations of dealing with red tape. We've heard that to be a significant concern, and it's also an important consideration going forward.

● (1555)

[*Translation*]

Gabriel Hardy: Let's talk about what you just said.

In 2012, your department, the Treasury Board Secretariat, said that lobbyists met the deadlines, with no incidents and minimal administrative burden, in particular thanks to a website that was perfected, among other things.

If your site has improved over time and, in 2012, there wasn't a problem with the structure or the way it looks, what has happened since then?

A few seconds ago, you mentioned something extremely restrictive. In 2012, before the technological era we are in now, the system was said to be effective, and today, despite all the technological advances and the improvement of your website, it is considered extremely restrictive.

What happened between 2012 and today?

Brian Gear: I apologize if there is a problem with the wording I used.

[*English*]

I didn't mean to suggest that the cost of the regime right now is too high. What I was pointing out was that if we were to make changes to the legislation, we would need to be very cognizant of what the changes would be and the impact that would have on the administrative cost.

Generally, our view is—and it's probably in line with what we said in 2012—that the current burden is probably appropriate in order to fulfill the provisions as they are now. I'm very mindful of the recommendations that have been brought forward to the committee by the commissioner and the push for greater transparency in a number of different regards. I'm just pointing out that in terms of good public policy, there needs to be a consideration of what the appropriate balance would be between transparency and the administrative burden.

[*Translation*]

Gabriel Hardy: Thank you.

The Commissioner of Lobbying told this committee that the federal regime suffers from a lack of transparency, and we just heard that this is extremely important. There have been suggestions, such as registration by default, disclosure of all lobbying communications, and disclosure of the names of each in-house lobbyist. These are all required in Quebec and in other provinces.

So, if we want to harmonize things in Canada and ensure that the threshold is higher rather than lower, why does the suggestion you seem to be making ultimately amount to reducing what is required of lobbyists, while they are being asked to do more in Quebec and in the other provinces?

[*English*]

Brian Gear: I haven't proposed that we lower the threshold at all. Again, I'm just pointing out that as we consider any potential changes—and there's a lot of interest in more transparency—we take the cost into account.

The Chair: Thank you, Mr. Gear.

[*Translation*]

Thank you, Mr. Hardy.

[*English*]

Monsieur Al Soud, you have five minutes.

Go ahead, sir.

Fares Al Soud (Mississauga Centre, Lib.): Thank you, Chair.

Mr. Gear and Mr. Ross, thanks to both of you for taking the time to be with us today.

I want to make sure I've understood something tied to a note from earlier. Given that our legislation includes a distinction between in-house and consultant lobbyists.... I heard a note that it currently goes above and beyond. Have I understood that correctly?

Brian Gear: What I meant by "above and beyond" is that our legislation is a bit different from that of most jurisdictions, in that it includes in-house lobbyists. That captures a significantly larger population of lobbyists. I think roughly 75% to 80% of the lobbyists who are currently registered are in-house lobbyists, so that obviously captures a lot more of the volume of communication with public office holders.

Fares Al Soud: You referred to, as you said, the point on cost. That's been an important conversation here over the past few meetings. We've made several references to us as members of Parliament engaging with small businesses across our ridings and not wanting to introduce barriers that would prevent transparent dialogue between us and the people on the ground.

Have people reached out to your department to make the case for modernization and improving transparency?

Brian Gear: As I explained in my opening remarks, the role of the Treasury Board Secretariat is somewhat limited in this regard. The president is the responsible minister, but we're not really on the front line in terms of dealing with stakeholders with respect to the Lobbying Act.

The commissioner has most of the day-to-day interaction with the lobbyist community, for example, and others. We do hear from stakeholders who write to the minister, for example. Would I say that a groundswell of pressure has been advanced to us? I'm not aware of that, but I think it is fair to say that there are changing expectations in terms of transparency, and we should see what we can do to try to address that.

● (1600)

Fares Al Soud: Do you know of any specific instances where that need might be justified? That's to whatever extent you can speak to it, of course.

Brian Gear: A lot of interesting ideas have been forwarded about including more information around each communication—for example, the participants who are there when there is an interaction with a designated public office holder. There's the potential for learning more about what is behind certain lobbyists in terms of the funding and ownership interests that may be involved. There is the potential for exploring options around that. That would definitely help address some of the concerns around transparency that I have heard.

Fares Al Soud: The Commissioner of Lobbying has proposed gaining independent regulation-making authority. Expert lawyers who appeared before this committee described that proposal as—and I'm quoting from their brief—"seriously inconsistent with foundational principles of Canadian administrative law."

Could you walk us through how the current process for amending regulations under the Lobbying Act works? I have a follow-up question to that as well.

Brian Gear: The current process is that we would be responsible for developing the regulatory proposal, and the president would be the responsible minister who then shepherds that through the process to get Governor in Council approval for any regulatory package.

We would obviously work very closely with the commissioner. If the commissioner or her office had concerns, we would work very closely with them and consult them on the content of any changes to the regulations.

That's the way that it currently works.

Fares Al Soud: To whatever extent you can speak to this, has there been any back-and-forth between your department and the commissioner on this piece? Specifically, was there ever a situation where an issue came up that she felt couldn't be addressed through the existing process, something that might have driven her to seek this authority in the first place?

Brian Gear: I've been in this job for eight years now, and we have had no request from the office of the commissioner to make regulatory changes.

Fares Al Soud: As the committee evaluates existing rules and proposed reforms, it's important to balance transparency requirements with proportionate compliance requirements. You've already spoken to that at large here, and I imagine you speak to that fairly frequently in your day-to-day work.

I ask this specifically in the context of smaller organizations and recognizing their realities. How does the Treasury Board approach balancing transparency objectives with minimizing administrative burden for regulated entities under the Lobbying Act?

Brian Gear: When we are taking in-house lobbyists as part of the regime, as I've said, it requires a lot of detailed implementation. There are a lot of different scenarios that you need to work through, because the population of in-house lobbyists is so heterogeneous. As you said, with the example of a small business owner and the burden this can place on their enterprise—respecting the principle of the act that you do not want to impede free access to public officials—it's certainly something you need to take into account.

You really need to think through all of the different scenarios and put in the appropriate conditions and exceptions to be able to alleviate the burden to some degree.

The Chair: Thank you, Mr. Gear.

Thank you, Mr. Al Soud.

[*Translation*]

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

Patrick Bonin: The Commissioner of Lobbying appeared before the committee this past May. Among other things, she spoke about her budget of roughly $6 million, $4.8 million of which goes to employee salaries and benefits. That means she has an operating budget of approximately $1.3 million. A large share of that, $700,000, is spent on federal services, such as human resources services. It's still a very modest budget, especially when you compare it to that of some lobbyists.

Why wouldn't the government increase the budget of the Office of the Commissioner to make the office more effective, if the goal is to be more transparent?

Brian Gear: Thank you for the question.

● (1605)

[*English*]

I know there have been requests in the past for additional funding. I don't think there has been anything recently. I may be wrong in that regard.

Obviously, when the request comes in, it gets boarded into the budget decision-making process. I'm not part of that myself, but it is something. A decision is then made, obviously taking into account scarce public resources and various priorities and looking at the business case that has been put forward to them in terms of what the appropriate level of funding or the response to a funding request would be.

[*Translation*]

Patrick Bonin: You spoke earlier about trust in public institutions, which has waned over time for a number of reasons.

If, instead of increasing funding and resources to increase transparency, the government decreases them, are you not concerned that this trust will further erode?

[*English*]

Brian Gear: We're very cognizant of all agents of Parliament being able to fulfill their responsibilities and their mandates. Obviously, if there were decisions made to increase transparency—and I imagine that some of the recommendations that were put forward by the commissioner would significantly increase the work faced by her office—that would need to be considered to make sure the office has the adequate resources it requires to implement whatever changes are put forward.

[*Translation*]

Patrick Bonin: The commissioner told this committee that a number of officers of Parliament, including her, have to apply for funding through a ministerial portfolio, which, in her opinion, compromises their independence. She encouraged us to think about a new funding method, such as the one in New Zealand, which would be completely independent and not subject to the ideology of the day, changes in mood or interpersonal relationships.

What do you think of that suggestion, which seems interesting in terms of independence?

Brian Gear: I know that is a common theme for all officers of Parliament.

[*English*]

I have certainly heard the argument from all the different agents of Parliament that it's important. They feel that it's important for their independence.

[*Translation*]

Patrick Bonin: I'm sorry, but I'm not talking about other officers of Parliament. I'm talking very specifically about the Commissioner of Lobbying. Let's talk about her case.

[*English*]

Brian Gear: I know that the lobbying commissioner also feels that way and that she has some concerns about the effect it has on her independence.

The current system does take into account and looks very carefully at the requests put forward by agents of Parliament, and decisions are made accordingly.

[*Translation*]

Patrick Bonin: I know how it works, but I want to hear your thoughts on increasing the independence of the funding she receives. Do you think that's a good idea or not? Would that independence help restore trust?

[*English*]

Brian Gear: It's not really up to me, sir, to express an opinion on the budget-making process and the way that funding for agents of Parliament is decided.

[*Translation*]

Patrick Bonin: So you don't have an opinion, okay.

I learned that the commissioner has no immunity in civil and criminal proceedings. Do you agree with giving her immunity to avoid that?

[*English*]

Brian Gear: I know this is one of the recommendations the commissioner has put forward. Other agents of Parliament have immunity in certain respects, and this should definitely be considered as we're looking to renew the act.

[*Translation*]

The Chair: Thank you, Mr. Bonin.

[*English*]

Mr. Cooper, you have five minutes. Go ahead.

Michael Cooper (St. Albert—Sturgeon River, CPC): Thank you very much, Mr. Chair.

Thank you, Mr. Ross and Mr. Gear, for your testimony.

Has the Treasury Board Secretariat undertaken an analysis of the recommendations and changes proposed by the lobbying commissioner?

Brian Gear: We're undertaking that analysis now, and it's ongoing.

Michael Cooper: The review is scheduled to take place sometime in the fall. Is that the plan, to commence—

Brian Gear: Do you mean the regulatory review?

Michael Cooper: Yes, by TBS.

Brian Gear: As I said, we had initially planned to conduct a review of the regulations, and we announced that as part of the 60-day red tape review in early September 2025. I think it was a couple of weeks later that the committee adopted the motion to start the statutory review of the act, so we put a pause on the regulatory review until we have completed this review and have made some decisions in terms of whether any changes are required to the legislation or the regulations as a result of the review.

● (1610)

Michael Cooper: Do you have a timeline for when the review will be completed?

Brian Gear: I don't have that timeline for you right now.

Michael Cooper: Why was it necessary to suspend or halt the commencement of the review until this committee did its work? Why not begin the process in parallel?

Brian Gear: I think it was important that we didn't go too far down the road of looking at regulatory changes when we didn't know what exactly was going to come out of this review.

We definitely look forward to hearing what the committee wants to suggest and then allowing the government to make a decision on how it would like to proceed with respect to those recommendations.

Michael Cooper: In my view, changes are required to strengthen the act. The lobbying commissioner, for years, has been highlighting gaps with respect to transparency in terms of what is not covered. It seems that the longer this goes on, the longer the government will drag its feet and not take up, frankly, much-needed changes to the act to update it, which, as you note, is now nearly 20 years old. A lot has changed in that time.

When it comes to the administrative burden, from the standpoint of those who register, who are lobbyists, the commissioner takes a very different view of it insofar as she notes that it takes 20 minutes to fill out the form and five minutes to submit it. Perhaps that is generous. Perhaps it is more burdensome than that.

When you look at, for example, registration, the percentage of late registrations is quite low, which would indicate that it's not all that difficult for lobbyists to register in compliance with the act. Is that fair?

Brian Gear: I know the commissioner has expressed her view of how long it would take to fulfill a specific transaction in terms of a specific report, and I think she indicated in numerous instances that it would only take a few minutes.

What I think is important, though, if we are considering changes to the act, is that some of the ones proposed by the commissioner would expand not only obligations on lobbyists themselves but also the population of designated public office holders, the type of information that would be required to be reported, etc., so it would be very important to look at the cumulative impact of any changes that we decide to go forward with and see what the impact would be on all those in the lobbyist population, including small business owners, executive members, volunteers of associations, etc.

Michael Cooper: Thank you.

The Chair: Thank you, Mr. Cooper.

Mr. Chang is next for five minutes.

Go ahead, sir.

Wade Chang (Burnaby Central, Lib.): Thank you, Mr. Chair.

Thank you, officials, for being here.

How does Canada's lobbying regime compare to those of other leading democracies in terms of transparency, oversight and administrative requirements?

Brian Gear: As I said, I'm glad that the OECD was happy to appear before the committee and share the observations that they made as part of their study of Canada's integrity regime. I'm glad that they were also able to make comments specifically about the Lobbying Act and the regime that's in place for lobbyists, in which they did say that we compare relatively well with the other jurisdictions they studied around the world.

We have a very comprehensive regime wherein we include in-house lobbyists and consultant lobbyists. We have stringent penalties for contraventions of the act, with criminal sanctions of $200,000 or up to two years in prison, for example. There are very severe penalties for contraventions. We also have very strong post-employment obligations that are embedded in the act to make sure that public office holders are not using their position to benefit themselves in terms of post-public life career opportunities.

Overall, Canada has been recognized worldwide as a leader. Are there opportunities for improvement? Absolutely. As Mr. Cooper has pointed out, the act is almost 20 years old now without having been modified. There is definitely an opportunity to look at it and see how we can modernize it, but overall, I think it is recognized worldwide as a pretty strong regime.

● (1615)

Wade Chang: We have heard concerns that some recent proposals or interpretations might not have involved extensive consultation with stakeholders. To your knowledge, what stakeholder engagement informed the commissioner's recommendations, and what role, if any, did the Treasury Board play in these discussions?

Brian Gear: I'll answer the last part of your question first.

Again, our role is relatively limited. We jump into action as required whenever the minister gets involved. We don't have a lot of frontline experience in this regard or interaction with different stakeholders, so there's not much we would add to the process.

In terms of the consultation that the commissioner has done herself, you'd have to ask her and her office about what they have done.

Wade Chang: How important are predictability and regulatory certainty for organizations that must comply with this act? How should they factor in any reforms recommended by this committee?

Brian Gear: I'm sure any business would tell you that regulatory certainty is critical, particularly for small and medium-sized enterprises. The burden complaints regarding regulatory red tape and government red tape in general have been quite prevalent, so anything we can do to try to simplify and stabilize the regime for the population would be quite helpful.

Wade Chang: The Lobbying Act seeks to promote transparency, not discourage engagement with government. How can Parliament ensure that reforms do not unintentionally create barriers to participation in public policy discussions?

Peter Ross (Director, Policy, Planning and Liaison, Priorities and Planning Sector, Treasury Board Secretariat): In terms of not impeding things, it's really important that we take into account how the law can apply to different groups. Yes, we want to make sure there's transparency, but at the same time, it's really important that we take into account that it can apply to many different types of organizations. You have the consultant lobbyists who are professional and full-time, but it can also apply to major corporations with in-house lobbyists, or it can apply to small businesses or not-for-profit organizations, like sporting organizations and such. All those need to be taken into account, along with thinking about the appropriate balance between accessibility and transparency and the burden that is puts on organizations.

Wade Chang: Thank you very much.

The Chair: Thank you, Mr. Chang.

[*Translation*]

Mr. Hardy, the floor is yours for five minutes.

Gabriel Hardy: I would like to come back to the answer you just gave, Mr. Ross.

You just said that we must focus on the administrative burden, which can be more onerous for a small business or volunteers than for a larger business. Why should we even consider the burden if the objective is ultimately the same?

If someone lobbies decision-makers and the objective is the same, that is, to obtain government grants or to change public policy decisions, no matter who they are, they should have to deal with the same administrative structures. Wouldn't you agree?

Peter Ross: Thank you, Mr. Hardy. That's a very good question.

There are indeed circumstances in which the rules have to be the same for everyone. Even if you look at all the different regimes across the country, there are still exceptions or exclusions in specific circumstances.

● (1620)

[*English*]

In the case of British Columbia, which is often identified as one of the leading jurisdictions in this area, there are exceptions for small organizations that have six or fewer employees. They don't necessarily follow the same rules as an organization that has hundreds or thousands of employees. That's the sort of thing that needs to be taken into consideration. They're doing it full-time versus engaging—

[*Translation*]

Gabriel Hardy: I suppose we agree that, if a person does this on a full-time or part-time basis, whether they are paid or not, if the ultimate objective is to change public policy decisions by lobbying, they must be subject to the same rules. Whether I am rich or poor, if I drive down the highway at 200 kilometers per hour, I will be stopped and will suffer the same consequences as everyone else.

We were just talking about the consequences that apply to those who break the law. You mentioned a $250,00 fine and even jail time. Who's going to be responsible for enforcing those rules? Does the Commissioner of Lobbying have the right to tell someone that they made a mistake and that they must suffer the consequences? Does she have the power to do that?

I would invite both of you to answer my question.

[*English*]

Brian Gear: I believe the commissioner spoke to this. The way it works right now is that if she has reason to believe that a contravention of the act has taken place, she refers the matter to the police. It's usually the RCMP.

[*Translation*]

Gabriel Hardy: So the commissioner doesn't have the power to do that. Actually, my question was a bit odd, because I already knew the answer.

The question I wanted to ask though is the following: How many times has a lobbyist who has not complied with the act gone to jail or received a fine?

When the RCMP came to testify here the last time, we were told on a number of occasions that it didn't happen ultimately, even in highly publicized and very obvious cases.

[*English*]

Brian Gear: To my understanding, there have been a couple of charges laid over the last couple of years. I don't have the specific dates. I know that one person was convicted of the charge. I won't say that they necessarily faced jail time. I can't remember exactly how that concluded, but I would still say that the threat of those criminal sanctions does have an important impact in terms of deterrence and encouraging people to be in compliance.

[*Translation*]

Gabriel Hardy: If the commissioner had more power, do you think she would be able to impose sanctions herself, which would curb people more effectively?

Does the commissioner have enough power?

[*English*]

Brian Gear: I know the commissioner has put forward the idea of having more measures to help ensure and encourage compliance, including things like administrative monetary penalties and temporary lobbying bans.

I think it is worth looking at different options that could give her more tools in her tool box to help encourage compliance among the lobbyist community. I'm not sure whether there's a big problem right now in terms of non-compliance, and I'm not sure whether the commissioner has said that she is worried about it. She and her office have done a very good job of working with public office holders to ensure that they are in compliance through education, public awareness and providing guidance.

[*Translation*]

Gabriel Hardy: What does the minister think of that?

The Chair: Mr. Hardy, we're at five minutes. I'm sorry.

[*English*]

Mr. Gear finished his answer in five minutes.

Ms. Chagger, you have five minutes. Go ahead.

Hon. Bardish Chagger (Waterloo, Lib.): Thank you, Chair.

Thank you, Mr. Ross and Mr. Gear, for being here today and providing these insights.

I'm going to build on some of the lines of questioning we've had and refer to recommendations 17 and 21.

It seems that the Commissioner of Lobbying is seeking certain powers that are normally associated with other agents of Parliament. However, from what I understand, most agents of Parliament deal primarily with the federal government and designated public office holders, whereas the commissioner has a somewhat broader, more public-facing role.

With that in mind, can you elaborate on what those two recommendations would mean in practice and what considerations the committee should be thinking about?

Brian Gear: Unfortunately, you didn't invite any lawyers here today, so we're not able to provide all the details behind the different legal arguments or legal considerations that there may be.

It is noted that other agents of Parliament have immunity right now for different cases and that many agents of Parliament are dealing with government more than the public. We have been looking at this question internally and trying to figure out the exact rationale for why the immunity was not included in the act when it was first brought in in 2008, so it's something that I think we want to look at again and consider.

In terms of the compliance measures, as I just said, I know that the commissioner has indicated that she would like to have more flexibility in the tools to encourage compliance, including administrative monetary penalties. There are a number of legal considerations that need to be put in place as well, or taken into account, when we're looking at these additional tools so that they are not punitive measures and are focused solely on encouraging compliance. That kind of analysis would be done if there was consideration for giving her those additional tools.

● (1625)

Hon. Bardish Chagger: I appreciate those insights and that information. I look forward to having more people appear for this study so we can provide the insights that you're looking for.

With that, Chair, I move to resume the debate on the motion moved by Leslie Church on April 13.

The Chair: Okay. Just remind me again which motion it is.

Hon. Bardish Chagger: It was on the Privacy Act.

The Chair: Which one?

Hon. Bardish Chagger: The study on the Privacy Act.

The Chair: Okay.

I'm going to ask you to stay in your chairs, if you don't mind, and we'll see where this goes. I'm going to get some advice from the clerk.

It is a dilatory motion, so we have to proceed to a vote on the motion that's been moved by Ms. Chagger to resume the April 13 debate on the Privacy Act.

Do we have consensus on that?

Michael Barrett: I don't have the motion in front of me, so I'll use your roll call as time to research.

The Chair: Madam Clerk, just pull up the motion, because I want all members to be clear on what the motion was about.

It was actually a notice of motion.

The Clerk of the Committee (Nancy Vohl): It was moved on April 13.

The Chair: Can you explain to the committee what we're voting on?

The Clerk: The motion was moved, debated and adjourned on April 13. It reads:

> That, in light of the need to ensure government operations remain modern, secure and effective so that Canadians can benefit from efficient and innovative public services, and recognizing the rapid advancement of digital technologies and their implications for the protection of personal information, that pursuant to Standing Order 108(3)(h), the committee undertake a study—

[*Translation*]

Patrick Bonin: Mr. Chair, the interpreters haven't received the text of the motion. That's what I was told; I'm just the messenger.

The Clerk: I sent it to them, but I can send it again.

The Chair: I would like the interpreters to see what we're talking about.

We'll suspend for a minute.

[*English*]

Hon. Bardish Chagger: Can we let the witnesses go? I had the last round of questioning anyway.

The Chair: Mr. Ross and Mr. Gear, I will let you go. I want to thank you on behalf of the committee for being here and participating in this study today.

I'm going to suspend for a minute to make sure the interpreters have a copy of what we're debating.

● (1625)

(Pause)

● (1635)

The Chair: We're back.

On the motion by Ms. Chagger to resume debate on the Privacy Act, for the benefit of members, we have shared the motion in both languages. The motion was put on notice on March 27 and moved on April 13. That's just for clarity.

I'm going to call a vote on the resumption of debate and ask Madam Clerk to call the roll.

(Motion agreed to: yeas 9; nays 0)

The Chair: We're resuming debate on the motion.

I don't see any hands.

Hon. Bardish Chagger: Can I talk about it?

The Chair: Yes, Ms. Chagger. Go ahead on the motion.

Hon. Bardish Chagger: It's been interesting to have some of these conversations, and it's neat to be part of this committee.

I believe, especially after the witnesses we just had from the Treasury Board, that reviews and modernizations are needed of some of the acts that this committee is responsible for. When it comes to the Privacy Act, I think it's been nearly a decade since it was last meaningfully examined at committee, and that's well before the rise of AI and other modern technologies that now fundamentally shape how personal information is collected and used.

I noticed that we were supposed to have a committee business debate for this second hour, and it seems like there's no shortage of work for us to do. If we can get a few stakes in the fire so we can have witnesses come and the studies can proceed, I have no problem talking about committee business. However, I think we're well aware of the work that we need to do.

It's also important for us to have an understanding of who is left to appear with regard to the Lobbying Act versus who's not. I know a number of witnesses were suggested to you, Mr. Chair, whom this committee put forward. Perhaps we can get the status on who's replying and who's not responding so we can see how many more meetings are needed for that. Then we can do another study.

I'm pretty confident that we can have a couple of studies happening at the same time. I know that the Treasury Board has launched a review of the act, and with our government committed to modernizing its operations, we believe it's essential that committee members first receive a thorough briefing on the Privacy Act. This should include hearing from Treasury Board officials, the Privacy Commissioner, relevant departmental officials and other commissioners, so I would entertain that conversation.

I think this is something we can resolve rather quickly. Perhaps we can suggest witnesses so that you, Mr. Chair, can keep the committee moving with ample discussion on matters that are relevant not only to the work we do here but to Canadians.

With that, I'll say that I'm pleased to see all committee members supporting the resumption of this debate, and I look forward to seeing it flow and move forward quickly.

The Chair: Thank you, Ms. Chagger.

The purpose of committee business tonight is to update committee members on where we are at with the Lobbying Act, so when we get to that point, we'll be glad to update committee members.

[*Translation*]

Mr. Bonin, you have the floor.

Patrick Bonin: Thank you, Mr. Chair.

I have two comments for my honourable colleague.

First, Ms. Chagger, I don't know if you want us to start this study immediately, but one of the committee's priorities is the report we received about our study on artificial intelligence. It's important that we finish that work before moving on to a major study. You seem to agree. That's good.

Second, if I understand correctly, the motion for the study that you're proposing currently says no more than 10 meetings. Ten meetings is huge. I understand that this is an important file, but if we spend 10 meetings on each of the many important files this committee has to manage, it's going to take us a lot of time.

Would you be agreeable to reducing the number of meetings a bit?

● (1640)

[*English*]

The Chair: There's a question for you, Ms. Chagger, so I'm going to you for a response.

Hon. Bardish Chagger: Thank you, Mr. Chair.

To your comments, Mr. Chair, I was not aware of the update. If I had known that that was the update we were providing, I would have probably travelled with a different approach. Next time, if you have any insights as to what you would like to discuss, I would welcome that information.

Mr. Bonin, the way the motion reads is “not greater than”, so 10 meetings would be the maximum. I am more than fine with fewer meetings. I haven't talked to my colleagues, but if we can be efficient in the use of our time in having witnesses appear, then we can at least get to some of the work we need to do. Even when it comes to the draft reports that we need to review and submit, we might want to get some of that stuff presented and possibly have some action on it.

I welcome having a lot fewer than 10 meetings. I just want to get work done. That's why I'm here.

The Chair: Thank you.

Monsieur Bonin, go ahead.

[*Translation*]

Patrick Bonin: I therefore move an amendment to your motion, Ms. Chagger, that we devote no more than six meetings to this study.

[*English*]

The Chair: On the amendment, we'll go to Ms. Chagger.

Hon. Bardish Chagger: I have no concerns with the amendment, Chair, and I have confidence in the work that you do. I look forward to hearing other comments, but for me it would be dependent on which witnesses are being presented and whether they have to appear on their own or we can have panels. Perhaps we would be able to do it, but I have confidence that you and the clerk will be able to see how many meetings are needed.

That's why I believe the motion—I can't put words in Ms. Church's mouth—was proposed the way it was. I know sometimes it's hard to get witness schedules and so forth, depending on who it is. That's where I'm coming from. If we need the time, then we use it. If we don't need time, and we can get it done in even two meetings or three, I would like it.

I think that it needs to be a meaningful look at the review. It's over a decade in the making, and the world has changed a lot.

The Chair: Thank you, Ms. Chagger.

We're all experienced around here. We know what happens. Members put their lists in, and we try to accommodate all the parties by having their witnesses appear.

There was a discussion on that at the beginning of the session, when this session started, and it was a preference of committee members to have no more than two on a panel in any given hour, not three, four or five, because it was felt at the time—and the majority of the members agreed with this—that there was more opportunity to ask questions if there were two rather than more.

There have been exceptions, obviously. Some people come here with three people, so we put them on the panel for points of reference, but generally the practice is to have two witnesses per panel per hour. That's what we strive to do, and that's what the clerk strives to work towards.

Ms. Church, go ahead.

Leslie Church (Toronto—St. Paul's, Lib.): Thank you, Mr. Chair.

On the amendment, I was going to seek a friendly amendment that maybe we could have no more than eight meetings.

The Chair: There are no friendlies. It's a subamendment if you choose to do that.

Leslie Church: Then I will make my case for—

The Chair: The subamendment is for eight meetings. Is that correct?

Leslie Church: Yes, it's a subamendment to have eight meetings.

I really appreciate my colleague's comments about making sure that we are managing the business of the committee and tying up some of the reports that we have under way.

When it comes to privacy, we are, first of all, squarely within the mandate of this committee. As my colleague set out, we are a decade or more overdue in terms of an update to a very technical, important piece of legislation. I am certainly aware that the Treasury Board Secretariat has launched a review of the Privacy Act, so this is an opportunity for the committee to have input into the work that government is going to do around that legislation. This is a moment for that.

As a result of all those things, I think you're going to find that there is quite a bit of demand for people to present to this committee so that we have a chance to hear the expertise on this act in order to provide a solid report and input, including from the commissioners themselves, who are the tip of the iceberg on this.

I have no illusions that this will get done in the next month before we break for the summer, but I think we should allocate a slightly longer time frame for it in our meeting schedule if we're realistic about the kind of contribution we want to make.

● (1645)

The Chair: Thank you, Ms. Church.

[*Translation*]

I misinterpreted that, Mr. Bonin. If you agree to amend your amendment so that it proposes no more than eight meetings, a subamendment won't be necessary and we can vote on it.

Patrick Bonin: I agree.

The Chair: Okay.

[*English*]

We're still on the amendment, not a subamendment, to change the motion to have eight meetings. Is there any other discussion on that? No.

Do we have consensus on the amendment?

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

The Chair: Now we'll move on to the main motion as amended.

Do we have consensus on the main motion?

Go ahead.

Hon. Bardish Chagger: I'm new, so I appreciated the insights you gave at the beginning of the session. Thank you for sharing them with me and bringing me up to speed, at least.

It feels like this is going to go in the right direction. It would be nice to know what witnesses are being invited and then get the status of who's responding and who's not. That's something I'm missing with the Lobbying Act, which I now understand you will be providing us an update on.

I would like to put that on the record as a request, please.

The Chair: Madam Clerk, maybe you can talk about the practice when witnesses are submitted by each party and what the normal course of action is so that Ms. Chagger is brought up to date on the work you do with the analysts in order to invite witnesses to our committee, and how that's marked off and moved. Do you want to just provide us with an update?

[*Translation*]

The Clerk: Yes, absolutely.

We've been working together on this committee for a few years, so we have a good working relationship that enables us to be effective. It's been our practice to prepare a witness list once members have sent us their lists. After that, the analysts, the chair and I suggest a work plan, which we distribute. Members who were on the committee at the time received the work plan. This plan is not set in stone. Once it's circulated, if members have any comments to make, we ask them to do so as soon as possible. Otherwise, we will move forward.

Obviously, the plan will change depending on the availability of witnesses. Sometimes, witnesses may not be available on certain dates and we change the order of appearances, but we try to follow the plan as much as possible. That ensures that all parties are represented proportionally. In addition, we try to group witnesses by topic or by type of witness to have more productive discussions. So the work plan is distributed in advance.

After the meetings, on a more informal basis, I will regularly go and see the members and employees to give them updates on the witnesses I have invited from those proposed by their respective parties, those who are harder to reach and those who will come in the next few days.

All of that has already been done. Most of the members who were on the committee before April had an update at that time. We had to cancel some witnesses for the lobbying study, because there was a debate and the committee went in a different direction. So we picked up from where we left off before the debate, quite simply.

● (1650)

The Chair: Okay. Thank you, Madam Clerk.

[*English*]

We try to get as many witnesses as we can, but the old expression is that you can't push a wet noodle. If some witnesses decide they don't want to appear before the committee, they don't, and we try to make adjustments based on that.

We're on the main motion as amended. Are there any questions or comments?

I have Mr. Barrett on the main motion as amended.

Michael Barrett: As prescribed witnesses, we have the President of the Treasury Board, the Privacy Commissioner, the Information and Privacy Commissioner of Alberta and "any other witnesses the committee deems relevant", so that's good. With respect to the provincial privacy commissioner of Alberta, unless there's an exclusive imperative to have her, I wonder whether we should not seek to invite all of the provincial and territorial commissioners—unless there's some specific synergy that we're looking to capitalize on. If there is, that's great. If there's not, I would amend the motion to have, in (c), all provincial and territorial information and privacy commissioners, and to strike the words "of Alberta". I will defer to the chair and the clerk on the prescription of time, because then we're into 26 hours.

The Chair: It's 26 hours.

Michael Barrett: I'm just not sure if we can panel them.

The Chair: Yes.

Michael Barrett: It would depend on their availability within our study window, but we would get the information and privacy commissioner of Alberta, as requested, and we'd be able to draw on the experiences of the others as well.

The Chair: That's a fairly straightforward amendment by Mr. Barrett, under item (c). It's to have every privacy commissioner. I'm assuming that every province and territory has a privacy commissioner. I don't know that for sure. That would mean 13 of them appearing before the committee, but not for two hours each. I would suggest that it be in panels. Two and two has been the normal practice around here.

Hon. Bardish Chagger: Is it two at a time?

The Chair: It's two at a time.

Hon. Bardish Chagger: That's your meeting gone, right there.

The Chair: It would be a lot more meetings, but if the amendment passes, we'll come back with a plan to do it. Maybe we need three here at a time. It's up to you guys to figure out what you want to do.

Mr. Barrett's amendment is to have the privacy commissioners from all provinces and territories. Do we agree with that?

Leslie Church: We will agree with that.

The rationale for it is that Alberta completed a significant privacy review last year. It is the first province to undertake one in a long time, and recently. That's why we thought they would have the most valuable insight. We're certainly open to hearing from others.

The suggestion to be flexible on the number we have during an hour is very good.

The Chair: Okay. I'll take that as direction from the committee, then, and the clerk will too.

Michael Barrett: We're flexible.

The Chair: We're on Mr. Barrett's amendment.

[*Translation*]

Do we all agree on that?

[*English*]

Hon. Bardish Chagger: Can I get clarification?

The Chair: Mr. Barrett is proposing that item (c) be amended to include all privacy commissioners from the provinces and territories.

Hon. Bardish Chagger: He wants to remove "of Alberta". I think the reference to Alberta is relevant. That's all.

The Chair: "All" means all. It doesn't exclude Alberta. My interpretation of "all" is that it includes Alberta.

Hon. Bardish Chagger: We should specify Alberta because they're the only current one. That's what I'm saying.

The Chair: Okay. We can say “Alberta and all other provinces”, then. It's the same thing.

Michael Barrett: We're going to make them feel very special.

● (1655)

The Chair: Yes.

Michael Barrett: I like that for them.

Hon. Bardish Chagger: Let's do it.

Michael Barrett: Let's keep it.

[*Translation*]

The Chair: Ms. Lapointe, you have the floor.

Linda Lapointe: Item (c) says, “Information and Privacy Commissioner of Alberta for two hours”. Does that mean that everyone would appear for two hours? If we're trying to have three witnesses at the same time, I think two hours is too much. We can invite all three of them, but if we don't remove the words “for two hours”, does that mean we'll have everyone for two hours?

The Chair: As I understand it, the idea is to invite the three witnesses for one hour each, for each group of witnesses.

Linda Lapointe: That's right, but we just need to amend item (c).

The Chair: If all members agree to eliminate “for two hours”, we can do that. It is agreed among us that all three witnesses will appear for only one hour each, for each group of witnesses.

Linda Lapointe: I think that would be reasonable, but the words “for two hours” should be removed. Otherwise, we're going to be here all fall.

[*English*]

The Chair: Okay.

Where are we? Are we on the amendment, or are we on the main motion as amended?

The Clerk: There seems to be agreement.

The Chair: Okay. There's agreement.

The Clerk: I don't want to assume.

The Chair: I'm going to assume that there's agreement on the amendment.

(Amendment agreed to)

The Chair: Do you want to name Quebec too, Gabriel?

[*Translation*]

Mr. Bonin, do you want us to invite the Quebec commissioner as well? I would really like us to invite the one from Ontario as well.

Linda Lapointe: We could mention all the provinces and territories.

Gabriel Hardy: Yes.

[*English*]

The Chair: Here we go. We are going to vote on the main motion, with the understanding among us all on where we're at with this.

Do we have consensus on the main motion?

[*Translation*]

Patrick Bonin: Mr. Chair, can you just clarify this? Is it the same motion? Did we keep the reference to Alberta, but remove the words “for two hours”, or are we saying all the provinces and territories now rather than just Alberta?

The Chair: Ms. Chagger wants Alberta to be mentioned. We're going to mention all the commissioners in every province and territory. As I understand it, all the commissioners will testify for only one hour, and there will be three commissioners per group of witnesses.

Is that clear?

Patrick Bonin: I understand the need to mention Alberta, based on the rationale of my colleague who moved the original motion. Quebec also has some unique features though that are of interest to the committee. So I don't see why Alberta should be mentioned but not Quebec.

The Chair: Mr. Bonin, I don't think we should mention any of the provinces, but that's what Ms. Chagger wants. That's where we are right now.

Patrick Bonin: Okay.

The Chair: If you want to remove the reference to Alberta and simply say all the commissioners from all the provinces and territories, you can propose an amendment to that effect.

Patrick Bonin: Unless my colleague agrees to remove Alberta and say all the provinces and territories, you can see why I feel an obligation to propose that Quebec be mentioned as well as Alberta, for equally valid reasons, I believe. I'll give you the option. It would be simpler to mention all the provinces and territories.

The Chair: Each province and territory can be mentioned in the motion.

[*English*]

If we want to do that, then let's fill our boots; let's go. That way we solve the problem and deal with the problem.

Just so members are clear, part (c) of the motion will name every province and territory. Is that okay? Okay.

Now that we understand that, do we have an agreement on it?

(Motion agreed to)

The Chair: The motion passes.

[*Translation*]

Linda Lapointe: But we won't have everyone for two hours, will we?

The Chair: No, that's understood.

[*English*]

Let's get to an understanding of where we're at.

I want to bring the committee up to date with respect to the Lobbying Act. I've had some discussions with the clerk, and I'll get her to weigh in on this.

We are near the end of our witness list on the Lobbying Act. We have a meeting scheduled for Monday, when we have four witnesses coming in. Next week we have the Alto meeting with the Minister of Finance, and we also have the Ethics Commissioner. That will probably take us into the final week. I've asked the clerk to exhaust the witness list for the final week that we're scheduled to be here. She's in the process of doing this.

The lobbying commissioner has indicated to us—and we gave her this chance at the beginning—that she would come back after all of the testimony has been done. She has indicated to us that she would like the summer to digest the information that's been received from the witnesses and the briefs so that she can come back in September to conclude the lobbying study with any more information that she may be able to provide or anything else. That's where things are right now with the Lobbying Act.

The other thing is that the analysts are going to start working based on the information we've received on the Lobbying Act. They're going to start working on a draft report, but again, none of that will be concluded until we hear from the lobbying commissioner. That's where we're at with the Lobbying Act.

When we come back in September, I've made a commitment that we are going to deal with both the AI report and the access to information report. Both reports, as you know, have recommendations. There's not an equal number of recommendations, but they have recommendations, so I don't expect one will be easier than the other. We are going to deal, as a priority, with the AI report and then the access to information report.

I would like Madam Clerk to provide us with an update on where we're at with the witness list right now for the lobbying study. I think I've said everything I need to say.

Madam Clerk, can you provide us with where we're at right now and share that with the committee, please?

● (1700)

[*Translation*]

The Clerk: Yes, absolutely.

I have a copy of my table of witnesses. I invite committee members to come and see me after the meeting if they want details.

For our part, we've sent all the invitations to the witnesses. The vast majority of them have accepted the invitation and have appeared before the committee or will appear before the committee in the coming days. A small number of people declined the invitation or were not available at the time we invited them. Once again, that was in March and early April. Some people were not available. In the case of professors, for example, the date proposed was not always a good time. There are a few people we could invite again. Otherwise, all the other witnesses on the list have been invited, and the vast majority of them have appeared.

[*English*]

The Chair: Okay.

What I've asked the clerk to do, for the last week that we're here, is tie some circles around some of the witnesses who have not yet appeared and ask them if they would consider appearing because they couldn't appear due to timing or whatever.

On the Privacy Act and the motion that was just passed, given the circumstances of where we'll be at in September, I don't expect that will happen until a much later date once we get through the AI and ATI reports.

That's my update.

Go ahead, Mr. Barrett.

Michael Barrett: Chair, I have what I think will be a very quick motion to dispense with. I move:

> That, further to its statutory review of the Lobbying Act, the committee invite the President of the Treasury Board to appear before the committee for one hour with relevant Treasury Board of Canada Secretariat officials; and that Treasury Board of Canada Secretariat officials appear for an additional one hour.

The Chair: Did you share that motion with the clerk?

The Clerk: I'm sharing it now.

The Chair: Okay.

You did, in both languages.

[*Translation*]

Michael Barrett: It is possible that the version in the clerk's email is different.

The Clerk: We'll compare the two versions.

[*English*]

Michael Barrett: I expect that the version I've just presented verbally will be well received.

The Chair: Mr. Barrett is moving a motion to invite the President of the Treasury Board for one hour in relation to the lobbying study and officials from the Treasury Board.

Have you named the officials in the motion or not?

Michael Barrett: No.

The Clerk: That's what I have. I don't know if that's exactly what he said.

● (1705)

The Chair: The motion that has now been shared with committee members states:

> That, further to its statutory review of the Lobbying Act, the committee invite the President of the Treasury Board to appear before the committee for two hours; and the committee shall not proceed to drafting instructions for its report on its statutory review of the Lobbying Act until after the President of the Treasury Board appears.

We obviously won't be moving to drafting instructions until the lobbying commissioner appears in September.

Michael Barrett: If I may, Chair....

The Chair: Yes.

Michael Barrett: Based on conversations with colleagues, the version I provided to the clerk in both official languages is not the version I've just moved. There are substantive differences. The first is the request for the President of the Treasury Board to appear for one hour and for officials to appear for two hours. The instruction that drafting instructions not be undertaken until we've heard from the witnesses has been removed.

I'll say it one more time, if I may:

> That, further to its statutory review of the Lobbying Act, the committee invite the President of the Treasury Board to appear before the committee for one hour with relevant Treasury Board of Canada Secretariat officials; and that Treasury Board of Canada Secretariat officials appear for an additional one hour.

The Chair: I think that's fairly straightforward. I just want to see if there's consensus on it.

(Motion agreed to)

The Chair: We have consensus, so we'll add that to the list.

Mr. Cooper, go ahead.

Michael Cooper: Thank you very much.

Mr. Chair, I'd like to move the following motion:

> That the committee undertake a study of no fewer than six meetings into the $200-million agreement between the Department of National Defence and Maritime Launch Services concerning Spaceport Nova Scotia near Canso, Nova Scotia, and, for the purpose of this study, invite the following witnesses to appear:
>
> a) The Honourable David McGuinty, Minister of National Defence;
>
> b) The Honourable Steven MacKinnon, Minister of Transport and Leader of the Government in the House of Commons;
>
> c) The Honourable François-Philippe Champagne, Minister of Finance and National Revenue;
>
> d) The Honourable Sean Fraser, Minister of Justice and Attorney General of Canada and Minister responsible for the Atlantic Canada Opportunities Agency;
>
> e) Stephen Matier, chief executive officer of Maritime Launch Services;
>
> f) Sasha Jacob, chair of the board for Maritime Launch Services;
>
> g) The Honourable Stephen McNeil, member of the advisory board for Maritime Launch Services and former Liberal premier of Nova Scotia;
>
> h) Mike Greenley, chief executive officer of MDA Space;
>
> i) Daniel Goldberg, chief executive officer of Telesat;
>
> j) Liam Daly, former senior associate, federal government relations, at Sussex Strategy Group Inc.; and
>
> k) Other witnesses as may be proposed by members of the committee.

The Chair: Is this the same motion you put on notice this morning?

Michael Cooper: Yes.

The Chair: We are in committee business, so I'm going to allow the motion to stand. We're going to send the motion again to members of the committee.

Mr. Cooper, you have the floor. Go ahead, sir.

Michael Cooper: Thank you very much.

Mr. Chair, 200 million tax dollars are going to Maritime Launch Services for what is at present a concrete slab and a gravel parking lot—a so-called spaceport. Maritime Launch Services doesn't own the land. It leases the land from the Province of Nova Scotia for only $15,000 a year. Pursuant to the lease, the federal government will be paying Maritime Launch Services $20 million a year for land that, again, they don't even own. Consequently, Maritime Launch Services will be making in excess of a 1,300% profit for land that consists of a gravel parking lot and a concrete slab.

There are serious questions about this lease beyond the fact that we have a lease for $20 million that Maritime Launch Services is essentially flipping to the federal government for that cost, making a 1,300% profit. The lease was entered into in March 2026, but it was backdated to April 1, 2025. In other words, Maritime Launch Services immediately received 20 million tax dollars for this backdated lease for no work and no value to taxpayers. There have been no answers from the Liberals about why the lease was backdated.

I asked the Minister of Finance questions about why the lease was backdated when he appeared at committee of the whole. He had no answers. I've asked questions of ministers in question period. They have no answers. It appears that Maritime Launch Services received $20 million for nothing. It's highly unusual to backdate a lease, and Canadian taxpayers deserve answers as to why that was done—why $20 million was funnelled to Maritime Launch Services for nothing.

Then there's this question: Why Maritime Launch Services? This is a six-person company. Despite their name—Maritime Launch Services—they haven't launched much of anything. They've never launched anything into space. After 10 years of being in business, they've had two suborbital test launches.

Maritime Launch Services is a company that has not had a very good track record in terms of being a going concern. In fact, the March 2025 independent auditor's report from MNP observed the following:

> We draw attention to Note 2 in the consolidated financial statements, which indicates that the Company incurred a net comprehensive loss during the year ended December 31, 2024 and December 31, 2023. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

In other words, according to the independent auditor's report, Maritime Launch Services was on the verge of bankruptcy.

● (1710)

It's no wonder, because according to their 2025 financial statements, they reported a massive loss of $47 million and revenue of just under $15,000. It begs this question: Is that the reason the lease was backdated? Is that the reason the Liberals handed Maritime Launch Services $20 million for nothing, to bail out this nearly bankrupt company?

On the question of why Maritime Launch Services, I would add that here you have a company with a CEO who has a history of securities infractions. This CEO, Mr. Jacob, was previously fined $100,000 by the Investment Industry Regulatory Organization of Canada.

How is it that Maritime Launch Services, a nearly bankrupt company that has no history of launching anything into space, that has a CEO who has a history of securities infractions, that doesn't own land and that leases land from the Province of Nova Scotia—which consists of a gravel pit and a concrete slab—managed to secure 158 meetings with government officials, including ministers of the government? How is it possible that a company like this could receive a $200-million lease, given their track record—or lack of a track record—of not doing much of anything? Could it be because this is really about rewarding Liberal insiders, like Stephen McNeil, the former Liberal premier of Nova Scotia who sits on the advisory committee of Maritime Launch Services? Could it be the reason is that the chief lobbyist is none other than a former senior staffer to the Minister of Justice, whose riding is next door to the site?

It certainly raises serious questions. When I asked the Minister of Finance and the Minister of National Defence, “Why Maritime Launch Services, a nearly bankrupt company that doesn't own the land, has no history of launching anything into space and has a CEO with, frankly, a shady past?”, there was no answer.

Then there is the selling of shares. Immediately after the lease was entered into, the CEO—the very same CEO who has a history of securities infractions—sold three million previously worthless shares, pocketing $1.8 million. How was that allowed to happen? Why was there no lock-up agreement in place? Not only did he sell three million shares, pocketing $1.8 million, but he then exercised 2,250,000 stock options, at an exercise price of a little over 16¢, to acquire 2,250,000 common shares of the company, for the aggregate consideration of $370,750.

Here you have a CEO who sold three million shares at 60¢—suddenly inflated shares after the announcement—and then bought back 2.25 million shares at 16.7¢, pocketing $1.5 million without significantly decreasing his ownership. It looks to me like this is one big pump-and-dump scheme in which Liberal insiders are getting rich while taxpayers are getting screwed.

● (1715)

Given the serious questions about the lease, about Maritime Launch Services, about the costs and about the pump-and-dump activities of the CEO, I believe this is imperative. Given the total lack of transparency around the lease and the total lack of answers from ministers in this government, we need to hold hearings, to bring the appropriate ministers to committee and get to the bottom of where 200 million Canadian tax dollars are going and why.

Thank you, Mr. Chair.

The Chair: Thank you, Mr. Cooper.

We're on the motion. I'm working on a list. I have Mr. Hardy, Mr. Barrett, Ms. Church and Mr. Majumdar.

Go ahead, Mr. Hardy.

[*Translation*]

Gabriel Hardy: Thank you very much, Mr. Chair.

This motion is extremely important. We talked about it in the House, in the committee of the whole in the evening, and in question period. Taxpayers have the right to know why a $200 million contract was awarded to a company that was on the verge of bankruptcy not long before. Just today, the Minister of Finance was asked that question, and he told us to go talk to the astronauts.

It's not a question of whether or not we should be developing our ability to send satellites into space independently. The question is really more about the facts: the way this contract was awarded and the numbers, which make no sense.

Let's look at the issue. On March 16, 2026, the government announced a 10-year agreement with Maritime Launch Services, or MLS, which has six employees. It's going to receive $20 million a year for 10 years.

Again, it's the facts that matter. We can't just be partisan. Let's check the SEDAR+ platform to see what the company is worth and to find out what's going on. As of December 31, 2025, MLS had total revenues of $14,980, with a loss of $3.8 million in operating expenses. Obviously, things are not going well for MLS, but MLS ended up meeting with ministers and other key people 158 times before they got a 10-year, $200 million contract.

What kind of facility are we going to get for $200 million? In the end, we learned that it is a 25 by 35 foot concrete slab and two sea containers. Maybe we don't know anything about it, so we can go and look at the contracts. However, they show that the land does not even belong to the company. It is leased from Nova Scotia, for $13,500 a year, and the company turns around and leases it to the federal government, paying $20 million per year in taxpayers' money for 10 years. The question is not whether we need astronauts, but how can there be such a discrepancy. I think it's a fair question. It's the kind of issue that our committee should be studying.

I did some research to see if this was commonplace, if it was happening elsewhere in the world. Norway also has launch platforms. They've done a tremendous number of successful launches. It has spent $46 million Canadian, has had a bunch of launches and owns 90% of the company that does the launches. Here in Canada, we are so smart that we are going to pay $200 million, own 0% of the company, and have not yet had a single launch.

We're not against everything, but can we at least compare ourselves to successful countries and draw inspiration from them to be effective?

There's also another issue: the deal was announced on March 16, and on April 9, 24 days later, the chair of the board sold 3 million shares and pocketed $1.8 million. The company wasn't making a dime, it was going bankrupt, and then, suddenly, one of the owners pocketed $1.8 million. What happened?

We also realized that, a few days later, he made other transactions. His stake in the company fell from 15.45% to 15.1%. So he sold his shares to make money and bought them back for less the next day. As a result, he got back close to what he had, but pocketed $1.8 million, whereas a few months earlier, the company was going bankrupt.

When this kind of thing happens, the least the Standing Committee on Access to Information, Privacy and Ethics can do is invite people to testify to answer our questions. This needs to be clarified for taxpayers so that they know that, when their money is invested in something, it is being invested for them.

● (1720)

I will close by saying that we found out something else: The contract was dated a year before the announcement, so the company would make $20 million on day one, even though it hadn't done anything yet. I would say that is ridiculous, but that would be disrespectful.

Before I was elected, I was an entrepreneur. I wish I could start a business like that. That would be great. I would say: “I have idea. You'll see, I'll be good. Give me $20 million a year for 10 years. Take the risk and you'll see that it's going to work out well.”

This is another Liberal scheme: take taxpayers' money and risk it by investing it, with no guarantees, in a company that is not doing well, but that has the great advantage of having a good network, to help friends make money. At the end of the day, taxpayers are the ones who pay the price.

So I think we need more transparency. When things like that happen, the Standing Committee on Access to Information, Privacy and Ethics needs to take action and examine them, to be fair and transparent to the citizens of Quebec and Canada, who will all end up footing the bill.

The motion is simple. We just want to call the people involved and ask them questions. If they have nothing to hide, all they have to do is come and answer our questions, and we'll be able to get to the bottom of this.

Thank you.

● (1725)

The Chair: Thank you, Mr. Hardy.

[*English*]

Mr. Barrett is next, followed by Ms. Church.

Go ahead, Mr. Barrett.

Michael Barrett: Canada should be able to launch Canadian payloads from Canadian soil. That's a legitimate objective. We have a proud history in space.

I won't take us on too long of a journey, but Canada's first astronaut in space in 1984, the year I was born, was Marc Garneau. We, of course, have the Canadarm and the Canadarm2; Canada's first woman in space, Roberta Bondar; Chris Hadfield's commanding the international space station; and Jeremy Hansen's role on Artemis II. The Canadian Space Agency says that commercial launch is now a natural evolution for Canada's space sector, and I agree.

The question isn't whether Canada should pursue sovereign launch capability. The question is whether taxpayers got good value for money on this particular $200-million deal.

Should Canada have sovereign launch capabilities? Absolutely. The issue is the deal. The government announced a 10-year, $200-million agreement to lease one dedicated launch pad at a spaceport in Nova Scotia. The government says that it will support DND, the Canadian Armed Forces, the Government of Canada, our allies and our partners. It says that the pad has to reach “initial operational capability...by the end of 2026” and that “90% of the funds...must be spent in Canada.”

Those are very important promises, but they raise accountability questions. How was the $200-million price determined? Was there a competitive process, or was this a sole-source deal? What did taxpayers receive for that first year, given that the agreement is retroactive to April 1, 2025, with $20 million per year and the first $20-million payment due before March 31, 2026? What milestones, holdbacks, clawbacks or cancellation rights protect taxpayers if the site is not ready by the end of 2026?

Finally, what due diligence was done on the financial position of the company? Its 2025 annual filing refers to the spaceport as being under construction and notes that depreciation begins when the spaceport is available for use.

I most certainly would not say that the project is bad or that Canada shouldn't pursue this capability. In fact, I would say the exact opposite, because this capability matters for Canada. As Parliament, we have a role to play. In fact, I would say that we have a duty to make sure that the money was handled properly.

If everything was done properly, the government and the company should be able to show that. That's why it's important that we pursue that accountability here at this committee.

Thank you.

The Chair: Thank you, Mr. Barrett.

Next is Ms. Church, followed by Mr. Majumdar.

Ms. Church.

Leslie Church: Thank you very much, Mr. Chair.

We've just had a good 18 minutes of introduction to this proposed motion, which has covered a lot of ground. I appreciate Mr. Barrett's comments about, in particular, how Canada should be supporting our sovereign space launch capacity. When this issue has arisen, my colleagues opposite have left some doubt, I'll say, in our minds about whether they support that and whether they look at this project as an important piece in those capabilities. This project will drive billions of dollars in investments, create good-paying jobs, increase our sovereignty and create opportunities for our NATO partners, particularly at a moment when these capabilities are on the minds of the commercial and private sectors in Canada and more broadly on the minds of our partners and defence partners in particular.

This is a serious investment. This investment is timely. My colleagues opposite said they would not take us on a journey, but they did journey through some of our past astronauts. At this moment, we can think about the Artemis II; about astronaut Jeremy Hansen, who is coming back to Parliament next week; about how proud Canadians were about the capabilities that led Canada to be a part of that mission; and about French being spoken for the first time in space. These were moments that brought us together as a country and that speak to the ambition we can have when we invest in our capabilities and when we invest in science and innovation and in the moon shot goals that inspire us to be at our best.

I think back to the Avro Arrow. I think many Canadians regret that it was cancelled—when Canada didn't move forward and, under a different government, cancelled that project. Something this country has dealt with for decades is missing those capabilities and the loss of engineering talent that followed from that. We certainly don't want to see that here.

I would note that some very important people have stood up in support of this project, including Conservative Premier Tim Houston, who said that Spaceport Nova Scotia is an “exciting project that advances our province” and that it will “grow our economy and increase local prosperity”. This project has been supported by the Government of Nova Scotia specifically because it creates jobs and brings investment to that province.

The Conference Board of Canada estimates that this project could add 1,600 jobs during construction. Mr. Cooper speaks of it derisively, as some sort of concrete slab. Spaceports by definition involve concrete slabs. I'd be curious about what else we'd launch from.

It's going to add $300 million to our GDP, according to the Conference Board of Canada. In light of how we are trying to invest in our economy and in light of our desire to create good jobs, meet our defence commitments and increase our capabilities, this is an important investment.

All of that said, there is a certain reality to this motion: If the Conservatives wish to dig into this, the ethics committee is not the place to do it.

The motion calls for literally four ministers of the Crown and a host of others to come, but when I look at the mandate of this committee—access to information, privacy and ethics—this is not within the scope of the committee. The proper place for this to be debated might be over at national defence, might be over at transport, might be over at finance or might be over at industry. I'll also note that they've added the Minister of Justice to come here, but I'm not too clear on why.

This doesn't strike me as the best place for this motion to be examined within government. I would urge my colleagues to review Standing Order 108(3)(h) outlining our committee's mandate and ask them to consider whether or not this falls within the mandate laid out there.

● (1730)

That mandate focuses primarily on the work of the Information Commissioner, the Privacy Commissioner, the Conflict of Interest and Ethics Commissioner and the Commissioner of Lobbying; on reviewing and reporting on the reports of those commissioners; on working in co-operation with other committees on “any federal legislation, regulation or standing order which impacts upon the access to information or privacy of Canadians or the ethical standards of public office holders” and, finally; and on “the proposing, promoting, monitoring and assessing of initiatives which relate to access to information and privacy...and to ethical standards relating to public office holders”.

As I look at this motion and see the direction that my colleagues intend to pursue, I would encourage them to consider other venues to discuss this. I'll remind them of the conversation we just had about the committee business on our plate—which will hopefully take up the next number of meetings, if not a few months of meetings—and encourage them to reconsider.

Thank you.

● (1735)

The Chair: Thank you.

Mr. Majumdar, go ahead.

Shuvaloy Majumdar (Calgary Heritage, CPC): Thank you, Mr. Chair.

This is an opportunity to take up Ms. Church's invitation, because I think very much so that this spaceport describes ethical standards for public office holders and therefore the procurement discipline that is enclosed therein.

Canadians expect serious scrutiny of major defence spending, especially when it involves $200 million in public funds. That is exactly why this committee should support the motion to hold hearings on the agreement between the Department of National Defence and Maritime Launch Services for the Spaceport Nova Scotia project near Canso.

The government describes this as a key step towards sovereign launch capability, national defence and innovation in space. Those are important goals, indisputably so. The public records show, however, a distinct gap between the announcements and the current reality on the ground. Parliament has a responsibility to examine that gap.

A photograph of the site, very widely circulated, shows a gravel road, two sea containers and a concrete pad. That is the visible infrastructure supporting a $200-million, 10-year commitment from DND. The agreement is structured to be roughly $20 million per year.

The site's launch history consists of two suborbital flights: one by a York University rocketry club in July 2023 that reached about 13.4 kilometres, and a T-Minus Engineering test flight in November 2023. These are positive steps for those involved, particularly the students, but they do not yet represent a mature orbital launch facility with a proven sovereign capability or defence needs.

The company's financial position prior to this agreement is of concern. It was modest, to be charitable. MLS's 2025 financial statements reveal a loss of $47 million and low revenue of $14,890. It leases land from the Province of Nova Scotia for a relatively small annual amount. Taxpayers are now providing $20 million annually under this deal. That contrast alone warrants basic questions about value for money, milestones and risk.

The contract was backdated to April 1, 2025, with payments beginning before parliamentary scrutiny could even begin. The agreement also includes requirements for the company to reach operational capability by the end of this year.

These timelines and payment structures raise very legitimate procedural and accountability questions that involve the ethical standards of these public office holders. There are also reported political connections, some of which my colleagues have gotten into, including a former Liberal premier on the advisory board and representation by the Liberal cabinet minister for the area. These facts do not prove impropriety necessarily, but they certainly reinforce the need for transparency.

Committees exist precisely to separate connections from evidence and to test whether due diligence was indeed rigorous. This is not about opposing space development or defence investment. Canada needs better capabilities in space for surveillance, communications, Arctic sovereignty and our alliance commitments. Serious objectives require serious procurement discipline, competitive processes where possible, clear military requirements, alternative analysis and verifiable milestones. That is what these hearings can establish.

The motion proposes a modest six meetings. That is reasonable for a $200-million commitment involving public funds, defence procurement, limited operational history and many unanswered questions about decision-making, risk assessment and alternatives.

Thank you, and I look forward to the committee's decision.

The Chair: Thank you, Mr. Majumdar.

[*Translation*]

Mr. Bonin, I'm sorry, but I have to bring this meeting to a close.

[*English*]

The meeting is adjourned.