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# **Standing Committee on Industry, Science and Technology**

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**EVIDENCE**

**Thursday, November 25, 2010**

**Chair**

**Mr. David Sweet**



## Standing Committee on Industry, Science and Technology

Thursday, November 25, 2010

• (1110)

[English]

**The Chair (Mr. David Sweet (Ancaster—Dundas—Flamborough—Westdale, CPC)):** Order.

We're going to be considering Bill C-501. We have received eight amendments, and you should have copies in front of you. They are numbered NDP-1 to NDP-8. We'll be considering those as we consider the clause-by-clause.

I should remind members of the committee that the Speaker has ruled that a royal recommendation will be required for this bill, due to clause 6.

We will begin, then, with the amendments.

On amendment NDP-1, Mr. Garneau.

**Mr. Marc Garneau (Westmount—Ville-Marie, Lib.):** Thank you, Mr. Chair.

We find ourselves with a number of amendments, which, to be very honest, in my opinion change the scope of the bill in a fairly major fashion.

When the NDP first presented this bill, they had certain intentions; in fact, there were certain expectations that ended up not being met. But through these amendments, the very limited scope of their bill has now been changed in a very, very major way.

As a result, it is the right thing for us to allow certain witnesses who appeared in front of us based on the previous bill to comment on what we're now talking about, which is a fairly major rewrite of the bill. In fairness, I think that is something we should be considering as a committee. It may require an extension to allow this to happen, because the bill is supposed to go back on December 2.

I put that to my fellow committee members: those who appeared spoke to the bill as it was previously, and there are some fairly major rewrites.

**The Chair:** Thank you, Mr. Garneau.

I don't want to interrupt the flow of the debate, but I was remiss in not saying that we have Mr. Matt Dooley and Mr. Roger Charland from the Department of Industry. They are experts who can comment, should you care to call on them.

Thank you very much, gentlemen, for joining us.

Mr. Lake, and then Mr. Rafferty.

**Mr. Mike Lake (Edmonton—Mill Woods—Beaumont, CPC):** I would want to first of all clarify the deadline for the bill to be reported back, which is the December 2.

**The Chair:** That's correct.

**Mr. Mike Lake:** We would probably then want to ask for an extension on the other private member's bill we've talked about, which we have scheduled for the next four meetings, Bill C-452. We would need to get an extension on that, as well.

To the officials, could we have a comment on the package of amendments and the impact they have on the bill? Mr. Garneau has suggested it is a major impact. I wouldn't mind hearing from you about how it changes the bill and how major the impact is.

**Mr. Roger Charland (Senior Director, Corporate and Insolvency Law Policy and Internal Trade, Department of Industry):** Bonjour.

The way we understand the motions—and this is probably true of all eight of them, because they change the bill in the same fashion but in different circumstances—as a number of witnesses have indicated, the current version of the bill covers all the unfunded pension liabilities, but the language can be open for debate. The motions we see here would make it clearer that we are indeed talking about all unfunded pension liabilities covered by the super-priority that Bill C-501 would grant.

That's how we read and understand the motions.

**Mr. Mike Lake:** Actually, Mr. Rafferty is going to take the floor next, so I'll hand it over to him by asking if there are other amendments that are anticipated. They can be moved from the floor.

Are these all the amendments that you intend to move?

**The Chair:** Mr. Rafferty.

**Mr. John Rafferty (Thunder Bay—Rainy River, NDP):** Let me just deal with these ones first and then the discussion that's going on on these.

I appreciate the comments of our professionals here that they're really intended as housekeeping. There were some parts of the bill that needed clarification, and that's what these are intended to do. I don't know if it changes the scope of the bill when in fact the bill may not have been entirely clear. There certainly were differing opinions as to what a particular clause meant, so this is a clarification of that, with the exception of clause 6, which of course we would eventually be voting on. Clause 6 is the part that requires the royal recommendation, and of course we'd be voting on that separately. So they're really housekeeping.

I'd like to say that in terms of amendments, we have made every effort, particularly in the last couple of days, to be able to adjust this bill in a certain fashion that would be more acceptable certainly to the witnesses we heard, and not just the witnesses who are in favour of my bill, but those who are not, and to come to some agreement as to a bill that would be better. I think that's what Canadians expect us to do. They expect all MPs to sit down when a bill gets to committee and work on that bill to come up with a bill that's better. We did attempt to do that a couple of days ago with a notice of motion to deal with another article.

In fact, Mr. Garneau, that would have changed the scope of the bill, so we needed to have that motion before the House. Unfortunately, the Conservative House leader didn't agree that this was something he would allow, so we didn't have that opportunity to make a change to deal with the secured status, or preferred status, or whatever it would have been. It was most unfortunate that this happened. We were hoping for unanimous consent and didn't get it. In fact, it was indicated that the bill would disappear if we went ahead.

We found that most unfortunate. That certainly goes against the spirit of what I believe should happen in committee, that we listen to all the concerns. The whole idea is that we hear witnesses and we listen to those witnesses, we take into account what those witnesses have to say, and then we make a better bill.

To answer your question, Mr. Lake, there were some other things that we were hoping to do with this bill. We were unable to do that. The amendments that you see here are the ones we're talking about today and the only ones that we have coming forward.

• (1115)

**The Chair:** Thank you, Mr. Rafferty.

We now have Mr. McTeague and Mr. Garneau, and then if you have some rebuttal, Mr. Rafferty, I'll come back to you.

**Hon. Dan McTeague (Pickering—Scarborough East, Lib.):** Yes, there are just two points of clarification.

Mr. Rafferty just indicated that someone said the bill would disappear. Would you care to tell us who that was?

**Mr. John Rafferty:** There was a discussion among House leaders about my motion of instruction that I put forward. What I wanted to do in that motion was to open up another article, the BIA, which would have allowed us to at least consider amendments that would remove the major portion of this bill—the pensions from secured into preferred. We needed permission to do that because that in fact did change the scope of the bill. I'm sure that would have been ruled out of order, which is why we put the motion forward.

**Hon. Dan McTeague:** Mr. Rafferty, I just want a name, that's all. You don't have to go—

**Mr. John Rafferty:** The House leaders met, and of course the Conservative House leader is Mr. Baird.

**Hon. Dan McTeague:** Okay, thank you.

I don't wish to go too long on this.

Mr. Charland, in your initial response to Mr. Lake you had suggested the effect of the amendments was to heighten these or to at least provide in the context of super-priority. Is it not that it's raising this whole issue of pensions to a secured status equivalent with the banks? Did you misspeak there? Or did I misunderstand you?

**Mr. Roger Charland:** In our reading of Bill C-501—and I think the witnesses who appeared before the committee also spoke to this—the provisions of Bill C-501 would put the claims for unfunded pension liabilities as a super-priority, and therefore paid before the secured creditors.

**Hon. Dan McTeague:** Mr. Charland, what would the amendment do in this case?

**Mr. Roger Charland:** Currently, Bill C-501 has language that speaks to any amounts considered to meet the standard for solvency determined in accordance with section 9 of those regulations.

**Hon. Dan McTeague:** Which is...?

**Mr. Roger Charland:** This covers the unfunded pension liabilities.

**Hon. Dan McTeague:** Yes. I'm just wondering if this is now transforming the intent of the original bill.

**Mr. Roger Charland:** No, it clarifies the language and makes it even more clear that you're dealing with all the unfunded pension liabilities.

**Hon. Dan McTeague:** I may come back. Thank you.

Thank you, Chair.

**The Chair:** Mr. Garneau and then Mr. Lake.

**Mr. Marc Garneau:** I agree with Mr. Rafferty. The purpose of our presence here is to try to improve the bill. I'm all for that. I'm also very much focused on the process. The process requires us to hear witnesses and then proceed, based on hearing them, with our clause-by-clause.

Mr. Rafferty has described this as being housekeeping. Would you share the opinion that these amendments are clarification that is really just housekeeping? Or has there been a change of scope in terms of what this proposes to do?

**Mr. Roger Charland:** In our reading of the motions, it clarifies that Bill C-501 covers all unfunded pension liabilities and provides a super-priority. These amendments only make it clearer that that's what the bill does.

There was, as some witnesses expressed, some discussion as to whether or not the current language was doing this. These amendments make it clear that it's all unfunded pension liabilities. It makes it clearer that that's what the bill achieves.

**Mr. Marc Garneau:** Okay, thank you.

**The Chair:** Thank you.

Mr. Lake.

**Mr. Mike Lake:** I just want to get some clarification. In terms of Mr. Rafferty's motion, I don't think it was actually ever raised in the House, so there was never any unanimous consent denied or anything like that, to my recollection.

Mr. Garneau wants to have more time to have the witnesses come before us. I just want to know what the idea is. Will we have all of the same witnesses who have been before the committee and just redo the last three days of meetings? Is that the proposal?

• (1120)

**Mr. Marc Garneau:** Well, that was essentially it, yes, because I think they came with the impression that we were dealing with a certain bill and they probably responded based on that bill. It seems we've changed that, so I think it may be useful for us to hear from them, given the proposed changes.

**The Chair:** Mr. Lake.

I have a speakers list here.

**Mr. Brian Masse (Windsor West, NDP):** Mr. Chair, I'm on it. Are we going to interchange between...?

**The Chair:** Yes, I've allowed that a number of times here just for clarification. Certainly if you want me to stick to that, I'll have to stick with it for every member. When we get into these situations I've found a little bit of dialogue is usually helpful.

**Mr. Brian Masse:** I'd prefer to stick to the list, then.

**Mr. Mike Lake:** Okay, then, Mr. Chair, if we're sticking to the list, can I just clarify this? Do we have two NDP members on the committee right now, if we're sticking to the rules?

**The Chair:** This is exactly why I prefer in these kinds of cases to have a little bit of dialogue, but if you insist....

Pardon me?

**Mr. Anthony Rota (Nipissing—Timiskaming, Lib.):** Either we're sticking to the rules or we're not.

**The Chair:** That's for certain. You can't play both ways. So who's going to be the dedicated...?

Mr. Masse, you introduced it.

**Mr. Mike Lake:** We're trying to actually come to a conclusion here; it's not like we're playing games.

**The Chair:** Yes, hang on for a second.

Realistically, gentlemen, is there some consensus that we stick with some flexibility? Or do you want to get down to the—

**Mr. Mike Lake:** Flexibility is good.

**The Chair:** Then it has to be equal across the board.

So, Mr. Lake, have you finished your—

**Mr. Mike Lake:** To be honest, I was done.

**The Chair:** Okay, great.

Now, Mr. Wallace.

**Mr. Mike Wallace (Burlington, CPC):** Thank you.

As a question of clarification, we had heard from our Liberal members on the committee—actually, I think you were the substitution and did most of the talking on this issue—and their interpretation of the bill was that the missed payments between CCAA and bankruptcy were covered. That's what the bill was addressing, the missed payments to the pension plan. Are you telling me now that based on this, this is all missed payments in the whole piece put together?

**Mr. Roger Charland:** As a number of witnesses indicated when they appeared before the committee, Bill C-501 covered all unfunded pension liabilities. The motions don't change that. The motions say the same thing, they just say it in a clearer way. So we're dealing with providing a super-priority for all the amounts needed to bring back the pension plan to a solvency ratio.

**Mr. Mike Wallace:** All payments, all missing, all emptiness.

**Mr. Roger Charland:** All deficits between what the plan's assets are for what it needs to carry all the benefits.

**Mr. Mike Wallace:** Okay, and that I think was the intent. You don't have to answer. I thank you, and a nod of the head is fine. That was the intent of the bill. There is some interpretation, as with any legal document. I'm not criticizing. There's always interpretation. That's why there are two sets of lawyers in every court case, and a judge, and we're the judge today.

In here, there's no amendment to clause 6, which requires the royal recommendation. Is that correct? Have you seen anything to do with the royal recommendation?

**Mr. Roger Charland:** No. None of eight motions we've seen, which are the eight motions we're talking about, amend clause 6 of the bill.

**Mr. Mike Wallace:** My point, Mr. Chair, is that I've had a private member's bill myself before, and it required a royal recommendation and it did not pass because it needed a royal recommendation—and I'm on the government side.

Private members' bills, in my view.... This has what, eight clauses, seven clauses, and we have eight changes to it. I think whether it's from a legislative clerk's perspective, it's a significant change, a wording change. Obviously, the wording has been difficult. The public has dealt with it in its present wording, and all of a sudden it's changed. The principles are basically the same. Based on the witnesses we heard, I think the mover of the bill has certainly made a point on this particular topic.

My personal view—and I'm not speaking for my party or my colleagues here—is that the issue has been brought to light. We've talked to witnesses who at first thought this would help the Nortel folks. We heard from many witnesses, including the head of the Nortel pensioners' group, that it is not going to affect them—not going to affect them. So my suggestion is that whether the wording is fixed a little bit or not, to make it a little clearer, I don't think we should be proceeding with this in the form it's in here. I'm happy to send it back in title and let the mover of the motion talk about the issue in the House, which is a very important issue, which I don't think anybody on either side of the House isn't concerned about.

Then a new Liberal private member's bill was introduced in the House to deal with the pensioners' bill of rights. The issue is being presented—I think this is what this private member's bill does—to put pressure on us as legislators to find the solution. I think we heard clearly that Bill C-501 is really not the solution. It may highlight the need for a solution, but it's not the solution.

In my view, whether the amendments pass or not, I think we should be frank with people that this doesn't work and that we need to find a better solution than what is here.

The other concern I have, and I'm going to put it right on the table here, is that there's no amendment to royal recommendation, but to remind my colleagues, if that clause does not pass, then this may not need a royal recommendation, and that will make a difference in the House of Commons.

Those are all my comments at this time. Thank you, Mr. Chair.

• (1125)

**The Chair:** Thank you, Mr. Lake—I mean, Mr. Wallace.

**Mr. Mike Wallace:** I always aspired to be Mr. Lake, but I'm not.

**The Chair:** I was just going to say, it's always delightful to hear from you.

Mr. Rafferty.

**Mr. John Rafferty:** Let me just make a couple of comments, Chair, about what's going on.

Mr. Wallace is absolutely right about the intent of the bill. These amendments clear up the intent of the bill, and maybe housekeeping was perhaps too lax a word to use, but it makes everything absolutely clear and gets to the intent of the bill. It doesn't change the bill at all; it just clears up the possible interpretations there could be.

Let me just talk about clause 6, which is the royal recommendation, because Mr. Wallace brought it up. We were advised by legal counsel that you can't amend that. The only thing you can do is vote for or against it when it comes to clause-by-clause. For that reason, I think it's important that I reject Mr. Wallace's idea. We need to go

clause by clause because we need to deal with each of these clauses. That's what I think needs to happen here.

I'd also like to make a comment to Mr. Lake and indicate, Mr. Lake, that you're absolutely right, I did misspeak. It hasn't been dealt with in the House.

**The Chair:** Thank you, Mr. Rafferty.

Mr. Garneau.

**Mr. Marc Garneau:** Thank you, Mr. Chair.

I'm still not clear on whether this is merely clarification or housekeeping. The bill that was presented on which we had witnesses appear dealt with only a very specific portion, and that was special payments in arrears up to the declaration of bankruptcy. It seems to me that we're dealing with a different set now. If that is the case, I want to make sure that the witnesses who appeared on that assumption are given the chance to again make some comments, given the new definition of what this is touching.

**The Chair:** I certainly remember much of that conversation too, Mr. Garneau.

Mr. Masse, did you intend to have your name stricken off before?

**Mr. Brian Masse:** Yes. Thank you, Mr. Chair. I appreciate it.

**The Chair:** So I'll go to Mr. Bouchard first, and then to you.

• (1130)

[Translation]

**Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ):** Thank you, Mr. Chairman.

I would like to make the same request as Mr. Garneau, who thinks it would be appropriate to hear from other witnesses. We certainly support the idea of other witnesses having an opportunity to express their views. I imagine they could provide additional information.

Would Mr. Rafferty agree to that? Before going ahead with clause-by-clause, we could hear from other witnesses. In any case, that is what I thought I understood to be Mr. Garneau's request.

[English]

**The Chair:** Monsieur Bouchard, just in case there may have been something in the translation, Mr. Garneau was suggesting all of the same witnesses, not anybody new, simply because they gave testimony regarding this bill before us. His feeling is that it has substantially changed. So we wouldn't be calling any new witnesses, at least according to Mr. Garneau's request.

[Translation]

**Mr. Robert Bouchard:** Yes, I also support Mr. Garneau's idea. Some witnesses could come back and clarify their testimony if we still have questions about certain aspects of their position. It would be a good idea to have them come back. Others could also provide testimony.

[English]

**The Chair:** Thank you, Mr. Bouchard.

Mr. Masse.

**Mr. Brian Masse:** Thank you, Mr. Chair.

I want to hear again exactly the time limit we have so we are once again on that page. I know the clerk mentioned it earlier, but could we get it again?

**The Chair:** It's December 2, but we can request a 30-day extension on that from the House, which we have not so far.

**Mr. Brian Masse:** Okay, so we have that one tool in our kit again.

Thank you, Mr. Chair. That's what I was trying to confirm.

**The Chair:** You're welcome.

Mr. Rota.

**Mr. Anthony Rota:** Thank you, Mr. Chair.

Like Mr. Garneau, from my legal interpretation or the advice I received, the impression I got was different from what I'm seeing now. This is far-reaching and quite large and could be quite disruptive.

I have a question for Mr. Rafferty. We both come from northern Ontario, and we know what struggles we have with industry. How would these changes or clarifications affect AbitibiBowater coming out of bankruptcy protection, and all the employees who work there?

**Mr. John Rafferty:** I will answer that in one second, but first of all, let me be absolutely clear that no one more than I wants to make sure that we come out of here with the best bill possible. That's absolutely what is of prime importance.

I'm not opposed to moving forward with a couple more meetings, but it seems to me just from a logical perspective—and I'm not as used to committee work as many of you around this table are—that if we pass or decline all of these clauses and call more people, in fact we'll have the exact piece of paper that people can come and speak on, if there are two more sessions set aside, for example.

Instead of prefacing everything in the next sessions, if these amendments pass, if we deal with this today, if we deal with the amendments and deal with each of the clauses, and go clause by clause, then we'll have the actual bill that we're working on, if we agree to listen to more witnesses. That just makes sense to me.

Mr. Rota, as for your question, AbitibiBowater is well on its way to coming out of CCAA and will be out shortly. We're actually expecting announcements fairly soon. This is not an issue for that particular company.

That just makes logical sense to me that we want to hear witnesses on the changed or adjusted bill, or maybe a better word would be the "clarified" bill.

**The Chair:** Do you have anything else?

**Mr. Anthony Rota:** No, I'm fine, thanks.

**The Chair:** Mr. Lake.

**Mr. Mike Lake:** I think we need to move on to clause-by-clause.

We've all done several pieces of legislation in our careers here. We've seen amendments before. These amendments are all in one direction. We have the testimony of the witnesses to go on. To be honest, I don't think it really changes the testimony that we heard. I don't think the opinions of the witnesses we heard are going to be different because of the amendments we're hearing here. We've got our departmental officials here. There's no reason we can't go clause-by-clause today.

• (1135)

**The Chair:** A point of order, Mr. McTeague.

**Hon. Dan McTeague:** For the purposes of that—and it's not a debate—I'm just confused in my mind if I have no idea what these amendments are going to do. I'm not absolutely sure, legally, what they provide. I'm not sure I can proceed with clause-by-clause on amendments for which we have no particular definition.

It's in response to your point, because in terms of clarification, we're trying to see here what these really mean in terms of their implications. I don't know. That will come later in my point that I'm going to make shortly.

**The Chair:** Once we exhaust the speakers list, then I'll ask for some consensus from the committee. If we don't get it, we'll go to a vote. That's what we've been traditionally used to.

Mr. Rafferty, I have you next on the list, but I have a suspicion you snuck in what you wanted to say on the answer to Mr. Rota. Is that correct?

**Mr. John Rafferty:** I suspect so, yes.

**The Chair:** Mr. McTeague, you're on the list now too.

**Hon. Dan McTeague:** Mr. Chair, I was going to ask if I might seek the indulgence of the committee to have our legal team here give us a precise definition of the implications of these amendments.

I hear the witnesses. I know Mr. Rafferty's intentions. But I think I'd like to see it legally, from a perspective of what the long-term impacts are. I would request that our researchers and our legal advisers give us that information, if not now, then at some point down the road.

I realize they're not going to be able to do that today.

**The Chair:** I sense that you're not asking so much for a casual opinion now but for something that's concise.

**Hon. Dan McTeague:** We need to know what this means. There are some definitions here that I suspect, as I raised initially with Mr. Charland, and I'm not convinced that the question of the amendments only clarifies. I think that in fact it does deal with two very different forms of pensions. I'd rather be wrong in pursuing this than have this corrected by individuals other than the department.

**The Chair:** Mr. McTeague, our excellent legislative team feels qualified to speak to it post-haste, so go right ahead.

Just a moment, Mr. Rafferty, as we are able to get a response to Mr. McTeague's question right now from our legislative team.

**Mr. Mark Mahabir (Committee Researcher):** Basically, what the amendments do is change the definition of "special payments" to include all special payments. The original bill talked about solvency, and the amendments talk about unfunded liabilities as well as solvency deficiencies. So basically, all special payments to liquidate all unfunded liabilities at the time of bankruptcy would have super-priority. Instead of "missed payments", "all special payments". So solvency would be at the end of payments. That amount, that difference, would have super-priority.

**The Chair:** Mr. Rafferty.

**Mr. John Rafferty:** Mr. Chair, again, I'm not as experienced as many people around the table here, so if we were to forgo the clause-by-clause today, not deal with that, would we hear witnesses next Tuesday and Thursday? Is that how it works? Is there a time lapse? I'm simply not sure of timing, Chair, or how that works.

If we go to clause-by-clause, there'll be a report, won't there? And that's not the intention. The intention is that we continue to listen to.... I mean, Mr. Garneau's intention is to.... Could you give me some idea of timing on that?

**The Chair:** My prognostication skills about what everybody in this room is going to decide aren't that good, but what I can say is whatever the committee decides, whether they want to go to clause-by-clause today, or whether they want to call the same witnesses, or, as Monsieur Bouchard said, to open it up to a broader set of witnesses is really up to the majority of the committee. Hopefully, by the end of extinguishing of our speakers list, we'll get to that decision.

**Mr. John Rafferty:** So how does the timing work on that? Would we be waiting until February to listen to the witnesses? I really don't know how that works.

• (1140)

**The Chair:** Mr. Rafferty, that's what I'm saying. There's no succinct answer to that until everybody decides, and I think there's still some debate.

**Mr. John Rafferty:** I see, okay.

**The Chair:** Mr. McTeague.

**Hon. Dan McTeague:** Chair, I'd like to get back to the definition given to us.

Could you explain to me the comments on page one of the amendments proposed by Mr. Rafferty? I'm going to paragraph (11): "any amount required to liquidate any additional unfunded liability or solvency deficiency as determined at the time of bankruptcy".

Does that not suggest it's even broader than the issue of special payments?

**Mr. Mark Mahabir:** That would be any unfunded liability, any new unfunded liability determined at the time of bankruptcy.

**Hon. Dan McTeague:** It would be moving beyond it.

**The Chair:** Yes. I think it's clear. It moves beyond special payments.

**A voice:** [*Inaudible—Editor*]

**The Chair:** Well, that's not the legal opinion right now.

**Hon. Dan McTeague:** Would that move it beyond the scope of the initial bill?

**Mr. Mark Mahabir:** The intent of the bill was to have all unfunded liabilities have super-priority. This clarifies the intent of the original bill.

**Mr. Mike Lake:** To be clear, the amendments are in order.

**The Chair:** Oh, they're in order.

**Hon. Dan McTeague:** I'm only saying the outcome.... They're in order if they deal with provisions opened up by the act. But specifically, my concern is that the intention originally may be much broader than what the bill originally tried to define.

**The Chair:** Thank you.

Mr. Garneau.

**Mr. Marc Garneau:** Yes, Mr. Chair.

As legislators, we have a responsibility, since we're dealing with a very important bill, which affects a lot of pensioners and also a lot of businesses, to very seriously consider the bill that is before us.

It's my understanding from legal interpretation that there is, at least in my mind, a considerable change of scope in terms of what we were discussing before. In order to get this right, I would like to propose a motion in which we invite those witnesses who have appeared before—if they so feel that they would like to come and appear—to once again appear in front of us and give us their interpretation of what they now understand the bill to be wanting to do.



I would like to propose a motion that we take the time to do that, because I believe some of them will want to come back and give their opinions in light of these proposed amendments. We need to get this right.

**The Chair:** Thank you, Mr. Garneau.

A motion has been moved. It's germane to the conversation, so now we'll be speaking to the motion that's at hand.

Mr. Rafferty.

**Mr. John Rafferty:** Mr. Chair, as the proposer of the bill, I have no problem with this motion.

**The Chair:** Mr. Lake.

**Mr. Mike Lake:** I would just like to get some clarification, because it's a pretty wide-open motion. What dates and times are we scheduling for the meetings? Right now, according to the schedule, these meetings would occur in February. That does seem like a long time to shelve this, because I think we are looking towards February for our next open meetings.

It seems to me to be a little unfair to the process, if we're going to have a discussion about pensions. We've already had a pretty good debate here in the committee. I really don't believe the changes here alter this bill at all. We've had a really good discussion with witnesses who talked about unintended consequences, which are certainly not changed by the amendments. We had witnesses who talked about the good direction the government is going in general—and certainly members of all parties might have input into how we continue to move forward to strengthen things. We have also heard that this bill doesn't affect Nortel pensioners at all, and the amendments don't change that. There's no retroactivity.

I think we owe it to everybody involved to get on with a real debate about the issues, as opposed to simply.... I don't know what the endgame is here, but it seems that dragging this out to February isn't something that's going to accomplish anything productive at all.

**The Chair:** Thank you, Mr. Lake.

On Mr. Lake's comments, there is one other thing to note. Provided, of course, that we finish debate today, the bill is to be reported back to the House by December 2. So the other thing that will be required is a majority of the committee voting in favour of having an extension. That would be a consequence of this motion, if it is approved at the end.

Of course I see you're speaking against the motion, Mr. Lake, but I wanted to make that very clear, since you were talking about times, etc. We'd have to clarify that, there's no question.

• (1145)

**Mr. Mike Lake:** Is somebody asking for an extension? The extension is separate?

**The Chair:** No, and it's a separate issue, absolutely.

Now, Mr. Masse.

**Mr. Brian Masse:** Thank you, Mr. Chair.

I want to make sure that exact point is clear and that the Liberal Party intends to support the necessary extension; otherwise it would,

by default, defeat the legislation. I think that is their intent; I don't think their intent is other than that.

I would add that my colleague here has the right intentions on this. The benefit of having the additional meetings is to fix the bill, and you'll still get a break from me, which is a benefit to the committee.

**Mr. Mike Lake:** I want to change my position.

**Some hon. members:** Oh, oh!

**An hon. member:** Priceless.

**Mr. Brian Masse:** Exactly, priceless.

So we want to see this issue resolved and the bill passed. My colleague has really been the vehicle of the generosity of Nortel's pensioners, who know this is not going to change their situation, but who don't want to see Canadians face what they've had to face. The generosity they have offered to Canadians and their commitment behind it mean that we're willing to be a little more patient, if necessary, to get a bill passed that has the support of the House of Commons.

We want to move on this, because we're watching people fall through the gaps. We've felt strongly about this issue for decades. We've attempted to pass similar bills in the past, but they have not made it through the House of Commons. Even if the Liberal Party is still seeking to clarify certain elements, we'll support the process, because we don't believe it would be unreasonable to have a short break.

So as long as we have that extension in the House and we get some clear definitions as to when we're going to have these meetings, then I think we'd be quite pleased to try to make sure this gets done, because too many people are at risk and too much work has been done by the Nortel pensioners. Their efforts, once again, are for other Canadians. Their selflessness needs to be recognized.

So we're hopeful we can see this through, but we just want to make sure that it's going to get back to the House one way or another and have that opportunity. So we're appreciative of the efforts to try to find consensus.

**The Chair:** Thank you, Mr. Masse.

Now we go to Mr. Rota, then Monsieur Cardin.

**Mr. Anthony Rota:** Thank you, Mr. Sweet.

I'd like to agree with Mr. Masse that there is no urgency to pass this right now, which I think is very clear. The Nortel people will not be affected by this. It's not like the situation when we started this. Some of the facts we have received have changed things, or some of the issues that have arisen—or “clarifications” given, I guess, for lack of a better word—have changed my impression of what the bill is about. I'd still like some clarification on it; otherwise, this bill could change quite a bit, basically changing the whole pension system in Canada in one fell swoop. It's almost like we were doing it on the back of a napkin, because it's one short little bill that changes absolutely everything.

So I'd like the bill to be well thought out. If we're going to do something right, let's make sure it's done right and permanently, so it affects pensioners and workers in the right way, and doesn't hurt both. So I think it needs more study.

**An hon. member:** You're a great conciliator. Well done.

**The Chair:** Monsieur Cardin.

[Translation]

**Mr. Serge Cardin (Sherbrooke, BQ):** Thank you, Mr. Chairman.

Mr. Masse and Mr. Rota basically put forward the same arguments. In terms of pensioners, there have been changes to the economy and to the economic status of certain companies. We cannot ignore that. Action is urgently needed. The same thing could happen again, more than once.

There is a flaw in the system and improvements are needed. We would like the bill to cover all of that so that for the vast majority of people, the savings of a lifetime would be protected. As I listened to people's comments, I noted that some do not have a clear understanding of the repercussions of all these amendments. Given all the work that has been done in this area, we can't simply decide we're going to deal with this today, particularly since it is still possible to improve the bill.

I don't know exactly how much time this will take, but it is clear that we will need fewer meetings than the number we have held so far on this. With that in mind, I think we should request an extension and make every possible effort to improve this bill so that people are properly protected.

• (1150)

[English]

**The Chair:** Thank you, Monsieur Cardin.

I should advise the committee that we have five meetings left before the House rises.

Mr. Lake.

**Mr. Mike Lake:** I have said that I don't agree with the process. I decided to run for politics because I actually want to change things, not because I want to look like I'm changing things. I really want to make things better.

I don't think that meeting with the same witnesses, hearing the same testimony, is going to change anything. But it's clearly the will of the committee to go down that road, so my suggestion would be to fine-tune it and make some sense of it. If we're going to do this anyway, let's also ask for an extension for Bill C-452. We might as

well continue these hearings now. There's no sense in waiting for two months and then continuing these hearings. Let's continue these hearings for the next four meetings and see if we can come to some resolution on this bill before we move on to another one. That's my suggestion.

Mr. Garneau, I don't know if you're amenable to that as an option.

**The Chair:** At first glance, there seems to be some consensus, so we don't really require a motion. We'll come back to this as soon as Mr. Wallace speaks, unless the list of speakers grows again.

**Mr. Mike Wallace:** I was going to make the same point that Mr. Lake was making about government: people complain about the government wheels moving slowly. We're certainly contributing to that.

My view is that we shouldn't invite everybody back. We may talk to the organizations that were in front of us. We have one meeting to get a representation from all the different sides of the equation. We have one meeting to talk about these issues.

It's a seven-clause bill, ladies and gentlemen. It's not huge. We're making major changes to the pension program in this country, and now there are seven or eight amendments. Let's be succinct. Let's get it done, so that people, companies, pension planners, and pensioners can continue to work on the issue. I know that both sides of the House are going to continue to work on the pension issue, whether this bill passes or not. But let's be succinct and get 'er done.

Thank you.

**The Chair:** Thank you, Mr. Wallace.

Mr. Rafferty.

**Mr. John Rafferty:** I want to be on the record that I agree with Mr. Lake's comments about timing. I think that makes a lot of sense. The only proviso I might put in—and maybe the timing doesn't work for this—is to have new witnesses, not the same witnesses. I see the heads shaking there. I guess in the spirit of Mr. Garneau's comments, we should clear up with the people who have already been here. So let me retract that. But let me agree with Mr. Lake's comments about timing.

**The Chair:** I can't scrub it from the minutes, but it is retracted.

Mr. Garneau.

**Mr. Marc Garneau:** Thank you, Mr. Chair.

I have no problems with the suggestion as to timing proposed by Mr. Lake. Let's get this right.

I do have a bit of a problem with Mr. Wallace saying this is only a seven-clause bill and it's only talking about eight amendments. This is a very important bill. It is an extremely important bill for both pensioners and businesses. It is not to be belittled by saying that it's a few pages thick.

Let's look at this in a serious fashion.

• (1155)

**The Chair:** Mr. Wallace, did you want to speak to that?

**Mr. Wallace:** No.

**The Chair:** Mr. Lake.

**Mr. Mike Lake:** Just to be clear, Mr. Wallace never said the bill wasn't important. In terms of extending time to deal with a bill that's fairly short and not overly complex, we've articulated that we don't agree with the need to extend meetings.

I do want to take a moment to express appreciation to Mr. Rafferty. As we've gone through the process, I really do appreciate the style he's brought forward. Whether we disagree on what the bill will or will not do, and what I would deem to be the risks of the bill, I definitely acknowledge that it's been brought forward in a positive spirit—changes he feels are important. I'd like to acknowledge that.

**The Chair:** Okay, our speakers list has been exhausted.

To get some momentum, I think I have consensus on reporting to the House and asking for a 30-day delay on this bill, as well as Bill C-452.

Is there consensus on that?

**Some hon. members:** Yes.

**The Chair:** I think we're probably going to need more clarity on the witnesses now. We had a suggestion to give all the witnesses we heard from an opportunity to appear.

Mr. Garneau.

**Mr. Marc Garneau:** Quite right, Mr. Chair, it's to give them an opportunity. If they feel nothing has changed, then that's up to them not to reappear.

**The Chair:** So as the motion stands right now, debate has ended.

Oh, it hasn't.

Mr. Rota.

**Mr. Anthony Rota:** Sorry, I just want some clarification. To me, these changes are serious and significant. If we find that we need new witnesses.... Are we limiting ourselves to the previous witnesses, or can we add witnesses? I don't want to limit it.

As Mr. Wallace said, it's a one-page document; it's not very long, but it is significant. If it's going to change industry, pensions, people's jobs, if we need more witnesses, I want the freedom to call them in if necessary.

I want to make sure we're not limiting ourselves.

**The Chair:** Absolutely. But the motion on the floor that was moved by Mr. Garneau was to give the previous witnesses an opportunity—

**Mr. Anthony Rota:** I want clarification on that, whether we are—

**The Chair:** Well, if we vote for that motion, that's what we'll decide. Of course it's up to the committee whether they decide to move another motion or debate the issue. I'm open in that regard, to try to find consensus on new witnesses. I'm just trying to deal with what's at hand right now.

Mr. Lake.

**Mr. Mike Lake:** The motion is for the witnesses we've heard, for the same reasons I've argued, that we don't necessarily need to go through this process. I also agree that if we are going to go through the process, we hear from the witnesses we've heard from. Certainly by way of extension, anyone else who wants to comment can write in their concerns to the committee and have those concerns added to the record.

I believe this will be the longest I've ever spent on a private member's bill in terms of the number of meetings. It's certainly the first time we'll have listened to the same witnesses on multiple occasions. It's already somewhat unprecedented. I think we ought to move forward as the motion presents and schedule the witnesses that came before us to come before us again.

It should take two meetings. I think we only had two meetings with witnesses. Were there witnesses in the second hour of the first meeting? I can't remember. I think we should be able to fit it in over two meetings and then go clause by clause in the third.

I don't think we need to have the officials come before us again until clause-by-clause. They can add their opinions during clause-by-clause.

**The Chair:** Mr. Wallace.

**Mr. Mike Wallace:** Just as a point of clarification, and I apologize to the honourable member across if he misinterpreted what I was trying to say, he is absolutely right. On the finance committee, I spent all last spring and the beginning of the summer on pension issues at committee for four hours a week for six or seven weeks. It is a significant issue. All I was saying is that this bill has an impact, and should we be relying on making such an impact in seven clauses? That was my point.

That's my point of clarification. Thank you, Mr. Chair.

• (1200)

**The Chair:** Thank you, Mr. Wallace.

Monsieur Cardin.

[Translation]

**Mr. Serge Cardin:** Thank you, Mr. Chairman.

I have no objection to hearing from some new witnesses, but this raises a question in my own mind which is rather delicate. I would not like to leave the impression with certain witnesses we heard from that we do not value their opinions. I don't want to exclude anyone, but at the same time, I think we need to identify our requirements and the reason why we're requesting an extension. It is likely with a view to improving the bill and making it more effective and efficient. I think we could possibly select more expert witnesses who could talk about the impact of these amendments. We could also hear once again from those who put forward other suggestions. Some witnesses would not be in a position to provide any more details regarding what people affected by these events have experienced or what the outcome was.

I believe that we are now at a very technical stage in the process. Those are the kinds of witnesses we should be hearing from at our upcoming meetings. That way we could arrive at a final wording and make enlightened decisions with respect to the impacts and scope of the bill, as drafted at that point.

[English]

**The Chair:** Thank you, Monsieur Cardin.

Mr. Rota.

[Translation]

**Mr. Anthony Rota:** I agree with Mr. Cardin. I would like there to be an opportunity to invite other witnesses if we see that we are missing certain information and that there are still gaps to be filled. Perhaps an amendment could be made to the motion to allow us to invite additional witnesses to appear, if we deem it necessary.

[English]

**The Chair:** Well, on that note, any member can bring up committee business and change the course, since we're the masters of our own destiny, and the majority of the committee represents the committee.

Mr. Lake.

**Mr. Mike Lake:** I think we have to have some form of amendment that we're actually talking about here. Right now, we have just the original.

Can you just read the motion for me as it sits right now?

**The Clerk of the Committee (Ms. Michelle Tittley):** It is that the committee reinvite witnesses to appear, if they so choose, to comment on proposed amendments to Bill C-501.

**Mr. Mike Lake:** Okay. Can we work an amendment in?

I'd like to move an amendment, basically, that we reinvite witnesses to appear on Tuesday—whatever the date is—and Thursday—whatever the date is—next week, and then at the end somehow add to the wording that we schedule a meeting for clause-by-clause on the following Tuesday, whatever that date is.

**The Chair:** All right, we'll speak to the amendment right now.

Mr. Rafferty.

**Mr. John Rafferty:** I wouldn't like to see this bill delayed any more than it needs to be, and I think Mr. Lake's amendment is a good one.

The only thing I might add is that if four hours are set aside, I think it's good to hear the previous witnesses. It seems to me that any number of those witnesses may not be able to appear. Perhaps a suitable compromise would be that if there is space for new witnesses within those four hours, it would certainly be acceptable to me to hear them.

I'd like to hear what people think about that.

**The Chair:** Mr. Garneau.

**Mr. Marc Garneau:** I don't favour the amendment, for the reason that if all of them want to reappear, it took us three sessions to get to this point, and as Mr. Rafferty pointed out, some of them may have a little bit of difficulty getting here. If we're going to do it right, we should do it right. I don't think we should constrain ourselves quite as much as this amendment proposes.

● (1205)

**Mr. Mike Lake:** I'm actually amenable to what Mr. Rafferty is saying. That makes sense, because there were probably witnesses we invited who weren't able to come. I don't know if the clerk wants to comment on that, but certainly if there were, that might be an option. It's four hours of meetings. We did have quite a broad slate of witnesses for most of them, though, so if they wind up being a little bit shorter, that's not the end of the world either. If we decide there is room for one or two more at each of the two meetings, we can live with that.

**The Chair:** I would remind you that those meetings were very packed. It was interesting even to chair them, and of course to also make sure that members had fair time to question the witnesses. So that is a significant issue.

Mr. Rota.

**Mr. Anthony Rota:** On a point of clarification, only people who were invited but didn't come would be additional witnesses, not new witnesses who would be pertinent to some of the changes, and who would actually give us new insight and some of the new interpretations. Am I correct?

**Mr. Mike Lake:** If you have an example of a witness who wasn't pertinent before but would be pertinent, based on this new information, let us know. I haven't heard any argument for that, because I would have a hard time understanding who would have been pertinent before.

**Mr. Anthony Rota:** As Mr. Sweet... I'm sorry, I don't mean to—

**The Chair:** It's okay. It is permitted. Go ahead.

**Mr. Anthony Rota:** As Mr. Sweet said, we are masters of our own destiny, so we could amend it at a later date, or if we have someone we want to propose, we could bring them forward.

**Mr. Mike Lake:** Absolutely.

**Mr. Anthony Rota:** Very good. I just wanted to be clear on that.

**The Chair:** I see no other debate.

Monsieur Bouchard.

[*Translation*]

**Mr. Robert Bouchard:** We are talking about two meetings to hear witnesses and a third for clause-by-clause consideration. I am pretty sure that not all of the witnesses we heard from previously will return. I think we could probably combine the ones that we've already heard from with some new ones, as proposed by my colleague. In any case, we can limit ourselves to two meetings to hear witnesses and a third for clause-by-clause. I think it would be appropriate to set a limit. That way we would be required to have results by the time the third session came around—in other words, for clause-by-clause. I believe there is a consensus on that. Conservative members seem to agree. I think I also heard Mr. Rafferty say that he is open to that idea. That is also our position.

[*English*]

**The Chair:** The flexibility is duly noted.

I think I can have a vote by consensus here, because I saw enough nods on the principle.

On the amendment constraining it to two meetings and then having a third meeting for clause-by-clause, do I have the right feeling that it does carry?

**Some hon. members:** Agreed.

**The Chair:** And the motion as amended?

**Some hon. members:** Agreed.

**The Chair:** That's how we'll handle the business, then, and we've already said consensually that we will deal with the extension on this bill as well as Bill C-452.

Without any other business, the meeting is adjourned.

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