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Chair

Mr. James Rajotte

Standing Committee on Finance

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● (1150)

[*English*]

The Chair (Mr. James Rajotte (Edmonton—Leduc, CPC)): I call this meeting to order. This is meeting number 87 of the Standing Committee on Finance. Orders of the day are pursuant to the order of reference of Monday, May 25, 2015. We are doing clause-by-clause of Bill C-59, an act to implement certain provisions of the budget tabled in Parliament on April 21, 2015 and other measures.

Colleagues, we will obviously go through clause by clause. We will have different officials, depending on which part of the bill we are dealing with. I want to welcome the officials here for part 1.

As you know, a motion was adopted that guides the committee on how long to speak. The three political parties on the committee have five minutes per clause, but as you know, as chair I can grant a little more time if we speak a little longer for certain items and then group other clauses together. Some parties have helpfully indicated which ones they wish to speak to as a priority. I appreciate that very much.

For clause-by-clause consideration pursuant to Standing Order 75 (1), consideration of clause 1, the short title, is postponed. The chair will therefore call clause 2 dealing with part 1, amendments to the Income Tax Act and related legislation.

I do not have any amendments for clauses 2 to 28, and I understand that I can group clauses 2 to 10 together.

Mr. Brison.

Hon. Scott Brison (Kings—Hants, Lib.): Is there not going to be a vote on clause 1?

The Chair: Clause 1, the short title, is deferred. It's postponed to the end. We're on clauses 2 to 10.

Do you want to speak to one of them?

(On clause 2)

Hon. Scott Brison: I'll begin with clause 2 on the registered retirement income funds or RRIFs. These rules apply to Canadians who are at least 71 years old. The new rules are expected to cost $670 million over the next five years, but many baby boomers won't turn 71 until 2020.

Have you examined how much this will cost once the bulk of the baby boom has turned 71 and falls under the new rules? How much will this measure cost in 10 years?

Mr. Miodrag Jovanovic (Director, Personal Income Tax, Tax Policy Branch, Department of Finance): We did some longer-term analysis of the fiscal implication of this measure to make sure that with baby boomers the cost would not increase significantly over the long term. There will be some slight increase in cost over the next 10 or 20 years, but then there are also some offsetting effects due to the fact that this is a deferral measure in a way; savings will end up being taxed at some point. Overall we haven't seen significant pressure on the fiscal cost over a longer period of time.

Hon. Scott Brison: Thank you.

The Chair: Thank you.

(Clauses 2 to 10 inclusive agreed to)

The Chair: I understand the NDP would like to speak to clauses 11 and 12.

Mr. Caron.

(On clauses 11 and 12)

[*Translation*]

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): I just wanted to say that we introduced an opposition day motion in February seeking the exact measures proposed here. So we're very glad that the government has finally listened to reason and taken the necessary steps to help small businesses.

We are pleased with the direction the government has taken and proud of our efforts to get to this point.

[*English*]

The Chair: Thank you. That's a good way to start the meeting.

Is there further discussion on clauses 11 and 12?

[*Translation*]

Mr. Guy Caron: Mr. Chair, I'd like a recorded division please.

[*English*]

The Chair: Okay, we'll have a recorded vote.

(Clauses 11 and 12 agreed to: yeas 9; nays 0)

The Chair: I'm told I can group clauses 13 to 18 together.

Mr. Brison.

Hon. Scott Brison: I have a question on clause 18.

The Chair: Okay. Shall clauses 13 to 17 carry?

(Clause 13 to 17 agreed to)

(On clause 18)

The Chair: On clause 18, Mr. Brison, go ahead.

● (1155)

Hon. Scott Brison: What was the original policy rationale in 2012 for excluding foreign charitable foundations from being qualified donees under the Income Tax Act?

Mr. Miodrag Jovanovic: Prior to changes in 2012 there was already a provision that said that charitable organizations receiving a gift from Her Majesty in right of Canada could actually qualify as donees. When these changes were modified it was just natural to take that same approach.

Now this change in this budget is basically providing a bit more flexibility to recognize that when you look at a foreign organization in the context of the objective of this measure, the distinction between a charitable organization and a foreign foundation may not always be clear. You can do that easily in the Canadian context because you have all the information. In the foreign context you may easily have foreign foundations that are doing the same types of activities with respect to carrying out humanitarian aid or disaster relief and it's just to allow greater flexibility in that context.

Hon. Scott Brison: What was an unintended consequence of the change in 2012? Were there any unintended consequences of the change in 2012?

Mr. Miodrag Jovanovic: In 2012 the intention was to take the rules as they were and just add some conditions and have a better process around that provision, and now it's kind of a separate decision just to add a bit more flexibility.

Hon. Scott Brison: Could you provide the committee with an example of a foreign charitable foundation that was a qualified donee prior to 2012 but became excluded because of the 2012 rule change? Could you give us an example?

Mr. Miodrag Jovanovic: There are some. I think, for instance, the Aga Khan Foundation has been on the list for many years and that could be one potentially.

Hon. Scott Brison: Are there any others, just to help illustrate?

Mr. Miodrag Jovanovic: There are none that I remember. I'm sorry.

Hon. Scott Brison: What was the nature of the work that the Aga Khan Foundation was doing in Canada?

Mr. Miodrag Jovanovic: I don't have much information on that. They are carrying out a lot of work in Middle Eastern countries—humanitarian and education. Their activities tend to be relatively broad.

Hon. Scott Brison: Are there any environmental organizations?

Mr. Miodrag Jovanovic: There are none that I'm aware of.

Hon. Scott Brison: Okay.

Thank you.

(Clause 18 agreed to)

(On clause 19)

The Chair: I understand the NDP wants to deal with clauses 19 to 24 separately.

Mr. Rankin, go ahead on clause 19.

Mr. Murray Rankin (Victoria, NDP): Clause 19 effectively doubles contribution limits for the TFSA, moving it from $5,500 to $10,000 in tax year 2014. We think this is wrong-headed and have said so of course in the House. Any plan that allows the top 20% to get the majority and to get more than the 80% who are in the bottom of the income levels is something we will oppose. We think with the middle class struggling to make ends meet and huge mounting household debt, this is just a pipe dream for most Canadian families, so we're just basically concerned about any plan that leaves middle-class families paying for tax breaks for the wealthy few.

We've said this over and over again and we certainly will say it here.

The Chair: Thank you.

I have Mr. Brison and then Mr. Caron.

Hon. Scott Brison: On May 26 officials told this committee that they had examined how these changes to TFSAs would impact the provinces.

Can you share with us how these changes will impact the provinces? Do you have that information in terms of the fiscal impact?

● (1200)

Mr. Miodrag Jovanovic: Roughly speaking, the effect on provinces would be roughly half of the impact at the federal level.

Hon. Scott Brison: Can you share more of the information? As you know, this impact analysis is no longer a cabinet confidence since the legislation has been introduced, so can you provide us with more granularity around the cost to provinces?

Mr. Miodrag Jovanovic: We'll have to look at what we have and what we can disclose under normal circumstances.

Hon. Scott Brison: It's no longer a cabinet confidence because the legislation's been introduced, and further to that, members of Parliament of all parties have a fiduciary obligation to Canadians to have this information.

Mr. Miodrag Jovanovic: Yes. What we have on the provincial basis is the effect on the tax base, so that we have.

Hon. Scott Brison: Can you provide us with that?

Mr. Miodrag Jovanovic: That can be provided. Yes.

Hon. Scott Brison: Now?

Mr. Miodrag Jovanovic: I don't have this information now in front of me.

Hon. Scott Brison: I'm saying this respectfully. I have great regard for our public servants, but that information ought to be provided to committee and should be provided in a timely manner. It would have been helpful to have it today.

Have you examined the long-term impact to these changes on OAS? We were told by the parliamentary budget office that this change is going to have some unintended consequences on OAS cost.

Mr. Miodrag Jovanovic: About 15% of our cost is associated with the OAS-GIS program.

Hon. Scott Brison: But some financial advisers are telling their wealthier clients that they can continue to get the maximum guaranteed income supplement for three years while living off their TFSAs. They are being told to maximize their annual TFSA contributions, delay their CPP benefits and pension plans as well as RRSP withdrawals until the age of 70, and this way they can collect the maximum in OAS and GIS for three years from 67 to 69 while supplementing their income with their TFSA accounts.

Is the government, or are you, aware of this loophole that will allow quite wealthy people to qualify and receive a guaranteed income supplement?

Mr. Miodrag Jovanovic: We are aware of these.

Hon. Scott Brison: You're aware of this.

Mr. Miodrag Jovanovic: We don't think it is associated specifically to the TFSA. It's associated with the fact that individuals can delay reception of those benefits.

Hon. Scott Brison: But would you agree that the policy objective of the guaranteed income supplement is not to benefit wealthy...?

Mr. Miodrag Jovanovic: Yes, but I'm also saying that this is not an issue related to TFSA. Anyone who can find other sources of income during these two or three years can do that strategy.

Hon. Scott Brison: TFSAs provide an opportunity for people to shelter income or to shelter wealth in a manner that enables them to qualify for GIS.

Would you agree that's inconsistent with the objectives of the GIS?

Mr. Miodrag Jovanovic: As I said, I think looking at these specific strategies is not that instructive to get to these broad results. What we find is that for high-income individuals for instance, in order to maximize their retirement income, they would need to invest anyway in their RRSP, for instance. That would be optimal for them.

It's very unlikely then that these individuals, given that it's not optimal, would only invest in a TFSA throughout their whole life and rely only on that for retirement, and then collect a GIS. What our analysis is concluding is that it would not be optimal anyway, so we don't project that this would be significant, that very wealthy individuals would be on GIS.

Hon. Scott Brison: Prior to my raising it with you, were you aware of this potential loophole?

● (1205)

Mr. Miodrag Jovanovic: As I said, I think this loophole has been in existence since it has been possible to delay the reception of CPP.

The Chair: We're on a broader policy. Let's keep it germane to clause 19. This may be a public policy issue, but I think we should keep it to clause 19, TFSA dollar limits.

Hon. Scott Brison: It is germane to that, Mr. Chair, because increasing the TFSA limits exacerbates this problem in that there will be a greater capacity for wealthier people to shelter income in such a way that they qualify for the GIS.

The Chair: The question was asked and the question was answered by Mr. Jovanovic who said that members of the public can use various ways to shelter.

Hon. Scott Brison: Have you studied the impact of the increase to TFSAs on this possibility of people to effectively shelter income and qualify for GIS? You're aware. You've read the same articles I've read, whereby financial advisers are saying this is something wealthier people ought to do.

Mr. Miodrag Jovanovic: I don't have the exact number, but we know a very small fraction of individuals seem to be using that, based on the number of individuals asking to delay their reception of CPP.

Hon. Scott Brison: Thank you.

The Chair: Thank you.

[*Translation*]

Mr. Caron, the floor is yours.

Mr. Guy Caron: Thank you, Mr. Chair.

We support the principle behind TFSAs. We've made that clear numerous times in the past.

But raising the limit to nearly double is a problem because it does not adequately address a number of issues. Mr. Brison just described one of them. Mr. Jovanovic, you've read the Parliamentary Budget Officer's report on the matter.

Something else in the report was also raised in other studies. The purpose of a TFSA is to encourage people to save, a bit like an RRSP. But the TFSA isn't really leading to any new savings. Small investors are using the vehicle a bit like they would an RRSP. But, by and large, those who are maxing out their contributions aren't putting away additional savings. They are merely moving their savings. The TFSA actually provides a more favourable tax environment in terms of protecting savings in the future and ensuring growth.

Have you considered the points raised by the Parliamentary Budget Officer, among others, and looked at how the TFSA has affected people's saving habits? Similarly, have you considered the impact of raising the limit from $5,500 to $10,000?

Mr. Miodrag Jovanovic: As I have already told the committee, the department did not study the impact of TFSAs on Canadians' savings rate.

That said, a vehicle like the TFSA offers a variety of potential economic benefits. For instance, it reduces a number of imbalances by allowing for a better economic distribution in terms of the decision to consume now versus later.

The TFSA was designed to give people more choice in the existing financial environment, which included the RRSP. For example, low-income individuals who may have had less incentive to invest in an RRSP now have much more reason to put their savings in a TFSA. The same is true of seniors. So the TFSA's ability to complement existing savings vehicles is a key factor. The TFSA doesn't add to what was already available, but neither is it redundant. Instead, it complements what already exists.

● (1210)

Mr. Guy Caron: The benefits you just listed are the very reasons why we don't oppose the principle behind TFSAs. You talked about optimal conditions, but the issue is where should the limit be to ensure that optimal performance.

At what point does the TFSA stop being an instrument that allows for maximum benefit and the optimal use of resources? At what point does it become an appealing tax shelter vehicle? And when I say tax shelter, I'm not referring to savings but, rather, the transfer of savings. That's what we are concerned about.

Mr. Miodrag Jovanovic: That's an excellent question that would likely be very difficult to answer. That said, most economists agree that decreasing taxes imposed on savings is generally a positive measure.

[*English*]

The Chair: I assume members want a recorded vote on clause 19.

(Clause 19 agreed to: [See *Minutes of Proceedings*])

(On clauses 20 to 24)

The Chair: On clauses 20 to 24, do members want to speak to each one?

Mr. Rankin.

Mr. Murray Rankin: I don't think we do. We're going to be voting in favour of these, Chair, but I should say—just as my colleague, Mr. Caron, said about part 1—that we're always pleased in the NDP when the government follows our advice and accepts our recommendations, our plan for small business. This is the second part that they've adopted. The idea of rapid writeoff, as it's called, or extending the accelerated capital cost allowance for manufacturers is a good thing.

It needs to be said that the Conservatives have stood by as 400,000 Canadians have lost their jobs in manufacturing. Small business is struggling to get by in this economy. As you may remember, Chair, we had an NDP motion to implement these very changes, which the government voted against a few weeks ago. Frankly, we like the idea, but it's very hard for us to take the government seriously when it does what it has done.

Having said all of that, we will, of course, support our ideas found in the budget today.

The Chair: Thank you, Mr. Rankin.

Mr. Brison.

Hon. Scott Brison: Mr. Chair, in terms of an accelerated capital cost allowance on the longer-term horizon, I'd like to thank the NDP for having decided to support what was a Liberal position, and of course, indirectly thank the Conservatives for having decided to support an NDP and originally Liberal position.

In the spirit of cooperation exemplified by Mr. Rankin's intervention, I want to thank the NDP as well for having supported the Liberal position.

Thank you.

The Chair: Thank you, Mr. Brison.

Mr. Saxton.

Mr. Andrew Saxton (North Vancouver, CPC): I want to say it's surprising to hear the Liberals supporting this when their leader actually said that manufacturers should look for other work in this country. It's quite surprising that Mr. Brison has now changed his party's position on this matter.

The Chair: Thank you.

As the chair, I want to thank you also for endorsing the recommendation of the 2007 industry committee report, which recommended changing the accelerated capital cost allowance for manufacturing. I appreciate your recent conversion to that position.

Can we group clauses 20 to 24 together for voting?

● (1215)

Mr. Murray Rankin: I request a recorded vote.

(Clauses 20 to 24 inclusive agreed to: yeas 9; nays 0)

The Chair: I will, then, try to group clauses 25 to 28.

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

(Clauses 25 to 28 inclusive agreed to: yeas 9; nays 0)

The Chair: Thank you.

We'll now move to part 2, “Support for Families”, division 1, Income Tax Act, and perhaps we'll get the officials for division 2 to make their way to the table as well.

I do not have any amendments for clauses 29 to 34, so I will group clauses 29 to 34 together, and I'll go to Mr. Caron.

(On clauses 29 to 34)

[*Translation*]

Mr. Guy Caron: Thank you, Mr. Chair.

We are coming to the oft-discussed matter of income splitting, which the Conservatives have renamed the family tax cut credit, as a marketing ploy.

The measure has been widely documented as a tax benefit that will help very few people, just 15% of Canadian households. The other 85% will get nothing out of it. Of the multitude of measures the government is introducing, it's obviously important to distinguish between income splitting and the enhanced universal child care benefit.

They are two separate benefits and the government should have treated them as such. For its own vote-getting reasons, in my opinion, the government opted to group them together and to try to convince Canadians that we were against the whole set of measures, which is not at all the case.

I'm not quite sure what else we can possibly ask you about income splitting, as this division has probably been the most studied. Be that as it may, there is no doubt that we will stick to our previously held position and vote against this measure.

[*English*]

The Chair: *Merci, monsieur Caron*.

I'll go to the vote on clauses 29 to 34.

Hon. Scott Brison: I want to speak to—

The Chair: You can speak to them all if you wish.

Hon. Scott Brison: I want to ask a question on the drafting error in previous legislation on income splitting that this bill seeks to correct. Can you describe the previous drafting error in layman's terms for the thousands of Canadians watching this at home? Can you walk us through an example of how it would impact a family financially?

Mr. Miodrag Jovanovic: The family tax cut is designed as notional income splitting, if you will. Both spouses have to reallocate their income then split the taxable income. Some of the credits may have been transferred between members before that calculation, like the age credit, the pension income credit, and also education credits. To do the proper calculation, these credits are taken from the return of the high-income spouse and are put back in the return of the lower-income spouse to avoid some potential double counting in the value of these credits.

When this was initially designed this drafting error happened. One of these credits, the education credit, which includes tuition, education, and textbook credits, the way these credits are transferred between spouses, the impossibility of double counting is already in the calculation. We should not have removed this specific credit in the calculation of the family tax credit. We're readjusting that correctly.

With respect to the question as to how much families could be penalized, first of all, this would apply only in a case where there's a transfer of education credits between spouses and the maximum amount would be $750, which is equivalent to 15% of $5,000, the maximum transferrable amount of credits between spouses.

● (1220)

Hon. Scott Brison: When did the department first learn of this drafting error?

Mr. Miodrag Jovanovic: Sometime in April, I don't have a precise date.

Hon. Scott Brison: Was the minister made aware at that time?

Mr. Miodrag Jovanovic: Yes.

Hon. Scott Brison: Okay, thank you.

The Chair: Thank you.

I'm advised that I can group together clauses 29 and 30 for a vote.

Mr. Raymond Côté (Beauport—Limoilou, NDP): I'd like a recorded vote.

(Clauses 29 and 30 agreed to: yeas 6; nays 3)

The Chair: I'll move to the vote on clauses 31 to 34.

Mr. Guy Caron: I'd like a recorded vote.

(Clauses 31 to 34 inclusive agreed to: yeas 5; nays 4)

The Chair: We'll now move to division 2.

Welcome to the officials from Finance and ESDC.

I do not have any amendments for clauses 35 to 40.

(On clauses 35 to 40)

[*Translation*]

Mr. Guy Caron: As I mentioned previously, we are strongly opposed to income splitting for all of the economic reasons that have been mentioned. However, we support enhancing the universal child care benefit, even though the government regrettably chose not to be transparent about the fact that it eliminated the child tax credit to fund the bulk of the improved benefit.

We will, of course, support the enhanced universal child care benefit, even though it should be renamed given that it's for children between the ages of 6 and 17. It can hardly continue to be called a universal child care benefit when it's for children older than 6. The measure would be combined with the NDP's proposed $15-a-day national child-care program. The plan would be negotiated with the provinces, with Quebec having the right to opt out given that it already has a program in place.

For these reasons, we intend to support the enhanced universal child care benefit, provided for in clauses 35 to 40.

The Chair: Thank you, Mr. Caron.

[*English*]

Mr. Brison, please.

Hon. Scott Brison: Mr. Chair, Liberals oppose this division, because we have presented a better plan for Canadian families, the Liberal Canada child benefit. The Liberal plan will actually provide Canadian families with one bigger and fairer tax-free monthly cheque to help families with the high cost of raising their children. Under the Liberal plan, a typical two-parent family with two kids, earning $90,000 per year, will get $490 tax-free every month. Under the Conservatives and Bill C-59, that same family receives only around $275 per month after tax. Compared with the Conservative plan, the Liberal plan will provide that family with an additional $2,500 more help, tax-free, every year.

Now, with the Liberal plan, a typical one-parent family with a child—

The Chair: Okay.

Hon. Scott Brison: —earning $30,000 per year—

Mr. Andrew Saxton: Is this a paid-for announcement?

Hon. Scott Brison: I have to endure your talking points, so you may—

The Chair: Order.

Hon. Scott Brison: I have to listen to your talking points. At least I wrote mine.

But with one child, earning $30,000 per year, they'll actually get $533 tax-free every month. Under the Conservatives and Bill C-59 —

The Chair: Okay, Mr. Brison, to the actual clauses we're debating.....

Hon. Scott Brison: —the same family receives only around $440 after tax.

The Chair: Okay—

Hon. Scott Brison: This is important, Mr. Chair.

A family making $45,000 per year, with two children, will be $4,000 better off every single year. In fact, every family earning less than $150,000 per year will receive more monthly benefits under our plan, the Liberal plan, than under the Conservatives.

Mr. Chair, that is why we are opposed to this plan, because we have something that is fairer for the Canadians who need the help the most.

● (1225)

The Chair: Thank you.

That is probably technically pre-writ advertising, but we'll go to Mr. Saxton and then Mr. Rankin.

Mr. Andrew Saxton: Thank you, Chair.

I think it's only fair that the government have an opportunity to rebut Mr. Brison's campaign electioneering. I don't know if that was actually approved by his official agent or not, but in any case, I can say that our plan requires no increase in taxes whereas the Liberal plan requires an increase in taxes. That's the biggest difference. The Liberals feel that they can raise taxes in order to spend taxpayers' money whereas we believe in keeping more money in the pockets of Canadian taxpayers.

The Chair: Thank you.

We'll go to Mr. Rankin and then we'll go to the vote.

Mr. Murray Rankin: We are talking about the universal child care benefit and not some other benefit that Mr. Brison has talked about, just to be clear.

I want to make it absolutely clear that we want a recorded vote on this particular set of provisions, because the Conservatives have been saying in the House incessantly that the New Democrats oppose or will get rid of the UCCB and that is absolutely not true. What we have is a $15 universal child care program, which will I think make life much more affordable for Canadians. I want to have a recorded vote so we can clearly state on the record that we support the UCCB.

The Chair: We'll grant that request. We'll have a recorded vote on clauses 35 to 40.

(Clauses 35 to 40 inclusive agreed to: yeas 8; nays 1)

The Chair: We'll thank our officials from that part and division for being with us.

We will now move to part 3 and we'll move to division 1. We'll ask our officials to come forward. We have an official from Finance. We'll welcome back, Mr. Recker.

(On clause 41)

The Chair: Colleagues, on clause 41 we have four amendments from Ms. May and Mr. Hyer. PV-1 and PV-2 are identical, so we're going to move to amendment PV-2 in the name of Mr. Hyer. We're going to ask Mr. Hyer to present the logic for his amendment.

Mr. Bruce Hyer (Thunder Bay—Superior North, GP): Thank you, Mr. Chair.

One of the key principles underlying responsible parliamentary government is that the House of Commons holds the power of the purse. This amendment that we're proposing will make the tabling of a budget with financial information mandatory to give MPs time to assess the budget before the beginning of the fiscal year. With the public relations brochures we get from time to time in the form of economic action plans, which are devoid of detailed accounting, and with budgets tabled in April instead of February and March, this government has eroded parliamentarians' ability to perform their duty in holding the government accountable on spending.

Thank you, Mr. Chair.

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

We'll go to Mr. Saxton on this.

Mr. Andrew Saxton: The government does not support a fixed date for tabling the budget as that would really restrict the government's flexibility in responding to global and domestic matters.

The Chair: We'll then move to the vote on amendment PV-2. The vote on amendment PV-2 obviously also applies to amendment PV-1.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: We will now move to amendment PV-4, because amendment PV-4 is identical to amendment PV-3. Again we will ask Mr. Hyer to address that.

Mr. Bruce Hyer: Thank you.

We can't have or we shouldn't have a government that's afraid to borrow to build the infrastructure we need because it's worried about the penalties that might occur. This amendment will make it so this legislation is careful not to restrict borrowing for prudent capital investment.

Thank you.

● (1230)

The Chair: Is there any further discussion on amendment PV-4?

Mr. Saxton.

Mr. Andrew Saxton: Thanks, Chair.

The government does not support the proposed clause as it would introduce a significant degree of subjectivity and unnecessary complexity into the proposed act. The proposed legislation has been drafted to be transparent, easily verifiable by Canadians, and in line with the government's fiscal policy approach in the wake of the great recession. The proposed clause would introduce a measure, a budgetary balance after investments, and a positive discounted net present value of cost and economic social deterrence, the calculation of which would be highly subjective, opaque, and not easily verifiable.

The Chair: Thank you. We'll move to the vote on PV-4.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: Shall clause 41 carry?

Did you want to speak to clause 41, Mr. Brison?

Hon. Scott Brison: Yes. There's some inconsistency—I don't want to say "hypocrisy"—of the Conservatives in terms of the balanced budget law. Under this law, if a government goes into deficit because of a recession, a pay freeze must be in place from the end of the recession until a balanced budget is recorded in the public accounts. That includes a pay freeze for the Prime Minister and all cabinet ministers.

This Conservative government hasn't recorded a balanced budget in the public accounts since 2008, but if the Conservatives actually believed in this part of the bill, they would have made it retroactive and subjected themselves to the pay freeze. Instead, the Conservatives have added more than $150 billion to the national debt while the Prime Minister and each cabinet minister got a pay raise on April 1 every year since 2013.

Making this bill retroactive and making the Conservatives put their money where their mouths are on this would have cost the Prime Minister $18,107, each minister $8,552, and each minister of state $6,289. If they respected the spirit of this legislation, they would have made it retroactive and that would have been the impact on their salaries, because they have not met the conditions laid out by this legislation.

The Chair: Thank you.

Mr. Saxton, please.

Mr. Andrew Saxton: Thanks, Chair.

I want to point out that during the great recession, the Liberals actually encouraged us—pleaded with us—to spend even more money, to invest even more money in the economy, so if they had been in power, we would have been much further in debt and would have cost Canadian taxpayers billions and billions more. Fortunately, we did not listen to the Liberals and Canadian taxpayers are better off as a result.

The Chair: Thank you.

(Clause 41 agreed to on division)

The Chair: Mr. Recker, thank you so much.

(On clause 42—*Enactment*)

The Chair: We'll move to division 2, the prevention of terrorist travel act, and deal with clause 42. We have a number of amendments for clause 42.

We have PV-5 and PV-6, and they are identical, but I will go to PV-6 in the name of Mr. Hyer and ask him to speak to that amendment.

Mr. Bruce Hyer: Thank you.

This amendment deletes the clauses within the bill that will allow for secret evidence as well as evidence inadmissible in a Canadian court of law. It also requires an appellant to be informed of the minister's case against them, not just "reasonably informed".

Thank you, Mr. Chair.

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

Mr. Saxton.

Mr. Andrew Saxton: Protecting sensitive information from disclosure is critical in national security cases. Removing these provisions would put at risk the investigative information from law enforcement and national security agencies that may contain source, investigative, and potentially ally information, and eliminate some of the procedural fairness elements introduced by the government in these proceedings. Therefore, this amendment fundamentally contradicts the rationale of the purpose of the act.

The Chair: Thank you. We'll move to the vote on PV-6.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: We'll move to PV-8 since it's identical to PV-7, and we'll go back to Mr. Hyer, please.

● (1235)

Mr. Bruce Hyer: Thank you.

This amendment appoints a special advocate to be present whenever an appellant and their counsel can't be present due to issues of national security. This is the scheme from security certificates. In my opinion, these secret trials are unjust, but at least a special advocate would make things a bit more fair.

The Chair: Thank you, Mr. Hyer.

Mr. Saxton.

Mr. Andrew Saxton: Thank you, Chair.

The use of special advocates is currently limited to proceedings under the Immigration and Refugee Protection Act, such as judicial proceedings related to security certificates. The rights and freedoms affected by immigration proceedings require greater protections than those affected by passport decisions. Judges always retain the discretion to appoint an amicus curiae to assist in proceedings, including those involving sensitive information, in order to protect the interests of the person. Therefore, this amendment should not be supported.

Mr. Murray Rankin: I'd like to thank Mr. Hyer for this proposal. I think it's a good one.

As Mr. Saxton said, special advocates are currently only available under IRPA, the Immigration and Refugee Protection Act. I served in that capacity, appointed by the current government.

I think the second point made by Mr. Saxton was that this could be done at the discretion of a judge—we could have an amicus curiae appointed—which is also very true. But I think having the certainty of a special advocate in attendance, as required by law, as we do under the immigration law, would be a very wise thing to do in this circumstance.

I again commend Mr. Hyer for raising this.

The Chair: Thank you.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: We'll go to PV-10, which is identical to PV-9.

Mr. Hyer, please.

Mr. Bruce Hyer: Again, this amendment deletes the clauses within the bill that allow for secret evidence and for decisions to be made based on evidence that neither the opponent nor the counsel has even seen.

It also requires the opponent to be actually informed of the minister's case, and not just "reasonably informed".

The Chair: Thank you, Mr. Hyer.

Mr. Saxton.

Mr. Andrew Saxton: Thank you, Mr. Chair.

Protecting sensitive information from disclosure is critical in national security cases, for the same reasons I've already stated.

The Chair: Thank you.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: I understand that PV-11 and PV-12 are identical as well.

Mr. Hyer, on PV-11.

Mr. Bruce Hyer: This amendment appoints a special advocate to be present whenever an appellant and their counsel cannot be present due to issues of national security. If we have enough information to revoke somebody's passport, we should have enough to look into charges of laying a recognizance without conditions. A special advocate would at least make sure that the person accused who can't defend themselves has someone looking out for them.

The Chair: Thank you, Mr. Hyer.

On this, Mr. Saxton....

Mr. Andrew Saxton: I'll reiterate what I said previously with regard to this issue.

The Chair: Thank you.

Mr. Rankin.

Mr. Murray Rankin: And I'll reiterate what I said. It's a very wise amendment.

It seems to me the government is accepting these principles in their IRPA. Why they wouldn't accept them here is beyond me.

The Chair: Thank you.

(Amendment negatived [See *Minutes of Proceedings*])

(Clause 42 agreed to)

(Clause 43 agreed to)

The Chair: Thank you to our officials from Public Safety. We'll now move to—

Mr. Andrew Saxton: Mr. Chair, can we take a break?

The Chair: You want to take a break? Okay.

We'll suspend for 10 minutes and we'll take a food break. Thank you.

● (1235)

(Pause)

● (1250)

The Chair: I call this meeting back to order.

Colleagues, we left off at part 3, division 3, dealing with intellectual property. We want to welcome our officials from Industry Canada for this division.

(On clauses 44 to 53)

The Chair: I do not have any amendments for clauses 44 to 53. Can I group those clauses together?

Mr. Raymond Côté: That's no problem.

The Chair: Does someone want to speak to clauses 44 to 53?

Monsieur Côté.

[*Translation*]

Mr. Raymond Côté: Thank you, Mr. Chair.

What I'm about to say probably won't come as much of a surprise since I've complained about this in relation to previous omnibus budget bills. Unfortunately, these kinds of legislative changes are buried in a massive bill, the study of which falls on the shoulders of the Standing Committee on Finance. I am even more outraged by the fact that when I sat on the Standing Committee of Industry, Science and Technology throughout all of 2014, we had to engage in a bogus study of parts of an omnibus budget bill that made amendments to the same pieces of legislation. We heard from witnesses with major concerns, including the Law Society of Upper Canada.

Mr. Chair, it's quite shocking that, this morning, we are hearing from just a single witness who is directly affected by the amendment. We have, unfortunately, not heard any opposing points of view. The witness did, however, make a very interesting point, and I'm going to ask our public officials a question about it.

This morning, a cornerstone of solicitor-client privilege between patent or trademark agents and their clients was tied to what the witness referred to as a large number of decisions where that privilege would not apply. I was a bit taken aback. I assumed that the judges had made an informed decision. That was something I asked the witness about this morning. His view was that the evidence may not have been sufficient for solicitor-client privilege to apply to the communications between the agents and their clients.

I find it very disturbing that amendments are being made without the benefit of other opinions or an analysis of the consequences. It's akin to a vote of non-confidence in the bench. Judges are being contradicted for the wrong reasons. Basically, I'd like to know what led the government to believe that the judges were wrong or that solicitor-client privilege had not been granted for the right reasons. Could you please explain that to me?

● (1255)

Mr. Denis Martel (Director, Patent Policy Directorate, Department of Industry): Thank you for your question.

I don't think the judges were wrong. They interpreted the act as it was written and, in one of the significant cases, found that a patent agent who was also a lawyer and performed both functions did not enjoy solicitor-client privilege as a patent agent. The privilege applied to his law practice but not to his role as a patent agent. And, as a result, the confidential communications were disclosed in court. That was in one case.

In another case involving a patent agent in a foreign country, the U.K., it was the same situation. In the United Kingdom, patent agents enjoy solicitor-client privilege. The patent agent believed that he was covered by solicitor-client privilege, but the Canadian court determined that, although it was in another country, Canadian laws applied and therefore the evidence should be disclosed. These legal cases set precedents that put patent agents and Canadian companies at a competitive disadvantage as compared with other jurisdictions where solicitor-client privilege was available.

Given the increasing number of legal disputes internationally, Canada was becoming a weak link, so to speak, in terms of the disclosure of evidence and the holding of legal proceedings in other jurisdictions. It's important for Canada to be aligned with other countries by granting the privilege, as the U.K., New Zealand and Australia do. In the U.S., the privilege is granted if the country in question does the same. Canadian companies or clients aren't currently covered in the U.S.

Mr. Raymond Côté: Very well.

We aren't necessarily against the principle of extending the privilege, but the relevant committee should have had the opportunity to participate in a genuine debate on the matter.

My other concern has to do with the consultations that were conducted prior. The committee received a letter from an organization by the name of The Advocates' Society, according to whom, not all potential stakeholders were asked to participate in the consultation process, mainly law societies.

I'd like you to explain how those much talked-about consultations were handled by Industry Canada.

Mr. Denis Martel: We consulted with the people at CIPO, which represents intellectual property agents, the Canadian Bar Association and the Federation of Law Societies of Canada, which represents all the provincial law societies. So we sought their input, which was ultimately the same position they had advanced during the 2004 consultations.

Mr. Raymond Côté: Are there plans to make any other amendments to the act or other related acts? In fact, the Standing Committee on Finance may have to study them if, heaven forbid, we end up with another majority Conservative government.

Mr. Denis Martel: The government has made numerous changes aimed at improving and strengthening Canada's intellectual property policy framework. Other amendments are possible. The Canadian Intellectual Property Office recently conducted consultations on a code of ethics for agents. The work will continue but may not necessarily give rise to any legislative changes. It's something that may be considered at some point down the road.

● (1300)

Mr. Raymond Côté: I would just like to end by saying that the amendments being made to these three significant pieces of legislation should really have been subject to a comprehensive decision-making process involving the Standing Committee on Industry, Science and Technology. I cannot stress that enough. This is a breakdown or, rather, a deliberate failure to follow the basic legislative process, as the Canadian Bar Association pointed out in describing omnibus bills.

That is why we are not going to support these provisions.

[*English*]

The Chair: Okay. *Merci.*

We'll go to Mr. Brison, please.

Hon. Scott Brison: I have some comments regarding changes to the intellectual property regime. Most of this division of clauses 44 to 72 are housekeeping measures, but we've heard from a number of stakeholders who are worried about provisions here that grant privilege to patent or trademark agents and their clients.

Mr. Martel said there were consultations with the law societies. The Federation of Law Societies of Canada says:

> As we stated in correspondence to Industry Canada in October 2014, the proposal to protect from disclosure the communications between patent and trade-mark agents and their clients raises complex issues and would have significant implications not only for the patent and trade-marks system, but also for the legal profession, other professions, and for the administration of justice.

The Law Society of Upper Canada says:

> In the Law Society's view, there is no public policy rationale for granting solicitor-client privilege to the communications between patent or trade-mark agents and their clients, no evidence that privilege plays a role in the selection of a patent and trade-mark agent, lawyer or non-lawyer and, as Industry Canada's November 2013 discussion paper noted, "…little evidence of an overarching harm that needs to be remedied".

The offending measures are contained in clauses 54 and 66, and we will oppose those two.

To Mr. Côté's point, whether it's industry or justice, would it be better for these kinds of changes to be discussed and ultimately voted on by parliamentarians on committees with a greater level expertise in those areas? I'm not a lawyer. I'm not an intellectual property expert, so I rely on informed stakeholders like the law societies, and as I just noted the words of the Law Society of Upper Canada. I take their advice very seriously. That's why we're voting against clause 54 and 66.

The Chair: Okay. Thank you.

(Clauses 44 to 53 inclusive agreed to)

(On clause 54)

The Chair: We'll move then to clause 54. We have PV-13 and PV-14, and they are identical. Therefore, we'll go to PV-14.

Mr. Hyer, please.

Mr. Bruce Hyer: Thank you, Mr. Chair.

There are very good reasons for and against extending privilege to patent agents. However, this needs to happen in a separate intellectual property bill, partly because it's extremely controversial. In the meantime, things could be clearer if these common law principles were present here. This amendment seeks to incorporate the elements of the Wigmore test.

Thank you, Mr. Chair.

The Chair: Thank you, Mr. Hyer.

On this, Ms. Bateman, please.

Ms. Joyce Bateman (Winnipeg South Centre, CPC): Thank you, Mr. Chair.

First, on this, the government's approach is to align Canada's rules with those of the many other jurisdictions that recognize confidential communications between IP agents and clients as privileged. The approach in the bill does that, ensuring that Canada is not a weak point in the context of global litigation. The proposed amendment would incorporate conditions that are not found in foreign privilege rules and would undermine the objective of international alignment.

The second point I think is important to make is that the proposed amendments would undermine business certainty by making privilege subject to two additional conditions, making it very difficult for businesses and agents to know whether their confidential information would be protected against disclosure. This amendment would create a chilling effect that would undermine the benefits of privilege that it's intended to achieve.

Thirdly, the proposed amendments would undermine the objectives that providing privilege to the clients of IP agents is intended to achieve. Those objectives are to remove confusion around the type of communication that is privileged to avoid exposing Canadian companies in international litigation, to give assurances that Canada is indeed a safe place to invest in IP and R and D, and to promote open and frank discussions with IP agents and higher quality IP advice.

I think the final point I want to make, Mr. Chair, is that the Intellectual Property Institute of Canada—an institute that, by the way, is the professional organization and association for not only patent agents and trademark agents but also lawyers specializing in intellectual property—came and spoke to this very committee this morning giving testimony that not only had there been wonderful consultation to their community in this instance, but they were fully supportive and thought that this was getting us on a competitive footing with the world.

With respect, we do not support this amendment.

● (1305)

The Chair: Okay. Thank you.

(Amendment negatived [See *Minutes of Proceedings*])

[*Translation*]

Mr. Raymond Côté: I want to comment on the changes to the Patent Act, specifically.

You will recall, Mr. Chair, that, in the past, the NDP has tried to make the government listen to reason by calling on it to split omnibus budget bills. Obviously, the government has systematically refused that request, flying in the face of the conditions needed to put the public interest first. I just wanted to make perfectly clear how appalling that is.

Thank you.

[*English*]

The Chair: Shall clause 54 carry?

(Clause 54 agreed to on division)

(Clauses 55 to 65 inclusive agreed to)

(On clause 66)

The Chair: We have clause 66. We have two amendments, but they are identical. Therefore, I will go to Green Party amendment 16 and I'll ask Mr. Hyer to address PV-16, please.

Mr. Bruce Hyer: This one will be very short.

This amendment would do exactly the same thing as PV-14 but for trademark agents. I should perhaps use that bit of extra time to explain the Wigmore test. It was summarized by the Supreme Court in 1991, in the Gruenke case:

> The Wigmore test as to whether or not a communications is privileged requires that: (1) the communications must originate in a confidence that they will not be disclosed; (2) this element of confidentiality must be essential to the full and satisfactory maintenance of the relation between the parties; (3) the relation must be one which in the opinion of the community ought to be [diligently] fostered; and (4) the injury...to the relation by the disclosure of the communications must be greater than the benefit thereby gained for the correct disposal of litigation.

Thank you.

The Chair: Thank you, Mr. Hyer.

Ms. Bateman, on this point.

● (1310)

Ms. Joyce Bateman: Mr. Chair, for exactly the same reasons that I gave previously for clause 54, the government does not support this amendment. Indeed, the Intellectual Property Institute of Canada met with us this morning at this committee and they are fully in support of the inclusion of this.

We are not supporting this amendment.

The Chair: Okay. I will call the vote on PV-16.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: Do you want to speak to clause 66?

[*Translation*]

Mr. Raymond Côté: Thank you, Mr. Chair.

Everyone will recall that the previous amendments to the Trademarks Act, further to the last omnibus bill, faced strong opposition from the Canadian Chamber of Commerce, as well as a large swath of Canada's private sector. It was quite a problem. Clearly, they were condemning a process that resulted in amendments that weren't necessarily in their best interest at the time or, at the very least, the fact that an in-depth study had not been done. The amendments before us could easily be detrimental to Canadian business.

A huge number of economic interests come into play when trademarks are involved. Significant amounts of money are at stake. Amending these provisions without first giving the committee directly responsible an opportunity to conduct a detailed study could very well end up costing us dearly. Above all, these changes could jeopardize the survival of countless businesses by putting them at a competitive disadvantage, especially small businesses.

In the new economy, holding a trademark without overly easy challenges from abroad is probably one of the biggest concerns of small businesses.

As in the case of the other acts being amended, I condemn the process. The Standing Committee on Industry, Science and Technology should have had the opportunity to study the amendments from top to bottom. As was the case in the previous omnibus bills, our party's calls to split the legislation out into sections for further study were flatly rejected without serious consideration by the government. I just wanted to point that out.

Thank you.

[*English*]

The Chair: Okay, thank you.

(Clause 66 agreed to)

(Clauses 67 to 72 inclusive agreed to)

(On clauses 73 to 80)

The Chair: We'll thank our officials from Industry Canada for being with us.

We'll bring forward officials for division 4. Division 4 deals with compassionate leave and benefits. If I am allowed I will group clauses 73 to 80, and we'll go to Mr. Rankin on those clauses.

Mr. Murray Rankin: Thank you, Chair.

I just want to indicate that the NDP will be supporting clauses 73 to 80, which deal with the compassionate care benefits. We're once again pleased the Conservatives have adopted our proposal to extend the EI compassionate care benefits from six weeks to up to 28 weeks or about six months, so Canadians have enough time to care for critically ill loved ones.

I'm sure a lot of us were lobbied heavily on this. I know I was by seniors' organizations and health care organizations. It's something we've been working on for years. My own concern with this, frankly, is the serious narrowing of the eligibility criteria by the Conservatives. As I understand it, only if a doctor provides a certificate that a loved one is going to die within 26 weeks or six months will they be eligible. We think that's much too restrictive. We think other critically ill patients should be covered as well.

But having said that, it's a step in the right direction and we congratulate them for following the NDP's lead.

● (1315)

The Chair: Okay, thank you, Mr. Rankin.

Mr. Brison.

Hon. Scott Brison: Mr. Chair, I want to thank the NDP for having supported this initiative by one of my colleagues from the province of Nova Scotia and the island of Cape Breton. Mark Eyking, who is a Liberal member of Parliament, has been a champion for this change for some time, and I want to thank the NDP and ultimately the Conservatives for having come on board and supporting it.

It's good when we can agree on some level of progressive social policy from time to time in this place, so I want to thank both the NDP and the Conservatives for their support on this.

Mr. Murray Rankin: What is the word for revisionism in French?

The Chair: Thank you.

Are there any further comments?

An hon. member: Let's have a recorded vote.

The Chair: Can we apply it to clauses 73 to 80? Okay, we'll do a recorded vote that applies to these clauses.

(Clause 73 to 80 agreed to: yeas 9; nays 0)

The Chair: I want to thank our officials. I'm sorry we didn't have any tough questions for you today, but clearly you did your work very well.

(On clause 81)

The Chair: We will then move to division 5 dealing with the Copyright Act, and we'll ask the officials from Heritage to come forward. Welcome to the committee and thank you for being with us.

Colleagues, we have four amendments, but two are identical, so we'll deal with PV-18 and PV-20 and we'll go to Mr. Hyer.

Mr. Hyer, you can speak to them separately or together as you so wish.

Mr. Bruce Hyer: Together is fine. It makes sense, they do the same thing.

This bill changes the years of copyright for a song recording, not a song, but a recording from 50 years to an astounding 70 years. The big three foreign record companies lobbied the Prime Minister directly for this, and this came hidden here in this omnibus budget bill with no study or consultation.

Our amendments will change it back to 50 years, still very long, but more reasonable. Numerous studies in Europe have shown that extending the copyright for sound recordings does not benefit artists at all, but does benefit the big record labels. The artists quite often don't hold the copyright for the sound recording, while they do for the actual song, which goes for 50 years after death.

Thank you.

The Chair: Okay, thank you very much, Mr. Hyer.

On this point, Mr. Cannan.

Hon. Ron Cannan (Kelowna—Lake Country, CPC): I'm speaking in opposition to both amendments. These amendments would leave the term of protection for performances and sound recordings unchanged at 50 years, defeating the whole objective of the government's proposal.

We're committed to a longer term of protection of 70 years for performances and sound recordings. Our actions will better position Canadian performers to generate revenue throughout their lives and help foster a strong Canadian recording industry by ensuring that performers and record labels continue to share in the value of their sound recording.

The Chair: Thank you.

All in favour of amendment PV-18?

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: All in favour of amendment PV-20?

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: All those in favour of clause 81?

Monsieur Côté.

[*Translation*]

Mr. Raymond Côté: Thank you, Mr. Chair. It's very kind of you to let me speak.

As you know, the NDP voted against the Green Party of Canada's proposed amendments quite simply because we support the principle of extending the term of protection from 50 to 70 years.

But, on Monday, I was at the ceremony honouring former parliamentarians and had the tremendous pleasure of hearing a timeless classic by Raymond Lévesque, who at the age of 86, can barely sing his greatest hits anymore. And one of those greatest hits, which is one of the best Quebec songs of all time, if not the best, is “Quand les hommes vivront d'amour”. Similarly, other major artists, composers and authors will lose the ability to perform or promote their works. Unfortunately, these proposals simply amount to helping those who record their works and record companies. We would have liked to see this protection extend to authors and composers as well.

That leads me to underscore how shameful it is that these two provisions weren't subject to adequate scrutiny by the appropriate committee, rather than the Standing Committee on Finance.

Be that as it may, we support the two provisions because they improve upon the existing situation, at least. Nevertheless, it's necessary to go further and, above all, to extend this protection to those who are responsible for composing the works that make up our venerable audio and theatrical heritage.

Thank you.

● (1320)

[*English*]

The Chair: Okay.

[*Translation*]

Thank you.

[*English*]

(Clause 81 agreed to)

(Clause 82 agreed to)

The Chair: We'll thank our officials from Heritage.

We'll then move to division 6, on the Export Development Act. We have some amendments in this division. We'll welcome our officials back from Foreign Affairs and from Finance.

I'll deal with clause 83. There are no amendment to clause 83.

Mr. Brison, please go ahead.

(On clause 83)

Hon. Scott Brison: Mr. Chair, budget 2015 says this initiative will have an initial capitalization of $300 million over five years. However, at the briefing for parliamentarians last month, an official said the expected fiscal impact on the government is still unknown as the exact financing model is yet to be determined.

When is a final decision expected on the financing model, and when is the development finance initiative expected to be operational?

The Chair: Mr. Kuhn.

Mr. Steven Kuhn (Chief, International Finance, International Trade and Finance Branch, Department of Finance): I'll answer that question.

First, I will start by clarifying the intention of what was said in a previous meeting, which is that there is no fiscal cost of the capitalization on the $300 million because it would be operationalized as a transfer of capital to Export Development Canada. Export Development Canada, as a consolidated entity on Canada's books, would have no fiscal costs. It just becomes an asset on the Government of Canada's books. I'm sorry if that's not very clear.

But with respect to when decisions will be made as the DFI is operationalized, should this legislation be approved, the next step would be for the Department of Foreign Affairs, Trade and Development to issue to the corporation a statement of priorities and accountabilities. In that letter the minister would set out his expectations of what the DFI would look like and Export Development Canada would be required, as part of their next corporate planning process, to describe how it would be operationalized.

The corporate planning process occurs on Export Development Canada's fiscal year basis, so their fiscal year ends December 31, 2015. That corporate plan would be approved by Treasury Board and tabled in Parliament by the end of that calendar year.

● (1325)

Hon. Scott Brison: Thank you.

The Chair: Thank you.

We'll go to Mr. Rankin, please.

Mr. Murray Rankin: The NDP will be opposing this set of amendments from clauses 83 to 86.

In theory we think that DFIs have some potential, but we're concerned that the track records across the world haven't been very good. We think Canada could develop a best case example of these DFIs but we have little faith the government, which has made such serious cuts to development funding and has tarnished our reputation internationally, would proceed, so we're simply not prepared to support this.

We do have two amendments, as you know, Chair.

The Chair: Thank you.

(Clause 83 agreed to)

(On clause 84)

The Chair: We will go to clause 84, and we will go to NDP-1, then.

Mr. Rankin, do you want to speak to that?

Mr. Murray Rankin: Thanks, Chair.

The purpose of the amendment is really quite straightforward. We would simply like to add four criteria to the development finance initiative to ensure that it mirrors the Official Development Assistance Accountability Act, as well as stakeholder consultations. We would suggest in this amendment adding the four criteria that are before you. That is:

> (i) contributes to poverty reduction,
>
> (ii) takes into account the perspectives of the poor,
>
> (iii) is consistent with international human rights standards, and
>
> (iv) clearly constitutes financial support that is not available from other sources and that benefits development.

That is what the amendment would seek to achieve.

The Chair: Thank you, Mr. Rankin.

I'll go to Mr. Saxton.

Mr. Andrew Saxton: Thank you, Chair.

This proposed NDP-1 amendment goes against the arm's-length nature of the government's role in overseeing a crown corporation. Should the proposed amendments to the Export Development Act come into force, EDC will include a strategy for operationalizing the development finance initiative, including with respect to performance measures and corporate social responsibility policies in its corporate plan.

As part of his ongoing consultation activities, the Minister of International Development will consider stakeholder views pertaining to the development finance initiative.

The Chair: Thank you.

We'll go to further discussion.

Mr. Rankin.

Mr. Murray Rankin: I can understand the concept of crown corporations but there are many examples where directives and other documents are laid upon crown corporations.

Note that the rest of the amendment also would go on to require the minister to consult with civil society, other international agencies, and so forth, and take those views into account in formulating that opinion. It's no different from directives that are given to crown corporations all the time.

The Chair: Thank you.

We'll then vote on NDP-1.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: We have PV-21 and PV-22, so we'll go back to Mr. Hyer, for that amendment. We'll deal with PV-22.

Mr. Bruce Hyer: Thank you, Mr. Chair.

This amendment seeks to do two things, as recommended by James Haga, VP of Engineers without Borders. The first is poverty reduction, and specifically that Canada's development goals should be at the very heart of the development finance initiative's, DFI's, core mandate. Second, DFIs' investments should complement but be quite distinct from Canada's official development assistance.

Thank you.

The Chair: Thank you to Mr. Hyer on this.

Mr. Saxton.

Mr. Andrew Saxton: It should be noted that the DFI's capital base to make investments will be additional and complementary to Canada's official development assistance. It will not be sourced from Canada's international assistance budget. Support under the proposed legislation will not qualify as official development assistance under current international rules set out by the OECD Development Assistance Committee. However, these rules are being reviewed and could be subject to change in the future.

Consequently, the proposed amendment would produce an outcome that could put Canada out of step with international norms in the future.

● (1330)

The Chair: Thank you, Mr. Saxton.

We'll go then to PV-22.

(Amendment negatived [See *Minutes of Proceedings*])

(Clause 84 agreed to)

(On clause 85)

The Chair: On clause 85, we have NDP-2.

Mr. Rankin.

Mr. Murray Rankin: Thanks, Chair.

I'm certain that the government will support this, since it is simply an effort to provide greater accountability and transparency, something they are of course committed to.

It would require, under the proposed amendment, a review every five years after the paragraph comes into force, and every five years thereafter in consultation with the minister of finance, and that the results of that review be tabled in Parliament within one year.

We think this is important because the track record of development finance initiatives internationally, as I said earlier, isn't particularly good. People have written a great deal about how funds don't often end up benefiting local populations, but rather the donor export countries are supported. We think that to address that well-known problem in the literature and in the experience, having strong reporting requirements would go some measure to addressing that apparent deficiency.

The Chair: Thank you, Mr. Rankin.

Mr. Saxton.

Mr. Andrew Saxton: Thank you, Chair.

There is no need for a statutory requirement to have such frequent reviews, given existing accountability mechanisms in place through the Export Development Act. The act already includes a section instructing the minister responsible for EDC to review, in consultation with the minister of finance, the provisions and operation of the act, including proposed paragraph 10(1)(c) should it come into force, every 10 years.

The next legislative review of the Export Development Act is scheduled for 2018, and would thus be expected to cover the operationalization of EDC's development finance initiative, should it come into force.

In addition to this formal statutory obligation, the government will monitor EDC's development financing activities and provide clear direction on Canada's international development priorities through the existing crown corporation's corporate planning process. Under this process, EDC is obligated to publish a summary of its corporate plan and an annual report on its activities.

The Chair: Okay, thank you.

We'll go then to the vote on NDP-2.

(Amendment negatived [See *Minutes of Proceedings*])

(Clause 85 agreed to)

(Clause 86 agreed to)

The Chair: We'll thank our two officials for being here for this division.

We will move then to division 7 dealing with the Canada Labour Code. We have a series of amendments on this division.

I don't have any amendments for clauses 87 and 88.

(On clause 87)

The Chair: Speaking to clause 87, Mr. Rankin and then Mr. Brison.

Mr. Murray Rankin: I would very much like to ask for a recorded vote, if I could, on this particular clause. This deals with the famous issue of unpaid interns. We had a private member's bill before Parliament, which the government defeated.

Part II of the labour code, as I understand this, is a really complicated area. The point of clause 87—

[*Translation*]

Mr. Raymond Côté: Mr. Chair, point of order.

My apologies, Mr. Rankin. Unfortunately, the French translation isn't coming in. I'm not sure where the problem is.

Now it's back. Thank you.

[*English*]

Mr. Murray Rankin: If I could continue, Chair, I believe this section would extend the protections for unpaid interns under part II of the Canada Labour Code but as I understand it, those protections they have are going to be excluded from all part III protections in future clauses. That matters because part II of the Canada Labour Code includes basic health and safety rules, which of course we've long fought to support. Clearly, we want to support that, but I'd like to flag that we have a number of amendments to address problems with the balance of the provisions, which I'll come to.

I'd like a recorded vote on this particular provision.

● (1335)

The Chair: For sure.

We'll go then to Mr. Brison on this clause.

Hon. Scott Brison: On the issue of unpaid interns, again we're pleased to see some movement on this. The leader of the Liberal Party, the member for Papineau, conducted a round table with stakeholders on this sometime ago, and we've been recommending action be taken by the federal government in federally regulated industries. But this government has acknowledged that this section of Bill C-59 is based on the rules of the Government of Ontario.

Last year, the Ontario Ministry of Labour undertook a proactive enforcement, laid some rules surrounding unpaid interns. They found that 42% of businesses with interns were breaking the law. The federal labour program doesn't appear to have enough resources to conduct a similar blitz. The number of full-time equivalents or staff in the labour standards division has fallen from 183 in 2013 and 2014, to 126 in 2015-16. That's a 31% cut in staff in this division in just two years. Will the labour program receive any additional resources to help enforce the new rules?

Mr. David Charter (Senior Advisor, Strategic Policy, Department of Employment and Social Development): Thank you.

I believe the recent budget announced funding for occupational health and safety officers, increasing the number from approximately 90 to 100. I'm not aware of any new funding for officers on the labour standard side. However, these provisions will be enforced with existing resources.

Hon. Scott Brison: Would you acknowledge that these changes will require a significant amount of person power to conduct, for instance, a proactive blitz similar to that of Ontario's?

Mr. David Charter: I understand that these provisions will be enforced generally in the same manner as all the provisions of part III. Primarily it's a complaint-based process but there is the possibility for proactive enforcement activities, ranging from education and awareness generally with employers to the possibility of more targeted enforcement.

Hon. Scott Brison: Will any additional labour inspectors be hired?

Mr. David Charter: I'm not aware of any new funding for new labour inspectors or plans to hire new officers to enforce these provisions, but I do understand they'll be enforced with existing resources in the same manner as existing part III provisions.

Hon. Scott Brison: Thank you.

The Chair: Thank you. We'll have a recorded vote on clause 87.

(Clause 87 agreed to: yeas 9; nays 0)

(Clause 88 agreed to)

(On clause 89)

The Chair: We have a series of amendments to clause 89. Again if members wish to address them together or separately, that's their choice.

We'll start with NDP-3, and we go to Mr. Rankin.

Mr. Murray Rankin: If you would indulge me, Chair, could we start with NDP-7 instead? The order seems to be out. Does that work for you? Otherwise it will be more complicated.

The Chair: I will allow you some flexibility in how you address your amendments.

● (1340)

Mr. Murray Rankin: This is a very technically complicated area as you know. I think it might be more logical if we did NDP-7 first and then went to NDP-3, because NDP-7 is very simple.

The Chair: In terms of the vote...? You could address them all together if you want to do that.

Mr. Murray Rankin: Sure, I could do NDP-7 and NDP-3 together.

The Chair: You can address the whole topic and then we could do the votes after.

Mr. Murray Rankin: Right.

As I said earlier, there's a complexity here because interns are essentially excluded from the protections in part III of the Canada Labour Code. That is something we want to address through the amendments we're proposing here.

We've consulted. I'm sure other members have heard from the Canadian Intern Association president Claire Seaborn and others. They're very concerned about the government's proposal in this bill. Of course we did have a bill that would have addressed this, which the member for Davenport brought forward, but it was defeated in the House.

The point of NDP-7 is very simple. It would prohibit all other unpaid internships. As it stands the bill now lacks any kind of clear prohibition on the use of unpaid internships outside the conditions and requirements set out in clause 89. So interns and employers, we say, deserve clarity that only the unpaid internships described in proposed subsection 1.2, which is our proposed subsection 1.3, would be allowed and all others would be prohibited. That's the purpose of amendment NDP-7.

The argument that all other internships would be captured by part III of the code, namely minimum wage, doesn't hold water as that is the current situation. We understand the labour program's own view is that currently part III doesn't apply to unpaid interns. Without a new prohibition, the current allowable and unlimited use of unpaid internships would still apply. That's the guts of our amendment NDP-7.

NDP-3 is very clear. Amendment NDP-3, which is a proposed replacement for proposed subsection 1.2, which I won't bother reading, would extend the protection against sexual harassment in the workplace, which this bill does not do. The bill currently excludes those who satisfy the conditions for legal, unpaid internships from the basic workplace protections of part III. We think that is wrong.

Therefore, the amendment that we are proposing, NDP-3, would mean that interns are automatically protected by the following sections in part III. I'm going to name the three of them: first, protection against losing their placement if they're injured on the job, which is common sense; second, the ability to make a complaint against their employer, which they don't have under this bill; and third, protection against sexual harassment in the workplace, which we think is eminently appropriate.

It's not enough to say interns are covered by the human rights legislation because there are provisions in the labour code that go above and beyond human rights law to address specific workplace interactions between employees and employers. Our amendment would ensure, regardless of later regulation, that interns would be protected by the specific sections I've mentioned in part III, including the one that protects against acts that may place "a condition of a sexual nature on employment or on any opportunity for training or promotion."

Mr. Chair, I could talk about the other two. Are you inviting me to talk about NDP-4 and NDP-5 at the same time? I've spoken to NDP-7 and NDP-3.

The Chair: Let's go to NDP-4 and NDP-5 after the Green Party.

Thank you, Mr. Rankin.

On this point, we'll hear Mr. Adler, please.

Mr. Mark Adler (York Centre, CPC): Thank you very much, Chair.

I'll deal with the responses from the government in the order that Mr. Rankin brought them forward so I'll address NDP-7 first.

Clearly, this motion should be rejected. The legislation already clearly sets out two exceptions in part III protections, such as minimum wages do not apply to interns. In practice, this would establish when an intern could be unpaid.

The legislation is focused on protecting interns, or as they are described in the legislation, persons who are not employees but who perform activities for employers where the primary purpose of those activities is to acquire knowledge and experience.

The legislation is not intended to cover other individuals who are unpaid, such as volunteers who are different from interns. The primary purpose of a volunteer is to give their time, energy, and skills for public benefit of their own free will without monetary compensation. This amendment could have the unintended consequence of prohibiting volunteers in the federal jurisdiction.

With respect to NDP-3, we believe this motion should also be rejected. The proposed amendments to part III will allow an appropriate set of labour standards for interns who could be unpaid to be specified collectively in regulations following consultations with stakeholders. To provide some labour standards for unpaid interns through legislation, others through regulations, would be fragmented and incoherent and result in confusion for interns, employers, and educational institutions.

The rationale for setting protections for unpaid interns in regulations is that many part III protections are wage-related, for example, paid overtime or paid holidays, and would therefore be impossible to apply to interns who are unpaid. Setting labour standard protections for unpaid interns through regulations following consultations with stakeholders will ensure an appropriate and coherent set of labour standards is provided and that these labour standards can be adapted to the unique circumstances of unpaid interns.

It is expected that labour standard protections related to sexual harassment and maximum hours of work, at a minimum, will be provided to unpaid interns through these regulations. The regulations will be put in place as quickly as possible. In the event of sexual harassment, the option of filing a complaint with the Canadian Human Rights Commission is always available.

Thank you, Chair.

● (1345)

The Chair: Thank you, Mr. Adler.

Mr. Rankin, please.

Mr. Murray Rankin: Thank you, Chair.

I hear what Mr. Adler has said on both NDP-7 and NDP-3, and I guess I should address them specifically.

He said in respect to proposed amendment NDP-7 that this could somehow prohibit volunteers in the federal sphere. I beg to differ. This would only provide a very clear prohibition on the use of unpaid interns outside the conditions and requirements we're now setting out in clause 89. I don't see why we would deny our interns the clarity they deserve in this area. Other workers have it. Why are interns who aren't paid to be treated so differently?

That also goes to the proposed amendment NDP-3. I think Mr. Adler quite properly says that regulations can address many of these issues. That's absolutely true, but again, why would we deny these often young people clarity in the statute about the three protections we've listed, namely, protection against losing their job if they are injured, ability to complain about their employer, and sexual harassment?

To suggest that somehow it will be fragmented, I don't accept. We can amend the act later if we want to add more, or indeed make regulations, but to deny them the clarity and certainty.... The rules of the game being established for employers in a federal statute to me is good public policy, pure and simple.

The Chair: Thank you.

We'll vote on NDP-3, and I'm advised the vote on NDP-3 applies to NDP-7.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: Colleagues, we'll do PV-24, hopefully before question period, and we'll go to Mr. Hyer.

Mr. Bruce Hyer: Thank you, Mr. Chair.

This amendment doesn't have anything to say about pay or non-pay, and it's very simple and straightforward. It emphasizes part of the point that Mr. Rankin was making, that on this point alone legislation would be better than regulation and make it certain.

This amendment will make sections 247.1 to 247.4 of the Canada Labour Code applicable to federal interns, and these are the sexual harassment provisions only.

The Chair: Thank you, Mr. Hyer.

On this point, Mr. Adler.

Mr. Mark Adler: Mr. Chair, this amendment clearly should be rejected for the same reasons that NDP-3 was rejected.

● (1350)

The Chair: Thank you.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: We'll suspend the meeting now and we'll resume at 3:15 p.m.

Thank you.

● (1350)

(Pause)

● (1510)

The Chair: I call this meeting back to order.

This is meeting 87 of the Standing Committee on Finance. We are continuing our clause-by-clause discussion of Bill C-59.

We are at division 7, clause 89. Within this clause we have amendments NDP-4, NDP-5, and NDP-6.

We'll go to Mr. Rankin for NDP-4 or for all of them together.

● (1515)

Mr. Murray Rankin: If I may, Chair, perhaps I can set the stage again.

I was speaking, as you know, about part 3, division 7, dealing with unpaid interns. In general, I tried to make the point that we're providing much less clarity and certainty to the primarily young people who are the subject of the amendments. We're providing them with a much lower level of protection than other Canadians will have under the Canada Labour Code, for the reasons I've said.

That's the import of the amendments I've brought forward. I think it might be useful to explain why I feel so strongly that the government's provisions just don't do the job. We've seen the kind of problems that young people have faced. Andy Ferguson—in your riding, Chair—was an unpaid intern who worked back-to-back shifts as an unpaid intern. He was 22 and he was killed in a car accident. These are real problems that are facing us.

We're looking to provide in this legislation what is not presently here—namely, protections against sexual harassment and some of the other aspects I talked about, such as protection against losing your job if you're injured, or protection if you make a complaint against your employer. I understand from the initial response of Mr. Adler, for the Conservatives, that somehow these kinds of sensible changes we're proposing would prohibit volunteers, or could do so, in the federal sphere. We absolutely reject that.

I want you to hear what Claire Seaborn, the president of the Canadian Intern Association, said: “I speak to interns who have been sexually harassed frequently.” She also said, “This bill would provide no protections for them”, and “As it stands right now this is completely inadequate and a complete misunderstanding of the experience of many young interns.” That's why we're putting these amendments forward.

According to Claire Seaborn, the amendments “would put intern students and entry level workers in a worse position than they're currently in under the Canada Labour Code”, leaving interns “vulnerable to exploitation and possible abuse”.

Mr. Adler said for the government, the Conservatives, don't worry, be happy: the regulations will be there, we'll fix them, we'll put the regulations in as quickly as possible, we promise; don't worry.

I don't think that's good enough. I don't understand why we cannot give these unpaid interns, these young people, the kinds of protection that other Canadian workers enjoy under the Canada Labour Code. That's what our bill would have done, and the government of course voted against it. I find this inability to get through why this is important very troubling.

I've already addressed NDP amendment 7 with regard to providing the kind of clarity that I think is required.

With respect to NDP-3, we wanted to extend protection against sexual harassment in the workplace, not on some kind of a wish and a prayer that the regulations might come along and provide, which of course, as you know, Mr. Chair, can be changed at any time the government wishes. Rather, we wanted to provide them with the same kind of statutory protection that other workers enjoy. To provide our young people with less protection is simply beyond me. It's just unbelievable that the government wouldn't see this as a reasonable place to go.

You asked me to speak about our proposed NDP-4. I'd be happy to do that. This would prohibit the replacement of paid employees with student interns.

Here's what is so surprising. As the bill stands, it doesn't prohibit replacing paid employees with academic unpaid interns; it only does that for the non-academic side. As you know, there are two categories: there are the students, and then there are the other unpaid interns. Shockingly, I had to think, when I first read this, that this was a drafting error, or a lacuna, I don't know. NDP-4 would prohibit the replacement of paid employees with student interns.

As it stands, it doesn't prohibit replacing paid employees with academic unpaid interns. It only does so for that other category, not for students. Our amendment would ensure that no employer would be allowed to replace paid workers with unpaid interns, whether they're students or non-students. It also would give a duty to inform student interns that they will not be paid for their activities, a kind of protection at the front end.

Mr. Chair, that's the burden of NDP amendment 4.

Finally, NDP amendment 5 is pretty simple. We want to prohibit the use of non-academic, unpaid internships, full stop. Why? Why do we take that provision? Why do we take that perspective?

● (1520)

You may remember, Mr. Chair, that Bell Mobility until recently had hundreds of unpaid interns, which led to a material benefit to that company, as these workers were required to work excessive overtime. We think that is wrong. We think allowing the window to open on similar exploitative programs is simply wrong. We think paid labour is the way to go. Opportunities for students ought to be provided; we recommend that and support that entirely. But why these non-academic, unpaid internships for up to a year?

The Province of Saskatchewan has that kind of protection, prohibiting the use of unpaid internships outside of educational programs. I salute the Government of Saskatchewan for that. Why can't our federal government do so? After all, Mr. Chair, we're talking about huge companies—not just the government, but banks, telecoms, broadcasters. Surely they can afford to pay their young workers, especially when we have youth unemployment in Canada twice the national average.

Mr. Chair, just by way of conclusion on these amendments, we think this is good public policy. We think it's required in this economy, and we think it's shocking, frankly, that the government doesn't see fit to make those kinds of changes.

The Chair: Thank you, Mr. Rankin.

Mr. Adler, please.

Mr. Mark Adler: Thank you very much, Chair.

First of all, I take great umbrage to Mr. Rankin's assertion earlier that I said, “Don't worry, be happy”. If he's going to quote me, which I don't fault him for, I would encourage him to quote me accurately.

As far as NDP-4 goes, clearly this motion should be rejected. Certainly, internships that are undertaken as part of a course of study at an educational institution, such as co-op placements, are a long-standing practice and the bill recognizes a key component of many educational programs. The proposed legislation provides flexibility to permit these types of internships, while recognizing that educational institutions already provide oversight that helps to ensure that these internships offer legitimate and meaningful learning experiences.

NDP-5 should also be rejected. The six criteria recognize other situations outside the context of an educational program where individuals can benefit from the experience gained from a short-term, unpaid internship. For example, recent graduates, new immigrants, and individuals returning to the workforce after a prolonged absence may also wish to participate in an unpaid internship. The six-part test will ensure that employers are able to offer legitimate learning experiences to them within the limitations established by the six criteria.

I'm unclear. Did the member talk about NDP-6?

The Chair: The member addressed NDP-4, NDP-5, and NDP-6.

Mr. Mark Adler: NDP-4, 5, and 6.

As far as NDP-6 goes, once again this motion should be rejected. The proposed legislation—

The Chair: I'm sorry. I think Mr. Rankin just did NDP-4 and NDP-5.

Mr. Murray Rankin: That's right. NDP-6 is only in the event that our previous amendment fails.

The Chair: Sorry to stop you there—

Mr. Murray Rankin: No, not at all.

The Chair: —but we'll come back to NDP-6.

All in favour of NDP-4?

Mr. Murray Rankin: Am I allowed to reply to Mr. Adler?

The Chair: Okay.

Mr. Murray Rankin: I don't understand where I misquoted Mr. Adler. If I did, I wish to apologize. I don't know what I said that was inaccurate. I made notes when you spoke. You said that this could—

The Chair: He spoke through the chair.

Mr. Murray Rankin: Yes. Mr. Adler said, in reference to NDP-7, that it could have the unintended consequence of prohibiting volunteers in the federal sphere. He also said in respect to NDP-3 that we could leave it all to regulations, “It is expected that... protections related to sexual harassment...will be provided to unpaid interns through these regulations. The regulations will be put in place as quickly as possible.” I believe those were his exact words.

I think we are doing a huge disservice to our young people by saying just wait, we'll bring in regulations. Why can't they enjoy the same kind of protections as other Canadian workers? I don't get it. Why should they not have this kind of clear, statutory protection. Not regulations that can be changed at the whim of the Governor in Council.

I'm not making this up, Chair. We know what happened to Mr. Ferguson who died when he didn't have these kinds of protections. I know that sexual harassment has been the subject of the Canadian Intern Association's testimony as real and present in our workforce. Why wouldn't we give them that statutory protection? I'm shocked.

● (1525)

The Chair: Mr. Adler, do you want to respond?

Mr. Mark Adler: Chair, through you I accept the member's apology, I take this very seriously, as I know all members in the House do. What I did object to was the member's assertion that I said "don't worry, be happy" because I never did say that.

That would be implying that I take this lightly and I don't. I know none of us in this place do. I just wanted to make that point.

The Chair: Thank you.

We will then go to NDP-4.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: We'll do the vote on NDP-5.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: We'll go to NDP-6.

On that, Mr. Rankin.

Mr. Murray Rankin: The reason NDP-6 is here is in the event that our others were defeated, as they have been, it's just to say, for goodness sakes we have to ensure that interns are the sole beneficiary of unpaid internships, not people who can exploit them, not employers who can take advantage of their unpaid status. We're simply saying that if you're going to allow these unpaid internships outside of an educational setting—you'll recall that there are two categories, students and non-students, and I'm speaking to that second category outside of an educational setting—at the very least we need to make sure that unpaid interns benefit from unpaid internships and not employers.

This amendment would bring the federal government into line with models in the provinces. This isn't radical. I believe that British Columbia does, and I know that Ontario does, prohibit companies from receiving a substantial benefit from unpaid labour.

This takes me back. We have a crisis in youth unemployment and now we want to exploit the youth—though outside the youth category—by saying that employers can derive a substantial benefit from unpaid labour. This is entirely contrary to the spirit and intent of the Canada Labour Code and it's simply wrong.

The Chair: Thank you.

Mr. Adler on this, please.

Mr. Mark Adler: Thank you, Chair.

Once again, this motion should be rejected.

The proposed legislation does strike a balance between protecting unpaid interns and encouraging employers to offer legitimate meaningful unpaid internships that are primarily for the benefit of the intern. Stipulating that employers should not benefit at all from an unpaid internship would go too far in limiting employer flexibility to offer legitimate meaningful internships that are unpaid.

Thank you.

The Chair: Thank you, Mr. Adler.

Mr. Brison, please.

Hon. Scott Brison: This is the one NDP amendment on unpaid interns that I have some concerns about, Mr. Chair.

Prohibiting any benefit to employers, depending on how that's defined, concerns me somewhat because I think that with unpaid interns, there is often, and I would expect in the majority of cases, significant benefit to employers. I agree, though, that for unpaid interns the focus should be on the experience for the interns.

I'll just ask Mr. Rankin this first. He had mentioned some provinces that have this, but does he understand a concern of somebody who broadly supports the other amendments but believes this may be defined too stringently in some ways?

The Chair: Mr. Rankin.

Mr. Murray Rankin: I appreciate that comment and there's wisdom in what Mr. Brison said. I completely agree,

That's why, perhaps at the risk of overstating it, the amendment is there for you to see. NDP-6 says "few or no benefits accrued to the employer", so there's an effort to make sure that if it's employment it should be paid employment, unless it's for that worker's CV to get experience in the workforce.

The wording, "few or no benefits" talks not about an absolute test, as you can tell, but something less than that. That's what Ontario has done. I believe British Columbia and other provinces have gone the same way. If an employer is receiving a substantial benefit from unpaid labour, that is exploitation.

That is contrary to the letter and spirit of every employment statute in the land. I don't see why we would treat unpaid people this way. If the employer's benefiting substantially from their employment, they should pay these people. Period. Full stop.

● (1530)

The Chair: Mr. Brison, does that answer it?

Hon. Scott Brison: I'm satisfied with that explanation from my honourable and learned colleague Mr. Rankin.

The Chair: We'll move to the vote on amendment NDP-6, then.

[*Translation*]

Mr. Guy Caron: Mr. Chair, I'd like a recorded division.

[*English*]

The Chair: We'll have a recorded vote on amendment NDP-6.

(Amendment negatived: nays 5; yeas 4 [See *Minutes of Proceedings*])

The Chair: We'll have a recorded vote on clause 89. Can we apply it to clauses 89 to 91, or just on clause 89?

Mr. Guy Caron: Just to clause 89.

(Clause 89 agreed to: yeas 6; nays 3)

(Clauses 90 and 91 agreed to)

(On clause 92)

The Chair: We have amendment NDP-8, so we'll go to the NDP. Mr. Rankin.

Mr. Murray Rankin: Right, thank you, Chair. That's in the package of amendments, of course, and it would make it very clear that we're capping the hours of work and ensuring that time off and holidays are available. In other words, if you're going to have these unpaid interns, why not make sure they have a 40-hour work week, an eight-hour day, and the same kind of regular time off and holidays as other workers? In this bill before us, the government simply fails to extend many of the basic protections to unpaid interns, as I've said over and over again. It seems to me that limits on the hours of work, and entitlement to time off and holidays are obviously necessary.

I'm going to say again, when we had our private member's bill, I called it the Andy Ferguson bill. I called it that because of this poor, unpaid intern, who fell asleep at the wheel and crashed into a tractor-trailer in Edmonton. After working back-to-back shifts, he was exhausted and didn't have any of the protections that our amendment would provide him. It would limit the number of hours unpaid interns can work to a maximum of eight hours a day, 40 hours a week, and give them 12 hours of rest between shifts—which this gentleman did not have—and give them access to the same breaks and meal periods as other employees have. It seems to me that that's just the way Canadians would do business, and it's shocking that people would resist those kinds of basic protections.

The Chair: Thank you.

On this, Mr. Adler, please.

Mr. Mark Adler: Thank you, Chair.

I really don't think the member clearly understands we're talking about regulations here. Our plan is to consult with interns to get this right. I know the member's heart is in the right place, but if he's serious about getting this right, he should come on board with us and support what we're proposing, and consult with interns so we can make the appropriate changes to the regulations at the appropriate time.

This amendment should also be rejected. The legislation already includes regulation-making authority under proposed paragraph 264 (i)(i.1), to apply and adapt an appropriate set of labour standards for unpaid interns, following consultations with stakeholders. This amendment is redundant and would also unduly restrict regulation-making authority under proposed paragraph 264(i)(i.1), in advance of considering the results of consultations with stakeholders as part of the regulatory process.

I would once again urge the member, if he's serious about this, to join us in our consultations with interns so we get these regulations right.

● (1535)

The Chair: Thank you, Mr. Adler.

Mr. Rankin.

Mr. Murray Rankin: I have pages and pages of testimony from interns on this very point, including from the president of the Canadian Intern Association, Claire Seaborn, and Mr. Jonathan Champagne, executive director of the Canadian Alliance of Student Associations. We have consulted far and wide. Let me tell you what John Farrell has said, first about regulation versus legislation: "Firstly, we would prefer that most of the matters that are dealt with within...this bill be in legislation rather than regulations, because that would provide immediate clarity."

Every lawyer in the land will tell you that a regulation can be changed by the government whenever the government wishes. That is why we would not wait to consult to get it "right", as was said by Mr. Adler. We have no idea what will be in those regulations. We're not going to buy a pig in a poke. We're not going to treat our unpaid interns to second-class citizenship in this country, which is what the government's bill will do. We think that is simply wrong.

The Chair: Thank you.

We will have a recorded vote on amendment NDP-8.

(Amendment negatived; nays 6; yeas 3 [*See Minutes of Proceedings*])

(Clause 92 agreed to)

(Clause 93 agreed to)

(On clauses 94 to 96)

The Chair: We thank the officials for that division for being with us here today. We will now move on to division 8, Members of Parliament Retiring Allowances Act, clauses 94 to 96. I do not have any amendments for this division. Can I group clauses 94 to 96 together?

On clause 94, go ahead, Mr. Brison.

Hon. Scott Brison: According to an official at the legislative briefing, the Chief Actuary had given notice of his intention to set pension contribution rates for MPs that would be different from those for senators as of January 1, 2016. What were the contribution rates that the Chief Actuary had intended to set, and would they be higher or lower than those for senators? What was the Chief Actuary's rationale for setting different rates?

Ms. Kim Gowing (Senior Director, Pension Policy and Stakeholder Relations, Treasury Board Secretariat): The answer to the first part of your question with respect to the contribution rates would have been that the Chief Actuary—

Hon. Scott Brison: —had given notice of his intention to set different pension contribution rates for MPs as opposed to senators as of January 1, 2016.

Ms. Kim Gowing: I wouldn't say that it was his intent to do that. The chief actuary would have to speak to what his role would be, but I would say that it was noted in the previous changes to the MPs' plan that what we refer to as cross-subsidization was occurring within the plan, such that the senators, for example, because they serve for a longer period of time, would be seen as subsidizing the House of Commons part of it.

We want to ensure that the plan is treated as one plan for all members and that all members have exactly the same contribution rates.

● (1540)

Hon. Scott Brison: Okay. Thank you.

The Chair: Does that clarify it? Thank you.

Can I group the votes together then? Or should we do them separately?

Hon. Scott Brison: We intend to oppose clause 94 and clause 96, but support clause 95.

The Chair: Okay. I'll take them separately.

(Clause 94 agreed to)

(Clause 95 agreed to)

(Clause 96 agreed to)

(On clause 97)

The Chair: Thank you, Ms. Gowing, for being here. We appreciate your participation.

We shall move on to division 9, the National Energy Board Act. It has one clause, clause 97.

We shall welcome officials from Natural Resources, and on clause 97 we have two amendments by the Green Party.

I'll just give you a heads-up, Mr. Hyer. I do have a ruling, but I'll give you time to speak to your amendment here.

Mr. Bruce Hyer: Thank you very much.

I'll start with amendment PV-27. We have serious and deep reservations on two major points. The first is the potential for such a service to unintentionally place what is now wholly legislative jurisdiction, the protection of parliamentary privilege, into the hands of the executive.

The second is the job security—

The Chair: Mr. Hyer, this is PV-26. Sorry about that.

Mr. Bruce Hyer: Sorry. I stand corrected. Thank you very much.

This amendment would undo the change proposed by Bill C-59 to expand the maximum natural gas exportation licence to 40 years from the current maximum which is 25. Recognizing the importance of responsible and sustainable resource development, this change would mean that all stakeholders would get fewer opportunities to revisit projects that had previously received approval, depending on their positive or negative impact on the environment and economies of the communities that they affect.

As West Coast Environmental Law, a B.C. environmental law advocacy group that opposes the change, says, “It is quite possible that something thought to be a good idea today may not be in 25 years' time with the advent of climate change, economic shifts, increasingly harmed environment, and other potentially unforeseen alterations to the landscape. By lengthening the maximum term of licencing we're removing our ability to revisit these important questions and continue to ensure that our decisions are working to the advantage of everyone.”

Thank you.

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

I have a ruling as the chair on this amendment.

Bill C-59 amends the National Energy Act by altering the maximum period for the duration of export licences. This amendment proposes to re-establish the maximum period for the duration of export licences that is currently in the act. As *House of Commons Procedure and Practice*, second edition, states on page 766, “An amendment to a bill that was referred to a committee after second reading is out of order if it is beyond the scope and principle of the bill”.

In the opinion of the chair, therefore, this amendment attempts to maintain the maximum duration period for export licences that is currently in the National Energy Act. This is contrary to the principle of the bill, which is to establish a new maximum duration period for export licences. Therefore, this amendment is inadmissible.

Is there further discussion on clause 97?

Monsieur Caron.

[*Translation*]

Mr. Guy Caron: I will be brief, Mr. Chair.

We understand why the Green Party has proposed this amendment. However, we believe that there is an immediate and pressing need to be able to amend and repair the review process so as to ensure that projects, such as natural gas projects, will be studied thoroughly and considered on their merit.

This is not a matter of the duration of licenses, but of whether an export license should in fact be granted to a project. A more thorough process in the future would help resolve this issue.

We will vote in favour of the amendment.

● (1545)

[*English*]

The Chair: Thank you.

All in favour of clause 97?

An hon. member: A recorded vote.

The Chair: It will be a recorded vote on clause 97.

Mr. Saxton.

Mr. Andrew Saxton: So there are no more amendments PV-25 and P-26? They are gone. Is that right? They're toast.

The Chair: That's right, but I prefer to say inadmissible.

(Clause 97 agreed to: yeas 9; nays 0)

The Chair: We'll thank our officials for division 9 for being with us here today.

We'll now move to division 10, Parliament of Canada Act.

(On clause 98)

The Chair: We have three Green Party amendments from Mr. Hyer. Mr. Hyer, you can address them separately or together, as you may wish.

Mr. Bruce Hyer: Separately, please.

The Chair: Separately. Okay.

Mr. Bruce Hyer: Yes.

The Chair: We'll do amendment PV-27.

Mr. Bruce Hyer: You have to listen to a few words again.

We have serious and deep reservations on two major points here: the first is the potential for such a service to unintentionally place what is now wholly legislative jurisdiction, that being the protection of parliamentary privilege, into the hands of the executive; the second is the job security of the men and women of the current House and Senate parliamentary protective services.

That's it.

The Chair: Thank you.

Mr. Bruce Hyer: No, I'm sorry, that is not it. I'll be quick with the other part.

This amendment would remove the language that could have implied that the Minister of Public Safety would be on equal footing with the Speakers in determining the terms and conditions of the arrangement whereby the RCMP will supply security services. It must be clear that the Speakers are wholly responsible for the terms of the deal, with the minister playing a consultative role only. “For greater certainty” clauses have no statutory impact, and the language in the operative section must be clear.

This amendment seeks to reduce any ambiguity about whom this new director will be accountable to. As the director will remain an active member of the RCMP under this act, it must be made clear that the Commissioner of the RCMP may take no actions to interfere with the role and duties of the director that may exist under the RCMP Act. While we don't presume that any responsible commissioner would take those actions, we must as legislators ensure that no commissioner could take any actions that would constitute breaches of our sacred and important parliamentary privilege.

Thank you, Mr. Chair.

The Chair: Thank you very much.

We'll go to Ms. Bateman, please.

Ms. Joyce Bateman: Thank you very much, Mr. Chair.

The government does not support this proposed amendment, for the following reasons.

This provision, as originally drafted, provides the mechanism by which the Speakers of the Senate and the House of Commons will enter into an arrangement with the Minister of Public Safety and Emergency Preparedness. Under this arrangement, the Royal Canadian Mounted Police will be a service provider to the office of the parliamentary protective service and will lead an integrated security force.

This service agreement must be executed by two main parties: first, the houses of Parliament as represented by the two Speakers, as the party that is procuring services; and second, the executive as represented by the Minister of Public Safety and Emergency Preparedness and the Commissioner of the RCMP as the party that is providing the service. It is important that this provision clearly identify both parties to the agreement and respect the minister's accountability for the RCMP as a government entity for which he is responsible as a steward of public resources.

This suggested amendment would not achieve this and would negatively impact the stability and effectiveness of the new integrated security service.

The Chair: Thank you, Ms. Bateman.

We'll take the vote on amendment PV-27 first.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: Mr. Hyer, we'll go to amendment PV-28, then.

● (1550)

Mr. Bruce Hyer: In my nomenclature, we would be going to.... I thought amendment PV-28 was the same as amendment PV-27, and I thought that amendments PV-29 and PV-30 were together.

The Chair: Do you want to vote on amendment PV-28, then?

A voice: No, it isn't. It's different.

The Chair: I have amendment PV-28 as a separate one in my package.

Mr. Bruce Hyer: It was not my intent to speak to it. If you want to have a vote on it, go ahead.

The Chair: Okay.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: Do you want to speak to amendment PV-29, Mr. Hyer?

Mr. Bruce Hyer: Yes, please.

With the Mounties poised to provide security services in the precinct, it's important to recognize that some conflicts may arise out of this new security arrangement. One of our particular concerns is the matter of the execution of search warrants in the parliamentary precinct, which has been a topic of much debate historically in this place. We recommend that it be stated clearly in this act that the Speaker be guided by precedent on this matter to ensure that it be the Speaker and/or Speakers who is or are solely responsible to protect the powers, privileges, rights, and immunities of Parliament.

The Chair: Thank you, Mr. Hyer.

Ms. Bateman, please.

Ms. Joyce Bateman: Mr. Chair, I'd like to indicate that the government does not support this proposed amendment.

With respect to paragraph (a) of the proposed amendment, removing “for greater certainty” may actually raise doubt as to whether the privileges would have remained intact had this provision not been included. This could have a negative interpretive effect on other statutory schemes that engage the workings of Parliament but that do not include a statement regarding the integrity of parliamentary privilege.

With respect to paragraph (b) of the amendment, this proposed amendment is beyond the scope of division 10 and beyond the scope of the mandate of the parliamentary protective service. The parliamentary protective service and the RCMP members that support it will only be responsible for the provision of physical security throughout the parliamentary precinct and grounds of Parliament Hill.

RCMP members embedded in the integrated security force will not engage in core policing activities such as the execution of warrants. This will continue to be handled by the police of the relevant jurisdiction, depending on the matter in accordance with established protocols.

The Chair: Thank you, Ms. Bateman.

(Amendment negatived [See *Minutes of Proceedings*])

[*Translation*]

Mr. Guy Caron: Mr. Chair, I would like a recorded vote.

[*English*]

The Chair: We'll have a recorded vote on clause 98.

Can we apply it to clause 99?

Some hon. members: Agreed.

The Chair: We'll have a recorded vote on clause 98 and apply it to clause 99.

(Clauses 98 and 99 agreed to: yeas 6; nays 3)

(On clause 100—*Persons who occupy a position*)

The Chair: We have amendment PV-30.

Mr. Hyer, please.

Mr. Bruce Hyer: Mr. Chair, this amendment seeks to address some of the concerns raised by one of the witnesses from the House of Commons security services. That witness testified to the public safety committee that, while the motion passed in the House of Commons and the Senate guaranteed “continued employment”, this bill only guarantees that the day following the services' establishment, they will be transferred to the new service. It does not address the nature and length of their continued employment.

Given their long record of important service to this place, and in particular during the events of October 22, we hope that this amendment will reflect their concerns, and reassert and confirm this House's commitment to their continued employment.

● (1555)

The Chair: Thank you, Mr. Hyer.

Ms. Bateman, please.

Ms. Joyce Bateman: Mr. Chair, the government does not support this proposed amendment for the following reasons. The suggested amendment would severely limit the job security of most members of the Senate protective service or the House of Commons protective service. Modifying the employment status of existing Senate protective service or House of Commons protective service staff to have them serve at the discretion of the Speakers would negate their current guarantee of tenure and would convert them to at-pleasure employees, which would be totally in violation of their collective agreements and contracts of employment.

This is contrary to what was contemplated by the motions, and may risk a violation of our security staff's constitutional right to freedom of association, so we will not support the amendment.

The Chair: Thank you.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: Monsieur Caron, you want to speak to clause 100.

[*Translation*]

Mr. Guy Caron: I would like to discuss all the clauses, up to clause 152, including the two previous ones we have already voted on.

The argument is the same one we used when the government introduced its motion in the House, but what is happening with the security services is clearly unacceptable to us. We were not opposed to a consolidation of services, especially considering what happened on October 22. However, there are obviously some privileges associated with this House and the Senate. It was provided that the authority of the House of Commons and Senate security guards would always be subject to the authority of Parliament and its two Houses. Since the RCMP now reports directly to the government and no longer directly to Parliament, we feel that this is a significant departure from what used to be the responsibility of those of two Parliamentary services.

Therefore, we cannot accept this proposal. It would have been completely acceptable for the three bodies, including the RCMP, to work together, but under the authority of the House and the Senate.

This is not a superficial provision. It really changes the essence of what used to be separate bodies and responsibilities. Responsibilities are not trivial things. They stem from the essence and the role of Parliament, and from its role in terms of protection. Let's remember that the Parliament security officer bodies—of the Senate and the House of Commons—were created at the same time as the RCMP. However, their roles have been kept separate for constitutional reasons and because of Parliamentary privilege. That is why we cannot support the government's proposal.

The Chair: Thank you, Mr. Caron.

[*English*]

Ms. Bateman, please.

Ms. Joyce Bateman: Mr. Chair, the proposed amendment contemplates a scenario where there is a conflict between two different orders in council: one making an organization subject to PIPEDA, and another exempting an organization from the act because it is subject to a provincial privacy law.

This addition is unnecessary and contrary—

The Chair: I think this is a future amendment.

[*Translation*]

Ms. Joyce Bateman: I'm sorry, Mr. Chair.

[*English*]

I'm sorry. I have something in common with my colleague Mr. Hyer.

The Chair: Yes, we're still dealing with division 10.

Ms. Joyce Bateman: Sorry.

The Chair: We'll go to Monsieur Côté. Monsieur Caron said it very well, so I don't know if you need to....

Mr. Raymond Côté: I would just say this.

[*Translation*]

I have much respect for what my colleague, Mr. Caron, had to say.

I would simply like to add that it is especially shocking to see these legislative amendments being proposed in an omnibus bill, as they deserve a separate debate.

I don't know whether all my colleagues have read the report of the Ontario Provincial Police, but it is very troubling to see a fast-track process to amend this regime, while the report has raised more questions than it has provided answers regarding the RCMP's operational capacity in terms of coordination. We are blindly rushing into a new regime.

I would not add anything to what Mr. Caron said because it was spot on. We mustn't forget our privileges as parliamentarians, either. That's probably the most important aspect being denied.

Thank you very much.

● (1600)

The Chair: Thank you, Mr. Côté.

[*English*]

On this subject, Ms. Bateman, please.

Ms. Joyce Bateman: May I have a response on division 10, clause 100?

The government does not support the proposed amendment.

The Chair: No, no.

Ms. Joyce Bateman: We've done this one. This is not the right one.

The Chair: We're on clause 100. Amendment PV-30 was defeated already.

Ms. Joyce Bateman: Okay. Gotcha.

The Chair: All right.

So we'll have a recorded vote on clause 100?

Mr. Guy Caron: Yes, a recorded vote.

The Chair: Can we group together clauses 100 to 152 and do a recorded vote that applies to all of them? Okay.

(Clauses 100 to 152 inclusive agreed to: yeas 6; nays 3)

The Chair: We want to thank our officials from the Privy Council Office for being here. Thank you so much.

I will ask our next officials to come forward. Welcome to the committee.

We'll move now to division 11, the Employment Insurance Act.

Colleagues, I do not have any amendments for clauses 153 to 160. For discussion, do you want to group these clauses together and speak to them together? Okay.

(On clauses 153 to 160)

The Chair: Monsieur Côté.

[*Translation*]

Mr. Raymond Côté: Thank you very much, Mr. Chair.

As you may have noticed during the previous vote, I was so eager to speak in favour of the government measure that I showed enthusiasm I absolutely didn't have regarding the protection services of the two Houses.

That said, without praising the government's position, it is always a pleasure for the NDP to support a measure that will encourage training and access to employment for all Canadians. That is why we support this measure, but it doesn't mean that we support the government's approach regarding the employment insurance system. Unfortunately, the Conservative government did not hesitate to repeatedly restrict access to employment insurance, which is insurance only in name. The system is nothing more than a facade. It is no longer really insurance because it no longer covers everyone who loses their job.

While we wait for an NDP government to re-establish much broader accessibility, we're happy to support both employment insurance recipients and their future employers by providing the employers with a better trained labour force, and to help people get the jobs they need to live with dignity.

Thank you.

[*English*]

The Chair: *Merci, Monsieur Côté*.

I'll move to the vote on clauses 153 to 160: recorded?

An hon. member: Yes.

The Chair: We'll apply the recorded vote to all of them? Okay.

(Clauses 153 to 160 inclusive agreed to: yeas 9; nays 0)

The Chair: Thank you, Madam Bertrand.

I'll ask our official from Industry Canada to come forward.

We move now to division 12. This is a relatively small division, dealing with the Canada Small Business Financing Act, clauses 161 to 163.

Can I deal with clauses 161 to 163 together? Okay.

(On clauses 161 to 163)

The Chair: Mr. Rankin, you'd like to speak to these?

● (1605)

Mr. Murray Rankin: Yes.

We are going to vote in favour of all three, and we'd ask for a recorded vote. We're happy to see the Conservatives move to make it easier for small business owners to access financing. We are, however, sad and disappointed that they cut support to organizations like Futurpreneur, which provides support to new entrepreneurs.

Having said that, and subject to that, we are content with that on behalf of the New Democratic Party.

The Chair: Thank you.

Do you want a recorded vote, then, that will apply to clauses 161 to 163?

Some hon. members: Agreed.

(Clauses 161 to 163 inclusive agreed to: yeas 9; nays 0)

(On clause 164)

The Chair: We will now move to division 13, Personal Information Protection and Electronic Documents Act. We have clauses 164 to 166.

I'll ask our officials from Industry Canada to come forward.

We have two amendments, but, as I understand it, they are the same amendment.

I'll ask Mr. Hyer to speak to amendment PV-32.

Mr. Bruce Hyer: Quebec's private sector privacy law was found to be inadequate by the EU, and countries are considering moving the World Anti-Doping Agency, WADA, from Montreal.

PIPEDA, the federal private sector privacy law, has been found by the European Union to be adequate. However, the federal government can't simply place WADA under its jurisdiction due to the Constitution.

The government is free to amend legislation, but it's not free to ignore our Constitution. Simply stating that WADA is now subject to PIPEDA is subject to challenge, because to do so calls into question the constitutional foundation of the entire law. If PIPEDA applies to non-commercial activities, it needs a different constitutional basis. By encroaching on provincial powers, in this case seeking to impose a federal law where a provincial Quebec law already applies, the government is proposing to solve one problem by creating a much bigger problem.

The Privacy Commissioner has raised the same concerns.

This amendment is to recognize that the government cannot simply legislate this agency into its jurisdiction, because constitutionally it belongs to the province.

The Chair: Thank you, Mr. Hyer.

On this point, Ms. Bateman.

Ms. Joyce Bateman: Mr. Chair, the proposed amendment contemplates a scenario where there is a conflict between two different orders in council: one making an organization subject to PIPEDA, and another exempting an organization from the act because it is subject to a provincial privacy law.

This addition is unnecessary and contrary to the presumptions of statutory interpretation. The government is presumed to know and to respect the entire body of law and not make different orders that are contradictory to each other. In the unlikely event that a conflict does arise between different orders, the rules of statutory interpretation would apply to resolve the matter.

For that reason, Mr. Chair, the government is not supporting this amendment.

The Chair: Thank you, Ms. Bateman.

Mr. Rankin, on this amendment.

Mr. Murray Rankin: For the record, I agree with Mr. Hyer's perspective on this. From a constitutional point of view, I think he's entirely right. I don't think it's unnecessary at all. I think it is not contrary to the principles of statutory interpretation to provide clarity. That's what people do in statutes.

The Chair: Thank you.

I'll call the vote on PV-32

(Amendment negatived [See *Minutes of Proceedings*])

(Clause 164 agreed to)

The Chair: Can I group clauses 165 and 166?

Some hon. members: Agreed.

(Clauses 165 and 166 agreed to)

The Chair: Mr. Clare, thank you for being with us here today.

We shall move to division 14, Proceeds of Crime (Money Laundering) and Terrorist Financing Act. This has one clause, clause 167. I do not have any amendments for this clause.

We'll greet our officials from Finance.

(Clause 167 agreed to)

(On clause 168)

The Chair: Thank you to our officials.

We shall move to division 15, Immigration and Refugee Protection Act. I will welcome our officials.

I will start with clause 168. We have amendments PV-33, PV-34, PV-35, and PV-36, but we will deal with amendments PV-34 and PV-36, since PV-35 and PV-36 are identical.

Mr. Hyer, you can deal with amendment PV-34 and PV-36 separately or together, however you wish.

● (1610)

Mr. Bruce Hyer: I'll deal with them separately.

The Chair: Okay, we'll deal with amendment PV-34.

Mr. Bruce Hyer: Part 3, division 15, section 168 of Bill C-59 would create a non-exhaustive, open-ended list of applications subject to collection of personal biometric information for “verification purposes”.

Our amendment seeks to point out how much Bill C-59 opens up the possibility for collecting biometrics, and to point out the possibility of mission creep, as the Canadian Civil Liberties Association called it in the Senate committee.

The government could easily use this as a grab for the personal and private information of anyone coming into Canada, and use it for virtually any purpose. In fact, the Prime Minister is announcing today that all people requiring visas will need to give their biometrics. There are some legitimate reasons to collect biometrics, but we need to be cautious and need to be transparent.

This change within Bill C-59 came as a surprise and after no serious public study. We feel this is potentially quite dangerous. Thank you.

The Chair: Thank you, Mr. Hyer.

Is there any further comment on amendment PV-34?

We'll go to Mr. Adler, please.

Mr. Mark Adler: Thank you, Mr. Chair.

The government does not support this amendment because it would undermine the purpose of this new measure, which is not only to prevent and detect fraud, but also to confirm the identity of legitimate travellers, both when they make an application to come to Canada and when they arrive. It is to facilitate their travel to Canada.

The expanded collection and verification of biometrics will strengthen identity management, enhance security, assist in informed decision-making, and facilitate the processing of genuine travellers. Thank you.

The Chair: Thank you, Mr. Adler.

(Amendment negatived [*See Minutes of Proceedings*])

The Chair: We'll move to amendment PV-36, Mr. Hyer.

Mr. Bruce Hyer: Thank you.

A centralized database can often be easily hacked. When you combine this massive collection of personal information with the information sharing provisions of Bill C-51, what will prevent Citizenship and Immigration from sharing all the personal information they're collecting with many or all other departments?

Biometrics contain extremely sensitive and personal information. We have received no information about how this enormous database will be structured, or what kind of privacy protections it will have.

We're concerned about mission creep. It's a big concern. Biometrics are intrusive.

This amendment will seek to ensure that the legal standards, values, and rights established in Canadian privacy law for the treatment of personal information are not eroded, and that any sharing of personal information with other jurisdictions or states complies fully with Canadian standards of protection.

● (1615)

The Chair: Thank you, Mr. Hyer.

We'll go to Mr. Adler, please.

Mr. Mark Adler: Thank you, Chair.

The government does not support this amendment because the proposed amendment is already covered through existing Government of Canada policies and directives, including the Treasury Board Secretariat policy on privacy protection, which requires that the Privacy Commissioner be notified of any new policies and programs that deal with personal information.

Including this requirement in one particular clause would appear to indicate that other clauses and actions are not subject to privacy assessments and consultations, when that is not the case.

The Chair: Thank you, Mr. Adler.

Mr. Rankin.

Mr. Murray Rankin: I want to speak in favour of Green Party amendment 36. It simply requires the minister to consult with the Privacy Commissioner before making regulations. As Mr. Hyer has said, the issue here is the very sensitive information that biometric information constitutes in Canada. It's among the most sensitive personal information.

I am pleased that Mr. Hyer also made reference to Bill C-51, with the enormous information sharing web that that statute has created, or will create if we ever pass it through this place. I hope we don't.

Mission creep is what the Privacy Commissioner has talked about in virtually every annual report since that office was established. If ever there were an example of why we don't need it, it is here.

Mr. Adler said don't worry—he didn't use the words “don't worry”—that it's already covered by directives and Treasury Board policies. Well, that's exactly the problem. Put it in a statute. It doesn't bother me, because biometric information is such a sensitive category of personal information that it doesn't cover other things. That's precisely why we should put it in a statute, for everyone to see and to give comfort to Canadians as this government begins to invade our privacy like never before.

The Chair: Thank you.

Mr. Adler, please.

Mr. Mark Adler: Mr. Rankin said “invade our privacy”. This is directed to those people coming to Canada with visas. This is not directed at Canadians.

The Chair: Thank you.

(Amendment negatived: nays 5; yeas 4)

The Chair: All those in favour of clause 168?

Mr. Côte, on clause 168.

[*Translation*]

Mr. Raymond Côté: I would like to discuss all the clauses amending the Immigration and Refugee Protection Act. I will be very brief.

I have been a member of the House of Commons for four years, but I am definitely not tired of repeating that a bill of this nature does not belong in an omnibus bill on the budget. It is really appalling.

Mr. Chair, by working hard on the appropriate committee, we probably would have been able to come to an agreement with the government on many aspects concerning this bill. I am personally very uncomfortable with its speedy passage when we have not even been able to have an independent and comprehensive review with the representatives of our institutions. That is why I will vote against it. This deserves a societal debate. That should have been done, but, as usual, the government shied away from it.

Thank you.

[*English*]

The Chair: Thank you.

(Clause 168 agreed to))

(Clauses 169 to 173 inclusive agreed to)

(On clause 174)

The Chair: We'll go to clause 174. We have PV-37 and PV-38 and they are identical so I'll ask Mr. Hyer to speak to PV-38.

Mr. Bruce Hyer: This amendment was a suggestion by immigration lawyer Richard Kurland in the citizenship and immigration committee on May 28. We concur with his opinion. We need to place some limits on what can be shared with the RCMP.

Mr. Kurland said the following in committee:

> The way it's stated biometric can be collected and then at some point-in-time related personal information is on the table. As the committee members, I'm sure, well know family composition forms are part of the immigration process. Their equivalent for temporary status is also part of the visa process and that means that your family tree and all the personal information in immigration databases can go out the door to the RCMP and travel to points abroad.

● (1620)

The Chair: Thank you.

Monsieur Caron.

[*Translation*]

Mr. Guy Caron: May I ask a question to clarify the amendment?

[*English*]

The Chair: Sure.

[*Translation*]

Mr. Guy Caron: I am trying to understand why “at any one time” was included.

[*English*]

In English what does “at any one time” mean legally, and why was this added? I'm just curious.

Mr. Bruce Hyer: May I converse with my staff for a moment?

We're not certain we understand the question, never mind the answer. Maybe he could repeat his question; I'll try.

[*Translation*]

Mr. Guy Caron: I wanted to know why the amendment includes “at any one time”.

[*English*]

Why was “at any one time” added? What does it mean exactly in your sense?

Mr. Bruce Hyer: I think my simple answer is I'm not sure.

[*Translation*]

Mr. Guy Caron: Thank you.

[*English*]

The Chair: Thank you.

Mr. Adler, do you want to speak to this'?

Mr. Mark Adler: I do.

The current legislative provision is a regulation-making authority only, therefore requiring associated regulations. The government does not support this amendment because it would be duplicative and conflict with the language that already exists in section 13.11 of the immigration and refugee protection regulations, which provide specificity for which limited data elements may be used and disclosed by the RCMP, and for what purposes. The proposed change to the Immigration and Refugee Protection Act is an editorial change to the already existing regulation-making legislative provision. There is no intention to change any of the existing regulatory authorities or practices that have been in place since April 2013.

The Chair: Thank you.

(Amendment negatived [See *Minutes of Proceedings*])

(Clause 174 agreed to: yeas 6; nays 3)

(On clause 175)

The Chair: We have four amendments, but two are identical.

Mr. Hyer, are you going to deal with PV-40 and PV-42 separately or together?

Mr. Bruce Hyer: I think we can probably do them together.

The Chair: Okay.

Mr. Bruce Hyer: First, regarding PV-40, Bill C-59 brings in the possibility of automated decision-making. We could have a computer making decisions about who gets to come to Canada. This raises many questions, but it's hidden in this huge budget bill so we haven't been able to ask those questions.

PV-40 and PV-42 delete this section that allows incorporation by reference of these regulations related to the electronic administration of the act. Incorporation by reference means regulations could change over time when external bodies decide to revise those documents that have been incorporated by reference, and Parliament would have no further oversight role. These external changes would become law automatically with no further action required from the Canadian state, or from Parliament.

We feel this is not only not transparent but also downright undemocratic.

Thank you, Mr. Chair.

The Chair: Thank you, Mr. Hyer.

Is there any further discussion?

Mr. Adler, you can deal with PV-40 and PV-42 together if you wish.

Mr. Mark Adler: Okay, thank you.

The government does not support amendment PV-40 because it would undermine the purpose of this new measure, which is to ensure that the minister has the flexibility to make use of a full range of modern electronic tools in the administration of the Immigration and Refugee Protection Act.

Automated systems assist officers in carrying out routine, straightforward tasks, thereby freeing up officer time for more value-added complex activities. Their use enhances the timeliness and efficiency of decision-making and bolsters program integrity measures. The effect of the proposed amendment would be to significantly hamper the department's ability to use available technology to improve the efficiency and effectiveness of its processes. It would provide clients with faster and more efficient service and focus its resources on those cases that need it most.

The government also does not support PV-42 because it would prevent regulations made under the Immigration and Refugee Protection Act from incorporating standards and specifications by reference, and would require instead that these standards be reproduced in full text. Incorporation by reference limits unnecessary repetition of technical standards and specifications that have been developed and made available by authoritative external bodies. The effect of the proposed amendment would be to lengthen regulations. It would lead to amendments to regulations whenever technical standards change, and would create an opportunity for discrepancies between regulatory requirements and industry-recognized technical standards.

Thank you, Mr. Chair.

● (1625)

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

We'll vote now on PV-40.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: All those in favour of PV-42?

(Amendment negatived [See *Minutes of Proceedings*])

(Clause 175 agreed to)

(Clause 176 agreed to)

The Chair: We'll thank our officials from the Department of Citizenship and Immigration. Thank you.

We'll move on to division 16, First Nations Fiscal Management Act. This deals with clauses 177 to 205. I do not have any amendments for this division. We'll bring our officials forward from the Department of Aboriginal Affairs and Northern Development Canada.

Colleagues, do you want me to group these clauses?

Some hon. members: Agreed.

The Chair: We'll group clauses 177 to 205.

(Clauses 177 to 205 inclusive agreed to)

The Chair: I want to thank our officials for convincing the committee to carry those unanimously.

We'll bring forward officials dealing with division 17, Canadian Forces Members and Veterans Re-establishment and Compensation Act. I do not have any amendments for clauses 206 to 209.

(Clauses 206 to 209 inclusive agreed to)

(On clause 210)

The Chair: For clause 210 I have NDP-9, NDP-10, NDP-11, PV-43, and PV-44. We'll go to NDP-9 and NDP-10.

Could I have a short explanation because the chair does have a ruling for NDP-9 and NDP-10. I'd like a short explanation.

[*Translation*]

Mr. Raymond Côté: Thank you, Mr. Chair. I will be brief.

Thanks to amendment NDP-9, the minimum benefit would help keep our veterans above the line of poverty. Without sufficient benefits, the situation of our women and men who have bravely served our country could worsen.

Amendment NDP-10 would help increase the retirement income security benefit. In the bill, that benefit actually represents 70% of the money Veterans Affairs Canada receives in financial benefits before the age of 65. The amendment would bring it up to 100%. So we would ensure the financial stability of our veterans as they age.

The Chair: Thank you, Mr. Côté.

[*English*]

I have a ruling that applies to NDP-9 and to NDP-10. These amendments seek to amend Bill C-59, An Act to implement certain provisions of the budget tabled in Parliament on April 21, 2015 and other measures. The amendments would result in an increase in the value of the benefit in question. *House of Commons Procedure and Practice*, second edition, states the following on pages 767 and 768:

> Since an amendment may not infringe upon the financial initiative of the Crown, it is inadmissible if it imposes a charge on the public treasury, or if it extends the objects or purposes or relaxes the conditions and qualifications specified in the royal recommendation.

In the opinion of the chair these two amendments propose to increase the value of the said benefit, which would impose an additional charge on the public treasury. Therefore, I rule these two amendments inadmissible.

We will move to NDP-11, which I do not have a ruling on.

● (1630)

[*Translation*]

Mr. Raymond Côté: Mr. Chair, I'm disappointed by your decision, but I understand it. I hope my colleagues from across the table have listened carefully and will use our proposal themselves. We, the NDP, actually love having our ideas stolen. We have no objection to that.

The goal of amendment NDP-11 is to have the benefits indexed based on the consumer price index once a year. It is one thing for the benefits to be predictable, but it is another for them to follow the cost of living index. That would ensure that the benefits would not decrease over time and as the cost of living index increases. After all, that is a major concern for our veterans. They would not have to worry about increases in the price of their rent, groceries or gas if the benefits they are entitled to increase.

Thank you.

[*English*]

The Chair: Merci. On NDP-11, we'll go to Mr. Cannan, please.

Hon. Ron Cannan: Mr. Chair, I agree that as far as legislation adjusting the registered income security benefit, the RISB, to be in accordance with the consumer price index is concerned, it makes sense, but the drafting conventions and consistency with other regulations within the new Veterans Charter dictate that the indexation of benefits be contained in the regulations. The government intends to index the RISB, as it does other benefits, to the consumer price index. Outlining the criteria in regulations versus legislation also provides the minister with more flexibility to make changes in the future should a better indicator for adjusting rates than the consumer price index be established at some point in the future. Therefore, the government does not support this amendment.

The Chair: Thank you, Mr. Cannan.

We'll go to the vote on NDP-11.

[*Translation*]

Mr. Raymond Côté: I would still like to quickly respond to these remarks.

It's a pity. Ultimately, the members of the governing party and we agree on the fact that it's important to index benefits based on inflation. However, instead of establishing an automatic mechanism that in no way prevents the minister from making improvements or proposing additional enhancements, decisions will be made arbitrarily by the executive. That's really too bad.

[*English*]

The Chair: Merci. We'll vote on NDP-11.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: We'll deal now with PV-43 and PV-44. They are identical, so we'll deal with PV-44.

Mr. Hyer.

Mr. Bruce Hyer: What this amendment is trying to fix is surprising. This amendment seeks to make it so that as veterans age, they don't see a decrease in the funding they receive from the government. It appears that currently in Bill C-59, when veterans reach the age of 65, they will actually receive less money, which makes no sense, as they're looking at increased costs of health care as they age, as we all age.

Thank you.

The Chair: Thank you, Mr. Hyer.

We'll go to Mr. Cannan on this.

Hon. Ron Cannan: Mr. Chair, this amendment would create a new section in the retirement income security benefit that would restrict the regulation-making authority section to require consideration of the veterans's age and needs, and could not result in a decrease in the RISB. This is problematic because in addition to the fact that determining the offset based on age could be discriminatory, a charter violation, Veterans Affairs Canada is already considering the needs of the veteran and his or her family, which are already factored into the current design as the RISB will provide lifelong financial stability for moderately to severely disabled veterans beginning at the age of 65.

● (1635)

The Chair: Thank you, Mr. Cannan.

We'll go to the vote on PV-44.

(Amendment negatived [See *Minutes of Proceedings*])

(Clause 210 agreed to)

The Chair: I don't have any amendments for clauses 211 to 213. May I group these together?

Mr. Brison.

Hon. Scott Brison: I'd like to speak to clauses 212 to 216.

The Chair: Okay, so we'll vote on clause 211.

(Clause 211 agreed to)

(On clause 212)

The Chair: Mr. Brison, on clause 212.

Hon. Scott Brison: Mr. Chair, I'd like to speak to the critical injury benefit.

The establishment of a critical injury benefit is a positive step forward in responding to the needs of those who suffer from severe or traumatic injuries. We're concerned, however, that the criteria are highly restrictive and make no reference to people with post-traumatic stress disorder, which marginalizes them yet again. It excludes those who suffer operational stress injuries and PTSD, unless those injuries are immediately incapacitating.

Evidence shows that these types of injuries often reveal themselves over time, which means that sufferers often won't qualify for the critical injury benefit. Countless veterans have told us that disabling PTSD, traumatic brain injury, or loss of organ function are being lowballed below the $40,000 average lump sum payment for pain and suffering. The critical injury benefit continues to marginalize many veterans who are enduring lifelong disabilities. Therefore, we are proposing an amendment, in fact to clause 214, to address that.

The Chair: Thank you.

(Clauses 212 and 213 agreed to)

(On clause 214)

The Chair: We'll deal with clause 214.

Mr. Brison, you have addressed those clauses generally. I have here four Green Party amendments, two of which are the same.

Mr. Hyer, you can address PV-46 and PV-48, if you want to address them together.

Mr. Bruce Hyer: Yes. It makes sense to put them together.

Starting with PV-46, this amendment seeks to include those veterans who are suffering PTSD by eliminating the requirement for immediacy in symptoms. PTSD often manifests long after the incident that caused the initial trauma. This problem was brought forth to us by the Canadian Legion, including Branch 5 right in my own riding of Thunder Bay—Superior North.

Moving to PV-48, this is the same as PV-46, as well as accounting for the event of multiple incidences that cause injury. For example, PTSD is caused by exposure to extreme violence and repeated violence over a period of time.

The Chair: Thank you, Mr. Hyer.

I have a ruling that deals with PV-45, PV-46, PV-47, PV-48, and LIB-1. These amendments seek to amend Bill C-59, An Act to implement certain provisions of the budget tabled in Parliament on April 21, 2015, and other measures. These amendments would result in a greater number of individuals being eligible for the benefit in question.

House of Commons Procedure and Practice, second edition, states the following on pages 767 and 768:

> Since an amendment may not infringe upon the financial initiative of the Crown, it is inadmissible if it imposes a charge on the public treasury, or if it extends the objects or purposes or relaxes the conditions and qualifications specified in the royal recommendation.

Therefore, in the opinion of the chair, these amendments would increase the eligibility of the said benefit, which would impose an additional charge on the public treasury. Therefore, these amendments are ruled inadmissible.

I will move to NDP-12.

I'll go to Mr. Côté.

● (1640)

[*Translation*]

Mr. Raymond Côté: Thank you, Mr. Chair.

I think that the clerk told you that we have made some changes to the amendment. The changes are very simple. In both the French and the English versions, we would remove from the bill the words “immédiatement” and “immediately”. In the French version of the amendment, since the word “immédiatement” was not included, we are quoting paragraph 44.1(1)(*c*) in its entirety. Without the word “immédiatement”, here is what we have: “... ont entraîné une déficience physique ou psychologique grave et une détéroration importante de sa qualité de vie.” Is that clear for everyone?

Mr. Chair, fortunately, psychological issues have become increasingly less taboo in our society. That is nevertheless still a serious problem for many of our veterans. When the criteria are too restrictive or there is no explicit provision in the legislation, many veterans may lose their right to the proper treatment they should receive.

We have heard testimony where veterans' advocates feared that the new compensation would help only a small number of veterans with physical, but not psychological injuries. Those with psychological problems are excluded through things like overly limiting criteria such as that of a sudden and single incident that caused a severe impairment and interference in their quality of life. Limiting that access will lead to people who truly need support unfortunately not receiving the help they require. That is why I encourage all my colleagues to support this amendment.

[*English*]

The Chair: Merci.

On NDP-12, we'll go to Mr. Cannan.

Hon. Ron Cannan: Mr. Chair, the proposed amendment that Mr. Côté alluded to suggests that eligibility be granted to those who experience “a severe physical or psychological impairment”.

I think to clarify for the committee's sake, the original wording of the bill already included those with psychological impairment, so the amendment is redundant. The addition of the words “physical or psychological”, and the removal of the reference to “severe interference in their quality of life”, could limit eligibility. We would never differentiate between a physical or mental wound. They should be valued and treated equally. Furthermore, the department needs the capacity to evaluate how a condition impacts the veteran's quality of life.

The Chair: Thank you, Mr. Cannan.

We'll go to the vote on NDP-12.

(Amendment negatived [See *Minutes of Proceedings*])

(Clause 214 agreed to)

(Clauses 215 and 216 agreed to)

(On clause 217)

The Chair: We have four amendments, three of which I have a ruling on—something to do with the royal recommendations—but I will allow....

Mr. Brison, do you want to speak to yours as one group?

Hon. Scott Brison: Yes.

The Chair: Okay, as one group.

Hon. Scott Brison: Mr. Chair and members of the committee, while the family caregiver relief benefit is a modest step in the right direction, it doesn't adequately compensate a spouse, a family member, or a friend who has to give up potentially full-time employment to become a caregiver. At $7,238 the family caregiver relief benefit falls short of, for instance, the Canadian Armed Forces attendant care benefit, which actually provides $36,500. Providing a family caregiver with $7,238 does not adequately reflect the sacrifice inherent in someone abandoning their own career to become a full-time caregiver.

We have four amendments that would increase the family caregiver relief benefit to match the Canadian Armed Forces attendant care benefit under the compensation and benefit instructions, article 211.04, which pays up to $36,500 over any 365 cumulative days to spouses or family members of disabled veterans to compensate for lost income. It would equalize the treatment of caregiving, within the context of civilians, with those of Canadian Armed Forces personnel or veterans.

● (1645)

The Chair: Thank you, Mr. Brison.

I'll do the ruling on LIB-2, and then we'll go to LIB-3.

For LIB-2, the amendment seeks to amend Bill C-59. This amendment would result in a greater number of individuals being eligible for the benefit in question.

House of Commons Procedure and Practice, second edition, states the following on pages 767 and 768:

> Since an amendment may not infringe upon the financial initiative of the Crown, it is inadmissible if it imposes a charge on the public treasury, or if it extends the objects or purposes or relaxes the conditions and qualifications specified in the royal recommendation.

Therefore, in the opinion of the chair, the amendment would increase eligibility to said benefit, which would impose an additional charge on the public treasury. Therefore, I rule the amendment inadmissible. That applies to LIB-2.

LIB-3 is admissible, so if anyone would like to speak further to LIB-3....

Mr. Cannan, please.

Hon. Ron Cannan: Thank you, Mr. Chair.

Really briefly, the proposed amendment qualifies who can provide the veteran's ongoing care. The legislation as drafted is less restrictive and already allows for the scenarios proposed in the amendment. As such, the proposed amendment is redundant.

The Chair: Thank you, Mr. Cannan.

We'll vote on amendment LIB-3.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: I have a ruling. Amendments LIB-4 and LIB-5 are consequential to each other, so I'm foreshadowing my ruling on LIB-5, but I will read the ruling on LIB-4.

This amendment seeks to amend Bill C-59. The amendment would result in an increase in the value of the benefit in question. *House of Commons Procedure and Practice,* , second edition, states on pages 767-8:

> Since an amendment may not infringe upon the financial initiative of the Crown, it is inadmissible if it imposes a charge on the public treasury, or if it extends the objects or purposes or relaxes the conditions and qualifications specified in the royal recommendation.

In the opinion of the Chair, the amendment proposes to increase the value of the said benefit that would impose an additional charge on the public treasury, and therefore, I rule the amendment inadmissible. This applies to LIB-4. It also applies to NDP-13.

Does the NDP wish to address clause 217 in general?

Monsieur Côté.

[*Translation*]

Mr. Raymond Côté: This is similar to what I did for the previous amendment. Amendment 13 is related to amendment 14, and its purpose is to really give family caregivers the means to provide dignified support to veterans with significant struggles. I hope that the members of the governing party will consider this suggestion. I have to admit that I think the government's proposal is a positive first step. However, we are reaching out to the government to take another step. We should establish a real system to support all veterans and especially to help family caregivers and ensure that the system is cohesive and strong enough, in a tangible way, to ensure a dignified existence for all parties involved.

Those are my thoughts on the topic.

The Chair: Thank you, Mr. Côté.

[*English*]

On this clause—

Hon. Ron Cannan: We're on clause 217. Is that right?

The Chair: We've dealt with the amendments, so now we're on clause 217.

Mr. Cannan, you can speak to it or not. It's up to you.

Hon. Ron Cannan: No, it has been ruled out of order.

● (1650)

The Chair: Yes, both LIB-4 and NDP-13 are inadmissible

Hon. Ron Cannan: That's fine.

The Chair: Okay.

(Clause 217 agreed to)

The Chair: Colleagues, I don't have any amendments for clauses 218 to 224. May I group them together?

Some hon. members: Agreed.

(Clauses 218 to 224 inclusive agreed to)

(On clause 225)

The Chair: We have amendments NDP-14 and LIB-5 before us.

I have the same royal recommendation ruling on both. Would you like me to read from *House of Commons Procedure and Practice* again?

Mr. Murray Rankin: Read it to us again, please.

The Chair: Perhaps we can take those rulings as read into the record.

Amendments NDP-14 and LIB-5 are inadmissible for the royal recommendation reason given previously. Is there any discussion on clause 225?

[*Translation*]

Mr. Côté, go ahead.

Mr. Raymond Côté: Mr. Chair, the ball is in the court of the members of the governing party. They could very well take the initiative themselves, as I understand your decision very well. We at the NDP would be happy to have this proposal stolen from us.

Thank you.

The Chair: Thank you, Mr. Côté.

[*English*]

(Clause 225 agreed to)

The Chair: I do not have any amendments on clauses 226 to 229.

(Clauses 226 to 229 inclusive agreed to)

The Chair: We'll thank our official from Veterans Affairs. Thank you very much, Mr. Butler.

We will now go to division 18. On division 18, Ending the Long-Gun Registry Act, we have clauses 230 and 231.

We'll bring officials forward from the Department of Public Safety and Emergency Preparedness. Welcome back to the committee, gentlemen.

(On clause 230)

The Chair: On clause 230, we have three amendments, PV-49 and PV-50, which are identical, and LIB-6.

We'll go first to Mr. Hyer for PV-50.

Mr. Bruce Hyer: It might make sense for me to do them together, those being PV-50 and PV-52.

The Chair: Sure. You can absolutely do that, yes.

Mr. Bruce Hyer: This is on PV-50. This is a quote from Brent Rathgeber's blog:

> Amazingly, Division 18 of Part 3 amends the Access to Information Act and the Privacy Act to state that they do not apply to records and copies of records that were destroyed under the Ending the Long-gun Registry Act. This provision is made retroactive to October 25, 2011 (the day on which the Ending the Long-gun Registry Act was introduced into Parliament).
>
> This is quite extraordinary. It is alleged that while Parliament was debating ending the long gun registry, the RCMP proactively began destroying documents. If this provision passes, the RCMP members would be immune from prosecution based on the retroactive enforcement provision.

According to Mr. Rathgeber he was and still is totally opposed to the long-gun registry, but this disregard and disrespect for Parliament is infuriating.

This amendment changes the date for coming into force to the date of royal assent, instead of first reading.

Bill C-59 tries to make anyone who destroys the records from the long-gun registry immune from prosecution. This amendment adds "the lawful" to only make those who did it legally be immune. It also deletes the section granting immunity to people who destroyed the records between first reading and royal assent. On this one, Mr. Rathgeber and I are in agreement.

The Chair: Thank you, Mr. Hyer.

Mr. Van Kesteren on PV-50, and you can respond on PV-52 as well, if you want.

Mr. Dave Van Kesteren (Chatham-Kent—Essex, CPC): Okay.

Mr. Chair, these amendments should not be supported. The government's intent in the ending of the Long-gun Registry Act is to ensure the long-gun registry is destroyed. These changes to the Ending the Long-gun Registry Act would help the government to fully recognize this long-standing commitment.

In regard to PV-50, the government made known its intent to destroy the long-gun registry records on the date the Ending the Long-gun Registry Act was tabled, being October 25, 2011.

In regard to PV-52, we have the same reasons that this should not be supported. The government intends in clause 231 to ensure that the crown and the crown servants do not face potential liability for carrying out the will of Parliament to destroy the long-gun registry records required in subsections 29(1) and 29(2) of the Ending the Long-gun Registry Act, nor should they face potential liability for actions they may have taken during the period when the Access to Information Act and the Privacy Act would have been understood to have applied.

● (1655)

The Chair: Thank you, Mr. Van Kesteren.

We'll do the vote on PV-50.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: We'll now go to LIB-6.

Mr. Brison, do you wish to speak to that?

Hon. Scott Brison: Yes, I'd like to speak broadly to clauses 230 and 231.

At the briefing for parliamentarians which took place on May 11, an official was asked explicitly what the motivation was behind this division. The response was that it was "in response to recent developments". Only when the official was pressed on the nature of these recent developments did the official admit that it was related to an access to information investigation. It took two more days before we learned through a media report that the Information Commissioner hadn't just undertaken an investigation, but she had found evidence that suggested the RCMP had broken the law, and referred the matter to the Attorney General.

Why weren't officials more forthcoming about these events in the briefing to MPs on May 11?

Mr. Mark Potter (Director General, Policing Policy Directorate, Law Enforcement and Policing Branch, Department of Public Safety and Emergency Preparedness): Thank you for the question.

As I believe Mr. Brison knows, I was the one who made those comments on that date.

Hon. Scott Brison: Then why weren't you more forthcoming? I'll reword that.

Mr. Mark Potter: The intent there was to be entirely transparent with parliamentarians and to share with them the exact reasons as to why this omission had been identified, and that it was in respect of an access to information request and that was conveyed to parliamentarians on that day.

Hon. Scott Brison: This morning I asked the RCMP whether they expected division 18 of Bill C-59 would effectively terminate the OPP's criminal investigation into the RCMP. The RCMP suggested we ask Justice officials. Can you answer that question?

Mr. Mark Potter: I think it is for the courts to make their own decisions as to when they review the laws in place at any time to determine whether a process should continue or not.

Hon. Scott Brison: Does the government have an opinion? You can certainly offer an opinion as to whether or not the passage of Bill C-59 would result in the termination of the OPP's investigation.

Mr. Mark Potter: I wouldn't speak specifically to that particular investigation.

I think the intent of this set of amendments is very clear, to comprehensively address the second core objective of the Ending the Long-gun Registry Act, which is to ensure its destruction in the privacy interests of those individuals who possess long guns, and that these amendments attempt to comprehensively address that objective by ensuring that no other act of Parliament would undermine that core objective.

Hon. Scott Brison: Mr. Chair and members of the committee, when the government, the Conservatives, wrote the Ending the Long-gun Registry Act, there was an error in that they seemed to ignore, or forget, the Access to Information Act. That error in drafting meant that the registry couldn't be destroyed as quickly as the Conservatives wanted it to be destroyed.

Instead of going back to Parliament to fix the mistake, someone actually in the government seems to have ordered the RCMP to break the law and destroy the records. The RCMP is now under investigation by the Ontario Provincial Police for this. *Maclean's* has reported, for instance, that the OPP has confirmed to reporter Aaron Wherry that the investigation is active as of Tuesday of this week. The Information Commissioner, an officer of Parliament, is taking the matter to court.

The Conservatives are using this bill to stop the police investigations, stop the court action, and effectively retroactively make legal that which was illegal at the time. They are destroying any evidence of actions which at the time may have been criminal. So we will never know potentially who ordered what directive or who provided a directive to the RCMP to do what resulted in potentially breaking the law.

It's possible for, for instance, Mr. Rathgeber among others who have a position of opposition to the long-gun registry, to be concerned about this abuse of power, this cover-up. It's not a question of whether one supports or does not support the long-gun registry. It's a question certainly of transparency, certainly of the public's right to know and access to information, which is pretty fundamental to our Parliament, to our Constitution. It also speaks to a pretty flagrant abuse of power.

I have three amendments to allow the criminal investigation to continue so that Canadians can find out what happened and who potentially broke the law.

My first two amendments would stop the destruction of evidence and would protect records from being destroyed "if there are reasonable grounds to believe that they could afford evidence of an act or omission that constitutes an offence under an Act of Parliament."

My third amendment would delay the coming into force provision of this division so that the OPP investigation could continue. Again, it's aimed specifically at an ongoing police investigation of the OPP. I think it's very reasonable.

Again, it's frustrating because among members of this committee our expertise tends to be around fiscal framework issues and we're asked to opine and participate in debates and ultimately vote on measures in an omnibus bill on issues outside of our typical daily expertise.

I believe that this amendment makes a great deal of sense and would restore some semblance of respect for the law and our proceedings. I don't think any member of this committee, including Conservative members, would want to be complicit with what would appear on the surface to be a pretty flagrant abuse of power. They would probably share Mr. Rathgeber's concerns, notwithstanding their position on the long-gun registry. This is quite distinct from that, so I would hope that we can count on their support as well.

● (1700)

This is not a vote on the long-gun registry. This is simply around ensuring that we respect access to information and that we are not complicit in the shutting down of a police investigation.

The Chair: Thank you.

[*Translation*]

Mr. Caron, go ahead.

Mr. Guy Caron: Thank you, Mr. Chair.

I have a few questions. The witnesses will forgive me if they have already answered them, but I am not a permanent member of the committee.

I would like to know whether you have looked at this issue or asked for a legal opinion from the Department of Justice regarding the constitutionality of a retroactive decision during an ongoing police investigation specifically on the issue covered by the amendment or the bill. Do you have a legal opinion from the Department of Justice on the issue?

● (1705)

[*English*]

Mr. Mark Potter: It is standard practice in introducing any new legislation by the government to engage in a process of consultation and analysis with the Department of Justice once the policy intent is established and indeed confirm with the Department of Justice that the law being brought forward is constitutional, and that happened in this case.

Mr. Guy Caron: Could you name for us one precedent for this having happened in the past, when the ruling government decided to move forward a modification to a statute affecting an issue on which there was an investigation? Did that ever happen in the past?

Mr. Mark Potter: My primary area of responsibility is policing policy and firearms policy, so I would have no direct knowledge of other acts in other areas that might have involved these provisions.

My colleague may wish to comment.

Mr. Robert Abramowitz (Counsel, Department of Justice, Department of Public Safety and Emergency Preparedness): I have no information about that either.

[*Translation*]

Mr. Guy Caron: Was that precedent included in the legal advice you requested from the Department of Justice?

[*English*]

Mr. Mark Potter: Yes, that would have been the case. That would have been part of the legal analysis. But I would say that this is a unique situation in which retroactivity is required to realize the core objective of the Ending the Long-gun Registry Act and to destroy that data and ensure that no other act of Parliament thwarts that objective.

[*Translation*]

Mr. Guy Caron: How do you define the will of Parliament as expressed by the government?

[*English*]

Mr. Mark Potter: There were two key moments, as I believe you are aware. There was the introduction of the bill in October 2011 by the government. That indicated the government's intent. Then when it came into force in April 2012, it expressed the will of Parliament.

Mr. Guy Caron: Couldn't we say that the will of Parliament was also expressed by Parliament when it voted on it, while it excluded the...? It didn't actually mention or describe the issue of the access to information request that was under way. If the will of Parliament had been to drop the request, it could have been voted upon in that way. The will of Parliament was very incomplete, in the sense that the government wants to actually proceed with it.

Mr. Mark Potter: I can't speak to the perspectives of parliamentarians at that time. What I can assure the members here today is that there was the recognition of an omission. Hindsight is always 20/20.

The original intent in 2011 in drafting this bill was very clearly to ensure that no other act of Parliament would undermine the objective of destroying the data. It became clear with the passage of time that the legislation, drafted in the manner it was, which was passed in the spring of 2012, did not effectively achieve that objective, and doing so is the purpose of these amendments.

[*Translation*]

Mr. Guy Caron: In my opinion, we cannot extrapolate Parliament's will based on what the government would like it to be. The will of Parliament was expressed in a vote that was held in the House. Nothing mentioned an exclusion from the access to information process. If Parliament had wanted to do something in that regard at that time, it would have spoken. However, that question was not specified in what was passed by Parliament. And so we cannot presume that the will of Parliament was to put an end to this access to information process.

[*English*]

The Chair: Mr. Rankin, please.

Mr. Murray Rankin: Chair, are we debating simply the Liberal amendment at this stage or the major point, the clause itself?

The Chair: The chair is being flexible in allowing debate on the general clause.

Mr. Murray Rankin: I want to participate in the debate on the main clause, if you will—

The Chair: You can always come back to it, or you can do it now.

Mr. Brison spoke to his three amendments as one.

Mr. Murray Rankin: In general, I think Mr. Brison spoke very eloquently when he used words like “abuse of power” and “cover-up”, and points out that this precedent is not about the long-gun registry at all. Our independent officer of Parliament, Suzanne Legault, the Information Commissioner, claims this is a “dangerous precedent" for Canadian democracy. She says that the Conservative government has created what she terms a legislative "black hole”, and she is filing a preservation order in the Federal Court against the government and the RCMP to prevent the government from destroying these records, because she has an obligation as an officer of Parliament to enforce our quasi-constitutional Access to Information Act.

This is an Orwellian attempt to do something that may be legal on its face, but is so contrary to the principles and spirit of the rule of law that I've received so many calls and emails from administrative and constitutional lawyers asking what they could possibly be doing, how could they bury this in an omnibus budget bill, and that what's going on here is simply outrageous.

● (1710)

The Chair: Okay, thank you.

I'll go to Mr. Brison, and then to Mr. Van Kesteren.

Hon. Scott Brison: I add further that the challenge we have is that this is a very troubling section of the bill in a committee that is...I don't want to say it's ill-equipped, but this is not our purview as a committee. Even the degree to which Mr. Caron's questions about precedents.... And this is not to be disrespectful to either of you two, but if we had more time, we could have officials from Justice who would be better able to answer those questions.

You have a provincial police investigation into the RCMP over this. You have the Information Commissioner launching action. This ought not to be treated as routine by our committee. Simply stated, these amendments simply enable, first of all, the criminal investigation to continue, which I think is really important, and stop any further destruction of evidence if there are reasonable grounds that it could afford evidence of an act or omission that constitutes an offence under an act of Parliament and simply delay the coming into force provision of this division, such that the OPP can continue to investigate. I think there are members of this committee who may have some police experience and may understand the importance of that.

To be complicit, for all intents and purposes, in the destruction of evidence that is material to an ongoing police investigation does not seem...it's simply not right. It's disrespectful of the law. I don't think that, as Parliament, we ought to be, individually or collectively, engaged in thwarting the law.

The Chair: Mr. Van Kesteren, please.

Mr. Dave Van Kesteren: Mr. Chair, the member's right. There are a number of members who have previously been involved with the police forces, and they're all on the government side. There are probably about 12 of them, and I think they all agree that—

Hon. Scott Brison: Bill Blair may be....

Mr. Dave Van Kesteren: That's another hypothetical situation. What we're talking about is hypothetical situations; you're absolutely right, assumptions.

It is obvious what the government's intent was in ending the long-gun registry. There's never been any question about that. Furthermore, these changes to the Ending the Long-gun Registry Act will help the government to fully realize this long-standing commitment, and that is really what this is about. The government will not accept this proposed amendment that is based on hypothetical situations and assumptions of the outcome of the investigation, and therefore this amendment should not and will not be supported.

The Chair: Do you want to go further, Mr. Brison? After we'll have Monsieur Caron.

Hon. Scott Brison: I want to make the point that the OPP investigation into the actions of the RCMP is not a hypothetical situation. The officer of Parliament, the Information Commissioner, her actions are not hypothetical—they're very real—and we ought not to take action here that would deny them from proceeding. It's not respectful of the rule of law, frankly, what we seem to be en route to doing here.

● (1715)

The Chair: Thank you.

Monsieur Caron.

[*Translation*]

Mr. Guy Caron: Those are precisely the points I wanted to raise. We are not talking about a hypothetical situation, but about a factual situation that exists right now. With this measure, the government is creating direct interference in a police investigation. We are not talking about a hypothetical question, but rather about a matter of actual fact.

[*English*]

The Chair: We'll do the vote on LIB-6, please.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: All in favour of clause 230?

Do you want a recorded vote on 230—

[*Translation*]

Mr. Guy Caron: Mr. Chair, I request a recorded vote.

[*English*]

The Chair: —or to speak to 230?

Mr. Murray Rankin: We were only addressing the amendment, I think. Is that correct, Chair?

The Chair: To clause 230.

Mr. Murray Rankin: I am finding it remarkable. We had witnesses here today who could cite no precedent for this. We have an independent officer of Parliament who has termed this a "dangerous precedent". We have Conservative talking points saying that all this is doing is closing a loophole and following the will of Parliament, and we have a statute that the Supreme Court of Canada has called "quasi-constitutional". It's called the Access to Information Act.

She wants to do her job. The government is taking away her ability to do the job and it could, as she has pointed out, set up a possibility for cover-ups of future scandals. We might never have known some of the scandals in the past that have been unearthed if the government can just go back and erase them, put them down the legislative black hole, the memory hole—all gone now, no records, no problem, and we move on.

This is astounding in a democracy and what's even more outrageous is it's being snuck into the end of another omnibus budget bill. I am absolutely outraged. My constituents are outraged. This is anti-democratic in the extreme.

The Chair: Thank you, Mr. Rankin.

Monsieur Côté.

[*Translation*]

Mr. Raymond Côté: Mr. Chair, I am looking at my colleagues. They don't have to act like those who followed Reverend Jones and drank his Kool-Aid. The government is speed-walking into a wall, head first. It is nurturing the seeds of its own self-destruction. I cannot prevent them from blindly following the wishes of the Prime Minister's Office, but what we are observing right now is absolutely incredible. That is the only simple warning I wanted to give them.

[*English*]

The Chair: We'll do the vote on clause 230.

Do you want a recorded vote?

Mr. Raymond Côté: Yes, I want a recorded vote.

(Clause 230 agreed to: yeas 5; nays 4)

(On clause 231)

The Chair: We'll move to the vote on PV-52.

Mr. Hyer spoke to it already.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: We'll vote on LIB-7.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: On clause 231, do you want a recorded vote?

An hon. member: Yes.

(Clause 231 agreed to: yeas 5; nays 4)

The Chair: We have a new clause 231.1. That's LIB-8. We'll do the vote on that.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: I thank our officials from Public Safety.

Colleagues, I'm going to take a health break here and we'll come back in five minutes.

Thanks.

● (1720)

(Pause)

● (1725)

The Chair: I call this meeting back to order. We will return to our consideration of Bill C-59.

We will move to division 19.

(On clause 232)

The Chair: We have one amendment for this division. I'm sure it will not be a surprise, but I have a ruling on that amendment.

We have NDP-15. We'll let Mr. Rankin speak briefly to that, and then I will have a ruling.

Mr. Murray Rankin: No, that's fine. I think it was Mr. Caron who was going to do that, sorry.

If you have a ruling that it's out of order, why don't you just give us that ruling?

The Chair: Sure. The ruling is that this amendment seeks to amend section 440 of the Bank Act. As *House of Commons Procedure and Practice*, second edition, states on pages 766-7, "an amendment is inadmissible if it proposes to amend a statute that is not before the committee or a section of the parent Act, unless the latter is specifically amended by a clause of the bill." Since section 440 of the Bank Act is not being amended by Bill C-59, it is therefore the opinion of the chair that the amendment is inadmissible.

That deals with NDP-15.

Shall clauses 232 to 252 carry?

An hon. member: On division.

(Clauses 232 to 252 agreed to on division)

The Chair: Thank you so much for being with us. I hope you enjoyed the proceedings.

We'll ask the officials from Treasury Board to come forward to deal with division 20. This deals with sick leave and disability programs. This is the final division in the bill. We'll welcome our officials back to the committee.

(On clause 253—*Definitions*)

The Chair: Monsieur Caron.

● (1730)

[*Translation*]

Mr. Guy Caron: This morning, we heard witnesses make a presentation. It is clear to us that the provisions contained in clause 20 of part 3 constitute another formal attack by the government against workers' access to free and fair collective bargaining.

After a series of legal decisions that confirmed that access to free and equitable collective bargaining is guaranteed by the charter, it seems unlikely that these legislative measures will survive a legal challenge, just like the retroactive changes to the long-gun registry provisions that were recently the object of a decision.

And this is not the first time. I remember that when I used to sit on this committee, there was another provision we felt was contrary to the Constitution, that had to do with a retroactive amendment to the rules governing the appointment of Quebec judges to the Supreme Court. We had warned the government that that provision was unconstitutional, and it was deemed to be so by the Supreme Court. So we have been here before.

Once again, this decision will clearly be the object of a court challenge, since it really runs counter to the spirit of the legislation and the Constitution. The decision by several unions to leave the negotiating table following the introduction of this legislation is symptomatic of the toxic approach Conservatives have to collective bargaining.

This matter is important. I think that the witnesses from the unions recognized that as well. However, it has to be negotiated in good faith in the framework of a collective bargaining process. That is clearly not the case at this time. The government is attempting to force the adoption of provisions that should be freely negotiated. So there is no way we are going to support this provision.

The Chair: Okay.

Thank you, Mr. Caron.

[*English*]

We're still dealing generally with the division.

On clause 253, we'll go to Mr. Brison.

Hon. Scott Brison: Mr. Chair and members of the committee, we share Mr. Caron's concern that measures in this division may in fact be unconstitutional.

The federal government and its unions for public servants ought always to be looking for ways to improve the sick leave and disability plans for mutual benefit. We know, the Liberals know, that sick leave is a benefit that was actually negotiated at the bargaining table with public service unions. If the government or a union wants to change that benefit, there's a way to do that. It's through consultation and negotiation at the bargaining table. This is the only way to ensure the resulting sick leave system will be fair to both employers and to taxpayers.

Instead of doing that, the government is circumventing the established collective bargaining process to unilaterally impose changes to sick leave and disability. What they're doing is purely politics. They're trying to pick a fight with the public service unions like Mike Harris did when he was in Ontario, and they're pitting the general public against the public service unions.

When I was minister of public works, we had 14,000 employees and there were certain issues that were of contention between our department and the unions, but we worked through them. We worked with members of the public service. We didn't always agree, but we were respectful.

I can tell you that if you want to get good work and expect good work and results from public servants, it's hard to do that if you create a situation that reduces the morale within the public service to the extent that it has reached now under this government. Even the verbiage used on the floor of the House by the President of the Treasury Board when he is talking about the public service.... It really undermines the productivity of government to take steps gratuitously that poison labour relations with major public service unions. This is distinct from the issue of specific changes to the sick leave policy.

If the government believes that this is the right way to go, then the government should address it through negotiation with the labour unions. That's the way to do it. It's not through an omnibus budget bill that circumvents the well-established collective bargaining process that exists and actually for the most part I think has worked quite well. What the government is doing now will actually make it harder to achieve labour agreements in the future with public service unions.

I think that outlines our concerns.

● (1735)

The Chair: Thank you, Mr. Brison.

We'll deal with clause 253 first.

An hon. member: A recorded vote.

(Clause 253 agreed to: yeas 5; nays 4)

(On clause 254—*Sick leave*)

The Chair: We have PV-53 and PV-54. They are identical.

We'll go to Mr. Hyer, briefly, on PV-54.

Mr. Bruce Hyer: I have a suggestion, Mr. Chair, and that is that I speak to PV-54, PV-56, and PV-58 briefly all at once and then you can deal with them as you see appropriate.

The Chair: Okay.

Mr. Bruce Hyer: Building on what Mr. Brison said, it's very clear to me and the Green Party of Canada that, whether it's based on ideology or some sort of strategy, the government is trying to pick a fight with unions.

Our amendments try to deal with getting around the incredible anti-labour position taken here, which is attempting to circumvent unions and our obligations under the Public Service Labour Relations Act. Incredibly, Bill C-59 imposes the government's bargaining position on public service unions before they ever even have the chance to sit down and negotiate.

It's not the right thing to do. It's not the smart thing to do. I really hope the government will rethink this part of the bill.

The Chair: Thank you.

Mr. Saxton, you can address all of those amendments together, if you wish.

Mr. Andrew Saxton: We're on division 20, clause 254. Is that correct?

I just want to say that the government continues to negotiate with bargaining agents and is prepared to consider reasonable improvements to its tabled proposals. In the event that after all reasonable attempts have been made it is impossible to reach a negotiated outcome, the government will need to have alternative options available.

Revising lines 16 and 17 of clause 254 would take away the government's ability to consider alternative options to modernize sick leave provisions in the event an agreement cannot be reached within a reasonable timeframe. Taking away this flexibility would prevent the government from addressing the health and well-being of employees who do not have sufficient banked sick days to get them through to long-term disability.

This is a consequential amendment directly tied to the previous proposal and as such, it cannot be accepted. Moreover, accepting this change would lead to a range of different sick leave regimes across the core public administration. This would undermine the government's intent to be fair to both employees and taxpayers. Multiple regimes are inefficient and expensive for taxpayers while being inequitable for employees.

That was in relation to the suggestion in paragraph (b).

That's all I have for clause 254.

● (1740)

The Chair: Thank you, Mr. Saxton.

We'll go to the vote on PV-54.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: We'll vote on clause 254.

An hon. member: A recorded vote.

(Clause 254 agreed to: yeas 5; nays 4)

The Chair: Colleagues, I don't have any amendments on clauses 255 to 259. May I group those together?

Some hon. members: Agreed.

The Chair: It will be a recorded vote which applies to clauses 255 to 259.

(Clauses 255 to 259 inclusive agreed to: yeas 5; nays 4)

The Chair: We'll go to clause 260 and to the vote on PV-56.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: It will be a recorded vote on clause 260.

(Clause 260 agreed to: yeas 5; nays 4)

The Chair: May I group together clauses 261 to 266?

Some hon. members: Agreed.

The Chair: There will be a recorded vote that applies to all of those clauses.

(Clauses 261 to 266 inclusive agreed to: yeas 5; nays 4)

The Chair: We will go to clause 267, and we'll go to the vote on PV-58.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: May we apply the recorded vote to clauses 267 to 272?

Some hon. members: Agreed.

The Chair: Mr. Saxton, do you want to address that?

Mr. Andrew Saxton: Is the proponent of PV-57 and PV-58 going to speak to them?

The Chair: He spoke to all of his amendments together.

Mr. Andrew Saxton: I'd like to speak to this one.

The Chair: You can speak to this one.

(On clause 267—*Modifications*)

Mr. Andrew Saxton: The government continues to negotiate with bargaining agents and is prepared to consider reasonable improvements to its tabled proposal regarding the short-term disability program. In the event that, after all reasonable attempts have been made, it is impossible to reach a negotiated outcome, the government will need to have alternative options available.

In the event that a new short-term disability plan is established, this proposed revision would take away the government's ability to align the coverage period for a short-term plan with the waiting period of the long-term disability programs.

That is for clause 267.

The Chair: Thank you.

Colleagues, we voted on PV-58, and that was defeated, so we're now on clauses 267 to 272. We'll have a recorded vote that applies to all of them.

(Clauses 267 to 272 inclusive agreed to: yeas 5; nays 4)

The Chair: We're on clause 273 and we're at PV-60. This is deemed moved.

(Amendment negatived [See *Minutes of Proceedings*])

The Chair: There will be a recorded vote on clause 273.

(Clause 273 agreed to: yeas 5; nays 4)

The Chair: Shall schedule 1 carry?

Some hon. members: Agreed.

An hon. member: On division.

The Chair: Shall schedule 2 carry?

Some hon. members: Agreed.

An hon. member: On division.

The Chair: Shall the short title carry?

Some hon. members: Agreed.

An hon. member: On division.

The Chair: Shall the title carry?

Some hon. members: Agreed.

An hon. member: On division.

The Chair: Shall the bill carry?

Some hon. members: Agreed.

An hon. member: On division.

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

Some hon. members: Agreed.

The Chair: Thank you, colleagues.

On behalf of the entire committee, I want to thank all of the officials, our interpreters, and all the House of Commons officials and staff who helped during the proceedings on the bill. Thank you so much.

This meeting is adjourned.